"The Board has seen significant change within the year. Perley McBride was appointed as Chief Financial Officer in June 2014, and we welcomed our four new Non-executive Directors – Barbara Thoralfsson, Brendan Paddick, John Risley and Thad York – who each bring extensive experience of the telecoms industry"

Sir Richard Lapthorne CBE, Chairman

Board of Directors

Reporting Committees

Audit Committee	Nomination Committee	Remuneration Committee
• Review and monitor financial results and controls, business operations and management of risks. • Assist the Board in confirming that the Annual Report and Accounts are fair, balanced and understandable. • Review and approve internal audit, and review and monitor independence and performance of the external auditor.	• Review composition of and succession to the Board and recommend appointments. • Ongoing assessment of the overall balance and performance of the Board. • Ensure the balance of the Board, and its Committees, are in compliance with the Corporate Governance Code.	• Recommend and review the remuneration policy. • Review the design and policy of share incentive plans. • Review performance conditions and measures. • Approve amendments to service contracts.

Chief Executive Officer

Executive Team

Phil Bentley Perley McBride John Reid John Maduri Paul Scott Carlo Alloni Michele English Belinda Bradberry Niall Merry Agustin de la Guardia Leon Williams Chris Dehring	• Attend to Group operational matters. • Manage the performance of the Group. • Develop and execute the strategy of the Group. • Put in place strong functions across the Group so as to ensure consistency in all our markets and highest standards are maintained. • Report to the Board on all relevant matters under, and operate within, the Delegation of Authority Framework.	• Meetings are held on a monthly basis.

Sir Richard Lapthorne, CBE
Chairman, Chairman of the Nomination Committee

N

Sir Richard Lapthorne is Chairman of the Company having been Chairman of Cable and Wireless plc since January 2003; and is also Chairman of the Nomination Committee.

Richard is also Chairman of the PwC Public Interest Body; and a Non-executive Director of Sherritt International, based in Toronto.

Between June 2009 and April 2010, he was Chairman of the McLaren Group. From 1996 to May 2003 Richard was Chairman of Amersham International plc (now GE Healthcare) having joined its Board as a Non-executive Director in 1989. He was Finance Director of British Aerospace plc from July 1992 and Vice Chairman from April 1998 until his retirement in 1999. From March 2012 until October 2013 he served as Chairman of the Foresight Group on UK Manufacturing.

Richard was also a Trustee of Tommy's Campaign until January 2014; Non-executive Chairman of New Look Group and Morse plc until November 2007 and February 2008 respectively; and Her Majesty the Queen's Trustee at The Royal Botanic Gardens, Kew until his retirement in September 2009.

Phil Bentley
Chief Executive Officer

Phil Bentley was appointed Chief Executive Officer of the Company on 1 January 2014.

Between 2007 and 2013 Phil was the Managing Director of British Gas, the UK's largest energy and services business; and was on the Board of Centrica Plc from November 2000 to June 2013, having served as Group Finance Director from 2000 to 2004 and Managing Director, Europe from 2004 to 2007.

Prior to that, he was Finance Director for Diageo Plc's spirits division and Group Treasurer. He also served in several senior international management roles during a 15-year career at BP Plc and lived and worked in China, Egypt, France and the USA.

Phil was previously a Non-executive Director and Chairman of the Audit Committee of IMI Plc between 2012 and 2014; and was a Non-executive Director and Chairman of the Audit Committee of Kingfisher Plc between 2002 and 2010.

Phil holds a Master's degree from Oxford University; and received his MBA from INSEAD, Fontainebleau.

R. Perley McBride
Chief Financial Officer

R. Perley McBride was appointed as Chief Financial Officer of the Company in June 2014.

Between December 2012 and May 2014 Perley served as Chief Financial Officer at Leap Wireless International (which operated the Cricket Communications mobile brand). He was part of the executive team that led the business through its acquisition by AT&T Inc., which completed in March 2014.

Prior to Leap Wireless, he served as Executive Vice President of Finance at the Weather Company between 2010 and 2012. Prior to that, he served in several senior financial management roles at Frontier Communications (formerly Citizen's Communications) between 1999 and 2010, and also between 1994 and 1997. He also worked in the finance department at Sprint Corporation early in his career.

Perley holds a Bachelor of Science degree from Mount Allison University in Canada and has an MBA from the University of Houston.

Simon Ball
Joint Deputy Chairman, Senior Independent Director, Chairman of the Remuneration Committee

A N R

Simon Ball is a Non-executive Director of the Company having previously served as a Non-executive Director of Cable and Wireless plc since May 2006.

Simon is also the Joint Deputy Chairman, Senior Independent Director, Chairman of the Remuneration Committee and a member of the Audit and Nomination Committees. Simon became Chairman of the Remuneration Committee on 1 June 2012 having previously been the Chairman of the Audit Committee.

He is also a Non-executive Director of Allied Irish Bank plc, Non-executive Director of Commonwealth Games England and Chairman of Anchura Group Ltd.

Previously, Simon was Group Finance Director for 3i Group plc until November 2008; and was Non-executive Director and Chairman of the Audit Committee of Tribal Group plc until May 2014. He also held a series of senior finance and operational roles at Dresdner Kleinwort Benson, served as Group Finance Director for the Robert Fleming Group and was Director General, Finance for the Department for Constitutional Affairs.

A Denotes membership of Audit Committee.

N Denotes membership of Nomination Committee.

R Denotes membership of Remuneration Committee.

Committee membership shown as at 31 March 2015.

John Risley
Joint Deputy Chairman, Non-executive Director

N

John Risley was appointed as a Non-executive Director of the Company on 31 March 2015 and serves as the Joint Deputy Chairman and a member of the Nomination Committee.

John is the founder and Director of Clearwater Seafoods Incorporated and also President of Clearwater Fine Foods Incorporated. John also served on the Board of the Columbus Group from 2004; Persona Communications from 2002 to 2004; and Cable Bahamas from 2005 to 2010. In addition, John was the founder of Ocean Nutrition Canada and serves as a Director of numerous private and public companies, including Clearwater Seafoods Limited.

John sits on the Board of a number of charitable organisations. He is Chair of Futurpreneur Canada and co-Chair of the Capital Campaign for the Nature Conservancy. He regularly engages in public policy debate; is Chairman of the Atlantic Institute of Market Studies; a member of both the World Presidents' Organization and The Chief Executives Organization; and is a Director of the Canadian Council of Chief Executives.

John is a graduate of Harvard University's President's Program in Leadership. Further achievements include being named an Officer of the Order of Canada and being inducted into the Nova Scotia Junior Achievement Business Hall of Fame in 1997. He has also received numerous awards, including Atlantic Canadian Entrepreneur of the Year and a Canada Award for Business Excellence in Entrepreneurship.

Mark Hamlin
Non-executive Director

A N R

Mark Hamlin has been a Non-executive Director of the Company since his appointment on 1 January 2012 and is a member of the Audit, Nomination and Remuneration Committees.

Mark is a Chartered Clinical Psychologist. He established a Management Consulting firm, with offices in Washington, Johannesburg and London, in 1990 and for the last 15 years has been the Chairman of the Organisation Resource Group, which includes companies focused on property, software and consulting.

Mark is a senior adviser to the boards of global businesses in many areas, such as strategy, culture and corporate change programmes in international markets. Clients include those from the finance, aerospace, electricity generation, utilities, airline, pharmaceutical, defence, and telecom industries. His models of transformation and change are used by practitioners around the world to enable the successful implementation of strategy.

Born in Johannesburg, he is involved with a number of charities in Africa, some aimed at creating additional income for subsistence farmers and their families, and others establishing life skills education centres for young people. Mark is the President of Wedmore Opera, a community-based music performance charity in Somerset.

Brendan Paddick
Non-executive Director

N

Brendan Paddick was appointed as a Non-executive Director of the Company on 31 March 2015 and serves as a member of the Nomination Committee.

Brendan founded the Columbus International group of companies in 2004; and served on the Board as President and Chief Executive Officer from inception. He was also the Chief Executive Officer of all Columbus' operating subsidiaries. Brendan currently serves on the Board of Clearwater Seafoods Incorporated.

From 2005 to 2012, Brendan served on the Board of the Caribbean Cable Television Cooperative and is a past Chair of the Board of the Caribbean Cable & Telecommunications Association. Prior to founding Columbus, Brendan was President and Chief Executive Officer of Persona, Inc. and Persona Communications Inc. from 1992 to 2004. Brendan was a member of Industry Canada's National Broadband Task Force in 2001, a government initiative to shape the country's roll out of broadband access; and in 2006, he was appointed Honorary Consul for Canada to The Bahamas by the Canadian Department of Foreign Affairs and International Trade – he was subsequently reappointed in 2009 and 2012.

Brendan graduated with a Bachelor of Commerce degree from Memorial University of Newfoundland, where he also received his MBA. He served as a Member of the Board of Regents of Memorial University for six years. In 2013, he was named Memorial University's Alumnus of the Year. Brendan is also a graduate of the Advanced Management Program at Harvard University.

Alison Platt
Non-executive Director

A N R

Alison Platt was appointed as a Non-executive Director of the Company on 1 June 2012 and is a member of the Audit, Nomination and Remuneration Committees.

Alison is Chief Executive of Countrywide plc, having been appointed to the role on 1 September 2014. Previous to this Alison was a Managing Director at Bupa, responsible for International Development Markets. She took up this post in October 2012 having previously held a number of senior posts across Bupa including Chief Operating Officer of its UK private hospitals business, Deputy Managing Director in its UK insurance business and latterly Managing Director for its businesses in the UK, Europe and North America. Before joining Bupa, Alison held a number of key positions in British Airways.

Alison was Chair of 'Opportunity Now', which seeks to accelerate change for women in the workplace, from May 2009 until April 2013. She was also Non-executive Director of the Foreign & Commonwealth Office between 2005 and 2010, and in the 2011 New Year Honours she was appointed a CMG for her services to the Board of the FCO.

Barbara Thoralfsson
Non-executive Director

A N R

Barbara Thoralfsson was appointed as a Non-executive Director of the Company on 7 January 2015. Barbara is also a member of the Audit, Nomination and Remuneration Committees.

Barbara has extensive experience in the telecoms industry having been CEO of NetCom ASA, Norway's second largest mobile network operator, between 2001 and 2005; and a Non-executive Director of Tandberg ASA, a leading global supplier of video conferencing systems, from 2006 until 2010. Since 2009 Barbara has also served as a Non-executive Director of Telenor ASA, a leading mobile operator in Scandinavia, Eastern Europe and Asia, however, she is due to step down from this appointment in June 2015.

She has been an Industrial Adviser to EQT Private Equity Partners since 2007; serves as a Non-executive Director on the Boards of SCA AB, Hilti AG and ColArt Holdings Ltd; and has been an owner of Fleming Industrier AS, investing in Scandinavian small cap companies, since 2006.

Previously, Barbara was CEO of Midelfart & Co AS, from 1995 to 2000, after holding senior positions in sales and marketing from 1988 to 1995. Barbara has also served as a Non-executive Director on the Boards of Electrolux AB, Orkla ASA, and Stokke AS; as Chairman of SATS AB from 2005 to 2006; and sat on the Advisory Council for SOS Children's Villages.

Barbara has an MBA in Marketing and Finance from Columbia University in New York; and a BA in Psychology from Duke University in Durham, North Carolina.

Ian Tyler
Non-executive Director, Chairman of the Audit Committee

A N R

Ian Tyler has been a Non-executive Director of the Company since his appointment on 1 January 2011.

On 1 June 2012, Ian was appointed Chairman of the Audit Committee. Ian is also a member of the Remuneration and Nomination Committees.

Ian is a Chartered Accountant and was the Chief Executive of Balfour Beatty plc from January 2005 to March 2013, having joined the company in 1996 as Finance Director and then becoming Chief Operating Officer in 2002.

From 1991 to 1996, Ian held various senior financial positions within Hanson PLC. Ian is a Non-executive Chairman and Chairman of the Nomination Committees of Bovis Homes Group PLC and Cairn Energy PLC; Non-executive Chairman and Chairman of the Nomination and Remuneration Committees of Al Noor Hospitals Group Plc; and a Non-executive Director of BAE Systems plc.

Ian is also Chairman of CRASH, the construction and property industry charity for homeless people around the UK; and serves as a Crown Representative for the Cabinet Office.

Thad York
Non-executive Director

N

Thad York was appointed as a Non-executive Director of the Company on 31 March 2015 and serves as a member of the Nomination Committee.

Thad is the President, General Manager, and Director of numerous geographically diverse and various personal and business entities controlled by John C. Malone.

Prior to his current roles, Thad held senior positions at Telecommunications Inc. ('TCI') and TCI International, that ranged from operations to finance in TCI's cable TV business. He started in the cable television business as an Installer for TCI while attending college.

Thad graduated from the University of Wyoming with a degree in Finance, and received his MBA from the University of Denver.

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Sir Richard Lapthorne, CBE
Chairman

Dear Shareholder,

This has been a transformational year for Cable & Wireless Communications. Our Miami operational hub is now established, with our main central services having relocated. The London Headquarters is maintained, but has also moved location to a smaller office in central London. We have also sold our Monaco business and acquired both Columbus International Inc. and Grupo Sonitel, S.A. during the year, both of which have strengthened our focus on the Caribbean and Latin America region.

The Board has changed significantly since January 2014. Phil Bentley joined us in January 2014 as Chief Executive Officer, and having been with us for over a year now has proved himself to be a talented and energetic CEO who has achieved a huge amount since his arrival. Perley McBride joined the Board in June 2014 as Chief Financial Officer, and has brought with him a wealth of experience. In January 2015, Barbara Thoralfsson joined as an additional Non-executive Director. Barbara brings extensive experience of the telecoms industry which will enable her to make a valuable contribution to the Board, and as a Cuban American who grew up in Miami, she also has a strong connection with our target region. As a result of the acquisition of Columbus International Inc. which completed on 31 March 2015, John Risley, Brendan Paddick and Thad York also joined the Board as Non-executive Directors. Each brings many years of experience in the telecoms industry within the Caribbean and Latin America region. We welcome each of the new Directors to the Board, and look forward to working with them, and the experience and insight they bring with them. Each Director, including existing Directors will be put forward for election or re-election at the forthcoming Annual General Meeting. Finally, Nick Cooper, who has served as Corporate Services Director since demerger in 2010 and provided valuable continuity for the Company during a period of unprecedented change, stepped down from the Board on 31 March 2015.

The core purpose of the Board is to set the Group's strategy to deliver sustainable, profitable growth over the long term for the benefit of all stakeholders. Our strategy to deliver this growth is founded on the belief that we must grow our customer lifetime value by delivering a 'best-in-class' customer experience. This cannot be achieved without the right people, processes and infrastructure to take advantage of opportunities and manage risks. During 2014/15, we launched Project Marlin, a significant capital investment programme to help achieve our strategic imperatives. The progress to date on each of our strategic imperatives along with Project Marlin is provided in detail in pages 8 to 35. In addition to this, we also announced the acquisition of Columbus during the year. This is a transformational transaction for the Company, and will create an enlarged Group with greater regional presence, scale and scope with assets and capabilities that the Board believes will reinforce and accelerate the realisation across each of CWC's six areas of strategic focus, as described in the Strategy section in this report. The acquisition will also strengthen the management team with highly skilled, experienced and entrepreneurial personalities focused on customer experience excellence and shareholder value creation.

We have continued our engagement with major shareholders and governance bodies throughout the year. The main instances of this were in respect of both the Directors' remuneration policy earlier in the year and the acquisition of Columbus. The discussions on both occasions were highly constructive and we will continue to engage with shareholders regarding key issues in the future. Further details are given in respect of both the Directors' remuneration policy and the acquisition within the Directors' remuneration report and Strategic report respectively.

As part of our ongoing commitment to good corporate governance a full evaluation of the Board commenced in January 2015. The evaluation was facilitated by Independent Audit, and the process consisted of one to one interviews with the Board, senior management team and external advisors. Conclusions and recommendations will be discussed at a forthcoming Board meeting and findings of this evaluation will be reported on in the 2015/16 Annual Report and Accounts.

Sir Richard Lapthorne, CBE
19 May 2015

Compliance with the UK Corporate Governance Code

This report sets out how the Company applied the principles of the UK Corporate Governance Code 2012 (the Code) and the extent to which the Company complied with the provisions of the Code in the year to 31 March 2015. Throughout the year the Group has applied the main principles of the Code as described in pages 48 to 54 except for provision C.3.7 in respect of putting the external audit contract out to tender at least every ten years. An explanation in respect of this provision is given in the Audit Committee report on page 60.

The Board believes that this Annual Report and Accounts, taken as a whole, reflects a fair, balanced and understandable review of the Company, and presents a comprehensive and impartial view of the Group's business. Further information on this requirement can be found on page 54 of the Corporate Governance Report. The Board also believes that the report provides the information necessary for shareholders to assess the Company's performance, business model and strategy. We believe that the disclosure on the Group's strategy and business model set out on pages 2 to 41, and the key performance indicators that we use to measure both financial and non-financial performance (and to set performance-related remuneration for senior executives), meet this requirement. The Code is available on the Financial Reporting Council's website www.frc.org.uk.

The acquisition of Columbus

Following completion of the acquisition of Columbus, the Takeover Panel considers that the Directors from time to time (and their close relatives) will be deemed to be acting in concert with the Principal Vendors and the Ultimate Controllers (in each case, as defined and further described in the circular to shareholders dated 19 November 2014). This has required CWC to put in place various arrangements which include regulating the holding of shares by Directors and ensuring the continued independence of the Company in accordance with the Listing Rules, which are summarised in more detail below on pages 55 to 56.

Board membership, balance and independence

Biographies of the current Directors, including details of their Committee memberships, are shown on pages 45 to 47.

The Board currently comprises the Chairman, two Executive Directors, and eight Non-executive Directors. Having reviewed the position of each Director individually, the Board considers five out of eight Non-executive Directors (Simon Ball, Mark Hamlin, Alison Platt, Barbara Thoralfsson and Ian Tyler) to be independent in both character and judgement. The remaining three Non-executive Directors (Brendan Paddick, John Risley and Thad York) are considered non-independent as they have been nominated to the Board by the Principal Vendors of Columbus. Collectively, the Non-executive Directors contribute to an effective Board with a strong mix of skills and business experience, including recent financial, strategic, operational and retail experience, gained in a variety of geographic areas. As they all occupy or have occupied senior positions each contributes significant weight to Board decisions.

The Non-executive Directors are initially appointed for a three-year term with an expectation that they will continue for a further three-year term.

Mark Hamlin's initial three-year term came to an end on 31 December 2014. The Board considered his reappointment for a further three-year period. The reappointment of Simon Ball for a further one-year

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period was also considered in February 2015. Simon has been a Director of the Company since demerger in March 2010, and prior to this served as a Non-executive Director of Cable and Wireless plc from 1 May 2006.

Having reviewed both Mark's and Simon's contributions to the Board, the Board considered their knowledge and skills to be invaluable to the Company. The Board considered both Directors to be independent in character and judgement, and as such, the Board approved their re-appointment.

The terms and conditions of appointment of the Non-executive Directors, which set out the time commitment expected of them, and the service contracts for Executive Directors, are available for inspection by shareholders at our registered office during normal business hours and at our Annual General Meeting (AGM).

