

Witness Name: David John Courtley

Statement No.: WITN03530200

Dated: 5 November 2024

POST OFFICE HORIZON IT INQUIRY

SECOND WITNESS STATEMENT OF *DAVID JOHN COURTLEY*

I, *MR DAVID JOHN COURTLEY*, will say as follows:

INTRODUCTION

1. This witness statement is made to assist the Post Office Horizon IT Inquiry (the “**Inquiry**”) with the matters set out in the Rule 9 Request dated 26 September 2024 (the “**Request**”), to the extent I have direct knowledge of the matters addressed in the Request. I was assisted in preparing this statement by Morrison Foerster, who represent Fujitsu Services Limited (“**Fujitsu Services**”) in the Inquiry.
2. The Request deals with events many of which took place over 15 years ago, so in some cases my recollection is limited. I have therefore refreshed my memory by reviewing the documents provided to me by the Inquiry. To the extent those documents have assisted my recollection, I refer to the documents using the URNs listed in the index accompanying this statement.
3. The Request largely seeks descriptions of my role as Chief Operating Officer (“**COO**”) and Chief Executive (“**CEO**”) of the ICL group and Fujitsu Services, my knowledge of the Horizon system, litigation support provided by Fujitsu Services

to Post Office Limited (“**POL**”), corporate structure of and governance processes within the Fujitsu group.

4. I note that I have previously made a witness statement to the Inquiry dated 16 May 2023, which was submitted in response to a Rule 9 Request dated 24 February 2023 (WITN03530100, my “**First Witness Statement**”). Where relevant, I make reference to paragraphs of my First Witness Statement in this statement.

BACKGROUND

5. As noted in paragraphs 1 and 6 of my First Witness Statement, I joined Fujitsu Services in July 2001 as COO. I held that position from July 2001 to April 2004, when I became CEO. I left Fujitsu Services in December 2008.
6. The Inquiry has asked me to provide background to these appointments.
7. Prior to joining Fujitsu Services, I was the CEO of a human resources outsourcing joint venture between BT and Accenture, called E-PeopleServe.
8. During 2001, I was approached by a recruiter who informed me of the COO opportunity at Fujitsu Services. I understood that Richard Christou, then CEO of Fujitsu Services, was leading the search for a COO. At the time, there was no formal COO position at ICL, and the role was being newly created. At the time I was approached, the selection process for the role was already underway and I believe there were multiple candidates involved.
9. After expressing interest, I met with Mr Christou to discuss the position and my suitability.
10. I also met senior executives of Fujitsu from Japan (“**Fujitsu**”) both in the UK and in Japan. These included Mr Hiroaki Kurokawa (then Group Executive Vice President of Fujitsu), Mr Naoyuki Akiksusa (then President of Fujitsu), and a

number of other senior executives. Further to these interviews, I was appointed as COO of Fujitsu Services.

11. When I first joined as COO, Fujitsu Services was a loss-making business, and my primary objective as COO was to improve business performance and ensure that the company became profitable. During my tenure as COO, I led a restructuring of Fujitsu Services' business (as to which I provide more details below), and also focused on bidding for and winning a number of large long-term outsourcing contracts that ended up being transformative for the business' revenue and performance.
12. I was appointed as CEO in 2004. Mr Christou remained as Executive Chairman of Fujitsu Services, and we worked closely together during my tenure as CEO.
13. The Inquiry has asked me about my knowledge, at the time I joined Fujitsu Services, in relation to the following specific issues: (i) Bugs, Errors and Defects ("**BEDs**") in the Horizon system, (ii) concerns as to a lack of integrity of the Horizon System, (iii) Fujitsu Services' ability to insert, edit or delete transaction data or data in branch accounts without the knowledge of SPMs, managers and assistants, and (iv) complaints addressing BEDs or integrity concerns. Prior to joining Fujitsu Services, I had a briefing with Mr Christou, Peter Earl, John Bennett, and potentially one other who I do not recall, about the company, its key contracts and its financial performance. While I believe the Post Office Account was discussed in that briefing, I do not recall any of the issues listed above coming up. When I joined, while I had a general understanding of Horizon's history, including challenges in relation to the proposed Benefits card, I was not aware of any of the specific issues outlined in (i)-(iv) above. During the course of my tenure, there were some problems affecting Horizon – but, in my recollection, these were mainly

