

27th July 2023 – automated notes from call between Jane Davies and **Paul Wood**

Explained to Paul that I was not feeling great

GRO

GRO

GRO

It was clear that Foat and Read had been working together and they didn't want me back in the business, I have been holding up the mirror and complaining about the poor behaviour, investigations and governance, my own complaints on the way I have been treated just ignored. It stretches beyond RemCo. ***I can well imagine.*** I need your help on a couple of technical matters, more a reconfirmation and at some point when we sit down eye to eye over coffee I'll give you more of the low down on how I have been treated, abysmally, by post office, and them using the excuse of my unevidenced behaviours towards some of some of the team members as a reason to investigate me when I know the real issue is because I didn't get Read the pay rise he so wanted, or his bonus increase, or a retention payment and all the things you know he wanted. I walked into a role where he expected me to continue with the same ridiculous subservience that Angela Williams had towards him. It was clear their relationship strength came from her making it her sole purpose to get Nick more money. ***She spent her whole time on him and pandering to his ego and desire for more cash, she was desperate to stay on in POL and on RemCo.*** But it is quite a difficult story to articulate without it sort of sounding bitter and twisted, so I was wanting to establish some facts with you around what actually went on. I know that we have spoken about this several times in the past, and in fact on my first week you alerted me to bonus issues and your words, the morally corrupt behaviour. But if you can dust off the cobwebs and remind me of some of the things that went on. You asked me to read through all the RemCo papers in the previous year. I did this and as you know, it is a bit of a shocking read; and I have been forever worried that my reputation will be brought into question and will get asked to explain the past, and this has just happened with the TIS last month (I will tell you more later). But the RemCo minutes from July 22 to March 23, are when a lot of things and biggest changes happened. It was in July 22 and through to September 22, when you know the whole debacle was being had as to whether the multiplier for Nick's bonus should be applied and you were asked to do a piece of work to say what was the historical position? Did you ever do that piece of work? ***It was done before it was asked for and what that analysis proved was that his multiplier should only attached to 20% of his personal element not to the 100% of his bonus. I shared it with Angela and then of course she said I won't show the written document to RemCo, I'll***

talk to it (the paper) at the RemCo meeting, rather than sharing it. That was her burying the bad news. Did she bury it then? Yes, you know if I have prepared a paper and then it doesn't get tabled because it doesn't really give the story which she and Nick are after, which is that he is such a good guy that all of his bonuses 80% financially 20% personal should be inflated by a personal multiplier rather than just 20% in isolation, that is misleading the remuneration committee. That analysis of what happened, wouldn't take too much for the post office to go back and look at it, because these numbers are published in the annual report and accounts. He does not have that much background in post office, but I mean he has 3 to 4 years now worth of reward experience, so he does know how the rules work and his contract when he arrived said you'll have your salary of £415k, plus bonus and that bonus is split into 20% personal and 80% financial and one personal element of that in isolation is subject to a personal multiplier. Which when you think about it is logical, why would you inflate the financial result/element. When you read the RemCo minutes it looks very much that Angelo is constantly putting forward recommendations that benefit Nick and ultimately her, is that what your view it too? Yes, I'm sure I have still got a WhatsApp exchange with Lisa Harrington, which said look 'Lisa, I need to talk to you as it sounds like to me you're being misled and there's a bit of finagling going on here. You're being presented with information that's been fundamentally doctored to give Nick a big chunk of change' and to your point, including synergy bonus (TIS), which Angela made the best effort possible to try and get herself onto that gravy train, along with everyone else, because she was arguing that she was executing on synergy related issues such as the organisational design changes. But of course that all blew up with the big headline grabbing one was around working with the Inquiry (TIS), recently. You said to me when I had just joined POL, that you and Sharon Mattingly (Remco consultant) were both raising your eyebrows over Angela not declaring a conflict of interest, when I look at the papers I can't see her anywhere saying 'oh by the way this is going to benefit me and I've got conflict of interest here and so therefore probably I will step out'. She never did and even set aside the TIS bonus, the normal in year bonus where Angela received a personal performance rating higher than the average and as I recall it, it was Nick, it was Angela and it was Ben Foat, what a Holy Trinity that is, they'll all received 4 and probably Nick got a 5, so again, it was kind of buried in tabular form, here are 3 GE members getting this extra bonus, that equated to thousands of pounds more than Angela should have received. And in that table shows the full year but she

