

MODERN SLAVERY ACT TRANSPARENCY STATEMENT 2024/25

Post Office Limited (Post Office), Post Office Management Services Limited (POMS) & Payzone Bill Payments Limited (Payzone).

This statement is made pursuant to section 54(1) of the Act. It sets out the steps taken by Post Office, POMS & Payzone during year ending 31st March 2024 to mitigate the risks of modern slavery and human trafficking in its business and supply chains.

Post Office, POMS & Payzone are committed to combating the risk of modern slavery or human trafficking in our supply chain and business operations. We are committed to taking appropriate steps to ensure that everyone who works for Post Office in any capacity, benefits from a working environment in which their fundamental rights and freedoms are respected.

This is our annual statement in which we report on our efforts to mitigate the risks of modern slavery in line with the requirements of the Act, with a focus on the rights and wellbeing of the people who work for Post Office and for our suppliers. Our statement provides details of our policies, our approach and the actions we have taken in the 2023/24 financial year to strengthen our programme and commitment to respect and uphold people's fundamental rights and freedoms.

OUR BUSINESS AND SUPPLY CHAIN

Post Office is the UK's largest retail network and the largest financial services chain in the UK. We have provided services for more than 370 years and currently supply a range of essential products and services to communities' right across the UK. With this, Post Office's subsidiaries provides travel, life and general insurance policy cover (through Post Office Management Services) and bill payment services (through Payzone Bill Payments Ltd).

Our UK Government mandate is to provide at least 11,500 Post Offices, some within certain geographical, demographic and social criteria that provide a unique operational challenge for Post Office compared to other wholly commercial retail or financial institutions. We are often at the heart of the local communities, some of which can be challenging environments to operate in.

Post Office directly controls around 1% of the Network of branches which consumers will generally recognise as the larger branches often situated in the centre of towns and cities across the UK. The remainder of the branches are managed on an agency basis by independent small retailers and shop owners operating Post Office services within their own store. Business owners may own more than one shop operating Post Office services and have a range of other non-connected business interests. We also have agent managed facilities within some larger high street commercial partners, who like the smaller independent retailers, provide their own trained and friendly staff to provide our Post Office services to consumers.

Banking services

Post Office banking services are provided in Post Office branches on behalf of the customers of UK banks.

Postmasters

Postmasters can operate one or more branches. As agents they have control over how their branches within their retail premises are run on a daily basis. All those working in an agency Post Office branch are employed directly by the retailer. The Retailer is self-employed and typically takes on a Post Office as a valuable community service provided within their own retail business. Post Office has no day to day control over the operation of these independent SME businesses but does have the ability to influence and inform. Post Office aims to support Postmasters with their Post Office operations and influence their behaviours.

Commercial partners

A large proportion of the agency network is managed by commercial partners – corporate retail organisations with familiar fascia brands who themselves have a number of high street stores.

Trade Unions

In our directly managed branch network, we work closely with the Communications Workers Union (CWU) and Unite (CMA) Communications Managers Association.

National Federation of Sub Postmasters (NFSP)

Postmasters are represented by the National Federation of Subpostmasters.

Third Party Suppliers

We also procure products and services from a range of managed suppliers, ranging from small and medium enterprises to large multinationals. Purchasing for our own managed Post Offices is controlled centrally by the Procurement team who also set the Supplier Relationship Management standards to ensure our teams maintain a consistent approach to supplier management.

OUR BELIEFS AND PRINCIPLES

Respect for the dignity of the individual and the importance of each individual's human rights form the basis of the behaviours we expect in every workplace and are communicated through our Code of Business Standards. We will not accept any form of discrimination, bullying or harassment. We require all our managers to implement and adhere to policies designed to ensure equality of opportunity and inclusion for all Post Office employees.

OUR POLICIES

We operate a number of policies to ensure we are conducting business in an ethical and transparent manner. These include:

CODE OF BUSINESS CONDUCT

Our Code is a centrepiece to our ethical culture. It sets out what we stand for, the principles we hold ourselves accountable to and the expectations we have for how we act and how we make decisions.

Our Code is for everyone working for and with Post Office including, employees, directors, contractors, postmasters, business and retail partners. Our Code is reviewed every three years and any modifications are approved by Post Office General Executive and Board.

Our Code is available on the Post Office Corporate website, internal intranet pages, provided to new hires during onboarding and linked across many of our company policies.

Our Code was updated in 2018 to include a dedicated section on Modern Slavery. Following a review in June 2023 our Code has been endorsed by the Institute of Business Ethics.

SPEAK UP

We operate a Speak Up Policy so that all Post Office colleagues and partners know how to raise concerns regarding wrongdoing or dangerous practices. References to concerns about Modern Slavery are included in this policy.

There are a number of ways people can report any concerns regarding slavery or human trafficking within Post Office, by either contacting the Speak Up Team direct or via our confidential reporting service, which is operated by an independent company, on behalf of POL. This is regularly communicated to all employees, suppliers, and contractors and is overseen by our Speak Up Team. Every report submitted is assessed and investigated.

RECRUITMENT & ONBOARDING POLICY

Our Recruitment and On-boarding Policy for Post Office employees sets out the overarching principles and controls to be followed and applied to ensure that personnel resourcing is conducted in a fair, open and transparent manner, including conducting eligibility to work in the UK checks for all employees.

