

Digital, Culture, Media and Sport Committee

Oral evidence: Fake News, HC 363

Wednesday 6 June 2018

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Members present: Damian Collins (Chair); Julie Elliott; Paul Farrelly; Simon Hart; Julian Knight; Ian C. Lucas; Christian Matheson; Brendan O'Hara; Rebecca Pow; Jo Stevens; Giles Watling.

Questions 3191-3480

Witness

[I](#): Alexander Nix, suspended CEO, Cambridge Analytica

Written evidence from witnesses:

- [Alexander Nix supplementary written evidence](#)

Examination of witness

Witness: Alexander Nix.

Q3191 **Chair:** Good afternoon and welcome to this further session of the Digital, Culture, Media and Sport Select Committee inquiry into disinformation and fake news. The Committee is very grateful to Alexander Nix for agreeing to come back in front of the Committee today to answer our questions. We appreciate that a lot has transpired since the end of February this year. I thought it would be helpful for the Committee and for the record if you could give us an update as to what the current status of Cambridge Analytica is, who is in possession of its assets and what role you have with the company at the moment.

Alexander Nix: Thank you, Mr Collins. I would be pleased to answer your question but before I do so, I would like to make a few short clarifications. It will take only a few minutes but it is important to be able to frame my answers.



Q3192 **Chair:** Mr Nix, what I would rather do is if we could take the questions in the order the Committee has them. I would imagine that we will probably raise questions and issues where you will want to make clarifications and statements as we go through. If, by the end of the session, there are things that we have not covered on which you wish to place your response on the record, I would be very happy for you to make a closing statement to cover that off. It is not the practice of the Committee to have opening statements from witnesses, so I would be grateful if we could start with the Committee's questions and see how we go.

Alexander Nix: I do appreciate that and ordinarily I would respect that but these are not ordinary circumstances and so, if I may, I would like to start with a very brief statement to set out my position.

Q3193 **Chair:** Is this to do with the substance of evidence or is this to do with your current status and the impact that might have on your testimony as a witness?

Alexander Nix: This is to do with framing my answers today.

Chair: Okay. Well, let's see how we do.

Alexander Nix: Thank you. First, as the Committee is aware, I did not refuse to attend to give live evidence—quite the contrary. Over the last few weeks I have expressed to the Committee my desire to attend as I am keen to deal with the untrue and misleading statements that have been made about me and my company over the past few months. My request was that this hearing was postponed until after the investigations in the United Kingdom and in the US have concluded. Alternatively, as with certain other witnesses, I asked whether evidence could be given in private so that I was able to answer all of the Committee's questions fully and openly. I have been given clear advice that discussing topics that relate to ongoing investigations in the UK and the US may prejudice those inquiries and infringes my right to silence. This is a fundamental right extended to all those who find themselves in a similar position to mine.

None the less, I have been compelled to attend. With this in mind, you will understand there is a limit to what I can say in relation to certain topics that touch on those investigations. Out of respect to the Committee, I have attended today and will answer the questions that I can. Can I address straightaway the suggestion that I misled this Committee about receiving data from GSR?

Q3194 **Chair:** Mr Nix, I appreciate the opening statement about your position and the fact that there are other inquiries with which you are co-operating. I think we are now getting into you giving a statement about the substance and this will be covered in the questions that members wish to put to you. I would rather take this on a question-by-question basis than it being dealt with as a statement at the beginning.



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Alexander Nix: I do understand that but it is important that I push back on this and so I am going to have to insist, Mr Collins, that I finish my statement.

Q3195 **Chair:** I am sorry, Mr Nix. I have allowed you to give us some opening remarks. I feel that your opening statement is now going into the substance of issues that we want to raise with you, which is based on your previous evidence to the Committee and the reason we invited you back. I am going to deal with that on a question-by-question basis. It is up to you how you respond to those questions. As I said at the beginning, if there are things that we have not covered where you wish to place a statement on the record, I am very happy for you to do that at the end of the session once the members have completed their questioning. I am not going to allow an opening statement that goes into the substance of topics the members want to question you about.

Alexander Nix: Mr Collins, you will have plenty of opportunity, as will all the Committee, to ask me as many questions as you want but I have to insist on delivering the rest of this statement.

Q3196 **Chair:** I am sorry, Mr Nix, it is not your place to insist on anything in front of this Committee. You have agreed to come and you are here to answer the members' questions. I have allowed you to make some opening remarks that reflect the constraints that you may be under because of other investigations you are taking part in, and that is completely proper. I want now to go on to the questions the Committee intends to put you to and to my opening question, which is about the current status of Cambridge Analytica and your current status with that company. Could you answer that question, please, and then we will go on?

Alexander Nix: As I said, I will be pleased to answer that question but I will just finish this statement, if I may.

Q3197 **Chair:** No, Mr Nix. I will start the questions now.

Alexander Nix: I accept that some of my answers could have been clearer but I assure you—

Q3198 **Chair:** Mr Nix, you are just reading out the statement. Can you answer the first question that I put to you? Then we will go into the questions from the members. If there are other things you want to put on the record, I would imagine that you can cover off a lot of what is probably in that statement in your answers to members' questions as we go through. Could you answer the first question, please?

Alexander Nix: Mr Collins, I really don't think this is appropriate. Other witnesses have given statements to this Committee and I think I should be allowed to do likewise.

Q3199 **Chair:** No, they have not given statements to this Committee. People have been asked, as I have asked you, a relatively general opening



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question, which you can respond to. The character of all of the hearings so far has been that members have put questions, with me starting as Chair, to witnesses who have answered them. We do not have opening statements and that is the case for all witnesses who appear in front of the Committee regardless of the circumstances. I think it was appropriate for me to allow you to make some opening remarks about your status as a witness, which is helpful to the Committee's work, but the way this works is that we ask questions and the witnesses answer them.

Alexander Nix: Could you repeat your first question, please?

Q3200 **Chair:** Yes. Thank you. Since we last met, as I said at the beginning, there has been quite a lot of change at Cambridge Analytica. Could you update the Committee on what the current status of Cambridge Analytica is, who is in control of the assets of the company and whether you have any direct involvement in the running of the company today?

Alexander Nix: Cambridge Analytica is in chapter 7 in the United States. The SCL Group and associated companies are in administration in the UK. The process is being managed by the administrator and I have no further involvement.

Q3201 **Chair:** The assets of the company are in the control of the administrator?

Alexander Nix: That is correct. *[Interruption.]*

Q3202 **Chair:** Did I hear a device? There is no photography allowed in the room by members of the gallery. If people can't respect that, I will ask that they leave the room. I hope I do not have to make that statement again.

Is that the same with SCL Group? Are its assets in the hands of the administrator?

Alexander Nix: That is correct.

Q3203 **Chair:** You will have seen reports in the newspapers today suggesting that you took an \$8 million sum of money out of Cambridge Analytica before it went into administration. Is that correct?

Alexander Nix: I saw that newspaper article today. What I can say is that the allegation made in that article is false; the facts in that article are not correct. Other than that, I cannot speak to it, simply because it alludes to other matters that I am not so familiar with. What I can say is that over the last three months since this media storm erupted, I have personally invested, unbeknown to anyone except the board, millions of dollars to meet staff salaries, staff bonuses and staff redundancies.

Q3204 **Chair:** Could you say when was the last time that staff members at SCL or Cambridge Analytica were paid?

Alexander Nix: I can't speak to that because, as I think this Committee knows, I was suspended from my role as CEO and then resigned from the board. These matters would have been handled by the board and then the administrator.



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Q3205 **Chair:** The money that you said you put in to meet staff payments, is that money you gave to the company or to the administrator and when did you make those payments?

Alexander Nix: To the company.

Q3206 **Chair:** How long ago was that?

Alexander Nix: I would be happy to circle back to you once I have had more facts about this article, but I don't think that this is relevant to this Committee hearing.

Q3207 **Chair:** I wanted to give you the chance to respond to what was in the article.

Finally, has the administrator been in touch with you about that amount of money that was taken from the company?

Alexander Nix: No, he has not.

Q3208 **Paul Farrelly:** In line with the current state of play, it is right to give you the opportunity here in public to respond to the continuing media storm. You said that you put money into the company—you used the word “invest”—to pay staff salaries and bonuses. Was any of that redeemed in any way?

Alexander Nix: By myself?

Paul Farrelly: Yes. Did you receive any of that back?

Alexander Nix: No, I did not. My intention was to try to help the company through a difficult period when we were uncertain about what was happening. I was also keen to try to help the staff as much as I could. At that time, none of us envisaged that this outcome would happen.

Q3209 **Paul Farrelly:** Not a cent of that has come back to you.

Alexander Nix: Not a cent.

Q3210 **Paul Farrelly:** Did that place you as a creditor of the company or how did you invest the money? Did you loan it to the company?

Alexander Nix: Again, I don't think the details of that are important but given that the company has no assets, being a creditor to the company is probably not so important.

Q3211 **Chair:** Aside from the financial assets, are all the assets of the company, including the data it holds, other information it holds that has a commercial value, in the hands of the administrator?

Alexander Nix: That is my understanding.

Q3212 **Chair:** I have one final question on some of the events that transpired affecting the company directly. At the time, after the publication of the story in *The Observer* newspaper, Facebook sent lawyers and forensic



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data staff to the offices of Cambridge Analytica and they were asked to leave by the Information Commissioner. Things were also removed from the offices by Cambridge Analytica itself or under the direction of Cambridge Analytica. Can you tell us what was going on at that time, what was removed from the building? Have those documents, files, datasets or whatever it was been made available to either the administrator or to the other relevant authorities that may have been interested in them?

Alexander Nix: Could I ask you, Mr Chairman, what makes you presume that anything was removed from the office at that time?

Q3213 **Chair:** There were photographs of boxes being removed and things being taken, which has been reported on. If that is not the case, I am very happy for you to say that is not the case.

Alexander Nix: I just wanted to check that is where you were getting your information from. I also saw those photographs. My understanding is that those photographs were from personnel who worked in a different office on a different floor that had absolutely no connection with Cambridge Analytica or SCL and that the media simply interpreted this in the way that they thought was most beneficial to them.

Q3214 **Chair:** As far as you are concerned, there were no documents, files, computers or anything removed from the office of Cambridge Analytica?

Alexander Nix: I can tell you categorically that the people or persons in those photographs were not part of Cambridge or SCL and those boxes were not ours.

Q3215 **Chair:** Otherwise, apart from what was reported in the media, there was no other removal of documents, information, computer files, whatever it may be, from Cambridge Analytica's offices during that week?

Alexander Nix: As far as I am aware, the ICO were the only people to remove documents, files and hardware from the office.

Q3216 **Chair:** At all during that period of time? They did not get a warrant to go into the offices until the end of that week. In that week, as far as you are aware, nothing was taken from the offices?

Alexander Nix: As far as I am aware.

Q3217 **Jo Stevens:** I want to ask you, now that it is some weeks on and in view of everything that has happened, how you feel about the Channel 4 undercover footage of you and Mark Turnbull discussing what work you did. Do you feel embarrassed about it?

Alexander Nix: Well, clearly. For me to get carried away and try to impress someone who I thought was a bona fide client who had come to us with a very genuine and serious project to help the people in Sri Lanka with health and IT infrastructure solutions, to then get entrapped into talking about the sort of things that we did is not only deeply embarrassing but it is something I regret enormously because of the



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damage it caused to the company and ultimately to my staff and the impact that it had on them. I would not wish that on anyone.

Q3218 **Jo Stevens:** You are not embarrassed about what you told them, the bribery, the honeytraps, the fake IDs, the websites and the extortion? You are embarrassed about the impact it has had on your reputation and on the jobs of, I think it is, 80 people who worked in the business?

Alexander Nix: It is more than that if you count the US, of course. No, that is not what I said at all. What I said was that by speaking with such exaggeration and hyperbole, I did not represent the company properly, I did not represent what we do as a company or as individuals, and that there was a significant impact from doing that. I go on to say that there were some five and a half or six hours of meetings that took place with this individual. Ostensibly these were very legitimate meetings about legitimate subjects. All of these were recorded and they were condensed to maybe six or seven minutes of footage. Even those minutes of footage were heavily edited to portray the worst possible picture of the company, myself and my colleagues.

Q3219 **Jo Stevens:** That worst possible picture, Mr Nix, was word for word what you told the journalists. You gave them that information. You gave them that evidence. I was interested to understand how you feel about it now some weeks on. Obviously the statement—

Alexander Nix: I think I should clarify that clearly we did say those words but the context in which they were said has been massively altered and also the caveats that we attached to those words have been altered. Let me illustrate, if I may, for a moment. My colleague was absolutely crystal clear in telling the undercover reporter that we are not in the business of fake news, we are not in the business of lying, making stuff up. We are not in the business of entrapment, so we would not send a pretty girl out to seduce a politician and then film them—

Jo Stevens: Yes, I have got that.

Alexander Nix: Please, if you don't mind—in their bedroom and then release the film. There are no companies that do this—there are companies that do this but to me that crosses the line. If I may go on—

Jo Stevens: No, I am going to ask you the question, Mr Nix.

Alexander Nix: If I may go on, please. When the undercover reporter put these issues to me—

Q3220 **Jo Stevens:** Would you let me ask you the question, please? It is my job to ask the questions; it is your job to answer them. If you could just do me that courtesy, please.

Mark Turnbull said that. I accept that entirely. I have read the transcript, but then you go on to say about beautiful Ukrainian girls and you give examples of what you would be doing—and I have referred to them before—bribery, honeytraps, fake IDs, extortion, fake websites. You were



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suspended by Cambridge Analytica. The company put out a statement saying that your comments “do not represent the values or operations of this firm and his suspension reflects the seriousness with which we view this violation”. What are the values, what were the values of Cambridge Analytica?

Alexander Nix: I will address your question but let me—

Jo Stevens: No, please answer my question.

Alexander Nix —continue by saying that—

Jo Stevens: Please answer my question, Mr Nix.

Alexander Nix —I caveated my comments very, very clearly by saying, “The answers are hypothetical and that is really important. Please don’t pay too much attention to what I am saying. I am just giving you examples of what can be done,” and, of course, this was edited out of the video. I was asked a very leading question, a hypothetical question about what sort of tactics could be employed to discredit a politician and I answered hypothetically and I caveated my answer by saying, “Please don’t pay too much attention.” Of course this was edited from the footage.

Q3221 **Jo Stevens:** Can you now answer my question, please? What were the ethics, what were the values of Cambridge Analytica?

Alexander Nix: At that meeting we had a client that we thought was bringing a very interesting contract to the company and the client started taking the conversation down a completely uncharted avenue. In our overzealousness to secure a contract, Mark Turnbull and I were guilty of hyperbole and agreeing with the client on matters that not only have we never involved ourselves in before but we had no understanding of. We were just telling the client what we thought he wanted to hear in order to find out exactly what his intentions were and to move the contract forward.

Q3222 **Jo Stevens:** I have just been passed a case study from your marketing brochure: “As part of an election campaign that turned nasty, we launched a targeted digital attack on the opposition candidate. Within three weeks, every single reference to him on the first two pages of Google referred to the candidate’s horrific track record of corruption, coercion, rape allegations and victimisations.” Are those the ethics, are those the values of Cambridge Analytica?

Alexander Nix: If you have a candidate who is being found guilty of corruption or guilty of rape or other such things, pushing those into the public space is in the public interest, surely.

