

IN THE MATTER OF THE LEVESON INQUIRY INTO THE CULTURE, PRACTICES AND ETHICS OF THE PRESS

**WITNESS STATEMENT OF
THOMAS MOCKRIDGE**

1 State who you are and provide a brief summary of your career history in the media.

1.1. I am the chief executive officer ("CEO") of NI Group Limited (known as News International) ("NI"). NI is the parent company of Times Newspapers Holdings Ltd ("TNHL"), of which Times Newspapers Ltd ("TNL") is a subsidiary. TNL owns The Times and The Sunday Times. NI is also the parent company of News Group Newspapers Ltd ("NGN"), which owns The Sun and formerly published The News of the World. NI's ultimate parent company is News Corporation.

1.2. I began my career working as a reporter for The Taranaki Daily News newspaper in New Zealand. I moved to Australia in 1980, working first for The Sydney Morning Herald as a finance and economics reporter, then as an adviser for the Australian Treasurer, the Rt. Hon. Paul Keating. I joined News Limited in 1991, where I was assistant to the CEO until early 1997. I then became CEO of News Corporation's Pay TV joint venture, Foxtel, which is a position I held for three years before transferring to News Corporation's Hong Kong based TV company, Star TV.

1.3. In 2001 I was appointed managing director of Independent Newspapers Ltd (New Zealand's largest newspapers publisher and a subsidiary of News Corporation) and Chairman of the pay TV group Sky New Zealand Ltd.

1.4. In late 2002, I transferred to Italy and led the merger between the two pay TV operators, Stream TV and Telepui, which resulted in the creation of Sky Italia. Upon completion of that merger, I was appointed CEO of Sky Italia. In 2008, I was also appointed News Corporation's Chief Executive, European Television. In mid-2008 I was elected to the Supervisory Board of Sky Deutschland AG (then Premiere AG), a German public company, and in February 2009 I was appointed to the board of British Sky Broadcasting plc, both of which are positions I still hold.

1.5. I was appointed CEO of NI following the departure of Rebekah Brooks, and I subsequently became a director of NI and its subsidiaries.

2 Explain how the system of corporate governance is supposed to work at The Times, The Sunday Times, The Sun and The News of the World of which you are a proper officer, with particular emphasis on systems to ensure lawful, professional and ethical conduct and by reference to any relevant documents.

- 2.1** Following the closure of the News of the World in July 2011, my answer to this question covers NI and the three titles The Times, The Sunday Times and The Sun.
- 2.2** There are several layers of corporate governance within NI. These operate both at the company wide level, relating to the conduct of all NI employees, and at the level of newspaper titles, relating to the conduct of the Editors and their teams.
- 2.3** These corporate governance mechanisms include monitoring by the NI company boards of directors; internal control procedures including those relating to compliance matters; weekly executive management meetings which include the three Editors; and the work of the Corporate Audit Department. These all encompass the operations of The Times, The Sunday Times and The Sun and are detailed below.
- 2.4** First, the NI board of directors has a key role in corporate governance. Since my appointment, I have reviewed the board structures for NI and its subsidiaries. As a result, a News Corporation representative, the News Corporation Interim Group General Counsel, has been appointed to NI's board and a second News Corporation representative will shortly be appointed.
- 2.5** The NI board is to meet not less frequently than on a quarterly basis to address issues of significance to the company, as well as matters of company formality. In fact, during a recent meeting on 10th October 2011 the decision was made to meet on a monthly basis in order to accommodate the work being performed in the area of compliance. As well as reporting successes, these regular board meetings allow potential problematic issues or concerns to be identified, discussed and dealt with appropriately. The three Editors will be required to attend each NI board meeting to report on the performance of their titles and their titles' compliance records and to allow board members to question them on title matters including sources of information.
- 2.6** In addition to the board of NI, the articles of association of TNHL are unique and contain specific governance provisions in order to preserve the editorial independence of The Times and The Sunday Times. These resulted from undertakings given by NI to the Secretary of State for Trade following the acquisition of the titles in 1981 in response to concern at the time that undue pressure from NI management would influence the stories within the newspapers. The articles provide that there should be no more than 20 directors of TNHL, of whom at least six shall be "Independent National Directors" (at least two of which must be distinguished journalists or persons having particular knowledge or experience of journalism). The agreement of a majority of the Independent National Directors is required to:
- 2.6.1** permit NI to dispose of TNHL;