All Directors have access to the advice of the Company Secretary as well as appropriate training and briefings on matters including corporate responsibility and sustainability, ethics, health & safety, governance matters and specific aspects and implications of the acquisition of Columbus. Additionally, any Director may take independent professional advice on any matter at the Company's expense in the furtherance of their duties.

Specific Role of Individual Members of the Board and the Company Secretary

Director	Responsible for:
Sir Richard Lapthorne, CBE[1] Chairman	• overall operation and governance of the Board; • providing leadership of the Board to ensure that the Board satisfies its duties and responsibilities; • setting of the agenda for the Board; • ensuring that the Board receives clear, timely and accurate information; • facilitating the contribution of the Directors; and • ensuring that the Company maintains effective communication with shareholders and other stakeholders (shared responsibility with the Senior Independent Director).
Phil Bentley Chief Executive Officer	• developing the strategy for recommendation to the Board; and • leadership of the business and managing it within the authorities delegated by the Board.
Simon Ball[2] Senior Independent Director	• meeting shareholders on request and acting as the designated point of contact for shareholders to raise any concerns where contact through the normal channels of the Chairman or Executive Directors is inappropriate. • bringing to the attention of the Board the matters raised by major shareholders; and • ensuring that the Company maintains effective communication with shareholders and other stakeholders (shared responsibility with the Chairman).
Clare Underwood Company Secretary[3]	• ensuring that good quality corporate governance is embedded and followed within the Company, along with the implementation of efficient company administration; • acting as a confidential sounding board to the Chairman and other Directors; • providing advice in relation to Board deliberations and decision making; and • ensuring compliance with developments in legislation, regulation and governance.

1 The commitment of the Chairman as a Non-executive Director of Sherritt International, a company listed on the Toronto Stock Exchange, and as Chairman of the PwC Public Interest Body are noted on page 45. The Board considers that these appointments are not a constraint on his agreed time commitment to the Company.
2 The commitment of the Senior Independent Director as a Non-executive Director of Allied Irish Bank plc, and of Commonwealth Games England, and as a Chairman of Anchura Group Limited are noted on page 45. The Board considers that these appointments are not a constraint on his agreed time commitment to the Company.
3 During the year both Belinda Bradberry and Nick Cooper acted as joint Company Secretary with Clare Underwood, and since 11 May 2015 Clare has been the sole Company Secretary.

Role of the Board

The Board is responsible for the Group's corporate governance system and is committed to maintaining high governance standards. In order to progress the objectives of the Group, the Board meets on a regular basis and is responsible for organising and directing the Company and the Group in a manner that promotes the success of the Company and is consistent with good corporate governance practice. To enable the Board to function effectively, full and timely access to all relevant information is given to the Board.

The key policies and practices of the Company and the Group are set out in this report as well as in the reports of the Audit Committee on pages 60 to 65, the Remuneration Committee on pages 68 to 88 and the Nomination Committee on pages 66 to 67. Furthermore, our independent Non-executive Directors have prepared a report describing corporate governance and behaviours of the Board on page 59 and details of significant shareholdings and rights, obligations, powers and procedures under the Company's Articles of Association (the Articles) are set out in the statutory information on pages 56 to 58. Together, these reports provide shareholders with an insight into how our Board and senior management seek to manage the business to create and deliver long-term success for the Group.

Formal minutes recording decisions of all Board and Committee meetings are prepared and circulated to each Director as appropriate. If a Director objects to a particular proposal, this is recorded in the minutes of the relevant meeting. During the period under review there were no such objections.

There is a formal schedule of matters reserved for the Board which includes:

- Strategy and management:

Approval of long-term objectives and strategy, extension of Group activities into new business or geographic areas, any decision to cease to operate any material part of the Group's business, review of Group performance and the approval of annual budget

- Corporate governance:
Annual formal reviews of its own performance, a review of Group corporate governance arrangements, receiving reports on the views of shareholders and determining the independence of Non-executive Directors

- Financial reporting:
Approval of announcements of interim and final results, Annual Report and Accounts, approval of dividend policy and approval of significant changes in accounting policies and practices

- Board membership and other appointments:
Changes to the structure, size and composition of the Board, membership and chairmanship of Board Committees, ensuring adequate succession planning, appointment of the Senior Independent Director and the appointment or removal of the Company Secretary

- Remuneration:
Determining the remuneration policy for the Directors and other senior executives and the introduction of new share incentive plans or major changes to existing plans to be put to shareholders for approval

- Delegation of authority:
The division of responsibilities between the Chairman and the Chief Executive Officer and receiving reports from Board Committees on their activities

- Contracts/expenditure:
Approval of all significant contracts and expenditure and all investments or disposals in shares in which the Group holds an interest

- Internal controls:
Receiving reports on and reviewing the effectiveness of the Group's risk and control processes to support its strategy and objectives and assessing these annually

Other specific responsibilities are delegated to the Audit, Nomination and Remuneration Committees, each with clearly defined terms of reference. Each Committee reviews their terms of reference annually to ensure that they remain appropriate and effective.

Full details on matters reserved for the Board and the terms of reference of its Committees can be found on our website at www.cwc.com.

Board meetings
The Board meets regularly and there were eight meetings during the year. There are a number of informal meetings held throughout the year and as part of the annual corporate governance programme, the Independent Directors meet once a year to discuss any relevant governance matters. The Non-executive Directors also meet with the Chairman present and with the Chairman and Chief Executive Officer present. This balance of formal and informal meetings throughout the year creates an environment that encourages challenge, the sharing of information, innovative thinking and open communication.

Details of Directors' attendance at scheduled Board meetings are shown in the table below:

Members	Meetings attended	
Chairman		
Sir Richard Lapthorne, CBE	●●●●●●●○	7/8*
Chief Executive Officer		
Phil Bentley	●●●●●●●●	8/8
Executive Directors		
Nick Cooper[1]	●●●●●●●●	8/8
Perley McBride[2]	●●●●●●●	7/7
Non-executive Directors		
Simon Ball	●●●●●●●○	7/8*
Mark Hamlin	●●●●●●●●	8/8
Brendan Paddick[3]		0/0
Alison Platt	●●●●●●●○	7/8*
John Risley[3]		0/0
Barbara Thoralfsson[4]	●○	1/2
Ian Tyler	●●●●●●●●	8/8
Thad York[3]		0/0

1 Nick Cooper stepped down from the Board on 31 March 2015.
2 Perley McBride was appointed to the Board with effect from 26 June 2014.
3 Brendan Paddick, John Risley and Thad York were appointed to the Board with effect from 31 March 2015.
4 Barbara Thoralfsson was appointed to the Board with effect from 7 January 2015, and was unable to attend a scheduled meeting as a result of a prior engagement which was in place before joining the Company.
* The frequency of meetings increased in the latter part of 2014 due to the oversight required by the Board for the acquisition of Columbus. As a result some meetings were arranged at short notice and not all Directors were able to attend.

Board Committees
The reports of the Audit, Nomination and Remuneration Committees are set out on pages 60 to 65, 66 to 67 and 68 to 88 respectively.

Integration Committee
An Integration Committee was established as part of the acquisition of Columbus International Inc. This is not a committee of the Board, but one which oversees the whole integration process, and provides regular updates to the Board on the progress, and aspects of the integration of the two businesses.

The members of the Integration Committee are Sir Richard Lapthorne, Phil Bentley, Mark Hamlin, Brendan Paddick, John Risley and Thad York.

One of the complexities involved in the acquisition of Columbus is the strategic imperative of integrating a talented group of executives from both Columbus and CWC, and creating a unified team with a shared culture, which is key to the success of the acquisition as a whole. It was agreed by the Board that as Mark Hamlin has unique capabilities and experience in this area having led similar projects for multinational companies in complex environments over many years, together with his acquired experience of CWC and its culture and history, he is uniquely qualified to support CWC on the integration project. In order to provide this support Mark has agreed to act as Alternate Chair of the Integration Committee.

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Improving Board effectiveness/Continuing development

Induction

On appointment, the induction of new Board members is undertaken by the Company Secretary at the request of the Chairman, who retains responsibility for the induction process. The induction includes the provision of information about the Company, details of procedures, governance issues, Directors' responsibilities, the role of the Board, the matters reserved for its decision, and the terms of reference of the principal Board Committees. The programme also includes meetings with senior management and key advisers, and meetings with major shareholders are arranged on request.

Professional development

The ongoing training and development programme for the Directors includes

- Regular visits to the overseas business units to meet the local teams. During the year, this included three overseas Board visits (to Barbados, Jamaica and Miami) enabling the Board to meet with local senior management and to obtain an enhanced and more in-depth knowledge of the business operations
- Governance updates from external advisers or via the Company Secretary's report

During the year, presentations given to the Board included:

- Corporate governance aspects arising from the acquisition of Columbus, including the concert party, financing and banking implications
- Deep-dive presentations from both the Barbados and Jamaican business units regarding their business, political and economic environment, trading and performances, along with onsite visits to stores and technology sites
- In-depth training sessions on both TV and B2B aspects of the businesses

In addition, individual training requirements are agreed and arranged with Directors, as required.

Performance evaluation

In accordance with the Code, an external evaluation of the Board takes place at least every three years. Independent Audit Limited, which has no other connection with the Company or Group, were engaged to undertake an externally facilitated Board evaluation during this financial year.

The first stage of the review involved Independent Audit engaging with the Chairman and the Company Secretary to set the scope and context for the evaluation. Interviews were conducted with all members of the Board, senior management and external advisers by two partners from Independent Audit. All interviews were held on an individual, anonymous basis addressing the performance and effectiveness of the Board, Board Committees, Chairman and individual performance of the Directors. The anonymity of all respondents was ensured throughout the process in order to promote the open and frank exchange of views.

The results will be discussed at a Board meeting in June 2015, and will be reported on in the 2015/16 Annual Report and Accounts.

Directors

Re-election

The Company complies with the Code, which specifies that all Directors of FTSE 350 companies should be subject to annual re-election by shareholders. The Board is satisfied that each Director continues to be effective and to demonstrate commitment to their role. All Directors will stand for election or re-election at the 2015 AGM. As explained below on page 55, a dual voting procedure in respect of the election or re-election of the independent Directors will be implemented at this year's AGM.

Directors' interests

The remuneration of the Directors and interests of the Directors and their connected persons in the shares of Cable & Wireless Communications Plc, along with details of their share awards, are contained in the Directors' remuneration report set out on pages 68 to 88.

Directors' conflicts of interest

The Articles include provisions covering Directors' conflicts and allow the Board to authorise a matter that would otherwise involve a Director breaching his duty to avoid conflicts. The Company has procedures in place to deal with a situation where a Director has a conflict of interest, including the disclosure by Directors of any such conflicts and the imposition of limits or conditions by the Board when considering and authorising any conflict, if they think this is appropriate. No Director had a material interest in any significant contract with the Company or any of its subsidiaries during the year. For further information, refer to note 5.6 of the consolidated financial statements.

Directors' indemnities

The Company has granted indemnities in favour of its Directors against personal financial exposure that they may incur in the course of their professional duties as Directors of the Company and/or any subsidiaries (as applicable). These indemnities are qualifying third-party indemnity provisions for the purposes of the Companies Act 2006 (the 2006 Act). They were granted on appointment of the Directors and are still in force. Officers of wholly owned subsidiary companies within the Group have also been granted indemnities.

Powers of Directors

The powers of the Directors are determined by UK legislation and the Articles. As provided in the Articles, the Directors may exercise all the Company's powers provided that the Articles or applicable legislation do not stipulate that any such powers must be exercised by the members. The Directors have been authorised to issue and allot ordinary shares, pursuant to Article 12. The powers under Article 12 are referred to shareholders at the AGM for renewal.

Appointment and replacement of Directors

The rules about the appointment and replacement of Directors are contained in the Articles, including the rules for who is eligible to be elected as a Director and the procedure to be followed to nominate such persons.

The Articles provide that Directors may be appointed by an ordinary resolution of the members or by a resolution of the Directors, provided that, in the latter instance, a Director appointed in this way retires and stands for election at the first AGM following his appointment.

The Company's members may remove a Director by passing an ordinary resolution for which special notice has been given. Any Director will automatically cease to be a Director if: (i) they resign; (ii) they offer to resign and the other Directors accept that offer; (iii) all the other Directors (being at least three) require it; (iv) they are suffering from mental ill health and the Directors require them to cease to be a Director; (v) they have missed Directors' meetings for a continuous period of six months without permission and the other Directors resolve that they shall cease to be a Director; (vi) a bankruptcy order is made against them, or they make an arrangement or composition with their creditors; (vii) they are prohibited from being a Director by law; or (viii) they cease to be a Director under legislation or are removed from office under the Articles.

Shareholder engagement and communication

As part of our commitment to regular dialogue, meetings have been held between the Executive Directors and shareholders to discuss any issues they wished to raise during the year. The Chairman and the Senior Independent Director are responsible for ensuring that the Company maintains effective communication with shareholders and other stakeholders. The Company intends to continue this practice.

Ahead of the 2014 AGM, and to take into account the new requirement to approve a Remuneration Policy and framework, Simon Ball sent letters to the Company's top 20 shareholders at the time to offer meetings to discuss the proposed Remuneration Policy. Meetings and further discussions were then held with shareholders who had requested it, where the proposals were explained in detail. Feedback was taken from shareholders, reported back to the Board, and appropriate amendments were made to the Remuneration Policy and framework ahead of the AGM.

AGM

The AGM will be held at 11.00am on Tuesday 21 July 2015 at the Hilton Hotel Paddington, 146 Praed Street, London W2 1EE. Details of the resolutions to be proposed at the AGM are given in the Notice of Meeting, a copy of which can be downloaded at www.cwc.com/investor-relations. The AGM provides the Board with an opportunity to spend time with our private shareholders. The Board will be available for shareholders to speak to before the meeting. The Chairman and Chairs of each of the Committees will be available to answer shareholders' questions during the meeting.

Dividends

The Directors recommend a final dividend of US2.67 cents per ordinary share payable on 7 August 2015 to ordinary shareholders on the register at the close of business on 29 May 2015. This final dividend, together with the interim dividend of US1.33 cents per share paid by the Company on 9 January 2015, makes a total dividend payment to shareholders of the Company of US4 cents per ordinary share for the year ended 31 March 2015.

Internal Controls

Internal control, risk management and financial reporting

The Board is responsible for the Group's system of internal control and for reviewing its effectiveness on a continual basis. The Group's system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against material misstatement or loss. The concept of reasonable assurance recognises that the cost of control procedures should not exceed the expected benefits.

The Group operates a risk management process under which the regional businesses identify the key risks to their plans, their likelihood and impact and the actions being taken to manage those risks and the effectiveness of steps taken to mitigate them. The risk register is presented to the Audit Committee on a rolling 12-month basis. The principal risks identified by the Group are set out on pages 18 to 21.

The Executive Directors report to the Board, on behalf of management, significant changes in the Group's businesses and the external environment in which it operates. In addition, they provide the Board with monthly financial information, which includes key risk and performance indicators. The Group's key internal control and monitoring procedures include the following:

- Financial reporting: each year, an annual budget is agreed and approved by the Board. At each Executive Team meeting and each Board meeting, actual results are reviewed and reported against budget and, when appropriate, revised forecasts. Senior management within our businesses are required on a quarterly basis to certify compliance with the Group's financial reporting requirements
- Investment appraisal: the Group has clearly defined policies for capital expenditure. These include annual budgets, detailed appraisal and approval processes
- Monitoring systems: internal controls are monitored through a programme of internal audits. The Internal Audit function reports to the Audit Committee on its examination and evaluation of the effectiveness and adequacy of systems of internal control. Any improvements required are identified, management actions assigned and implementation timescales agreed; progress against these actions is monitored on a monthly basis and reported to the Audit Committee
- Financial and non-financial controls: the Group has dedicated resource to embed processes and controls across the businesses. It operates a number of self-assessment exercises, which include quarterly and annual processes to certify compliance with key financial and non-financial controls via the Business Assurance Checklist (BAC). The BAC requires management to assess and certify the effectiveness of its fundamental controls over all aspects of its operations. The Group is committed to a process of continual improvement in the effectiveness and efficiency of the internal control environment
- Whistle-blowing: the Group operates an Ethics Helpline which is administered by an independent third party and is available to all employees

Effectiveness of internal control

The Board reviewed the effectiveness of the internal control systems in operation during the financial year in accordance with the revised Turnbull guidance. These systems included financial, operational and compliance controls, along with risk management. The processes as set out above have been in place for the year under review and up to the date of this Annual Report and Accounts. Where appropriate, necessary action has been or is being taken to remedy any failings and weaknesses identified as significant during this review.

The responsibility for internal control procedures within our subsidiaries rests with the senior management of those operations. We monitor our investments and exert our influence through Board representation where possible.

Committed to Good Governance

During the year, several aspects of the business have been reviewed and actions taken to help strengthen our system of control, transparency and governance. These have included:

- Code of Conduct and Anti Bribery Policy – both of which have been reviewed and updated in light of the restructuring of the Group. These have been communicated to all employees, and training has been refreshed
- Establishment of a Miami operational hub – our Miami operational hub has now been established and departments such as accounting, legal, treasury and procurement having been relocated has helped to streamline the division of responsibilities to allow markets to focus on serving customers

Fair, balanced and understandable requirements

The Board has responsibility for ensuring compliance of this Annual Report and Accounts with all elements of regulatory and governance best practice. One of the key governance requirements is that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable. The Directors confirm that they consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy. The following processes were adopted to assist the Board with reaching this conclusion:

- Early preparation by management of a checklist of all reporting components of the Annual Report and Accounts, and how the requirements have been met. This is adopted by the Disclosure Committee and used in reviewing the Annual Report and Accounts before submission to the Audit Committee
- Full review and verification of the Annual Report and Accounts by the Disclosure Committee, key stakeholders within the Company, the external auditor, and legal advisers to ensure consistency and accuracy in presentation
- Agree the main areas of focus both for the Company and investors when drafting the Annual Report and Accounts to ensure all aspects are thoroughly considered, and key messages are communicated in a consistent, fair and balanced manner
- A full presentation by the Disclosure Committee to the Audit Committee on a biannual basis detailing how the Company has reported on the business, and what considerations have been given to the reporting requirements
- The final draft of the Annual Report and Accounts is reviewed in detail by the Audit Committee before it is submitted to the Board for consideration and final approval

Auditor

So far as the Directors are aware, there is no relevant audit information (as defined in Section 418(3) of the 2006 Act) of which the auditor, KPMG LLP, is unaware and the Directors have taken all reasonable steps to ascertain any relevant audit information and ensure the auditor is aware of such information.

Other information

Directors' report and matters set out in the Strategic report

The Directors' report comprises pages 48 to 58 (inclusive of the corporate governance section) and the other information in this report that is relevant to, and which is incorporated by reference into, the Directors' report. Pages 2 to 41 inclusive consist of a Strategic report, through which the Board seeks to present a balanced and clear assessment of the Group's activities, position and prospects. The Group's results for the financial year are shown in the consolidated income statement on page 92.

