

No: 394/22

5th October 2022

TO: ALL POSTAL BRANCHES

Dear Colleague,

NAME CHANGE OF ROYAL MAIL GROUP HOLDING COMPANY

Branches and Representatives will be aware that the Royal Mail name dates back to 1516 and the rule of Henry VIII and therefore has over 500 years of history. Our members are proud of the heritage of the company and the brand that is widely recognised worldwide.

Branches will however be aware that as part of Royal Mail's quarter one financial report to the markets in July this year, the company announced that it would be changing the Group's holding company name from Royal Mail plc to International Distributions Services plc. At the time the company stated that the move was intended to have a clearer financial separation with no cross subsidy. The company also said that if significant operational change within Royal Mail in the UK is not achieved, the Board would consider separation of Royal Mail and GLS.

Financial analysts commented at the time that such a move could present problems for both businesses within the Group. Furthermore, the separation of GLS from Royal Mail would be in stark contrast to a number of European postal operators which remain fully integrated with their international parcel delivery operations.

Nevertheless, in a further announcement made yesterday, Royal Mail confirmed that the name change had been implemented. The Group's holding company name is now International Distributions Services plc, whilst the company's brand names will remain the same.

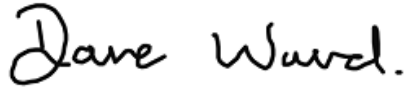
Given the current mantra from the business, this development can only be viewed with total scepticism and seen as the initial move in the fragmentation of the business. The RMG Board has indeed already stated that they will consider all options to protect the value and prospects of the Group, including the separation of the two companies.

The CWU Research Department have produced the attached (**Attachment 1**) background document that is aimed at highlighting the facts behind the name change whilst raising a number of issues that appear at odds with other postal operators.

We hope that Branches and Representatives will find this information useful in answering questions in the workplace, as well as highlighting the potential pitfalls that are associated with the name change in the future. Naturally we will continue to call out and challenge Royal Mail in respect of its strategic direction at every opportunity and will oppose a break-up that is evidently detrimental to our members.

Any enquiries on the above should be addressed to the General Secretary at jdunn@cwu.org and Andy Furey, Acting Deputy General Secretary (Postal) at hford@cwu.org.

Yours sincerely

Handwritten signature of Dave Ward in black ink.

Dave Ward
General Secretary

Handwritten signature of Andy Furey in black ink.

Andy Furey
Acting Deputy General Secretary (P)