



GROUP POLICIES

Investigations Policy – Draft for Comment

Version – V1.2

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 integrity, proper behaviour, crime prevention, detection and management are maintained.



1.	Overview	4
1.1.	Introduction by the Policy Owner.....	4
1.2.	Purpose.....	4
1.3.	Core Principles	4
1.4.	Application	5
1.5.	Responsibilities	5
2.	Managing an investigation	7
2.1.	How should issues be reported or captured?	7
2.2.	Grounds for considering a matter for internal investigation	7
2.3.	Triage.....	8
2.4.	Commissioning Manager	9
2.5.	Establishing the scope of the investigation	9
2.6.	Appointing an Investigator and other personnel.....	10
2.7.	Investigation	10
2.8.	Witnesses and witness interviews.....	11
2.9.	Timescales for Investigation	12
2.10.	Investigation Report	12
2.11.	Outcomes	13
3.	Risk Appetite and Minimum Control Standards	14
3.1.	Risk Appetite.....	14
3.2.	Policy Framework.....	14
3.3.	Who must comply?	14
3.4.	Minimum Control Standards.....	15
4.	Tools and definitions.....	21
4.1.	Tools.....	21
4.2.	Definitions.....	21
5.	Where to go for help	22
5.1.	Additional Policies	22
5.2.	How to raise a concern.....	22
5.3.	Who to contact for more information.....	22
6.	Governance.....	23
6.1.	Governance Responsibilities.....	23

7.	Control	24
7.1.	Policy Version.....	24
7.2.	Policy Approval	24

Schedules

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1. Overview

1.1. Introduction by the Policy Owner

The Group General Counsel has overall accountability to the Board of Directors for the design and implementation of controls in relation to internal investigations. Post Office's Board of Directors have overall responsibility for ensuring that Post Office has a framework to ensure compliance with legal, regulatory, and contractual requirements. The outcomes of investigations are reported to the Audit and Risk Committee and the Post Office Board as required.

1.2. Purpose

This Policy has been established to set the minimum operating standards for the management of internal investigations throughout the Group¹. Internal investigations are a part of corporate governance, and this Policy focuses on controls to conduct an effective internal investigation. Compliance with this Policy supports the Group in meeting its business objectives, including the proper management of risk, and its commitment to act professionally, proportionately, fairly and with integrity in its business dealings and relationships through the implementation and enforcement of effective systems to protect its business.

This Policy is intended to compliment the Group's existing suite of Policies, many of which contain details of subject specific investigation and reporting requirements. Some matters requiring investigation will not be covered by any other policy. In either case this Policy will assist individuals tasked with undertaking an investigation to understand the Group's overarching aims and investigation principles.

1.3. Core Principles

Post Office takes its responsibilities for complying with law and regulations seriously. It expects staff² to adhere to Policies and procedures, operate with honesty and integrity and within the law, and not bring the Post Office into disrepute.

Post Office's Group Policies set out the key legislative and regulatory requirements that Post Office must adhere to, its risk appetites, and the key controls to ensure compliance, including the requirements to undertake investigations into suspected breaches, failures or causes for concern.

This Investigations Policy gives guidance about how to ensure issues are captured and evaluated, and deciding whether an investigation is necessary. It fixes the minimum standards required to ensure that internal investigations, regardless of the scope, are prompt, effective and professionally managed, and that findings are responsibly addressed.

¹ In this Policy "Post Office" and "Group" mean Post Office Limited and wholly owned subsidiary

² In this Policy "staff" means permanent staff, temporary including agency staff, contractors, consultants and anyone else working for or on behalf of Post Office, excluding agents (including Postmasters)

When faced with concerns or allegations of impropriety of any kind, including illegality, breach of Policy, controls or regulation, or wrongdoing regardless of the source, it is essential for the Post Office to take prompt and appropriate action to determine:

- Whether the concerns or allegations have any basis or merit
- The scope and cause of any impropriety
- The measures needed to remedy the issues
- How to best manage and defend against any legal and/or reputational damage associated with the impropriety, such as government reporting requirements, civil and criminal liability
- Whether and to whom to report issues, particularly where reporting is a regulatory requirement or where the issues are material or reveal systemic shortcomings in practice or culture.

This Policy establishes protocols for:

- Capturing issues that may require investigation
- Triaging and assessing issues to establish whether to investigate and any urgency
- Initiating an investigation
- Investigation design and management
- Data collection and preservation
- Witness interviews
- Reporting
- Corrective action and necessary Policy or procedure review

1.4. Application

This Policy is designed to establish the minimum standards of investigation to assist the business in controlling financial loss, customer impact, regulatory breaches and reputational damage in line with the requirements of specific other Group Policies and the Group's Risk Appetite. This Policy applies to all companies in the Post Office Group.

The processes set out in this Policy **must** be applied in [**all circumstances OR in all cases except cases of investigations required in the People space**] where:

1. Another of Post Office's Policies state that an investigation shall be undertaken under this Policy;
2. Another of Post Office's Policies provides no guidance on the conducting of investigations under it; or
3. A concern or allegation comes to Post Office's attention which is not the subject matter of any of Post Office's other Policies.

Investigations into certain specific matters may be subject to the unique procedural requirements of certain local policies. [This is particularly true of People Policies, which contain specific procedures that have been agreed with our trade unions.] In such cases, those responsible for conducting investigations under the local Policy, whilst always having regard to the overarching principals of this Policy, must follow any prescriptive procedural requirements of the applicable local policies.

