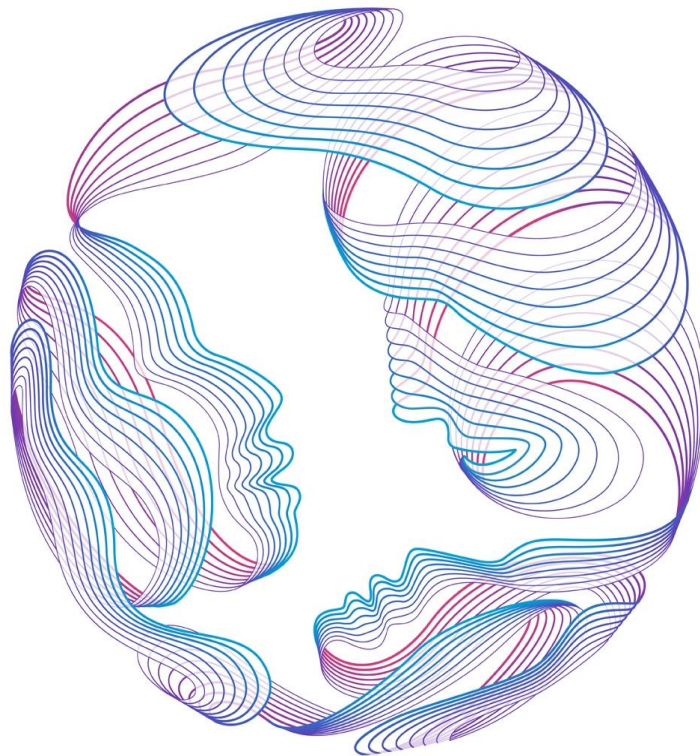


# **CABLE & WIRELESS COMMUNICATIONS PLC ANTI – BRIBERY POLICY**



## FOREWORD BY TONY RICE



Telecommunications are a critical part of our daily lives. Our vision is to deliver world class telecommunications in the markets in which we operate. Achieving our vision partly depends on the way all of us behave at work.

Our continued success depends on our ability, both as a company and as individuals to establish and maintain positive relationships both internally with our colleagues and externally with our shareholders, customers, suppliers, local Governments, business partners and the wider communities within which we work.

Our anti-bribery policy forms part of our ethical code of conduct and sets our commitment to operate professionally, fairly and with integrity wherever we work in the world. It provides a clear framework to guide our behaviour and decision-making.

Most of all, it helps us protect and enhance our reputation. Our reputation is a key business asset which is hard won and easily lost. Our reputation gives our customers, employees, partners, suppliers, investors, co-shareholders and the communities that we serve, the confidence to trust us and do business with us.

We expect the highest levels of integrity and ethical conduct and will support those who make decisions based on the principles set out in this policy. We all have a shared responsibility to ensure that we reflect the principles in our behaviour. The policy sets out the standards that we should adhere to and gives examples of how it applies to our day to day work.

I want to be proud of what we achieve as a business. Please apply this policy using your good judgement and play your part in maintaining and enhancing our reputation. If you have any questions or concerns, please do not be afraid to ask. You will always be supported for doing the right thing.

**Tony Rice**  
**Chief Executive**  
**March 2013**

## 1. INTRODUCTION

The Cable & Wireless Communications Plc (“CWC”) anti-corruption policy has been updated to take account of new UK legislation the Bribery Act 2010 which comes into effect on 1 July 2011.

CWC conducts its business ethically. It does not, under any conditions, offer, give or receive directly or indirectly bribes or any other form of improper advantage for business of financial gain. In addition, we do not make facilitation payments and our policy is to ensure that the giving and receiving of gifts and hospitality or other promotional expenditure at work is proportionate and reasonable. Further details on each of these, as well as, political and charitable contributions and the use of third party representatives are covered in Section 2 of the policy.

Whilst overall governance for anti-bribery remains at CWC Board level, each of the four regional Chief Executive’s are responsible for the performance of their own region’s comprehensive anti-bribery management system. The CWC Plc Chief Executive is responsible for the UK operations anti-bribery programme. Section 3 of the policy provides further information on the implementation and monitoring of the policy.

The policy applies to all members of the Cable & Wireless Communications Group and all of the Group’s full-time, part-time employees and temporary staff at all of our business locations around the world.

