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ROYAL MAIL HOLDINGS plc

BOARD PERFORMANCE EVALUATION QUESTIONNAIRE RESULTS 2007

Attached are the summarised results of this year's survey. Overall the results show an improvement on the previous year's results, with the number of "dissatisfieds" much lower. In addition almost all the areas for action identified last year do not feature this year – with the exception of more time for strategy discussions. The main issues this year appear to be as follows:

Q3 – risks: there appears to be some concern that the Board should do more on discussing risks and how they are managed. However the Risk Management Committee is being re-formed under Ian Duncan, with the GET also spending more time on risks. This should produce more focussed reporting to the Board and the Audit Committee. Does any more action need to be taken?

Q4 – time spent on business strategy: still some dissatisfaction here.

Q5 – business performance: some concerns here that the Board does not have the right performance information

Q6 – meeting frequency: some views here that the Board could meet one or two times less each year. Shall we aim not to have an August board next year?

Q18 – relationship with shareholder: many concerns here. Are they just a reflection of the difficult time we have been through, or are there specific actions to take to improve. Invite the new Secretary of State to a Board meeting/dinner? (It used to be the practice).

Other issues, mainly just mentioned once:

- should be more executive involvement in board discussions (Q12 and 13)
- need consistent presentation of investment cases (Q8)
- Nomco role goes too deep into organisation (Q15)
- little formal reporting from Remco (Q16)

Jonathan Evans
Company Secretary
June 2007