



GROUP POLICY

Legal Policy

Version – V2.1

Chief Executive's Endorsement

The Post Office is committed to doing things correctly. Our Values and Behaviours represent the conduct we expect. This Policy supports these by ensuring that Post Office complies with its obligations under applicable legislative and regulatory requirements and operates within Board agreed risk appetites. Compliance with this Policy also protects Post Office's brand and reputation.



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1. Overview

1.1. Governance

The Group General Counsel has overall accountability for the design and implementation of controls to support the business in managing their legal risk and in complying with the risk appetite approved by the Board of Directors.

Legal risk is managed in line with the Group Risk policy and therefore is subject to regular and appropriate oversight and monitoring through the RCC and ARC.

The Group General Counsel, Group Legal Director, and Interim Inquiry General Counsel have the authority to raise and escalate concerns or matters of material legal risk, current or emerging, directly to the Board of Directors.

The Policy Owner is the Group Legal Director who is responsible for ensuring that the BAU Legal Team conducts an annual review of this Policy and regularly tests and monitors adherence to this Policy within the BAU Legal Team and across the Group. The Public Inquiry Director¹ and Remediation Unit Legal Services Director support the Group Legal Director in this by testing and monitoring adherence to this Policy within their own Legal teams and reporting to the Group Legal Director.

This Policy, including the Legislation and Regulation Matrix (see Appendix 2) will be subject to annual reviews and approvals by the ARC.

1.2. Purpose

This Policy sets out the minimum operating standards relating to the management of the legal and regulatory risks and clarifies the roles and responsibilities throughout the Group.

The Policy should be read in conjunction with other relevant Group policies and procedures, and in context to applicable legislation and regulation (see Appendix 1).

It also sets out the professional standards of competence, and the legal and regulatory requirements to which the BAU Legal Team, the Inquiry Legal Team and Remediation Unit Legal Team (together, the Legal Teams) should be adhering.

The implementation of this Policy supports the Group² in achieving its objectives. This includes balancing the needs of its shareholder, staff and other stakeholders, including its network of agent Postmasters, whilst operating within the Board approved risk appetites, and legislative and regulatory frameworks within which the Group operates.

To ensure lessons from historical issues have been embedded, and the likelihood of these are minimised, the Policy incorporates key findings and learnings from the Group Litigation Order (GLO), the Horizon Issues Judgment (HIJ), Common Issues Judgment (CIJ) and Hamilton Judgment on which the Legal Teams will train the business and provide support and advice. Where these issues are engaged and any of the Legal Teams believe they are not being acted upon/taken seriously by the business, the Group General Counsel, Group Legal Director, Interim Inquiry General Counsel, Public Inquiry Director and Remediation Unit Legal Services Director may escalate directly to the Board of Directors.

1.3. Core Principles

To support and enable the Post Office providing valuable local services to its customers and act in the

¹ This role is vacant at the time of writing and may be retitled in the future.

²Post Office Limited, Payzone and Post Office Management Services Limited

interest of its Postmasters, and remain compliant with applicable regulation and legislation, the legal and regulatory risk appetite overall has been set at averse, with a cautious tolerance³.

The following core principles form the basis of this Policy:

- Post Office has devised policies and associated procedures in relation to legal and regulatory obligations that reflects the necessity for compliance and the complexity of the business;
- Post Office's Legal Teams are mandated to provide and engage expert support to the business in effective identification, minimisation and management of legal, regulatory and reputational risks;
- Post Office ensures that "reserved legal activities"⁴ are carried out by appropriately qualified individuals on behalf of the company;
- Decisions taken by management have regard to the Board's strategic objectives and Risk Appetite, and where a decision is taken that is outside the Board's risk appetite, the appropriate derogations are documented and approved by the Board;
- All staff are responsible for understanding and managing the risks they take on behalf of the Group;
- Clear accountabilities are delegated by management to the Group's staff, who have the right level of skill, competency and experience;
- All Group staff are required to comply with Group Policies and act within the limits of their authority; and
- Exceptionally, the Legal Teams may need access to urgent legal advice in contravention of the Procurement Policy, where the benefit and need outweighs the risk, this can be approved on a case by case basis by the Group General Counsel.

1.4. Application

Compliance with this Policy is mandatory for all Post Office staff⁵ and Group entities.

Third parties will be required to agree contractually to this Policy or demonstrate alignment with their own equivalent Policy.

Where non-compliance is identified, the matter must be referred to the Group Legal Director and/or the Interim Inquiry General Counsel, as relevant. Alternatively, staff and third parties can use the whistleblowing and speak up procedures to raise concerns in a confidential manner.

Any investigations will be carried out in accordance with the Group Investigations & Co-operation with Law Enforcement Policy. Where it is identified that an instance of non-compliance is caused through wilful disregard or negligence, this will be treated in accordance with the disciplinary process.

³ Risk appetite and tolerance is the extent to which the Group will accept that a risk might happen in pursuit of the businesses day-to-day transactions (Please refer to Section 3)

⁴ As defined in section 12 and Schedule 2 to the Legal Services Act 2007

⁵ Permanent employees, temporary staff including agency workers, contractors, consultants and anyone working for or on behalf of Post Office

1.5. The Risk

Post Office is a complex business with a network of 11,500+ branches across the UK, providing a wide range of products and services, including mails services, banking services, insurance products and identity services.