1.5. Responsibilities

Key individuals and their specific responsibilities in relation to this Policy are:

- The **Post Office Board** has overall responsibility for ensuring that Post Office has a framework to ensure compliance with legal, regulatory, and contractual requirements. The Board is kept abreast of relevant matters relating to the management of investigations by reports from its committees including its Audit and Risk Committee (ARC).
- The **Group General Counsel** for Post Office is the Policy Sponsor, accountable to the Post Office Board overall.
- The **Group Legal Director** is the Policy Owner responsible for the day to day implementation of and compliance with this Policy, for maintaining a dashboard of appropriate Management Information and for reporting that MI, including to ARC [on a quarterly basis] and in the annual legal risk report. The Group Legal Director is accountable to the General Counsel.
- The **Group Policy Owners** are responsible for managing risk in specific areas under Post Office's Group Policies. In relation to those specific risks, Group Policy Owners are responsible for establishing proportionate processes to: capture reports of concerns, triage reports of concerns, nominate Commissioning Managers, and for maintaining and reporting MI to the Group Legal Director.
- The **Commissioning Manager** has overall responsibility for each investigation, including identifying applicable local policies, laws and regulations, defining its scope, and appointing an Investigator.
- The **Investigator** is responsible for carrying out investigations and for any other tasks delegated by the Commissioning Managers, such as reporting and liaising with stakeholders.
- The **Compliance, Legal and People Teams** are responsible for supporting as requested by the Commissioning Manager or Investigator.

Post Office depends on the cooperation of its employees when conducting internal investigations. Post Office employees are required to cooperate with Company investigations in accordance with Post Office Conduct Code. Employee refusal to cooperate in a company investigation may result in disciplinary measures being taken in accordance with the Conduct Code Procedure.

2. Managing an investigation

2.1. How should issues be reported or captured?

Post Office is a large and diverse business. Issues and concerns may arise anywhere, in many ways. Some key examples of how concerns might arise are:

1. **Reports by staff or agents :** Individuals may report concerns directly to their line managers, key contacts, Area Managers, or through Post Office's whistleblowing channels.
2. **Through our day to day work:** Concerns will become apparent in the ordinary course of work or through the work done by our internal audit teams.
3. **From external agencies:** Reports of concerns can come from external sources, such as the Police, the National Crime Agency, Regulators, or through formal reports such as Suspicious Activity Reports.
4. **Courts, Tribunals or Inquiries:** Findings in judicial or quasi judicial processes could reveal concerns about Post Office and the way that it does business.

Post Office actively encourages staff to report knowledge of concerns or suspicions of wrongdoing. In some cases, that is a contractual requirement.

Group Policy Owners should ensure that the correct framework is in place and effectively communicated so that staff and, where appropriate, third parties know how to raise concerns about risks or concerns arising in their specific areas. Typically this will be via escalation through line managers, but can be to a specific function or person by way of a dedicated mailbox or phonenumber. Specific mailboxes or contact details should be set out in local policies and shown at Schedule 1. Where a reported concern is received in writing, it should be acknowledged in appropriate terms, without undue delay. Where a specific mailbox is established this can be by way of automatic reply in terms attached to Schedule 5.

Where staff become aware of a concern in respect of which there is no current Group Policy Owner (and therefore no established channel for reporting or triaging that concern) they must refer the issue to the Group Legal Director or Whistleblowing Officer as appropriate (except in the case of conflict, in which case with the Head of Internal Audit) who shall then either assign the matter to an appropriate Group Policy Owner, or elect to become the person responsible under this policy for triaging, overseeing any investigation (including appointing a Commissioning Manager), and for ensuring that MI about investigation outcome is communicated to the Group Legal Director.

2.2. Grounds for considering a matter for internal investigation

Not every problem, suspicion or issue that is reported, identified or otherwise arises will require formal investigation. In some cases, a formal investigation may be disproportionate to the matter arising. Dependent on the nature of the problem, suspicion or issue, it might be appropriate to manage it informally after no, or some limited informal, investigation. Where the decision is taken not to undertake a formal investigation, this fact should, for audit purposes, be recorded by the person making that decision..

Specific facts or circumstances, however, make conducting an internal investigation a mandatory requirement. Group Policy Owners are responsible to ensure these circumstances are clearly identified in relevant Group and associated local Policies. They include, by way of example:

- A failure to comply with Regulatory obligations, such as those enforced by the Financial Conduct Authority (FCA) or the Information Commissioners Office (ICO).
- A failure to comply with Group Policies
- An express requirement under a third party contract to investigate certain suspicions, allegations or circumstances, such as concerns about modern slavery in a supply chain

Outside of circumstances in which an investigation is mandatory, Post Office has discretion about whether to investigate. However certain allegations or concerns weigh heavily in favour of considering an investigation ("Persuasive Factors"). These include, but are not limited to:

- A possible criminal offence has been committed, is being committed or is likely to be committed
- A person has failed, is failing or is likely to fail to comply with any legal obligation to which he is subject
- A miscarriage of justice has occurred, is occurring or is likely to occur
- The health or safety of any individual has been, is being or is likely to be endangered
- The environment has been, is being or is likely to be damaged
- Concerns that Post Office is operating outside of risk appetite in certain areas, without the appropriate governance
- Matters that could involve regulatory fines, penalties or liabilities
- Possible harm to Post Office business or property
- Employee complaints that reveal improper conduct, a breach of employment law, or could form the basis of a complaint to a court of tribunal
- Postmaster complaints relating to a material, frequently arising or systemic issue
- Allegations about matters which if true or not investigated could harm Post Office's brand or reputation

If there is doubt about whether a matter should be referred for investigation, staff should discuss the situation with line managers or with SME colleagues, if appropriate. If in any doubt, the matter should be escalated for consideration to the relevant Group Policy Owner or, where there is no Group Policy Owner, to the Group Legal Director or Whistleblowing Officer in accordance with section 2.2.

2.3. Triage

Group Policy Owners are responsible for ensuring that an adequate process is in place for triaging concerns reported to them and deciding whether to refer them for investigation and, if so, any urgency.

The decision about whether a matter should be investigated and its urgency will often involve the exercise of judgment about the facts and circumstances. However, any process of triage should have particular regard to:

1. Any mandatory requirement to investigate under any law, regulation, or other Policy;
2. Any Persuasive Factor to investigate as set out under 2.2 of this Policy;
3. Any prescribed time frames, fixed either by law, regulation, direction or other Group or associated local Policy;
4. Whether the matter arises in the context of, or is likely to result in, legal or regulatory action.

