



Department for Business, Energy & Industrial Strategy

Henry Staunton
Chair
Post Office Limited
Finsbury Dials
20 Finsbury Street
London
EC2Y 9AQ

Sarah Munby
Permanent Under-Secretary of State
1 Victoria Street
London
SW1H 0ET
T: [REDACTED]
E: [REDACTED]

Dear Mr Staunton,

Congratulations on your appointment as Chair of Post Office Limited (POL). It is a unique opportunity to make a nationally significant contribution and you take up your role at an important juncture in the company's transformation journey.

Each year, I write to the Chair to set out the key strategic priorities that BEIS, as sole Shareholder, would like POL to focus on over the coming twelve months. Earlier this year, I wrote to Tim Parker, the outgoing Chair, setting out the strategic priorities for 2022/23.

I have attached my letter to Tim for your reference. I am aware that POL, under Tim's stewardship, has already made considerable efforts in addressing these priorities and I would be grateful for this momentum to continue under your leadership.

In particular, I would be grateful if you could focus your attention on the following:

1. Effective financial management and performance, including effective management of legal costs, to ensure medium term viability;
2. Maintaining and improving POL's capacity, capability, and resilience at all levels of the organisation including the top team;
3. Engaging positively with the Post Office Horizon IT Inquiry and implementing change, including resolving historical litigation issues, successfully delivering the Strategic Platform Modernisation Programme (SPMP), and reaching settlements with claimants.

I would be pleased to talk you through these priorities and the importance that we place on them as the Shareholder.

Finally, Tim Parker wrote to me on POL's work to transform the cultural and process aspects in response to the Inquiry shortly before his departure. I will write to you on this matter separately.

I would be grateful if you could share this letter with the POL Board.

I look forward to forging a close working relationship with you. My office will be in touch to arrange a meeting soon.

Yours sincerely,

Sarah Munby

OFFICIAL SENSITIVE