



POST OFFICE LIMITED BOARD MEETING

PUBLIC

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF POST OFFICE LIMITED HELD ON TUESDAY 27 JANUARY 2026 AT 100 WOOD STREET, LONDON, EC2V 7ER AT 11:30 AM

- Present:**
- | | |
|-------------------|--|
| Nigel Railton | Chairman (NRa) |
| Lorna Gratton | Non-Executive Director (LG) |
| Simon Jeffreys | Non-Executive Director (SJ) |
| Amanda Burton | Non-Executive Director (AB) – via Teams |
| Andrew Darfoor | Senior Independent Director (AD) |
| Brian Smith | Non-Executive Director (BS) |
| Sara Barlow | Non-Executive Director (SB) |
| Emma Branch | Non-Executive Director (EB) |
| Richard Hawkins | Non-Executive Director (RH) |
| Jonathan Slater | Non-Executive Director (JS) |
| Neil Brocklehurst | Chief Executive Officer (NB) |
| Preetha McCann | Chief Financial Officer (PMcC) |
- In attendance:** REDACTED: Personal data
John Dillon General Counsel and Company Secretary (Observer) (**JD**)
- Other attendees as shown against the minutes for each item.**
- Apologies:** N/A

Action

Pre-Board NED-only session

The Board held a NED-only session.

1.1 Welcome and Conflicts of Interest

A quorum being present, the Chair opened the meeting. The Chair called for the Directors to disclose any conflicts of interest. BS and SB's roles as serving Postmasters were noted. The Directors declared that they otherwise had no conflicts of interest in the matters to be considered at the meeting in accordance with the requirements of section 177 of the Companies Act 2006 and the Company's Articles of Association.

The Board acknowledged the attendance of JD as an observer at the meeting. As an observer, the Board was aware that all contributions made by JD to the meeting were observations only, and did not constitute advice (except where otherwise expressly noted in his capacity as Company Secretary or General Counsel), recommendations, directions or instructions. The Board confirmed that it would take due care not to be unduly influenced solely by a contribution made by JD and that it would reach its conclusions based on a balanced and diligent assessment of all the facts available to it.

1.2 Inquiry Confidentiality Undertakings

The Board noted that any attendees without confidentiality undertakings accepted by the Inquiry in place would be excused from the meeting should the need to discuss information confidential to the Inquiry arise.

2. Minutes and Matters Arising

Minutes

TABLED and **NOTED** were draft Minutes from the Board Meetings held on 25 November 2025 and 12 December 2025. The Board **RESOLVED** that the Minutes of the Board Meetings held on 25 November 2025 and 12 December 2025 be **APPROVED** as a correct record of the Meetings and be signed by the Chair.

Matters Arising

The Board agreed the actions marked for closure, except in relation to #2, on the Kroll Review, which should only be closed after the report on the remaining workstream was tabled at the March Board.

3. CEO Report

Neil Brocklehurst, Charlotte Cool, Mark Donnelly, Dominic Grounsell, Gaenor Prest, Paul Anastassi

TABLED and **NOTED** was the CEO report.

Neil Brocklehurst presented the paper which set out:

- The key matters before the Board for discussion and approval.
- Progress updates against POL's five strategic pillars under its Transformation Plan.
- Key business-as-usual functional updates.

Discussion included:

- The report had been shortened considerably, in line with the Board's request at the last meeting to sharpen the focus on the key strategic and operational matters of the day.
- The findings from the Kroll review workstream on Horizon data integrity was due to be presented to the Board in March, **REDACTED: Subject to future publication**
- The procurement processes for Horizon support (to replace Fujitsu) and to replace core functionality in Horizon were on track.
- Recent stakeholder engagement had been wide-ranging and constructive; key engagement included the Chair and the Remediation Unit Director's evidence session at the Business and Trade Select Committee on remediation and redress, a banking roundtable, continuing dialogue in relation to Postmaster remuneration and in relation to a range of commercial opportunities **REDACTED: Protecting commercial interests.**

Actions:

- NEDs (RH, BSD, SB) to be engaged on the Kroll findings ahead of the Board in March.
- Branch modernisation investment plans (and associated timetable) to be shared at the Consultative Council meeting.

PA/NBe –
before
31 March
2026
DG –
30 March
2026.

4. Finance

4.1 Period 9 Management Accounts

Preetha McCann, **REDACTED: Personal data**

TABLED and **NOTED** was the FY25/26 P9 Management Report.

