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**GLO COMMUNICATIONS – HORIZON ISSUES JUDGMENT**

**L300 CALL SCRIPT [MARK DAVIES TBC]**

**Audience:** L300

Thank you for joining the call this morning/afternoon.

- I've an important update to share with you about the Group Litigation and the Judgment from the second trial that was handed down today.
- Before I talk about our response, it's important to remember that a lot of what you might hear about the trial relates to the ways in which we operated in the past, dating back to 2000 in some cases –before we became an independent business.
- In recent years we've changed significantly and improved our culture, processes and technology. But we are reminded through the litigation that we must do better. We know there is still a lot more to do and we need to be much faster at doing it. There is nothing more important to our business than our relationship with our postmasters, the people delivering our services to customers day-in, day-out and we are fully committed to supporting and making it easier for them to build thriving businesses.
- When we received the first judgment we responded quickly and accelerated the work that we were doing to change our relationship with postmasters. We've made improvements to provide better support which includes more effective and tailored training and support for postmasters, an Area Manager supporting every branch, a new Branch Support Center which works more closely with our IT support team and a new Loss Prevention team to protect postmasters and help them run their business more compliantly.
- The second trial, known as the Horizon Issues trial, was about technical matters concerning Post Office's Horizon computer system and as mentioned the judgment was handed down today.
- We take the Judgment extremely seriously and before I talk about some of the points highlighted by the Judge, it's really important to underline that the Court's findings do not affect the products and services we provide for our millions of customers through our 11,500 Post Office branches
- .... Add specific judgment issues here and our response.

- As mentioned we've made a lot of changes already and in recent years we've invested in and improved technology by installing new IT equipment in every branch and transformed our back office systems which handle £60 billion a year in financial transactions. And this investment remains a priority
- We've also strengthened and have a more transparent processes with Fujitsu, our Horizon supplier, for identifying and fixing software bugs
- We should be reassured that the view of both independent expert witnesses who gave evidence in the litigation is that all the indications are that Horizon is robust, comparing well with similar systems across retail and financial service sectors which have to be highly reliable.
- This is further supported by the fact that the system has been used by 500,000 postmasters and colleagues since its introduction and around 47 million transactions every week are successfully processed for customers.
- Clearly no system can ever be said to be perfect. That's why its performance is continually monitored and we are working as hard as ever to make improvements wherever we can.
- Keeping our postmasters updated and informed about any changes is extremely important at this time. Our Area Managers will be talking to Postmasters and answering their questions over the coming weeks, postmasters can also email us directly.
- We will keep you updated of developments and there will also be information available on the intranet to share with your teams which we will send out after the call.
- This news may be unsettling. You will probably see criticism – some of it very strong – in the media and beyond. Please don't hesitate to ask questions of anyone in the senior leadership team or you can email our Communications Team

**GRO**