Q3223 **Jo Stevens:** What are the ethics and what are the values of Cambridge Analytica? Did you have any at all? If you didn’t, just tell me, but I am interested to know: did it have any business ethics or values?



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Alexander Nix: Cambridge Analytica is a company that is predominantly staffed by very young, very ideological and very talented individuals who come from a broad range of political ideologies and interests. They genuinely have been working to understand how they can use data to make the world a better place on many different levels, by contributing to developing communication and how that is used, and also in the social and development sphere, in counter-terrorism and counter-radicalisation. There are huge areas of positive work that I could point to, but instead the media—and it seems this Committee—is intent to focus on this one meeting that was clearly not representative of the values nor the ethics of the company.

Q3224 **Jo Stevens:** Let me move to the report of Julian Malins, QC, into Cambridge Analytica. You mentioned young, idealistic employees of the company. Would they be the same employees that Mr Malins talked to who described you as delusional, that you should have been reined in a long time ago, that you and Mark Turnbull were behaving like teenagers desperately trying to get a deal? Are those accurate assessments of you and Mr Turnbull?

Alexander Nix: I think the quotes that you are referring to were in their response to that particular Channel 4 investigative video. I think that they are quite right in their criticisms. As I think Brittany Kaiser said in her testimony, she did not recognise the company that was portrayed in that video. I think the staff were rightly very disappointed by the fact that, under the very skilful manipulation of the journalist, he was able to coax us into saying things that neither represent what we do nor the values and ethics that the company holds.

Q3225 **Jo Stevens:** So why say them?

Alexander Nix: Clearly, if I could have the meeting again I would have it differently. You do appreciate that.

Q3226 **Jo Stevens:** I am sure you won't take exception to this but it goes to the very heart of the credibility of your business reputation and your evidence to us that you will say those sorts of things when you are telling us they are completely untrue.

Alexander Nix: I hope in due course and over time that I will be judged by my actions and not words. Clearly in this case my words were foolish.

Q3227 **Chair:** To be clear, on the Channel 4 investigation there was quite a lot of focus on the reference to the Ukrainian girls; I am sure you will remember that. What you said there was, "They are very beautiful. I find that works very well," so it was not a kind of hypothetical. That was saying, "I find that works very well." Was that just a lie to impress the people you were talking to or was it something else?

Alexander Nix: That was just a lie to impress the people that I was talking to.



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Q3228 **Chair:** I am interested in whether this is out of character with the company. Jo Stevens mentioned the QC's report that the company commissioned. In that he said that if this sort of thing happened then you would probably find examples where politicians who were on the opposite side of a campaign that SCL or Cambridge Analytica was involved with would be exposed in some sort of sex scandal. He said from what he had seen that that had not happened, but that is not true, is it? In 2015 the Prime Minister of St Vincent was caught out in a sex tape scandal and he was on the opposition side of the campaign that your company was involved with; isn't that correct?

Alexander Nix: I don't believe that is correct.

Q3229 **Chair:** I have a copy of the newspaper report on the scandal itself, "St Vincent and Grenadines prime minister comments on sex tape". The party that you were working for is the NDP and they said they had nothing to do with it but nevertheless the sex scandal took place. The QC who wrote your report was not aware of that particular example.

Alexander Nix: Nor was I aware of that, Mr Collins. That is the first time I have learnt about that. I am not sure that we—and I will revert to you on this. You said 2015?

Chair: That is the article I have here. It may be earlier than that.

Alexander Nix: I am going to say to the Committee—and I will circle back to you on this—with a high degree of certainty that we were not involved in that election in 2015.

Q3230 **Chair:** We will check. The date I have is on the article I have in front of me. The piece of work itself may have been earlier. I think it may have been 2010 but we will double check that. You had not heard that story but to me that seemed to be a case where the QC may not have been aware of the breadth of some of the work of Cambridge Analytica.

Alexander Nix: I am sure that any of the Committee can point to a politician involved in a sex scandal, but that does not automatically mean, because I got entrapped by a journalist, that we were responsible for it. I think you are drawing a connection that does not exist.

Q3231 **Chair:** I was referring to what was in the QC's report. He was saying that if there was any example of a candidate being on the wrong side of a SCL or Cambridge Analytica campaign who had been exposed in a sex scandal, that might suggest that maybe there was some credence to it. It was not just something being said for the benefit of the tape or to impress a new client but that actually this sort of thing had gone on.

Alexander Nix: Let me make this absolutely categorical so that we can put this to bed. There is no credence to it. We have never undertaken any work that involved a honeytrap or the use of a sex scandal or anything like that or tried to create a sex scandal for political leverage or for work on a campaign. I can't be more blunt or plain than that.



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Q3232 Chair: I have seen a document that was presented by you to some potential clients in Mongolia in late 2014. This is not about honeytraps but about forms of what the document calls “proactive campaign intelligence” that it says it can provide, including, “Investigations, stings, infiltrations designed to shed light on the opposition and to better anticipate their strategy”. Is that reflective of the sort of work your company does?

Alexander Nix: I am not familiar with that document, but the answer is no. In 2014, we probably had six or eight staff in the company, most of them were 25 to 35 years old. They came from either political consulting or academic backgrounds. We had not even the wherewithal to be able to undertake any of that work, even if we had wanted to, and we would not have wanted to and we never have.

Q3233 Chair: There is an emerging pattern that in documents that have been presented and interviews when you were recorded talking to Channel 4: you were saying one thing to your potential clients about what the company does, but in reality you don’t do any of those things. You don’t do infiltrations and stings, you don’t do honeytraps.

Alexander Nix: I think you need to be careful about making sweeping statements.

Q3234 Chair: Infiltrations and stings are two words that are in the document.

Alexander Nix: There was one interview and it was very leading and the questions were deliberately opaque and they led me down a certain road. I have already apologised to the board and the shareholders and the employees, and I am very sorry. I can say to everyone that I was so foolish to fall for a trick like that, but it was a trick and it does not represent what we do. It would not be fair to characterise me or the company by that one incident.

Chair: I am not trying to do it by the one incident. I am sure something we will look at as we go through the questions this afternoon is whether what you were recorded as saying on Channel 4 reflects the sorts of things that you say. It was not a one-off. Those are the sorts of things you say to potential clients and get put in pitch documents to potential clients; whether stings and attempts to acquire information about opposition candidates so they can be exploited during the course of a campaign is something that you routinely talk about when you meet new clients or whether that was a one-off. I think that is pertinent to understanding whether the Channel 4 thing was an aberration or whether these sorts of untruths were told routinely or indeed whether some of this sort of work goes on.

Q3235 Rebecca Pow: It does seem strange that you are now telling us this was all just a little mistake and an aberration and you should not really have said these things. In that Channel 4 document you referred to SCL as the largest political consultancy working in the shadows. You are quoted as saying how you used the method of going to meet a potential incumbent



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and having video evidence of what they had done so that you could basically pop it on the internet and then they might be accused of corruption, offer a large amount of money to a candidate to finance his campaign in exchange for land and so on. It seems to me very odd that you are now saying that you did not at any time have any of these involvements, practised what I might call the dark arts.

Alexander Nix: Let me start by saying that there is nothing more sinister about what you have just read out than what Channel 4 was undertaking itself.

Q3236 **Rebecca Pow:** But they are actually your words that we are quoting back to you, and—

Alexander Nix: Does that mean that Channel 4 also works in the dark arts?

Rebecca Pow: Another thing you said is: “you know equally effective can be...to...speak to the incumbents...offer them a deal that’s too good to be true and make sure that that’s video recorded,” so that you could use it later. It does seem really odd that you are now saying none of that was true and you were not practising these dark arts.

Alexander Nix: Let me clarify. First and foremost, I was drawing a very particular distinction about what Mr Chairman was talking about, which was the use of honeytraps and the use of—what was the other word you used? I can’t remember.

Chair: Infiltration and stings.

Alexander Nix: Infiltrations and things like that. We don’t do that. We have not done that. I think that most of this Committee would recognise that there is a difference between honeytraps and infiltrations and, for instance, what Channel 4 would call an exposé.

Q3237 **Ian C. Lucas:** Mr Nix, when you last gave evidence to the Committee you may recall that I asked you about ethics and in particular whether the company had ever refused a proposal from a client in connection with an advertisement or a film on ethical grounds. You said you would go away and come back to us. We have received a response from you that says, “We cannot find an example of where we had to refuse to put out an advert on behalf of one of our clients”. Isn’t that a clear example that you have not applied an ethical approach to the advertisements that you put out on behalf of Cambridge Analytica and SCL?

Alexander Nix: That is certainly one interpretation of that. Alternatively, you could simply say that that is an example of where we have not had to employ those sanctions because we have not been asked to undertake anything unethical by a client.

Q3238 **Ian C. Lucas:** There are some films about the Kenya election that were featured in the Channel 4 film, which I think your colleague referred to as being effective. Are you saying that at no stage have any of your clients



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used unethical advertisements or communication?

Alexander Nix: This was an allegation that I believe was made by Mr Wylie about the fact that we disseminated unethical media content in the Kenyan elections. I think that subsequent to that testimony what we have seen is that the actual company responsible for producing and disseminating that was an American-based political consultancy, digital consultancy, who had no relationship to Cambridge Analytica whatsoever and that it was simply convenient for Mr Wylie to imply that we had disseminated that when we had nothing to do with that campaign. We were not involved in that particular set of adverts or TV commercials or whatever they were. I believe a spokesperson for the campaign has also exonerated us from any involvement in that.

Q3239 **Ian C. Lucas:** Mr Nix, isn't it the truth that Cambridge Analytica cannot produce a single example of refusing a proposal from a client for an unethical advertisement and, therefore, Cambridge Analytica was an unethical company itself and did not apply high ethical standards?

Alexander Nix: I don't think you can draw that conclusion from your statement. I think you would like to draw that conclusion because it fits with a certain prejudice that has been prevalent in the media but has not been borne out by evidence. I certainly have not seen any evidence that supports this, apart from this Channel 4 entrapment video. I don't agree with what you have said, so the answer is, no, it is not true.

Q3240 **Ian C. Lucas:** You have produced no evidence of Cambridge Analytica rejecting an advertisement on ethical grounds.

Alexander Nix: That is correct, but that does not mean that we are unethical. It simply means that we have not worked with or been asked to disseminate unethical advertising.

Q3241 **Chair:** I think what Mr Lucas was referring to as well in the case of the extremely violent video relating to the Nigeria campaign is that SCL was running the campaign and AIQ was asked to disseminate it. What AIQ told us was that they refused to do so. They did not say that the video did not exist. They said that they refused to have anything to do with disseminating it. We only have their word to go on for that, but that was the evidence that they gave. I think that is the reason why Mr Lucas asked that question.

Alexander Nix: There were two incidents. One was in regard to Kenya, which I hope I have addressed to your satisfaction, and the other was in regard to Nigeria. When I appeared before the Committee last I was unaware of that video. I still have not seen that video so I can't speak to its content, but I did listen carefully to the testimony of Jeff Silvester. I also read the testimony of Brittany Kaiser. I have spoken since to other employees who were in the company at the time. This was another allegation that stemmed from Mr Wylie against the company's unethical practices, but what has become clear or what is absolutely clear to me is that that video was not produced by SCL Elections or Cambridge



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Analytica. Not only did we not have the inhouse capability to edit or produce videos; we certainly did not have that capability in Nigeria for the team that was on the ground. My understanding is that that video was presented to us by the client who asked us to disseminate it and that a discussion took place between the members of the campaign team, some of whom were SCL, some of whom were subcontractors like AIQ, and a decision was reached not to disseminate it.

I can't speak to this directly because I never went to Nigeria on this campaign, but that is my very clear understanding from the other parties and members of the company who I have spoken to. At the time when you asked me that question, Mr Lucas, I was not aware of this. I am now aware of it so I can point to a video or a client campaign that we were presented with that we did not disseminate.

Q3242 **Ian C. Lucas:** Why didn't you tell the Committee this before?

Alexander Nix: When I came in front of the Committee on 27 February that was prior to Brittany Kaiser's testimony, Christopher Wylie's testimony and Jeff Silvester's testimony and I was not aware that this video even existed.

Q3243 **Ian C. Lucas:** In your response, which was subsequent to you giving evidence, on this specific point you still did not produce it as an example. Today is the first time we have heard about this.

Alexander Nix: My apologies. I am telling you now. When did that response come to you? Was it before Brittany's testimony? I really can't remember.

Chair: Your response was before Brittany's testimony.

Alexander Nix: There you are. That is the answer to your question.

Q3244 **Christian Matheson:** Listening to your testimony a little while ago, you were a bit unlucky with that Channel 4 video, weren't you, Mr Nix? Of all the business pitches that you have done and that you have done ethically, the one that you did unethically was the one that was recorded.

Alexander Nix: I don't know that I was unlucky. I think other business meetings are not steered by an undercover reporter who is deliberately trying to entrap you and, therefore, the conversation never moves into those areas and towards those subject matters. It was not luck; it was a very deliberate and co-ordinated programme of deception by Channel 4, together with other newspapers, where they deliberately seeded questions to elicit certain answers. I don't think luck had anything to do with it.

Q3245 **Christian Matheson:** But that is the business that you were in, of course, isn't it? It is behavioural change by deliberately seeding people's thoughts.



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Alexander Nix: I know that the Committee would like to believe the media's impression that we are this large, nefarious, multinational company that influences politics and other things around the world. The truth of the matter is that we are a very small advertising agency that happens to work across a number of sectors, one of which is political campaigns that constitutes only about 25% or 30% of the revenue of the business. Most of our time is spent selling toothpaste and automotives and things like that.

Q3246 **Christian Matheson:** If I can come back on to the question of substance in this session. You have told us previously that in respect of the organisation WikiLeaks, "We have no relationship with WikiLeaks. We have never spoken to anyone at WikiLeaks. We have never done any business with WikiLeaks. We have no relationship with them, period, full stop, in this country." Does that remain the case?

Alexander Nix: That remains the case.

Q3247 **Christian Matheson:** I see that this afternoon there is an article on *The Guardian* website suggesting that when Brittany Kaiser was a Cambridge Analytica director she was visiting Julian Assange in February last year and told a friend that it was to discuss what had happened during the US election. The article goes on to say that she had also claimed to have channelled cryptocurrency payments and donations to WikiLeaks. Is that correct?

Alexander Nix: I simply cannot speak to that. That is the first time that I have heard that. I have not read the article. I have absolutely no knowledge of the fact that Brittany Kaiser had met with Julian Assange. I cannot speak to the veracity of that reporting. If it is anything like the majority of the reporting that that newspaper has said about our company, I can only be sceptical about the truth that it is based on.

Q3248 **Christian Matheson:** Their source is visitor logs from the Ecuadorian Embassy obtained by *The Guardian* and an organisation that I don't know called Focus Ecuador. It sounds as though, if the visitor logs are correct, it might be the case.

Alexander Nix: It might well be the case. You are probably better off speaking to Carole and asking her directly.

Q3249 **Christian Matheson:** I might do. It is just that I could not ask her before because the session had already started, for which I apologise.

Alexander Nix: I really have never heard this before. This is completely new to me, but I am assuming that Brittany did that in a personal capacity. It certainly had nothing to do with Cambridge Analytica or SCL Elections.

Q3250 **Christian Matheson:** The one concern about that is obviously that she was doing it on your time. Also that is the second instance now, following on from what my colleagues have asked, where things have been done in



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the company that you were not fully aware of. Are you a little bit concerned that perhaps you did not have a complete grip on the activities of your colleagues and what they were doing around the globe?

