



# **GROUP POLICIES**

## **Whistleblowing Policy**

**Version – V1.7**

### **Chief Executive's Endorsement**

The Post Office Group is committed to doing things correctly. Our Values and Behaviours represent the conduct we expect. This Policy supports these to help us ensure the highest standards of financial crime prevention, detection and management are maintained.



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# 1. Overview

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## 1.1. Introduction by the Policy Owner

The General Counsel has overall accountability to the Board of Directors for the implementation of controls ensuring Post Office meets its Whistleblowing obligations. Whistleblowing is an agenda item for the Audit and Risk Committee and the Post Office board is updated as required.

## 1.2. Purpose

This Policy has been established to set the minimum operating standards relating to the management of Whistleblowing throughout the Group<sup>1</sup>. It is one of a set of policies which provide a clear risk and governance framework and an effective system of internal control for the management of risk across the Group. Compliance with these policies supports the Group in meeting its business objectives and to balance the needs of shareholders, employees<sup>2</sup> and other stakeholders.

## 1.3. Core Principles

Whistleblowing is the reporting of suspected wrongdoing and/or dangerous practices within Post Office. This would include serious accidents, fraud, regulatory breaches, financial impropriety and/or reputational damage.

In order to encourage Whistleblowing and effectively manage reports, the governance arrangements described in this Policy are based upon the following core principles:

- To encourage the reporting of any concerns as soon as possible in the knowledge that all concerns will be taken seriously and investigated, and that confidentiality will be respected;
- To provide guidance as to how to raise those concerns;
- To provide whistleblowers reassurance that all concerns are raised without fear of reprisals, even if they turn out to be mistaken;
- The Group is committed to and oversees the implementation of a Policy in line with the Group's risk appetite;
- Post Office has devised a robust Policy and associated procedures (set out in this document) which are proportionate to the risks and complexity of the Group;
- The Group undertakes a training and awareness program to ensure employees are aware of the Whistleblowing policy and procedure;
- Appropriate conduct is demonstrated in executing the requirements contained within the Policy.

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<sup>1</sup> In this Policy "Post Office" and "Group" mean Post Office Limited and Post Office Management Services Limited.

<sup>2</sup> In this Policy "employee" means permanent staff, temporary including agency staff, contractors, consultants and anyone else working for or on behalf of Post Office.

## 1.4. Application

This Policy is applicable to all employees within the Group and outlines the certain protections provided for whistleblowers by law. In order to encourage reporting of wrongdoing, Post Office will provide equivalent protection to Postmasters, Agent Assistants, and members of the public.

## 1.5. Legislation

The Group seeks to comply with all relevant UK legal and regulatory requirements including (but not limited to):

- Employment Rights Act 1996
- Public Interest Disclosure Act 1998

## 1.6. FCA Rules

Post Office Limited is an Appointed Representative of the Bank of Ireland and Post Office Management Services Limited (POMS) and is contractually required to comply with certain regulatory requirements. As such the Group as a whole is obliged to ensure there are adequate systems and controls in place to mitigate Financial Crime risks.

POMS is a directly regulated firm with the FCA and is directly exposed to regulatory fines and censure if the FCA determine that the systems and controls associated with this Policy are not effectively implemented.

This Policy contributes to Post Office's compliance with these regulatory and contractual obligations.

## 1.7. What is Whistleblowing

"Whistleblowing" refers to the act of exposing potential or actual wrongdoing and/or dangerous practices by reporting it either internally within an organisation, or to an external party. A whistleblower is a person who raises a genuine concern in relation to any wrongdoing, this includes criminal activity, miscarriages of justice, dangers to health and safety and the deliberate attempt to conceal it.

Individuals<sup>3</sup> should raise a concern if they are aware of, or suspect, wrongdoing which affects others (e.g. customers, members of the public, colleagues or the Post Office). The following lists some examples (this is a non-exhaustive list) of situations where an individual may raise a concern:

- Financial Crime including Fraud, Money Laundering and financing of terrorism,
- Giving, offering or taking of bribes,
- Financial mismanagement,
- Misreporting,
- Practices that could put individuals or the environment at risk,
- Breach of Post Office internal policies and procedures (including the Code of Business Standards),
- Concerns about slavery or human trafficking, and
- Any conduct likely to damage Post Office's reputation

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<sup>3</sup> In this Policy "individuals" means Postmasters, Agent Assistants, members of the public and employees (permanent staff, temporary including agency staff, contractors, consultants and anyone else working for or on behalf of Post Office).