Any process of triage should build in time and the mechanism to draw upon SME knowledge or legal advice wherever appropriate. Where any matter appears particularly sensitive, serious, or indicates a potential trend, triage should also involve consultation with the

Group General Counsel except in the case of conflict, in which case with the Head of Internal Audit.

2.4. Commissioning Manager

Group Policy Owners are responsible for nominating a Commissioning Manager for the investigation of any matter which is deemed necessary to investigate. This nomination can be established by way of a standing protocol, under a Group or associated local Policy, or by the Group Policy Owner in writing. The Commissioning Manager will be either:

- the Group Policy Owner; or
- A person or team appointed in writing by the Policy Owner, either on a permanent, temporary, or case-by-case basis to act as Commissioning Manager.

The Commissioning Manager should never be someone who is implicated in the matter being investigated. If a Commissioning Manager finds they are conflicted they must refer the matter to the Group Policy Owner, or where the Group Policy Owner is themselves conflicted, to the Group Legal Director or Head of Internal Audit, as appropriate, and a new Commissioning Manager should be assigned.

The Commissioning Manager shall have overall responsibility for the investigation, including:

- Taking initial legal advice including on whether any law, regulation or local policies apply and whether the investigation should be conducted under legal privilege. Reviewing the information gathered to date, including any initial report, complaint, or summary of the issues
- Ensuring that the scope of the investigation and, where appropriate, establishing terms of reference
- Identifying any relevant Policies, guidance or regulations that may apply to the matters being investigated and ensuring these are complied with;
- Ensuring that any necessary or otherwise suitable safeguards are understood and put in place, for example: whether specific warnings or cautions must be given, any whistleblower protections, and that privacy, data protection and confidentiality requirements are understood;
- Managing any communications with stakeholders, including where applicable and appropriate any complainant/s;
- Appointing any personnel to specific functions within the investigation, including the Investigator and any other support from People Teams or from specialists inside or outside of POL;
- Ensuring that any outcomes, including any recommendations, are sent to the appropriate people or Groups;
- Feeding outcomes back into the system of Management Information established by the Policy Owner.

2.5. Establishing the scope of the investigation

The Commissioning Manager must establish the scope of the investigation. This should be done at the start of the investigation, although the Commissioning Manager should be flexible in ensuring that the scope can be amended as the investigation proceeds.

It will often be helpful for the Commissioning Manager to draw up written terms of reference to guide the Investigator. Any terms of reference should be kept under review as the investigation proceeds. During the investigation, the Investigator may identify additional concerns (for example, in a whistle-blowing investigation after the investigator has met with the whistleblower). If so, the Investigator should flag these to the Commissioning Manager to query whether the terms of reference should be expanded, or whether a

separate investigation is required. The Commissioning Manager controls what is included within the terms of reference and the scope of the investigation.

A template terms of reference is attached at Schedule 2. This may be used as a starting point, but it is not a requirement of the Policy that it must be used and the Commissioning Manager should amend it as appropriate to reflect the requirements of the investigation in question.

2.6. Appointing an Investigator and other personnel

The Commissioning Manager must appoint an Investigator. In some cases the identity of the Investigator may be mandated by a local Policy, by law or regulation. It is a part of the the Commissioning Manager's responsibility to establish this at the outset, drawing upon advice, as necessary.

In other cases the Commissioning Manager may delegate (without abrogating responsibility for) the conduct of the investigation to an Investigator of his or her choosing. Exceptionally it may be possible for the Commissioning Manager personally to be the Investigator.

The Investigator should not be someone who is named or potentially implicated in the matter being investigated. Where individual employees are named or implicated in the complaint, where possible, the Investigator should not be one of the named individual's subordinates (direct or indirect) and it will be ideal if they are of the same or higher seniority. It may be preferable in many cases to appoint an Investigator from a different area of the business, although that needs to be set against the Investigator having suitable knowledge of the subject matter, if that is important. The Commissioning Manager should ensure that any Investigator appointed is sufficiently independent and suitable.

The Commissioning Manager may in some cases choose to appoint an external investigator(s) to carry out the investigation function. However that would be the exception rather than the rule.

The Commissioning Manager may also delegate (again without abrogating responsibility) other functions of the investigation, for example communications with stakeholders, to suitable staff (e.g. to the People Team).

2.7. Investigation

It will be for the Investigator, in discussion with the Commissioning Manager and having regard to the requirements of any law, regulation or other applicable Policies, to determine the steps needed to investigate any issues.

Investigation should be proportionate and fair. Investigators should seek to gather facts and evidence around the issues, as necessary. This will often include witness evidence. Proportionality should also be considered. The more serious the issues or its consequences and impact, the more extensive and complete the investigation should be.

Investigators must ensure that any requirements identified by the Commissioning Manager are adhered to. These may include confidentiality, data protection and privacy principles, whistle-blower safeguards, witness cautions (typically in investigations that could result in criminal proceedings) any any timeframes.

The Investigator should call on advice and support from the People, Legal or Compliance Teams, as necessary.

2.8. Witnesses and witness interviews

Investigations into specific matters may require certain special provisions or formalities to attach to witness interview. By way of illustration, they include:

- Where evidence gathered in an internal investigation might be used in a subsequent criminal proceedings, it may be appropriate to give specific warnings or cautions to witnesses before interview;
- When interviewing whistleblowers, it may be appropriate to protect a witness's anonymity and to put steps in place to protect them from detriment.

It will be for the Investigator working together with the Commissioning Manager, and drawing on any necessary advice, to establish whether any special requirements exist and to apply these accordingly.