Alexander Nix: If you are asking me if I micromanage 120 staff in offices across the US and the United Kingdom such that I understand how they spend every minute of every day when I am travelling extensively, you are absolutely correct.

Q3251 **Christian Matheson:** But in terms of WikiLeaks and Julian Assange, who obviously is a very high profile individual and has undertaken some fairly high profile publication of leaks, including those that are used for political embarrassment—and we have seen from the United States, for example—it might have been useful, particularly since you had work in the United States, if you had been aware of that.

Alexander Nix: I don't know how I can say this more clearly. I was not aware of it. I did not know that Brittany Kaiser had been to the embassy. I can't speak to her motives; I can't speak to what she was doing. She certainly was not there representing Cambridge Analytica or SCL.

Q3252 **Chair:** Regarding Julian Assange, I wanted to ask you a couple of questions about Brittany Kaiser's evidence to us, which I am sure you have seen. Did you hire Brittany Kaiser personally to come and work for your company? Was she someone you knew before she joined the firm?

Alexander Nix: I was introduced to her personally and then she would have been interviewed as were other candidates for a job.

Q3253 **Chair:** She obviously knew Julian Assange before she came to work for you. She spoke about that and in particular through her relationship with the legal chambers that represent him. She said that you knew that she knew Julian Assange as well. Is that correct?

Alexander Nix: It is certainly correct that Brittany Kaiser had worked—I don't know for how long—in human rights for the QC John Jones and I believe that he represented Julian Assange at some point.

Chair: Yes, that is correct.

Alexander Nix: I can't speak to whether she knew Julian Assange directly or had ever met him but I knew that she had a relationship with John Jones.

Q3254 **Chair:** You were aware of that connection and the connection on to Julian Assange?

Alexander Nix: That is correct, yes. I met John Jones once.

Q3255 **Chair:** It came up in Brittany Kaiser's evidence, because you spoke to us about Julian Assange the last time you came, saying that you made an attempt to reach him via a speaker bureau or some other agency.

Alexander Nix: That is right, yes.



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Q3256 **Chair:** Given that you knew Brittany Kaiser had a route into Julian Assange, at least through his legal representation, why didn't you just ask her if you wanted to get a message to Julian Assange? Why did you go through that convoluted route?

Alexander Nix: One of my colleagues put that question to me the other day. I really think this demonstrates how much of a spur-of-the-moment idea it was to reach out to them. It was not something that was thought through. As I think I told this Committee last time very plainly, I read an article in *The Guardian*, I believe it was, that Julian Assange had access to these emails and I simply reached across to my colleague and said, "Would you mind seeing if you can contact him to see if he will share those with us?" That was the extent of it. We did not sit down and strategise this; we did not think it through. She very kindly followed up for me and 10 days later we got a response saying that, no, he was not interested.

Q3257 **Chair:** But your motivation was to seek to get access to the Hillary Clinton emails that Julian Assange had in order to benefit your client, the Trump campaign?

Alexander Nix: I do not think we had really thought it through that far. The point was these were very contentious emails, potentially, and we wanted to understand what was contained in them, as did every journalist and I would say most political consultants on both sides of the aisle in the United States. I don't think that curiosity is indicative of anything nefarious.

Chair: I was asking just to clarify what the motivation was.

Q3258 **Julie Elliott:** Mr Nix, in February when you appeared before this Committee, you said that you had no relationship with AggregateIQ apart from using AIQ to develop some software.

Alexander Nix: That is correct.

Q3259 **Julie Elliott:** Would you like to reassess your original answer now in light of what we have heard in the last few months about all of this?

Alexander Nix: I want to double check. I think the question was, "Do you have a relationship with AggregateIQ?" I answered no, because we do not have a relationship with AggregateIQ and we have not had a relationship with AggregateIQ for many months, or indeed for well over a year or a year and a half. I was absolutely correct and I stand by that. I then volunteered some additional information to you to help you understand that we had had a relationship with AggregateIQ, principally in 2014 when they built a software platform for us.

Q3260 **Julie Elliott:** Which platform was that?

Alexander Nix: Internally we used the name Ripon for it. In addition to that, they worked as a subcontractor to our firm on a number of projects

that involved building other smaller pieces of software and they undertook some digital marketing for us.

Q3261 **Julie Elliott:** If we are talking about the Ripon platform, can you tell us a little bit in detail about how that was built?

Alexander Nix: I couldn't speak to that. Do you mean technically how the code base was put together.

Julie Elliott: Yes.

Alexander Nix: No, I can't.

Q3262 **Julie Elliott:** Who was it available to and that type of thing?

Alexander Nix: I can speak to that, certainly. We used AggregateIQ as an independent company of specialist software engineers to help us build what was called a voter engagement platform. The easiest way to think about this is a piece of software that allows you to visualise and manipulate data so that you can make decisions based on those data.

Q3263 **Julie Elliott:** What was the intention of using that data, of using that Ripon platform? What was the outcome you wanted?

Alexander Nix: The intention was to be able to provide this as a tool to clients to be able to use so that they could identify and target audiences for campaigns.

Q3264 **Julie Elliott:** Where would they have got the data from to use in that programme?

Alexander Nix: The vast majority of data that was used in this platform was a combination of voter registration data, which is something that is commercially available in the United States, and consumer and lifestyle data, which is something that you can go out and commercially acquire or license from data vendors.

Q3265 **Julie Elliott:** The tech website Gizmodo revealed the entire code base for Cambridge Analytica's Ripon platform. The security firm Upstart revealed the integration of Cambridge Analytica and AIQ through another base code. Why was so much of your source code kept in such unsecure locations?

Alexander Nix: That source code was written and developed by AIQ, as I have just made clear, and so you would have to address that to them. It would have been their responsibility to keep that code safe. But that code—

Q3266 **Julie Elliott:** Did you not have any oversight on that?

Alexander Nix: We tasked a subcontractor to build us a product.

Q3267 **Julie Elliott:** I would have thought data security was quite important.



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Alexander Nix: We tasked them to do that because we did not have the capability or wherewithal inhouse to do it. It would have been difficult for us to be able to micromanage or police that at that time. But I think more importantly—

Q3268 **Julie Elliott:** What information did they give you or what did you ask them to make you satisfied that that data was secure?

Alexander Nix: I think there is a confusion here and I want to explain this as best I can, given that neither of us are technical software developers.

Julie Elliott: I might be. I'm not.

Alexander Nix: The confusion seems to be that this code base was the same as the data that was contained on the platform. My understanding from the article, which we both seem to have read, and from the evidence that Chris Vickery gave was that the code base pertained to the platform. It was the code for the development of the platform and it was only part of the code, not even the entire code. My understanding is that it was just a small piece of the code. There is no correlation between the code base for the platform and the data that went into it. The best way to explain this using a metaphor would be that AIQ were tasked to build a car for us. They happened to have left a door lying around that somebody found but possession of that door does not at all give you access to the petrol that is put into the car. Does that work for you?

Q3269 **Julie Elliott:** Yes, but do you think it was acceptable that the source code was in such an insecure place?

Alexander Nix: Other than the fact that it is our IP or IP that we commissioned, there is nothing sensitive or put at risk by the code for a programme being left on an open forum. Many developers choose to leave their code in open forums so that it can be shared with other developers for the benefit of the good of the community.

Q3270 **Chair:** I don't think it is quite as straightforward as that, is it? What we have seen is evidence of joint project working, people at AIQ and SCL having access to the same databases, working on the same databases. It was not as simple as AIQ being hired to design tools that the rest of the company used. People were working together on the same data on the same campaign.

Alexander Nix: My analogy was very specifically to illustrate the point that Ms Elliott was making about the code base that had been left on the internet. It could be better but I think that was a fair analogy. Your point stands, Mr Chairman, which is that after they had built the software platform for us, AIQ continued to work with us as consultants, not least to help some of our clients to interface with the product that they had built and to teach them how to use it.

Q3271 **Chair:** AIQ worked with you before they built the platform. They worked



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in Trinidad, which I think was the first engagement.

Alexander Nix: That is correct.

Q3272 **Chair:** I believe you were introduced to AIQ by Chris Wylie; is that correct?

Alexander Nix: That is also correct.

Q3273 **Chair:** You obviously were very impressed with them because after meeting them they were very quickly involved in an important campaign with you. People have said some fairly disparaging things about Chris Wylie and his role in the company, but he introduced you to AIQ and you hired them pretty much straightaway. Would that be a fair reflection of what happened?

Alexander Nix: I don't think that is fair at all. First, let's talk about Chris Wylie. Chris Wylie had an absolutely instrumental role in the company.

Q3274 **Chair:** That is not what it says in the QC's report that your company commissioned. It basically makes him sound like someone who was an intern, a freelancer, who had no significance at all.

Alexander Nix: I think those are the facts of the matter.

Q3275 **Chair:** What you have said now and what the QC said in his report—

Alexander Nix: The facts of the matter are that Chris Wylie was on a tier 2 student visa. He was limited to working 20 hours a week, I believe. You will have to check that. As such, he could only work two days a week or so at the company, which is probably why Mr Malins alluded to him as a part-timer or a consultant or an intern or whatever he said, but that is to undermine his value. Chris Wylie brought some very significant value to the company. Not only did he introduce us to AIQ but he was also the person responsible for introducing us to Dr Kogan. He was the architect of that relationship and the idea of asking Kogan to collect data and to use that sort of data on modelling personalities. He went on and managed that relationship right up until the point that he left the company.

Q3276 **Chair:** I think what you said there is probably a fairer reflection of the value he brought to the company than what was in the QC's report.

Alexander Nix: I can't speak to the QC's report. It was independent.

Q3277 **Chair:** But it was commissioned by Cambridge Analytica. AIQ worked in Trinidad. They are then engaged to design the Ripon system that you have described. They worked on the campaign work that was done for John Bolton's pack in the election races in America in 2014. They are then working on Ted Cruz's campaign in 2015. Jeff Silvester said to us that probably 80% of their revenue from the beginning of 2014 through to the start of their work with Vote Leave was with SCL. I think many people would say that during that time their teams were totally integrated with yours. While they may be a legally separate entity, they



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were effectively part of the same team. Isn't that the reality of the situation?

Alexander Nix: Well, certainly not in my mind. I never considered AIQ part of our company. It was a subcontractor that was brought in over a period of time to undertake very specific tasks for the company. They came in, they undertook a piece of work, such as building the Ripon platform, and then they left. Possibly later they would come in and undertake a different piece of work. So, the answer to your question is no.

Q3278 **Chair:** But they had access to the same data during that period of time. I think what you want us to believe is that they are just designing discrete tools. They make those tools, they give them to you and they go away again. They might come back for another project. They did design and create a very important tool, the Ripon tool that you have described, but other than that they are working continuously with SCL, sharing data, helping improve targeting in campaigns, helping to run and execute those campaigns. They are a separate company. What kind of protocols or rules did you have in place about data sharing? Were there agreements signed with them on data sharing and data handling, given they were handling your company's data?

Alexander Nix: I think that you are not correct when you talk about data sharing. AIQ is a software engineering company and Cambridge Analytica was a data analytics company. They built a product. If we go back to my rather trite analogy of the car and petrol, they built the car and we put the petrol in. The petrol that was put into the car was not raw data. It was modelled data, so they would not have had access to the raw data. The only way that they could have had access to that data, other than in the work that they were undertaking for us, would have been if they had taken a copy of those data illegally, and obviously against the contracts that they were bound by.

Q3279 **Chair:** The raw data would not be much use to them anyway, would it? Their job is not to handle the raw data; it is to take the profiles that have been created by the algorithms your company worked with, and then turn those profiles into customised audiences, and then to execute advertising campaigns. That is what they do. To do that, they have to have access to all the profile data.

Alexander Nix: That is not what they did. Their role in regard to Ripon was largely to maintain the platform and to work on the platform and to ensure that it is scaled, that it did not have any bugs, and that if the client requested a particular functionality, they could then do that. Their role was very much a functionary role in order to make sure that this platform that they had built for us was a usable tool for clients. Yes, that is it, really.

Chair: If that is the case, then—

Alexander Nix: That is the case.



Q3280 Chair: What surprised us is evidence Chris Vickery has given to us from the AIQ files he found on GitLab, which shows evidence of employees from SCL and employees from AIQ having access to the same datasets. We will see if there is more evidence of that, but that would seem to sit at odds with what you have said to us, because there would have been no need for that if people were not working on datasets that were being used in common.

Alexander Nix: I do not really understand the thrust of the point that you are making, but maybe I can colour this in in a different way. It would not be unusual for us as a firm to undertake data analytics on behalf of our clients where we would be working on their data. Sometimes we would take receipt of that data to work on it, and sometimes we would work within a client's own firewalls—say, a bank or somewhere where the data is more sensitive. Just because we are working on clients' data and, therefore, we have access to the data that we are working on, does not mean that we have a right to that data, we can make a copy of that data or otherwise own that data. It simply means that we are a contractor working on clients' data, and that was the relationship with AIQ.

Q3281 Chair: There certainly did not seem to be any policies in place in terms of the handling of data, and you talk about their not having access to raw data that were gathered by SCL. Just for the record, can you explain what that raw data would include, what datasets? I know you have given some talks and presentations about the methodology that Cambridge Analytica has used, but what sort of raw data would be processed by SCL?

Alexander Nix: I have just explained to your colleague—and I explained when I was here last time, I think, if you would like to check my testimony—that this is largely consumer and lifestyle data. This is data on, for instance, loyalty card data, transaction data. This is data that pertains to lifestyle choices, such as what car you drive or what magazines you read. It could be data on—I don't know—consumer habits, and together with some demographic and geographic data, and obviously the voter data, which are very important for US politics.

Q3282 Chair: Facebook. Do not forget Facebook

Alexander Nix: Obviously there is the GSR dataset, but I think you need to understand that those data, in the grand scheme of things, were really a very, very small component of the larger dataset.

Chair: We are going to move on to that subject now.

Q3283 Paul Farrelly: Just before we do, can I just clarify one thing? These newspaper reports have been very, very recent. When you appeared in February—and so much has gone on since—you made the distinction between Cambridge Analytica and SCL Elections and the SCL Group as separate entities, apart from certain common shareholdings. It is the case that all of the SCL companies have now gone into either chapter 7



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or administration.

Alexander Nix: That is correct.

Q3284 **Paul Farrelly:** As far as the SCL Group companies are concerned, has it been the case that what has happened with all the media publicity surrounding Cambridge Analytica and SCL Elections is that the whole SCL brand has been toxified and, therefore, extinguished?

Alexander Nix: As I have already stated, it is certainly the case that all the SCL companies are in administration.

Q3285 **Paul Farrelly:** The SCL Group was carrying out defence work, wasn't it, traditionally?

Alexander Nix: That is correct.

Q3286 **Paul Farrelly:** What has happened with your companies has made the situation so toxic that the shareholders have decided also to put SCL Group into administration.

Alexander Nix: This was a commercial decision based on the negative press and the allegations that have been made against the company, many of which have now been proven to be false. As a result of these, the board decided that the company was no longer a viable going concern and decided to put it into administration.

Q3287 **Paul Farrelly:** Are those the different boards of the different companies?

Alexander Nix: Indeed.