Preetha McCann, **REDACTED: Personal data** presented the updates, which set out:

- POL's financial performance as at P9 and year to date.
- The year-end forecast, compared to budget.

Discussion included:

- The position in relation to Post Office Insurance (POI) revenue; POI was tabled to provide an update on Q3 performance and present its initial FY2026/27 budget at the February Board.
- The steps being taken to maintain robust cost control, including through colleague engagement and maintaining disciplines around releasing uncommitted spend and looking at non-staff costs to distinguish what was in POL's control and what was not.
- The underspend position in relation to investment spend; DBT had been kept apprised and understood the challenges, which centred on capacity constraints.
- The Security Headroom position which was favourable to budget and well above the Board approved 'buffer'; while the position showed the potential for large movements either way, there was a DBT 'waiver' provision and a number of options were being explored, including for a working capital facility.

Action:

- Analysis on underlying cost base comparison to prior year to be provided as part of the Q3 forecast.

PMcC –
February
Board.

5. Strategy

5.1 Strategic Planning

REDACTED: Personal data

TABLED and **NOTED** was a slide on the Strategy Day Initiatives.

REDACTED: Personal data presented the update, which set out:

- An overview of the planning and dependencies in relation to the development of POL's strategic initiatives, the broader Group Strategic Plan (GSP) to 2030 and the preparation of the Annual Business Plan (ABP).

Discussion included:

- Since the Board strategy away day in September 2025, further work was being undertaken to develop the key strategic initiatives; these would come back to the Board over the coming months for approval.
- The GSP would comprise the key strategic and operational objectives to 2030 and the associated longer-term financials; each year, POL would adopt an ABP and annual budget aligned to the GSP.
- The priorities under each year's ABP, would be determined according to set criteria and take into account technology, resource/capability and any other wider dependencies.
- The GSP would also be subject to annual review, and would take account of any re-phasing of initiatives, as determined by the ABP process.

6. Reset Stakeholder Relationships

6.1 Operational Resilience – Enhanced approach for Assurance & Complex Investigations

Mark Donnelly, REDACTED: Personal data

TABLED and **NOTED** was a paper on 'Operational Resilience – Enhanced approach for Assurance & Complex Investigations'.

REDACTED: Personal data presented the paper, which set out:

- Proposals for Assurance and Complex Investigations (A&CI) team reform.
- The proposals responded to the findings of an independent review undertaken by Mazars, which had been presented to the Board in July 2025.

Discussion included:

- The reforms would facilitate a more proactive, joined up and preventative data/intelligence-led approach to losses and crime prevention and earlier and more constructive engagement with law enforcement.
- In the earlier meeting of the Audit, Risk and Compliance Committee, a separate update had been provided on the progress being made in relation to recent branch loss cases and the positive engagement with law enforcement agencies.
- The anticipated findings from the Kroll review and the final workstream on Horizon data integrity should help in this regard too, including to secure consistent cooperation across the different law enforcement agencies.
- The team's effectiveness and success would rely on it having the right capabilities and technology; the acquisition of both was in hand.

6.2 REDACTED: Subject to legal professional privilege

REDACTED: Subject to legal professional privilege

7. Deliver a new operating model

7.1 Target Operating Model Update

Gaenor Prest

TABLED and **NOTED** were slides on 'POL 2030: Proposed Target Operating Model (TOM)'.

Gaenor Prest presented the slides, which set out:

- An overview of POL's current operating model, compared to the anticipated TOM in 2030 aligned to POL's future strategic vision; the analysis was provided under 4 broad themes

covering POL's funding and financial position; network composition; customers and products; and POL's back office.

- The key enablers that would need to be embedded to implement the 'to be' TOM included critical data and analytic capability and fit-for-future processes, systems and technology.

Discussion noted:

- While the commercial growth and financial sustainability objectives under POL's future strategy would support and enable POL's social purpose imperatives, as would POL's culture change journey, the social purpose should be drawn out more explicitly as the TOM continued to be refined.
- The underlying detail would continue to be developed alongside the long-term strategy.

7.2 Culture Change Update

Gaenor Prest, REDACTED: Personal data, Q5

TABLED and **NOTED** were slides on 'Culture Change'.

