



## POST OFFICE LIMITED BOARD MEETING

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### MINUTES OF AN ADDITIONAL MEETING OF THE BOARD OF DIRECTORS OF POST OFFICE LIMITED HELD ON FRIDAY 12 DECEMBER 2025 AT 100 WOOD STREET, LONDON, EC2V 7ER AT 09:00 AM<sup>1</sup>

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

Action

#### 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. Postmaster Remuneration

**REDACTED: Personal data**, Dominic Grounell, Charlotte Cool

**TABLED** and **NOTED** was a slide presentation on 'Remuneration Changes for January announcement'.

**REDACTED: Personal data** presented the paper; the presentation and discussion included:

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<sup>1</sup> Participation in the meeting was entirely via Microsoft Teams from participants' personal addresses. In such circumstances the Company's Articles of Association (Article 64) require that the location of the meeting be deemed as the chairman's location. However, it was not deemed appropriate to record personal addresses on the Company record. As such, the Registered Office is recorded as the meeting location.

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- At its meeting in November, the Board had discussed:
  - the proposal for a new approach to Postmaster remuneration to replace top-ups with permanent product/service rate changes, alongside the introduction of a simpler remuneration system which incentivised commercial and operational performance.
  - the proposal to remove the mains/locals rate differential.
- The Board was supportive of the proposed approach whereby rate increases would form the basis of Postmaster remuneration uplifts, however it agreed that further engagement with Postmasters was needed to settle the position on the approach and timeline for removing the mains/locals rate differential.
- Further engagement was subsequently held with Postmasters by way of discussions with:
  - The Consultative Council;
  - NFSP Board members;
  - Corporate & scale partners; and
  - Postmaster NEDs
- Stakeholder views continued to be divided on the timeline for removing the mains/local rate differential.
- The Chair asked the Postmaster NEDs if they were now aligned on option 1, full alignment of mains and local variable rates from April 2026, having indicated a preference for a staged approach in the Board's earlier discussions, and they both confirmed that, on balance, they were; their support, as well as that of others in the network who were supportive of a one-stage approach, was, however, predicated on the anticipated wider investment for network modernisation.
- It would be important to ensure the first stage communications in January on the new approach and rate changes emphasised this additional investment in branch modernisation, as well as the fact that indicative growth rates were based on flat volumes versus the prior 12 months, and before any anticipated growth in volumes.

The Board confirmed its final **APPROVAL** for:

- i. The new approach to Postmaster remuneration to replace top-ups with permanent product/service rate changes.
- ii. Full alignment of mains and local variable rates from April 2026; and
- iii. A two-staged communications plan, comprising:
  - an initial announcement in January 2026 to update Postmasters on the new approach and rate changes; and
  - a follow up communication in March/April 2026 to provide indicative trading guidance for FY26/27 and any further rate increases.

### **3. Any Other Business**

There being no other business, the meeting closed at 9:40.

**Date of next extraordinary/scheduled meeting:** 27 January 2026