Q3288 **Paul Farrelly:** I just want to come on now to where I think you left off in your opening comments. It is regarding the relationship between your company or companies and GSR and Aleksandr Kogan. When you came to us in February, the Chair asked you this question: "Does any of your data come from Global Science Research company?" You answered, "GSR?" The Chair said, "Yes." You then said, "We had a relationship with GSR. They did some research for us back in 2014. That research proved to be fruitless and so the answer is no." The Chair then asked you, "They have not supplied you with data or information?" Your answer again was, "No." The Chair then asked again, "Your datasets are not based with information you have received from them?" Again, you said, "No." The Chair, "At all?" Your final response was, "At all."

Since then, we have had some rather conflicting evidence from Dr Kogan himself, from Christopher Wylie, about what data was supplied and used. Indeed, Mr Wylie described those data obtained via the Kogan app from Facebook as the foundation dataset of the company, which may have collected data on up to 87 million users. Also, clearly, there has been action by Facebook following these revelations or allegations.

I think you were perhaps going to do it in your opening statement. Do you want to clarify or amend now the evidence that you gave in February with respect to data supplied by GSR and Dr Kogan?



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Alexander Nix: Thank you. I am grateful for that opportunity. I certainly would like to continue with the very short statement on this, so I will do that and then we can move on to questions from there.

Clearly, I accept that some of my answers could have been clearer, but I assure you that I did not intend to mislead you. It was my firm impression that Mr Collins's questions were focused on whether we were currently in possession of data from GSR following the research they had carried out and which I was very clear in telling the Committee about. My belief was, and remains, that we deleted all such data licensed in good faith from GSR under that research contract, so I answered "No" to his questions on the topic.

When I read the transcript, it became clear that Mr Collins was also asking about whether we had ever been supplied with such data. Of course the answer to this question should have been "Yes", but my focus was on whether we still held the data from GSR Research, which is the issue that Facebook had been most concerned about. There was certainly no intention to mislead the Committee. The fact that we received data from GSR was already in the public domain from as long ago as December 2015, when *The Guardian* published an article detailing Cambridge Analytica's relationship with Dr Kogan. There was and is no need to hide this fact. Indeed, on 20 March, three days before the Committee first raised this specific inconsistency, I appeared on "Newsnight" and made it clear that we had licensed research data from GSR.

I also stand by my evidence that we do not work with Facebook data and we do not have Facebook data. The only Facebook data we ever received was via GSR and Dr Kogan, and that was subsequently deleted at Facebook's request. At the time we had no reason to believe that data had been provided to us improperly by GSR.

Q3289 **Paul Farrelly:** In short, you misunderstood the Chairman's questions?

Alexander Nix: When you look at the transcript, it is very plain or it is certainly clearer what the Chairman was asking. When you listen to the video, and I have several times, the conversation is much less clear, and indeed we spoke over each other, and he did ask about whether we had data from Kogan. He then reiterated that point, and then he returned to that point. That was my understanding, and it was a genuine misunderstanding.

Q3290 **Chair:** For the record—everyone will have transcripts in front of them—I did ask you. I said, "Does any of your data come from Global Science Research company?" You said, "GSR?" just to clarify. I said, "Yes." You said, "We had a relationship with GSR. They did some research for us back in 2014. That research proved to be fruitless and so the answer is no." I then said, "They have not supplied you with data or information?" You said, "No." "Your datasets are not based with information you have received from them?" "No." I said, just to clarify, "At all?" and you said,



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"At all." There is no ambiguity in the exchange there, I do not think.

Alexander Nix: "At all", our datasets are not—

Q3291 **Chair:** "Datasets or information", I said.

Alexander Nix: "Or information", yes, are not informed by that data because it was deleted.

Q3292 **Paul Farrelly:** Chair, that is exactly the same exchange as I have just read out, so *Hansard* will have it now in duplicate. He was mixing his tenses up and he misunderstood the questions, and you were talking over each other. Why didn't you take the opportunity later just to write and clarify with your follow-up supplementary information?

Alexander Nix: I do not believe that when I submitted the supplementary information—and you can certainly correct the timeline—that inconsistency had been flagged.

Paul Farrelly: No, but you flagged it yourself.

Alexander Nix: I beg your pardon?

Q3293 **Paul Farrelly:** You flagged it yourself. You have read the transcript and realised that—

Alexander Nix: I did not read the transcript until after it had been flagged by this Committee, so after whenever it was, 23 March or something like that.

Q3294 **Paul Farrelly:** Still a few months back. You did not take the opportunity to write and say, "I want to clarify what I have told you."

Alexander Nix: Mr Farrelly, I have agreed to come in here and talk to you in person.

Q3295 **Paul Farrelly:** You have now given an account of it. You might say it is not up to you to check whether Dr Kogan was complying with Facebook's terms and conditions, which he clearly was not, but the methods he was using were a neat trick, in a sense, because you could get friends' data and, therefore, multiply greatly the data you got from people completing surveys. Was that a neat trick at all that Cambridge Analytica or SCL Elections or any of your companies repeated with respect to any other surveys that you did directly, which involved any logging in at the end on Facebook?

Alexander Nix: Unfortunately, as you will recall from my opening statement, there are some topics that, as much as I am wanting to talk about them and willing to talk about them, I am simply not able to because they refer to live investigations. Unfortunately, this is one of those topics. I think you are all aware that the ICO is conducting an investigation at the moment and so I am not able to speak to any matters in relation to GSR and to that project.

Q3296 **Chair:** Just to make it clear, that is your answer, but the Information



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Commissioner has made clear to us, and I believe to your representatives, that it has no objection to you discussing these issues today.

Alexander Nix: I am sure it does not, but the Information Commissioner's Office took advantage of my parliamentary privilege the last time I appeared here to use my testimony to this Committee as part of its application for a search warrant of our premises. While in theory this privilege exists, clearly it is open to abuse.

Q3297 **Chair:** It depends what you say, I suppose.

Alexander Nix: It should not depend what I say. It is either a privilege or it is not.

Q3298 **Chair:** It is not open to abuse. If they are interested in something you have said and they therefore wish to talk to you about it, that is a matter for them, but if you are declining to answer those questions, that is a matter for you, and if you are doing that under advice, I understand that.

Alexander Nix: Thank you.

Q3299 **Chair:** Just to make it clear for the record, the ICO itself does not feel that you answering these questions would in any way jeopardise or prejudice its investigation.

Alexander Nix: The Committee should be reacting to findings from the ICO and not the other way around.

Q3300 **Chair:** We are two completely separate bodies. There are very clear sub judice rules that apply and that prevent us from asking witnesses questions relating to matters before the courts. This is not currently a matter before the courts. We did, as a matter of procedure, seek guidance from the ICO itself, so that was its guidance to us. You have given your answer to Mr Farrelly. There is nothing more to say about that, but I think it should be clear for the record that, as far as the ICO is concerned, it does not have any concerns about you answering any questions on that topic.

Alexander Nix: Thank you.

Q3301 **Paul Farrelly:** I just have one final question on this strand, but I think the refusal to answer the question will be taken in the record as meaning it was a relevant question to ask you, Mr Nix.

Again, this is a question in relation to potential use of data, which you may feel you do not want to answer, and it is really just a question to try to exemplify your approach to data. You had a staffer from your companies working on data from Breitbart, which has a strong connection with Steve Bannon, I understand. Was any data gathered from that secondment to Breitbart, and, if so, how would those have been used by the company?



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Alexander Nix: I am sorry, you are going to have to help me understand. You are saying that one of my former employees went on to work for Breitbart?

Q3302 **Paul Farrelly:** No. You had someone seconded, I understand, to Breitbart.

Alexander Nix: I do not believe that we did.

Q3303 **Paul Farrelly:** You did not?

Alexander Nix: I do not believe that we did. Certainly I cannot think of anyone who was seconded to Breitbart, and I am certainly not trying to mislead you in this regard.

Q3304 **Paul Farrelly:** No. It was just a suggestion.

Alexander Nix: I have not heard about that before, no.

Paul Farrelly: Then you cannot answer it.

Q3305 **Chair:** Before I go to Rebecca Pow, Chris Vickery has kindly just sent us a message in relation to the AIQ data, just on whether they had access to raw SCL data or not. He says that, based on the work he has done looking at the AIQ files, it was almost certainly accessible—the usernames, passwords, network locations were all present, and that anyone who had access to the AIQ GitLab store could have had access to all the SCL data that it had worked with.

I note as well that from the email exchange that we published there is a document given to us by Chris Wylie that relates to the Bolton Super PAC work as well. There is an email that was sent to AIQ that lists a series of next steps to be undertaken during the campaign, and in one of the items of that it says, "AIQ needs two days to push all information made available to them into a form that can be accessed and used in the platform. Therefore, all currently available data would need to be ready and sent or provided to them by the close of business on Saturday, UK time, so they have the weekend to do what they need to do."

We know as well, obviously, from Facebook that it found evidence of shared audience files on SCL for SCL and AIQ campaigns that it had run where there was 80% correlation in the members of those audiences, and AIQ said to us that it had been given audience data by SCL. Are these things that you were aware of? If they are, I am not sure that the answer you gave to us was truly reflective of the nature of the relationship between AIQ and SCL.

Alexander Nix: What I explained to you, Mr Chairman, was that the example that I gave you was that it would not be unusual for SCL or Cambridge Analytica to work on a client's datasets, whether it was a bank or a corporation, and to have access to the data while we were working on them, but that did not entitle us to have any privileges over that data or any wherewithal to make a copy or retain any of that data ourselves. The relationship with AIQ would not have been dissimilar to that, where,



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as a subcontractor who is brought in to assist us on projects, they would have had possibly access to some of the data, as it is indicated there, whether those were model data or otherwise. Again, that would be covered by the contract relationship that we had with the—

Q3306 **Chair:** That is fine, Mr Nix. You said there they would have had access to model data or otherwise, including raw data. It is clear that they did have access to raw data.

Alexander Nix: I cannot answer that with certainty but, again, I do not want to mislead you, because I did speak to my technical team, my data team, prior to this hearing, and they assured me that there were no raw data that went into the Ripon platform. Again, I can only defer to their expertise. Again, this could be a topic that we could circle back to you on.

Q3307 **Chair:** Yes. Again, there is a difference between raw data going into the Ripon platform, which they almost certainly would not have done, and raw data being accessible to AIQ, which they certainly were.

Alexander Nix: Based on what Chris Vickery says.

Q3308 **Chair:** Yes, and I think based on what is in that email, based on other evidence that we have seen, that they are working on common sets of data.

Alexander Nix: That email does not suggest raw data. It could certainly suggest model data.

Q3309 **Chair:** What we have seen, both in Chris Vickery's and other evidence that we have seen from the AIQ files that we have had a chance to look at, is shared access to raw data. Chris is saying that it is certainly technically possible. He said it would have been easy for anyone to do that.

Alexander Nix: The premise remains. Let us agree that we need to establish what data they had access to, but, regardless of that, that does not give them any rights to that data, as it would not any contractor working with anyone else's data.

Q3310 **Chair:** I am not saying they did. I am just saying you said earlier on that they had no access to raw data, and that seems to be a matter of dispute, and I think even you are now saying that that is not a statement you could stand by.

Alexander Nix: I was told very firmly and unequivocally that no raw data was put into Ripon, and so I stand by what I was told. What I have agreed with this Committee is to circle back to you and confirm this point.

Q3311 **Chair:** Who puts data into Ripon, when you are working on that? Will AIQ put the data into Ripon?

Alexander Nix: Data scientists, I believe.

Q3312 **Chair:** Who do they work for?

Alexander Nix: For SCL Elections or Cambridge Analytica.

Mr Chairman, sorry, do you mind if we take a break for a few moments, please?

Rebecca Pow: Could I just ask one very quick question because I am afraid I have to leave the Committee for a second? It will be very quick.

Chair: I am very happy to have a very short break. If Rebecca Pow would ask her question—I believe it is quite short—and then we will take a break.

Q3313 **Rebecca Pow:** Just a very short point. One was you said, Mr Nix, you were going to refer back to your team. I just wondered what technical team that was, because SCL is in administration, is it not?

Alexander Nix: That is correct, but I still have a relationship with some of my colleagues.

Rebecca Pow: Just for clarification, that was all. I was just interested.

Alexander Nix: I can obviously ask them as a friend for their advice.

Q3314 **Rebecca Pow:** It is just a few points relating to your last appearance here, where we dealt a lot with Facebook and those surveys on Facebook. This is where a lot of our discussion began, which seems like a long time ago now. At that first meeting, where we talked about those surveys that had a Facebook login at the end, you said that if they had a login, it did not mean that your personal data was then going to be accessed by Cambridge Analytica, but Brittany Kaiser told us that the purpose of the surveys was to gather information and that by completing it with your login, Cambridge Analytica would also get access to your data. I just wondered whether you might like to change your mind and amend your comments about that?

Alexander Nix: I also was surprised by Brittany's answer. She is also a non-technical person, as am I. I did discuss this with my technical colleagues and they assured me that my original testimony reflected what was the case. Therefore, what I would like to do, because obviously I do not want to run the risk of misleading the Committee, is to agree to circle back to you on that point, but my understanding is that no data—

Q3315 **Rebecca Pow:** It would be quite nice if you could just come up with an answer now, rather than us having to get back to you again.

Alexander Nix: My understanding is that no data was collected, but again I would like to confirm that because obviously we do not want to have a miscommunication.

Q3316 **Rebecca Pow:** That is a pity. I want to clarify one other thing. You told us at that first meeting that Cambridge Analytica did not work with Facebook data. Those were your exact words. I think they might have



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been to me, actually. Do you want to change your view on that? Would you just like to put on the record, in the light of everything else that we have heard since, whether you have changed your mind on that?

Alexander Nix: Sorry, I must stop myself from continuing because, again, this is another topic that unfortunately falls under the investigation by the ICO, so we are going to have to let that investigation play out before I can address that. Sorry.

Q3317 **Rebecca Pow:** My final point is something that you mentioned earlier. You said, "Very little data would have been collected anyway," but Brittany Kaiser referred to 87 million people having their data gathered in this way.

Alexander Nix: I can address that because this is in the public domain, and I urge you to revisit the testimony of Dr Kogan because I think his testimony was a very fair reflection of what happened, and that is in contrast to people who were not necessarily so involved, such as Brittany Kaiser. I think what Dr Kogan made amply clear was that while he collected data on potentially 87 million people and a great deal of data, Cambridge Analytica or SCL Elections only received data, and a very small amount of data, on about 26 million or 27 million individuals in the USA, and that the only person to receive the entire dataset, not just in its entirety in terms of all the people that it included but also all the data that it included—which I believe Dr Kogan said was about 96% more data than that that Cambridge Analytica or SCL Elections had received—was Christopher Wylie for his company, Eunoia.

Before we have a break, this would be a good opportunity to talk about that. A lot of the allegations—in fact, I am going to say 90% of the allegations—that then gained traction in the media have all come from a single source. They have all come from Christopher Wylie, and it is really important that this Committee understands that and understands the motivations behind this and what was going on at the time. If you will permit me, I would just like to give you a little bit of background because I think it is very relevant and extremely important, where so many allegations have been made and so many of them have now been proven to be false, that you understand what is going on here.

Q3318 **Rebecca Pow:** Can I just interrupt you there? On Christopher Wylie, when you were talking about him just now, I think you suggested he was just on some kind of simple student's visa, but he told us that he was on an exceptional talent visa. You are dissing him with all these comments but he was clearly, in his own mind, a very intelligent man.