For example:

- Post Office contracts with regulated entities, either directly or through its subsidiary, Post Office Management Services Limited (POMS).
- As an Appointed Representative of Capital One, Bank of Ireland and POMS, Post Office Limited is contractually obliged to comply with various Financial Conduct Authority (FCA) regulatory flow through obligations, including ensuring adequate systems and controls are in place.
- POMS is directly exposed to regulatory fines and censure if the FCA determines that the systems and controls associated with this Policy are not effectively implemented. This Policy contributes to Post Office's compliance with these regulatory obligations.
- Post Office is directly regulated by His Majesty's Revenue & Customs (HMRC) with respect to our Branch Travel Money business and has to demonstrate compliance with Money Laundering and Counter Terrorist Financing Regulations.

Accordingly, the Group is subject to a broad array of laws⁶, regulations and contractual requirements, including regulation and investigation by the FCA, Ofcom, HMRC, the Competition & Markets Authority, and the Information Commissioner's Office. The Group also cooperates with and refers matters to the Police, the Intelligence Services, and the Serious Fraud Office.

The Group has a clear standard to comply with all legal and regulatory requirements. It acknowledges that there may be certain circumstances where a higher risk exposure may be tolerated, with Board approval, for a period of time to ensure we meet business objectives.

Therefore, the Group's risk appetite for BAU legal risks is very low, and set at 'averse' overall, with a risk tolerance set at 'cautious'. For further details, see Section 3.1. Risk Appetite.

For details on the Board's risk appetite for the Remediation Unit, see the RU Enterprise Risks table (as amended biannually (or more frequently as requested) for RCC and ARC).

Risks relating to the Inquiry Legal Team are not provided for in this policy document due to Inquiry imposed restrictions on the sharing of inquiry confidential material.

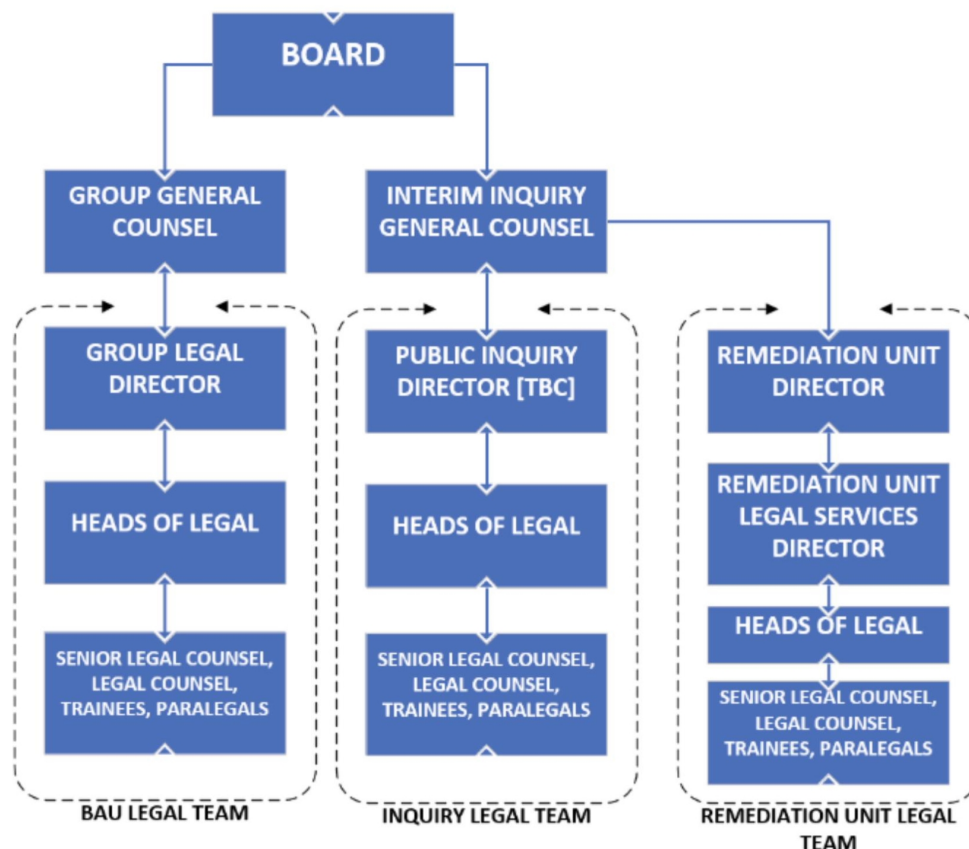
⁶ Please refer to Appendices 1 & 2

2. Legal Teams – Structure, Authority, Roles, Standards

2.1. Delegation of Authority

To ensure the Group operates within legal risk appetite and tolerance, the Board of Directors has delegated authority to the Group General Counsel, the Interim Inquiry General Counsel, and the Legal Teams to provide legal support and guidance to the business.