Outside of those special requirements, the broad principles that apply to all witness interviews are as followed:

- Witnesses should be treated fairly.
- Whilst there may be occasions where it is appropriate to meet with witnesses without advance notice, in most cases it will be appropriate to formally invite the witness to a meeting/interview on reasonable notice.
- Consideration should be given to whether witnesses should be permitted to be accompanied to any witness meeting by a companion, normally being a fellow employee or trade union representative. This is particularly true of investigations in where the person being interviewed suffers from a disability and requires specific support
- Witnesses should be given sufficient information (subject to confidentiality and data protection principles) to enable them to provide meaningful evidence on the issues being investigated.
- If it clear to the Investigator that a possible outcome of the investigation might be to recommend a formal disciplinary procedure against the witness, the Investigator should consider following the principles surrounding investigation set out within the Disciplinary Policy to allow the investigation to be used within any subsequent disciplinary process. This would include giving them a chance to consider the position or gather their own evidence, either by providing them with details of the allegations in advance of the witness interview or by adjourning the witness interview to allow them time to do so.
- Any witness may suggest other witnesses the Investigator should speak to or avenues of enquiry they should explore. The Investigator should encourage such suggestions and give them thoughtful consideration, but is not obliged to pursue such avenues if the investigator does not consider them relevant or appropriate within the investigation.
- If issues are identified during the investigation which are not directly relevant to the issues being investigated but which may themselves be whistleblowing disclosures or warrant investigation, the Investigator should refer these back to the Commissioning Manager for consideration about whether the Terms of Reference should be expanded or whether a separate investigation should be commenced.
- It should be emphasised to witnesses that the investigation remains confidential and that they should not discuss it other than with the Investigator, People Team or any companion supporting them. It should be made clear to the witness that their statements may be used within the investigation.
- Witnesses must not be punished or subjected to any detriment for having acted as witnesses. The Investigator should reassure witnesses of this at or before the meeting. The Commissioning Manager is responsible for ensuring there are safeguards to protect witnesses, including where appropriate that their managers know that they must not be subjected to any detriment. However this paragraph does not prevent a witness who is alleged to have carried out some misconduct

from being disciplined for that misconduct whether or not it was identified in a witness interview.

- Following any witness interview, the Investigator should produce minutes of the meeting or a statement from the witness. The Investigator may have a note taker attend to assist in producing these. The minutes should be shared with the witness following the meeting for them to provide any comments if they wish.

2.9. Timescales for Investigation

It will be for the Investigator working together with the Commissioning Manager, drawing on any necessary advice, to establish whether any special timeframes exist, either by law, regulation, or local policy, and to apply these accordingly.

If no prescribed time frames exist, it is not appropriate to fix standard timescales on how long an investigation should take. Cases will vary and the priority should be to ensure a proportionate and fair investigation.

However, Investigators should seek to deal with investigations without undue delay. Where possible, Investigators should provide estimates of timescales and, if they materially change, should keep the Commissioning Manager, relevant stakeholders and any person being investigated updated.

Investigators should endeavour to provide an initial report on the progress of the investigation to the Commissioning Manager within 2 weeks of receiving the terms of reference. Investigators should also update Commissioning Managers at least monthly after that.

2.10. Investigation Report

It will be for the Investigator working together with the Commissioning Manager, drawing on any necessary advice, to establish whether outcomes must be presented in any particular form.

In most cases it will be appropriate at the conclusion of an investigation for the Investigator to produce a report. This report will set out the terms of reference or scope of the investigation, the evidence identified and the Investigator's conclusions on the issues. Where appropriate, recommendations for actions should also be included.

Where appropriate the Commissioning Manager and investigator may wish to discuss the draft report to establish that it covers the relevant points and that no further investigation is needed. Consultation is likely to be inappropriate in some cases[, for example in the People context if the Investigator must reach independent findings].

All investigation reports must be marked as strictly confidential. Where the investigator or commissioning manager wishes to take legal advice on the report before publishing a final version, it should also be marked "privileged draft, for the purpose of taking legal advice".

A template investigation report is attached at Schedule 3. This may be used as a starting point, but it is not a requirement of the Policy that it must be used and other templates may already be in established use. The Investigator should present their report in the form appropriate to reflect the requirements of the investigation in question.

2.11. Outcomes

The Commissioning Manager is responsible for ensuring that any outcomes or recommendations are implemented, in cooperation with the Group Policy Owner where required.

In some cases the outcome of the investigation could be to recommend a further process, for example a disciplinary process. The Investigator should be ready to assist in any such process if needed. It may be possible for the investigation report to be used within any subsequent process, but this would need to be considered on a case-by-case basis. Care would need to be taken to ensure that only information relevant to the second process was shared and that confidentiality and data protection principles were complied with.

Group Policy Owners are responsible for establishing systems to record and save investigation reports, and to capture management information (MI) detailing the number and nature of concerns that are triaged by them or by the triage processes they have established, and the outcomes of any investigations. They should capture all the fields of information detailed at Schedule 4.

Group Policy Owners are also responsible for reporting MI about investigations in their specific areas to the Group Legal Director on a [monthly basis]. The Group Legal Director is responsible for reporting MI to ARC on a [quarterly basis].

There is no defined layout or content requirement for how MI should be reported but the following points should be covered:

- [Graphs showing categories, subject types, reporting channels, reporter type and volumes of cases opened and closed. These graphs should show a rolling 12 month period to help identify any trends or spikes.
- Commentary should be provided to support the graphs.
- Any potential issues or concerns identified through the reports should be raised.
- Any news or media articles relating to the matters reported.
- Updates from any horizon scanning or industry forums.
- Any changes or potential changes in legislation.
- Any other work undertaken as part of the issues raised.
- Communications planned and/or published to the business.]

3. Risk Appetite and Minimum Control Standards

3.1. 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 has³:

- **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 an action may still sit outside the agreed Risk Appetite.

3.2. Policy Framework

Post Office has established an overarching Group Investigations Policy and 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 Group Investigations Policy should be considered and read in conjunction with other policies where relevant. These include, but are not limited to, the Whistleblowing Policy, Financial Crime Policy, the Anti-Bribery & Corruption Policy, Health & Safety Policies and People Policies where relevant.

