



13 July, 2011

Dear Colleague,

As disturbing events continue to unfold in London I believe it is important to keep you up to date with our position in Australia.

Some media outlets, certain commentators and some politicians have attempted to connect the behaviour in the UK with News Limited's conduct in Australia. This is offensive and wrong.

So far this week we have seen:

- a major television news bulletin report that News Limited executives were suspects in the phone hacking scandal – they apologised and corrected this the following night
- a federal senator call on the Government to investigate whether News Limited was engaging in phone hacking even as he admitted he had no evidence of any wrongdoing by News in Australia
- the ABC report that the former head of the National Crime Authority wanted the Government to establish a new regulatory body "to ensure that Mr Murdoch's Australian media operation was behaving responsibly". In fact, he said no such thing; he has proposed a new press council to govern all media
- accusations that we don't disclose our code of conduct and that most of our journalists are unaware of it and that it isn't available online – this is simply false

However erroneous the allegations, I believe it is important to deal with these perceptions constructively.

Our code of editorial conduct is available to all journalists; indeed all staff can access it. It is on our intranets and available in hard copy. The code is given to journalists who are required to read it and abide by it as a condition of their employment.

Yesterday I asked divisional managers to publish the editorial code on each of our masthead websites to neutralise even the most ludicrous assertions that we are somehow afraid to disclose it.

Yesterday, HWT released an updated and expanded version of its Editorial Code of Conduct and editor in chief Phil Gardner conducted briefings to staff. HWT's new code has been 3 months in preparation and its release is unrelated to events overseas. The HWT code is the most current and comprehensive we have and is likely to become the model for a new national code for News.

News Limited

In recent days I have had two lengthy conversations with Julian Disney, head of the Australian Press Council. Julian has brought fresh ideas, energy and conviction to the Council. He recently expanded the Council by appointing a senior person to devise a new set of National Standards. I welcome this and News will work with the Press Council and other media outlets to strengthen the Council's ethical codes and guidelines and improve its complaints handling process.

Every worldwide employee of News Corp recently received a copy of the updated Standards of Business Conduct. These standards which are already on the News Corp website are being posted on all of our intranets.

We will be conducting a thorough review of all editorial expenditure over the past 3 years to confirm that payments to contributors and other third parties were for legitimate services.

Policies, codes and guidelines are important. But what matters is conduct.

I have absolutely no reason to suspect any wrongdoing at News Limited. However, I believe it is essential that we can all have absolute confidence that ethical work practices are a fundamental requirement of employment at News Limited.

I intend to keep you informed of relevant developments as appropriate and welcome any feedback.

John Hartigan
Chairman and Chief Executive