



22 January 2021

Royal Mail Wholesale

4th Floor
185 Farringdon Road
London
EC1A 1AA

PRICE CHANGES FOR THE ACCESS LETTERS CONTRACT AND WHOLESALE PARCELS CONTRACT

Dear Customer,

We would like to inform you of price changes that will come into effect from **5 April 2021** for our Parcel services, under the Wholesale Parcels Contract, and for our General Large Letter (GLL) services, under the Access Letters Contract. We summarise the key changes and enclose the formal change notices as appropriate to your contract(s). Full details of all the changes that come into effect from 5 April 2021 can be found on the pricing pages of our website, www.royalmailwholesale.com.

We recognise how hard it is for many companies in the current environment, particularly in the midst of the ongoing pandemic. In line with most UK businesses, Covid-19 is also heavily impacting Royal Mail. The pandemic is predominantly affecting our operation through higher levels of Covid-19 related absences and necessary social distancing measures. We expect this will continue to be the case for some time.

We have also seen our costs increase during the pandemic due to additional investment in the operation and preventive measures to ensure the safety of customers and our own staff, in line with Government guidance. This has seen us invest in increased overtime and temporary workers to partially address high levels of Covid-19 related absence; the diversion of non-operational staff to support operations; and significant investment in additional personal protective equipment alongside other costs.

We remain firmly committed to delivering the highest level of service possible, while maintaining and investing in the Universal Service, which Royal Mail is honoured to provide. This comes with high fixed costs which need to be paid for. In our half year results, we reported that the reduction in letter volumes has had a significant impact on the regulated business which lost £180 million in the first half of the year ended 27 September 2020. This is the regulated entity, defined by Ofcom, which delivers the Universal Service.

Minimise cost increases with our new Manual Mailmark service

Our new Manual Mailmark service launches on 5 April 2021, providing a lower priced service than the non-Mailmark equivalent services. Customers can take advantage of this new service for Parcels and GLL to get even more value.

For example, Manual Mailmark Parcels between 0 to 1000g, posted using Access 70 on a national price plan, will cost 176.186p providing a 10p discount compared to its non-Mailmark equivalent.

Manual Mailmark GLLs between 0 to 100g, posted using Access 70 on a national price plan, will cost 60.707p providing a 5p discount compared to its non-Mailmark equivalent.

From 5 April 2021, we are also introducing the following non-compliance adjustment fees for the Manual Mailmark service - postcode accuracy, missorts and unmanifested. To support customers with their migration to the Manual Mailmark service, we will not commence charging customers for non-compliance of postcode accuracy requirements until 1 October 2021.

Parcel and GLL price changes

From 5 April 2021, we are increasing our prices for parcels services. Prices for parcels between 0 to 1000g, if posted using Access 70, increase by 8.5% or if using Access 1400, increase by 9.1%.

We are also bringing in changes to our GLL prices. Customers who post GLLs of between 0 to 100g using Access 70 will see a 8.661p per item increase, and for Access 1400 a 8.661p per item increase.

Zonal prices

We are changing the zonal prices as part of our ongoing initiative to bring zonal prices in line with the actual cost of serving the different zones. For illustrative purposes, the table below shows the Zonal prices for Access Parcels from 0 to 1000g valid from 5 April 2021.


	Zonal Price Plan Access Charges for Access Parcels up to 1kg			
	Urban	Suburban	Rural	London
Manual Mailmark Access 70 Parcels	157.682p	170.195p	216.074p	179.778p
Manual Mailmark Access 1400 Parcels	147.577p	159.289p	202.228p	168.258p
70 Parcels	166.631p	179.855p	228.338p	189.982p
1400 Parcels	156.527p	168.949p	214.492p	178.462p

Our commitment to you

Finally, I would like to take this opportunity to thank you for your business and give you my assurance that we are working as hard as we can to provide the highest possible levels of service and value to you and your customers in difficult circumstances. We thank you for your patience and understanding during these unprecedented times.

Your Account Director will be in touch to discuss the any queries you may have in relation to the price changes.

Yours sincerely,



Tim Cable
Wholesale Products Director
Royal Mail Letters

**ACCESS LETTERS CONTRACT CHANGE NOTICE: NUMBER 074
CHANGES AFFECTING ALL PRICE PLANS**

DATE: 22 JANUARY 2021

This notice applies to you if you hold an **Access Letters Contract** (Contract) with **Royal Mail Group Limited**, a company registered in England and Wales (number 04138203) with its registered address at 100 Victoria Embankment, London EC4Y 0HQ.

1. Definitions and interpretation

- 1.1 If a word or expression is defined in this notice, it shall have the meaning given in this notice.
- 1.2 Any words or expressions which are not defined in this notice, but have an initial capital letter, shall have the meanings given to them in the Contract.
- 1.3 All of the rules about how to interpret the Contract shall apply to this notice.

2. Changes to the Contract

- 2.1 We hereby give you notice under clause 13.2.3 of the General Access Terms and Conditions to change the Access Charges for **General Large Letters** with effect from **5 April 2021**, details of which can be found on our Website, www.royalmailwholesale.com/pricing.

Yours sincerely,



Tim Cable
Wholesale Products Director
Royal Mail Letters

**WHOLESALE PARCELS CONTRACT CHANGE NOTICE: NUMBER 030
CHANGES AFFECTING ALL PRICE PLANS**

DATED: 22 JANUARY 2021

This notice applies to you if you hold a **Wholesale Parcels Contract** (Contract) with **Royal Mail Group Limited**, a company registered in England and Wales (number 04138203) with its registered address at 100 Victoria Embankment, London EC4Y 0HQ.

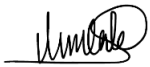
1 Definitions and interpretation

- 1.1 If a word or expression is defined in this notice, it shall have the meaning given in this notice.
- 1.2 Any words or expressions which are not defined in this notice, but have an initial capital letter, shall have the meanings given to them in the Contract.
- 1.3 All of the rules about how to interpret the Contract shall apply to this notice.

2 Changes to the Contract

- 2.1 We hereby give you notice under clause 13.2.3 of the Parcels General Terms and Conditions to change the Charges with effect from **5 April 2021**. Full details of the amended Charges for all Price Plans are included on our Website, www.royalmailwholesale.com/pricing.

Yours sincerely,



Tim Cable
Wholesale Products Director
Royal Mail Letters