- 2.6.2 appoint and dismiss the Editor-In-Chief, the Editor of The Times and the Editor of The Sunday Times; and
- 2.6.3 resolve disputes between the Editors and the company, their decision being final and binding.
- 2.7 The TNHL board meets on a quarterly basis. The boards of TNL, NGN and NI Trading Ltd (which enters into contracts on behalf of other group companies) meet as required.
- 2.8 Secondly, there are a number of guidelines and policies issued by NI and/or by News Corporation which all employees are expected to adhere to. Specifically:
- 2.8.1 News Corporation's Standards of Business Conduct. The latest edition of the News Corporation's Standards of Business Conduct has recently been reissued to all NI staff in hard copy.
- 2.8.2 News Corporation's Global Anti-Bribery and Anti-Corruption Policy and its Record Retention Policy.
- 2.8.3 News International policies, published on the NI intranet, which cover the following areas: Financial, Editorial, Data Protection, Information Technology, Health and Safety, Contracts and Employment. The policies specifically relevant to maintaining lawful, ethical or professional conduct are listed below:
- (i) the Press Complaints Commission ("PCC") Editors Code of Practice (the "PCC Code")
 - (ii) Contracts Policy
 - (iii) Approvals Authority Policy
 - (iv) Expenses Policy
 - (v) Disciplinary and Dismissal Procedure
 - (vi) Conflicts of Interest Policy
 - (vii) Data Protection Policies

2.8.4 Prior to my joining NI, it is clear that there were instances of illegal conduct at The News of the World. Such conduct was in direct breach of the company's rules and regulations and this indicates that there were serious failings in either the company's corporate governance structure and/or its implementation. NI takes these matters extremely seriously. As a result, the following policies are in the process of being approved and implemented:

- (i) NI Anti-Bribery Policy
- (ii) NI Whistleblowing Policy
- (iii) Payments Policy
- (iv) Updated Data Protection Policy
- (v) Record Management Policy

2.9 Thirdly, the position of Chief Compliance Officer for NI was established in September 2011. This position is currently being filled by a lawyer from Allen & Overy whilst a permanent employee is being recruited. The Chief Compliance Officer is responsible for ensuring company-wide and title-wide compliance with the law and with NI's policies listed in 2.8.3 above (and, where applicable, News Corporation's policies) and reports directly to me. This compliance remit is split into five key areas: PCC and journalistic policies; data protection and information security; employment/HR; anti-bribery/anti-corruption; and finance and contracts. At my request, the interim Chief Compliance Officer is currently undertaking, in conjunction with the Director of Legal Affairs, an internal review of all NI policies within this compliance remit and updating and clarifying policies where required. New policies which are currently being approved and implemented are listed in 2.8.4. and other specific work is referred to in my answer to question 6.

2.10 Fourthly, NI's ultimate parent company, News Corporation, has a Corporate Audit Department which provides reasonable assurance on the effectiveness and efficiency of operations, including related operational and financial controls, the reliability of financial reporting and compliance with applicable laws and regulations. It does so on the basis of an annual plan which is developed on the basis of an assessment of significant risks to News Corporation and its corporate group. NI's businesses are subject to audits as required by this annual plan. Examples of audits in the Fiscal Year 2012 annual plan are reviews of advertising revenue, circulation revenue, editorial contributions (i.e. the approval for payments made in return for stories), non-employees (i.e. NI's dealings with freelancers and other contractors), compliance with the UK Bribery Act, NI's digital media operations and general IT controls (such as IT security issues). The results of such audits are reported to NI management and the Audit Committee of the News Corporation Board of Directors and any issues are addressed by putting a plan of action in place. A follow up process exists to confirm whether these action plans have been implemented. Although the compliance guidelines and procedures set out above are established to ensure lawful, professional and ethical conduct, such audits assist in detecting breakdowns in these controls.