This delegated authority flows as follows:



The Group General Counsel, Interim Inquiry General Counsel, Group Legal Director, Public Inquiry Director and Remediation Unit Legal Services Director have the authority to escalate concerns or matters of current or emerging material legal risk, directly to the Board of Directors, where they believe:

- The business has or is exposing the Group to legal risks beyond agreed risk tolerances;
- Business decisions are being made without the timely support or guidance from the Legal Teams;
- Where matters involve the SEG and there is a clear conflict of interest;
- Horizon, CIJ or HIJ issues are engaged by the business and not being appropriately dealt with, despite legal advice to the contrary;
- Any of the Legal Teams are being unduly influenced to alter their advice or assessment of legal risk;

- Any of the Legal Teams are aware of matters which the business is not, and upon which it is therefore inappropriate or difficult to advise (e.g. whistleblowing, internal investigations);
- Any of the Legal Teams are being deliberately excluded from key decisions, committees, boards and governance or engaged at the execution phase and cannot perform its duties
- Any of the Legal Teams are being asked to act as 'first line' where the business is not taking accountability or ownership of legal risk.

Note: The Legal Teams will continue to report and provide relevant information to the SEG and Board on all of the above, as part of their normal operational activities.

2.2. Legal Risk – Roles and Responsibilities

The role of the BAU Legal Team is to support and guide the business to manage its legal risk within the Board set risk appetite (averse) and tolerance (cautious).

The role of the Inquiry Legal Team is to support and advise the business in complying with its legal obligations in respect of the Post Office Horizon IT Inquiry;

The role of the RU Legal Team is to advise on and support the schemes designed to provide redress to postmasters connected with the Horizon IT scandal, and support overturning the convictions of postmasters who were wrongfully convicted.

The Legal Teams are advisory functions to the business and are not accountable for making decisions on behalf of the Business. The Legal Teams are responsible for providing timely legal opinions, for advising and supporting to enable the business to reach suitable outcomes.

Each member of the Legal Teams does this by providing legal and regulatory support and advice including, but not limited to:

- Assisting the business with contractual negotiation and formation, as well as interpretation of contractual terms;
- Advice regarding complying with legislation and co-operating with regulators, such as FCA, HMRC, ICO etc;
- Advising on disputes that may arise in the course of business;
- Acting as a single point of contact for the engagement of external legal support;
- Horizon scanning for new legislation, regulations and guidance which may impact the Group;
- Advising the business in connection with the discharge of its statutory obligations in respect of the Inquiry; and
- Advising the business in connection with the administration of the redress schemes and supporting the overturning of convictions of postmasters who were wrongfully convicted.

For the Legal Teams to discharge their responsibilities in a timely and effective manner, the Business are responsible for:

- Engaging the Legal Teams are instructed in a timely manner on matters of strategic importance; (meaning at the outset/ structuring phase);
- Providing full, timely and factually accurate instructions to the Legal Teams (particularly where these are required in order to discharge a statutory obligation) ;
- Applying diligent consideration to legal advice;
- Maintaining the confidentiality of legal advice and legal communications to ensure legal professional privilege is preserved;

- Ensuring that Inquiry relevant material is preserved in accordance with the business' policies on document retention and preservation;
- On advice from the Inquiry legal team, ensuring that confidentiality obligations to the Inquiry are upheld;
- Ensuring that relevant documentation and information is provided to support the redress schemes and criminal appeals processes (both court processes and and
- Refraining from seeking to unduly influence or alter the legal advice provided.⁷

For avoidance of doubt, the Business is accountable for decision making, and any legal opinion or advice provided and or sought are key inputs for their diligent consideration. Any decisions or actions taken or to be taken remain the responsibility of the accountable Business owner.

2.3. Legal Professional Standards

Each member of the Legal Teams who is a solicitor must adhere to the Solicitors Regulation Authority (SRA) Code of Conduct and the Professional Standards required of qualified lawyers in England and Wales.⁸ These include:

- Maintaining independence in their judgement and advice;
- Remaining vigilant for any conflicts of interest which may arise, and proactively identifying any such conflicts to one of the Heads of Legal, Remediation Unit Legal Services Director, Public Inquiry Director or Group Legal Director at the earliest opportunity;
- Maintaining confidentiality in legally privileged documents, documents containing confidential business information and/or trade secrets;
- Complying with the statutory requirements for the direction and supervision of reserved legal activities, including:
 - Ensuring that litigation is undertaken under the supervision of a solicitor and not outsourced to a Business team, and
 - Only outsourcing reserved legal activities to qualified individuals who are authorised to conduct such activities;
- Complying with the specific requirements for those acting in litigation matters, including upholding the law and proper administration of justice;
- Undertaking regular professional development training to maintain a level of competence appropriate to their work and level of responsibility;
- Identifying, monitoring, and managing risks in compliance with all the principles, rules and outcomes and other requirements of the SRA's Handbook⁹; and
- Maintaining appropriate records of the legal advice and support given.

⁷ This does not prohibit the asking of questions, seeking of clarification as to meaning, challenging whether the advice changes if additional facts come to light.

⁸ Barristers must adhere to the Bar Standards Board (BSB) Handbook, including the BSB Core Duties.

⁹ Or the BSB Handbook, if a barrister.