outages affecting the availability of the system that had been escalated through the alert system or other means. I describe the alert system and my role in relation to it in greater detail below, and address an example of an outage that was escalated to me in my First Witness Statement. Beyond those issues, I do not recall being aware of any other serious problems with Horizon.

14. I did not have any training to operate Horizon when I joined, or during my employment with Fujitsu Services.

CORPORATE STRUCTURE OF FUJITSU SERVICES

Corporate entities within the group

15. When I joined in 2001, ICL plc was a wholly owned subsidiary of Fujitsu. ICL plc was the ultimate holding company of the group, International Computers Limited was the UK operating company, ICL Global Investments Limited held the ICL group's non-UK operations, and ICL Pathway Limited contained the Post Office Account.

16. In April 2002, the ICL brand was replaced by Fujitsu Services. At the time, there was a feeling within the ICL group, Fujitsu and generally in the market that the "ICL" brand was tired, and it was considered beneficial to signal a closer relationship with Fujitsu. Related to this change, there were also changes made to the ICL plc board structure. In particular, some external non-executive directors left the board and more representatives from Fujitsu joined. These changes were discussed in board meetings (for instance in the minutes of an ICL plc board meeting on 7 February 2002 (FUJ00003644)).

17. To the best of my knowledge, while the names of the companies in the ICL group changed to reflect the new Fujitsu Services branding and there were changes to

the board, the corporate structure itself did not change. I do not recall the corporate structure undergoing any further significant changes during my tenure at Fujitsu Services.

Business restructuring within Fujitsu Services

18. At the same time as the brand change, I led a restructuring of Fujitsu Services' business and management structure. While this occurred at the same time as the rebranding, it was not a direct result of the rebranding.
19. The scope and rationale for the restructure were discussed in board meetings at the time: see (i) the minutes of an ICL plc board meeting on 7 February 2002 (FUJ00003644) note "*ICL would have a new start – a new name (Fujitsu Services) a new Board and transfer of its business to DMR (Fujitsu Consulting)*", and (ii) the minutes of a Fujitsu Services Management Committee ("**FSMC**") board meeting on 29 May 2002 (FUJ00003704) note that "*[t]he last financial year, 2001/2002 was one in which a great deal had been achieved: the restructuring, Project Fuji, the rebranding and some difficult contract negotiations. The outcome had been positive, with the break-even result showing that the Group was capable of operating profitably*".
20. As noted at paragraph 8 of my First Witness Statement, when I joined Fujitsu Services, its business in the UK was divided into multiple divisions, each led a by a divisional director. The Post Office Account sat within the Large Projects Division. Following the restructure, the Post Office Account moved from the Large Projects Division to the UK Commercial Business Division.
21. The restructuring reorganised the division-based structure in place and had a number of aims:

- a. First, was to increase the accountability each division had for revenue and profit. Prior to the restructuring, some divisions within Fujitsu Services would provide services to other divisions, and book revenue and profit from those services. By way of example, Fujitsu Services' operational services division provided infrastructure services to (and therefore would gain profit from) the Large Projects Division. This internal trading model obscured the true view of profit within the organisation. We introduced the concept of core delivery services, comprising common capabilities that delivered services to the customer-facing divisions in the business. Core delivery services included service desk, data centres, project management capabilities and networks. Core delivery services did not record profit, but the cost of their services was recorded against each account and division. I note that the introduction of core delivery services was referred to in the board meetings recorded at FUJ00003644 and minutes of an ICL Investment & Strategy Committee meeting on 6 February 2002 (FUJ00116185). In addition to introducing core delivery services, divisional directors had greater oversight, control of and responsibility for the division's budgets and targets, which improved clarity. Amongst other things, division directors were evaluated on the extent to which their division remained within its budget and met sales and performance targets.
- b. Second, I agreed with Fujitsu to reduce the headcount within Fujitsu Services, including through a redundancy programme.
- c. Third, sales teams were rewarded differently. Prior to the restructuring, yearly bonuses for sales teams were in place. We introduced a commissions-

based bonus structure, which meant that bonuses were more closely tied to individual performance and new business.