It is CWC policy that all people who work for the Company:

- Behave with honesty and integrity;
- Make sure that our behaviour complies with the policies and rules of CWC;
- Use the assets of our Company in the best interest of the company and do not misuse those assets;
- Do not pay or accept bribes;
- Make a clear distinction between the interest of CWC and private interest and avoid possible conflicts;
- Make sure we comply with local and other applicable legislation; and
- Report incidents, risks and issues which deviate from our policies. Section 4 of the policy covers what to do if you have a query or concern.

Employees are encouraged to raise any questions or concerns. Your career, relationship and reputation will not be adversely affected because you have done the right thing.

We are also committed to working only with third parties whose standards are consistent with our own. This includes suppliers, customers, co-shareholders and joint venture partners.

Most countries have laws which make it illegal to engage in bribery and corruption, some of which apply across international boundaries. The consequences of failing to comply with this policy can be very serious – including not just damage to our reputation but criminal liability for individuals or the company which could result in a prison sentence and significant fines and penalties for companies.

Failure to comply with this policy or any supporting policies will be fully investigated and appropriate action taken. Depending on the circumstances, this may include, disciplinary or other corrective action, up to and including the termination of employment.

This policy must be adopted by all CWC subsidiaries. Where CWC does not have management or other control of an associated company or joint venture, CWC will seek to encourage the associate company or joint venture to put in place an anti-corruption policy equivalent to CWC's policy.

## **2. WHAT DOES THE POLICY COVER?**

### **2.1 BRIBERY**

***We do not tolerate bribery. We do not offer, give or receive bribes or improper payments or participate in any kind of corrupt activity, either directly or through a third party.***

We do not offer or receive, whether directly or indirectly, bribes or other payments or advantages for business or financial gain. This includes cash, gifts, hospitality and entertainment offered or received as an inducement or a reward for something improper. We do not offer, give or receive bribes to obtain new business, retain existing business or secure any improper advantage and we will not use or permit others to do such things for us.

***For Example:***

***You are placing an order with an established supplier. Your key contact at the supplier indicates that you will get a large discount on price if you can “do him a favour” by helping with the costs of educating one of his children who is at university overseas or employing a member of his family.***

***What do you do?***

- ***Seek to avoid even the appearance of wrongdoing. Even an allegation of bribery could damage our reputation***
  - ***We do not participate in any form of corrupt behaviour***
  - ***Report any attempts to bribe us or solicit and bribes from us***
  - ***We would rather lose business than compromise our integrity***
- YOU SHOULD NOT GIVE IN TO THIS REQUEST - IT IS A REQUEST FOR A BRIBE***

## 2.2 FACILITATION PAYMENTS

***We do not make facilitation payments in any countries where we do business, and we do not allow others who work for us to make them***

Facilitation payments (sometimes called “grease payments”) are small payments or gifts generally made to public officials in order to speed up or “facilitate” actions the officials are already duty bound to perform. Such payments may seem harmless as they are usually small and they may often be regarded as part of the local custom or culture. However, these payments are illegal in most countries where we operate. We do not make them.

***For Example:***

***You have some equipment which needs to enter the country by a certain date in order for you to fulfil certain contractual obligations. Someone suggests “We will just need to make a small payment to the customs officials and they will speed things up. Everyone does it. It will be fine. If you don’t we will not be able to proceed with the project.”***

***What do you do?***

- ***There is no distinction between a facilitation payment and a bribe.***
- ***All facilitation payments are prohibited even where such payments are perceived as a common part of local practice or are even acceptable under local law.***
- ***YOU SHOULD NOT FOLLOW UP THIS SUGGESTION AND YOU SHOULD REPORT IT***
- ***Section 4 of this policy provides guidance on our reporting procedures***

## 2.3 GIFTS, HOSPITALITY AND OTHER PROMOTIONAL EXPENDITURE

***Any gifts or hospitality or promotional expenditure we receive or give in connection with our business should always be proportionate and reasonable in terms of value and frequency. Gifts and hospitality should never be offered or accepted if it may be perceived as improperly influencing a business decision about or by us or impair independence or judgement about us.***

Reasonable and proportionate gifts, hospitality or promotional expenditure which seeks to improve the image of a commercial organisation, better to present its products and services, or establish cordial relations, is recognised as an established and important part of doing business but corporate gifts, hospitality and promotional expenditure can be employed improperly and illegally as a bribe. For example, a gift or hospitality may be so significant in the hands of the recipient that it would be regarded as improper.