Therefore, all qualified lawyers of the Legal Teams must:

- Act with independence, honesty and integrity;
- Only act for Post Office Limited or its Group Companies;
- Ensure they have sufficient information and expertise to advise fully;
- Not permit any business team or individual to exert influence or pressure on the advice that they give; and
- Escalate promptly any potential conflicts of interest or challenges to their independence to a Head of Legal or the Group Legal Director / Public Inquiry Director / Remediation Unit Legal Services Director, as appropriate.

To support the above standards and principles, the Group Legal Director, Public Inquiry Director and Remediation Unit Legal Services Director will have appropriate processes and procedures embedded within their Legal teams to ensure¹⁰:

- Clear governance and reporting lines exists;
- Only qualified Legal Counsel or more senior members of the Legal Teams may engage and supervise any 3rd party lawyers (whether solicitors or barristers);
- Annual written attestations are obtained from all qualified lawyers affirming their compliance with SRA's¹¹ professional development and professional standards requirements;
- The Legal Teams can demonstrate appropriate oversight and challenge of external legal costs;
- Members of the Legal Teams regularly undertake training to improve their legal and professional skills and knowledge;
- All work undertaken by paralegals and trainees will be supervised by a qualified lawyer;
- Heads of Legal will be responsible for the supervision (where required) of members of their team and for their output;
- The Legal Teams will periodically remind the Business about Managing Public Monies and Value For Money (VFM) requirements and provide training;
- The Legal Teams will comply with VFM and ensure that it has appropriate controls which are enforced in respect of the management of legal costs;
- The BAU Legal Team will advise the Business on Public Contracts Regulations (PCR) obligations and provide training (in conjunction with Procurement);
- The Legal Teams will actively consider emerging legal and commercial issues which may impact the Group;
- The Legal Teams will comply with the specific requirements for those acting in litigation (uphold the law and proper administration of justice);
- From a historical and Group litigation perspective, all members of the Legal Teams must:
 - Complete the GLO Awareness Training Module assigned on SuccessFactors and be able to demonstrate a good understanding of the the Group Litigation and impact on the POL; and

¹⁰ The Public Inquiry and Historical Matters Legal Services Director will have equivalent processes with the Inquiry and HMU Legal teams.

¹¹ or BSB in the case of barristers.

- Understand HIJ, CIJ and Hamilton and their impact on POL, and where relevant shall provide advice and support that has regard to the principles established by those judgments.

In addition, where the Legal Teams outsource legal activities or any operational function that is critical to the delivery of any legal activities, the Group Legal Director¹² will ensure the outsource of these activities:

- Does not adversely affect the Legal Team's ability to comply with, or the SRA's (or, if applicable, the BSB's) ability to monitor the Legal Team's compliance with its obligations in the handbook;
- Is subject to contractual arrangements that enable the SRA, (or if applicable BSB), or its agent to obtain information from, inspect the records, including electronic records, or enter the premises of the third party in relation to outsources activities or functions;
- Does not alter the Legal Team's obligations towards its clients;
- Does not cause the Legal Team's to breach the conditions with which its lawyers must comply in order to be authorised and to remain so;
- Requires completion of an eSRF; and
- Includes a process for effective oversight of the outsourced work such that the instructing lawyer from the relevant Legal Team remains apprised of developments and is able, (if appropriate/ required), to report key risks to SEG and/or the Board (in good time) to ensure proper governance.

A 'New Proposal Checklist' is available under 'Useful Links and Documents' on the BAU Legal Team's homepage on the intranet hub (accessible from the LCASR page) and this should be considered by all Legal Team members. This checklist will seek to ensure that any new proposal such as introducing a new contract, product, service, or way of working for Postmasters, must take into account the issues and findings from the GLO, HIJ, and CIJ (to the extent they remain good law).

¹² Or the Interim Inquiry General Counsel, Public Inquiry Director and/or Remediation Unit Legal Services Director in the case of externalised legal work relating to the Inquiry or Remediation Unit legal teams.

3. Risk Appetite Minimum Control Standards

3.1. Risk Appetite

Risk appetite and tolerance 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 a:

- Averse risk appetite for statutory and regulatory requirements;
- Averse risk appetite for employment, pensions and associated disputes;
- Averse risk appetite for data governance and cyber security;
- Neutral risk appetite for contract and transaction management obligations;
- Neutral risk appetite for disputes and litigation (excluding GLO);
- Neutral risk appetite for intellectual property and brand related issues; and
- Cautious risk appetite for compliance and control environment issues.

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, approval from RCC and ARC will be required. If a risk falls outside this Policy, a Risk Exception will be required.

The Risk Appetite in respect of Remediation Unit matters is as set in the the RU Enterprise Risks table (as amended biannually (or more frequently as requested) for RCC and ARC.