2.11 Fifthly, the NI executive management team meets regularly and this is an opportunity to consider compliance issues. This team consists of the directors of the following divisions: Business Development, Commercial, Communications, Finance, Human Resources, Legal, Marketing & Sales and Operations, the three Editors, as well as myself. This team meets on a weekly basis. During these meetings the executive management team discusses day to day business issues and raise important issues with me as the CEO. By way of example, at a recent meeting, an update was provided on the work being undertaken by the interim Chief Compliance Officer in assessing the current policies and procedures and progress in rolling out training relating to the new UK Bribery Act.

2.12 The above mentioned structures and processes provide a corporate governance structure for NI and all of its employees. Looking at the titles specifically, the Editors have ultimate responsibility for ensuring that their reporters and other staff behave lawfully, professionally and ethically and they set the tone of the paper. On a daily basis the Editors delegate responsibility to the Deputy Editors and Senior Sub Editors. This operates successfully on the basis that Deputy Editors and Senior Sub Editors are making sound judgements in relation to the stories in each paper and that they refer issues upwards as appropriate. Organised forums help to facilitate this. By way of example, The Sun has a daily news conference which is chaired by the Editor and during which proposed stories are discussed. If any are deemed controversial there will be a discussion as to whether they may involve a potential breach of the PCC Code.

2.13 Each Editor has a Managing Editor who, broadly speaking, is responsible for operational issues. Prior to July 2011, each title had its own Managing Editor. However, following a restructuring in July, there is now one Managing Editor for The Times and The Sunday Times and one for The Sun. In this role, the Managing Editor oversees the title's editorial budget; is responsible for approving payments in line with the current approval processes and limits; works closely with the in-house legal team where there are particular concerns about the legal implications of, or risks arising from, a story; works closely with HR on employee-related matters, facilitates and keeps records of staff training; and oversees commercial matters including contracts.

2.14 As with the Managing Editors, The Times and The Sunday Times share an in-house legal team. Prior to it ceasing publication in July 2011, the News of the World and The Sun also shared a legal team (although individual lawyers within the team were designated to the different titles). The in-house legal team report to the Director of Legal Affairs, a position currently being fulfilled on an interim basis by a senior lawyer from Allen & Overy, but soon to be replaced by a permanent lawyer of equivalent seniority. The in-house legal department provides advice on ad hoc legal queries from staff, which may include advising on issues relating to legal and ethical conduct, and organises training to staff on legal and compliance issues – particularly where there are changes in the law and in relation to the PCC Code. In addition, they advise in relation to legal issues arising from stories which have already been run, such as in dealing with complaints and, on occasion, litigation and taking the lead in liaising with the PCC about stories referred to them.

2.15 All journalists are issued with copies of the PCC Code and the importance of it is emphasised through training sessions. This is led by the in-house legal team. A hard copy of the PCC Code has been reissued to reporters across all three titles.

3 Explain how you understand the system of corporate governance to work in practice at The Times, The Sunday Times, The Sun and The News of the World with particular emphasis on systems to ensure lawful, professional and ethical conduct.

3.1 Following the closure of the News of the World in July 2011, my answer to this question covers NI and the three titles The Times, The Sunday Times and The Sun.

3.2 The systems that I have outlined above are those that operate in practice. However, given that changes have been, or are in the process of being, made to these systems over the last few months, including the issuing of new policies, a period of bedding down is expected for these processes and policies.

3.3 Policies and processes may also change over time as required. For example, as an interim measure NI board meetings are to be convened monthly until further notice, as opposed to quarterly. In addition, as I note above, the three Editors will now be required to attend each board meeting to report on the performance of their titles and their titles' compliance records and to allow board members to question them on title matters including sources of information.

4 **What is your role in ensuring that the corporate governance documents referred to above and all the relevant policies are adhered to in practice? If you do not consider yourself to be responsible for this, please tell us who you consider to hold that responsibility.**

4.1 It is ultimately my responsibility to ensure that our corporate governance policies and procedures are adhered to in practice, although I obviously rely on the executive management team and the Editors to assist me in this role.