Alexander Nix: No one has suggested that Mr Wylie is not intelligent, least of all me. I stand by the fact that when he worked with Cambridge Analytica and SCL Elections he was on a tier 2 student visa. The reason I stand by that is because I applied, or my company applied, for that visa. If he went on to change his status at a later date after he left me, I cannot speak to that.



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What I can tell you is that Christopher Wylie was at the company for 10 months. He was instrumental in defining the relationship with Kogan and for being the architect of that particular programme of data-gathering. As the company grew and started to undertake business with the methodology that he felt that he had designed and was the architect of, he grew more and more resentful, to the point where he was openly discussing with clients that he wanted to replicate SCL Elections or Cambridge Analytica “without Nix”—i.e. without me. He also stated things like he wanted to create “the NSA’s wet dream”. He had his own ideas about a company that he wanted to build.

At the time that he left us, which I believe was in around June or July 2014, he had already set up a company called Arg.us, and he developed a pitch that he took to Silicon Valley to raise \$15 million or \$20 million for some 20% of his company. What was clear was that he was totally agnostic about where the money came from and even courted Russians, stating that he found the idea of working “crazy evil Russians” quite intriguing. One San Francisco-based investor who spoke to Wylie about his start-up in 2014—please.

Q3319 Chair: No, sorry, Mr Nix. I do not see how this is relevant to the questions.

Alexander Nix: It is very important. It is very relevant because most of the allegations that have been put to this Committee stem from one source. They have gained traction in the media. If you do not understand why these allegations have been made, they are going to be given unnecessary credibility. It is important—

Q3320 Chair: Your assertion is not true that the only evidence we have about the work Aleksandr Kogan was doing and the significance of it comes from what Christopher Wylie has told us. It comes from documents that the Committee has received, contracts that you signed with GSR that bear your signature that set out very clearly what the work was for.

Alexander Nix: Sorry, that is not what I said. What I said was most of the allegations that have been made against my company come from one source.

Q3321 Chair: The issue you totally glossed over when you came to us. You could have chosen to give a more honest and more full answer to the questions I asked you about your relationship with GSR when you gave evidence before, and you did not mention any of it, and you wanted us to believe that there was a very small, as you said, short-term academic project that had gone nowhere. Yet what we have is not Christopher Wylie’s opinion but facts, documents, detailing the work that was to be done, what was to be paid for it, what it was to be used for, not on an ad hoc basis but commissioned to support elections being run in specific states in the United State of America and how you would remunerate it. That is what we are basing our questions on, and our questions are to you about whether you were clear with us, not just what Christopher



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Wylie has said, but by evidence that you do not dispute and that is in the public domain.

Alexander Nix: You will remember that at the time I appeared before you the issue of Facebook data, the issue of GSR and Kogan, was not a sensational news story.

Q3322 **Ian C. Lucas:** You did not tell us about it. You did not tell us about Facebook.

Alexander Nix: At that time the thrust of your inquiry was in a completely different area, and that is where we were focusing. You yourself only asked three questions on it out of 200 or 250. It was not an important topic. I gave it as much attention as you gave it yourself. There was not an intention to obfuscate. As I told you earlier, my relationship with GSR was already in the public domain, and of course that is why I came back here to clarify that. Clearly, things have changed in the last three months.

Q3323 **Chair:** Things have changed for us because we have actually seen evidence. At the time, we did not. You are quite right that I asked you three or four questions about it. We will not read them out for a third time, but I think it is pretty clear what I asked you and why I asked you. We had asked Facebook the same questions about Cambridge Analytica having access to Facebook data when we took evidence to them. We also feel that Facebook was not open and honest with the Committee in the answers it gave to us that day, and we have challenged it about that, too.

I think there is fault on both sides, but what we asked you was pretty clear and you chose not to talk about any of this. It is documents that we have seen, not just Christopher Wylie's testimony, that lay out for everyone to see the nature of the work that Aleksandr Kogan did, why it was important, and that work was based on the data that he acquired from Facebook wrongly, and that is Facebook's view that he acquired it wrongly. The figure of 87 million, as you know, is a figure that has been verified by Facebook itself.

Alexander Nix: Can I continue to address the point that I was making before?

Chair: Not if it is going to be—

Alexander Nix: It is relevant.

Q3324 **Chair:** I know your views on Christopher Wylie, and you are free to make that statement anywhere you like, but that is not the question you were asked about. I gave you quite a lot of latitude but it was quite clear we were going into your character analysis of Christopher Wylie and his motivations, which I do not think is relevant to this.

Alexander Nix: No. I am going into the fact that he set up a competing company to undertake exactly the same work that Cambridge had been



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set up to do, using a much, much, much larger dataset to target the same Republican clients that he has said that he is so ideologically opposed to, and then went around America pitching his business.

My point is you have an individual who is purporting to be a whistleblower, who was motivated to come forward because he did not agree with the political parties that we were working for, when he was pitching to exactly the same political parties all over America, including Donald Trump's campaign itself, who purports to be a protector of data and data sovereignty and everything that goes with it, who acquired a significantly larger dataset than us, a materially larger dataset, and then went out to actively try to commercialise that dataset in a very similar way or exactly the same way that we did. Therefore, he really does not care about data sovereignty. He has spent the last two or three years, having left the company and watched the success of the company, getting bitter and jealous, and has now been using this to bombard us with a raft of allegations, many of which are now proved to be untrue.

Chair: The purpose of these hearings is to put these questions to you based on subsequent evidence we have received since you last gave evidence to us. Your views on Christopher Wylie I think are pretty clear and you are free to make those statements wherever you like. The purpose here is to ask you questions based on the evidence we have subsequently received, and that is what we intend to do. Rebecca, have you finished?

Rebecca Pow: Yes, that is fine.

Alexander Nix: Shall we take that break now?

Chair: I'm just going to bring in Paul Farrelly, if it's on this point.

Q3325 **Paul Farrelly:** It is on this point. So that *Hansard* now has this little section in triplicate this time around, what you said with regard to the relationship with GSR in the exchange with the Chair included the statement, "They did some research with us back in 2014. That research provided to be fruitless." That statement is not any misunderstanding. When judged by the evidence that has subsequently emerged, your clarification notwithstanding, that was simply not true.

Alexander Nix: I believe you are familiar with Dr Kogan's testimony, which echoes that sentiment, which was that the data that Dr Kogan gave to us was model data, and building a model on top of a model proved to be less statistically accurate—this is, again, echoed by what was said by Kogan—than just using Facebook's own algorithms for posting advertising communications. That was what we found out. I stand by that statement. I stand by that statement that I made to you before that was echoed and amplified in much more technical detail by Dr Kogan.

Q3326 **Paul Farrelly:** It is an interesting exercise in semantics, is it not?



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Alexander Nix: No, it's not; it's a fact. The fact is the data that we received wasn't not fit for purpose, and that was why we abandoned that data long before we deleted that data from our servers in accordance with Facebook's wishes.

Q3327 **Paul Farrelly:** "They did some research for us back in 2014. That research provide to be fruitless." Yet it was the basis of the foundation dataset, as it has been called—

Alexander Nix: According to whom?

Q3328 **Paul Farrelly:** I have made it clear that those are the words of Mr Wylie.

Alexander Nix: Mr Wylie. It is funny how all your evidence seems to circle back to one individual, Mr Farrelly.

Q3329 **Paul Farrelly:** It does not, actually, because we have—

Alexander Nix: It was not the foundation dataset on which we built our company, because we went out and we licensed millions of datapoints on American individuals from very large, reputable data aggregators and data vendors such as Acxiom, Experian and Infogroup. That was the cornerstone of our database, together with political data, voter file data, which again is commercially available in the United States. That was the cornerstone of our company and on which we continued to build the company after we realised that the GSR data was fruitless.

Q3330 **Paul Farrelly:** Let's not trade semantics. You told us, "They did some research for us back in 2014. That research proved to be fruitless." However, you attempted to use the products of that research in your political activities on behalf of clients in the United States. The fact that it has been alleged that it was not worth the computer it was stored on later does not mean that what you told us did not have a real relationship with the truth. What you were trying to do was to minimise or downplay your relationship with GSR. There are other relationships that you have consistently downplayed, but you have come back here now to clarify, in an interesting way, when your account has been challenged by the evidence that has subsequently emerged. Is that not the case?

Alexander Nix: That is not the case, and I urge you, while I take a break briefly, to revisit the testimony of Dr Kogan. He was extremely articulate in explaining how this data was modelled and its application and its usefulness. Maybe if you familiarise yourself with that, you will understand, coming from an eminent academic in this area, that the data was ultimately fruitless.

Chair: What Mr Farrelly is getting at—and this is what it says in the contract that you signed with Dr Kogan—is that when you entered into that agreement all parties believed, and this is what you were paying for, that Facebook likes could be analysed and were accurate predictors of behaviour and interests of Facebook users, and that Dr Kogan's job was to acquire Facebook likes from Facebook data, both the profiles of people



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engaged with the survey and their friends, and that that data would be combined with other datasets, including US voter registration data that you gave to Dr Kogan's part of the project, that he delivered that project for you, not just the scoping work but the full-scale project.

There was then a second contract signed with Dr Kogan, where he continued to do further work linked to American elections that year in 2014. Whether your models changed or you and Dr Kogan took a different view at some point in the future that there was a better way of working, you have made your views clear on that. Given the substance of the work that was done, to say that the relationship was fruitless and the work was fruitless certainly does not reflect your view on that at the time. This was a very substantial piece of work that was done, and it is obviously of material interest to us because of the evidence that people have given to us about this. It is very important to our investigation.

I think Mr Farrelly is right to say—and we have challenged Facebook in the same way—that when we asked these questions initially, people sought to gloss over something that, in fairness, they should have disclosed. We will take that break now and then resume. Thank you.

Sitting suspended.

On resuming—

Chair: If I could bring the room to order, we will resume the formal proceedings. I think we have covered the questions we wanted to cover on the previous topic, so we will move on to a different area where we will have some questions.

Q3331 **Paul Farrelly:** I wanted to move on to politics in the United Kingdom. When you came in February, in your evidence you said, and I am quoting here, "As a rule of thumb, we do not involve ourselves in politics in the UK." You said never in your 14 years with the company had you worked on a campaign in the UK, and you made it clear on several occasions that was really out of consideration for staff based here who might possibly support different political parties. To reiterate, you said to us, and I quote, "Again, as far as I am aware, since I have been in the company we never worked—we don't seek to work in the UK, for the reasons I discussed earlier. We don't see the UK as a commercial market of interest." However, of course you did pitch to work on the referendum notwithstanding, and I do not want to dwell on Leave.EU because you have made your position clear on that and we went over it several times in your evidence.

There has been a document from your presentation pitch that I just want to flag up with you. I think it was submitted by Arron Banks. In the pitch your company said, "We will co-ordinate a programme of targeted donation solicitation, using digital advertising and other media as



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appropriate to raise funds for Leave.EU in the UK, the USA and in other countries.”

When that document was drawn up, did you take any legal advice to whether what you were proposing there would in fact be legal?

Alexander Nix: Yes, we did actually. We took a considerable amount of legal advice and, at the time, it was suggested to us by our counsel that we could target British nationals living abroad for donations. I believe—and I am not a lawyer, as you well know—that there is still some lack of clarity about whether this is true or not. In any event, in the absence of a firm decision to proceed by legal, we did not proceed, not that we won the contract anyway.

Q3332 **Paul Farrelly:** By that you meant British nationals living in the USA and other countries?

Alexander Nix: I believe that was the intention. Obviously I was not involved, as you know, in any of these pitches, but that is how it was explained to me at the time.

Q3333 **Paul Farrelly:** As I say, I do not want to dwell on Leave.EU but I do want to talk about UKIP. Subsequently, and you will have seen this invoice, it was invoiced not to Leave.EU but for £41,500 to the United Kingdom Independence Party. In her evidence, Brittany Kaiser, who was involved in the pitch, told us, “It was decided that, while Leave.EU did not possess much data, we could begin with an engagement for the UK Independence Party, which we did. We took receipt of their membership data and survey data.”

To anyone in politics, if you were going to do some work on it, given the characters involved, a starting point would indeed be perhaps the canvass data and anything else that UKIP held. UKIP is a political party, isn't it?

Alexander Nix: That is correct.

Q3334 **Paul Farrelly:** How does that work square up with the statements you have made to us about your lack of interest in getting involved in UK politics?

Alexander Nix: We are really scratching around here, Mr Farrelly. I have been working for this company for 15 years. At times we undertake eight, nine, 10 national elections a year somewhere around the world. We have never undertaken an election in the UK, so I stand by my statement that the UK was not a target country of interest to us. Obviously the referendum was a unique moment in international campaigning, and for that reason it was more significant than perhaps other opportunities to work on politics and political campaigns in the UK might have been, which is why we explored it, but we did not work on that campaign either, as you well know.

Q3335 **Paul Farrelly:** I hope I was not scratching around. I was really just



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comparing what you told us with the evidence that subsequently emerged, and you clearly felt that the work that you had done, irrespective of whether you were successful because Leave.EU was not successful, was worth £41,500 and you billed the UK Independence Party.

Alexander Nix: I think this has been covered very extensively by the Electoral Commission's Office and was covered in my previous testimony. We undertook some scoping work to look at these data. Unfortunately, while this work was being undertaken, we did not agree on the terms of a contract. As a consequence, the deliverables from this work were not handed over and the invoice was not paid. Therefore, the Electoral Commission was absolutely satisfied that we did not do any work for Leave.EU and that includes for UKIP.

Q3336 **Paul Farrelly:** It does not, really. We talked about Leave.EU before but now I am talking about work for UKIP, not Leave.EU, whom you billed, and I take it that this invoice was not paid, notwithstanding any transfers that may have been later made to UKIP. Do you know what use was made of your work for UKIP?

Alexander Nix: As I just explained to you, we did not hand over any work to UKIP.

Q3337 **Paul Farrelly:** That was not the question. Do you know what use was made of the work that you did for UKIP?

Alexander Nix: No. Do you mean by Cambridge Analytica?

Q3338 **Paul Farrelly:** No. Do you know what use was made of the work that you did for UKIP?

Alexander Nix: I am afraid I do not understand the question.

Q3339 **Paul Farrelly:** Can you describe what work you did for UKIP, then?

Alexander Nix: I believe that we analysed their membership database to understand the data that it contained, with a view to understanding how that could be incorporated into a wider programme of research and data acquisition to build a targeting model.

Q3340 **Paul Farrelly:** UKIP gave you data to look at?

Alexander Nix: That is my understanding.

Q3341 **Paul Farrelly:** Was any of that data supplied either by you or UKIP to Leave.EU?

Alexander Nix: No, it was not. I cannot speak for UKIP, clearly.

Q3342 **Paul Farrelly:** As far as you are aware, none of that data went beyond your relationship not with Leave.EU but with UKIP?

Alexander Nix: That is correct.



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Q3343 **Paul Farrelly:** The final question now. Brittany Kaiser told us that you had also made pitches to Eldon Insurance and GoSkippy, I think is the name. Did any of those pitches come to anything?

Alexander Nix: I am not entirely sure if that is correct. Clearly, again, I was not there, but—

Paul Farrelly: When I say “you”, I mean the company.