DUE DILLIGENCE PROCEDURES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING IN OUR BUSINESS AND SUPPLY CHAIN.

Post Office/POMS/Payzone employs solely within the UK.

Our recruitment procedures ensure that all prospective employees are legally entitled to work in the UK. All successful applicants must produce one of the following: their original passport, driving license or birth certificate. Additionally, to comply with the Asylum and Immigration Act 1996 requirements, if they are from a non-European Economic Area (EEA) country, evidence of a right to reside and work in the UK must be produced.

We carry out reasonable and practical due diligence in the sourcing of goods and services and ensuring that the Act's obligations form part of the procurement process. As part of this process we have conducted a review of the criteria used by Post Office to evaluate whether suppliers meet Post Office's minimum tendering requirements. We have also reviewed our standard form procurement contracts to ensure that they make explicit reference to the Act, as well as covering other areas of company information, policies and procedures. This enables the procurement team to assist Business Units to identify and assess any potential risks relating to the goods or services being procured.

IDENTIFYING, ASSESSING AND MANAGING RISK

WHERE ARE THE RISKS OF MODERN SLAVERY AT Post Office/POMS/Payzone

Post Office understands that our procurement of goods and services from third parties carry with it the risk of modern slavery and human trafficking.

We understand that a potential for risk of modern slavery sits within our agency network as there are a large number of people employed by or engaged as independent retailers acting as Postmasters, officers in charge or assistants (including commercial partners) who are not direct employees of Post Office, POMS or Payzone.

GOVERNANCE

We have a cross-functional steering group through which we develop and coordinate our approach to addressing modern slavery risks within our operations and supply chain. This group consists of expertise from the legal, procurement, compliance and operational functions in Post Office.

TRAINING

We provide annual Compliance Awareness Training to all our employees and provide awareness courses to our postmasters, both are tailored to ensure an appropriate level of understanding of issues such as modern slavery and the Act's requirements.

WHAT DID WE DO THIS YEAR

Proposals from 2023/24 Statement	Progress on 2023/24 proposals
Continuing to review and update all annual Modern Slavery awareness training to ensure that all employees are able to robustly spot signs of Modern Slavery	Training is now deployed to all Post Office Employees. We achieved a 98.8% participant completion rate against a target of 95%.

<p>Raising awareness of Modern Slavery across the branch network, working with the NFSP to raise awareness and incorporating Modern Slavery awareness into annual compliance training for Postmasters and their staff.</p>	<p>We ran a number of targeted communications across the year including the Modern Slavery Statement publication and Modern Slavery awareness training. In addition to this the Modern Slavery awareness course is available to Postmasters, their directors, officers in charge or assistants via our Learning Management System as well as forming part of the Basic Transaction classroom course. In total the course has been completed 2,618 times in 2023/2024.</p>
<p>Drafting a Modern Slavery & Human Trafficking policy to support business processes and underpin the Modern Slavery Statement</p>	<p>A subset policy to underpin the Modern Slavery statement has been drafted.</p>
<p>Considering options for an independent assurance check on Post Office's Modern Slavery processes. In previous years we engaged an external consultant 'Good Values' to inform and validate our approach to Modern Slavery.</p>	<p>Options considered however further work required to determine most appropriate approach</p>
<p>Running specific training for the Retail Team to ensure understanding and enhanced management of the risks of Modern Slavery when in Post Office branches.</p>	<p>Support delivered to set out the branch network investigation process to be followed should an observation in branch indicate there may be signs of Modern Slavery. We continue to be alert for any signs that something might not be right in any Post Office branch and the associated businesses running alongside them.</p> <p>Our Area Manager teams continue to be conduct observations when out in branch. 9,210 observations were completed in 23/24 with 12 branches being identified as a possible risk with cause for concern that required further assessment. On further review it was determined that there was no further action necessary however, depending on the nature of the risk, the Speak Up team can refer the matter to Action Fraud if required.</p>

WHAT COMMITMENTS ARE WE MAKING TO TACKLE MODERN SLAVERY IN THE YEAR AHEAD

As part of our initiative to identify and mitigate risk throughout 2024/25 we are committed to:

1. Present options for an independent assurance check on Post Office's Modern Slavery processes. In previous years we engaged an external consultant 'Good Values' to inform and validate our approach to Modern Slavery.
2. Continuing to review and update all annual Modern Slavery awareness training to ensure that all employees are able to robustly spot signs of Modern Slavery
3. Continue to raise awareness of Modern Slavery across the branch network and look to incorporate Modern Slavery awareness as mandated annual compliance training for Postmasters and their staff.

4. Review the Modern Slavery investigation process to ensure that Post Office teams are supported should they spot signs of possible Modern Slavery and the most appropriate escalation points are in place.

REMEDICATION PROCESSES

If you have any concerns about the issues raised in this statement or if you think you have identified signs of Modern Slavery, then please contact us on the below contacts:

- Post Office's Speak Up Officer: speakup@postoffice.co.uk
- The Government's Modern Slavery Helpline on 0800 0121 700.

We encourage any individual who has concerns about unethical behaviour in any part of our business or operations to speak up and to do so without fear of retaliation. We will review all instances of non-compliance, on a case-by-case basis and will implement appropriate remedial action.

REVIEW

This statement shall be reviewed and published annually