22. I believe that this structure largely remained in place throughout the remainder of my tenure with Fujitsu Services. However, the names of divisions changed within that time. For example, as noted at paragraph 8 of my First Witness Statement, the UK Commercial Business Division was later renamed the Private Sector Division.
23. In general, the division directors reported to me as COO and then CEO. As noted in my First Witness Statement at paragraph 9, the exception was a brief period from 2001 to 2002 when the directorship of the Large Projects Division was vacant, and individual account managers in that division reported directly to me as COO.
24. Fourth, as noted at paragraph 7 of my First Witness Statement, I “*worked on managing and improving Fujitsu's relationship with its shareholder*”, Fujitsu. When I first joined Fujitsu Services, ICL was considered as a consistent loss-making business. I visited Fujitsu on a regular basis to improve collaboration between Fujitsu Services and Fujitsu, and the relationship did improve over time.

MY ROLE AT FUJITSU SERVICES

25. I have been asked to set out my role and responsibilities as COO and CEO.
26. I explain my responsibilities as COO and then CEO in my First Witness Statement, at paragraphs 6 to 10. I also note the scale of Fujitsu Services' business at that time. I believe it had approximately 20,000 employees and contractors, who were staffed across multiple major accounts (of which the Post Office Account was one) and a number of countries in Europe, Scandinavia and Africa.

27. My responsibilities were the usual duties of a senior executive in a multinational company. In summary these roles included:

- a. Overall responsibility for Fujitsu Services' business activities in the UK, Continental Europe, Scandinavia and Africa, including responsibility for growth and profitability;
- b. The development of new business and sustaining existing business for Fujitsu Services in each of the markets mentioned above, including the company's approach towards sales, marketing, and managing customers;
- c. Restructuring poorly performing parts of the business;
- d. Evaluating and undertaking acquisitions to enhance Fujitsu Services' capabilities and positioning in certain countries; and
- e. Managing Fujitsu Services' relationship with its shareholder.

28. As I note at paragraph 6 of my First Witness Statement, I had substantially similar responsibilities as COO and CEO, except that while I was CEO the heads of certain key functions (e.g. Finance, Human Resources, Commercial, Legal) reported to me (when they did not while I was COO).

CORPORATE GOVERNANCE AND BOARD REPORTING (GENERAL)

29. The Inquiry has asked me how Fujitsu Services' Board and/or senior management maintained oversight over a range of specific issues. I begin by addressing Fujitsu Services' processes for oversight generally. In this section I also address my responsibilities in relation to review and reporting processes for major accounts.

Mid-Term Plan

30. Fujitsu Services' fiscal year ran from 1 April to 31 March each year. As part of Fujitsu Services' yearly budget process, a Mid-Term Plan ("**MTP**") would be prepared and presented to the Fujitsu Services Board on an annual basis.
31. Each MTP addressed the next three fiscal years, but with a particular focus on the upcoming year's budget. The MTP provided a plan together with a forecast for the business as a whole (including sales and marketing strategy and initiatives, the sales pipeline, upcoming projects/bids, or opportunities and forecasts on long term customer accounts) as well as a budget to meet those goals over the same period. In respect of long terms customer accounts, the MTP would cover how those accounts would progress over the next three years.
32. The MTP was constructed from the bottom up – with individual accounts and then divisions preparing their own contributions, which would then feed into the business-wide MTP. The business-wide MTP would be subject to feedback iteration and revision between divisional teams and senior executives then the board, and it may be revised following such feedback. For example, the minutes of the FSMC board meeting on 15 November 2007 (FUJ00003701) note that I presented an MTP to the board, and the FSMC members "*wished to understand more of the detail underlying the plan*".