would have got pro rata amount wouldn't she, is what happened? **Yes, but it was still an inflated amount, much higher than she would have normally got as the multiplier attached to the full 100% bonus not just 20%. I mean the reality is if you had a forensic audit, it wouldn't take much.** I said to Henry Staunton, in April, when the TIS hit the fan and I ended up sitting in a meeting with 6 lawyers trying to explain it, that I felt really uncomfortable with what has happened, that this was now the 5th bonus metric that I have seen being changed or tampered with. I told him that I felt we lacked the appropriate challenge over the governance and running of RemCo, which all sat with Angela Williams and Nick Read. I said exactly that, that we needed to do a forensic audit on RemCo over the last 12 months. He told me to hold fire until the new RemCo chair arrived, which was imminent, but I have felt very uncomfortable. **I mean I'm surprised that the new chair of remco reached their conclusion so rapidly, not sure where got her information from and nobody spoke to me about it** - even though I specifically asked her to speak to you - **so they didn't get my context and she reached the conclusion that there was nothing shady about it, but as it's turned out things keep drifting out and should the unions become aware that in a year when all the bonuses for Nick are under scrutiny he also received several thousand extra from his core bonus, never mind the TIS bonus, because of a recommendation from Angela where she did not declare their own personal interests.** But there are 2 things here aren't there, there's the recommendation from her, but she didn't declare a personal interest and secondly, she didn't actually share a paper which you produced, is that right? **Yes, she'd got that paper, I got the information from a variety of sources, one of which was Lee Kelly as Lee had been involved in union negotiations around bonus for middle managers who also had the same treatment. So this was not something for the top table this is for the whole sweet of middle managers who have an 80/20 split yeah and you know they didn't get the 4-5 PDR multiplier attached to their bonus.** OK so then what happened? Because I'm trying to understand how it got paid in the August payroll, when there was a clear instruction from RemCo to seek approval from the shareholder in the 26th July RemCo. But reading the governance rules, the Shareholder Framework, for Nick in particular, you have to go to the shareholder to ask them for permission/approval to changes to his pay. But Tom Cooper was arguing the letter that was sent to BEIS, was all very well, but he said it was ambiguous or it wasn't clear, is that is that your understanding? **Yes, Angela purported to be almost an English professor in how she wanted documents crafted, but ultimately it wasn't just that, it was the obfuscation, she was really being unclear**

with a lot of documentation and where this this point about ambiguity comes, in instead of erring on the side of caution and saying well it's ambiguous so let's stick with what we've done historically, which is to only attach multiplier to the 20%, Angela's logic was it is ambiguous, so let's ensure we apply to all of the bonus. I lost track of where Angela got to with side conversations with Tom Cooper because she was lobbying him on a fairly regular basis. OK I mean but the net result of that is that Lisa got a slap on the wrists, so this is what I walked into, which was Nick at the time, his bonus was still being discussed with the shareholder and with the treasury as to whether it was acceptable and it didn't actually get approved until March, did Lisa have to send a letter of apology because she was really angry over this wasn't she? ***Yes, absolutely because the payment had been made and somebody had given payroll an instruction to make this bonus and that someone was Angela.*** I mean that's pretty damning, isn't it? ***The trail will be there, you can't discard a pay advice to a payroll function, you can't say out of the blue, pay a couple of hundred thousand extra, it has got to have been recorded, it's going to be some documentation, email or message from Angela to instruct payroll. And who ran payroll,***

GRO

I mean it's just insidious, isn't it?

It is a nest of vipers in the sense of try to step into the middle of that and say right, can all of you explain yourselves and genuinely they can't. I think rolling eyes is an understated, Sharon Mattingly and I were looking at each other going fuck this is just criminal. I mean, if my wife was ever called, Theresa would say my husband was ranting about this on a regular basis. And I was ranting about it, because I had raised it both directly and informally initially with Lisa, saying just be careful, we could get caught out. I put it on a WhatsApp message, I'm probably sure I've still got it. But for whatever reason Lisa didn't see any urgency or red flags in the issues I was raising. Time again, I would have gone a lot more formal about it. I don't know whether you will be prepared to help me if I have to stand in court because this is just the tip of the iceberg, strictly between you and me there's been so many other things that happened, again when we when we meet our I'll definitely will give you a bit more of an insight, but I have had turn a blind eye to some atrocious behaviour. But this has been really helpful, again it just sort of validates what I've been reading in the RemCo papers, when I came in, I thought my God there's a sort of collusion going on between Angela and the sponsor which is Nick, with them behaving in a way, which is how do we get as much as we can, it's almost like a game being played, how do we convince and bully RemCo? Obviously, Lisa Harrington was