Alexander Nix:—I do not believe that we actually pitched to Eldon Insurance or GoSkippy. I believe that Brittany met with them or representatives from those companies, or at least that is what her testimony said, but that is not to suggest that we were pitching to them for services to become a client. Again, I do not want to mislead you. You might have to ask Ms Kaiser to clarify that.

Q3344 **Paul Farrelly:** I think she used the word “pitch”, but as far as you are aware it did not lead to anything or any further ongoing relationship?

Alexander Nix: I do not even recall a pitch.

Q3345 **Simon Hart:** Just sticking on the Leave.EU thing just for a moment, you are right, you were very clear back in February when asked about your involvement, and your actual words were, “Let me be absolutely crystal clear about this. I do not know how many ways I can say this. We did not work for Leave.EU. We have not undertaken any paid or unpaid work for them, okay?”

Do you stand by those words in exactly that form now, with as much emphasis as you did then?

Alexander Nix: Yes, I do. I absolutely do, and I feel entirely vindicated by the Electoral Commission’s investigation report of 11 May, which said, and I quote, “The Commission is satisfied that Leave.EU did not receive donations or paid-for services from Cambridge Analytica.” “The evidence shows that the relationship did not develop beyond initial scoping work and no contract was agreed between them.” “The Commission saw no evidence that Cambridge Analytica had any input into Leave.EU’s referendum campaign.”

Q3346 **Simon Hart:** Pretty well a repeat of what you indicated at the time, for which I am grateful. As you know, the Committee has published transcripts of tapes of a Leave.EU strategist, which described your work as, to put it in inverted commas, the “backbone”. Nigel Oakes, and I will quote again, said that you provided “proof of concept”. What did that mean? What is a proof of concept and what did you offer? What is a proof of concept?

Alexander Nix: Who provided that?

Simon Hart: In the words of Nigel Oakes.

Alexander Nix: Nigel Oakes is a colleague and a friend of many years, but he was not working in the company at that time. I had not—



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Q3347 **Simon Hart:** Why would he have described your work as a “backbone?”

Alexander Nix: I cannot speak to that, Mr Hart. Nigel ran a different company from a different office in a different country, working on different projects with different clients. He had absolutely no involvement to what we were doing. He had no access to our servers, to our data, to our personnel. To all intents, apart from my close personal relationship with him, he could have been a stranger. I can conjecture that he may have been speaking to what he had read in the newspapers. I have no idea, literally.

Q3348 **Simon Hart:** We have heard, as you know, anecdotally and indeed by people sitting where you are sitting, people asking some questions about the integrity of that denial, if you like. As you know, Andy Wigmore and Arron Banks will be giving evidence in the next couple of weeks. Do you think that they will sign up so unequivocally to your denial as you are today?

Alexander Nix: Absolutely, I do. Shortly after I was last here, I believe Arron Banks submitted a statement to this Committee where he timelined and detailed our relationship with him, and that almost exactly reflected the details that you have heard from myself and details that we presented to the ICO regarding our relationship with various Brexit campaigns.

I want to take this opportunity to point out that this is in stark contrast to the testimony that this Committee received where Christopher Wylie stated, and I quote, “Cambridge Analytica played an absolutely pivotal role in Brexit.” That is really important for people to understand. Another groundless accusation and allegation. Similarly, the headline in *The Guardian* was, and I quote, “A plot by a shadowy global operation to hijack British democracy.” It is deeply troubling that this conspiracy theory has gained such traction and caused such irreversible damage to our company.

Q3349 **Simon Hart:** Can I just go back to Nigel Oakes for a minute? You claim he is a personal friend, and I do not dispute that. You are saying that any hint that he is suggesting that you provided work that could have attracted a value is simply wrong?

Alexander Nix: Sorry, any hint that—?

Q3350 **Simon Hart:** The suggestion is that there might have been work carried out by you for Leave.EU that should have been declared to the Electoral Commission because it had a value either as a direct donation or donation in kind. Are you saying that accusation or observation is entirely unfounded?

Alexander Nix: I am saying that I stand by the findings of the Electoral Commission’s report, and—

Simon Hart: That is not quite what I am asking.



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Alexander Nix: What you are asking me to do is to make a judgment about Nigel Oakes's statement, and I do not think that it is for me to try to second guess what he was trying to say.

Q3351 **Simon Hart:** You were happy to engage in some conjecture just now, to use your word rather than mine, about what his motives might have been for making these comments.

Alexander Nix: I did preface it by saying, "This is conjecture". I was trying to help you understand that he had no direct access to information or decision-making or documents at the company. Therefore, I cannot speak to what he meant.

Q3352 **Simon Hart:** I will leave it there for the moment. Just as an aside, you were creating an impression a bit earlier on this afternoon that Cambridge Analytica was almost being misrepresented as a shady organisation that was capable of affecting the outcome of elections, and what you really are is "toothpaste advertisers", I think was the expression you used. Are you, therefore, suggesting that you were overplaying your role as an election influencer? As we know, you were going around the world charging large sums of money for a service that you are now saying constituted a rather minor part of your business, and you were in fact much more comfortable in the role of an advertising agency. Which of these is right? It seems to me you are misleading your potential clients.

Alexander Nix: They are both correct. Obviously, historically, there was a greater emphasis on political business. That was certainly the company that I founded in 2012. Prior to that, the emphasis was much more on the government and defence space, and more recently, as we moved into 2017, late 2016-17 and early 2018, the emphasis moved across towards the commercial and brand space. It was an evolution. As the company grew, we looked at different avenues that we could provide services to.

Q3353 **Simon Hart:** You were an effective operator in the election field, yes or no? From your earlier evidence, you were almost dismissive—

Alexander Nix: We had a demonstrable track record of helping our clients succeed in elections. Clearly, as everyone understands, success has many fathers and failure is an orphan, but over a 27 or 26-year period, if you can point to a consistent winning pattern, at some point, in a humble way, you can say, "Maybe we are doing something right".

Q3354 **Simon Hart:** Thank you. Last question. This is a general question, really. When it came to the final crunch a few weeks ago when you were suspended as chief executive, who made the call? Who rang you and said, "Sorry, Alexander, you've got to go"? Who made that call? Was it a face-to-face meeting or a telephone call?

Alexander Nix: It was a decision with the board, and obviously I was involved in that decision. I put it on the table and said that if this is what is best for the company, then this is what we should do. My firm belief at



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that time was that the company would survive the initial media onslaught, and that an independent inquiry that was commissioned by the board to understand the allegations that had been made by the press against the company would prove that they were unfounded, and that in due course we would get back to business as normal.

Q3355 **Simon Hart:** It was a joint decision from the board and you, for the reasons that you have loosely hinted at, that it was becoming a distraction for the business? Something along those lines?

Alexander Nix: I take huge responsibility for my part in misrepresenting the company. Whether I did that intentionally or rather knowingly or not—and I think we have covered this at some length—it was not my finest hour. I have to accept that and I am going to have to live with that. It was a very, very well executed sting.

Q3356 **Simon Hart:** You got caught.

Alexander Nix: Chapeau to Channel 4 for destroying an excellent British technology company.

Q3357 **Simon Hart:** Were you offered a pay-off?

Alexander Nix: No.

Q3358 **Simon Hart:** Have you had a pay-off, or were you offered a pay-off in the future? You have received no money for—

Alexander Nix: It is not relevant to this Committee, but the answer is no.

Q3359 **Ian C. Lucas:** Do you know Mark Gettleton?

Alexander Nix: Yes, I do.

Q3360 **Ian C. Lucas:** Did he work for Cambridge Analytica or SCL?

Alexander Nix: Yes, he did.

Q3361 **Ian C. Lucas:** When did he work for them?

Alexander Nix: Again, I do not want to mislead you, but I would say between 2014 and 2015, but I would have to confirm his exact dates.

Q3362 **Ian C. Lucas:** When did you last speak to Mr Gettleton?

Alexander Nix: Early 2015, when he left the company.

Q3363 **Ian C. Lucas:** You have not spoken to him since he left the company?

Alexander Nix: No, I do not believe so. Not a word.

Q3364 **Ian C. Lucas:** Have you discussed AIQ with Mark Gettleton?

Alexander Nix: When he was at the company?

Ian C. Lucas: Yes.



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Alexander Nix: It is very possible because, as you well know, AIQ was contracted to us.

Q3365 **Ian C. Lucas:** You are aware of Jeff Silvester's evidence?

Alexander Nix: What specifically?

Ian C. Lucas: That Mark Gettleston introduced AIQ to the Vote Leave campaign.

Alexander Nix: Yes, I am aware of that. That is correct.

Q3366 **Ian C. Lucas:** There is a connection between Cambridge Analytica and campaigns in the referendum.

Alexander Nix: If you are trying to suggest that a former employee of mine, whom I have not spoken to for three and a half years, who happened to move on and work in another line of business or businesses that coincidentally worked or were connected with the referendum campaign demonstrates there was a connection, I would say that was about as tenuous as the connection Mr Farrelly was trying to make.

Ian C. Lucas: I don't think it is tenuous at all.

Alexander Nix: It proves only that, in a very small world of political consultancies, there are circles within circles of people who work together and who know each other.

Q3367 **Ian C. Lucas:** It is a small world. Who introduced Cambridge Analytica to Arron Banks?

Alexander Nix: Gosh.

Ian C. Lucas: Can I help you?

Alexander Nix: Yes.

Ian C. Lucas: Brittany Kaiser says it was Steve Bannon.

Alexander Nix: That could well be possible. Again, I do not want to mislead you, it could well have been Steve Bannon.

Q3368 **Ian C. Lucas:** Were you there when the first meeting took place with Arron Banks?

Alexander Nix: I was there. That was the only meeting I attended, the initial meeting. Obviously Mr Bannon was not there. So, again, I cannot—

Q3369 **Ian C. Lucas:** Why obviously?

Alexander Nix: I beg your pardon, because the meeting took place in the UK and Mr Bannon was in the US, therefore I cannot confirm exactly if that was the connection. I was at the meeting. There was certainly Mr Banks, I remember. I cannot, with any certainty, recall who else was there but I think Brittany spoke about this in her evidence.



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Q3370 **Ian C. Lucas:** Mr Banks and Mr Bannon are two of the most prominent political campaigners in recent years, who have been involved in two of the most important referendum and election results. They were introduced to each other through Cambridge Analytica.

Alexander Nix: That is not what you have just said. What you have said to me just now was that Mr Bannon introduced Cambridge Analytica to Mr Banks, therefore we could not be the one that introduced the gentlemen to each other.

Q3371 **Ian C. Lucas:** What I am saying is it is a very small world in which Cambridge Analytica is a very prominent player. Your assertion earlier on that you had nothing to do with the referendum is complete nonsense.

Alexander Nix: I am sorry if members of this Committee are unhappy with the outcome of the referendum. I am sorry if members of this Committee are unhappy with Donald Trump being President of the United States. However, you cannot simply put forward your prejudices on to me and make sweeping assumptions about our involvement with a particular campaign simply because that is what you want to believe because that narrative suits your view of the facts. The fact is there is no evidence to support your position.

Ian C. Lucas: Mr Nix, are you giving evidence and giving facts?

Alexander Nix: What you are doing now is building a conspiracy theory.

Q3372 **Ian C. Lucas:** Facts, Mr Nix, not rudeness. Facts is what we are presenting to you. What we are getting back from you is bluster and rudeness. The fact is that Steve Bannon was someone who introduced Arron Banks to Cambridge Analytica. We have had that in evidence from a number of different sources. We also have the fact that a former employee of Cambridge Analytica was the person who introduced AIQ to the Vote Leave campaign. Those are facts. That is why there is a link in this story. All of those facts are true.

Alexander Nix: That is not what you said. What you just said was that you refused to believe that Cambridge Analytica was not involved in the referendum. That is not a fact. It is not supported by the hypothesis you have just put forward. It is not supported by the relationships you have just alluded to. There is absolutely no connection between that statement and what you have just set out.

Q3373 **Ian C. Lucas:** The connection of the individuals who are linked to each other in the small world in which you operate and from which you have made an awful lot of money, the position is that there are links.

Chair: We have covered this.

Alexander Nix: It is a ridiculous line of questioning, if I may add, absolutely ridiculous.

Q3374 **Chair:** You just said the claim that you worked on the referendum campaign was very damaging to your company. If Leave.EU had got the



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designation, you would have worked on the referendum campaign willingly. The only reason it did not happen was because Leave.EU did not get the designation and therefore the relationship did not go any further.

Alexander Nix: The problem with that is?

Q3375 **Chair:** None at all, but you seem to take great exception to even the idea that you might have worked on it or—

Alexander Nix: No, I take exception to the fact that Christopher Wylie can state to this Committee that we played an absolutely pivotal role in Brexit—i.e. can point blank lie to you as he has lied over a great many issues involving Cambridge Analytica's involvement in election campaigns in this country, in the United States and overseas, and all sorts of allegations about unethical and illegal practices. Yet I am sitting here being subjected to frankly ridiculous accusations based on the most tenuous connections that are simply not supported by evidence.

Chair: I do not want to go over this again because we went over this quite a lot last time as well as today. One of the reasons these started running in the first place was because of statements you, Arron Banks and Andy Wigmore made about the way you had worked together. It is not just Christopher Wylie's view. Brittany Kaiser places a value on the work she did working with Leave.EU in preparation for the referendum. The Electoral Commission's position is that it acknowledged that work took place but does not believe it had any value or bearing on the work Leave.EU eventually did. It is not baseless. People have had their say and you have had your say on it. That is where it has come from.

Q3376 **Brendan O'Hara:** I am following up on the undercover operation with Channel 4. Since we have been in session Channel 4 has issued a very robust statement in reply to what you said. It absolutely disagrees and rejects the allegation it heavily edited the footage to portray you, as you said, in the worst possible light. It says quite categorically that its comments were used in context, specifically when pitching to the reporter it was you who said, "These are just examples of what can be done," and you followed that up by saying, "and what has been done". That is not hypothetical. You are on the record as saying, "These are just examples of what can be done and what has been done". Do you wish to modify your earlier statement?

Alexander Nix: No, I do not wish to modify my statement. There was no suggestion that it had been done by our company. I was giving examples of the sort of things that could be done, and have been done, to damage the reputation of politicians. That was the question that was put to me and I answered that question frankly and openly.

Q3377 **Brendan O'Hara:** You are absolutely clear that this was not an offer on behalf of your company to do these things? If it was not an offer to do them why make such a play of it?

Alexander Nix: After I said that I went on to say, "The right solution will be made for you for the right problem." I did not commit to doing



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anything for them. I simply played along and listened to this potential client's desires, without committing or suggesting that we would follow through and deliver any of those services.

Q3378 Brendan O'Hara: Surely to any reasonable person listening to that conversation you were making an offer that this was part of your armoury, should it be required. Surely any reasonable person listening to that—

Alexander Nix: Mr O'Hara, you do not need to sit there and sully my reputation. I have already done that and it has been broadcast nationally, and possibly internationally, to millions of people. I think we have covered this point. I have apologised for my exaggeration and hyperbole in my interest to win a client contract. I alluded to services that we do not make and never made as a company. Yes, it was extremely foolish of me. It was a well constructed entrapment—sting, whatever you want to call it—and Channel 4 got their man. Beyond that I really cannot speak to this any further.

Q3379 Brendan O'Hara: The problem I have with all this is that, from where I am sitting, since you have come here today you have attempted to paint yourself as the victim here. By no stretch of the imagination can you be seen as a victim. Surely you can see that. You are not the victim here.