Internal and external audits

33. KPMG would perform an annual audit on all parts of the business and report their findings to the Fujitsu Services Board. The report was available to Fujitsu, and KPMG's findings were used as input to prepare Fujitsu Services' annual accounts.

34. Fujitsu Services also had an internal audit function which undertook internal audits of specific divisions and accounts. These were planned on a rolling basis at the direction of the Fujitsu Services Board.

Monthly Divisional Meetings

35. During my time at Fujitsu Services, I attended a monthly divisional meeting with the director of each Fujitsu Services division. These would also be attended by at least the Chief Financial Officer and the Head of Legal and Commercial from the senior executive team. On the division side, it would be attended by the division director and other senior division leadership (including the division's finance director and, where appropriate, individual account managers as well).

36. As noted at paragraph 11 of my First Witness Statement, these monthly meetings were one of the primary forums by which I received information and updates about Customer Accounts, including the Post Office Account. The topics for discussion during these meetings were generally quite wide. They would cover key issues for the division such as financial results and forecasts, staffing levels, the division's sales pipeline, as well as the business and relationship with key customers. As I noted in my First Witness Statement, technical or other problems on individual accounts would be discussed if they were of a major nature and could impact a customer relationship or performance. As there would be a variety of issues occurring across all accounts within a division, division directors would naturally prioritise and focus on updates that were considered to be material to the division.

37. My recollection is that Fujitsu Services' Business Assurance team would also attend most of these meetings to take notes, circulate actions from the review meetings, and ensure these actions were followed up (see email dated 2 January

2007 (FUJ00116311) and the Post Office Account Major Account Review action plan dated 31 January 2007 (FUJ00116312)).

38. The Post Office Account would have been reviewed as part of the relevant monthly divisional meeting.

Account Reviews

39. In addition to the above, account reviews would also be set up on an *ad hoc* basis for major accounts.

40. As noted at paragraph 11 of my First Witness Statement, account reviews were an opportunity for the account manager and other members of his or her team to present on progress, issues and performance to me, and others in the senior leadership team, and for these to be discussed. During these reviews, we would usually discuss the account's progress to key milestones, its financials and the relationship with the customer, as well as any major issues that may have been occurring on the account.

41. My recollection is that Fujitsu Services' Business Assurance team would also attend the account reviews to perform a similar role as in the monthly divisional meetings as noted above.

Major Account and Bid Reports

42. Major account and bid reports ("**Reports**") would be prepared ahead of each month's board meeting. These Reports were included in the board papers and were discussed at board meetings. They were a formal avenue to update the board on the status of the business' major projects.

43. As the board meetings were held on a regular basis, according to a pre-defined schedule, divisional directors would have responsibility for producing the reports

on major accounts or bids within their areas of responsibility ahead of a board meeting.

44. These draft reports would then be sent to me for review, before they were circulated to the board. I was generally familiar with the issues raised in the reports on major accounts and, in most cases, reports prepared by divisional directors would be consistent with my knowledge.
45. If I had any queries about a particular report, after my review, I would clarify those with the relevant division director, and the report may be amended before being provided to the board.
46. Board reports covered, at summary level, both problems and successes on an account. In relation to the Post Office Account, I note that the following reports covered a number of ongoing problems: (i) outages of the online services in March 2004, which led to a red alert being raised (see FSMC Major Accounts Report dated 11 March 2004 (FUJ00003591)); and (ii) delays in the delivery of the HNG-X programme in or around February 2007 (see FSMC Major Accounts Report dated February 2007 (FUJ00003696)).
47. During the board meeting, I would respond to queries from the board regarding the reports. In relation to the Post Office Account, the minutes of the FSMC board meeting on 23 February 2005 note that I presented a report on major projects to the board, in which I raised a service problem relating to POL and noted that it was a *“priority to meet expectations, particularly having regard to the new contract”* with POL. The minutes indicate that I then invited questions, which was followed by a discussion *“on the proposed extensions to the Post Office project with respect to the new generation architecture”* (see minutes of the FSMC board meeting on 9 June 2004 (FUJ00003575)).