3.3. Who must comply?

Compliance with this Policy is mandatory for all Post Office staff and applies wherever in the world the Group's business is undertaken.

Where non-compliance is identified the matter must be referred to the Group Legal Director. 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.

The next page sets out the minimum control standards that the Group has implemented to control these risks.

³ The Risk appetite was agreed by the Groups Board January 2015

3.4. 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
Failure to identify issues that require investigating (including unethical behaviour by staff)	Staff or other individuals learn of issues but do not believe they must, can or should report them or even how to report those issues. They may feel fearful to report issues, particularly where a senior manager is involved.	Employees, and particularly senior managers, should be contractually required to report their own wrongdoing and the wrongdoing of others.	Principal Employment lawyer/ People Function	Ongoing
		Provide and effectively communicate adequate policies and channels for employees and others, including agents, agents' assistants and members of the public, to report wrongdoing or concerns and to do so anonymously if desired.	The Board is Responsible for ensuring the correct Policies are in place.	Ongoing
		Adequate training to be given to staff on potential legal and regulatory issues that can	Group Policy Owners	At suitable intervals to be established by

		arise in specific areas in the ordinary course of business.		the Group Policy Owners
Failure to properly record and document the investigation	Lack of audit trail and documentation could undermine the integrity of investigations	Group Investigations Policy to fix minimum standards for notetaking and record keeping and provide a model investigation plan that can be followed for each investigation, unless another prescribed process applies. Documented processes and templated reports to ensure consistency	Group Legal Director is responsible for fixing the minimum standards and providing templates. The Commissioning Manager and Investigator are responsible for notetaking and record keeping.	Ongoing At the outset of each investigation
Commencing Investigations	Conducting investigation without regard to the correct internal policy, applicable laws or regulation, resulting in unlawful, unreasonable, incomplete or ineffective investigation. Specific concern should be given to investigations into postmaster theft; and that any employment related issues follow the procedures and requirements of People Policies.	Group Policy Owners are responsible for ensuring Group and local policies refer to all applicable laws, regulations and special provisions that apply in specific areas. A Commissioning Manager should be appointed for each matter requiring investigation and is responsible for identifying applicable Policies, laws and Regulations, and ensuring they are fully understood and adhered to, drawing upon any necessary advice. Employees involved in teams associated with investigating suspected agent theft/false accounting or in People Functions should receive training on the approach to be taken in, and Policies applicable to, those specific cases.	Group Policy Owners Commissioning Managers Relevant Group Policy Owners	When drafting or reviewing Group Policies. At the outset of any investigation. Upon joining Post Office and bi-annually thereafter

Commencing Investigations	Failing to recognise that an investigation ought to be carried out under legal privilege	Commissioning Managers should be prompted to consider privilege and encouraged to take legal advice at the outset of an investigation. Training and education on privilege to be given to appropriate personnel and teams	The Group Legal Director is responsible for flagging the issue in the GIP. Commissioning Managers are responsible for taking advice. General Counsel	When drafting and annual review of GIP. At the outset of each investigation Upon joining Post Office and bi-annually thereafter
Conducting investigations	Failing to give appropriate cautions to witnesses resulting in certain evidence becoming inadmissible/unusable in future criminal proceedings	Policies should highlight areas in which material gained during investigation could end up being used in regulatory or criminal proceedings, e.g. Loss Prevention Commissioning Managers should be reminded about the need to caution in appropriate cases and encouraged to take legal advice at the outset of an investigation.	Relevant Group Policy Owners The Group Legal Director is responsible for flagging the issue in the GIP Commissioning Managers are responsible for taking advice.	When drafting or reviewing policies When drafting and annual review of GIP At the outset of an investigation

		Where the Commissioning Manager or Investigator has reason to believe that the investigation may uncover criminal conduct (such as theft, conspiracy, bribery, corruption or modern slavery) they should cease witness interviews and take appropriate advice from legal.	Commissioning Manager or Investigator	During the course of the investigation
Conducting investigations	Conducting privileged investigations in such a way as to lose/waive privilege	Where an investigation has been identified as one that ought to be conducted under legal privilege the individual responsible for the conduct of that investigation should be given the appropriate training, support and Instructions on how to maintain privilege. Those involved in the investigations must be instructed on how to maintain privilege	The General Counsel or his/her delegates The Commissioning Manager is responsible for instructing and any individuals are responsible for comply	As soon as a matter has been identified as being one that should be investigated under legal privilege When a matter has been identified as attracting privilege and throughout
Conducting investigations	Breaching individuals' (typically the subject/s of the investigation) rights to privacy and/or breaching general data protection principles, attracting regulatory censure, giving rise to employment claims and potentially jeopardising the investigation.	Employee Privacy Notice should include provisions enabling Post Office to interrogate personal data in the case of investigations to the fullest extent possible Data privacy impact assessments to be carried out when personal data is to be interrogated as part of an investigation, as appropriate.	Principal Employment lawyer/DPO The Investigator in consultation with the Commissioning Manager and/or DPO as appropriate	When drafting or reviewing the Privacy Notice At the outset and throughout the investigation

		Training to be given to appropriate personnel on interrogating personal data and the requirement for privacy impact assessments.	DPO	At appropriate intervals
Conducting investigations/ Employment Risks	Employees being unwilling to cooperate with investigator, resulting in inadequate investigation and outcomes, and possible employment claims	Insert and maintain appropriate clauses in employment contracts and provisions in Conduct Code, wherever possible (subject to collective agreement by unions), requiring employees to cooperate with internal investigations.	Principal Employment lawyer/People Function	Ongoing
		Wherever possible (subject to collective agreement by unions) provide that it can amount to a disciplinary offence to fail to comply with reasonable management instruction, including to cooperate with an internal investigation.	Principal Employment Lawyer/People Function	Ongoing
Reporting	Inadequate reporting of investigations or trends leads to a lack of transparency, consistency, and opportunity for improvement.	Establish processes to capture MI and report to GE, RCC & ARC.	ARC is responsible for fixing the MI and frequency of reporting they require	As and when
			Commissioning Managers are responsible for reporting outcomes to Group Policy Owners	At the conclusion of investigations
			Group Policy Owners are responsible for capturing MI about	[Monthly]

			issues arising in their areas and reporting that to the Group Legal Director. The Group Legal Director is responsible for communicating the MI in relation to investigation trends under this policy	[Quarterly]
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4. Tools and definitions