In accordance with section 414C(11) of the 2006 Act, the Board has chosen to set out in the Strategic report those matters required to be disclosed in the Directors' report which it considers to be of strategic importance to the Company, as follows:

- Likely future developments of the Company (throughout the Strategic report)
- Greenhouse gas emissions (page 41)
- Research and development activities (throughout the Strategic report)
- Employee communication (page 41)

Disclosures required under Listing Rule 9.8.4R

The relevant information required to be disclosed by Listing Rule 9.8.4R can be located as set out below:

Listing rule	Description of Listing Rule	Reference in Report
9.8.4(1)	A statement of any interest capitalised by the Group during the year	Note 4.1 of the financial statements[1]
9.8.4(4)	Details of any long-term incentive scheme as described in LR 9.4.2R (2)	Directors' remuneration report
9.8.4(7)	Details of any allotments of shares by the company for cash not previously specifically authorised by shareholders	Note 4.10 of the financial statements[2]
9.8.4(10)	Details of any contract of significance with the company in which a director has a material interest; or a contract between the company and a controlling shareholder	Directors' and corporate governance report[3]
9.8.4(12)	Details of any arrangement under which a shareholder has waived or agreed to waive any dividends	Notes 4.12 of the financial statements[4]
9.8.4(13)	Details of where a shareholder has agreed to waive future dividends	Notes 4.12 of the financial statements[5]
9.8.4(14)	Information required by LR 9.2.2AR (2)(a)	Directors' and corporate governance report[3]

1 Please refer to page 132 of the financial statements.
2 The company issued 252,812,284 new ordinary shares ('Placing Shares') of US5 cents each in the capital of the Company on 7 November 2014. These were placed by Deutsche Bank AG, London Branch (acting as lead manager and bookrunner) at a price of 45 pence per Placing Share. The Placing Shares issued represented 10%. less one share of the issued ordinary share capital of the Company prior to placing. Please refer to page 139 of the financial statements.
3 Please refer to pages 55 and 56.
4 The Cable & Wireless Communication Share Ownership Trust (the 'Trust') waived its rights to dividends held in the Trust, with the exception of those held by Directors under the deferred annual bonus plan. Please refer to page 142 of the financial statements.
5 See previous footnote.

The acquisition of Columbus

Following completion of the acquisition and owing to the voting arrangements between the Company and the Principal Vendors (as defined and further described in the circular to shareholders dated 19 November 2014), which, subject to certain limited exceptions, require all voting rights on the consideration shares issued to the Principal Vendors to be exercised and all votes cast in line with the recommendation of the Board for an initial period, the Takeover Panel considers that the Directors from time to time (and their close relatives) will be deemed to be acting in concert with the Principal Vendors and the Ultimate Controllers (as defined and further described in the circular to shareholders dated 19 November 2014) (together, the 'Concert Party'). The Concert Party holds approximately 36% of CWC's share capital (excluding treasury shares).

When any person acquires an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30% or more of the voting rights of a company which is subject to the City Code and the Listing Rules certain requirements are triggered, including:

- The requirement under Rule 9 of the City Code to make a mandatory offer to all the other shareholders to buy their shares both on initially acquiring the interest and where their shareholding subsequently increases
- The requirements under the Listing Rules designed to ensure the independence of the company from any person who exercises or controls on their own or together with any person with whom they are acting in concert, 30% or more of the votes able to be cast on all or substantially all matters at a general meeting (the 'controlling shareholders'.

Takeover Panel – Rule 9

On 5 December 2014, the Company's independent shareholders approved a waiver of obligations arising under Rule 9.1 of the City Code (the 'Whitewash'). The effect of the Whitewash was to waive the obligation which would normally oblige a member of the Concert Party to make a mandatory offer to all other shareholders to acquire their shares following the acquisition of certain shares in the Company.

The Whitewash permits up to the following numbers of interests in shares to be held by the Concert Party without a mandatory offer obligation under Rule 9.

Waiver	Maximum interest in CWC shares	Percentage of issued share capital of CWC
Waiver in respect of the issue of consideration shares	1,575,708,553	36.32
Waiver in respect of existing award under the Performance Share Plan	12,381,422	0.29
Waiver in respect of further awards under the CWC Share Plans	50,000,000	1.15
Waiver in respect of CWC Shares acquired by Directors to meet shareholding requirements	15,000,000	0.35
Waiver in respect of CWC Shares acquired by Directors in proportion to the amount that they would otherwise have received through the dividend reinvestment plan	10,000,000	0.23
Total	**1,663,089,975**	**38.34**

The Consideration Shares were issued on completion of the acquisition on 31 March 2015. Since that date no further shares have been acquired by any member of the Concert Party under the terms of the Whitewash.

Listing rules – controlling shareholder

In addition, CWC is required to enter into relationship agreements with the Principal Vendors and all existing and any new Directors to ensure that its controlling shareholders comply with the provisions of the Listing Rules which are intended to ensure the independence of the Company from its controlling shareholders. These agreements (which were entered into on 31 March 2015) include the necessary independent undertakings. This includes:

- Any transactions and arrangements between the Company and the controlling shareholder will be conducted at arm's length and on normal commercial terms
- Neither the controlling shareholder nor any of its associates will take any action that would have the effect of preventing CWC from complying with its obligations under the Listing Rules
- Neither the controlling shareholder nor any of its associates will propose or procure the proposal of a shareholder resolution which is intended, or appears to be intended, to circumvent the Listing Rules

With effect from the 2016 AGM, CWC is also required to have in place procedures to allow dual voting on the election or re-election of the independent Directors, approval being required from both the shareholders as a whole and the independent shareholders (being the shareholders other than the controlling shareholders), and to include additional information in the notice of meeting in relation to the independent Directors. As part of the Company's commitment to good corporate governance, the Board has decided to implement such dual voting arrangements at, and from, this year's AGM.

CWC will report on compliance with the relationship agreements in next year's Annual Report and Accounts.

Put Option Deeds

As explained in the circular to shareholders dated 19 November 2014, as part of the acquisition the Company entered into lock-up and put option agreements ('Put Option Deeds') with the Principal Vendors in respect of the consideration shares issued on completion which, (among other matters):

- Enable each Principal Vendor to either (i) require the Company to purchase for cash up to a certain number of its consideration shares each year from 2016 to 2019 inclusive for the notional issue price of US$0.734917 cents per share; or (ii) sell up to that number of consideration shares each year from 2016 to 2019 in the market (subject to orderly market arrangements with CWC). Specific shareholder authority for such purchases was obtained at the general meeting held on 5 December 2014

- Grant a right to the Principal Vendors to nominate one director each to the Board, subject to recommendation by the Nomination Committee. The initial three nominations were agreed at completion being, John Risley, Thad York and Brendan Paddick
- Restrict the ability of the Principal Vendors to otherwise sell the consideration shares during the period covered by the options

At the general meeting held on 5 December 2014, shareholders granted authority to the Directors to allot, in addition to any other authority conferred on the Directors, including at last year's AGM, shares up to an aggregate nominal amount equal to US$100,000,000 (representing 2,000,000,000 CWC shares of US$0.05 each). This authority is to enable the Company to allot new shares (if required) to fund its payment obligations under any options exercised under the Put Option Deeds. The current intention of the Directors is to cancel all shares bought back following the exercise of a put under a Put Option Deed to minimise any dilution to shareholders. This authority expires on 5 December 2019.

Political donations and expenditure

The Company does not make and has no intention of making donations to what are generally regarded as political parties within the European Union. As a precautionary measure and in light of the wide definitions of European Union political organisations for the purposes of the 2006 Act, a resolution was passed at the 2014 AGM permitting the Company to make political donations and incur political expenditure for a period of four years ending on the earlier of the 2018 AGM or 24 July 2018. During the year, the Company did not exercise its authority granted to it at the 2014 AGM to make political donations within the European Union. In aggregate, the sum of US$0 (US$0 restated for 2013/14) was made to non-EU political parties by non-EU subsidiary companies during the year.

Employee communication and disability

The Group communicates with employees in many ways, including regular briefings by management, newsletters, emails, Team Talk Live! events, webcasts and intranet sites. These communications help to achieve a common awareness among employees of the financial and operational performance of the Group. As described in the Corporate responsibility and sustainability section ('Focus on our People') on page 40, this year we have increased our employee engagement across the Group by implementing Team Talk Live! events, measuring employee engagement through the 'Great Place to Work' surveys and engaging on cultural and employee related impacts arising from the acquisition of Columbus.

Also, as described in that section, our employment policies comply with local requirements and relevant statutes. In particular, full and fair consideration with regard to employment and training is given to applicants with disabilities and career development is encouraged on the basis of aptitude and ability. It is Group policy to retain employees who become disabled while in its service and to provide specialist training where appropriate.

Share Information

Company's shareholders

As at 31 March 2015 and the date of this report, the Company had been notified of the following substantial holdings of voting rights in the issued share capital of the Company in accordance with the Disclosure and Transparency Rules:

	As at 31 March 2015			As at 19 May 2015		
	No. of ordinary shares	% of voting rights	Nature of holding	No. of ordinary shares	% of voting rights	Nature of holding
CVBI Holdings (Barbados) Inc[1]	**788,549,081**	**18.18%**	Direct	**788,549,081**	**18.18%**	Direct
Columbus Holding LLC	**575,096,759**	**13.26%**	Direct	**575,096,759**	**13.26%**	Direct
Orbis Holdings Limited	**394,716,275**	**9.10%**	Indirect	**390,365,353**	**9.00%**	Indirect
Quantum Partners LP	**113,183,156**	**4.07%**	Contract for Difference	**N/A**	**below 3%**	N/A
Gamco Investors, Inc	**165,409,680**	**3.70%**	Direct	**165,409,680**	**3.70%**	Direct
Invesco Asset Management Ltd	**139,872,700**	**3.22%**	Indirect	**171,330,454**	**3.94%**	Indirect
Brendan Paddick	**136,077,710**	**3.14%**	Direct	**136,077,710**	**3.14%**	Direct

1 The combined shareholding of CVBI Holdings (Barbados) Inc and Clearwater Holdings (Barbados) Limited, both ultimately controlled by John Risley, is 846,355,136 (19.51%).

Share capital

The called-up share capital of the Company, together with details of shares allotted during the year, are shown in note 4.10 to the Company financial statements.

252,812,284 new ordinary shares were issued on 7 November 2014 pursuant to a placing exercise led by Deutsche Bank AG, London Branch, as lead manager and bookrunner, in order to help fund the acquisition of Columbus International Inc. Subsequently, on 31 March 2015, 1,557,529,605 new ordinary shares were issued to the Principal Vendors as consideration in connection with the acquisition of Columbus.

In addition, at the general meeting held on 5 December 2014, shareholders granted specific authority to the Directors to allot new ordinary shares in connection with the rollover or satisfaction of awards under Columbus' share schemes and/or other arrangements considered desirable to incentivise persons holding awards under those schemes up to an aggregate nominal amount of US$6,500,000. As at 19 May 2015 no shares had been issued under that authority.

Details of the Relationship Agreements which were entered into on 31 March 2015 between the Company and members of the Concert Party arising from the acquisition of Columbus International Inc. can be found on pages 55 and 56.

Further details on the share capital of the Company are set out in note 4.10 to the Company financial statements on page 140 and are incorporated into this report by reference.

Existing authority to purchase own shares and treasury shares

At the 2014 AGM, the Company was authorised by shareholders to purchase up to 252 million of its own ordinary shares, representing approximately 10% of its issued share capital (excluding shares held in treasury) as at 9 June 2014. The Company did not exercise such authority during the year and the total number of shares held in treasury as at 31 March 2015 is 137,488,873.

At the general meeting held on 5 December 2014, shareholders granted specific authority to the Directors to purchase up to 1,557,529,605 CWC shares (being the consideration shares issued by the Company in connection with the acquisition of Columbus) under the Put Option Deeds. This authority expires on 5 December 2019.

The Board does not intend to seek shareholder approval at the forthcoming AGM on 21 July 2015 to make additional market purchases of its issued share capital.

Exercise of rights of shares in employee share schemes

The Trustees of The Cable & Wireless Communications Share Ownership Trust (the Trust) exercise the voting rights on shares held in the employee trust in accordance with their fiduciary duties as Trustees, which include the duty to act in the best interests of the beneficiaries of the Trust.

Rights and obligations attaching to the ordinary shares

The following section summarises the rights and obligations in the Company's Articles relating to the ordinary shares of the Company. The full Articles can be found on the Company's website www.cwc.com.

Amendment of Articles: The Articles may be amended by a special resolution of the shareholders passed at a general meeting of the Company.

Voting: Each share (other than those held in treasury) allows the holder to have one vote at general meetings of the Company on votes taken on a poll. Proxy appointment and voting instructions must be received by the registrars at least 48 hours before the time appointed for the holding of a general meeting or 24 hours before a poll if not taken on the same day as the meeting (in each case subject to the Directors' discretion to specify that the time periods exclude any part of a day that is not a working day).

Dividends: The Company's shareholders can declare dividends by passing an ordinary resolution, but the payment cannot exceed the amount recommended by the Directors. The Directors may also pay interim dividends without shareholder approval if they consider that the financial position of the Company justifies it. The Directors may operate dividend reinvestment plans or, subject to shareholder approval, operate scrip schemes or pay dividends by distributing assets. No dividend carries a right to interest from the Company. If dividends remain unclaimed for 12 years they are forfeited by the shareholder and revert to the Company.

Partly paid shares: The Company has a lien on all partly paid shares (and dividends), which has priority over claims of others to such shares covering any money owed to the Company for the shares. The Directors may sell all or any of such shares where: (i) the money owed by the shareholder is payable immediately; (ii) the Directors have given notice demanding payment, stating the amount due and that the shares will be sold on non-payment; and (iii) the money has not been paid within 14 clear days of the service of the notice.

The Directors may make calls on shareholders to pay any money which has not yet been paid to the Company for their shares. If a call is unpaid, the shareholder will be liable to pay interest and all expenses incurred by the Company as a result of non-payment if the call remains unpaid for 14 clear days after the date of a notice. In addition, failure to comply with any such notice may result in forfeiture of any share which is the subject of the notice, including any unpaid dividends.

The Directors may decline to register the transfer of any shares that are not fully paid, provided that such refusal does not prevent dealings from taking place on an open and proper basis.

Sanctions: Unless the Directors decide otherwise, a shareholder shall not be entitled to vote at any general meeting of the Company or at any separate general meeting of the holders of any class of shares in the Company or exercise any other right conferred by membership in relation to general meetings if the shareholder has not paid all amounts relating to those shares which are due at the time of the meeting, or if the shareholder is given a notice following a failure by that shareholder or someone who appears to be interested in the shares to comply with a notice under section 793 of the 2006 Act. Further, if a shareholder holding 0.25% or more of the issued shares of a class (excluding treasury shares) or interested person is in default of a section 793 notice, the Directors may also state in the notice that: (i) the payment of any dividend shall be withheld; (ii) the shareholder shall not be entitled to elect to receive shares in place of dividends withheld; and (iii) the transfer of the shares held by such shareholder shall be restricted.

Certificated shares: The Company can sell any certificated shares at the best price reasonably obtainable at the time of the sale if: (i) in a period of 12 years at least three dividends have become payable and no dividends have been claimed; (ii) the Company has published a notice after the 12-year period stating that it intends to sell the shares; and (iii) during the 12-year period and for three months after the notice, the Company has not heard from the shareholder or any person entitled to sell the shares.

The Directors may decline registration of certificated shares if: (i) a share transfer form is used to transfer more than one class of shares; (ii) transfers are in favour of more than four joint holders; or (iii) the share transfer form is not delivered to the office, or such other place decided on by the Directors, accompanied by the share certificate relating to the shares being transferred (unless the transfer is by a person to whom the Company was not required to, and did not, send a certificate) and any other evidence reasonably asked for by the Directors to show entitlement to transfer the shares.

Uncertificated shares: The Directors may decline registration of uncertificated shares if the transfer is in favour of more than four joint holders or otherwise in accordance with the Uncertificated Securities Regulations 2001.

Interests in shares: Except where express rights are given, the Company will only recognise a current and absolute right to whole shares. The fact that any share, or any part of a share, may not be owned outright by the registered owner is not of any concern to the Company.

US Holders: The Directors may require a shareholder or other person appearing to be interested in shares, to disclose information relating to the ownership of such shares or to show that such shares are not held by a US Holder (defined in the Articles as being: (i) persons resident in the US who hold shares in the Company and (ii) persons who appear to the Directors to fall within sub-paragraph (i) of the definition of a US Holder). The Directors may require a US Holder to sell their shares to someone who is not a US Holder, failing which, the Company may effect a sale of such shares on the US Holder's behalf.

Disputes: Any disputes between a shareholder and the Company and/or the Directors arising out of or in connection with the Articles shall be exclusively and finally resolved under the Rules of Arbitration of the International Chamber of Commerce, as amended from time to time, in accordance with the Articles.

Change of control

The Group has a number of contracts that are subject to change of control clauses. These primarily relate to financing facilities, bonds, licences and operating agreements.

Under the Group's US$570 million revolving credit facility agreement, on a change of control the lenders are not obliged to fund any further sums and, if the majority lenders require, on not less than 10 days' notice, the facility can be cancelled and all outstanding loans, together with related charges, become immediately due and payable.

Under the terms of the 2017 US$390 million secured term loan and the 2017 US$300 million unsecured term loan, any lender may require, on not less than 10 days' notice, the repayment of any outstanding loans, together with related charges, whereupon such outstanding amounts become immediately due and payable.

Under the terms of the US$400 million 8.75% 2020 senior secured notes and the US$1.25 billion 7.375% senior unsecured noted (together, the Notes), if a change of control event occurs, each holder of the Notes will have a right to require the repurchase of all or any part of their Notes at a redemption price equal to 101% of the principal amount of the Notes purchased, together with accrued (but unpaid) interest.

A number of the Group's operating licences and shareholders' agreements include change of control clauses which may be triggered by the sale of all or a controlling stake in a business, or certain types of restructuring.

In the event of a change of control, these clauses may require consideration to determine their impact on the Group. At present, risks arising from a change of control are not considered to be significant. The Group will take appropriate action to mitigate any risks arising from these events should they occur. Change of control provisions in relation to Directors' service contracts are explained in the Directors' remuneration report on page 73 and 74.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on pages 2 to 41 including the Group Financial performance review on pages 22 to 27. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the financial statements on pages 93 to 97. Further, notes 4.7, 4.10 and 4.11 to the consolidated financial statements include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit and liquidity risk.

The Directors believe that the Group's geographic spread, robust monitoring and forecasting processes leave it well placed to manage its business risks in the current economic conditions. In addition, the Group's forecasts and projections, taking into account possible changes in trading performance which could be reasonably anticipated, indicate that the Group is able to operate within the level of its current available facilities. A formal process for monitoring compliance with debt covenants is also in place. Further information on debt can be found in note 4.3 to the consolidated financial statements.

After reviewing budgets and other longer-term plans and making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

By order of the Board

Clare Underwood
Company Secretary
19 May 2015

Independent Directors' report

The last 12 months has seen a period of exceptional change for CWC, which has required very close oversight by the Board, both at formal Board and Board Committee meetings and in numerous additional discussions throughout the year.

Alongside the continued exercising of appropriate corporate governance for the business, two issues have dominated the Board agenda – the ongoing transformation of the Company's operating model, and specifically the transfer of its operational hub from London to Miami; and the acquisition of Columbus International Inc. which completed on 31 March 2015.

