



Independent News & Media (Northern Ireland)

BELFAST TELEGRAPH • SUNDAY LIFE • COMMUNITY TELEGRAPH

A division of Independent News & Media Ltd

POLICY ON

STANDARDS OF BUSINESS CONDUCT

The purpose of this policy is to state the commitment of Independent News & Media Ltd to maintain high standards of conduct in all areas of its business. The company relies on all its employees to observe these high standards of conduct in relation to the affairs of the company, and the company's relationship with its customers, suppliers, employees, advisors and the communities in which its businesses operate. This is in accordance with the legal duty of fidelity which every employee has to his or her employer. The following paragraphs set out the main areas of which you should be aware.

1. ***CONFLICTS OF INTEREST***

A conflict of interest will arise in any circumstances where doubt can be cast on an employee's ability to act with complete objectivity with regard to the company's business interests. Two examples of situations which may result in a conflict of interest are set out below. You must be aware, however, that this is not an exhaustive list of conflicts of interest.

- (i) If an employee is carrying on business on behalf of the company with a member of his or her family, or with a business in which the employee or a family member is closely associated, this could give rise to a conflict of interest. You must, therefore, ask the company for permission before engaging in any business of this kind. Similarly, the employment of a member of any employee's family within the company must be done in such a way that a conflict of interest does not arise.
- (ii) A conflict of interest may also arise where an employee is providing services of any kind to a business which is not associated with the employer. This could raise particular problems where such a business, is a frequent partner of the employee's company, or is a competitor. If such a situation arises, therefore, you must advise your head of department immediately for permission to provide such services.

2. ***CONFIDENTIAL AND PROPRIETARY INFORMATION***

Information that has been created, discovered and developed by the company, or has been disclosed to the company under an obligation of confidentiality, or to which rights have been assigned to or acquired by the company is both confidential and proprietary.

Examples of confidential and proprietary information include customer lists, subscription lists, details of author or consultant contracts, pricing policies, financial statements, business projections, marketing plans or strategies, new product developments or plans, business acquisition plans, plans to employ new personnel, trade secrets, and software and computer programmes. It is the duty of every employee to keep all such information secret. This obligation applies both during the time you are employed by the company, and also after the termination of your employment, whether voluntary or involuntary, with the company or any associated companies. This policy does not, however, prevent you from using your general knowledge and indirectly gained experience and skills to find other employment after the end of your employment with the company.

3. *COMPANY PROPERTY*

During your employment you may be involved in the preparation of memoranda, notes, lists, records and other documents. You will also have similar documents made available to you. Where these concern the business of the company, or any of its associated businesses, they are the company's property. You must, therefore, promptly return all such documents to the company when your employment comes to an end, or at any other time when you are requested to do so.

4. *ENTERTAINMENT, GIFTS AND FAVOURS*

The purpose of our policy on entertainment, gifts and favours is to avoid any question that the company or any of its employees is giving or receiving preferential treatment. A good benchmark to enable you to judge whether any proposed action is appropriate, is to ask yourself whether the company or the recipient would be embarrassed if the event should become public knowledge. The following sets out some guidelines on how the policy operates.

- (i) Gifts of cash, or cash equivalents, are never permissible regardless of the amounts.
- (ii) Gifts, services or benefits of any kind from the company's suppliers will be permitted only where they are considered normal in the course of carrying out your duties. As a safeguard all staff should advise their immediate superior if any such gift or benefit is offered or received.
- (iii) The company will only fund gifts and entertainments where they are consistent with accepted business practice.

5. *INSIDE INFORMATION*

There are in many, if not all, jurisdictions, including the UK, regulations which control the buying and selling of stocks, shares, and bonds. These provide for severe penalties, both civil and criminal, for those who make use of so-called 'inside' information to buy and sell shares for their own benefit and profits. Inside information includes any important fact which might be relevant in the decision to buy or sell particular shares. The insider could be an employee, but

could also be a family member, friend, broker or anyone to whom he or she communicates the information. Shares which are relevant in this respect to you as an employee, are not only those of Independent News & Media Ltd, but also the shares of any company of which you have acquired important knowledge which is not generally known to the public, as a result of your employment. In particular, you should not buy or sell the shares of any company which you know Independent News & Media Ltd is considering acquiring.

These regulations are designed to protect other investors, and are strictly enforced. Both the individual and the company involved may be punished. If you have any doubts, therefore, as to whether a sale or purchase of shares you are proposing to make might be in breach of the insider trading regulations, you should ask Independent News & Media Ltd for advice.

It is impossible to give an extensive list of every type of activity where you must be particularly aware of observing the highest standards of business conduct. The object of this note is, however, to alert you to the areas which are of particular importance to you as an employee. The company trusts you to rely on your own judgement in the proper performance of your duties and responsibilities. If a situation does arise where you are unsure of the proper course of action, you should always go to your head of department for advice. You have an essential part to play in maintaining the reputation and good name of the company. The reputation of the company depends entirely upon the honesty and integrity of each one of us.