3.2. 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
Legislative & Regulatory Requirements and Contract Management	The Group does not comply with its contractual or regulatory obligations.	Directive Control: The Group has a suite of policies which along with POL's risk and governance framework should provide for a system of internal control for the management of risk and adherence to key legislation and regulations across the Group (Please refer to Appendix 1 ¹³).	Group Compliance Director of Post Office Limited	Ongoing
		Directive Control: The Board has delegated authority to each SEG member to enter into contracts relevant to their areas of management, with appropriate support from the BAU Legal Team. Each SEG member is required to monitor and report regularly on the contractual and regulatory compliance in their areas of management to the Board.	The Board	Ongoing
		Directive Control: The Company Secretariat Team maintains registers of delegated authority to ensure contracts are approved and signed by staff with sufficient authority.	Company Secretariat	Ongoing
		Detective Control: The Group Legal Director holds regular briefings with the Heads of Legal in BAU Legal to identify instances of actual or potential breach of contractual	Group Legal Director	Ongoing

¹³ Appendix 1 sets out the key legislation and regulation applicable to POL as at the date of this Policy. The Law & Trends Forum monitors changes to legislation and regulation and reports regularly to the GC, RCC and ARC.

Risk Area	Description of Risk	Minimum Control Standards	Who is responsible	When
		<p>and/or regulatory obligation in the business and ensure remediation steps are taken promptly.</p> <p>Preventative control: The business maintains a schedule of mandatory compliance trainings for all employees which includes, for example: GLO, AML, ABC, and Modern Slavery etc.</p> <p>Preventative control: The Group Legal Director creates a bi-annual risk register that highlights key legal risks to the business.</p> <p>Preventative control: The Legal Teams review all notices issued by the SRA and/or BSB periodically to ensure that they are aware of them and can take them into account in their interactions with the business and third parties e.g. the SRA's SLAPPs notice.</p> <p>Corrective control: The Group Legal Director reports to the RCC and ARC instances of non-compliance and any regulatory concerns or issues.</p> <p>Corrective control: Risk assessments must be undertaken and reported to ARC where an issue is highlighted, an incident occurs, or the regulations change.</p>	<p>People Team – L&D</p> <p>Group Legal Director</p> <p>Legal Teams</p> <p>Group Legal Director</p> <p>Business Team / Legal Teams</p>	<p>Ongoing</p> <p>Biannually</p> <p>Quarterly</p> <p>Quarterly</p> <p>Upon a new issue, incident, or change</p>
Contract Management	The Group enters into a commercial agreement without a legal risk assessment being undertaken.	<p>Preventative Control: New contracts must be approved in the Contract Approval Process. This requires sign off from a qualified lawyer to be logged in order to complete the process.</p>	Company Secretariat / Legal Teams	Ongoing

Risk Area	Description of Risk	Minimum Control Standards	Who is responsible	When
		Corrective control: The Group Legal Director reports to the RCC and ARC instances of non-compliance and any regulatory concerns or issues.	Group Legal Director	Quarterly
Contract Management	The Group is unaware of its obligations under existing contracts and is unable to fully enforce its rights and obligations or acts in breach of contractual provisions.	Preventative Control: The business maintains an online contract repository which contains a digital copy of contracts that the Group has entered into. The record for each contract includes space for the Contract Owner to note its key terms.	Legal, Compliance & Governance Operations Director	Ongoing
		Corrective Control: The BAU Legal Team provides training to the business under the LCG Academy to ensure non-legal colleagues are empowered to understand the terms of existing contracts. They also provide: (1) newsletters specific to key business areas (financial services, retail etc) highlighting new legislation and guidelines, which may impact the Group's performance of its contracts. (2) FAQ documents on key areas on the Legal intranet site.	BAU Legal Team	Ongoing
Training & adherence to Professional Standards	The Group is not aware of existing or new regulations that the Group is subject to and acts in breach of those laws and regulations.	Preventative Control: New staff are required to complete mandatory training which will highlight legal and regulatory risks, such as AML/CTF training, GLO, Speak Up and Mails compliance training.	All staff	Ongoing
		Directive Control: Corporate policies have been created and will be maintained to provide a proper framework to ensure compliance with key regulations.	SEG Member	Reviewed at least annually
		Corrective Control:	BAU Legal Team	Ongoing

Risk Area	Description of Risk	Minimum Control Standards	Who is responsible	When
		The BAU Legal Team provides training to the business under the LCG Academy to ensure non-legal colleagues are empowered to understand new legislation and regulations. This includes the Law & Trends forum, and newsletters specific to key business areas (financial services, retail etc) highlighting new legislation and guidelines.		
Brand Protection	The Group does not manage or enforce its Intellectual Property Rights ("IPRs") resulting in infringement or tarnishing of the Post Office brand.	Preventative Control: The Brand Team has implemented branding guidelines for all staff and those 3 ^d parties who have permission to use the Group's IPRs.	Brand Team	Ongoing
		Preventative Control: The Brand Team maintains active IP registrations for all trade marks required by the Group.	Brand Team	Ongoing
		Corrective Control: The BAU Legal Team takes action to assert the Groups rights in its IPR when infringement is identified. This may include issuing cease and desist notices, challenging applications for registrations, and court action.	BAU Legal Team	Ongoing
Dispute Management	Operational and strategic errors may lead to financial losses and significant time to resolve as well as a lack of enforcement of the Group's legal rights.	Detective Control: Periodic checks of the court registers are completed to identify whether claims have been issued against the Group or the CEO but not yet been served.	BAU Legal Team	Ongoing
		Directive Control: Business teams are not permitted to conduct litigation without involving a member of the Legal Teams.	All staff	Ongoing
		Directive Control: A Dispute Resolution manual has been developed to ensure consistency in approach to litigation matters.	HOL– Dispute Resolution	Ongoing