Consistent with plans outlined by Phil Bentley at last year's AGM, the Company's operational hub in Miami is now largely established, creating a new base for our Executive Team, and providing a range of key support services and expertise including Finance, Legal, Treasury and HR to our front line operations. With more than 170 people now in post, close to our businesses and more importantly our customers, this is already having a significant positive impact on our operational effectiveness.

As Miami and the new operating model has become more fully established, there has been a substantial scaling down in the size of the team in London, and a significant amount of change in personnel at every level, including among the Independent Directors and senior executives. To enhance our focus on operational issues, Barbara Thoralfsson joined the Board in January 2015. With her experience as CEO of Netcom ASA and as a Non-executive Director of Telenor SA, Barbara has already brought much welcomed additional industry expertise and insight to the Board discussions. The Independent Directors have been delighted with the appointment of Perley McBride as CFO to replace Tim Pennington, who left the Group in June 2014. More recently, Nick Cooper, Corporate Services Director since the creation of CWC, stood down from the Board on 31 March 2015. Nick has offered essential continuity at Executive Director level since the departures of Tony Rice and Tim Pennington and the Independent Directors would like to record explicitly their appreciation for the role he has played.

The shift in the geographic centre of gravity of the Group and the changes in personnel, while executed for the long-term benefit of the business, have naturally given rise to a raised operational risk profile during the transition period. The management of these risks has been a key area of focus for both the Independent Directors and executive management in terms of establishing essential relationships and overseeing the detailed execution of the new operating model.

Turning to the acquisition of Columbus, this has brought yet more challenge to an already busy agenda, but represents a potentially transformational event for CWC. Detailed work on the transaction began in the summer of 2014 and has continued intensively since that time, requiring each of the Independent Directors to address the specific operational, capital markets and regulatory risks attaching to the transaction. Specifically, Mark Hamlin has performed a vital role during the process by spending a substantial amount of time meeting with senior executives from Columbus who were earmarked for the senior team and providing insights to the Board as a whole as to their capabilities and suitability to lead elements of the combined business post acquisition. Mark has also agreed to serve as a member of a newly formed Integration Committee which has been set up to oversee the integration of the two businesses and the synergy capture associated with it. Our people will be the key determinant of the success of the merger and Mark's support during the integration process is of great comfort to the Board and vital for the success of the project as a whole.

On completion of the transaction, John Risley, Brendan Paddick and Thad York joined the Board on 31 March 2015. The introduction of John, Brendan and Thad brings welcome additional expertise and insights into each of the Columbus businesses, the region in which we operate and the industry generally. As with the previously referenced personnel changes, it will bring further change to the dynamics of the Board which, as it focuses on the newly enlarged business, will require the Board to demonstrate continued flexibility and adaptability to support the new Cable & Wireless Executive Team effectively.

Turning now to the four questions posed annually as part of the Company's approach to measuring effective corporate governance.

1. What is the quality of the relationship between the Chairman and the Executive Directors?
With the appointment of both a new CEO and CFO over the past 18 months, the establishment of new relationships between Executive and Non-executive Board members has been a key feature of 2014/15. Combined with the relocation of the Group Executive hub to Miami, whilst the Chairman and the majority of Non-executives were predominantly based in the UK, this has created challenges in establishing close working practices. To address these, the Board is holding more meetings in the region than previously, extending those visits to incorporate meetings with the wider local management teams, and the Chairman and CEO have revisited some of their processes to help embed a healthy and productive relationship. Nick Cooper's presence throughout the year has helped the Chairman to maintain the Company's existing corporate routines and compliance structures, despite the significant changes in personnel.

2. How open are the Executive Directors with the Board?
The nature of the operating model and transaction agenda has necessitated close contact between the Executive Directors and the Board on a collective and an individual basis throughout the year. The Independent Directors have particularly appreciated the CFO's communication style around the refinancing of the enlarged business following the acquisition of Columbus and the manner in which the CEO dealt with regulatory and stakeholder considerations in our markets.

3. What is the visibility of the checks and balances between the Executive Directors?
Maintaining the right checks and balances through a period of such significant senior management and operational change has provided challenges. The previous CEO/CFO team had worked together for a number of years, and their check and balance routines were well established. Our new CEO and CFO bring different cultural and industry experience, and the refining of checks and balances through the year has required changes in approach by the Chairman, Executives and the Independent Directors, who in turn have relied on Nick Cooper to provide continuity through that process.

4. Have questions asked by the Independent Directors in Board and Committee meetings been appropriately addressed?
The Independent Directors are satisfied that questions have been answered in a considered and effective manner throughout the year ended 31 March 2015 and are satisfied that the corporate governance controls of Cable & Wireless Communications Plc are effective.

Simon Ball
Senior Independent Director
19 May 2015

"The Audit Committee remained focused on the integrity of the Group's financial reporting, the effectiveness of the internal control and risk management systems, as well as reviewing and assessing the banking and financial arrangements arising from the acquisition of Columbus International Inc."

Ian Tyler
Audit Committee Chairman

I am pleased to present the Audit Committee report for the year ended 31 March 2015. The key elements of focus of the Audit Committee (the 'Committee') include financial reporting, internal control policies and procedures for the identification, assessment and reporting of risk and that these remain effective. The Committee devotes significant time to each of these elements. The Committee's agenda for the year ended 31 March 2015 has included the usual review of our financial results and controls, our business operations and the management of risk.

One of the core requirements of the UK Corporate Governance Code 2012 (the Code) is for the Annual Report and Accounts to provide a fair, balanced and understandable assessment of the Group's position and prospects. In line with the responsibility of the Committee pursuant to the Code, the Committee has also assisted the Board in confirming that this requirement has been met and that the Annual Report and Accounts provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

During the year, Perley McBride was appointed as the new Chief Financial Officer. The Committee is pleased to report that there was a smooth transition between the departure of Tim Pennington, and the appointment of Perley.

Audit Committee membership

The Committee is comprised solely of independent Non-executive Directors.

Members	Audit Committee meetings attended	
Ian Tyler (Chairman)	●●●●	4/4
Simon Ball	●●●●	4/4
Mark Hamlin	●●●●	4/4
Alison Platt	●●●●	4/4
Barbara Thoralfsson[1]	○	0/1

1 Barbara Thoralfsson joined the Board on 7 January 2015. Barbara was unable to attend the scheduled March 2015 Audit Committee meeting due to a prior engagement which she had before joining the Company.

The Board has satisfied itself that at least one member of the Committee has recent and relevant financial experience, along with a broad commercial knowledge and is confident that the collective experience of the members enables them to act as an effective Audit Committee. The Committee is also satisfied that it has the expertise and resource to fulfil its responsibilities effectively including those relating to risk and control.

Meetings

The Committee held 4 scheduled meetings during the year ended 31 March 2015, which were held at key times within our reporting and audit calendar.

The Chief Executive, Chief Financial Officer, Group Financial Controller, Head of Internal Audit and representatives from KPMG LLP (KPMG), the Company's external auditor, are invited to attend all Committee meetings. In May and November when the full year and half year results are considered, the Chairman is also invited to attend.

The agenda for meetings is prepared by the Committee Chairman in conjunction with the Chief Financial Officer, Group Financial Controller and the external auditor. Each scheduled meeting includes a private session, attended only by Committee members, the external auditor and Head of Internal Audit, to provide an opportunity for open dialogue and feedback from the Committee and auditors without management present. At each meeting the Committee then receives reports from the Chief Financial Officer, the external auditor and the Head of Internal Audit, together with biannual litigation reports. The meetings of the Committee investigate the key accounting, audit and risk issues that are relevant to the Group. The mixture and experience of its members assists in providing a challenging environment in which these issues are debated. The table below details the key matters on the agenda throughout the year. In addition to these matters, the Committee has also reviewed and considered aspects of the acquisition of Columbus, especially in respect of the financing and debt arrangements.

	Financial Reporting	Internal control and compliance	External Auditors	Governance and other matters
May	• Full year results • Annual Report • Preliminary Results Announcement	• Litigation Report • Going concern review • Internal Control Framework Review	• External Auditor independence • Full year external audit report	• Compliance with UK Corporate Governance Code • Review of professional fees • Disclosure Committee Review
September			• External Auditor Plan • External Auditor Evaluation • Audit Tendering	• Accounting Policy Review
November	• Interim Results Announcement	• Litigation Report • Going concern review • Internal Audit and Risk Update	• Half Year External Audit Report	• Acquisition update and financing • Treasury Review • Tax Risk Review
March		• Insurance Update • Risk Management Framework Review • Internal Audit Evaluation • Internal Audit Plan	• Audit strategy (including impact of the acquisition of Columbus)	• Acquisition update, including financing arrangements and impact on year end • Terms of Reference Review • Non-Audit Fees Policy Review

Role of the Committee

The Board has delegated to the Committee responsibility for overseeing the financial reporting, internal risk management and control functions and for making recommendations to the Board in relation to the appointment of the Company's external auditor. The Committee meetings take place prior to Board meetings and the Committee Chairman reports to the Board, as a separate agenda item, on the activities of the Committee and matters of particular relevance for approval by the Board.

The Terms of Reference set out the authority of the Committee to carry out its duties.

The principal duties of the Committee include:

- To monitor the integrity of the financial statements and announcements relating to financial performance, and review significant judgements contained in them
- To review and monitor the effectiveness of internal controls, internal audit and risk management systems
- To review and approve the internal audit programme, ensuring adequate resources and co-ordination with external auditor
- To monitor the financial reporting process and the effectiveness of the statutory audit of the Annual Report and Accounts
- To review and monitor independence and performance of the external auditor, recommend its appointment, reappointment and removal to the Board as appropriate and develop policy in relation to the provision of non-audit services
- To monitor resources of the financing team to help ensure they are adequate

The Committee undertook a review of its objectives and terms of reference during the period and the full terms of reference are available at www.cwc.com.

Main activities of the Committee during the year

Financial reporting

The Committee reviewed the half year and full year financial statements with management and the external auditor with particular focus on:

- The appropriateness of the Group's accounting policies and practices
- Compliance with financial reporting standards and relevant financial and governance reporting requirements
- Material areas in which significant judgements have been applied or there has been discussion with the external auditor
- The nature and disclosure of exceptional items
- Whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy
- Any correspondence from regulators in relation to our financial reporting

The significant issues considered by the Committee in relation to the financial statements for the year ended 31 March 2015 are set out in the following table, together with an explanation as to how the Committee addressed each issue:

Significant issues	How the Committee addressed these issues

Acquisition Accounting (see accounting policy 5.1.3, critical accounting estimates and judgements 5.2.7 and note 3.11)

On 31 March 2015, the Group completed the acquisition of Columbus for an initial consideration of US$2,121 million (including the fair value of the put options – see Note 3.11). There were also a number of smaller acquisitions completed during the year.

Judgement is required in assessing the consideration transferred including the methodology used for valuing the shares and put options as part of the acquisition. There was also significant judgement in valuing the identifiable Property, Plant and Equipment (PPE) and intangible assets and acquired assets.

Given the close proximity to year end of the acquisition of Columbus, the acquisition accounting is preliminary and will be updated during the 12 month period of FY 2015/16 to allow finalisation of the acquisition accounting valuation and analysis exercise.

Management worked with external valuation consultants to assist with the methodology for the consideration transferred in relation to shares and put options.

The methodology and judgements were discussed with the Committee in relation to the valuation of the share consideration transferred and the put options that were fair valued as part of the acquisition.

In relation to the preliminary fair value adjustments identified by the external valuation consultants for intangible assets and PPE, key assumptions included discount rates, growth projections and plans for the acquisition were debated with the Committee.

Following consideration and after receiving satisfactory responses to the questions raised by Committee members, the Committee agreed with management's initial acquisition accounting.

Impairment of goodwill, PPE, intangibles and assets held for sale (see accounting policy 5.1.5, critical accounting estimates and judgements 5.2.1 and note 3.4)

The Group has recognised a number of impairment charges in respect of Property, Plant and Equipment (PPE), primarily in the Caribbean region, in current and previous years. Assessment of the carrying value, which necessitates making projections of future cash flows, is subjective and requires significant judgement.

The impairment recognised in the current year relates to technology advancements in the Caribbean from upgrades undertaken as part of Project Marlin and from the acquisition of Columbus where certain infrastructure and networks in the overlapping markets are redundant.

The Committee considered the carrying value of all the Group's non-current assets. Whilst it was clear that there was significant headroom in the valuations of goodwill, attention was focused on Caribbean PPE and the carrying value of the Group's equity investment in Telecommunications Services of Trinidad and Tobago (TSTT).

Management discussed with the Committee the impact of the acquisition of Columbus on the overlapping markets within the Caribbean. Key assumptions for this analysis include discount rates and plans for the businesses. The Committee was presented with analysis of valuations performed by management on the impairment and discussed the findings with management.

In relation to TSTT, there was a reclassification for investment in associate to equity investment during the year due to the conditions attaching to the regulatory approval obtained from the Telecommunications Authority of Trinidad and Tobago for the acquisition of Columbus which requires the Group to divest of its interest in TSTT. The Committee was presented with an analysis of valuations performed by management in respect of the Group's investment in TSTT. Key assumptions, including discount rates, the impending divesture process, EBITDA multiples and recent market transactions were debated. The report of the external auditor also provided analysis including the sensitivity of headroom calculations to changes in key assumptions.

Following consideration and after receiving satisfactory responses to the questions raised by Committee members, the Committee agreed with management's proposal that an impairment charge was necessary for Caribbean PPE but no impairment charge was necessary in relation to TSTT.

Significant issues	How the Committee addressed these issues

Valuation of trade receivables and accrued income (see accounting policy 5.1.4, critical accounting estimates and judgements 5.2.2 and 5.2.3 and note 3.1)

At US$330 million, trade receivables represent a significant asset. Accrued income, at US$84 million, represents contractual revenue recognised in advance of billing. Assessing the recoverability of these amounts requires a high degree of judgement and analysis.

At each meeting, the Committee receives detailed reports from management analysing the ageing trends across different categories of receivables and accrued income in the business. The Committee considered the coverage provided by the provisions proposed by management and the residual balances outstanding at 31 March 2015. Included in the trade receivables balance was the addition of Columbus receivables. Having examined the information provided, the Committee discussed with management the recoverability of any unprovided balances, particularly those owed by governments.

As a key focus of the external audit, KPMG also provided the Committee with their analysis and conclusions on recoverability. Having considered all the information presented, the Committee satisfied themselves as to the recoverability of trade receivables and accrued income recognised in the accounts.

Revenue recognition (see accounting policy 5.1.14, critical accounting estimates and judgements 5.2.3 and note 2.1)

Judgement is required in assessing the application of revenue recognition principles. This includes the allocation of revenue between multiple deliverables, such as the sale of a handset or set top box together with an ongoing service contract in a bundled package or management services contracts that have complex contractual arrangements.

The Group has well developed internal accounting revenue recognition guidance governing the services and products sold in our operating units. These policies comply with IFRS and are updated annually, reviewed by the external auditor and approved by the Committee. All operating units are required to comply with these policies and provide periodic sign off on compliance.

The Committee received reports from both management and the external auditor which discuss the accounting treatment applied to revenue contracts.

Following these reviews the Committee was satisfied that the Group's criteria for revenue recognition had been met.

Disclosure Committee

To assist the Committee with the above, responsibility for identifying and considering disclosure matters in connection with the preparation of all market releases containing material financial and other price sensitive information has been delegated to a Disclosure Committee. This committee comprises members of senior management from finance, legal, company secretarial, investor relations and communications.

During the preparation of the Annual Report and Accounts, the Disclosure Committee obtains certifications from contributors prior to the document's review by the Committee and approval by the Board.

The Board receives an update from the Disclosure Committee in advance of each meeting as part of the Company Secretary's Report. The Committee reviews the workings of the Disclosure Committee on an annual basis. Meetings of the Disclosure Committee were scheduled during the year to consider and review the preparation of the Annual Report and Accounts to enable the Committee to assist the Board in making their statement confirming that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable. Additional meetings were scheduled to consider and review the market announcements which were necessary as a result of the acquisition of Columbus.

Internal control

A review of the Company's system of internal controls and how they are implemented by the regional business units was undertaken. The Committee was focused on the need to promote improvement of internal controls and devoted time in each meeting to do this. In order to discuss progress and action plans in place to improve the effectiveness and efficiency of the internal control environment, particularly in parts of our Caribbean business, the Committee found it useful to have representatives of Group Executive management, internal and external auditors, and representative of local management teams attend periodically.

The acquisition of Columbus was completed on the final day of the financial year. As such, the scope of the Committee's evaluation of the system of internal controls of the Group excluded consideration of the system of internal controls at Columbus International Inc.

Risk management

A review of the risk management framework process and its implementation was undertaken. The Committee received reports on the Group's risk management process, changes to significant risks at an operational and Group level and how these are managed.

In addition, the Committee reviewed the status of Group litigation at the half year and full year and also undertook a review of tax strategy and risk, tax and treasury policies and Group insurance cover.

Internal audit

Internal Audit is led by the Head of Internal Audit, supported by a team of in-house auditors based in the US and Jamaica, and supplemented by a third party to provide specific skills as required. During the year, the Committee approved the internal audit plan. The scope, extent and effectiveness of the plan was then monitored and reviewed throughout the course of the year.

At each meeting, the Committee received an update on internal audit activities, progress against the internal audit plan, the results of any unsatisfactory audits and the action plans to address these areas. The Committee also reviewed the effectiveness of the in-house audit team, the co-source arrangements taking into consideration the transformational activity during the year and the change in Head of Internal Audit. Periodically the Committee Chairman meets separately with the Head of Internal Audit, which provides further opportunity to explore internal audit findings.

Whistle-blowing

The Company provides an Ethics Helpline which is administered by an independent third party and is available to all Group employees via a web-portal or by telephone. This provides a mechanism for employees to raise concerns where they either do not feel comfortable raising the matter with local management or they are not satisfied with the local management response. A report on the use of the whistle-blowing hotline is provided at each Committee meeting.

External audit

Audit effectiveness

The Committee places great importance on the quality and effectiveness of the external audit. Whilst important for any company, the Committee believes this is of particular concern given the Group's geographic spread. The Committee receives a detailed audit plan at the start of each audit cycle which includes the external auditor's assessment of key audit risks. These risks are tracked throughout the year and used to test management assumptions in these areas.

Audit quality is assessed throughout the year by reference to the quality of the reports received by the Committee, the calibre of senior members of the audit team and the level of challenge provided to management. Specific importance was placed on the evolution of KPMG's planned audit approach to incorporate the impact of the acquisition of Columbus including acquisition accounting and financing. In addition, the annual assessment of the performance of the external auditor was undertaken at the September Committee meeting. This comprised:

- A survey of Committee members and key colleagues, both financial and non-financial, involved in the audit
- Analysis of KPMG's capabilities and independence
- Review of the results of independent quality reports on KPMG and other audit firms
- Discussions with KPMG, senior management and Internal Audit

To assess the effectiveness of the external auditor, the Committee reviewed:

- A report outlining KPMG's response to the annual assessment and the specific measures planned to ensure a continual improvement in the external audit
- The arrangements for ensuring the external auditor's independence and objectivity
- The external auditor's fulfilment of the agreed audit plan and any variations from the plan
- The robustness and perceptiveness of the external auditor in their handling of the key accounting and audit judgements
- The content of the external auditor's reporting on internal control

This process allows the Committee to monitor and assess the performance of the external auditor and informed the Committee's recommendation to the Board for the reappointment of KPMG.

