

Jeremy Lawton  
[ ] February 2012  
1<sup>st</sup>  
Exhibit [ ]

IN THE MATTER OF THE LEVESON INQUIRY

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EXHIBIT [ ] 1 TO THE  
WITNESS STATEMENT OF  
JEREMY LAWTON

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## ANTI-BRIBERY AND CORRUPTION POLICY

The Company takes a zero-tolerance approach to bribery and corruption.

Under the Bribery Act 2010, bribery and corruption is punishable for individuals by up to ten years' imprisonment and if the Company is found to have taken part in corruption it could face an unlimited fine, amongst other penalties.

This policy applies to all individuals working for Express Newspapers, Northern & Shell Plc, Portland Enterprises Limited, Channel 5 Broadcasting Limited, The Health Lottery Limited, Northern & Shell Worldwide Limited **the Company**, at all levels, including directors, officers, senior managers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with the Company, or any of the Company's subsidiaries or their employees, wherever located (collectively referred to as **workers** in this policy).

In this policy, **third party** means any individual or organisation you come into contact with during the course of your work for the Company, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisers, representatives and officials, politicians and political parties.

### 1. WHAT IS NOT ACCEPTABLE?

It is not acceptable for you (or someone on your behalf) to:

- 1.1 give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given (unless it is reasonable and proportionate for bona fide business relations purposes – see Section 3 below);
- 1.2 holding or accepting “unhosted” entertainment;
- 1.3 give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure;
- 1.4 accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- 1.5 accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by the Company in return (unless it is reasonable and proportionate for bona fide business relations purposes – see Section 3 below) ;
- 1.6 threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- 1.7 engage in any activity that might lead to a breach of this policy.

Specific examples of a bribe can be found on page 4 of this policy. “Red flags” are set out on page 5 of this policy.

Journalists should note that there are no special rules applicable to journalism. Certain conduct may be a breach of the Bribery Act, such as the making of a payment to improperly receive information; the receiving of a payment to influence editorial decisions or the receiving of a payment to disclose a source. If you are in any doubt, you should speak to the Editorial Legal Department, the Managing Editor's Office or the Compliance Officer.

## 2. FACILITATION PAYMENTS AND KICKBACKS

- 2.1 The Company does not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in the UK, but are common in some other jurisdictions in which the Company operates.
- 2.2 If you are asked to make a payment on the Company's behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with your Head of Department or the Managing Editor's Office/HR Department or the Compliance Officer.
- 2.3 Kickbacks are typically payments made in return for a business favour or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by the Company.

## 3. WHAT IS ACCEPTABLE?

This policy does not prohibit normal and appropriate corporate hospitality (given and received) to or from third parties. The giving or receipt of gifts is not prohibited if the records required in Section 5 are kept and the following requirements are met:

- 3.1 it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- 3.2 it complies with local law;
- 3.3 it is given in the Company's name, not in your name;
- 3.4 it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- 3.5 it is appropriate in the circumstances. For example, in the UK it is customary for small gifts to be given at Christmas time;
- 3.6 taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
- 3.7 it is given openly, not secretly; and
- 3.8 gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of your line manager or the Managing Editor's Office/HR Department or the Compliance Officer.

The Company appreciates that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable, justifiable and proportionate. The *intention* behind the gift should always be considered.

Contra-arrangements are acceptable provided that they are transparent and not used to influence an individual to improperly perform a function or activity or reward an individual for improperly performing a function or activity.

**4. YOUR RESPONSIBILITIES**

- 4.1 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Company or under the Company's control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 4.2 You must notify your line manager or the Managing Editor's Office/HR Department or the Compliance Officer as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a client or potential client offers you something to gain a business advantage with the Company, or indicates to you that a gift or payment is required to secure their business. (Please see the last page of this policy for more examples of "red flags").
- 4.3 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. The Company reserves its right to terminate its contractual relationship with other workers if they breach this policy.

**5. RECORD KEEPING**

- 5.1 The Company must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 5.2 You must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.
- 5.3 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the Company's expenses policy and specifically record the reason for the expenditure.
- 5.4 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

**6. HOW TO RAISE A CONCERN**

- 6.1 You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with your Head of Department or the Managing Editor's Office/HR Department or the Compliance Officer.
- 6.2 Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The Company aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

**7. COMMUNICATION TO THIRD PARTIES**

- 7.1 The Company's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of the Company's business relationship with them and as appropriate thereafter.

**8. CONTRACT OF EMPLOYMENT**

- 8.1 This policy does not form part of any employee's contract of employment and it may be amended at any time.

**POTENTIAL RISK SCENARIOS: "RED FLAGS"**

The following is a list of possible red flags that may arise during the course of you working for the Company and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for the Company, you must report them promptly to your line manager or the Managing Editor's Office/HR Department or the Compliance Officer:

- you are offered an unusually generous gift or offered lavish hospitality by a third party;
- a third party insists on receiving a commission or fee payment before committing to sign up to a contract with the Company, or carrying out a government function or process for the Company
- a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- a third party requests an unexpected additional fee or commission to "facilitate" a service;
- a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- a third party requests that a payment is made to "overlook" potential legal violations;
- a third party requests that you provide employment or some other advantage to a friend or relative;
- you receive an invoice from a third party that appears to be non-standard or customised;
- a third party insists on the use of side letters or refuses to put terms agreed in writing;
- you notice that the Company has been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to the Company; or
- you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;

## EXAMPLES OF A BRIBE

### **Offering a bribe**

You offer a potential client tickets to a major sporting event, but only if they agree to do business with the Company.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. The Company may also be found to have committed an offence because the offer has been made to obtain business for the Company. It may also be an offence for the potential client to accept your offer.

### **Receiving a bribe**

A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in the Company to ensure the Company continues to do business with them.

It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

### **Bribing a foreign official**

You arrange for the business to pay an additional payment to a foreign official to speed up an administrative process, such as clearing the Company's goods through customs. The offence of bribing a foreign public official has been committed as soon as the offer is made. This is because it is made to gain a business advantage for the Company. The Company may also be found to have committed an offence.