Risk Area	Description of Risk	Minimum Control Standards	Who is responsible	When
		<p>It includes the Litigation Checklist setting out the proper approach to legal claims which have been served on the Group.</p> <p>Preventative Control: A receipt of proceedings process is in force to ensure that notices received at the registered office or other main Post Office sites are forwarded to the BAU Legal Team.</p> <p>The BAU Legal Team implements litigation hold notices in the event of actual or anticipated court proceedings to ensure that it can comply with its disclosure obligations.</p>	<p>HOL– Dispute Resolution</p> <p>HOL– Dispute Resolution</p>	<p>Ongoing</p> <p>Ongoing</p>
Legal Costs	The Group is wholly owned by a Government Department. As such it is required to ensure that it manages its finances in line with managing public funds requirements, value for money requirements, and its PCR obligations.	<p>Preventative Control: The pipeline of work is reviewed by the Legal Teams regularly.</p> <p>Preventative Control: The Legal Operating Charter sets out the External Law Firm Policy. All external legal instructions must be routed through the in-house Legal Teams so that they manage the demand on legal services in the most strategic and cost-efficient manner. The external law firm must submit an eSRF for review and when deemed appropriate approval by the relevant Legal Team, and a Purchase Order Number must be raised by the relevant Legal Team.</p> <p>Corrective Control: The Group Legal Director reports to the RCC and ARC instances of non-compliance and any regulatory concerns or issues.</p>	<p>Legal Teams / Business colleagues</p> <p>Legal Teams</p> <p>Group Legal Director</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>

Risk Area	Description of Risk	Minimum Control Standards	Who is responsible	When
Legal Teams	The legal teams provide incorrect guidance or opinions to the business.	Directive Control: The Legal teams have professionally qualified lawyers providing adequate coverage of key legislation and regulation applicable to POL.	Legal Teams	Ongoing
		Directive Control: The Legal teams have to adhere to professional standards and CPDs.	Legal Teams	Ongoing
		Preventative Control: The Legal teams have framework agreements in place with leading law firms for specialist advice and opinions.	Legal Teams	Ongoing
Legal Teams	The business does not involve or by-pass the Legal teams or opinions provided.	Directive Control: The Delegation of Authority approved by the Board clarifies the Legal Team's authority.	Legal Teams / Business colleagues	Ongoing
		Directive Control: The Legal Teams have direct access to ARC and the Board to highlight exceptions and/or where business decisions have not diligently considered legal opinion to the detriment of POL.	Legal Teams / Business colleagues	Ongoing
Legal Professional Privilege	The Legal Teams and/or business fails to preserve the confidentiality of legally privileged materials.	Directive Control: The Legal team have to adhere to professional standards and CPDs. Preventative Control: The Legal team: (1) marks all relevant advices and communications as "Confidential and subject to Legal Privilege" or a similar privilege marker. (2) Identifies circumstances where limited waiver or common interest privilege apply and acts accordingly.	Legal Teams Legal Teams / Business colleagues	Ongoing Ongoing

Risk Area	Description of Risk	Minimum Control Standards	Who is responsible	When
		<p>(3) highlights to the business where advice or communications should not be shared with colleagues or third parties.</p> <p>Preventative Control: The Board requires that before any legally privileged materials are disclosed to the Inquiry unredacted (where these are not already subject to Board's existing grant of waiver of privilege for Inquiry purposes), the Inquiry Legal Team must identify all the legally privileged materials to the Board over which a waiver of privilege is sought and highlight any risks their disclosure to the Inquiry may present to the Group. Similarly the RU Legal Team identifies any proposed waiver of privilege to the Board, highlighting any risks associated with that waiver.</p>	Inquiry Legal Team	Ongoing

4. Where to go for help

4.1. How to raise a concern

All Post Office staff are required to discuss with the relevant Legal Team or their Line Manager if they suspect that:

1. There are legal issues in respect of any business activity;
2. Someone has acted outside of the risk framework or in contravention to this Policy; and
3. Where a potential dispute or claim may occur.

Depending on the particular area, the Line Manager should contact the following in-house lawyer, copying in the Group Legal Director:

- **Head of Legal – Corporate, Banking and Financial Services** for any issues arising in respect of Group Companies and Group structure including solvency issues, relationship with POL's shareholder, Group funding and finance arrangements, issues arising in respect of the Financial Services (which including banking products and FRES / foreign exchange) and Post Office Management Services Ltd business.
- **Head of Legal – Retail** for any issues arising in respect of the network (directly managed branches or agency branches) as well as Mails and Government Services. They are also the first point of contact for competition issues.
- **Head of Legal – IT and Procurement** in respect of all IT and Public Procurement issues and state aid issues.
- **Head of Legal – HR and IR** for any issues arising in respect of human resources or industrial relations
- **Head of Legal – Dispute Resolution and Brand Protection** for any contentious issues arising across the business including those that could impact the Brand, such as issues with the Post Office trade mark.
- **Head of Legal – Data Protection & FOI Law** for any issues arising in respect of data protection compliance, potential data breaches, and Post Office's management of freedom of information requests and information rights requests.
- **Head of Legal – Inquiry** in respect of all matters which may be relevant to the Post Office Horizon IT Inquiry's Terms of Reference or List of Issues or may otherwise potentially be of interest to the Inquiry.
- **Remediation Unit Legal Services Director** for any issues relating to the provision of redress to postmasters connected with the Horizon IT scandal, and supporting overturning the convictions of postmasters who were wrongfully convicted.