Alexander Nix: What happens if I was the victim, Mr O'Hara?

Brendan O'Hara: Do you believe you are the victim?

Alexander Nix: Let's just run with this hypothesis for a moment. What happens if I was the victim? What happens if, as we have seen, we were accused of working on Brexit and we did not work on Brexit? We were accused of disseminating videos in Kenya, we did not disseminate videos in Kenya. We were accused of—what was it that Mr Wylie said?—capturing Governments, colonising countries and being part of some white right-wing conspiracy. What happens if none of that is actually true and that in due course, as some of these investigations are concluded or more of these investigations are concluded, people realise that we were simply the guys who were perceived to have contributed to the Trump campaign and were wrongly accredited with being the architects of Brexit? As a result of the polarising nature of those two political campaigns, the global liberal media took umbrage and decided to put us in their crosshairs and launch a co-ordinated, extremely well co-ordinated, and effective attack on us as a company in order to destroy our reputations and our business. All of this was underpinned by a stream of allegations—unfounded and groundless allegations—that came from Mr Wylie, who gave the media the ammunition they wanted to be able to attack us for something that, in the case of Brexit, we simply did not do.

Brendan O'Hara: So you are the victim in all of this?

Alexander Nix: If you were sitting where I am right now, you would probably feel quite victimised.



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Q3380 **Brendan O'Hara:** The frustration is that according to you everything that has been written or said about Cambridge Analytica is wrong, yet the only thing we have ever heard directly from you turns out, by your own admission, to be a pack of lies. You can understand the frustration when you deny everything that has ever been written or said about you, then when you are caught going on the record saying something your first reaction is, "That is all lies". You can understand that it is a frustrating position for us to be in, to have to listen and try to search for the truth.

Alexander Nix: Not half as frustrating position as it is for me, sir.

Chair: I know you have questions you want to come back to. Time is marching on a bit and we have a few other things we want to cover off so we might—if you do not mind, Brendan—move on at that point.

Brendan O'Hara: Sure

Q3381 **Jo Stevens:** Thank you, Chair. I would like to ask you, Mr Nix, about working overseas elections. You mentioned at any one time you might be involved in eight, nine or 10 elections around the world. You did not have to talk about that when you came and gave evidence in February, other than the Trump and the Cruz campaigns. The period I am interested in is 2009 to 2011 when you were working on elections in St Kitts and Nevis, Dominica, St Vincent and the Grenadines and the referendum in St Vincent and the Grenadines. What was the nature of your business relationship with Christian Kalin from Henley & Partners?

Alexander Nix: I was familiar with Christian Kalin because he had work in some of the Caribbean islands. I know he used to run a citizenship-by-investment programme, certainly in St Kitts and possibly in Dominica. I do not know about the other countries.

Q3382 **Jo Stevens:** Can you tell us what the citizenship programme is? Is it the same thing like passport—

Alexander Nix: I believe it is the same or similar to a system we have in the UK and other European countries—again you will have to explore this yourself—where an individual has a right to acquire citizenship through investment.

Q3383 **Jo Stevens:** What about passports? Can you do that as well?

Alexander Nix: Again, I do not want to mislead the Committee but I believe citizenship includes a passport. You basically make an investment into the country; I do not know what the nuance is in terms of how much time you have live there and things like that.

Q3384 **Jo Stevens:** Were you working with him when you were doing election work in the countries that I mentioned?

Alexander Nix: I knew Mr Kalin. I met with Mr Kalin on numerous occasions when I was working in some of those countries that he was also involved in. He was obviously a colleague of some of our clients when we were both working for the Government.



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Q3385 **Jo Stevens:** Were you working with him? Did you undertake work together in any of those countries?

Alexander Nix: You mean on citizenship-for-investment programmes?

Jo Stevens: As part of the work you were doing, was he involved in any aspect of that work?

Alexander Nix: He certainly had an interest in the outcome of the elections. He, as a Government contractor, had an interest in how the elections would unfold.

Jo Stevens: Yes, but did he work with you? You said you knew him. Did you do any work together? I will ask it again.

Alexander Nix: It is a difficult question because I do not want to mislead you. Of course he did not work on any of the campaigns, which would be a ridiculous notion. He dipped in and out of the islands. I met with him.

Q3386 **Jo Stevens:** To do what?

Alexander Nix: He would ask me about the election campaign. We had a relationship.

Q3387 **Jo Stevens:** You would meet him. You would talk about the election campaigns. You presumably told him how things were going for your clients. He was getting a benefit. What were you getting from that? What was the purpose of you meeting with him?

Alexander Nix: I do not really know what you are alluding to here.

Jo Stevens: I am not alluding to anything; I am asking what the purpose of the meetings were from your perspective. You are obviously a very busy man. You travel around the world.

Alexander Nix: These are tiny countries. There are not that many people, certainly foreigners, who come in and out and have an active ongoing relationship with the Government. I think I met with lots of people over that period who had similar relationships with the Government.

Q3388 **Jo Stevens:** Did he finance any elections?

Alexander Nix: He may well have made contributions towards the election campaigns, but you would have to talk to him about that.

Q3389 **Jo Stevens:** Were they campaigns for parties who were your clients?

Alexander Nix: I cannot speak about his activities, but my understanding is he may well have financed some of the elections or given contributions towards some of the elections.

Q3390 **Jo Stevens:** Who were your clients?

Alexander Nix: Who were our clients, yes.



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Q3391 **Jo Stevens:** Did you ever discuss his financing in the meetings you said you had with him?

Alexander Nix: Yes, but not overtly.

Jo Stevens: Sorry, I do not understand that. Did you discuss it or didn't you?

Alexander Nix: Yes, we did.

Q3392 **Jo Stevens:** You said he was a big contractor with Governments in those countries. Is that where the passports and citizenship stuff comes in?

Alexander Nix: I have not spoken to Mr Kalin for many years now. At the time I believe he ran an economic citizenship programme in St Kitts, certainly in St Kitts, and we were involved in the election in St Kitts.

Q3393 **Jo Stevens:** What sort of people would effectively buy citizenship or buy a passport?

Alexander Nix: I could not speak to that, I genuinely cannot.

Jo Stevens: You never discussed that?

Alexander Nix: People who wanted to have a second citizenship, I guess. People who were maybe looking—and I am speculating here—for a more beneficial tax regime.

Jo Stevens: Fine, thank you.

Q3394 **Chair:** Can I just ask, Mr Nix, did you do much work in Latin America? You have spoken a bit about the Caribbean but did you do any work in South America?

Alexander Nix: A little bit.

Q3395 **Chair:** Did you do any work in Argentina?

Alexander Nix: Yes, we have worked in Argentina.

Q3396 **Chair:** Who was that for in Argentina?

Alexander Nix: As I said last time, we do not generally like to talk about specific clients simply because there is client confidentiality there.

Q3397 **Chair:** I had sight of a note about some of the work in Argentina—that it was an anti-Kirchner campaign; so, you were working for one of the opposition parties or someone seeking to change political leadership in Argentina. Would that be correct?

Alexander Nix: As far as I am aware—and, again, I could circle back to you on this—I do not believe we have ever worked on an anti-Kirchner campaign.

Q3398 **Chair:** I was looking at a note that someone shared with me, a summary of a management meeting at SCL Group from 27 May. There is a note on Argentina and it says, "Anti-Kirchner campaign A presented to decision



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maker, awaiting feedback”.

Alexander Nix: Right.

Chair: That suggests you did present an anti-Kirchner campaign to someone who might be in the market for buying one.

Alexander Nix: No, it would represent that maybe I pitched for such a campaign.

Q3399 **Chair:** Yes, an anti-Kirchner campaign. Clearly meetings were around that premise, it was an anti-Kirchner campaign, so you were working for an opposition party or some other person interested in influencing politics in Argentina, it was not supporting the Government.

Alexander Nix: That would be the appearance of that, yes.

Q3400 **Chair:** Have you ever worked with Paul Singer? He funded work in Argentina.

Alexander Nix: No, I never worked with Paul Singer.

Q3401 **Chair:** There is another question I want to ask as well. Someone has given me a copy of a note that was submitted to the decision maker in Argentina. It talks about the nature of SCL's work. It says, "Our management team consists of retired intelligence and security agency officers from Israel, USA, UK, Spain and Russia". Is that the case, you have former intelligence and security agency workers from Russia who have worked with SCL?

Alexander Nix: No, that is absolutely not the case. Am I able to have a look at this note or not?

Q3402 **Chair:** I am probably not able to share it. If the person who gave it to me is happy for me to share it with you, I am happy to circle back, as you would say, on that and do so. I am probably not at liberty to share it.

However, Russia has been included in that list of countries. Have Russian nationals worked for SCL or for Cambridge Analytica?

Alexander Nix: No. As far as I am aware, and I think I was pretty adamant about this when I saw the Committee last time, we have never worked with a Russian individual. We have never worked for a Russian client. We have never worked in Russia, certainly not since I have been in the company.

Chair: Or had Russians work for you?

Alexander Nix: Or had Russians work for us.

Q3403 **Chair:** Apart from Aleksandr Kogan?

Alexander Nix: I believe he is a US national.

Chair: I think from Russia originally.

Alexander Nix: I believe he is a US national.



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Q3404 **Chair:** That's the distinction; that's fine. I am not seeking to assert anything; I was just making a point. Did you know he was working—

Alexander Nix: What point are you making?

Chair: When he was working, did you know he had links with Russian universities and had conducted research work at St Petersburg University funded by the Russian Government? Was that something you were aware of?

Alexander Nix: I believe I met Aleksandr Kogan twice, once in January 2014 and once in September. I had lunch with him twice and that was my relationship.

Q3405 **Chair:** Something I wanted to clear up on a different election area, something we have had conflicting bits of evidence about, is Nigeria. We touched on this a little bit earlier on. I do not want to go over the issue of the film, I think we have covered that. There is this interesting—of interest to us anyway—issue of Israeli intelligence workers who were brought in to work alongside the SCL team who were delivering the project in Nigeria. Brittany Kaiser spoke a bit about this in her evidence session—that there were people from Israel who came in to work on the project whom she had been introduced to in Israel and she believed were former intelligence officers. Are you able to tell us anything about that? Are you aware of former Israeli intelligence officers working as contractors alongside SCL in Nigeria?

Alexander Nix: Again, this is another groundless accusation that I believe was made by Mr Wylie. Unfortunately, having read his statement to the Committee, he suggests this is something that has been reported to the authorities. While it would be honestly tempting to try to talk this through with you, this is another one of those areas I simply cannot discuss.

Q3406 **Chair:** In the transcript of the sessions Channel 4 filmed you in, those meetings, and I think in conversations you had with Channel 4 reporters afterwards, you said, "We use some British companies. We use some Israeli companies. " You said one of the Israeli companies you had used was Black Cube, is that correct?

Alexander Nix: No, I think in the transcript—because I did read this—he said, "Have you worked with Black Cube?" and I replied, "Yes". I was totally mistaken. We have never worked with Black Cube. We have been contacted by Black Cube after the publication of that exposé by Channel 4. We confirmed to them in writing that we had no relationship with them and we had never worked with them. They obviously were keen for that because their name was used.

Q3407 **Chair:** Obviously the accusation was made and you have given your response to that. If you have not worked with Black Cube, have you worked with other former Israeli intelligence officers to support SCL's election work?



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Alexander Nix: Not knowingly, no.

Chair: It may have happened, but you do not know if it did?

Alexander Nix: I do not want to be trite, but you could be an Israeli intelligence officer is the point I am trying to make. I have not knowingly contracted with any intelligence officers from any nationality to work on projects within SCL.

Q3408 **Chair:** I understand that. The point I was making was whether other people in the company could have contracted them but you would not have been aware of it, or would you have been aware of—

Alexander Nix: No, I am sure I would have been aware if someone was making a hire. Regardless of whether they were hiring an Israeli intelligence officer or someone else, I am sure I would have been aware.

Q3409 **Chair:** You would have known who Brittany Kaiser hired to work on that campaign in Nigeria?

Alexander Nix: Again, I cannot speak to this but what I can say—because I did read Brittany’s evidence—is that she was very clear in saying the client had hired some third parties to work for them and that was nothing to do with Cambridge Analytica. That is what I read.

Chair: That is what the QC report refers to as well.

Alexander Nix: No, I believe that is what Brittany Kaiser’s testimony says.

Q3410 **Chair:** There was a parallel operation that was not anything to do with SCL. What Brittany suggested to us was that she was introduced to some people in Israel, who she believed were former intelligence officers, and that they came to work in the team. She did not necessarily know who they were, she could not remember their names and did not know what company they had come from. Nevertheless they had been introduced and she brought them in.

There seems to be a bit of confusion around exactly who these people were and whether SCL worked with them on other campaigns as well. It has been suggested to by former SCL employees that they then went on to work on further campaigns in the Caribbean as well. Were you aware of that?

Alexander Nix: I cannot speak to what happened in Nigeria because I was not there. All I can say, and the only thing I can say, on this is we have never contracted with anyone that fits that description. We certainly did not contract with those individuals or in any way offer work, remuneration, services or have any relationship with them whatsoever.

Q3411 **Chair:** It is important not just because of the question of whether they were Israeli intelligence officers and whether that is relevant. Obviously, as you know, the accusation is that they were brought in to work as hackers, to gain hacked information on the opponent in that campaign.



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Alexander Nix: I cannot speak to this. Again, this is another accusation that I believe came from Mr Wylie. It was the first I had heard about it. No one in my—*[Interruption.]* Brittany Kaiser said—?

Chair: I will say it has been put to us by other people as well, former SCL employees, that they believed these people were hackers. Therefore it is not just Christopher Wylie's testimony. Obviously I cannot disclose who those people are, they do not wish to be identified. You have given your answer, I think that is—

Alexander Nix: I stand by my answer.

Q3412 **Brendan O'Hara:** Thank you, Chair. Mr Nix, who are the PSI Group?

Alexander Nix: I do not know. I genuinely do not know other than the fact that I read an article in Bloomberg, about three weeks ago, about them. That article suggested a relationship with SCL Group in the USA.

Q3413 **Brendan O'Hara:** You have no knowledge of PSI Group other than what you read in Bloomberg?

Alexander Nix: That is correct.

Q3414 **Brendan O'Hara:** You have never met with them?

Alexander Nix: Never.

Q3415 **Brendan O'Hara:** Do you know the nature of the work it is involved in?

Alexander Nix: No, I do not. I read in the article, as you probably did as well, there was a joint pitch to the US Government for some work. That was the first I had heard about it.

Q3416 **Brendan O'Hara:** It is categorically not true that Cambridge Analytica or SCL, or any of the other companies you were involved with, had any relationship whatsoever with PSI Group?

Alexander Nix: No, I did not say that. I said I had never heard of them before. The first time I heard about them was in that article. The article suggests that SCL Group in the USA, a defence contractor, had a relationship with them and they joint pitched. I cannot confirm or deny whether that is true, I have never heard of them before.

Q3417 **Brendan O'Hara:** It is not just Bloomberg. *The Wall Street Journal* on 23 May reported that Cambridge Analytica had formed a joint venture with PSI Group, a private intelligence firm, in order to win US Government contracts immediately after the 2016 presidential election. Is that correct?

Alexander Nix: I have told you very plainly that the first I heard about this campaign was in this newspaper article. I cannot speak to it more than that.