4.2 The Director of Legal Affairs and, since the role was established, the interim Chief Compliance Officer assist me in this role.

5 **Are the documents and policies referred to above adhered to in practice, to the best of your knowledge?**

5.1 Yes.

6 **Have these practices changed, either recently as a result of the phone hacking media interest or prior to that point, and if so, what were the reasons for the change?**

6.1 As previously mentioned, prior to my joining NI, it is clear that there were instances of illegal conduct at The News of the World and that such conduct was in direct breach of the company's relevant compliance rules and regulations. In my answer to question 2, I describe the systems of corporate governance which are now being approved and implemented to address these breaches. In particular, I would like to emphasise that:

6.1.1 News Corporation's Standards of Business Conduct has been reissued to all employees in hard copy;

6.1.2 a hard copy of the PCC Code has been reissued to reporters across all three titles;

6.1.3 the role of Chief Compliance Officer has been created and the current interim Chief Compliance Officer is undertaking a review of all relevant NI compliance policies and updating and clarifying them where required;

6.1.4 an NI whistleblowing policy has been approved which builds on the existing News Corporation whistleblowing policy;

- 6.1.5 a new interim policy dealing with the making of payments, and in particular cash payments, has been put in place. I understand that this is referred to in more detail in the statement provided by the Chief Financial Officer;
- 6.1.6 I have given oral instructions to each Editor that none of the titles may engage private investigators without my prior authorisation until further notice; and
- 6.1.7 going forward, all new employment contracts will contain a provision requiring employees to comply with the terms of NI's policies and, in the case of reporters, the PCC Code. Work will soon be underway to review all existing contracts with the intention of including a similar provision where those contracts do not already set this out. In addition, all future contracts are to be approved by me prior to being finalised.
- 6.2 In addition to these steps, an independent Management and Standards Committee (the "MSC") was established in July of this year by News Corporation. The MSC is comprised of two full time executives and one part time legal executive and chaired independently by Lord Grabiner QC. The MSC reports directly to Joel Klein, Executive Vice President and News Corporation Board director, who in turn reports to Viet Dinh, an independent director and Chairman of News Corporation's Nominating and Corporate Governance Committee. Both regularly update the News Corporation Board of directors in respect of matters concerning the MSC.
- 6.3 According to its terms of reference, the MSC is authorised to have oversight of, and take responsibility for, all matters in relation to the News of the World phone hacking case, police payments investigation and all other connected issues at NI. These include, but are not limited to, the police enquiries, civil proceedings, Parliamentary proceedings, the present inquiry and the PCC.
- 6.4 In the course of its role, the MSC has commissioned the law firm Linklaters LLP to conduct a review into journalistic practices across The Times, The Sunday Times, The Sun and, subject to the limitations in place due to the concurrent police investigation, The News of the World. That review is on-going. However, the fact that this investigation is being undertaken does not mean that there is any evidence to suggest that the illegal conduct which occurred at The News of the World occurred on any of NI's other titles. As CEO, where I have had any specific areas of concern, I have requested the MSC and its advisors to undertake specific inquiries into these areas.
- 6.5 The MSC will also be responsible for proposing and overseeing the implementation of new compliance, ethics and governance procedures at NI. It has commissioned lawyers Olswang LLP to review journalistic policies, practices and systems at the NI titles and make recommendations in this regard.

6.6 The MSC has closely liaised with me in order to collect the necessary records in order to carry out their tasks and also keeps me abreast of information coming to light in the course of its work. On occasions, where the MSC has become aware of information which provides grounds for dismissal of an employee, the MSC has made a recommendation to NI that the relevant employee should be dismissed. NI, under my instruction, has then decided to act upon this recommendation.

6.7 As CEO I have taken the view that it is appropriate that compliance within NI be strengthened immediately. I have therefore not waited for the output of the reviews referred to above. I have implemented, or am in the process of implementing, new policies as described in my answer to question 2 and as above. Current policies, practices and systems may be adjusted later in line with the findings of the reviews.