If an individual is uncertain about whether something is within the scope of this Policy they should seek advice from the Whistleblowing Officer, whose contact details are set out in this Policy.

## 1.8. Protecting the whistleblower

Post Office has a statutory obligation to protect whistleblowers and will support any individual who raises genuine concerns under this Policy, even if they turn out to be mistaken. Post Office are committed to respecting the confidentiality of all whistleblowers, and including those who wish to remain anonymous.

Post Office will make every effort to protect the whistleblowers identity, however, it may be necessary in the course of an investigation to share this information with a relevant stakeholder (e.g. an investigator). There is no requirement for a whistleblower to provide personal contact information. However, not providing this information may reduce Post Office's ability to undertake a thorough investigation into the concerns raised.

Post Office will take all reasonable steps to ensure that whistleblowers do not suffer any detrimental treatment as a result of raising a concern. Detrimental treatment includes disciplinary action, dismissal, threats or other unfavourable treatment connected with raising a concern. Serious action will be taken against any individual who threatens or retaliates against whistleblowers in any way.

If an individual believes that they have suffered any such treatment, they should inform the Whistleblowing Officer immediately. The Whistleblowing Officer should take steps to address any victimisation, which may include working with the HR team to put appropriate measures in place. If the matter is not addressed the whistleblower should raise it formally using Post Office's Grievance procedure.

In all cases the individual's concerns will be treated sensitively and in confidence.

## 1.9. Whistleblowing Officer and 'Speak Up'

Post Office has an appointed Whistleblowing Officer. Their role involves reviewing concerns raised and determining the best course of action, if any. They may ask for further information in order to make this decision.

It is recognised that sometimes raising a concern directly with the business may not be possible. In such instances individuals should contact the "Speak Up" line, a confidential reporting service which is run by an independent company InTouch MCS Ltd. All reports to the Speak Up line will be acknowledged within five working days and will be passed to the Whistleblowing Officer.

It is also possible that individuals may whistleblow via a complaint to a front line team, e.g. Customer complaints, NBSC and Grapevine. These may be verbal or written communications.

In all instances any whistleblowing reports, regardless of reporting method, will be passed onto the Whistleblowing Officer. The whistleblower may be kept informed of any action taken, however, this information may be limited if it is required to keep the confidence of other people.

## 1.10. External Disclosures

The aim of this Policy is to provide an internal mechanism for reporting, investigating and remedying any wrongdoing in the workplace. In most cases individuals should not find it necessary to alert anyone externally.

However, the law recognises that in some circumstances it may be appropriate for individuals to report their concerns to an external body such as a regulator. The independent Whistleblowing charity, Public Concern at Work have a list of prescribed regulators for reporting certain types of concerns. Their contact details are as follows:

Helpline:   
E-mail: [ HYPERLINK "mailto: ]  
Website: [ HYPERLINK "http://www.pcaw.co.uk" ]

Public Concern at Work operates free, confidential advice to people concerned about crime, danger or wrongdoing in the workplace. Post Office strongly encourages advice is sought out from Public Concern at Work before reporting any concern to an external party.

## 2. Risk Appetite and Minimum Control Standards

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### 2.1. Risk Appetite

Risk Appetite is the extent to which the Group will accept that a risk might happen in pursuit of day to day businesses transactions. It therefore defines the boundaries of activity and levels of exposure that the Group are willing and able to tolerate.

The Group takes its legal and regulatory responsibilities seriously and consequently has<sup>4</sup>:

- **Tolerant risk appetite** for Legal and Regulatory risk in those limited circumstances where there are significant conflicting imperatives between conformance and commercial practicality
- **Averse risk appetite** for litigation in relation to high profile cases/issues
- **Averse risk appetite** for litigation in relation to Financial Services matters
- **Averse risk appetite** for not complying with law and regulations or deviation from business' conduct standards for financial crime to occur within any part of the organisation
- **Averse Risk Appetite** in relation to unethical behaviour by our staff.

The Group acknowledges however that in certain scenarios even after extensive controls have been implemented a product or transaction may still sit outside the agreed Risk Appetite. In this situation, a risk exception waiver will be required<sup>5</sup>.