Auditor independence

KPMG was appointed as auditor of the Company during the financial year 2009/10 and also acted as auditor of Cable and Wireless plc from 1991. There are no contractual obligations restricting the Company's choice of external auditor.

The Committee has established policies to maintain the independence of the external auditor and its personnel and to govern the provision of audit and non-audit services provided by the external auditor and its associates. Permitted and prohibited services are clearly identified along with the processes to be followed for the approval of all audit and non-audit services. All engagements with an expected fee in excess of US$250,000 require the prior approval of the Committee Chairman and to be reported to the Committee.

For the year ended 31 March 2015, the Committee approved fees for audit services of US$3.5 million, together with fees for audit-related regulatory reporting of US$0.4 million and non-audit work of US$1.0 million. The nature of the services provided is set out in note 2.3.2 to the consolidated financial statements. There is no limitation of liability in the terms of appointment of KPMG as auditor to the Company.

In line with ethical standards published by the Auditing Practices Board, the external auditor is required to rotate the audit engagement partner responsible for the Group audit after a maximum period of five years. Accordingly, Peter Meehan rotated off the engagement following the conclusion of the 2013/14 audit and after discussions with the Chairman and other members of the Committee, John Edwards succeeded Peter Meehan as the audit engagement partner responsible for the 2014/15 audit.

Audit tendering

During the year, the Committee considered the Group's position on its audit services contract with KPMG taking into account the Code, the

EU Audit Regulations 2014 and the Statutory Audit Service Order 2014 issued by the UK Competition and Markets Authority, and the Guidance for Audit Committees issued by the Financial Reporting Council, in the context of tendering the external audit contract at least every ten years.

KPMG has been the auditor of the Group since the demerger from Cable & Wireless Worldwide Plc in 2010 and also prior to this. The Group has not undertaken an audit tender in the last ten years. During the year the Committee considered the appropriateness of a tender process, and in doing so, consideration was given to:

(i) The significant transformation currently ongoing across the Group from the refocus on a single geography in the Caribbean and Latin America, and the establishment of the new operational hub in Miami, and to come as a result of the acquisition of Columbus International Inc.

(ii) The performance of KPMG and the findings from the annual auditor effectiveness assessment; and

(iii) An audit partner rotation which took place in May 2014

The Committee concluded that a tender during the year ended 31 March 2015 was not in the Group's interest in particular due to the fundamental changes to the business. The Board has therefore accepted the Committee's recommendation that KPMG should be retained for the financial years ended 31 March 2015 through 31 March 2017 to help provide stability with the evolution of the Group. The Committee will continue to reconsider its position annually in light of the guidance and regulations pursuant to which the Company would be required to rotate its auditor before the AGM in 2021.

This report should be read in conjunction with the Directors' and corporate governance report on pages 48 to 58.

Ian Tyler
Chairman, Audit Committee
19 May 2015

"The Nomination Committee is proud that the Company has been able to attract people of the calibre and skill of Perley McBride as Chief Financial Officer and Barbara Thoralfsson as a Non-executive Director to join the Board. We have great confidence in their vast experience to help guide the Group through a time of significant change"

Sir Richard Lapthorne, CBE
Nomination Committee Chairman

Role of the Committee

- Review the composition of, and succession to, the Board
- Undertake formal and rigorous review of Board member candidates, particularly taking into consideration the experience, skills and knowledge of the individuals
- Recommend to the Board the appointment of Executive and Non-executive Directors
- Ongoing assessment of the overall balance and performance of the Board
- To ensure that the balance of the Board and its committees is consistent with good corporate governance and complies with the minimum requirements of the UK Corporate Governance Code

The Terms of Reference set out the principal duties of the Committee in full, including its authority to carry out these duties. These can be found at www.cwc.com

Meetings

The Nomination Committee met on three occasions during the period 1 April 2014 to 31 March 2015. The attendance of each Committee member is noted in the diagram below:

Members	Nomination Committee meetings attended	
Members		
Sir Richard Lapthorne, CBE	●●●	3/3
Simon Ball	●●●	3/3
Mark Hamlin	●●●	3/3
Brendan Paddick[1]		0/0
Alison Platt	●●●	3/3
John Risley[1]		0/0
Barbara Thoralfsson[2]	○	0/1
Ian Tyler	●●●	3/3
Thad York[1]		0/0

1 Brendan Paddick, John Risley and Thad York were appointed to the Board with effect from 31 March 2015, and therefore, did not attend any scheduled meetings during the year.

2 Barbara Thoralfsson was appointed to the Board with effect from 7 January 2015, and was unable to attend a scheduled meeting as a result of a prior engagement that was in place before joining the Company.

Main activities during the year

Appointment of the Chief Financial Officer – following the appointment of our new Chief Executive Officer, Phil Bentley, the Committee began to consider the experience and skills needed of a Chief Financial Officer to complement our new strategic direction. Russell Reynolds Associates, an external recruitment agency that has no other connection with the Company, undertook a global executive search, having been briefed in full by the Committee regarding the qualities they were expecting of the short-listed candidates. The agency identified two preferred candidates; and after conducting a thorough review of both, the Committee recommended Perley McBride to the Board. The Committee was in full support of Perley's appointment due to his strong attributes and extensive knowledge of the sector and financial experience. Perley then met with the Directors and was subsequently appointed to the Board with effect from 26 June 2014.

Appointment of a Non-executive Director – the Committee considered the need to strengthen the Board further by the appointment of an additional Non-executive Director, particularly during a time of change. Barbara Thoralfsson was recommended to the Board by Alison Platt, who had been impressed by Barbara's sector experience and cultural background. Following separate meetings with the Chairman, Alison Platt, Ian Tyler and Nick Cooper, the Committee recommended the appointment of Barbara, as it was felt she would be a positive addition to the Board due to her knowledge and experience of the telecoms sector. Barbara was subsequently appointed to the Board and the Audit, Nomination and Remuneration Committees on 7 January 2015.

As a result of the acquisition of Columbus, Brendan Paddick, John Risley and Thad York were appointed as Non-executive Directors on 31 March 2015 after approval by the Board.

In addition to the work by the Committee on appointment of Directors, and ahead of the acquisition of Columbus International Inc., Mark Hamlin undertook extensive research on behalf of the Board, mostly with regard to the Columbus executives, to ensure that on completion of the acquisition of Columbus, the incoming Cable & Wireless Executive Team had the necessary skills and ability to perform their new roles within the Company effectively.

Board diversity

The Board continues to be supportive of Lord Davies' recommendations on board diversity. The Board understands the importance of diversity, including gender, and recognises the importance of women having greater representation in senior roles, as evidenced by the appointment of Barbara Thoralfsson; and the various appointments of women to senior executive roles throughout the Company as a whole. The Board remains resolute in its policy that the search for Board candidates will continue to be conducted, and appointments made, with due regard to the benefits of diversity on the Board. Where appropriate, specialist search consultants will be engaged to assist in the search for suitable candidates. However, all appointments to the Board are ultimately based on merit, measured against objective criteria and the skills and experience the individual can bring to the Board taking into account a number of factors including the existing size of the Board, the balance of Executive and Non-executive Directors, as well as the existing skills, knowledge, experience and diversity already represented, and the likely future requirements. As such, the Board does not consider that it is necessary to set any formal measurable objectives in relation to diversity at this juncture.

The composition of the Board, including the balance of skills, independence, knowledge and diversity of the Board, will be reviewed annually as part of the Board evaluation process.

Sir Richard Lapthorne, CBE
Chairman, Nomination Committee
19 May 2015

"We have operated pay arrangements fully in line with the policy approved by shareholders, and our remuneration strategy over the medium and long term remains fully aligned with the Company's strategic objectives."

Simon Ball
Remuneration Committee Chairman

Annual Statement by the Chairman of the Remuneration Committee
The Remuneration Committee (the 'Committee') has been busy this year on many fronts reflecting the significant level of change in the organisation. In the following questions and answers format, we highlight some of the topics considered by the Committee during the 2014/15 financial year and the focus of activity for the year ahead. By way of summary, we confirm that we have operated pay arrangements for the three executive directors fully in line with the policy approved by shareholders at the July 2014 AGM.

What are the key issues that we have dealt with this year?
2014/15 has been a year of significant corporate and management change. We completed the acquisition of Columbus International Inc. in March 2015, in the run up to which we formulated potential retention arrangements for key Columbus executives joining the Group post acquisition. We also considered and reviewed our overall reward framework to ensure that it remains fit for purpose for the enlarged Group. A series of Corporate acquisitions and disposals, including the disposal of our Monaco operation and the acquisition of Sonitel in Panama, required the Committee to revisit the validity of the Annual Incentive Plan (AIS) targets for 2014/15, and a similar process of review and adjustment took place with regard to the EPS targets for the January 2013 LTIPs given the disposal of our operations in Macau and Monaco & Islands during the performance period.

On an operational front, we reviewed and approved the remuneration package for Perley McBride prior to his appointment as CFO on 26 June 2014, conducted a risk review of our remuneration arrangements and reviewed and approved the pay arrangements for the wider senior executive team.

How is remuneration aligned with delivering Group strategy?
A primary objective of the Committee is to operate a remuneration framework which successfully promotes the long-term success of the Company. The Group strategy put in place last year focuses on four strategic objectives of growing top line revenue, maintaining cost efficiency, increasing returns on capital and delivering unparalleled customer service. Our remuneration strategy over the medium and long term remains fully aligned with these strategic objectives. The acquisition of Columbus has accelerated, but not fundamentally changed, our strategy and the initial view of the Committee is that our reward strategy remains appropriate. We will, of course, keep this under review in the coming months.

What is the remuneration package for our new CFO?
On joining the company Perley McBride's package was set at a base salary of US$600,000 per annum, a pension allowance of 25% of salary, annual bonus opportunity of 150% of base salary, annual LTIP award of 200% of salary, an accommodation allowance of US$78,000 per annum for a maximum of two years and benefits broadly in line with other US based employees.

What bonus/LTIP awards have been earned for financial year 2014/15?

2014/15 saw the Group deliver revenue growth of 4% year on year (2% on a like-for-like basis). EBITDA grew more strongly by 7% against the prior year. This has resulted in bonuses accruing below target for revenue achieved and above target for EBITDA achieved. When combined with performance against personal and Net Promoter Score (NPS) targets, this has resulted in bonus payments for the Executive Directors of between 104.5% and 110% of salary, set against the maximum bonus opportunity of 150% of salary. Full details of 2014/15 performance against annual bonus targets are set out on pages 80 to 81.

Having seen zero LTIP vesting in each of the last three years, exceptionally, this year, two LTIP awards granted for financial years 2011/12 and 2012/13 have vested. The performance condition for the awards made on 2 June 2011 (the award for financial year 2011/12) was based on absolute TSR performance to the end of May 2014. The performance conditions for the awards made on 14 January 2013 were relative TSR and EPS measured to the end of March 2015.

The LTIP awards granted on 2 June 2011 achieved the maximum performance target of 14% per annum TSR and therefore 100% of the shares subject to that award vested.

The LTIP awards granted on 14 January 2013 with performance measured over the three years to 31 March 2015 achieved a TSR performance greater than the highest ranked company in the comparator group and an adjusted EPS CAGR of greater than 10%, and consequently 100% of the shares attributed to the award will vest.

Further details on LTIPs are provided on page 82.

What are we changing for the year ahead?

We are making no changes to the salaries, bonus opportunities or level of LTIP award for the Executive Directors.

The Committee's Terms of Reference have been reviewed to ensure that they remain appropriate for the new organisation post the acquisition of Columbus, and we have incorporated robust withholding and recovery provisions into our LTIP and AIS plans to ensure consistency with the best practice expectations of investors. The acquisition of Columbus will necessitate adjustments to some of the existing LTIP targets to ensure that they reflect the enlarged business and so that the same degree of stretch is maintained.

How have we engaged with shareholders?

The Committee actively seeks to engage with shareholders and values highly the contribution their views can make in the process of formulating remuneration policy decisions. During the year, the Committee engaged with the Company's major shareholders on a number of remuneration issues, including the remuneration packages for Phil Bentley and Perley McBride, and the operation of our incentive arrangements in the context of the move to Miami. The shareholders who replied were supportive of our approach and we also incorporated some of the suggestions received. The Directors' remuneration report clearly demonstrates that we are committed to fostering an environment where remuneration is strongly linked to performance and where our Executive Directors' remuneration arrangements are directly aligned with our shareholders.

As always, we continue as a Committee to welcome any feedback you may have.

What is in the rest of this report?

The report is split into two sections:

- Key parts of our Directors' Remuneration Policy, which was approved by shareholders at the 2014 AGM, and which summarises the framework for remuneration and each of its elements, have been included again in this report for information only. As there are no changes proposed to the policy, it will continue in force as previously approved and not be subject to a vote at this year's AGM, but will be put to shareholders again for approval no later than the AGM to be held in 2017.
- An annual report on remuneration, which provides details on the following:
  - Implementation of remuneration policy for financial year 2015/16
  - The remuneration earned in respect of performance during the financial year 2014/15, along with details of any share awards made during the year

The annual report on remuneration along with the annual statement will be put to shareholders for an advisory vote at the AGM on 21 July 2015.

Simon Ball
Remuneration Committee Chairman

Policy

This part of the Directors' remuneration report sets out an abridged version of the Remuneration Policy (the 'Policy') which was approved by shareholders at the AGM on 25 July 2014. The Policy took formal effect from the date of approval and is intended to apply for the three years beginning on the date of approval.

Where references were made in the Policy last year to specific levels of pay in 2014/15 (e.g. the reward scenarios charts which incorporated salary levels effective 1 April 2014), these have been updated so that the report can be read in the context of the 2015/16 financial year.

A full version of the Policy can be found in the 2013/14 Annual Report and Accounts (pages 58 to 67) on the Company's website www.cwc.com.

The overall aim is to establish remuneration structures which encourage, reinforce and reward the delivery of outstanding business performance measured against a basket of operational KPIs. This is underpinned by the following guiding principles:

- The risk and reward structure must maintain an overall alignment with the interests of shareholders
- Executive Directors are encouraged to maintain a very significant personal investment in the shares of the Company
- There is a strong focus on performance-related pay
- Targets should be appropriately stretching and adequately reward the Directors if they meet or exceed the targets set under the variable components of their remuneration packages

Summary Remuneration Policy table for Executive Directors that took effect from the AGM on 25 July 2014

Element	Purpose and link to strategy	Operation
Base salary	• Recruit and retain high-calibre individuals to execute the Group's business strategy • Reflect the value of the individual and role • Reflect experience and expertise • Provide an appropriate level of fixed basic income	• Reviewed annually, effective 1 April • Set initially at a level required to recruit suitable Executive Directors reflecting their experience and expertise or to reflect up to, but not above, mid-market levels if promoted internally • Any increase determined by: – Role, experience and personal performance – Average change in total workforce salary – Total organisational salary budgets – Company performance – External economic conditions • Pay of other employees in relevant geographies (particularly the UK and US) taken into account periodically
Annual bonus	• To incentivise the annual delivery of objectives relating to the business strategy • Rewards the achievement of stretching annual financial, strategic and personal goals • Compulsory deferral of part of bonus into shares provides further continuing alignment with shareholders	• All bonus payments are at the discretion of the Committee • Not pensionable • Targets are reviewed annually • Half of gross bonus paid in shares deferred for 12 months • During the deferral period the shares carry dividend rights and any dividends awarded are also deferred during the deferral period • Remainder of bonus paid in cash • Claw back provisions apply to the deferred bonus such that it can be reduced in the event of restatement of the Company's accounts resulting from fraud, error or misrepresentation, or any issues of a nature which have a significant effect on the performance of the business
Long Term Incentive Plan (LTIP)	• Intended to align Executive Directors' performance closely with shareholders and with key strategic objectives over the longer term	• The LTIP was approved by shareholders in 2011 • Awards of free performance shares are normally granted annually in the form of restricted share awards or nil cost options • Vesting is dependent on performance targets being met during the performance period and the continued service of the Executive Directors • A dividend equivalent provision exists which allows the Committee to pay dividends accrued during performance period on vested shares at the time of vesting in the form of additional shares
Pension	• Provide long-term savings through retirement benefits • Contribute to the provision of an appropriate balance in the overall package between fixed and variable income	• Executive Directors may choose to receive an employer's pension contribution or pension cash allowance

Maximum opportunity	Framework used to assess performance
• Annual increases generally in line (in percentage of salary terms) with those of the wider workforce • Increases beyond those granted to the wider workforce (in percentage of salary terms) may be awarded in certain circumstances such as where there is a change in responsibility, experience or a significant increase in the scale of the role and/or size, value and/or complexity of the Group • Where new joiners or recent promotions have been given a starting salary at a discount to the mid-market level, a series of increases above those granted to the wider workforce (in percentage of salary terms) may be awarded over the proceeding few years, subject to satisfactory individual performance and development in the role • Salary levels at 1 April 2015 are set out on page 77	• The Committee considers (but not necessarily alters) the salaries of Executive Directors each year taking due account of all the factors described in how the salary policy operates
• Up to 150% of salary for all Executive Directors, dependent on performance • See annual bonus – arrangements for Corporate Services Director for financial year 2014/15 on page 81	• Details of the performance targets set for the year under review and performance against them is provided in the annual report on remuneration along with outline details of the metrics for the next financial year • Bonus is based on the achievement of a range of strategic and personal objectives and targets relating to our key performance indicators • Financial measures derived from the operating plan will represent at least 50% of bonus with other measures representing the remainder. Measures and weightings may change each year to reflect any year on year changes to business priorities • 25% of each element of the bonus vests for a threshold level of performance rising to 50% vesting for 'on target' performance and 100% vesting for maximum performance. Performance between threshold, on target and maximum will be calculated on a straight line basis
• Maximum of 400% of salary per annum • Normal award policy currently set at up to 200% of salary although higher awards may be made in exceptional circumstances such as recruitment • See annual bonus – arrangements for Corporate Services Director for financial year 2014/15 on page 81	• Awards will vest based on a range of challenging targets relating primarily to financial measures and total shareholder return based performance measured over a three year period • Targets relating to other key non-financial objectives (e.g. net promoter score) may also be included for a minority of an award • At least 50% of an award will be based on financial measures, at least 25% based on total shareholder return, and the remaining 25% based on either financial, total shareholder return or other non-financial measures • 25% of each element of the LTIP vests for a threshold level of performance rising to 100% vesting for maximum performance
• Employer's defined contribution and/or pension cash supplement up to a total of 25% of salary	N/A

Summary Remuneration Policy table for Executive Directors that took effect from the AGM on 25 July 2014 continued

Element	Purpose and link to strategy	Operation
Other benefits	• Provide competitive employee benefit programme to help recruit and retain employees	• Directors are entitled to benefits including health insurance, long-term disability insurance, life assurance, personal accident insurance, holiday pay and other group-wide benefits offered by the Company • In addition, travel related expenses and overseas accommodation will be provided where necessary • Car/driver provision provided as applicable • Other benefits including relocation expense, benefits relating to working in Miami and expenses relating to financial planning may be offered, as appropriate
Annual bonus – arrangements for Corporate Services Director for financial year 2014/15	• With specific regard to providing executive continuity and retaining/incentivising Nick Cooper over the financial year 2014/15	• This arrangement is for financial year 2014/15 only • 50% of the annual bonus will be in accordance with the annual bonus operation detailed above. The remaining half will be subject to the key strategic objective of the development of the new regional Miami hub and the reshaped operating model

Explanatory notes to the Remuneration Policy table

What is our annual bonus plan and LTIP policy?

