

RMH(08)8TH
RMH08/114 - 132

ROYAL MAIL HOLDINGS plc
(Company no. 4074919)
Minutes of the meeting of the Board of Directors
held at 148 Old Street, London, on 11 September 2008

Present:

Richard Handover	Non-Executive Director (Chairman of meeting)
Allan Leighton	Chairman (by telephone, for RMH08/114-126)
Andrew Carr-Locke	Non-Executive Director
Alan Cook	Managing Director, Post Office Ltd
Adam Crozier	Group Chief Executive (by telephone, for RMH08/114-119)
Ian Duncan	Group Finance Director
David Fish	Non-Executive Director
Mark Higson	Managing Director, Royal Mail Letters
Baroness Prosser	Non-Executive Director
Helen Weir	Non-Executive Director

In attendance:

Jonathan Evans	Company Secretary
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Also present:

Rico Back	Chief Executive, GLS
Martin Gafsen	Group Property Director, for RMH08/119
Ray Huntzinger	Managing Director, iRed, for RMH08/123
David Belton	Project Manager, iRed, for RMH08/123

RMH08/114

CHAIR OF MEETING

- (a) The Board agreed that as Allan Leighton was unavoidably unable to be present at the meeting, Richard Handover should take the chair.

RMH08/115

DIRECTORS

- (a) The Board noted that Andrew Carr-Locke had been appointed as a director of the Company with effect from 1 September 2008, and welcomed him to his first meeting;

[Information removed]

RMH08/116

FINANCE DIRECTOR'S REPORT – RMH(08)70

[Information removed]

RMH08/117

**DRAFT LETTERS BUSINESS STRATEGIC PLAN –
RMH(08)75**

[Information removed]

RMH08/118

INDEPENDENT REVIEW OF THE POSTAL SECTOR

Royal Mail – Strictly Confidential

- (a) Adam Crozier updated the Board on the Review.
[Information removed]

RMH08/119

**STRATEGIC REVIEW OF THE ADMINISTRATIVE ESTATE
(PROJECT NOBLE) – RMH(08)72**

- (a) The Board noted Adam Crozier's paper, and Martin Gafsen's accompanying presentation;

[Information removed]

RMH08/120

MINUTES OF PREVIOUS MEETING RMH(08)7TH

- (a) The Board approved the minutes of the meeting held on 8 July 2008.

RMH08/121

MATTERS ARISING – RMH(08)69

- (a) The Board noted the status report;

[Information removed]

RMH08/122

OTHER MINUTES

- (a) The Board noted the minutes of the meetings of:
- the Group Executive Team on 17 July 2008
 - Pensions Sub-Committee on 7 August 2008
 - Post Office Ltd Board on 21 July 2008.

RMH08/123

iRED PARTNERSHIP

- (a) Ray Huntzinger gave a presentation to explain to the Board iRed's customer offer, its potential attractiveness to businesses, and its significance to Royal Mail;

[Information removed]
- (c) the Board thanked Ray Huntzinger for his presentation, and looked forward to seeing reports of revenue growth in the near future.

RMH08/124

CHAIRMAN'S BUSINESS

- (a) The Chairman reported that the Government was beginning the process to find a successor for him when he stands down from the Board in March 2009. An advertisement for the Chairman position was due to appear in *The Sunday Times* on 21 September.

RMH08/125

REPORTS FROM CHAIRS OF BOARD COMMITTEES

[Information removed]

RMH08/126

EXECUTIVE REPORTS

- (a) The Board noted the reports;
[Information removed]
- (c) 1st class quality of service in period 5 had exceeded the target, with performance at 93.5%;
[Information removed]

RMH08/127

CAMELOT CONTRACT RENEWAL – RMH(08)71

[Information removed]

RMH08/128

CORPORATE FINANCE REPORT: QUARTER 1 – RMH(08)73

- (a) The Board noted the paper.

RMH08/129

REGULATION REPORT – RMH(08)74

- (a) The Board noted the paper.

RMH08/130

COMPANY SECRETARY'S REPORT – RMH(08)76

- (a) The Board noted the report.

RMH08/131

OTHER BUSINESS

- (a) Committee membership: Richard Handover referred to the need to review the membership of the Board's committees in the light of NED changes. The Board noted that:
- David Fish would cease to be Chairman of the Remuneration Committee and member of the Nomination Committee on 30 September 2008;
- agreed that:
- Andrew Carr-Locke would become a member of the Audit and Risk Committee with effect from 1 September 2008;
- and further agreed, as temporary measures pending a review of committee membership on the appointment of new non-executive directors, that:
- Richard Handover would chair the Remuneration Committee;
 - Margaret Prosser would chair the Nomination Committee;
 - Andrew Carr-Locke would join Richard Handover and Margaret Prosser as a member of the Remuneration and Nomination Committees;
 - these appointments would take effect on 1 October 2008.

RMH08/132

CLOSE

- (a) In the absence of any further business, the Chairman closed the meeting. The next scheduled meeting of the Board was on 8 October 2008, at 148 Old Street, London.