### 2.2. Policy Framework

Post Office has established a suite of policies and procedures, on a risk sensitive approach which are subject to an annual review. The policy suite is designed to comply with applicable legislation and regulation. The Whistleblowing Policy should be considered and read in conjunction with other policies where relevant. These may include the Financial Crime Policy, the Anti-Bribery & Corruption Policy, Health & Safety Policies and HR Policies where relevant.

### 2.3. Who Must Comply?

Compliance with this Policy is mandatory for all Post Office employees and also applies to whistleblowing by individuals other than Group employees. All third parties who do business with the Group, including consultants, suppliers and business and franchise partners, will be required to agree contractually to this policy or have their own equivalent policy.

Where non-compliance is identified the matter must be referred to the Policy Owner and the Whistleblowing Officer. Any investigations will be carried out in accordance with the investigations Policy. Where it is identified that an instance of non-compliance is caused through wilful disregard or negligence, this will be treated as a disciplinary offence.

All Post Office employees are required to report any knowledge or suspicions (internal or external) in relation to Financial Crime to Grapevine by telephone on GRO

<sup>4</sup> The Risk appetite was agreed by the Groups Board January 2015

<sup>5</sup> For more information in relation to Risk Exception waivers found [here](#)

## 2.4. Minimum Control Standards

A minimum control standard is an activity which must be in place in order to manage the risks so they remain within the defined Risk Appetite statements. There must be mechanisms in place within each business unit to demonstrate compliance. The minimum control standards can cover a range of control types, i.e. directive, detective, corrective and preventive which are required to ensure risks are managed to an acceptable level and within the defined Risk Appetite.

The table below sets out the relationships between identified risk and the required minimum control standards in consideration of the stated risk appetite. The subsequent pages define the terms used in greater detail:

Risk Area	Description of Risk	Minimum Control Standards	Who is responsible	When
Receipt and investigation of whistleblowing reports	Failure to meet legal and regulatory requirements	<p>Directive Control: A Whistleblowing Officer is appointed by the business to ensure that all reports are fully investigated and that any appropriate corrective action is undertaken.</p> <p>Annual whistleblowing report provided to R&amp;CC and ARC</p> <p>Any serious concerns reported by Whistleblowing are escalated to the Chairman of the Post Office Audit and Risk Committee.</p>	Post Office Board	Ongoing
		<p>Preventative Control: All employees are trained and the policy is available to them</p> <p>A deputy Whistleblowing Officer is appointed??</p>	Whistleblowing Officer	Ongoing



<b>Risk Area</b>	<b>Description of Risk</b>	<b>Minimum Control Standards</b>	<b>Who is responsible</b>	<b>When</b>
Breach of confidentiality	Failure to ensure confidentiality for the whistleblower	Preventative Control: Whistleblowing Policy	Whistleblowing Officer	Ongoing
		Confidential Speak Up line reports are shared only with the Whistleblowing Officer	Whistleblowing Officer	Ongoing
		Whistleblowing email inbox with restricted access	Whistleblowing Officer	Ongoing
		Corrective Control: All incidents of breaches are escalated to the Whistleblowing Officer to review and take necessary actions.	Whistleblowing Officer	Ongoing
Incorrect handling of whistleblowing report	An individual may raise a whistleblowing report with other individuals in the Group. Details may then be shared with various stakeholders before being passed onto the Whistleblowing Officer	Preventative Control: Training provided to contact teams to identify potential whistleblowing reports and ensure these are correctly handled, e.g.: <ul style="list-style-type: none"> <li>• Grapevine,</li> <li>• NBSC,</li> <li>• Customer Support, and</li> <li>• Executive Complaints.</li> </ul>	Whistleblowing Officer	Annually
		Communications and awareness provided to all employees and Policy document published on the Intranet.	Head of Financial Crime	Annually
		Corrective Control: All incidents of breaches are be escalated to the Whistleblowing	Whistleblowing Officer	Ongoing