Gifts or hospitality may be subject to external scrutiny – you should consider if you would feel uncomfortable if the gift or entertainment was reported in your local or international newspaper or criticised by a competitor.

You can generally accept low value gifts such as pens, coffee mugs, T-shirts, flowers, diaries, calendars or a bottle of wine. However, each Business Unit and the UK will have financial limits and guidance and approval procedures in gifts, hospitality and expenses policies (“local policy”) which you must follow.

***For Example:***

***1. A business contact offers you lunch/tickets to a cricket match/ a case of Champagne.***

***What do you do?***

- ***Ensure that all gifts or hospitality given and received are recorded and approve or comply with the financial limits in your relevant local policy***
- ***Consider if it “feels right”***
- ***Is there an obligation or expectation attached to the gift or hospitality?***
- ***Obtain approval in accordance with your local policy before offering any kind of gift or hospitality to public officials and that it conforms to the rules of the relevant public body.***
- ***Check before offering customers and suppliers any kind of gift or invitation – many have rules requiring them to report or refuse such things***
- ***IT MAY BE OK TO ACCEPT THE LUNCH/TICKETS/CHAMPAGNE BUT ONLY IF YOU FOLLOW YOUR LOCAL POLICY***

### **Special considerations apply in connection with public officials.**

As we are subject to Government licence and regulation in nearly all of the territories where we operate and in some cases, we are co-shareholders with Government, we need to take care in our relations with Government so that we avoid even the suggestion of something improper having taken place.

Public officials include members of parliaments, members of governments, candidates for public office, civil servants and other government officials, regulators and members of their staff (including international or regional bodies), tax and customs officials, law enforcement officials and anyone else exercising a public function of any kind on behalf of a local, national or international body.

Gifts to public officials are not permitted because they can create improper influence or the appearance of improper influence and could be viewed as a bribe. On an exceptional basis, items of reasonable and proportionate value may be provided to government officials where it is legal, would be considered respectful of local customs, is in accordance with the rules of the relevant Government body and provided it is done in a transparent way.

The provision of hospitality to Government officials is permitted provided that it is reasonable and proportionate and there is a clear business reason for the hospitality. For example, a lunch with a Government official to develop a relationship is permitted provided that the expenditure is reasonable.

You should consult your local policy and act in accordance with the financial limits, guidance and approval procedures set out in that policy.

## **2.5 POLITICAL CONTRIBUTIONS**

***We do not make political contributions either directly or indirectly to political parties, causes or individual candidates.***

Political contributions include donations, loans, gifts, or loans of property and provision of services. Any proposal for political contribution would need to be approved in accordance with the CWC Governance Framework.

For the avoidance of doubt:

- The provision of services does not include enterprise or other contracts negotiated with Governments on a third party basis.
- This does not include fees payable to Government Directors on our subsidiary boards which are made in accordance with the Shareholder's Agreements and subject to local board approval.

## **2.6 CHARITABLE CONTRIBUTIONS**

***We actively support and sponsor appropriate charities in the countries within which we operate.***

Charitable donations must be appropriate and suitable. The charity must be bona fide, and any use of CWC resources or money for charitable purposes must be consistent with our corporate and social responsibility policy and must support the local community.

We must not make charitable donations that give the impression that we have done so with the intention of influencing customers or officials in order to win business.

Each Business Unit and the UK will have additional financial limits and guidance and approval procedures for charitable contributions which you must follow before making any charitable donation.

Before making a charitable donation:

- Confirm that the charity appropriate and that the proposed donation in accordance with local charitable contributions policy
- Ensure the charity is bona fide by conducting due diligence on it if necessary
- Check there is no conflict of interest between the charity, your business unit and any local official or customer. In particular, you should satisfy yourself that there is no link between the charity and someone who is in a position to make a decision about your Business Unit, whether a customer, supplier or a public official.
- A charitable donation should never be made at the request of a public official unless approval has been granted by your business unit Chief Executive.