4.1. Tools

Commissioning Managers' model Terms of Reference

Investigators' model report

Spreadsheet of MI to be captured

4.2. Definitions

None

5. Where to go for help

5.1. Additional Policies

This Policy is one of a set of Policies. The full set of Policies can be found at:
<https://poluk.sharepoint.com/sites/postoffice/Pages/policies.aspx>

5.2. How to raise a concern

Any Post Office employee or Staff who suspects that there is a breach of this Policy or wishes to report concern about any issues affecting Post Office should do so without any undue delay.

Issues 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: whistleblowing@GRO or by telephone on: GRO
- The confidential Whistleblowing Speak Up service 'Ethicspoint' provided by Navex Global via telephone on: GRO or
- Via a secure on-line web portal: <http://postoffice.ethicspoint.com/>

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 Correspondence Team.

5.3. 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 Group Legal Director*.

6. Governance

6.1. Governance Responsibilities

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

The Policy owner is the Group Legal Director who is responsible for conducting an annual review of this Policy and for testing compliance across the Group. The Group Legal Director is also responsible for providing appropriate and timely reporting to 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 Groups risk appetite.

7. Control

7.1. Policy Version

Date	Version	Updated by	Change Details
	0.1		Draft Version
22.19.2020	1.2	Laurence O'Neill	Version 1.2

7.2. Policy Approval

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

Committee	Date Approved
POL R&CC	12 th January 2021
POL ARC	
POMS ARC	
PZBPL Board	

Policy Sponsor: Ben Foat
Policy Owner: Sarah Gray
Policy Author: Laurence O'Neill

Next review: January 2022

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.

Payzone Bill Payment Limited is a limited company registered in England and Wales under company number: 11310918. VAT registration number GB 172 6705 02. Registered office: Finsbury Dials, 20 Finsbury Street, London, England EC2Y 9AQ

SCHEDULE 1**Group Policy Owners**

The table below sets out the Group Policies covering certain risk areas and the Policy Owners responsible for managing risk in those areas.

Where an individual has a concern about an issue arising in a particular risk area, they may make a report to the Group Policy Owner. Where there is no Group Policy Owner or where an individual wishes to maintain anonymity and/or whistleblowing then they must refer the issue to the Group Legal Director or Whistleblowing Officer as appropriate (except in the case of conflict, in which case with the Head of Internal Audit or Group People Director).

	Group Policy	Risk Area	Policy Owner	Escalation Details
1.	Conflicts of Interest	Directors duties and conflicts arising from Directors' position	Group Company Secretary	[Dedicated Mailbox]
2.	Whistleblowing	Not meeting regulatory requirements regarding whistleblowing	Whistleblowing Officer	whistleblowing@postoffice.co.uk
3.	Contract Execution Policy	Improperly obtaining authority for, and undertaking, contract executions	Group Company Secretary	[Dedicated Mailbox]
4.	Modern Slavery Statement	Not meeting requirements under Modern Slavery Act 2015	[TBC]	[Dedicated Mailbox]
5.	Risk Appetite Statement	Management of acceptable risk to POL	Head of Risk	[Dedicated Mailbox]
6.	Risk Policy	Management of acceptable risk to POL	Head of Risk	[Dedicated Mailbox]
7.	Financial Crime Policy	Prevention of Financial Crime such as bribery, fraud counterfeit payment etc.	Director of Compliance	[Dedicated Mailbox]
8.	Anti-Money Laundering & Counter Terrorism Funding Policy	Enabling Money Laundering and Terrorist Financing, contrary to MLRO	Head of Financial Crime	[Dedicated Mailbox]
9.	Vulnerable Customer Policy	Improper support of vulnerable customers across POL network	Senior Risk Manager	[Dedicated Mailbox]

10.	HMRC Fit & Proper Standards	Non-compliance with the Fit & Proper standards set by the HMRC for Money Service Businesses	Compliance Director	[Dedicated Mailbox]
11.	Anti-Bribery & Corruption Policy (Including Gifts & Hospitality)	Receiving/offering Gifts/hospitality such that affects another's actions/decisions	Policy Owner, Director of Compliance	[Dedicated Mailbox]
12.	Business Continuity Management Policy	Improper maintenance/continuity of the business	Business Continuity Manager	[Dedicated Mailbox]
13.	Change Management Policy	Improper governance/execution of change risks	Chief Strategy & Transformation Officer	[Dedicated Mailbox]
14.	Investigations Policy	Improper conduct of investigations within POL	Group Legal Director	[Dedicated Mailbox]
15.	Law Enforcement Agencies Policy	Not complying with or supporting Law Enforcement Agencies and prosecutors in Criminal Investigations and prosecutions.	General Counsel	[Dedicated Mailbox]
16.	Freedom Of information Policy	Ensuring FoI requests are dealt with appropriately	Head of Information Rights	[Dedicated Mailbox]
17.	Protecting Personal Data Policy	Improper control and processing of personal data	Data Protection Officer	[Dedicated Mailbox]
18.	Document Retention Policy	Not retaining relevant documents to comply with archiving/other legal requirements	Chief Information Security Officer	[Dedicated Mailbox]
19.	Internal Audit Charter Policy (tabled biannually)	Ensuring an independent review function is set up within POL	Head of Internal Audit	[Dedicated Mailbox]
20.	Cyber & Information Security Policy	Improper protection of information security at POL	Head of IT Security	[Dedicated Mailbox]
21.	Procurement Policy	POL undertaking Non-compliant Procurement processes	Procurement Director	[Dedicated Mailbox]

