



Department
for Business
Innovation & Skills

Martin Donnelly
BIS Permanent Secretary
1 Victoria Street
SW1H 0ET

1 Victoria Street
London
SW1H 0ET

T +44 (0) 20 7215 5000
E enquiries@bis.gov.uk

www.gov.uk/bis

Our ref: MCB2015

Your ref:

13 October 2015

D. Martin,

ROYAL MAIL EMPLOYEE SHARES

Thank you for your note of 13 October 2015. This is to confirm that I am formally directing you as Accounting Officer to implement a further gift of one percent of Royal Mail shares (i.e. 10 million shares) to its UK employees.

I have noted your concerns about the value for money of doing so as I did when directing you about the previous gift of shares in June. However, as before, in coming to this decision I have again taken into account the wider benefits of this policy. The principle of employee participation was enshrined in the Postal Services Act and employees continue to be an important part of Royal Mail's shareholder base. I believe there is merit in rewarding the employees of Royal Mail for their hard work in implementing the company's transformation plans and their contribution to its success.

I therefore direct you to proceed as requested.

SAJID JAVID

The Rt Hon Sajid Javid MP
Secretary of State for Business, Innovation and Skills and President of the Board of Trade