It is particularly important to involve the Legal Teams at an early stage as the communication between the Business and the Legal Teams may be legally privileged. Such communications will be treated as confidential.

4.2. 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 Group Legal Director: [Sarah.I.Gray@](mailto:Sarah.I.Gray@GRO)

GRO

5. Governance

5.1. Governance Responsibilities

The Policy Sponsor takes responsibility at SEG level for policies covering their areas.

The Policy Owner is responsible for ensuring that the content is up to date and is capable of being executed. As part of the review process, the Policy Owner needs to ensure that the minimum controls articulated in the policy are working, or to identify any gaps and provide an action plan for remediation.

Additionally, the Policy Owner and the Group Compliance Director are responsible for providing appropriate and timely reporting to the RCC and the ARC as required.

The ARC is responsible for approving the Policy and overseeing compliance.

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

5.2. Definitions

ARC	Audit, Risk & Compliance Committee.
CIJ	Alan Bates and ors v Post Office Limited - Judgment (No.3) "Common Issues" - [2019] EWHC 606 (QB). The Common Issues judgment determined 23 issues relating to the contractual relationship between Post Office and its Postmasters.
GLO	Group Litigation Order made on 22 March 2017 by Senior Master Fontaine, referring to the group legal action brought by a group of former Postmasters against Post Office Limited, which resulted in the HIJ and CIJ.
Hamilton	Josephine Hamilton and Others v Post Office Limited [2021] EWCA Crim 577 The Court of Appeal quashed the convictions of 39 postmasters who had been convicted of crimes of dishonesty. The principal questions considered were whether the prosecutions were an abuse of process of the court and the convictions were unsafe.
HIJ	Alan Bates and ors v Post Office Limited - Judgment (No.6) "Horizon Issues" - [2019] EWHC 3408 (QB). The Horizon Issues judgment found that defects existed in the Horizon system and that it was possible for these to (1) cause discrepancies or shortfalls in branch accounts or transactions, and (2) to undermine the reliability of Horizon accurately to process and to record transactions.
Post Office or Group	Post Office Limited, Payzone, and Post Office Management Services Limited.
RCC	Risk & Compliance Committee.
Reserved Legal Activities	As defined in section 12 and Schedule 2 to the Legal Services Act 2007.
SEG	Strategic Executive Group.
Staff	Permanent employees, temporary staff including agency workers, contractors, consultants and anyone working for or on behalf of Post Office.

6. Document Control

6.1. Document Control Record

SUMMARY			
Policy Sponsor	Standard Owner	Policy Author	Standard Approver
Ben Foat	Sarah Gray	Ben Foat	RCC&ARC
Version	Document Review Period	Policy – effective date	Policy location
V2.0	2024	July 24	Key policies (sharepoint.com)

REVISION HISTORY			
Version	Date	Changes	Updated by
1.0	18.06.2016	1 st draft for new policy	Ben Foat
1.1	26.02.2017	2 nd draft of policy following reorganisation	Ben Foat
1.2	22.06.2019	3 rd draft following annual review	Ben Foat
1.3	16.12.2022	4 th draft following GLO, incorporating risk appetites and tolerances, new policy requirements and specific controls for historic matters.	Sarah Gray
2.0	11.06.2024	1st review of Group Legal Policy following publication on 16 May 2024	Kirsty O'Connor
2.1	27.06.2024	2nd draft of revised policy following reorganisation	Kirsty O'Connor

6.2. Oversight Committee: Risk and Compliance Committee / Audit and Risk Committee

Committee	Date Approved
POL RCC	13/06/24
POL ARC	23/07/24
POMS ARC	TBC

Next Policy Annual Review Date: July 2025

6.3. 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: 100 Wood Street, London EC2V 7ER.

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.

Appendix1 – Applicable Legislation and Regulation

Post Office has established a suite of policies, which are subject to annual review. The Policy suite is designed to combat non-compliance with key legislation and regulations.