22.	Health & Safety Policy	Health and Safety hazards within the workplace and branches	Head of Health & Safety	[Dedicated Mailbox]
23.	Physical Security Policy/Suite	Damage/harm to POL equipment and personnel	Head of Loss Prevention	[Dedicated Mailbox]
24.	Conduct Code Procedure	Employee conduct and behaviour not meeting required standards	Employee Relations and Policy Director	[Dedicated Mailbox]
25.	Code of Business Standards	Operation of POL in an unethical manner	Employee Relations and Policy Director	[Dedicated Mailbox]
26.	Equality Diversity & Inclusion Policy	Not embedding equality, diversity and inclusion into POL's culture	Talent, Diversity and Inclusion Director	[Dedicated Mailbox]
27.	Post Office Treasury Policy	Liquidity management, medium-long term funding and other investment risks	Treasurer	[Dedicated Mailbox]
28.	Employee Vetting Requirements Policy	Employing an individual with no right to work or criminal convictions	Group Chief People Officer	[Dedicated Mailbox]
29.	Postmaster & Assistant Vetting Requirements Policy	Appointing an agent with no right to work or criminal convictions	Group Chief People Officer	[Dedicated Mailbox]
30.	Postmaster complaints	Complaints from postmasters	[TBC]	[TBC]

SCHEDULE 2

Template Terms of Reference

COMMISSIONING MANAGER'S TERMS OF REFERENCE FOR INVESTIGATOR**CONFIDENTIAL [AND LEGALLY PRIVILEGED DRAFT]****TERMS OF REFERENCE FOR INVESTIGATION REGARDING [details of issue]**

Commissioning Manager (and Policy Owner if they are different):	[Insert name and job title]
Investigator:	[Insert name and job title]
Investigation Team (if applicable):	[Insert others involved in the investigation, for example People Team specialist assisting Investigator and any other specialist advisors as relevant]
Date:	[Insert date]
Local Policies that apply to this investigation	[insert or N/A]
Cautions relating to specific subject or investigation (such as advice around legal privilege, witness cautions, or offences).	[insert or N/A]
Date by which investigator must update Commissioning Manager on progress of investigation:	[insert dates 2 weeks from date of terms of reference]

1. Introduction

You are requested to act as Investigator to investigate **[summarise issue]**.

You should carry out a proportionate investigation into the issues of concern outlined below and produce a proportionate investigation report confirming the evidence, your conclusions and (if applicable) recommendations in accordance with the Group's Investigation Policy.

[Use if applicable - [Insert name of People Team/Audit/Regulatory] will provide assistance and advice in respect of the investigation.]

The investigation must be treated as confidential but may be discussed with me, the legal team and any specialist support identified above. If during the investigation you consider that some other specialist support not already identified is required, please discuss this with me.

As Commissioning Manager, I have received the information attached at Appendix A raising and identifying the concerns.

[Use if applicable – As Commissioning Manager I have also carried out an initial assessment of the issues of concern, my initial assessment is attached for your information at Appendix B. This is an initial assessment and your investigation is not bound and should not be influenced by my initial conclusions and your investigation must not be limited to this information alone.]

2. Issues to be investigated

You are requested to carry out a proportionate investigation into the following issues of concern:

[summarise in detail using separate bullet points each of the specific issues to be investigated]

3. Special considerations

As Commissioning Manager, I have identified the following special considerations which apply to this investigation and which you should ensure you consider when investigating. If you have questions or concerns around these issues, you should raise these with me at the start of the investigation.

- [details of any regulatory issues]
- [details of any limitations on who can be made aware of the investigation]
- [details of any overlap with criminal proceedings and effect on cautions that may be needed]
- [anticipated need for legal advice on any aspects of the investigation]
- [need for any or all the investigation to be subject to legal privilege]
- [any special reputational concerns or sensitivities]
- [any other relevant special considerations]

You are responsible for taking any legal advice from the Legal Team where such a need is identified (whether by you or me).

4. Relevant Policies

You should familiarise yourself with the Group Investigations Policy and adhere to the principles set out therein when investigating this matter. If you are uncertain about any aspect of compliance with this Policy, you should raise this with me.

I also anticipate that the following Policies may be relevant to the issues you are being asked to investigate. You should ensure that you have considered the relevant aspects of these Policies before completing the investigation. If you become aware during the investigation that other relevant Policies may apply, you should raise and discuss this with me.

Anticipated relevant Policies:

- [insert details]

5. Timescales

[The following timescales apply to this investigation:

- [Insert timescales under any Regulation or Group Policy]

OR

[Although there are no fixed timescales for the investigation, you must ensure that it is dealt with in a timely manner.

You must report to me on the progress of the investigation within 2 weeks of receiving the Terms of Reference and update at least monthly after that (although more frequently where appropriate). If issues arise that lead to any delays, you are encouraged to raise and discuss with me to explore ways they may be circumvented.]

Where practicable, you should keep me and key individuals updated with revised estimates for the length of the investigation, particularly where key dates appear likely to slip.

6. Documents and evidence to be obtained

You are requested to obtain, review and consider all relevant documents to the above issues of concern and to attach these as appendices to your investigation report.

You are requested to interview all relevant witnesses, produce statements for each witness signed and again attach these as appendices to the final investigation report.

[If the Commissioning Manager has identified some witnesses that he / she requires to be interviewed as part of the investigation or some documents that he / she requires to be reviewed these should be listed here. Be advised that, in the case of matters that may later become subject to a criminal or regulatory process, witnesses may need to be given certain cautions before their evidence is taken. If in doubt, legal advice should be taken.]