inexperienced I believe, you know that, and it was the obfuscating the truth and very confusing language being used in the papers, so you never quite knew where you were. **Yes, I think the new incoming Remco chair seemed to entirely focus on the TIS bonus, which has got an element attached to the Inquiry, why the bloody hell are you being bonused to do your day job? That grabs the headlines. Behind the scenes the next piece of nonsense came probably before the synergy bonus issue was the application of a fairly heavy multiplier, I think in this case is probably 1.5 times so that in essence take 80% financial element that should not have had 1.5 x, he's ended up with another 30 odd percent of his bonus he ought not to have received. That is thousands of pounds probably more than the synergy (TIS) element.** So just a couple of other things, where you aware that Angela was on an LTIP and then she moved to a part time role and her LTIP was preserved from the previous year. I wrote to Marielle and she confirmed that fixed term contractors do you get LTIPs - I've never heard anything like that. **I would share my Marielle's assessment that fixed term contractors should have some inclusion in long term incentives at this level even if for two years, because you end up with a prorated payment but at least you're all aligned around the two-year timetable.** I mean for me I would definitely challenge whether it's appropriate as you're basically saying to a fixed term contractor, you're going to now be a good leaver and in a year's time when they have left the business they will get bonus payments - I find that really weird but I understand it was POL policy; I think giving them an incentive to retain them is more naturally aligned to a FTC. I just couldn't see any of this confirmed in papers, and Lisa had said to me she had been specific that Angela should not get any bonus payments following her leaving the business. **The context is important of course Angela felt that she arrived initially to do a fixed term contract and I am sure she negotiated on that basis, but equally she made no secret that she wanted to stay for long term.** Yes well that became apparent when she put her name forward for the RemCo chair in my first month. Can you believe that? **Well, when you've been milking a business with cash and you see another opportunity to do it again, you're not going to miss it are you? I do not think her scruples would stand up to my test.** Are you aware of what her salary was when she was there on that 16 hour a week contract? **Yes, it was inflated again nick agreed to an inflated number taking into account base and other incentives like bonuses and long term that weren't going to be paid because she was at that stage on their way out. How long did she do it for?** It was about nine months. **She basically baked in a chunk of change so she was she was doing very well out of it.** I was told by

Lee that she was on about 180 grand for 16 hours and when you extrapolate that out it works out to about 480 thousand base, based on my contracted 42 hours. Then what I noticed (and raised with Lisa) are the rules around advising the shareholders, if anyone's earning more than Nick Read/CEO, that needs to be taken through to the Shareholder for approval (via RemCo). Did that happen? Was it signed off. **Yes, by Lisa Harrington. The chain was that Angela approached Lisa, and was signed off by Nick, Lisa sanctioned it, but at no stage did anyone say we need to take this to the Shareholder, though Lisa may have discussed it with Tom Cooper directly. That is back to the experience piece right, because the terms of reference this should have gone as a formal document up to the Minister because it was so chunky, but it didn't.** OK, here's a lot there isn't there? **Yes, as I say, if you put a forensic audit through this, you going to see a lot of ambiguities, which have been determined on the higher level, you're going to see a lack of governance, and you are going to see the potential accusations of not declaring interest. It is pretty bitter I have to say.** I'm amazed that you've got such a good memory but clearly, you've been scarred by it. **I have; I have been in rewards for 35 years and I have worked for chief executives who have push me hard and made big bonus payments and I've got RemCo and Shareholders squared away on it, this dynamic, particularly Tom Cooper who was occasionally overzealous on stuff and then on other occasions seemed to be a bit checked. I am scarred by it, that is why my memory is still reasonably vivid.** Did you leave directly as a result of this sort of nonsense, I mean how long were you there for? **18 months, I had had enough. To the point when Angela said I'm going and we're going to find somebody else and I had a tap on the shoulder which I explored, I didn't know you were coming, I had signed up to Halfords and when you arrived, I thought 'buggar' you were somebody I can work with at that point I had already committed to Halfords. I had made my mind up I couldn't work with Angela.** Look you know I was left with the legacy of Angela's favourite team, the three GRO who all said early on, that they did not want me to manage them? There was Lee who was clearly bitter you know that, him not getting my role, GRO just but he just didn't seem to be pushing that union negotiation along. **He was passive, never once did he come to the people leadership team and say well this is what I've managed to talk the GE or CWU round to. Even I said to him the number it should be, to close it down, as I was connected with the Royal Mail conversations as well, so I was feeding this all to Lee. But you know, he didn't get that big job, (CPO) your job, for the second time of asking. But also him and**