7 **Where does the responsibility for checking sources of information (including the method by which the information was obtained) lie; from reporter to news editor/showbiz editor/royal editor to editor; and how is this done in practice (with some representative examples to add clarity)?**

7.1 The ultimate responsibility for checking sources of information lies with the Editors. However, an Editor would not be aware of the source of every story that features in his paper. Generally I would only expect an Editor to concern himself with the sources of particularly significant or controversial stories. Editors rely on the judgement of their Deputy Editors and Sub-Editors, who in turn rely on their reporters – particularly where those reporters are senior and experienced. In many cases, of course, the source for a story will not be confidential – for example, the source may be a press release. Where, however, a journalist believes they have obtained information in confidence, the PCC Code states that the journalist has a moral obligation to protect the source. Instead, they may disclose the nature or circumstances of the source, and, if the story is potentially defamatory, whether or not the source is prepared to go on the record. In these circumstances, if such a story is run, it will be because the Deputy Editor and/or Sub-Editor (and the Editor, if he is aware) trusts the journalist in question.

7.2 I understand that the Editors will be providing some representative examples in their responses to the inquiry.

8 **To what extent are and should board members be aware of the sources of information which make up the central stories featured in The Times, The Sunday Times, The Sun and The News of the World (including the method by which the information was obtained)?**

8.1 Following the closure of the News of the World in July 2011, my answer to this question covers NI and the three titles The Times, The Sunday Times and The Sun.

8.2 Board members should not be aware of the specific sources for any stories, as that is not the board's role. Instead, I would expect the board members to be aware of the types of sources that journalists use since that is part of understanding one aspect of NI's business risks. If a story is obtained from a confidential source then the PCC Code states that the journalist has a moral obligation to protect the source. The board will rely on NI's relevant policies and procedures and its system of corporate governance to satisfy itself that the journalists are operating within the PCC code.

9 To what extent do you consider that ethics can and should play a role in the print media? What do you consider "ethics" to mean in this context?

9.1 I believe that ethical standards are essential in journalism. Journalists have responsibilities to their readers, the subjects of their reporting, the public at large, their publications and to each other. I understand the term "ethics" in journalism to refer to a journalist reconciling these competing responsibilities. I also believe that the benchmark for the ethical obligations of journalists is well formulated in the PCC Code in that it provides guidelines under areas such as accuracy, privacy, children, confidential sources, but makes important reference to the public interest. For example, I consider that it would be unethical for a journalist who was aware of information the publication of which would be in the public interest to withhold that information from publication, even if the source of that information had provided it in breach of their own obligations.

9.2 I also believe as a practical matter that this discussion cannot be confined to the print media, particularly given the significant volume of journalism in other media and what used to be considered as print journalism is now also frequently operating over digital medium as well.

10 As a proper officer of the company, to what extent do you feel or have you felt any financial and/or commercial pressure from others, and if so from whom? Has any such pressure affected the decisions you made as a proper officer of the company?

10.1 The newspaper business is a competitive one and, with any such business, you are always operating under commercial and financial pressures. I have never felt that any of those pressures at NI are inappropriate, nor have I ever felt that any of the decisions I have made as CEO have been inappropriately affected by them. To the contrary, News Corporation has been very supportive in the current circumstances of greatly reduced profits following the closure of the News of the World.

10.2 As detailed in my answer to question 2, the TNHL board is specifically structured in order to preserve the editorial independence of The Times and The Sunday Times.

11 As a proper officer, to what extent have you had a financial incentive for The Times, The Sunday Times, The Sun or The News of the World to print exclusive stories?

11.1 Following the closure of the News of the World in July 2011, my answer to this question covers NI and the three titles The Times, The Sunday Times and The Sun.

11.2 No part of my remuneration is linked to any of the titles printing exclusive stories. The production of exclusive stories does, however, drive circulation and therefore advertising revenues and so is an important part of a newspaper's business model.