Gaenor Prest, supported by external adviser, REDACTED: Personal data, presented the slides, which set out:

- The work that was being undertaken to develop a view on the desired end-state culture and the associated change journey to achieve this end state.
- The work was looking at POL's own internal 'colleague' culture, as well as the commercial/business relationship between POL and the postmaster network.
- The anticipated end state reflected POL's vision for an organisation that worked at pace, and where it and the postmaster network had a commercial and customer-centric mindset focused on delivering what customers wanted and needed.

The discussion included:

- The 'as is' and 'to be' analysis had identified a set of culture shifts that needed to take place.
- Embedding the right behaviours, values and attitudes would be key:
 - there was a disconnect currently where these were not aligned to the strategic ambition; and
 - the 'to be' aspiration would need to be underpinned by operational integrity (with effective and robust systems and processes, technology and controls).
- The outputs of the work would include a 4-year culture change roadmap, a change narrative and engagement plan and a set of success metrics and KPIs.

8. Strengthen the Commercial Proposition

8.1 REDACTED: Protecting commercial interests REDACTED: Personal data

REDACTED: Protecting commercial interests

Preetha McCann, supported by REDACTED: Personal data, presented the paper, which set out: REDACTED: Protecting commercial interests

Discussion included:

REDACTED: Protecting commercial interests

REDACTED: Protecting commercial interests

9. Governance Items

9.1 Board Committee reports (Verbal Updates)

The Committee Chairs provided updates on the business for their respective Committees since the last Board meeting.

9.2 Sealings Report

REDACTED: Personal

The Board **APPROVED** the affixing of the Common Seal of the Company to the documents set out against items numbered 2403 – 2421 inclusive in the Register of Sealings.

10.1 Contracts

Media Planning and Buying

The Board:

- i. **NOTED** the paper titled 'Regulation 72 modification to the term and value of the Media Planning and Buying Services contract'.
- ii. **APPROVED** the regulation 72 (1) (e), non-substantial modification for the Media Planning and Buying Services Contract with Carat **REDACTED: Protecting commercial interests**.
- iii. **DELEGATED AUTHORITY** to Dominic Grounsell to award the contract.
- iv. **DELEGATED AUTHORITY** to any authorised signatory to execute the contract.

Affiliates and Aggregators

The Board:

- i. **NOTED** the paper titled 'Regulation 72 modification to the term of the Affiliates and Aggregators Network Platform and Services contract'.
- ii. **APPROVED** the regulation 72 (1) (e), non-substantial modification, for the Affiliates and Aggregators Network Platform and Services Contract with Awin **REDACTED: Protecting commercial interests**.
- iii. **DELEGATED AUTHORITY** to Dominic Grounsell to award the contract.
- iv. **DELEGATED AUTHORITY** to any authorised signatory to execute the contract.

Back Office Services

The Board:

- i. **NOTED** the paper titled 'Strategic Proposal for the continuation of Back Office Services (including the Common Digital Platform)'.
- ii. **APPROVED** the direct award to Accenture **REDACTED: Protecting commercial interests**.
- iii. **DELEGATED AUTHORITY** to Paul Anastassi to finalise and award the contract.
- iv. **DELEGATED AUTHORITY** to any authorised signatory to execute the contract.

Cloud Development & Support Services

The Board:

- i. **NOTED** the paper titled '1 Year extension of the Application Development & Support agreement with Specialist Computer Centre (SCC)'.
- ii. **APPROVED** a 1-year extension of the Cloud Development & Support Services contract with Specialist Computer Centres (SCC) **REDACTED: Protecting commercial interests**.
- iii. **DELEGATED AUTHORITY** to Paul Anastassi to award the contract.
- iv. **DELEGATED AUTHORITY** to any authorised signatory to execute the contract.

[The approvals for this contract were ratified by email after the meeting.]

REDACTED: Protecting commercial interests

10.2 Matters to be taken as read, no presentation

The following papers were **TABLED** and **TAKEN as READ**:

- (i) 'Inquiry Team Forward Plan and Resourcing for 2026/7';
- (ii) 'Health & Safety Report';
- (iii) 'RU Performance, Transformation and Transition';
- (iv) 'A&CI Report';
- (v) 'Future Meeting Dates'; and
- (vi) 'Forward Agenda'.

11. Feedback on papers

The Board noted the continuing improvement in the quality of papers and agreed the right matters were being discussed.



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There being no other business the Chair declared the meeting closed at 17:15.