



UK Government
Investments

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Company No. 9774296

**UK Government Investments Limited
(the “Company”)**

27-28 Eastcastle Street, London W1W 8DH

Minutes of a meeting of the Board of Directors held in

Room UGH, 1 Victoria St, London

On 23 May 2019 at 13.30

Present: Robert Swannell (in the Chair)
Alex Chisholm (items 6-8)
Philip Duffy (items 1-8)
Jitesh Gadhia
Jane Guyett
Clare Hollingsworth
Robin Lawther
James Leigh-Pemberton
Simon Palley
Mark Russell
Charles Roxburgh (items 9-16)
Caroline Thomson

In attendance: James Baggley (item 7)
Jane Bannan
Michael Harrison (item 12)
Jonathan Ingram (item 13)
David Long (item 8)
Candida Morley (items 8-9)
Robert Razzell
Ceri Smith (item 7)
Susie Timlin (item 10)

1. Declarations of interest, introductions

Each Director of the Company who had an interest under sections 177 and/or 182 of the Companies Act 2006 declared such an interest and it was noted that, in accordance with article 7 of the Company's Articles of Association, each such Director was entitled to vote in respect of any proposed matter in which he/she was interested and that each such Director was entitled to be (and was) taken into account in ascertaining whether a quorum was present.

The Chair introduced Clare Hollingsworth to the meeting, and noted that this was Simon Palley's last meeting as a director of UKGI.

2. Matters resolved

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It was resolved that CLARE HOLLINGSWORTH, having consented to act, be and is hereby appointed as a non-executive director of the Company with immediate effect.

It was resolved that ANDREW DUFF, having consented to act, be and is hereby appointed as a non-executive director of the Company with effect from 9 July 2016.

It was resolved that the secretary be instructed to file the forms AP01 with Companies House, and to file form TM01 to remove Simon Palley from the list of the Company's directors.

3. Minutes of the previous meeting

The minutes of the meeting of 21 March 2019 were approved.

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5. Board effectiveness review

Alice Perkins provided a summary of her review and key findings. It was noted that the Board had a high-than-average enthusiasm for its role, but that the fundamental question was how to ensure that it added value, beyond the sphere of transactions; she suggested that this would need to be monitored via open and transparent feedback and engagement between the Board and the executives. A range of opinions on the subject of attendance by the executives were expressed; the risk that some members of ExCo may attend the Board very infrequently, and hence distance between the Board and executive would grow, was discussed. After detailed discussion, it was agreed that only the Deputy CEO and Company Secretary would attend the whole meeting alongside the CEO, but that the matter would be kept under review. Various channels for engagement outside the boardroom were discussed, including lunchtime seminars and risk reviews/portfolio panel meetings. It was also agreed that project assignments would be reviewed by the Chairman.

The dynamics of the Board was discussed; it was agreed that this would be reviewed in the light of the change in attendance at the Board. The role, frequency, and level of detail of the Transaction Committee meetings were considered.

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Given this, and the commensurate commitment required, it was agreed that it should be up to individual Board members to decide on whether to join the Committee, but that all members would be welcome, regardless of whether or not they had a financial services background.

Action: company secretary to ensure all Board members are invited to risk and assurance reviews and portfolio panel meetings as a matter of course, and to explore topics and dates for non-execs to host lunchtime seminars.

Action: the Chairman to review non-execs' project assignments.

6. Chief Executive's update

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The ongoing POL litigation was raised, and the severity of the ruling against POL's appeal against the judge's refusal to recuse himself from the case was noted. Whilst the QC and general counsel were being replaced, it was felt that may be necessary to consider wider changes that would effect a change of the culture that had led to this position, especially given the fundamental importance of this case to the Post Office's business model.

Action: update on POL to come to the July Board, with a focus on the wider governance considerations.

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13. Risk register review

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It was suggested that

the position of the **IRRELEVANT** and POL are reviewed.

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Other business

The Chair and the Board recorded their thanks to Simon Palley, noting that this was his last meeting.

The meeting duly closed at 16.30

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Chair of the meeting