Never use a charitable donation as a substitute for a political payment or a bribe.

***For Example:***

***You are approached to support a local cause by a public official. It is a worthy local cause and the public official is involved in the granting of licences***

***What do you do?***

- ***Will the donation have a positive and beneficial effect for the local community?***
- ***Is the charity appropriate and is the proposed donation in accordance with local policy?***
- ***Ensure the charity is bona fide***
- ***Check there is no conflict of interest or link between the charity and someone in a position to influence a decision about your business unit***
- ***Is there any implication that the donation could be for an improper purpose?***
- ***Never use a charitable donation as a substitute for a political payment.***

## **2.7 USE OF THIRD PARTY REPRESENTATIVES**

***We only use agents or other third party representatives if we have to and if they are known to act to standards consistent with our policies and we always follow approved process to engage them.***

We need to ensure that those who act on our behalf as representatives, agents, consultants and other providers of services do not bribe on our behalf. Accordingly before engaging any third party we need to:

- Understand who we are dealing with – check an agent’s background, expertise, business experience and reputation. For significant engagements, consider whether a third party due diligence is required.
- Only agree to pay appropriate and justifiable remuneration for the legitimate services rendered
- Obtain contractual protections from the third party that they will comply with this policy
- Obtain necessary approvals in accordance with your local procurement policy

***For Example:***

***You are considering entering a new market. A former politician and businessman is introduced to you as someone who has “influence” in the potential new market and he says he would be prepared to act as your local man on the ground for a commission should you enter the market.***

***What do you do?***

- ***You should organise for due diligence to be conducted on the new market (does it have reputation for corruption?) and your potential new business partner.***
- ***You should reflect on whether the commission arrangement is appropriate and the level of commission is justifiable***
- ***You should draw up detailed contractual documentation which requires the new business partner to comply with the spirit and letter of this policy and which contains additional contractual protections***



### 3. IMPLEMENTATION AND MONITORING

All CWC businesses are required to operate an up to date anti-bribery and corruption management system that will:

- Provide adequate control of the anti-bribery risks arising from our work activities through assessment, quantification and procedures to manage the risks;
- Provides employees with an appropriate level of up to date training;
- Enable consultation with our employees on matters affecting anti-bribery;
- Provide and maintain a confidential reporting system to allow for anti-bribery issues to be reported, investigated and if necessary, acted upon; and
- Review anti-corruption arrangements on an annual basis.

The CWC Board have approved the implementation of governance process to assist the regional Business Units to comply with this policy by:

- Creating a culture of honesty, integrity and transparency;
- Communicating the CWC Anti-bribery policy to all businesses;
- Implementing training programmes for both senior management and employees across the businesses;
- Guiding businesses in the definition and implementation of local anti-bribery practices;
- Requiring the businesses to implement a local anti-bribery management system.
- Sharing good practice across the regions ;
- Operating a group wide anti-bribery monitoring and reporting system that provides assurance on the effectiveness of the local anti-bribery management systems; and
- Ensuring there are clear channels of communication for queries or reporting concerns.

### 4. WHAT TO DO IF YOU HAVE A QUERY OR A CONCERN

You may have questions about how this policy works when applied to a practical situation you are faced with. If this is the case, please speak to your line manager or you local legal, company secretarial or HR contact.

Alternatively, you may have concerns that others are not applying this policy properly.

1. Some minor issues may be best dealt with by talking to the person whose conduct is of concern. If this is not possible, you could speak to your line manager. If you feel that is not appropriate then you can also speak to your local human resources, legal or company secretarial contact.
2. If the matter is very sensitive or you do not feel that it can be handled locally, you can send an email to [ethics@cw.com](mailto:ethics@cw.com).
3. If you do not feel comfortable raising your question or concern through any of the above channels, you can contact our Ethics Hotline on +44 (0) 121 713 8511 or by leaving a message via the SpeakUp Portal – [www.speak-up.info/CWC](http://www.speak-up.info/CWC) (Access code: 29266). The hotline and portal are an external service administered by an independent firm. It is provided on behalf of CWC, not your local operating company. You may remain anonymous if you wish to. Any matters discussed via the Ethics hotline will be passed to the CWC Head of Internal Audit to address.