48. The Inquiry has specifically asked me to identify the steps I personally undertook and the extent to which work would be delegated to others in preparing reports to the board. As I have explained above, the drafting of reports was largely delegated to division directors, while I personally reviewed reports and responded to any questions from the board about them.
49. The Inquiry has specifically brought to my attention a report titled "*Commercial overview of Large Projects*" prepared by Tony Oppenheim (FUJ00116084), and a report titled "*ICL Pathway input to David Courtley's Quarterly Board report on LPD to Fujitsu*" prepared by Stephen Muchow (FUJ00116088). The Inquiry has not drawn my attention to particular passages or topics within these documents. I do not recall either of these reports in detail.
50. I note that Mr Oppenheim's report included a number of statements critical of the Large Projects Division and the Post Office Account, including stating that POL perceived the account as "*reactionary, slow in everything we do, difficult to deal with, risk averse and expensive*". He was also critical of Mr Muchow and Peter Graham. These issues were not reflected in Mr Muchow's report, who described current performance of the Post Office Account as "*good*".
51. I understood Mr Oppenheim's report to be a reflection of his views and frustrations at individual tensions within the Large Projects Division. I felt that Mr Oppenheim wanted to communicate issues he considered to be important about the business to me to ensure I was aware of his concerns and perspective. I recall discussing his concerns with him, and found it to be helpful context regarding issues on the account.

Customer Satisfaction Processes

52. In general, account managers had primary responsibility for ensuring customer satisfaction on the account they were responsible for.
53. However, in addition to the monthly division meetings and account reviews described above, senior executives (myself included) monitored customer satisfaction on major accounts via the Customer Satisfaction Interview Programme (“**CSIP**”).
54. As noted at paragraph 53 of my First Witness Statement, the CSIP was a formal process run by an external provider, involving *“a number of customer representatives being asked to respond to a detailed survey, providing narrative responses and numerical scores on Fujitsu's performance.”*
55. I recall routinely receiving and reviewing CSIP reports from major accounts. Given they were independently prepared, I found they gave a useful perspective on the customer’s views and experience and whether Fujitsu Services was meeting expectations. While the CSIP process focused primarily on the Fujitsu Services-customer relationship, the relationship necessarily depended on the quality of the service Fujitsu Services provided. I therefore expected any major issues with the service to be reflected in the CSIP survey.
56. In general, where a project had been experiencing difficulties, a negative CSIP report might be expected. Where a CSIP review was unexpectedly negative, I would usually follow up with the relevant division director or account manager.
57. On various occasions, I directly met with representatives of customers which would present an opportunity to discuss and review account performance, the status of the relationship and any issues. As noted in my First Witness Statement,

during the course of negotiations on the HNG-X contract, I met with Alan Barrie who was the Commercial Director for POL on a number of occasions.

Alert System

58. As noted at paragraph 19 of my First Witness Statement, a red alert could be raised by the account manager or the customer or Fujitsu Services where a severe performance issue occurred. There were also amber alerts, which required additional attention but were less critical in nature than red alerts. When an alert was raised, my role was to ensure that Fujitsu Services were deploying appropriate technical and other resources from across the organisation to resolve the issue and to monitor progress to a resolution, including following up if we were not progressing towards a resolution.

59. I generally received daily updates by email on the progress of the red alerts. In relation to the Post Office Account, my recollection is that red alerts were mostly in relation to the availability of the service – for instance, I recall a number of service outages raised as red alerts and address an example at paragraphs 15 to 21 of my First Witness Statement.

Oversight and reporting by Fujitsu representatives

60. During my time as COO from July 2001 to April 2004, and as CEO from April 2004 to December 2008, Hiromichi Hirata and Atsui Nagai were based in the UK and seconded to Fujitsu Services from Fujitsu. Mr Hirata was also a member of the Fujitsu Services Board.

