



POST OFFICE LIMITED BOARD MEETING
Strictly Confidential

The Chairman asked NR to provide an update on trading and to speak to the Simmons & Simmons Report ('Report'). Key points advised by NR were as follows:

- NR continued to be pleased with the Company's trading performance as against budget. NR spoke to the drivers, noting the increase in Mails revenue following the resolution of RMG strike action; this was encouraging as we headed into Christmas. The Group Executive had seen Post Office Christmas collateral yesterday and it was of a very good standard; we were hopeful of strong performance during the Christmas trading period. Banking numbers remained strong, however there were indications of belt tightening with a diminishment in business deposit levels. The travel business continued to perform very well. Network churn was below expectation with the network reasonably quiet;
- NR spoke to the release of the Report and noted the interactions with the Shareholder ahead of the Report being issued. NR had written to the Times in respect of the article published today and it was anticipated that this would be withdrawn;
- NR advised that C Brocklesby was joining on 21 August 2023 as CTO. C Brocklesby would attend the Group Executive, Z Mladenov would step down from the Group Executive, and J Smyth would cease being a direct report of NR. The Terms of Reference for the KPMG/ Accenture review were being prepared. K Bird was anticipated to join as CPO on 25 September 2023 and C Pispinis was moving into the Chief of Staff role effective 4 September 2023 looking at OD, business priorities, and alignment and cascade of objectives across the business. KS had agreed to act as interim CFO for a 6-month period. OW had stood up Project Ethos and the management and governance around this Project was being considered. Morale was fragile; there were concerns around the timing for FY22/23 STIP bonus payments, the media coverage of the Report was not helpful, however, confidence had been taken from the recent and anticipated Group Executive appointments;
- NR noted that the Inquiry disclosure hearing on 6 September 2023 could be difficult.

AB referenced the Report and the recommendation that the Company commission a wider governance review and queried the status of appointing GT. RS replied, advising that the engagement was essentially ready to proceed, however recently appointed external counsel were reviewing the scope.

AD queried whether Z Mladenov would remain in the business post C Brocklesby joining. NR replied that it was his hope and intent that Z Mladenov would stay in the business.

2. Transforming Technology: RTP Funding Request

TABLED and **NOTED** was a paper 'RTP Funding Request'.

NR spoke to the paper. **ACTION** LG requested that there be pre-engagement with UKGI in respect of the RTP funding drawdown that was anticipated to be brought to the September Board meeting.

T McInnes

The Board **RESOLVED** to **RATIFY** funding in the amount of £7.4m for the Retail Transformation Programme to progress specified no-regret activities for the period of 1 August 2023 until 25 September 2023.



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3. Rebuilding Trust

3.1 HSS Fatality Claims – Case Assessment Principles and Guidance

TABLED and **NOTED** were the following papers:

- (i) 'Assessment of Fatality Claims in the HSS';
- (ii) 'Annexure 1 – 000904 Cover Sheet';
- (iii) 'Annexure 2 – 001680 Cover Sheet';
- (iv) 'Annexure 3 - HSS - CAG (FAA Claims)';
- (v) 'Annexure 4 - HSS - CAP (FAA Claims)';
- (vi) 'Annexure 5 - HSS - Explanatory note on FAA Claims (Panel version)'; and
- (vii) 'Annexure 6 - Historical Shortfall Scheme - 000904_The estate of Ratnam Ratnarajan'.

BF and SR joined the meeting at 10:25. Key discussion points were as follows:

- SR advised that the HSS Fatality Claims Case Assessment Principles and Guidance had been presented to the Remediation Committee ('RC') yesterday and approved;



NR/ M
Roberts/ M
Edwards