The annual bonus plan and LTIP will be operated according to the rules of each respective plan and consistent with normal market practice and the Listing Rules. The quantum and performance targets applicable to awards will be within the parameters described above. Subject to that, the Committee has certain flexibility and the ability to exercise judgement in a number of areas.

Choice of performance measures and approach to target setting

The performance metrics and targets that are set for the Executive Directors via the annual bonus plan and LTIP are carefully selected to provide a clear link between our incentive arrangements and our strategic objectives of Top Line Growth, Profitability, Customer Satisfaction and Returns. The precise metrics chosen, along with the weightings of each, may vary in line with the Company's evolving strategy. The Committee will review the performance measures and targets each year and vary them as appropriate to reflect the priorities for the business in the year ahead.

Share ownership requirement

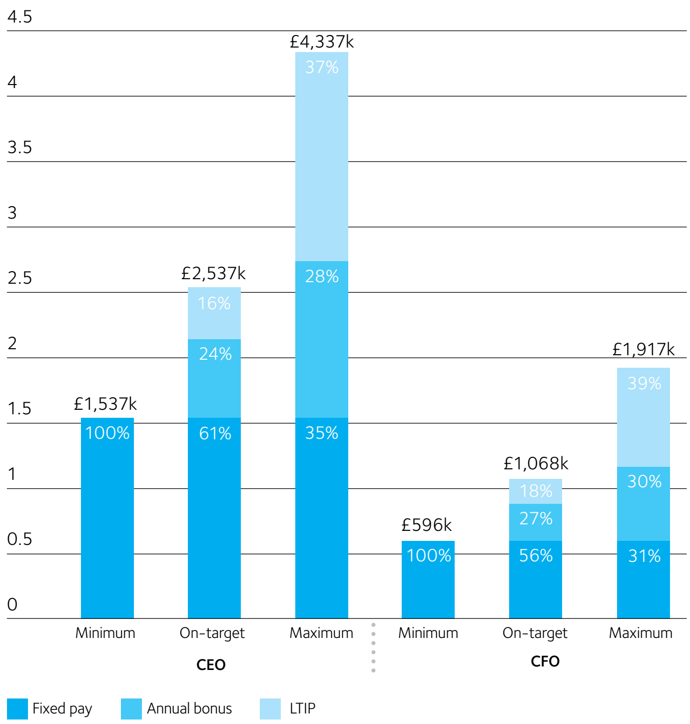
The Committee's policy is to have shareholding requirements for the Executive Directors which create greater alignment between their interests and those of shareholders and reduce the potential for behaviours and actions which are not beneficial for the long-term health of the organisation.

The required level is set at up to 400% of salary. Where the holding is not already attained it is required to be achieved through retention of shares or the vesting of awards (on a net of tax basis) from share plans.

Reward scenarios

The Company's Policy results in a significant proportion of remuneration received by Executive Directors being dependent on the Company's performance. The chart below illustrates how the total pay opportunities for the Executive Directors vary under three different performance scenarios: minimum, on-target and maximum for 2015/16. The chart is indicative only as no assumed share price movement or dividend accrual has been included.

Executive Director total remuneration at different levels of performance (£m)



Fixed pay comprises salary effective 1 April 2015, benefits paid for financial year 2014/15 (including cash allowances and expatriate benefits relating to living/working in Miami and annualised for the CFO) and pensions of 25% of base salary. For the CFO the figures have been translated from $ to £ using an exchange rate of $1: £0.6293

Minimum (performance below threshold)
– fixed pay only

On-target (performance in line with expectations)
– fixed pay
– target bonus (50% of maximum opportunity)
– vesting of 25% of the maximum under the LTIP

Maximum (performance meets or exceeds maximum)
– fixed pay
– maximum bonus (100% of maximum opportunity)
– maximum vesting under LTIP

Maximum opportunity	Framework used to assess performance
• The value of benefits may vary from year to year depending on the cost to the Company	N/A
• Up to 300% of salary (i.e. not in addition to the normal 150% of salary bonus) for Nick Cooper. The enhanced bonus is in lieu of him receiving an LTIP grant for financial year 2014/15 of 150% of salary, so overall in net terms his pay potential will remain unchanged from the prior year	• Details covering metrics for the financial year 2014/15 bonus are provided in the annual report on remuneration • Further bonus is based on the achievement of key strategic objectives

Approach to recruitment and promotions

The remuneration package for a new Executive Director would be set in accordance with the terms of the Company's Policy in force at the time of appointment, as detailed on pages 70 to 73. This Policy limits LTIP awards to 4 x salary in exceptional circumstances such as recruitment. The Committee may offer additional cash and/or share-based elements when it considers these to be in the best interests of the Company and shareholders. Any such payments would be based solely on remuneration relinquished when leaving a former employer and would reflect (as far as possible) the nature and time horizons attaching to that remuneration and the impact of any performance conditions. Replacement share awards, if used, will be granted using the Company's LTIP (up to the overall limit of 400% of salary) to the extent possible. Awards may also be granted outside of the Company's existing LTIP if necessary and as permitted under the Listing Rules. Shareholders will be informed of any such payments at the time of appointment.

The annual bonus would operate in accordance with the terms of the approved Policy, but with the opportunity for the year of joining pro-rated for the period of employment. Depending on the timing and responsibilities of the appointment it may be necessary to set different performance measures and targets in the year of joining.

For an internal Executive Director appointment, any variable pay element awarded in respect of the prior role would be allowed to pay out according to its terms, adjusted as appropriate to take into account the appointment. In addition, any other ongoing remuneration obligations existing prior to appointment would continue.

For external and internal appointments, the Committee may agree that the Company will meet certain relocation and living expenses as appropriate.

For the appointment of a new Chairman or Non-executive Director, the fee arrangement would be set in accordance with the approved policy in force at that time.

Service contracts and loss of office payments

Service contracts normally continue until the Executive Director's agreed retirement date or such other date as the parties agree. The Company's policy is that Executive Directors will be employed on a contract that can be terminated by the Company on giving no more than 12 months' notice, with the Executive Director required to give 12 months' notice of termination.

An Executive Director's service contract may be terminated without notice and without any further payment or compensation, except for sums earned up to the date of termination, on the occurrence of certain events such as gross misconduct. The circumstances of the termination (taking into account the individual's performance) and an individual's duty and opportunity to mitigate losses are taken into account by the Committee when determining amounts payable on or following termination. The Committee's normal policy is to reduce compensatory payments to former Executive Directors where they receive remuneration from other employment during the compensation period. The Committee will consider the particular circumstances of each leaver on a case by case basis and retain flexibility as to at what point, and to what extent payments would be reduced.

Any share-based entitlements granted under the Company's share plans will be determined on the basis of the relevant plan rules. The default treatment is that any outstanding awards would lapse on cessation of employment. However, under the rules of the LTIP, in certain prescribed circumstances, such as death, redundancy, disability, retirement, the company business unit employing the individual ceasing to be part of the Group or other circumstances at the discretion of the Committee (taking into account the individual's performance and the reasons for their departure), 'good leaver' status can be applied. In these circumstances a participant's awards vest on a time pro-rated basis and further are subject to the satisfaction of the relevant performance criteria over the original performance period with the balance of the awards lapsing.

The Committee retains discretion to decide not to pro-rate, to alter the basis of time pro-rating, and to alter the date on which performance is calculated, if it feels such decisions are appropriate in the particular circumstances. If, however, the termination of employment is not for one of the specified good leaver reasons, and if the Committee does not exercise its discretion to allow an award to vest, a participant's awards will lapse in full. In determining whether an Executive Director should be treated as a good leaver, the Committee will take into account the performance of the individual and the reasons for their departure. Other than for US participants, shares deferred through the annual bonus plan will vest immediately on cessation of employment other than on cessation of employment for cause, in which case they will lapse. For US tax reasons, shares deferred through the annual bonus plan for US participants will vest on the earlier of the date that is six months following the cessation of employment and the date of death of the participant.

In the event of a takeover of the Company, a scheme of arrangement or similar other major corporate event, LTIP awards will only vest to the extent that any performance conditions have been met at the date of the event, as determined by the Committee. In such an event, LTIP awards will only vest pro-rata to the length of time that has elapsed between the date of award and the date of the relevant event, unless, in appropriate circumstances, the Committee determines otherwise. Other than for US participants, any deferred bonus share awards will vest in full and cease to be capable of forfeiture in the event of any such major corporate event during the 12 month deferral period. For US tax reasons, notwithstanding a major corporate event occurring during the 12 month deferral period, the deferred bonus share award for US participants will remain outstanding and will only vest on the earlier of the expiry of the 12 month deferral period and the date of death of the participant. However, the early vesting of awards following a change of control will not apply where a company acquires control of the Company and following that acquisition the shareholders of the Company immediately prior to the acquisition between them hold more than 50% of the issued share capital of the acquiring company, unless the Committee decides that the foregoing vesting rules should apply.

The Company retains the ability to pay what it feels is an Executive Director's reasonable legal fees associated with agreeing his/her termination and in relevant circumstances outplacement services and related costs.

In summary, the contractual provisions are as follows:

Provision	Detailed terms
Notice period	Maximum of 12 months
Termination payment	Payment in lieu of notice of base salary, normally subject to mitigation and paid monthly[1,2] In addition, any statutory entitlements would be paid as necessary
Remuneration entitlements	A pro-rata bonus may also become payable for the period of active service along with vesting for outstanding share awards (in certain circumstances – see above) In all cases performance targets would apply
Change of control	Payments on a change of control, where a Director's employment is adversely changed, will be as on termination. There will be no enhanced provisions on a change of control[2]

1 Notwithstanding the Company's normal policy, the Committee retains the flexibility, in exceptional circumstances, to make lump sum termination payments (up to a maximum of 12 months' base salary and contractual benefits) as part of an Executive Director's termination arrangements where it considers it appropriate to do so.
2 The service contracts provide that, in the event of termination without cause and/or a change of control of the Company and an Executive Director's employment being adversely changed, then a payment equal to base salary for the notice period and a time pro-rated annual bonus will be payable. For Phil Bentley all benefits will cease with the exception of life cover and medical insurance which will continue for a period of up to six months or earlier if a new job is commenced, and the Company will pay any costs associated with the early termination of housing and car provision in the US.

Summary Remuneration Policy table for Non-executive Directors

Element	Purpose and link to strategy	Operation	Maximum opportunity
Base Fees	To provide competitive fees in order to attract and retain high-calibre individuals with the relevant skills and experience to enhance the Board	• The Chairman's pay is determined by the Committee, and the pay of the other Non-executive Directors is determined by the Board, within the limits set out in the Company's Articles of Association, with the Chairman and Non-executive Directors abstaining from any discussion or decision on their fees • The Chairman and Non-executive Directors are paid an annual fee and do not participate in any of the Company's incentive arrangements or receive any pension provision • The fee levels are reviewed on a periodic basis, with reference to the time commitment of the role and market levels in companies of comparable size and complexity • In respect of the Chairman in particular, the Company also considers the individual's profile and experience	Fees for 2015/16 are: Chairman: £386,000 per annum Non-executive Director: £65,000 per annum
Additional Fees	To reflect the additional time required when an individual chairs a committee or is appointed as Senior Independent Director	• Fees are reviewed annually • The Chairman is not eligible to receive additional fees • Fees are benchmarked and set in a manner consistent with the base fees (see above)	Additional fees may be payable for additional responsibilities such as chairing committees or for the Senior Independent Director role. The fees for the forthcoming year are set out in the annual report on remuneration Both the base and additional fee levels will be eligible for increase during the three year period that the Remuneration Policy operates to ensure they continue to appropriately recognise the time commitment of the role, increases to fee levels for Non-executive Directors in general and fee levels in companies of a similar size and complexity
Benefits	Contractual arrangements and reimbursement of reasonable expenses	• Reimbursement of business expenses on production of receipts • Limited benefits relating to travel, accommodation and meals for Non-executive Directors will also be payable in certain circumstances • The Chairman may be provided with car-related benefits	The value of benefits/expenses may vary from year to year depending on the cost to the Company

Annual report on remuneration

The annual report on remuneration is split into two sections. The first section provides details on the implementation of the Remuneration Policy for financial year 2015/16 and the second section from page 79 onwards provides details on the remuneration earned in respect of performance during the financial year 2014/15, along with details of any share awards made during the year.

Implementation of Remuneration Policy for financial year 2015/16

Executive Directors' service contracts

	Effective date of service contract	Notice period
Phil Bentley	1 January 2014	Notice can be served by either party on not less than 12 months' notice
Perley McBride	23 June 2014	Notice can be served by either party on not less than 12 months' notice

The Company allows Executive Directors to hold external directorships subject to agreement by the Chairman on a case by case basis and allows the Executive Directors to retain fees received from these roles.

Chairman's service contract

The Chairman has a service contract with 12 months' notice of termination on either side. There are no other contractual entitlements on early termination or following a change of control.

Non-executive Directors' letters of appointment

The Non-executive Directors do not have service contracts with the Company, but instead have letters of appointment. Non-executive Directors are permitted to have other external appointments, but these should not adversely affect the ability of the Non-executive Director to perform his/her duties. Non-executive Directors are appointed for an initial three year term with the expectation that a further three year term will follow. After two three year terms, the continued appointment of any Non-executive Director may be extended on an annual basis on recommendation of the Nomination Committee. Termination of the appointment may be earlier at the discretion of either party on one month's written notice. Non-executive Directors are not entitled to any compensation if their appointment is terminated. Appointments will be subject to annual re-election at the AGM in accordance with the UK Corporate Governance Code.

	Effective date of initial appointment	Last extension of appointment letter	Unexpired term of appointment at 31 March 2015	Notice period
Sir Richard Lapthorne[1]	25 January 2010	N/A[5]	N/A[5]	12 months
Simon Ball[2,3]	25 January 2010	1 May 2014	1 month	1 month
Mark Hamlin	1 January 2012	1 January 2015	2 years, 9 months	1 month
Brendan Paddick	31 March 2015	–	3 years	1 month
Alison Platt[4]	1 June 2012	–	2 months	1 month
John Risley	31 March 2015	–	3 years	1 month
Barbara Thoralfsson	7 January 2015	–	2 years, 9 months	1 month
Ian Tyler	1 January 2011	1 January 2014	1 year, 9 months	1 month
Thad York	31 March 2015	–	3 years	1 month

1 Appointment date shown from date of demerger in 2010. Originally appointed as Chairman to the former Cable and Wireless plc on 10 January 2003.
2 Appointment date shown from date of demerger in 2010. Originally appointed as a Non-executive Director to the former Cable and Wireless plc on 1 May 2006.
3 Appointment has been extended from 1 May 2015 until the 2016 AGM.
4 Appointment will be extended for a further three years from 1 June 2015.
5 The Chairman has a service contract with 12 months' notice.

Salary

No salary increases will be granted to Executive Directors in financial year 2015/16.

The current salaries as at 1 April 2015 are as follows:

	Salary at 1 April 2014 or on appointment to the Board[1]	Salary at 1 April 2015	% increase
Phil Bentley	£800,000	£800,000	No increase
Perley McBride[1]	US$600,000	US$600,000	No increase

1 Perley McBride joined the Company on 23 June 2014 and was appointed to the Board on 26 June 2014.

Pension and other benefits

Executive Directors may choose to receive either a cash allowance of 25% of their base salary, an employer's pension contribution at the rate of 25% of base salary or a combination of a cash allowance and employer's pension contribution with a combined value of 25% of base salary. An Executive Director is not required to pay any pension contributions.

The Executive Directors participate in employee benefit programmes including life cover, income protection and health insurance plans. For Phil Bentley, an annual accommodation/car allowance in Miami is provided to recognise the time periods spent between the UK and US. For Perley McBride an annual accommodation allowance is provided for a period of up to two years or until such time as he relocates to Miami on a permanent basis whichever is the earlier, and he is tax equalised on any of his CWC income which is taxable in the UK.

Annual bonus

The operation of the bonus plan for financial year 2015/16 will be consistent with the framework detailed in the Policy. The measures have been selected to support the key strategic objectives of the Company alongside a number of personal objectives.

The maximum bonus opportunity will continue to be 150% of salary for the Executive Directors.

What are the measures for the annual bonus for financial year 2015/16?

For the financial year 2015/16, the measures adopted and their respective weighting for the annual bonus are detailed below.

Measure	Rationale	Weighting of measure out of 100%
Revenue growth	This measure reflects our ability to deliver sustainable long-term growth and will encourage innovation and investment to gain a greater share of customers' telecoms wallet	25%
EBITDA (US$m)	This measure seeks to incentivise our business operating effectiveness, encouraging cost control and operational gearing	25%
Net Promoter Score (NPS)[1]	This measure tracks customer service and advocacy, improvements in which deliver an increase in the lifetime value of our customer relationships	25%
Personal performance	Targets specific deliverables and behaviours by each individual. This will be a basket of measures, encompassing the 'how' as well as the 'what'	25%

1 There will continue to be a minimum EBITDA underpin to the NPS element of the annual bonus, whereby the NPS element of the annual bonus will only pay out provided that the minimum EBITDA AIS target has been achieved.

Given the commercial sensitivity of the financial and personal performance targets we will not at this stage be providing details on the specific targets for the financial year 2015/16. It is our intention to report the targets and performance achieved in next year's annual report on remuneration except to the extent that they remain commercially sensitive. However we can confirm that the bonus plan will have three data points: minimum, target and maximum. A range will be set based on the annual operating plan, whereby 25% of each of the financial measures will be paid for threshold performance, 50% for target performance and 100% for stretch performance.

Bonus will accrue on a straight line basis between the threshold, target and stretch levels.

For bonuses awarded from 2015/16 we have introduced recovery provisions for a period of two years on the cash element of the bonus and a further period of one year's recovery on the portion of the bonus deferred into shares for a year. These provisions will take effect in the event of restatement of the Company's accounts resulting from fraud, error or misrepresentation or any issues of a nature which have a significant effect on the performance of the business.

LTIP

The LTIP award levels for Phil Bentley and Perley McBride in the 2015/16 financial year will be 200% of salary.

What are the measures for the LTIP for the financial year 2015/16?

For the LTIP for financial year 2015/16, the measures to be applied and their respective weightings are as follows:

Measure	Rationale	Weighting of measure out of 100%
CWC Revenue	Same as for annual bonus	18.75%
CWC EBITDA		18.75%
Net Promoter Score[1]		18.75%
CWC Economic Profit	This measure indicates whether we are creating value in excess of our cost of capital and ensures that our capital programme is targeted on delivering sustainable profitable growth	18.75%
Relative TSR	This measure recognises that while our operational measures will deliver business progress, shareholders are only remunerated through improvement in share price and dividends paid	25%

1 There will continue to be a minimum EBITDA underpin to the NPS element of the LTIP, whereby the NPS element of the LTIP will only pay out provided that the minimum EBITDA LTIP target has been achieved.