61. Mr Hirata and Mr Nagai would often attend the monthly division meetings and account reviews for major accounts mentioned in paragraphs 35 to 41 above. They would primarily attend as observers and would occasionally ask questions. I

understood that they reported on the outcomes of those meetings to a support unit within Fujitsu.

62. On various occasions, Mr Hirata would raise concerns following meetings directly with me. These conversations were of an informal nature.

63. Mr Hirata and Mr Nagai were also involved in analysing, communicating and obtaining support for any large bids and contracts that would require approval from Fujitsu or a parent-company guarantee.

CORPORATE GOVERNANCE AND BOARD REPORTING (SPECIFIC ISSUES)

64. I have explained above how senior executives and the board of Fujitsu Services maintained oversight over Fujitsu Services' business generally. In this section, I address how those groups maintained oversight over specific issues affecting the Horizon IT system or the Post Office Account.

Litigation support, including the provision of ARQ data

65. During my time as COO and CEO, I was not aware that Fujitsu Services provided litigation support or ARQ data to POL.

66. I have considered (i) Section 4.1.8 of the Codified Agreement between Post Office Counters Limited and ICL Pathway Limited (FUJ00000071), which contains an obligation on Fujitsu Services to provide data to POL for the purposes of prosecution; and (ii) the Service Description for Implementation and maintenance of security policy and procedures (FUJ00001743), which states that Fujitsu Services employees and/or contractors would prepare witness statements or attend court to support POL litigation and prosecutions. I was not aware of the negotiation of these obligations, any training that individuals involved in litigation support may have received or the provision of litigation support itself.

67. While I was not aware of these obligations, I would have expected the Post Office Account manager, commercial department and legal department to be aware of these arrangements. I would have expected that any material issues regarding litigation support would be raised to me through the oversight processes discussed above or directly. I do not recall receiving any escalations concerning litigation support during my time at Fujitsu Services.
68. The Inquiry has specifically asked me about the nature and extent of my knowledge regarding Fujitsu Services' involvement in *Wolstenholme v Post Office Counters Limited* and *Post Office Limited v Castleton*. I was not aware of Fujitsu Services' involvement in these litigations.

Integrity of the Horizon system

69. In the first Rule 9 Request I received from the Inquiry, dated 24 February 2023, I was asked about when the Horizon system became "robust". I explained in my First Witness Statement, that, while that term bore no special meaning in the IT context, I understood it to mean a system that was meeting the customer's expectations.
70. In this Request, I have been asked about oversight in relation to the integrity of the Horizon system. In my view, a system having integrity means that (i) it meets customer requirements, and (ii) it works, on a day to day basis, as a customer expects in terms of its reliability, availability and performance, although I do not believe the word has any special or precise meaning, technically or contractually.
71. At the point I joined Fujitsu Services, the Horizon system had already been subjected to acceptance tests and had been accepted into service. I understood this to mean that it met POL's requirements.

72. Of course, problems with the system also arose during the operation of Horizon. During my employment at Fujitsu Services, the operation of Horizon was managed by the account team and was subject to the general reporting and oversight procedures I described above. As a result of those procedures, I was made aware of performance issues with Horizon (including those which led to outages and/or red alerts).

Quality of technical support services

73. I understand technical support services to include service desk support services - provided by Fujitsu Services to POL, as well as the technical support work undertaken by Fujitsu Services on the Post Office Account more generally.

74. I would have expected major issues relating to the quality of technical support services to be escalated to the Fujitsu Services Board through the processes for oversight and reporting described above, including the alert system and the customer satisfaction processes.