GRO received a chunk of change for a covid bonus of about 20,000 each, then there was retention bonus payments, and then inflated core bonus and other salary increases; it's like we paid for them to have an attitude, we paid for them to make it difficult for you when you came, because they could afford to take a break for six months. And frankly, neither of them delivered enough to have an attitude. I know, and then you've got **GRO** on top of all of that, who Nick Read and quite a lot of the business was unhappy with her, before I walked in. That leadership vacuum created by Angela, as a result of her being there 16 hours, and dedicating herself only to Remco and to Nick's pay.... *Oh, by the way she was also claiming overtime as well on top of the 16 hours, so there will be weeks when she was doing 26 hours because she claimed 'I've invested 10 hours on RemCo or some other the nonsense' she was putting in bills for even more work, so again, bake all of that into your calculation she was probably on annualised rates closer to half million quid.* I find it fascinating that in our contracts as execs, we have to be 100% dedicated to our jobs and clearly the jobs are fully demanding. I just find that they think it's OK to breach not only Treasury policy or Ministerial policy, but also breach our exec employment contracts allowing her to work in two jobs; I've never known anything like it in my life. *Exactly, I was so frustrated when I watched Lisa and others, including that nonsense from the new Chairman, in the Select Committee that I actually sent a letter to the chair of the Select Committee about the multiplier, saying don't think the TIS is the only issue, I said this is not unique, look at this issue (on the multipliers) as this issue is not resolved either. I got a response from his office, it was his constituency office, and they said this is not constituency business, you need to raise this directly the Business Select committee at that point I kind of thought, oh sod it, I have to check out of this, I don't want to do it any anymore, if this is how you want the post office to run, fine, it's not changed much in the 30 years when I first worked for the general post office, it is still full of nonsense and toxicity. But you know, if you're pushing this, you are asking all the right questions and then to your yelp of pain at the start of this call, if people are trying to tarnish you with the nonsense of the post office, even though you were there, and brought in to flag up the challenges, I think the storyline is a simple one 'Jane stayed for as long as she could until she was ousted because she was asking the questions that were uncomfortable'.* I think that's exactly what we're saying because the actual investigation didn't find that I had a pattern of behaviour, of bullying, I have never bullied in my life Paul, it was the other way round, they were bullying me, as the rest of my direct reports would

attest, even you, but they were not asked for a statement, it's just ridiculous. Their claims had no evidence or substance and I haven't seen a single piece of evidence, yet Foat treated them as serious 'whistleblowing' rather than treating them as normal grievances, or more appropriately, personality issues. You know that [GRO]

[GRO]

[GRO] Read knew this to. **Yes, it was against one of my team, I cannot recall her name and I think others; I don't think that [GRO] was very nice to them in meetings. I recall [GRO] saying she was going to fight them, but I am guessing POL had to settle?** Quite, they did. I also realise now, postponing the implementation of a 'thank you' App for Head Office, which [GRO] had said was 50 thousand, when in fact it cost 150 thousand; was the basis for her and her [GRO] putting in 'whistleblowing' complaints against me, I had not met her [GRO]

[GRO] You can't write this can you? So the 'whistleblowing' was so made up to suit Read and Foat, who choose to jump on it to tarnish me and then remove me. I am so living under depression and a dark cloud because of them. Anyway, don't get me started....I'll cry....**Look, you know you were doing the right things for POL [GRO] needed to go, she wasn't making any impact, and you have brought in some good people. But no-one could have sorted that team out, the [GRO] it was more than toxic, they were already poisoned, and you had no-one to rely on for support, apart from a weak and self-interested CEO....** Thanks Paul, I appreciate that. So did you say you wrote to Darren Jones? **I did and I had a response from his constituency, I just Google search his e-mail address and sent it off, but I got that response to forward on directly to BTC. Wanted to go back and say there;s two of you in that office could you not just forward this on. But at that point, I was trying to move on from it, but I still have sympathy for you and your position.** I need to just sit with you talk with you and just get your view on it because I'm gonna have to probably rely on you and there's other people that will have already said they will come and support me in in other areas and I think it will be really helpful because everything you've said just makes me feel that my claims about the corrupt and unhealthy ways that things were being run, is validated by you and your experience at POL. I have to say it's just really helpful and it makes me relieved that I am not the only one sort of going mad here. No you are not, I think would had it been if you had surrounded yourself by sensible people as soon as you went in, you did that, but you are fighting (the backdrop) of a very inexperienced RemCo chair, who looked like a rabbit headlines when she was in front of the committee you got Henry who has arrived who has no sense of independence at all. I have worked and you have worked with lots of chairs in Remco's, PLC and

main boards, makes you wonder how they pick these people up. I know, look I really appreciate you just giving me this time, I find it really really helpful.