12 **To the best of your knowledge, have The Times, The Sunday Times, The Sun or the News of the World used, paid or had any connection with private investigators in order to source stories or information and/or paid or received payments in kind for such information from the police, public officials, mobile phone companies or others with access to the same? If so, please provide details of the numbers of occasions on which such investigators or other external providers of information were used and of the amounts paid to them.**

12.1 Clearly, the backdrop to this inquiry is what went on at the News of the World. At the time of writing, 16 people have been arrested (15 of whom were on staff at the News of the World at some stage) and the police investigation into phone hacking is ongoing. In light of that, and the fact that I did not take up my position with NI until after the News of the World ceased publication, what I can say about this is limited; although I understand that certain volumes of material have already been made available to the inquiry through the documents which have been disclosed in civil proceedings.

12.2 On 10 July 2011, the News of World ceased publication. Even in those cases where individuals might otherwise have been cooperative, the police have requested that we do not interview the individuals concerned. Further, the company has been restricted in conducting its own investigation in order to avoid prejudicing the police investigation. We have, however, very recently obtained permission from the Metropolitan Police Service for Linklaters to begin its own investigative efforts in relation to the News of the World.

12.3 Additionally, a major exercise has been conducted in reconstructing and collating a database of historic emails and other documents, constituting around 10 terabytes worth of data. That restore is nearing completion. In light of the very recent relaxation of the restrictions by the MPS, the review of material extracted from that database by Linklaters is about to begin and I will ensure that NI will provide material of relevance to the inquiry.

- 12.4** In respect of my answer to this question for the remaining titles, the term "private investigator" requires definition. I consider a private investigator to be an individual or agency that holds itself out as being skilled in sourcing information that is not otherwise publicly available. This is not the same as a search agency which conducts searches of publicly available records such as the electoral roll, records of births, deaths and marriages and Companies House records.
- 12.5** I am aware that private investigators have been used by the papers from time to time to assist them in sourcing information for stories. I understand that the Editors will provide further details as to the position in relation to the use of private investigators by the titles for which they are responsible in their statements to the inquiry. As I note above, as a precautionary measure I have instructed Editors to seek my approval before engaging any private investigators until further notice. However, since joining I have not been requested to give such approval.
- 12.6** To the best of my knowledge, none of The Times, The Sunday Times or The Sun has ever paid or made payments in kind for information from the police, public officials, mobile phone companies, or others with access to the same confidential information.
- 13 What was your role in instructing, paying or having any other contact with such private investigators and/or other external providers of information?**
- 13.1** None.
- 14 If such investigators or other external providers of information were used, what policy or protocol if any, was used to facilitate the use of such investigators or other external providers of information (for example, in relation to how they were identified, how they were chosen, how they were paid, their remit, how they were told to check sources, what methods they were told to or permitted to employ in order to obtain the information and so on)?**
- 14.1** At the time of writing, NI is actively developing a policy for private investigators to address this if the need arises in the future. I have introduced a rule that a private investigator may only be used if I have approved the specific engagement. I do not believe that, previously, any of the titles had a written policy or protocol to facilitate the use of private investigators.
- 14.2** The use of search agencies is subject to the standard approval processes which apply when engaging and paying third parties.
- 15 If there was such a policy or protocol, was it followed, and if not, what practice was followed in respect of all these matters?**
- 15.1** See my response at paragraph 14.1 above.

- 16 Are there any situations in which neither the existing protocol/policy nor the practice were followed and if so, what precisely happened or failed to happen in those situations? What factors were at play in deciding to depart from the protocol or practice?**

16.1 See my response at paragraph 14.1 above.

- 17 To what extent are you aware of protocols or policies operating at The Times, The Sunday Times, The Sun and The News of the World in relation to expenses or remuneration paid to other external sources of information (whether actually commissioned by those newspapers or not)?**

17.1 Following the closure of the News of the World in July 2011, my answer to this question covers NI and the three titles The Times, The Sunday Times and The Sun.

17.2 As noted in my answer to question 2, NI has developed an interim payments policy. I understand that the details of this policy are set out in the statement provided by the Chief Financial Officer.