PROJECT LIGHT

75. I have been asked to set out the background to Project Light and steps taken in relation to the red alert in relation to the project. In preparing this portion of my witness statement, I have reviewed several emails dated between July 2007 and August 2008 (FUJ00168179, FUJ00168320, FUJ00168348, FUJ00168357, FUJ00168363, FUJ00168365, FUJ00126070), a PowerPoint presentation titled "*Programme LIGHT Executive Conference Call*" dated 28 June 2007 (FUJ00168180), and a report titled "*Fujitsu Services Customer Satisfaction Interview Programme – 2008*" dated 29 May 2008 (FUJ00126071), which are each documents the Inquiry has drawn my attention to.

76. Project Light was a project Fujitsu Services undertook with the Royal Mail Group (“**RMG**”), in relation to the installation of video screens at RMG sorting offices for displaying internal corporate communications. It was managed separately from the Post Office Account and the Horizon system.
77. The project was relatively small and not considered a major account for Fujitsu Services. However, it was considered a “high profile” project as Allan Leighton (the chairman of RMG at the time) took an interest in it.
78. I believe RMG issued a red alert and a critical CSIP report occurred (FUJ00126071) as (i) there was a delay in delivering screens for the video system; (ii) a number of the screens did not work when delivered, and (iii) there was slow and insufficient recovery by Fujitsu Services from these failures. I note that in FUJ00168180 there is a reference to the “*Database remain[ing] unreliable*”, though I do not recall what that particular issue was.
79. During the course of the red alert, I spoke to Ian Terblanche (the account manager on the project) to understand reasons for delay in delivery, what Fujitsu Services could do to address the reliability of the screens provided, and what support the RMG account required. From the documents the Inquiry has drawn my attention to, I am aware that the project eventually came off red alert, and that I discussed that with Stephen Windsor-Lewis, the point of contact at RMG.
80. I do not recall bringing these issues to the attention of the Fujitsu Services Board, although I may have done. While I do not recall my thinking at the time, I would not have regarded this project or this red alert as sufficiently material to bring to the attention of the board.

LEAVING FUJITSU SERVICES

81. I left Fujitsu Services in December 2008. The Inquiry has referred me to emails dated 15 July 2009 (FUJ00173904) and 7 July 2010 (FUJ00174335) and asked me to set out my reasons for leaving Fujitsu Services.
82. Around 2008, Fujitsu made the decision to acquire Siemens' share of Fujitsu Siemens, and to merge that entity into Fujitsu Services. Due to the significant change in business and restructuring that occurred following that decision, I was no longer required in the role of CEO and left Fujitsu Services.
83. I note that FUJ00174335 appears to be an email between David Roberts and Gavin Bounds discussing me joining POL. I confirm that I have never been approached for an opportunity to move to POL, nor did I consider such a move.

GENERAL COMMENTS

84. I have been asked by the Inquiry about my views on the adequacy of Fujitsu Service's oversight procedures, and whether there are any steps I would have taken differently.
85. Fujitsu Services' procedures were deployed over multiple accounts, divisions and geographies and, in my recollection, they generally were undertaken diligently and enabled escalation of critical issues to senior management and/or the board for attention and where needed, to help facilitate solutions.
86. As noted at paragraph 45 of my First Witness Statement, despite the acceptance and testing regimes that occurred for the Horizon system, and based on my current knowledge and with hindsight, there were serious errors in the software and more could have been done to identify these and their impacts. Fujitsu Services could have undertaken additional technical and architectural reviews of the system and

its operation, either using our own technical resources, commissioned an independent third party review, or jointly commission an independent third party review with POL.

87. With hindsight, I also believe that the litigation support service on the Post Office Account should have been better understood at senior levels in the company. It was an unusual arrangement for an IT services provider and the potential risks of litigation support, especially in the criminal context, were not raised with me. Looking back on what happened, it appears that the peculiarity of the litigation support service and the risks that came with it were not adequately identified or fully understood when these were put in place or subsequently.

Statement of Truth

I believe the content of this statement to be true.