Risk Area	Description of Risk	Minimum Control Standards	Who is responsible	When
		Officer to investigate and take appropriate actions.		
Insufficient Information	Failure to capture/report sufficient information about the issue may mean that the underlying issue cannot be properly investigated and resolved	Directive Control: Employees are encouraged to report issues and provide full information and their contact details, where they feel able to do so	Whistleblowing Officer	Ongoing
		Corrective Control: All reports, including those where insufficient information has been provided and no further action was taken are recorded on the Whistleblowing database, which is reviewed for trends and issues.	Whistleblowing Officer	Ongoing
The 'Speak Up' Service	Failure to effectively record whistleblowing reports and pass onto the Whistleblowing Officer, due to factors such as resource or IT failure.	Preventative Control: Regular review of service provided by InTouch Ltd??  Fall back escalation process??	Whistleblowing Officer	Ongoing



## 3. Definitions

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### 3.1. Definitions

**Grapevine**

24/7 Security Support Centre provided by Kings Ltd. Grapevine provide security advice and record all security incidents across the business, this includes burglaries, robberies and the reporting of suspicious activity.

**NBSC**

Network Business Support Centre (NBSC) is a helpline and the first port of call for Post Office branches if they have any operational query or require assistance.

**Customer Support Team**

Complaints handling team based in Chesterfield. The team address complaints reported into Post Office via various channels, including post and telephone.

**Executive Complaints Team**

This team handles all complaints addressed directly to the Group Executives. The team liaise with various stakeholders within the business in order to resolve complaints.

## 4. Where to go for help

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### 4.1. Additional Policies

This Policy is one of a set of policies. The full set of policies can be found at:

[ HYPERLINK "https://poluk.sharepoint.com/sites/postoffice/Pages/policies.aspx" ]

### 4.2. How to raise a concern

Any Post Office employee who suspects that there is a breach in this Policy should report this without any undue delay. Whistleblowing can be reported via the following channels:

- Their line manager,
- A senior member of the HR Team, or
- If either or both are not available, staff can contact the Post Office's Whistleblowing Officer, who can be contacted by email at: [ GRO ] or by telephone on: [ GRO ]
- Alternatively staff can use the Speak Up service available on [ GRO ]
- or via a secure on-line web portal: [ HYPERLINK "http://www.intouchfeedback.com/postoffice" ]

In some instances it may be appropriate for the individual to report in the form of a complaint to Grapevine, the Customer Support Team or the Executive Complaints Team.

### 4.3. Who to contact for more information

If you need further information about this Policy or wish to report an issue in relation to this Policy, please contact the Policy sponsor or Policy owner.

## 5. Governance

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### 5.1. Governance Responsibilities

The Policy sponsor, responsible for overseeing this Policy is the General Counsel of Post Office Limited.

The Policy owner is the Whistleblowing Officer who is responsible for ensuring that the Financial Crime Team conducts an annual review of this Policy and tests compliance across the Group. Additionally the Whistleblowing Officer and the Financial Crime Team are responsible for providing appropriate and timely reporting to the Risk and Compliance Committee and the Audit and Risk Committee.

The Audit and Risk Committee are responsible for approving the Policy and overseeing compliance.

The Board is responsible for setting the Group's risk appetite.

## 6. Control

### 6.1. Policy Version

Date	Version	Updated by	Change Details
27 <sup>th</sup> April 2016	1.4	Jane MacLeod	Sponsors review and sign-off
10 <sup>th</sup> June 2016	1.5	Nisha Marwaha & Mark Rodgers	Impact assessment, new FCA non-binding guidance – no changes necessary
22 <sup>th</sup> September 2016	1.6	Georgina Blair	Minor amendments to comply with FCA guidance
August 2017	1.7	Vitor Camara	Annual review and amended to fit new policy template

### 6.2. Policy Approval

**Group Oversight Committee:** Risk and Compliance Committee and Audit and Risk Committee

Committee	Date Approved
POL RCC	
POMS RCC	
POL ARC	
POMS ARC	

**Policy Sponsor:** Group Director of Legal, Risk & Governance

**Policy Owner:** Whistleblowing Officer

**Policy Author:** Head of Financial Crime

**Next review:** August 2018

### Company Details

Post Office Limited and Post Office Management Services Limited are registered in England and Wales. Registered numbers 2154540 and 08459718 respectively. Registered Office: Finsbury Dials, 20 Finsbury Street, London EC2Y 9AQ.

Post Office Management Services Limited is authorised and regulated by the Financial Conduct Authority (FCA), FRN 630318. Its Information Commissioners Office registration number is ZA090585.

Post Office Limited is authorised and regulated by Her Majesty's Revenue and Customs (HMRC), REF 12137104. Its Information Commissioners Office registration number is Z4866081.