Similar to the annual bonus, at threshold, interim and maximum, 25%, 50% and 100% of each portion of the LTIP award vests. The Committee will exercise its discretion on any adjustments which may be required as a result of disposals and/or acquisitions during the performance period. For the improvement in NPS measure there will be an EBITDA underpin whereby this element of the LTIP will not pay out for the Executive Directors if the minimum three year EBITDA LTIP target is not achieved. Again due to the commercial sensitivity of the targets we will not be disclosing them at the outset but will do so after they cease to be commercially sensitive.

25% of the LTIP will be based on relative TSR measured against the FTSE 250, with 25% of the award vesting at threshold (median ranking) rising on a straight line basis to full vesting at upper quartile ranking.

For awards to Executive Directors from 2015/16 we have introduced recovery provisions for a period of two years after vesting such that awards can be clawed back in certain circumstances including the restatement of the Company's accounts including as a result of fraud, error or misrepresentation, or any issues of a nature which have a significant effect on the performance of the business.

Share ownership requirements

The required share ownership levels to be achieved will continue to be as follows:

CEO	400% of salary
CFO	300% of salary

Chairman's fee

The Chairman's annual fee of £386,000, effective from his appointment as Chairman of Cable and Wireless plc in January 2003, was reviewed by the Committee in March 2015 and will remain unchanged for financial year 2015/16. The Chairman receives a cash allowance of £5,500 per month in lieu of the provision of a car.

Non-executive Director fees

The fee levels of the Non-executive Directors were also reviewed in March 2015 and no increases were approved for the coming year.

The annual fees (which are based in sterling) payable to each Non-executive Director for financial year 2015/16 are shown in the table below.

	Base fee in sterling	Additional fees in sterling
Simon Ball	65,000	20,000[1]
Mark Hamlin	65,000	20,000[2]
Brendan Paddick	65,000	–
Alison Platt	65,000	–
John Risley	65,000	–
Barbara Thoralfsson	65,000	–
Ian Tyler	65,000	20,000[3]
Thad York	65,000	–

1 Additional fee for role of Senior Independent Director, Deputy Chairman, and Chairman of the Remuneration Committee.
2 Additional fee for membership of the Integration Committee and acting as Alternative Chairman of the Integration Committee which oversees the integration CWC and Columbus. Further information on the Integration Committee is available on page 51.
3 Additional fee for role as Chairman of the Audit Committee.

Directors' total remuneration table

The table below shows the aggregate emoluments earned by the Directors of Cable & Wireless Communications Plc during the period 1 April 2014 to 31 March 2015.

		Salaries and fees £	Benefits in kind[1] £	Bonus[2] £	Value of LTIP for 2011/12[3] £	Value of LTIP for 2012/13[4] £	Pension cash allowance[5] £	Other cash allowances[6] £	Total £
Chairman									
Sir Richard Lapthorne	**2014/15**	**386,000**	**46,262**	**–**	**–**	**–**	**–**	**93,074**	**525,336**
	2013/14	386,000	44,125	–	–	–	–	85,912	516,037
Executive Directors									
Phil Bentley[7]	**2014/15**	**800,000**	**126,018**	**880,000**	**–**	**–**	**200,000**	**410,582**	**2,416,600**
	2013/14	200,000	46,653	284,055	–	–	50,000	117,078	697,786
Nick Cooper[8]	**2014/15**	**375,000**	**8,891**	**954,375**	**1,100,388**	**1,107,311**	**93,750**	**2,814**	**3,642,529**
	2013/14	375,000	18,097	521,250	–	–	93,750	11,908	1,020,005
Perley McBride[9]	**2014/15**	**291,766**	**56,756**	**304,847**	**–**	**–**	**72,942**	**37,632**	**763,943**
	2013/14	–	–	–	–	–	–	–	–
Non-executive Directors									
Simon Ball	**2014/15**	**85,000**	**771**	**–**	**–**	**–**	**–**	**–**	**85,771**
	2013/14	85,000	447	–	–	–	–	–	85,447
Mark Hamlin	**2014/15**	**85,000**	**1,268**	**–**	**–**	**–**	**–**	**–**	**86,268**
	2013/14	65,000	1,235	–	–	–	–	–	66,235
Brendan Paddick[11]	**2014/15**	**250**	**–**	**–**	**–**	**–**	**–**	**–**	**250**
	2013/14	–	–	–	–	–	–	–	–
Alison Platt	**2014/15**	**65,000**	**376**	**–**	**–**	**–**	**–**	**–**	**65,376**
	2013/14	65,000	491	–	–	–	–	–	65,491
John Risley[11]	**2014/15**	**250**	**–**	**–**	**–**	**–**	**–**	**–**	**250**
	2013/14	–	–	–	–	–	–	–	–
Barbara Thoralfsson[10]	**2014/15**	**15,333**	**880**	**–**	**–**	**–**	**–**	**–**	**16,213**
	2013/14	–	–	–	–	–	–	–	–
Ian Tyler	**2014/15**	**85,000**	**275**	**–**	**–**	**–**	**–**	**–**	**85,275**
	2013/14	85,000	1,433	–	–	–	–	–	86,433
Thad York[11]	**2014/15**	**250**	**–**	**–**	**–**	**–**	**–**	**–**	**250**
	2013/14	–	–	–	–	–	–	–	–
Total 2014/15		**2,188,849**	**241,497**	**2,139,222**	**1,100,388**	**1,107,311**	**366,692**	**544,102**	**7,688,061**
Total 2013/14		1,261,000	112,481	805,305	–	–	143,750	214,898	2,537,434

1. 'Benefits in kind' include car and fuel benefits, chauffeur provision, benefits associated with travel, accommodation and relocation, the cost of medical insurance and income protection insurance, and the tax settled by the Company in relation to those benefits.
2 With the exception of Nick Cooper, half of the bonus is paid in cash and the other half is deferred into shares for one year and subject to claw back at the discretion of the Committee. These shares will count towards each Executive Director's shareholding requirement. For Perley McBride, bonus paid is calculated on annual salary and is pro-rated for the period 23 June 2014 to 31 March 2015. For Nick Cooper his bonus opportunity for financial year 2014/15 was 300% of salary as detailed in the policy report on pages 70 to 73 with half the bonus (up to 150% of salary) in accordance with the ordinary annual bonus arrangements for 2014/15 and the remaining 50% (up to 150% of salary) awarded in lieu of an LTIP grant and subject to the key strategic objective of the development of the new regional Miami operational hub and the reshaped operating model.
3 This column represents the cash equivalent value of the LTIP award granted 2 June 2011 (for the financial year 2011/12) with performance measured over a period of three years from the date of grant and which vested in full on 2 June 2014 as detailed on page 82. Based on a closing share price of £0.52125 on 5 June 2014 (the date of vesting).
4 This column denotes the cash equivalent value of the LTIP award granted on 14 January 2013 (for the financial year 2012/13) with performance measured over the period 1 April 2012 to 31 March 2015. The performance conditions of relative TSR and EPS have both been achieved at the maximum level as detailed on page 82. As the shares have not vested at the date of this report, the average share price for the three month period to 31 March 2015 of £0.55104 has been used to calculate the cash equivalent value. The amount includes reinvested dividends accrued to 31 March 2015.
5 Company pension contributions in financial year 2014/15 and financial year 2013/14 have been paid to the Executive Directors as either an annual cash allowance and/or employer's pension contributions. An amount of £21 million (2013/14 – £20 million) is included in the net pensions deficit figure in note 3.10 to cover the cost of former Executive Directors' pension entitlements.
6 Phil Bentley was provided with expatriate allowances relating to a car and accommodation (£358,188) and the tax liability for expatriate benefits incurred while living/working in Miami. Nick Cooper also received a cash allowance to settle the tax liabilities on benefits relating to living/working in Miami. For Richard Lapthorne, the cash allowance is in part in lieu of a company car (£66,000) and the remainder relates to the settlement of the tax liability on benefits. For Perley McBride the £37,632 relates to an accommodation allowance.
7 Phil Bentley was appointed as Director effective 1 January 2014.
8 Nick Cooper stood down from the Board on 31 March 2015.
9 Perley McBride joined the Company on 23 June 2014 and was appointed to the Board on 26 June 2014.
10 Barbara Thoralfsson was appointed to the Board on 7 January 2015.
11 Brendan Paddick, John Risley and Thad York were appointed to the Board on 31 March 2015.
12 The Directors' total remuneration table is presented in sterling and the US amounts paid to Perley McBride have been converted to sterling using the average exchange rate of $1: £0.6293 for the tax year 2014/15.

Payments to past directors/Loss of office

Tony Rice stood down from the Board on 31 December 2013. Under the terms of his exit, he remained an employee on garden leave until 30 June 2014. During the period to 31 March 2015 he continued to receive healthcare (£456) and life cover up until 30 June 2014. On 2 June 2014 the LTIP award attributable to Tony Rice for the financial year 2011/12 vested in full and the cash equivalent value of the LTIP on vesting was £3,081,092. In addition the LTIP award granted on 14 January 2013 for the financial year 2012/13 whose performance is measured over the period 1 April 2012 to 31 March 2015 will vest in full. As the shares have not vested at the date of this report the average share price for the three month period to 31 March 2015 has been used to calculate the cash equivalent value of £2,755,977 (which includes reinvested dividends accrued to 31 March 2015).

Tim Pennington stood down from the Board on 11 February 2014 and left the Company on 2 June 2014. During the period to 31 March 2015, he received his normal salary, pension cash contribution/allowance, healthcare (£547) to his leave date and a cash allowance to settle the tax liability in respect of healthcare benefits for the period. On 2 June 2014 the financial year 2011/12 LTIP award vested in full and the cash equivalent value of the LTIP attributable to Tim Pennington on vesting was £2,200,779.

Details of variable pay earned in financial year 2014/15

Annual bonus payments

2014/15 saw the Company deliver revenue growth of 4% year on year (2% on a like-for-like basis). EBITDA grew more strongly by 7% against the prior year.

The tables below detail the bonus composition, bonus target ranges and how the Executive Directors have performed against each of these targets. The targets and actual performance are measured at a fixed exchange rate to avoid currency fluctuations having a bearing on the financial performance.

Bonus composition for financial year 2014/15

Bonus measures	Revenue	EBITDA	Net Promoter Score (NPS)	Personal performance
% of bonus opportunity (out of 100%)	Up to 25% of bonus opportunity	Up to 25% of bonus opportunity	Up to 25% of bonus opportunity	Up to 25% of bonus opportunity
% of salary (out of 150% of salary)	Up to 37.5% of salary	Up to 37.5% of salary	Up to 37.5% of salary	Up to 37.5% of salary

Financial bonus targets and performance for financial year 2014/15

Bonus targets		Threshold	Target	Stretch	Financial year 2014/15 performance
Revenue	Target (US$m)	1,739.7	1,793.5	1,820.4	1,759.8[1]
	% of salary payable	9.38%	18.75%	37.5%	12.9%
EBITDA	Target (US$m)	567.5	585.0	593.8	586.6[1]
	% of salary payable	9.38%	18.75%	37.5%	22.1%
NPS[2]	Target	+2 NPS points on CWC NPS baseline of 16	+4 NPS points on CWC NPS baseline of 16	+5 NPS points on CWC NPS baseline of 16	NPS score of 22 which is +6 NPS points on CWC NPS baseline of 16
	% of salary payable	9.38%	18.75%	37.5%	37.5%

1 Financial year 2014/15 performance revenue and EBITDA has been calculated at a fixed exchange rate.
2. The NPS underpin of EBITDA being higher in 2014/15 than the prior year's performance has been achieved with EBITDA at US$581m in 2014/15 versus US$546m in 2013/14 on a like-for-like basis.

Personal performance targets and performance for financial year 2014/15

	Performance against personal targets	Personal performance achieved
Phil Bentley	Phil has completed what has been a transformational year for CWC. Aside from the acquisition of Columbus International Inc., he has delivered top line growth for the first time in five years and achieved the US$100 million cost reduction plan we committed to achieve by end of 2014/15. He embedded NPS within the business with visible improvements in customer engagement across all our markets and grew our B2B capabilities through the creation of a new B2B function, the acquisition of Sonitel and secured new business in Peru and El Salvador. The Executive Team has been strengthened with the appointment of the new CFO and the key hires from the Columbus management team.	37.5% out of 37.5%
Perley McBride	Perley was instrumental in obtaining the necessary financing for the acquisition of Columbus International Inc. He delivered the US$100 million cost reduction plan and supported Phil in delivering top line growth. On an operational front, he has identified additional Opex savings from the acquisition, and during the transition activities to Miami ensured that key personnel in London were retained with dual running for defined periods in order to minimise operational risk.	32% out of 37.5%
Nick Cooper	Nick managed the transfer of operations to the Miami office by establishing the Miami HR team and ensuring that key personnel were retained in London to support with the transfer of knowledge. He embedded the Plc governance systems and processes into the Miami office, ensuring the smooth running of the Board in a year where an unprecedented number of issues were dealt with. He also played a key role in the legal and regulatory negotiations on the acquisition of Columbus.	32% out of 37.5%

Bonus payments for financial year 2014/15

	% of salary payable for Revenue performance	% of salary payable for EBITDA performance	% of salary payable for NPS performance	% of salary payable for personal performance	Total bonus payable as a % of salary	Total bonus paid out of 100%
Phil Bentley	12.9%	22.1%	37.5%	37.5%	110%	73.3%
Nick Cooper	12.9%	22.1%	37.5%	32.0%	104.5%	69.7%
Perley McBride[1]	12.9%	22.1%	37.5%	32.0%	104.5%	69.7%

1 Bonus paid is pro-rated for the period 23 June 2014 to 31 March 2015.

For financial year 2014/15, Nick Cooper was eligible for a bonus opportunity of up to 300% of salary as outlined in the Policy table on pages 70 to 73. 50% of the bonus (up to 150% of salary) was based on the normal bonus performance for financial year 2014/15 as shown above, with the remaining 50% of bonus (up to 150% of salary) subject to the key strategic objective of the development of the new Miami operational hub and the reshaped operating model and was in lieu of him receiving an LTIP grant for financial year 2014/15. The Committee considered the role which Nick played in the delivery of this key strategic objective as follows:

- The building of management capability in the new Miami operational hub including the recruitment of key senior executives including the new CFO, Perley McBride
- The provision of executive support and continuity for Phil Bentley during Phil's first full year in the CEO role
- Ensuring continuity for the Chairman and the Non-executive Directors during the transition, and acting as a key adviser to the Chairman throughout the process
- Downsizing the London Head Office from in excess of 120 people to less than 25 people at year end
- Transferring certain London Head Office activities to Miami whilst ensuring that all corporate and governance routines were maintained throughout

The Committee concluded that this portion of the bonus would be paid in full.

Long-term incentive awards earned in financial year 2014/15

On 2 June 2011, performance share awards equal to 1.5 times base salary were granted to Nick Cooper (under the previous performance share plan) which were capable of vesting on the third anniversary of grant on 2 June 2014 subject to achievement of the performance conditions.

The performance targets and vesting schedule for this award were:

Total Shareholder Return (TSR) over performance period	% of award vesting
14% compound p.a. or higher	100%
Between 8% compound p.a. and 14% compound p.a.	Straight line between 0% and 100%
8% compound p.a. or lower	0%

The Company's TSR over the performance period at 16.7% compound per annum exceeded the maximum performance target therefore the shares vested in full during the financial year 2014/15.

On 14 January 2013, a performance share award equal to 1.5 times base salary was granted to Nick Cooper and other Executives at that time. This award was based 50% on relative TSR against a comparator group, comprising companies predominantly from the European Telecoms sector and 50% on compound annual growth in EPS. This award was the LTIP award for 2012 which would ordinarily have been granted in June 2012 after the announcement of our full year results for 2011/12. However, because of the disposals of our Monaco & Islands operations we were in an extended closed period and the next available opportunity to grant this award was in January 2013. The performance period for this award was 1 April 2012 to 31 March 2015. The performance targets and vesting schedule for this award are detailed below:

TSR performance targets

Company's TSR ranking within the Comparator Company List[1]	Percentage of the TSR element to vest
Upper quartile or above	100%
Between median and upper quartile	25%-100% on a straight line basis
Median	25%
Below median	0%

1 The comparator group for the award is France Telecom, BT Group, Telecom Italia, KPN Kon, Deutsche Telekom, Telefonica, Belgacom, Swisscom 'R'. Telekom Austria, AT&T, Portugal Telecom.

EPS performance targets

Company's CAGR over the performance period	Percentage of the EPS element to vest
10% or above	100%
Between 5% and 10%	25%-100% on a straight line basis
At 5%	25%
Below 5%	0%

As a result of the disposal of our Macau, and Monaco & Islands businesses and the proceeds received from those businesses not being reinvested into new businesses during the performance period, the Committee considered how to assess EPS performance given the significant proportion of EPS attributed to the disposed businesses at the time the targets were set. The Committee concluded that adjusting both the EPS performance vesting range and actual EPS performance to recognise the divestments during the performance period was the fairest approach to adopt in that we were maintaining the principle of applying the 5-10% CAGR per annum to the baseline EPS but only for the period during which we owned the respective businesses. Similarly, in applying the same adjustment methodology to the actual EPS performance, we have ensured that the degree of challenge is no greater or smaller than was intended in the original targets. This was more challenging than simply measuring performance for the continuing business against the 2011/12 starting point. Against the adjusted EPS targets, the adjusted EPS performance was in excess of 10% CAGR during the performance period. The Company's relative TSR ranking has also exceeded upper quartile during the performance period, and therefore 100% of the shares will vest.

Details of historic awards granted to Executive Directors under the LTIP are summarised in the table on page 85, and the cash equivalent value of the LTIPs detailed above are included in Directors' total remuneration table on page 79.

Long-term incentive awards granted in the year

Details of awards made to Executive Directors under the Performance Share Plan in the year ended 31 March 2015 are as follows:

	Scheme	Award level	Award date	Face value	Vesting period	Performance conditions
Chief Executive Officer – Phil Bentley	PSP 2011	200% of salary	29 May 2014	£1,600,000	Three year performance period commencing on 1 April 2014	Performance against five measures; EBITDA, Revenue, Net Promoter Score (NPS), Economic profit and relative TSR. Relative TSR will account for 25% of the LTIP (out of 100%) with the remaining four targets representing 18.75% each of the LTIP (out of 100%). There will be a minimum EBITDA underpin to the NPS element of the LTIP, whereby the NPS element of the LTIP will only pay out provided that the minimum EBITDA LTIP target has been achieved. Given the commercial sensitivity of the three year financial targets we will not be disclosing the EBITDA, Revenue and Economic profit targets until the end of the performance period. For NPS the range for vesting between threshold and maximum is an NPS improvement of between +6 to +12 from the baseline. For TSR below median ranking against the comparator group no shares will vest, with vesting rising from 25% to 100% for a TSR ranking of between median and upper quartile. The comparator group of companies comprises France Telecom, BT Group, Telecom Italia, KPN Kon, Deutsche Telekom, Telefonica, Belgacom, Swisscom 'R', Telekom Austria, AT&T and Portugal Telecom.
Chief Financial Officer – Perley McBride		200% of salary	30 June 2014	US$1,200,000 (which at the time of grant was a sterling equivalent of £707,046)		

For the purposes of the awards, TSR will be calculated using a one month average share price at the beginning and end of the performance period in order to moderate the effect of short-term volatility. The share price for the award to Phil Bentley was £0.5457, being the average closing share price of the Company for the five business days commencing on 21 May 2014. The share price for the award to Perley McBride was £0.4868, being the average closing share price of the Company for the five business days commencing on 23 June 2014. Both Performance Share Awards were granted in the form of restricted share awards and a dividend award supplement will apply to awards that vest in accordance with the rules of the plan.