7. Additional issues identified by the Investigator

These terms of reference are not fixed and may be amended by me (in discussion with you) as the investigation develops. If the terms of reference do change, we will both need to give consideration as to whether that requires any re-investigation of matters (e.g. re-interviewing witnesses that have already been interviewed).

Should you identify additional issues of concern outside of the issues identified at section 2 above you should inform me of these additional issues so that I can consider whether they should be included in the investigation or potentially investigated separately.

If you become aware of any challenges to or complaints about the investigation process (e.g. from witnesses), you should raise these with me.

8. Conclusions and recommendations

You are requested to provide a written report setting out the evidence and your findings upon it.

[If applicable – You are also required within your report to consider any recommendations based upon your findings. You can discuss any proposed recommendations with me or with any others supporting on the investigation to ensure they are practicable, but if any uncertainty about practicability remains this should be recorded in the report.]

Once your draft report is concluded, you should send to me for review (marking it as strictly confidential **[and if applicable legally privileged]**). We will determine together whether the report covers all relevant points and/or whether any further investigation is needed and/or any recommendations or next steps to be taken (including whether a report needs to be made to the ARC or RCC). Once we are both agreed upon the report, I will confirm that it is in final form.

You may be required to provide further support to complete the report (for example by presenting your findings) once the investigation is concluded.

SCHEDULE 3**POL Group Investigations Policy – Investigation Plan****Strictly Confidential [and Legally Privileged Draft]**

Commissioning POL Manager	<i>[insert name, job title and department]</i>
Investigator	<i>[insert name, job title and department]</i>
Legal adviser	<i>[in the event that the event/suspicion requires you to take legal advice document that fact and identity of who was appointed to advise]</i>
Type of event/suspicion For instance: Incident, misconduct/Behaviour, Breach of policy, Criminal – Theft, Bribery, Fraud etc, Suspicion or concern, other	<i>[provide brief details of the type of event/suspicion that has been reported]</i>
Name of person who reported the event/suspicion, or how it became known	
Investigation Subject Matter Details: Date & Time of Incident: Location of incident: Date & Time of when Incident/Event/suspicion was reported and to whom/how: For instance • Line Manager • Grapevine • SpeakUp Subject Matter/Name of POL employee(s) to be investigated:	<i>[insert date and time]</i> <i>[provide details of specific location or description given by reporter]</i>
Terms of reference - issues that need to be investigated	<i>[Have Terms of Reference been completed by Commissioning Manager? Paste here or append a completed copy of the TOR to the investigation plan]</i>
Applicable POL Policy Relevant to matter	<i>For instance AML/Whistleblowing etc If there is no applicable POL Group policy setting out a prescribed investigation policy, please specify that the Investigation Policy applies.</i>
Provisional investigation time-frame	<i>[if the provisional investigation timeframe is delayed or needs to be longer than 2 weeks please specify the reasons for the delay or need for more time.]</i>

Sources of evidence collected	<i>[insert details of the location of documents and data that needs to be collected and from where.]</i>	
Persons interviewed/to be interviewed (including planned order of interviews)	<i>[insert names, job title and department and reasons for interviewing them]</i>	
Investigation Outcome	<i>[insert key findings, primary and underlying causes]</i>	
Actions/Recommendations arising from investigation (including details of actions & recommendations, target dates for completion and name of POL responsible person for action/recommendation)		
Actions/Recommendations approved by Commissioning Manager	YES/NO	
	Signed:..... Commissioning Manager	
Date of closure of investigation	<i>[insert date]</i>	
Risk report to be submitted to:	GC	YES/NO
	RCC	YES/NO
	ARC	YES/NO

Schedule 4

Management Information to be captured by Group Policy Owners for reporting purposes.

Table Heading	Description
Complaint Log Reference	This field is automatically populated when a date is entered correctly in the "Date Referred" Column. All documents relating to this entry should be saved with the reference in its title, and stored where appropriate.
Date referred	The date of the complaint received
Referred by	The name of the team or individual referring the complaint of concern
Referral reference	Any reference numbers assigned to the complaint by the referring team or individual
Area of complaint	Select from the drop down menu the main area in which the complaint falls under. If more than one, then add commentary of additional areas in the "Nature of Complaint" column.
Business Area affected	Select from the drop down menu the main area affected in which the complaint falls under. If more than one, then add commentary of additional areas in the "Nature of Complaint" column.
Reporter Type	Select from the drop down who reported the allegations or concern e.g. Internal Audit, Employee, Postmaster, Anonymous
Subject Type	Select from the drop down who the reports relates to e.g. Employee, Postmaster, Post Office Ltd
Location or Branch (is applicable)	Add the name of the branch, CViT depot or head office location if detailed in the report and/or applicable
Nature of complaint	Free format text to provide a high level summary of the nature of the complaint
Complaint referred to	Names of any individual(s) or team(s) that the complaint is referred to by the Whistleblowing Officer for further action
Action/Investigation Summary	A high level summary of actions or investigation to be undertaken.
Date of follow up	A follow up date for the Whistleblowing Officer to review progress of the complaint and any investigation
Follow Up Summary	Free format text to provide a high level summary of the progress being made and concluding results
Status (Open or Closed)	Drop down menu, Open or Closed
Date closed	The date of the complaint closed by the Policy Owner
Evidence Found	Have any of the allegations raised been confirmed during the investigation, enter either Yes or No A
Upheld or not upheld?	Whether upheld or not upheld
Action Taken	Has any action been taken to address any concerns identified during the investigation? Enter either Yes or No

Schedule 5 – Suggested text to acknowledge receipt of a reported concern

Dear Sir or Madam

Thank you for raising your concern. This is extremely important to us.

We are currently establishing the most appropriate course of action.

If you have any questions or concerns in the meantime, including about how this matter will be handled and by whom, or about any particular urgency, please do not hesitate to contact [point of contact or escalation]

Please note that while all reports are taken very seriously, in some cases we are not obliged to share information in relation to outcomes of investigations.