- 18 What is the practice of The Times, The Sunday Times, The Sun and The News of the World in relation to payment of expenses and/or remuneration paid to other external sources of information (whether actually commissioned by those newspapers or not)?**

18.1 Following the closure of the News of the World in July 2011, my answer to this question covers NI and the three titles The Times, The Sunday Times and The Sun.

18.2 To the best of my knowledge, the practice across all three titles is in line with the policies I have described above and I understand are set out in more detail in the statement provided by the Chief Financial Officer.

- 19 In respect of editorial decisions the editors have made to publish stories, what system of oversight, if any, is there? Provide examples of how that has worked in practice.**

19.1 All three Editors report directly to me and are accountable for their newspaper. I rely on their judgement in giving them this responsibility. All three Editors delegate responsibility appropriately among their staff based on the same principle. I make a point of reading the daily titles each day and I have regular interaction with each Editor both by telephone and in person discussing, among other subjects, stories and sources. There is also an acute awareness within NI of the importance of the legality of sources. By way of example, I recently reviewed with the Editor of the Sun a list of stories covering celebrities, sportspeople and government matters that we rejected, but which were featured in other newspapers. In doing so, I was made aware of the judgments being made on whether to run such stories and could check that they were in line with my own.

19.2 Given the short timetable in which each paper has to be produced, real time editorial oversight is not practical and editorial oversight generally works retrospectively. However, on rare occasions Editors will ring me in advance to discuss a particular story. For example, I was recently kept up to date on a situation where an explicit video of a TV personality had been offered to a Sun journalist. After the journalist had viewed the video they believed it to be legitimate, but could not validate the legality of the source and therefore rejected the story.

19.3 Since joining NI, I have had no specific issues during my daily read across the three titles with editorial decisions that have been made.

20 **Have you, or The Times, The Sunday Times, The Sun or The News of the World (to the best of your knowledge) ever used or commissioned anyone who used "computer hacking" in order to source stories, or for any other reason?**

20.1 As with my answer to question 12 above, I shall restrict my response to this question to my knowledge of The Times, The Sunday Times and The Sun.

20.2 Neither I nor, to the best of my knowledge, The Sunday Times or The Sun has ever used or commissioned anyone who used "computer hacking" in order to source stories or for any other reason. In relation to The Times, I am aware of an incident in 2009 where there was a suspicion that a reporter on The Times might have gained unauthorised access to a computer, although the reporter in question denied it. I understand that that person was given a formal written warning as a result and that they were subsequently dismissed following an unrelated incident.

21 **Has the company conducted any inquiry into phone hacking or computer hacking or "blagging" or bribery or corruption and, if so, what was your role and the outcome?**

21.1 As I noted above, the MSC has retained Linklaters LLP to assist it in conducting a review of reporting practices across The Times, The Sunday Times, The Sun and, subject to the limitations in place due to the concurrent police investigation, The News of the World. Specifically, this review is intended to identify any instances of:

- (i) phone or computer hacking;
- (ii) inappropriate instructions or behaviour in relation to the engagement and payment of private investigators;
- (iii) payments made or other value given to public officials; and
- (iv) corruption.

21.2 The review is currently ongoing. My role in relation to this review is to ensure that Linklaters has access to all relevant staff and documents necessary for them to complete this exercise as quickly as possible. The MSC is also cooperating fully with the police to support their own ongoing enquiries. As noted above, I have where I have had any specific areas of concern, I have requested the MSC and its advisors to undertake specific inquiries into these areas.

21.3 The only other potentially relevant exercise commissioned externally by NI of which I am aware is that conducted by Harbottle and Lewis between 10 May and 29 May 2007. This has been the subject of evidence before the Commons Culture Media and Sports Select Committee. Copies of the correspondence between NI and Harbottle and Lewis relating to this matter were disclosed to that Committee under cover of a letter from James Murdoch on 11 August 2011 and the Committee has since published this evidence. I was not involved with this inquiry as it predated my appointment as CEO of NI.

I believe that the facts stated in this witness statement are true.

Signed



Dated

19/10/2011