

Company No 08680755

The Companies Act 2006

PUBLIC COMPANY LIMITED BY SHARES

ORDINARY AND SPECIAL RESOLUTIONS

of

ROYAL MAIL PLC

(Passed on 24 July 2014)

At the first Annual General Meeting of the above named company duly convened and held at Hall 3, The National Exhibition Centre, Birmingham, B40 1NT on 24 July 2014, the following resolutions were duly passed as ordinary and special resolutions of the Company respectively

#### Ordinary Resolutions

- 1 That the reports of the Directors and Auditors and the audited accounts for the financial year ended 30 March 2014 be received
- 2 That the Directors' Remuneration Policy, the full text of which was contained in the Remuneration Report for the financial year ended 30 March 2014, as set out on pages 59 to 63 of the Annual Report and Financial Statements, be approved
- 3 That the Directors' Remuneration Report (excluding the Directors' Remuneration Policy set out on pages 58 to 69 of the Annual Report and Financial Statements) for the financial year ended 30 March 2014 be approved
- 4 That the final dividend recommended by the Directors of 13 3 pence per share for the year ended 30 March 2014 be paid on 31 July 2014 to all members whose names appear on the Register of Members on 4 July 2014
- 5 That Donald Brydon, CBE be elected as a Director of the Company
- 6 That Moya Green be elected as a Director of the Company
- 7 That Matthew Lester be elected as a Director of the Company
- 8 That John Allan be elected as a Director of the Company
- 9 That Nick Horler be elected as a Director of the Company
- 10 That Cath Keers be elected as a Director of the Company
- 11 That Paul Murray be elected as a Director of the Company
- 12 That Orna Ni-Chionna be elected as a Director of the Company



THURSDAY

- 13 That Les Owen be elected as a Director of the Company
- 14 That Ernst & Young LLP be appointed as Auditors of the Company, to hold office until the conclusion of the next General Meeting at which accounts were laid before the Company
- 15 That the Directors be authorised to determine the remuneration of the Auditors
- 16 That, in accordance with section 366 of the Companies Act 2006 ('the Act'), the Company and any company which at any time during the period for which this resolution has effect, is a subsidiary of the Company is now or becomes a subsidiary of the Company at any time during the period during which this resolution has effect, be authorised to
- (a) make donations to political parties and/or independent election candidates not exceeding £50,000,
  - (b) make political donations to political organisations, other than political parties not exceeding £50,000, and
  - (c) incur political expenditure not exceeding £50,000
- as such terms are defined in Part 14 of the Act during the period beginning on the date of the passing of this resolution and ending on the date of the Company's next Annual General Meeting, provided that the aggregate expenditure under paragraphs (a), (b) and (c) shall not exceed £50,000 in total
- 17 That the rules of the Royal Mail Group Long Term Incentive Plan ('the Plan') referred to in the notice of the Meeting (the 'Notice') and produced in draft to the meeting and, for the purposes of identification, initialled by the Chairman, be approved and the Directors be authorised to
- (a) make such modifications to the Plan as they may consider appropriate for the implementation of the Plan and to adopt the Plan as so modified and to do all such other acts and things as they may consider appropriate to implement the Plan, and
  - (b) establish further plans based on the Plan but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the Plan
- 18 That the rules of the Royal Mail plc Savings-Related Share Option Scheme 2014 (the 'SAYE Scheme'), the principal features of which were summarised in the Notice and produced in draft to the meeting and initialled by the Chairman for the purposes of identification, be approved and that the Directors be authorised to
- (a) do all things necessary to operate the SAYE Scheme, including making such modifications as the Directors consider appropriate to ensure that the SAYE Scheme complies with the requirements of Schedule 3 Income Tax (Earnings and Pensions) Act 2003, and

- (b) establish such further plans for the benefit of employees overseas based on the SAYE Scheme, subject to such modifications as may be necessary or desirable to take account of overseas securities laws, exchange control requirements and tax legislation, provided that any ordinary shares of the Company made available under such further plans are treated as counting against any limits on individual participation or overall participation in the SAYE scheme

19 That the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company

(a) up to an nominal amount of £3,333,333, and

(b) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to nominal amount of £6,666,666 (such amount to be reduced by any allotments made under paragraph (a) above) in connection with an offer by way of a rights issue,

(i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings, and

(ii) to holders of other equity securities (as defined in section 560 of the Act), as required by the rights of those securities or, subject to such rights as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangement which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory, or practical problems in, or laws of, any territory or any matter

The authorities conferred on the Directors to allot securities under paragraph (a) and (b) will expire on the date of the AGM of the Company to be held in 2015 or on 31 July 2015 whichever is sooner, (unless previously renewed, varied or revoked or varied by the Company at a general meeting) The Company may before these authorities expire, make an offer or enter into an agreement which would or might require relevant securities to be allotted after they expire and the Directors may allot relevant securities in pursuance of that offer or agreement as if the power conferred by this resolution had not expired

### **Special Resolutions**

20 That, subject to the passing of Resolution 19, the Directors be given powers to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment, provided that such power to be limited

(a) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of resolution 19 above, by way of a rights issue

only)

- (i) to ordinary shareholders in proportion (as nearly as may be practicable to their existing holdings), and
- (ii) to holders of other equity securities as required by the rights of those securities or, as the Directors may otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or laws of, any territory or any matter, and

- (b) in the case of the authority granted under paragraph (a) above and/or in the case of any equity securities up to an aggregate nominal value of £500,000

The authorities conferred on the Directors to allot securities under paragraph (a) and (b) will expire on the date of the AGM of the Company to be held in 2015 or on 31 July 2015 whichever is sooner (unless previously renewed, varied or revoked or varied by the Company at a general meeting) The Company may before these authorities expire, make an offer or enter into an agreement which would or might require relevant securities to be allotted (and treasury shares to be sold) after they expire and the Directors may allot relevant securities and sell treasury shares in pursuance of that offer or agreement as if the power conferred by this resolution had not expired

- 21 That a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice
- 22 That the Company be and is hereby unconditionally and generally authorised for the purpose of section 701 of the Companies Act 2006 to make market purchases (as defined in section 693 of the Act) of ordinary shares of 1 pence each in the capital of the Company on such terms and in such manner as the Directors may determine provided that
  - (a) the maximum number of shares which may be purchased is 100,000,000,
  - (b) the minimum price (exclusive of expenses) which may be paid for each share is its nominal value,
  - (c) the maximum price (exclusive of expenses) which may be paid for an ordinary share shall not be more than the higher of (i) an amount equal to 105 per cent of the average middle market quotations for an ordinary share, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which the ordinary share is purchased and (ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System ("SETS"), and
  - (d) this authority shall expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, at the close of business on 31 July 2015