



Commercial – In Confidence

## Minutes of Shareholder Executive Board

**Wednesday 13 March 2013 at 14.30**

<b>Members present:</b>	Patrick O'Sullivan (Chair) (PO'S) Claudia Arney (CA) Gerry Grimstone (GG) Jeremy Pocklington (JP) Tony Watson (TW) Mark Russell (MR) Roger Lowe (RL) Anthony Odgers (AO)	<b>Attendees:</b>	Patrick Magee (PM) ( <i>item 4</i> )
		<b>Secretary:</b>	Peter Batten
		<b>Apologies:</b>	Lord Carter Ken McCallum (KMC)

**1. Apologies for absence, Chair's welcome and introduction, minutes from last meeting, declarations of interest**

1.1.	<b>IRRELEVANT</b>
1.2.	
1.3.	
1.4.	
1.5.	
1.6.	

## 2. Chief Executive's Report

2.1

**IRRELEVANT**

2.2. The Board noted the **Post Office Ltd** update without discussion.

2.3

**IRRELEVANT**

2.4

**IRRELEVANT**

2.5

– PM joined the meeting –

## 3. Royal Mail

3.1. RL presented the Royal Mail, noting that industrial relations remained a key risk to the transaction process. RL explained that ShEx is publicly aiming for a transaction by March 2014, but is privately working towards an October / November 2013 window.

3.2. The Board discussed the timescales, querying whether an autumn transaction was possible, and what the impact of going early would be on the value of the company. RL explained that preparations were geared towards an October transaction, and noted that the company has outperformed budget forecasts meaning that value can be more quickly captured than previously anticipated.

3.3. RL explained that owing to Parliamentary obligations, ShEx would have to prepare a report for June in advance of the Summer Recess.

3.4. GG expressed his view that ShEx must continually engage with institutional investors to ensure the quantum of employee shares granted to workers does not harm investor appetite. GG felt that this would be an important piece of evidence that Ministers should consider in deciding how to approach employee shares.

3.5. GG was also keen to discuss the planned timescales, noting that a November window provided an additional four weeks to engage institutional investors. RL explained that October was preferable as it afforded sufficient elasticity for unforeseen events, noting that December was off limits due to the Christmas mail rush.

3.6. TW was keen to understand the target price that ShEx would be seeking to achieve, noting that there was a need to balance price with speed. RL explained that the target price was between £1bn and £3bn, but that the transaction window was likely to close in March 2014 and achieving a sale this Parliament was the paramount priority.

#### 4. Business Bank

4.1.

4.2.

4.3.

4.4.

**IRRELEVANT**

4.5.

4.6.

4.7.

**IRRELEVANT**

– PM left the meeting –

**5. Urenco**

5.1

5.2

5.3

**IRRELEVANT**

**6. Future Board agendas**

6.1.

**IRRELEVANT**

**7. AOB**

7.1

**IRRELEVANT**

**ShEx Board Secretary**

## 8. Actions

Outstanding actions				
Action ref.	Action point	Action officer	Due date	Status
13/07	<b>IRRELEVANT</b>			
13/08				
13/09				
13/10				