Signed:

Dated: 5th November 2024

**INDEX TO THE SECOND WITNESS STATEMENT OF
MR DAVID JOHN COURTLEY**

Exhibit No.	URN	Document Description	Control No.
1.	WITN03530100	First Witness Statement of David John Courtley	WITN03530100
2.	FUJ00003644	Minutes of a Meeting of the ICL plc Board of Directors on 7 February 2002	POINQ0009815F
3.	FUJ00003704	Minutes of a Meeting of the Fujitsu Services Management Committee of the Boards of Directors of Fujitsu Services Holdings PLC, Fujitsu Services Limited and Fujitsu Services (Investments) Limited on 29 May 2002	POINQ0009875F
4.	FUJ00116185	Minutes of a Meeting of the ICL Investment & Strategy Committee on 6 February 2002	POINQ0122356F
5.	FUJ00003701	Minutes of a Meeting of the Fujitsu Services Management Committee of the Boards of Directors of the Companies on 15 November 2007	POINQ0009872F
6.	FUJ00116311	Email from Fujitsu Business Assurance to David Courtley and others with subject "Post Office and Royal Mail Group Account Plan Review – Actions" dated 2 January 2007	POINQ0122482F
7.	FUJ00116312	Post Office Account Major Account Review action plan dated 31 January 2007	POINQ0122483F
8.	FUJ00003591	Fujitsu Services Management Committee Major Accounts Report dated 11 March 2004	POINQ0009762F

Exhibit No.	URN	Document Description	Control No.
9.	FUJ00003696	Fujitsu Services Management Committee Major Accounts Report dated February 2007	POINQ0009867F
10.	FUJ00003575	Minutes of a Meeting of the Fujitsu Services Management Committee of the Boards of Directors of the Companies on 9 June 2004	POINQ0009746F
11.	FUJ00116084	Document titled "New Year Report Commercial overview of Large Reports" (undated)	POINQ0122255F
12.	FUJ00116088	Document titled "ICL Pathway input to David Courtley's Quarterly Board report on LPD to Fujitsu" (undated)	POINQ0122259F
13.	FUJ00000071	Post Office Counters Ltd and ICL Pathway Ltd, Information Technology Services Agreement for Bringing Technology to Post Offices – Codified Agreement dated 28 July 1999	POINQ0006242F
14.	FUJ00001743	Service Description for Implementation and Maintenance of Security Policy and Procedures - CS/SER/016 - v1.0 dated 6 January 2003	POINQ0007914F
15.	FUJ00168179	Email chain involving David Courtley and others with subject "RMG View on life" dated 2 July 2007	POINQ0174360F
16.	FUJ00168180	PowerPoint titled "Programme LIGHT Executive Conference Call" dated 28 June 2007	POINQ0174361F
17.	FUJ00168320	Email chain involving David Courtley and others with subject "Royal Mail – Project Light" dated 21 October 2007	POINQ0174501F

Exhibit No.	URN	Document Description	Control No.
18.	FUJ00168348	Email chain involving David Courtley and others with subject "Stephen Windsor Lewis' note" dated 7 November 2007	POINQ0174529F
19.	FUJ00168357	Email chain involving David Courtley and others with subject "RMG DMN" dated 12 November 2007	POINQ0174538F
20.	FUJ00168363	Email chain involving David Courtley and others with subject "Royal Mail – Project Light" dated 16 November 2007	POINQ0174544F
21.	FUJ00168365	Email chain involving David Courtley and others with subject "Project Light" dated 16 November 2007	POINQ0174546F
22.	FUJ00126070	Email from Fujitsu Services Customer Satisfaction to David Courtley and others with subject "CSIP REPORT: Royal Mail Group" dated 1 August 2008	POINQ0127352F
23.	FUJ00126071	Report titled "Fujitsu Services Customer Satisfaction Interview Programme – 2008" dated 29 May 2008	POINQ0127353F
24.	FUJ00173904	Email chain involving Akihisa Kamata, Richard Christou, Brian Harris and Mark Baker with subject "Meeting with Nozoe-san" dated 15 July 2009	POINQ0180085F
25.	FUJ00174335	Email chain between David Roberts and Gavin Bounds with subject "D Courtley" dated 7 July 2010	POINQ0180516F