The key Legislation and Regulations applicable to POL are listed below:

- Postal Services Act
- Data Protection Act (& GDPR) and Freedom of Information Act (FOIA)
- Modern Slavery Act
- Equality Act
- Immigration Act
- Enterprise Act
- Judicial Review
- Regulation of Investigatory Powers Act (RIPA)
- Re-use of Public Sector Information Regulations (ROPSI)
- Proceeds of Crime Act
- Financial Crime legislation (including AML & Counter Terrorism and ABC)
- Public Contracts Regulations (PCR)
- Reforming the Intermediaries Legislation (IR35)
- Health and Safety at Work Act and various regulations
- Environmental Protection Act, Planning and Property Acts EU State Aid (SGEI)
- Trade Unions and Labour Relations Act (TULRCA)
- Competition Act
- s.3 Small Business, Enterprise and Employment Act (payment practices reporting)
- Criminal Finances Act
- Employment Rights Act
- Transfer of Undertakings (Protection of Employment) Regulations (TUPE)
- Value Added Tax Act
- Inquiries Act
- Economic Crime & Corporate Transparency Act

Appendix 2 - Legislation and Regulation Matrix¹⁴

Key:

A	SEG Member / Attendee who is accountable for the Group's compliance with the relevant legislation / regulation.
R	Group CEO is also responsible for the Group's compliance with the relevant legislation / regulation.

Material Legislation/ Regulation	Business Area	CEO	Finance and Strategy	People	Digital, Information and Technology	Legal, Compliance, Assurance, Secretariat and Risk	Commercial including Retail, FS, Marketing and Digital
Bribery Act 2010	All	R				A	
Business Rates	Finance, Retail	R	A				
Communications Act 2003	FS, Retail	R					A
Competition Act 1998	All	R				A	
Consumer Insurance (Disclosure & Representatives) Act 2012	FS, Retail	R					A
Corporate Manslaughter & Corporate Homicide Act 2007	Health & Safety	R	A				A
Criminal Finances Act 2017	All	R	A (POL's tax)			A (MLRO)	
Data Protection Act 2018 & GDPR	All	R			A	A	
Digital Economy Act 2017	Retail, Ops, IT, FS, Brand	R					A
Economic Crime & Corporate Transparency Act 2023	LCASR, FS, Retail, Ops	R				A	
Employment Rights Act 1996	All	R		A			
Energy Acts Directives & Regulations (various)	Ops	R				A	
Enterprise Act 2002 (competition)	All	R				A	
Enterprise Act 2016 (pay cap)	All	R		A			
Environmental Legislation & Regulations	Health & Safety	R	A				

¹⁴ Please note: This Appendix does not refer specifically to the key findings and learnings from the Group Litigation Order (GLO), the Horizon Issues Judgment (HIJ), Common Issues Judgment (CIJ) and Hamilton Judgment as these areas are covered in the body of the Policy itself. However, it should be noted that Post Office Group treats these judgments as applicable to all business areas and central to how the business operates day to day. Each of the accountable roles shown above is expected to have a detailed understanding of the judgments and how they apply to their areas of the business.

Material Legislation/ Regulation	Business Area	CEO	Finance and Strategy	People	Digital, Information and Technology	Legal, Compliance, Assurance, Secretariat and Risk	Commercial including Retail, FS, Marketing and Digital
Environmental Protection Act 1990	Health & Safety	R	A				
Equality Act 2010	All	R		A			
FCA Code of Business Sourcebook (COBS/ ICOBS)	FS, Retail	R					A
Financial Services & Markets Act 2000 / Financial Services & Markets Act 2023 / FCA Handbook	FS, Retail	R					A
Freedom of Information Act 2000	LCASR	R				A	
Health & Safety at Work Act 1974	All	R	A				
Immigration Act 2016	People	R		A			
Intellectual Property Laws (various)	FS, Retail, IT, Brand	R					A
Insurance Act 2015	FS, Retail	R	A (Corporate Policies)				A (POI)
Inquiries Act 2005	Inquiry	R		A			
Judicial Review	All	R				A	
Landlord & Tenants Acts	Property	R					A
Law of Property Acts; Land Registration Act 2002; 2003 Rules	Property	R					A
Modern Slavery Act 2015	All	R		A			
Money Laundering Regulations 2017	Retail, FS	R				A	
Ofcom's Conditions of Entitlement	FS, Retail, Brand	R					A
Payment Services Regulations 2017	FS, Retail	R					A
Postal Services Act 2011	FS, Retail, Strategy	R					A
Proceeds of Crime Act 2002	FS, Retail	R				A	
Public Interest Disclosure Act 1998 (whistleblowing)	All	R				A	
Public Contracts Regulations 2015	All	R	A				
Reforming the Intermediaries Legislation (IR35)	People	R		A			
Regulation of Investigatory Powers Act (RIPA)	People	R				A	

Material Legislation/ Regulation	Business Area	CEO	Finance and Strategy	People	Digital, Information and Technology	Legal, Compliance, Assurance, Secretariat and Risk	Commercial including Retail, FS, Marketing and Digital
Re-use of Public Sector Information Regulations	LCASR	R				A	
Small Business, Enterprise & Employment Act 2015	Retail	R					A
The Consumer Rights Act 2015	FS, Retail	R					A
The Payment Card Industry Data Security Standard	FS, Retail	R			A		A
The Welsh Language (Wales) Measure 2011 & associated Regulations	Retail, FS, Brand	R		A (Corporate comms)			A (Product / service materials)
Town & Country Planning Act 1990 and various others	Property	R					A
Trade Unions & Labour Relations (Consolidation) Act 1992 (TULRCA)	People	R		A			
Transfer of Undertakings (Protection of Employment) Regulation 2006 (TUPE)	People	R		A			
Value Added Tax Act 1994	Ops	R	A				