

Royal Mail – Strictly Confidential

RC(10)12

Royal Mail Holdings plc
REMUNERATION COMMITTEE

Note to Remuneration Committee

Moya Greene

Setting objectives for her in terms of financial objectives is particularly difficult. The Group is behind budget and the necessary acceleration of plans to ensure an investable proposition depends on so many external factors that it makes numeric target setting almost impossible to end March 2011.

As a consequence I propose the following objectives for Moya Greene which, if the Remuneration Committee judges them to be met would entitle her to maximum bonus as defined in her contract.

1. Restructure the management of the Group to align responsibilities more clearly.
2. Complete the senior team.
3. Establish a clear plan for the relationship between POL and the rest of the Group.
4. Achieve quality targets (as per other target letters).
5. Decrease the annual run-rate cost base below that in the budget.