Share ownership

As at 31 March 2015, the Executive Directors' shareholding requirements had been exceeded by Phil Bentley and Nick Cooper but had not yet been met by Perley McBride. Where the holding is not already attained it is required to be achieved through retention of shares or the vesting of awards (on a net of tax basis) from share plans.

As a result of the acquisition of Columbus, the Takeover Panel considers that the Directors from time to time (and their close relatives) will be deemed to be acting in concert with the Principal Vendors and the Ultimate Controllers (as defined and further described in the circular to shareholders dated 19 November 2014) (together, the 'Concert Party'). Consequently, there are restrictions on the acquisition of shares in the Company by any Director. Further information regarding the Concert Party can be found on page 55 of the Corporate Governance Report.

There has not been any change in the Directors' interests in shares from 31 March 2015 to 19 May 2015.

Directors' interests in shares as at 31 March 2015

	Beneficially owned shares as at 31 March 2015 or date of resignation	Unvested deferred bonus plan shares[1]	% shareholding requirement achieved[2]	**Share Purchase Plan (unvested)**	**Performance Share Plan shares (unvested)[3]**	**Total Interest in share plans**
Chairman						
Sir Richard Lapthorne	9,000,000	–	–	**–**	**–**	**–**
Executive Directors[3]						
Phil Bentley	5,265,968	265,968	421%	**–**	**7,750,176**	**7,750,176**
Nick Cooper	2,558,646	488,061	495%	**–**	**3,459,515**	**3,459,515**
Perley McBride[4]	700,000	–	105%	**–**	**1,546,570**	**1,546,570**
Non-executive Directors						
Simon Ball	504,348	–	–	**–**	**–**	**–**
Mark Hamlin	122,222	–	–	**–**	**–**	**–**
Brendan Paddick[6]	136,077,710	–	–	**–**	**–**	**–**
Alison Platt	23,764	–	–	**–**	**–**	**–**
John Risley[6,7]	846,355,136	–	–	**–**	**–**	**–**
Barbara Thoralfsson[5]	–	–	–	**–**	**–**	**–**
Ian Tyler	4,000	–	–	**–**	**–**	**–**
Thad York[6,8]	575,096,759	–	–	**–**	**–**	**–**

1 Phil Bentley and Nick Cooper received 50% of their total gross bonus payment for the financial year ended 2013/14 in the form of bonus plan shares deferred for one year and subject to claw back at the discretion of the Committee. These shares count towards each Director's shareholding requirements and are due to vest at the end of May 2015. A proportion of these deferred shares may be sold at the end of the deferral period to meet tax obligations relating to their acquisition/vesting.

2 Shares counting towards achievement of the requirement included beneficially owned shares. Share price as at the close of business on 31 March 2015 (£0.6095). Perley McBride's salary of US$600,000 has been converted into sterling using the closing exchange rate of $1.4816: £1 on 31 March 2015.

3 As potential beneficiaries from outstanding awards which may be satisfied by shares held by the Trust, the Executive Directors are deemed to have an interest in all of the ordinary shares held by the Trust, which at 31 March 2015 amounted to 8,386,941 shares.

4 Perley McBride was appointed to the Board on 26 June 2014.

5 Barbara Thoralfsson was appointed to the Board on 7 January 2015.

6 Brendan Paddick, John Risley and Thad York were appointed to the Board on 31 March 2015.

7 CVBI Holdings (Barbados) Inc and Clearwater Holdings (Barbados) Limited are both ultimately controlled by John Risley. CVBI Holdings (Barbados) Inc owns 788,549,081 shares (18.2 %). Clearwater Holdings (Barbados) Limited owns 57,806,055 shares (1.3%). Further details in respect of this can be found in the Directors' and corporate governance report.

8 Columbus Holding LLC owns the 575,096,759 shares listed above. Thad York has no direct interest in these shares, but has been nominated to the Board by Columbus Holding LLC and represents the private office of John Malone, who ultimately controls Columbus Holding LLC.

Directors' share awards

Name and scheme	Award date	Vesting date	Market price on date of award of Cable & Wireless Communi-cations Plc shares (pence)	Shares under award at 1 April 2014	Shares awarded	Shares vested	Shares lapsed, cancelled or forfeited	**Shares under award at 31 March 2015**
Executive Directors								
Nick Cooper								
Performance Shares	02/06/2011	02/06/2014	43.29	1,592,718	–	1,592,718	–	**–**
Performance Shares[DS]	12/08/2011	02/06/2014	33.88	154,260	–	154,260	–	**–**
Performance Shares[DS]	12/01/2012	02/06/2014	37.99	71,984	–	71,984	–	**–**
Performance Shares[DS]	10/08/2012	02/06/2014	32.54	166,075	–	166,075	–	**–**
Performance Shares[DS]	11/01/2013	02/06/2014	39.40	33,192	–	33,192	–	**–**
Performance Shares[DS]	09/08/2013	02/06/2014	40.08	69,840	–	69,840	–	**–**
Performance Shares[DS]	10/01/2014	02/06/2014	56.50	22,988	–	22,988	–	**–**
Performance Shares[1]	14/01/2013	14/01/2016	37.72	1,812,761	–	–	–	**1,812,761**
Performance Shares[DS]	11/08/2013	14/01/2016	40.08	79,489	–	–	–	**79,489**
Performance Shares[DS]	11/01/2014	14/01/2016	56.50	26,164	–	–	–	**26,164**
Performance Shares[DS]	08/08/2014	14/01/2016	47.37	–	59,751	–	–	**59,751**
Performance Shares[DS]	09/01/2015	14/01/2016	49.12	–	31,328	–	–	**31,328**
Performance Shares	30/05/2013	30/05/2016	43.89	1,267,462	–	–	–	**1,267,462**
Performance Shares[DS]	11/08/2013	30/05/2016	40.08	55,577	–	–	–	**55,577**
Performance Shares[DS]	11/01/2014	30/05/2016	56.50	18,294	–	–	–	**18,294**
Performance Shares[DS]	08/08/2014	30/05/2016	47.37	–	41,777	–	–	**41,777**
Performance Shares[DS]	09/01/2015	30/05/2016	49.12	–	21,904	–	–	**21,904**
				5,370,804	154,760	2,111,057	–	**3,414,507**
Phil Bentley								
Performance Shares[2]	02/01/2014	02/06/2017	57.40	4,288,011	–	–	–	**4,288,011**
Performance Shares[DS]	11/01/2014	02/06/2017	56.50	61,891	–	–	–	**61,891**
Performance Shares[DS]	08/08/2014	02/06/2017	47.37	–	141,340	–	–	**141,340**
Performance Shares[DS]	09/01/2015	02/06/2017	49.12	–	74,106	–	–	**74,106**
Performance Shares	29/05/2014	29/05/2017	53.00	–	2,932,013	–	–	**2,932,013**
Performance Shares[DS]	08/08/2014	29/05/2017	47.37	–	96,644	–	–	**96,644**
Performance Shares[DS]	09/01/2015	29/05/2017	49.12	–	50,671	–	–	**50,671**
				4,349,902	3,294,774	–	–	**7,644,676**
Perley McBride								
Performance Shares	30/06/2014	30/06/2017	49.25	–	1,452,376	–	–	**1,452,376**
Performance Shares[DS]	08/08/2014	30/06/2017	47.37	–	47,872	–	–	**47,872**
Performance Shares[DS]	09/01/2015	30/06/2017	49.12	–	25,100	–	–	**25,100**
				–	1,525,348	–	–	**1,525,348**

DS Dividend shares

1 The number of shares awarded under the PSP 2011 was calculated based on the average share price for the period 24 to 30 May 2012 (inclusive) which is the period immediately after the 2011/12 full year results and would ordinarily have been used to calculate the award price had the Company not been in an extended close period until January 2013.

2 Share award of 4,288,011 CWC shares were granted to Phil Bentley on 2 January 2014 in order to secure his appointment as Chief Executive Officer. The PSP award based on 300% of base salary is subject to performance measured over three years and continued service, and the award of which was contingent on Phil purchasing shares with a value of at least 200% of salary. This requirement has been met by the acquisition of 4,300,000 shares on 2 January 2014 (over 300% of his salary at the date of purchase).

Dilution

The Committee ensures that at all times the number of new shares which may be issued under any share option or share-based plans, including all employee plans, does not exceed the dilution limit of 10% of the Company's issued share capital over any ten year rolling period. As at 31 March 2015, 6% of the issued share capital was available for issue under our share-based plans. In calculating this figure, the Committee has taken into account historic awards of the former Cable and Wireless plc shares made to current or former employees of the CWC business and the adjustments to the awards as a result of the demerger.

Awards under the various share plans are funded by a mix of purchased and newly-issued shares, as determined by the Committee. Newly issued shares are subject to the dilution limit outlined above. Purchased shares are held by the Trust, which is subject to a holding limit of no more than 5% of the issued ordinary share capital of the Company.

Percentage change in remuneration levels

The table below shows the movement in the salary, benefits and annual bonus for the Chief Executive Officer between the current and previous financial year compared to that for the average UK/US employee. The Committee has chosen this comparator as it feels that it provides a more appropriate reflection of the earnings of the average worker than the movement in the Group's total wage bill, which is distorted by movements in the number of employees and variations in wage practices in our overseas markets. For the benefits and bonus per employee, this is based on those employees eligible to participate in such schemes.

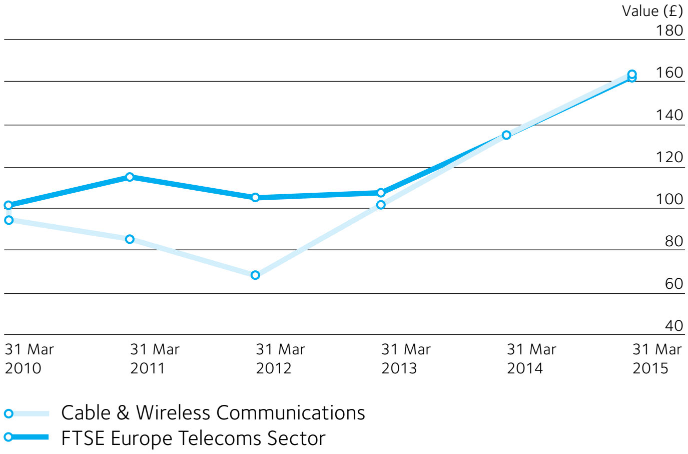
%	Chief Executive Officer	Average per employee
Salary[1]	10%	3%
Benefits[2]	141%	26%
Annual bonus paid[3]	64%	50%

1 The 2013/14 salary for the Chief Executive Officer has been based on the salary paid to Tony Rice for the period 1 April 2013 to 31 December 2013 plus the salary paid to Phil Bentley from 1 January 2014 to 31 March 2014.
2 Benefits for the Chief Executive Officer include travel benefits, accommodation allowance and reimbursement of other necessary expenses incurred in the financial year 2014/15, whilst living/working in Miami.
3 Annual bonus paid relates to bonus paid in financial year 2012/13 and financial year 2013/14 in respect of the prior year performance period to enable comparison.

Performance graph and pay table

The chart below shows the Company's TSR performance against the performance of the FTSE Europe Telecoms sector from 22 March 2010 to 31 March 2015. This index was chosen as it represents a broad equity market index, which includes companies of a comparable or larger size and complexity operating in the same sector, but not the same geographies.

Total shareholder return (TSR)
Value in £ from 22 March 2010 to 31 March 2015



This graph shows the total shareholder return by 31 March 2015 for a £100 holding in the Company's shares for the period from 22 March 2010 (the date shares in the Company were admitted to the Official List), compared with £100 invested in the FTSE Europe Telecoms Sector.

The table below shows the total remuneration figure for the Chief Executive Officer for the six financial years to 31 March 2015. The total remuneration figure includes the annual bonus and LTIP awards which vested based on performance in those years. The annual bonus and LTIP percentages show the payout for each year as a percentage of the maximum.

Chief Executive Officer's five year pay table	2009/10	2010/11	2011/12	2012/13	2013/14[1]	**2014/15**
Total remuneration[2]	£2,641,465	£2,336,597	£1,306,651	£1,703,341	£2,093,065	**£2,416,600**
Annual bonus	0%	77%	76%	56%	89%	**73%**
LTIP vesting	N/A[3]	N/A[3]	0%	0%	0%	**0%**

1 The information for financial year 2013/14 relates to the total remuneration, annual bonus and LTIP vesting for Tony Rice from 1 April 2013 to 31 December 2013 and total remuneration, annual bonus and LTIP vesting for Phil Bentley from 1 January 2014 to 31 March 2014. It also includes travel benefits, accommodation allowance and reimbursement of other necessary expenses incurred for the Chief Executive Officer in the financial year 2013/14, while working in London and Miami.
2 The total remuneration in this table has been adjusted to include half of the bonus which is deferred into shares for one year.
3 For the 2009/10 financial year and 2010/11 financial year, the LTIP payment relates to the cash LTIP plan which had no formal award limit. It was structured to vest at the end of its five year cycle with staged payments between years four and five. 85% vested at the end of year four (2009/10 financial year) of which 50% (£1,090,000) was paid immediately and 35% deferred for a further year with the balance vesting and payable at the end of the 2010/11 financial year. At the end of 2010/11 financial year, the cash LTIP units were revalued and a further payment of £1,660,000 was made (which included the 35% deferred from 2009/10). The total payment from the cash LTIP during the five year period was £2,750,000.

Relative importance of the spend on pay

The table below shows the movement in spend on staff costs versus that in dividends.

	2013/14	**2014/15**	% change
Staff costs[1]	£266 million	**£203 million**	(23.7)%
Dividends[2]	£63 million	**£64 million**	1.6%

1 Staff costs include exceptional employee and other staff expenses and deferred bonus shares issued as disclosed in the prior year single figure amount.
2 Dividends listed above include final dividend in respect of the prior year and interim dividend in respect of the actual year.

External Non-executive Director positions

Phil Bentley received and retained the following fees for external directorships during the year.

	Annual fees in sterling
Phil Bentley	
Non-executive Director of IMI Plc[1]	56,250

1 Phil Bentley resigned from the board effective 31 December 2014.

Statement of shareholder voting

At last year's AGM, the Directors' remuneration report received the following votes from shareholders:

	2014 AGM	
Votes cast in favour	1,678,887,185	89.90%
Votes cast against	188,595,985	10.10%
Total votes cast	1,867,483,170	
Abstentions	22,249,829	

Shareholder engagement

During the year, the Committee engaged with the Company's major shareholders on the packages and incentive arrangements for the Executive Directors.

Most shareholders who engaged were understanding of the Committee's reasoning on these matters and were broadly supportive.

Committee governance

The principal duties of the Committee are detailed below:

- To recommend to the Board the policy for the remuneration of the Chairman, Executive Directors and other senior executive management
- To review the Remuneration Policy and consider its alignment with strategy on an ongoing basis
- To review the design of all new share incentive plans, policy on share incentive awards and performance conditions
- To determine whether performance measures for incentive plans have been satisfied
- To approve any amendments to the service contracts of the Chairman and Executive Directors

In forming its recommendations, the Committee receives input and advice from the Executive Directors, the HR Director and New Bridge Street who are the Committee's independent adviser. The outcomes of Committee meetings are reported to the Board.

Terms of reference

The terms of reference set out the authority of the Committee to carry out its duties and the full terms of reference can be found on our website at www.cwc.com.

Advisers to the Committee

New Bridge Street (NBS) provide advice on remuneration and share plans both for Executive Directors and the wider senior management population, and were appointed by the Committee. In addition, NBS provide measurement of the Company's relative and absolute TSR performance and benchmark Non-executive Directors' and the Chairman's fee levels.

The Committee regularly reviews the external adviser relationship and is comfortable that NBS's advice remains objective and independent. The Committee reviewed the performance of the adviser during the year. Based on the quality of the advice received, their objectivity, independence and their familiarity with the Company's existing structures and share plans during this period of significant change the Committee reappointed NBS until the time of the next review.

NBS are signatories to the Remuneration Consultants Group Code of Conduct and any advice provided by them is governed by that code. NBS's terms of engagement are available on request from the Company Secretary. NBS is a trading name of Aon Hewitt Limited (an Aon plc company) which, other than acting as independent consultant to the Committee, provided no further services to the Company during the year and has no other connection with the Company. For the year under review NBS's total fees charged were £116,497 (exclusive of VAT) and the fees were charged on a timed basis.

Remuneration Committee membership

Membership and attendance at meetings		
Simon Ball (Chairman)	●●●●●	5/5
Mark Hamlin	●●●●●	5/5
Alison Platt	●●●●●	5/5
Ian Tyler	●●●●●	5/5
Barbara Thoralfsson[1]	●○	1/2

1 Barbara Thoralfsson was appointed as a member of the Committee with effect from 7 January 2015. Barbara was unable to attend the scheduled March 2015 Committee meeting due to a prior engagement which she had before joining the Company.

The Committee held five scheduled meetings during the year ended 31 March 2015. Details of Committee membership and individual attendance at the meetings by members are given in the table above.

No person is present during any discussion relating to their own remuneration.

Audited information

The sections of the annual report on remuneration that have been audited by KPMG LLP are from Directors' total remuneration table on page 79 up to and including long-term incentive awards granted in the year and Directors' interests in shares as at 31 March 2015 on pages 84 to 85.

This report has been approved by the Board and signed on its behalf by

Simon Ball
Chairman, Remuneration Committee
19 May 2015

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Group and Company financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. Under that law, they are required to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and applicable law. Further, they have elected to prepare the Company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice (UK GAAP)).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their profit or loss for that period.

In preparing each of the Group and Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- For the Group financial statements, state whether they have been prepared in accordance with IFRS as adopted by the EU
- For the Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Company financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group and Company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that their financial statements comply with the Companies Act 2006 and, with regard to the Group financial statements, Article 4 of the IAS Regulation. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and the Company and for taking reasonable steps to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic report, Directors' report, Directors' remuneration report and Corporate governance statement that complies with that law and those regulations.

The Directors are also required by the Disclosure and Transparency Rules to include a report containing a fair review of the business and a description of the principal risks and uncertainties facing the Group and the Company.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group and Company's website www.cwc.com. Information published on the Company's website is accessible in many countries with different legal requirements. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' statement pursuant to the Disclosure and Transparency Rules
Each of the Directors, whose names and functions are listed on pages 45 to 47 confirm that, to the best of each person's knowledge and belief:

- The Group financial statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the Group
- The Strategic report and Directors' report contained on pages 2 to 41 and pages 48 to 58, respectively, include a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

Directors' statement pursuant to the UK Corporate Governance Code
The Directors consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's and the Group's position and performance, business model and strategy.

Disclosure of information to auditors
So far as the Directors are aware, there is no relevant audit information (as defined in Section 418(3) of the Companies Act 2006) of which the auditor is unaware, and the Directors have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Board

Clare Underwood
Company Secretary
19 May 2015