Q3418 **Brendan O'Hara:** Cambridge Analytica, you are telling us categorically, has not worked with PSI Group?



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Alexander Nix: No, that is not what I am saying and I do not know if you are deliberately trying to misinterpret what I am saying.

Brendan O'Hara: I am deliberately trying to get to the truth.

Alexander Nix: What I am saying is the first I ever heard of the name PSI Group was when I read these articles. The article infers a relationship with SCL Group and I cannot confirm or deny whether that relationship existed because I had never heard of PSI Group before reading the article.

Q3419 **Brendan O'Hara:** What advantage do you think there would be to SCL or Cambridge Analytica—which you said yourself is a very small advertising agency—working with PSI Group, a company that is reported as being founded and managed by an experienced group of former high-ranking officers from elite units of some of the world's most renowned intelligence agencies? Why would a very respected journal such as *The Wall Street Journal* and Bloomberg, connect a very small advertising agency to a company like that?

Alexander Nix: For the sake of clarity, because facts matter, we are talking about SCL Group, the US defence contractor. That is different to Cambridge Analytica, which was a political and commercial communications agency. I cannot speculate as to what the advantage would be of joint pitching on a contract, other than to say that it is possible that, whatever the contract was, it required a range of skill sets, some of which could be provided by SCL Group and some of which could be provided by PSI Group and neither agency had the requisite skill sets to pitch on its own.

The US defence procurement process is extremely protracted. It requires multiple levels of due diligence, proposals, oral hearings and submissions and can go on sometimes for months and months, sometimes even years, to win a contract. Obviously there are extremely strict security measures in place regarding the use of contractors. The mere fact that PSI Group was, according to the article, seeking to partner with SCL in order to pitch for US defence work would suggest that they were a recognised vendor, or an approved vendor, or had some traction or history of delivering to the US Department of Defence, which would imply that they had been vetted for that purpose. I am purely speculating.

Q3420 **Brendan O'Hara:** According to *The Wall Street Journal*, PSI Group signed a memorandum of understanding with Cambridge Analytica. That is not the case as far as you are concerned?

Alexander Nix: I cannot be any straighter with you than I have been. I have not seen any document. I had not heard of the company before I read this article. Just because *The Wall Street Journal* has reported it, it certainly does not mean they have the facts correct.

Q3421 **Brendan O'Hara:** If Cambridge Analytica had signed a memorandum of understanding with PSI Group, which would allow the two firms to co-



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operate on a case-by-case basis to provide intelligence and social media services, as the CEO you would have known about it and you would have signed off on it?

Alexander Nix: My suspicion—again, I am speculating, Committee—is that in their reporting *The Wall Street Journal* has used the name Cambridge Analytica when they may have meant to use the name SCL Group.

In answer to your question, I would be very surprised if a memorandum of understanding had been signed with Cambridge Analytica that I was unaware of.

Q3422 **Brendan O'Hara:** Could anyone else have signed it, if not the CEO?

Alexander Nix: I would have to see the document. Certainly possibly one of the other CA staff could have signed that. That is true.

Q3423 **Brendan O'Hara:** Is it entirely feasible then that SCL Group could have signed a memorandum of understanding with PSI Group without your knowledge?

Alexander Nix: SCL Group had its own CEO. As I said to the Committee very clearly when I was here last—because there was quite a lot of confusion about the group structure—SCL Group is a different company, it has different officers and has different staff who work on different contracts. Moreover, as a defence contractor, SCL has different security status and therefore is privileged to work and address different things to Cambridge Analytica.

Q3424 **Brendan O'Hara:** Briefly, what contracts did you pitch for in America post November 2016?

Alexander Nix: What political contracts did we pitch for in the United States?

Brendan O'Hara: What Government contracts did you pitch for?

Alexander Nix: Government or political?

Brendan O'Hara: I will do both. I will go for Government contracts.

Alexander Nix: The Government contracts we would have pitched for in the US post November 2016 would have been pitched for by SCL Group. Those would have been contracts that would have spanned defence, to homeland security, to other Government divisions—my mind is escaping me now, but a broad range. I could not speak specifically as to what contracts they were pitching for.

Q3425 **Brendan O'Hara:** Do you know what ones they won?

Alexander Nix: Again, as a general rule of thumb we do not speak about client contracts. If you can help me understand why this is relevant to the Committee—



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Q3426 **Brendan O'Hara:** I am trying to get to that you are divorcing yourself entirely from what has gone on with SCL Group; there may or may not have been a relationship between PSI Group and SCL. That is something you claim to be absolutely and completely unaware of or have anything to do with, is that right?

Alexander Nix: That is correct.

Brendan O'Hara: Thank you.

Q3427 **Christian Matheson:** Time is moving on so I am just going to ask a couple of questions if I may, Chair.

I have a copy of your digital overview, which is a few years old. Ms Stevens referred to it before. Some of these short-term interventions that are listed in the digital overview include distributed denial of service attacks. Did you ever undertake any?

Alexander Nix: This was a company we looked at forming and we never formed. That company never undertook any work whatsoever.

In answer to your question, no we did not.

Q3428 **Christian Matheson:** Why did you consider it?

Alexander Nix: At the time we were looking at different technologies and expanding into different technological areas. This seemed like an interesting business but we did not have the capability, is probably the truth, to be able to deliver meaningfully in this business area.

Q3429 **Christian Matheson:** Was instituting a distributed denial of service attack illegal at that time?

Alexander Nix: I really do not know. I cannot speak to technology like that.

Q3430 **Christian Matheson:** It is illegal now.

Alexander Nix: Right, I do not know. It is not something we ever built. It is not something we ever undertook. It is a company that was never realised.

Q3431 **Christian Matheson:** The only reason is because it would give me concern that you have the mens rea to undertake activities that are perhaps outside the law. If you never went ahead and did it, fair enough.

Can I ask about one other area? I do not want to take up too much more time. I want to invite you to see if you can remember a question I put to you in the last evidence session where you gave evidence concerning a £24.2 million payment from Delaware-registered Cambridge Analytica, the American Cambridge Analytica, to the UK registered SCL Elections. Do you remember we had a conversation about that?

Alexander Nix: Yes, I do.

Q3432 **Christian Matheson:** I think at the time you were not willing to let me



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know what the payment was for. Can you let me know what the payment was for now?

Alexander Nix: Again, unless you can help me understand the relevance of that to the Committee, I cannot see how that is important.

Christian Matheson: Let me see if I can help you understand the relevance. Under the terms of the bankruptcy you filed in the state of New York, a statement of financial affairs has been published. The documents are available. It looks from the analysis that Cambridge Analytica has no costs associated with the revenue it receives and manages. It managed to transfer more money to SCL Elections than it declares it generates. For example, in 2016 Cambridge Analytica had a gross revenue of \$25,299,213. According to Companies House, under related party transaction disclosure, SCL Elections received income from Cambridge Analytica of £24.2 million or, in dollars, \$34 million.

Alexander Nix: Right.

Q3433 **Christian Matheson:** There seem to be some money transfers going on between the two companies. I am keen to know whether that is work that is being undertaken between the two companies or whether it is a way to distribute finance from one side of the Atlantic to the other.

Alexander Nix: No, it reflects the relationship between the two companies and the work that was going on between them.

Q3434 **Christian Matheson:** What kind of work?

Alexander Nix: I suppose this comes onto the structure of the companies, which was a point we discussed at some length and with some confusion. Would this be a good opportunity to try to explain that to you?

Chair: I would be very grateful if you do because it is quite a confusing structure. I am very happy for you to add to that, if Mr Matheson is happy with that.

Christian Matheson: If you are, Chair, I will follow your lead.

Alexander Nix: If I may approach, I would like to hand out a four-page document. In anticipation of this I tried to take what is ostensibly quite a complex structure and to simplify it. That is to help the Committee understand the relationship between the companies and the brands they represented and how the company expanded and contracted, and expanded again, which gave rise to what is an unnecessarily complex structure but actually had nothing nefarious, and certainly did not reflect a mafia-style franchise as has been alluded to.

Chair: Mr Nix, are you happy for the Committee to publish this as a written submission for the benefit of the people who cannot see it today?

Alexander Nix: Yes, that is fine.



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Christian Matheson: Are you going to talk to this?

Alexander Nix: I was going to talk you through it. It will not take more than a couple of minutes.

Chair: Yes, that is fine if you are happy to do that.

Alexander Nix: Of course. If you look at the first slide, what I have tried to do is distinguish the employer—i.e. the company that contracted employees. I think there was a lot of confusion about Brittany saying she worked for SCL or Cambridge or Jordanna for Cambridge or SCL.

Christian Matheson: Or both.

Alexander Nix: Or both. I am hoping to address that with this. Underneath we have the brands. The brands are simply the marketing or client-facing vehicles that provided services to the clients.

Between 2005 and 2012 we had a British company called Strategic Communication Laboratories. Underneath that were four brands: a defence company that obviously serviced Government and defence work, commercial for selling toothpaste, elections for political work, and social for undertaking social and humanitarian work. In 2012, my partner and I decided to separate the organisation. He retained Strategic Communication Laboratories Limited. His brand became known as SCL Group and continued to focus on global defence work. I incorporated a new company called SCL Elections Limited and I focused on the three other divisions; commercial, elections and social.

Q3435 **Chair:** Was the SCL Group defence work run by Nigel Oakes?

Alexander Nix: That is correct.

These really were completely separate companies. There have been a lot of allegations in the press and Mr Wylie, again, has made a lot of insinuations that we are some sort of military contractor that uses military technology on elections. As you can see, there is no crossover, no staff and no IP methodology that was shared between these companies. They were completely separate.

In or around 2014 we incorporated Cambridge Analytica in the United States. Obviously that was a US vehicle and we needed a US employer to staff that. We therefore established SCL Inc and that became the employer of staff for our US projects. For global projects we continued to use SCL Elections and, again, we worked across these other brands. Nigel Oakes's company, "Stratcom Labs", continued to be a completely separate entity. Towards the end of 2017, early 2018, we then amalgamated the group together. We got rid of the other brands. You can see that our UK and US defence companies came together as one brand, obviously staffed by the two different employers. Cambridge Analytica became the brand for global political and commercial work.

Q3436 **Christian Matheson:** Who owns these companies?



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Alexander Nix: Again, I cannot see the relevance of that. I think I told you last time that we are not generally allowed to speak about the shareholders.

Q3437 **Christian Matheson:** It is relevant, and I will explain why in a moment. Can I ask the question again: who owns these companies?

Alexander Nix: Again, these are private companies that have been invested into by private individuals. There is no need for me to elaborate on shareholdings.

Q3438 **Christian Matheson:** Is Robert Mercer a shareholder?

Alexander Nix: As I made quite clear to you, there is no need for me to talk about these things.

Q3439 **Christian Matheson:** Is Steve Bannon a shareholder?

Alexander Nix: We can keep this up all afternoon.

Christian Matheson: We can indeed, yes.

Alexander Nix: I am afraid I am not going to answer your questions.

Q3440 **Christian Matheson:** You did ask me for the relevance. The reason it is relevant is because I am looking at these money transfers—thank you for this, by the way; we will have a proper look at that when we have more time—from the United States to the United Kingdom. There is a lack of clarity about what the money was for, but if it was for work that was being done in the United Kingdom by a British company for political activity in the United States, I have a concern that that might be illegal in the United States. If it was for work that was done in the United Kingdom for political activity in the United Kingdom, using funds provided by an overseas source, I have a fear that would be illegal in the United Kingdom. So can I ask again: who provided the funds and who owns the companies?

Alexander Nix: This is an area, unfortunately, which is going to stretch into ongoing investigations. Again, this is one of those areas that I am afraid has to be privileged until these investigations are concluded. I would really like to explain this to you, because there are very simple explanations to this, but simply because it touches on some of the investigations I have been made aware of, I cannot go there.

Q3441 **Christian Matheson:** I respect that, Mr Nix. You talked before, in one of the more heated moments of these sessions, about concerns regarding international conspiracies. If there were to be one, the transfer of money to influence elections and a referendum in this country by people who are not British would be included in consideration of that international conspiracy, wouldn't it?

Alexander Nix: I am hopeful we have reached a consensus on this and I think we are all of the mind that Cambridge Analytica, SCL Elections, did not undertake any work in the UK on the referendum, no paid or unpaid



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work. That was certainly the finding of the Electoral Commission. Therefore what you are suggesting simply is not relevant.

Q3442 **Christian Matheson:** In this case this would be work undertaken in the United Kingdom for political activity in the United States, which I think is problematic in the United States.

Alexander Nix: Again, this is something that touches on investigations so I cannot speak to it. Obviously we have a US company in the United States for undertaking US work and we have a British company in the UK for undertaking British work. That is all I can say on the matter.

Christian Matheson: I am grateful for that, thank you.

Q3443 **Chair:** On that structure—I know we spoke about this quite a lot earlier on when we were talking about the work of AIQ, Dr Kogan and the Cambridge Analytica SCL teams—in the work that was being done for John Bolton in those political races in 2014, do you remember where people were geographically based when they were doing that work? We know we have SCL, Kogan and AIQ working on the same project. Were they all based in one office in one country or did they work remotely?

Alexander Nix: Again—I am sorry, Mr Chairman—I would love to explain this to you but this touches on some of these investigations. I simply cannot do that.

Chair: It is a matter of interest if Dr Kogan, as it would seem, was based in England or was working from time to time in St Petersburg and AIQ was based in Canada, if they are processing US electoral data about US citizens and designing campaign tools from outside of the United States, whether that is legal. That is not a matter for this Committee to determine that; there are US agencies that can do that. However, it is a pertinent question, even if it is not one that we can discuss today.

Alexander Nix: I appreciate that.

Q3444 **Ian C. Lucas:** Did you present to gain a contract in connection with Dominica in September of 2009?

Alexander Nix: I would have to confirm the timing but I did work in Dominica, yes.

Q3445 **Ian C. Lucas:** Was that you personally?

Alexander Nix: I came in and out of the project. I was not running the project but I was there.

Q3446 **Ian C. Lucas:** You were involved in the project?

Alexander Nix: Not on a day-to-day basis. Typically I would work on the sales and, obviously, work with the client but I would not manage the campaigns themselves.

Q3447 **Ian C. Lucas:** Can I present you with a copy of a document, which I believe is a SCL document? It says at the top, "Election clients". Included



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in that graphic are Russian clients. Can you confirm that is correct?

Alexander Nix: That is certainly what the picture illustrates.

Q3448 **Ian C. Lucas:** Is that a SCL document?

Alexander Nix: I can explain this for you very—

Ian C. Lucas: Is that a SCL document?

Alexander Nix: It certainly looks like it is.

Q3449 **Ian C. Lucas:** Earlier you said there were no Russian clients for SCL. This document contradicts that statement, doesn't it?

Alexander Nix: What I said to you was that in the 14 or 15 years I have been working for the company—I was very explicit about this when I saw the Committee last time—to the best of my knowledge we have not hired any Russians, we have not worked with any Russian clients, we have not worked in Russia and so on. I think that previous to my joining the company my colleagues worked on a programme for Gazprom in Russia. This was a piece of commercial work in the late 1990s or early 2000s, which is my understanding. I cannot speak to that. I was not in the company. I was probably still at university.

Q3450 **Ian C. Lucas:** That was before your time?

Alexander Nix: That is correct.

Q3451 **Ian C. Lucas:** This document says explicitly, "Election clients", doesn't it?

Alexander Nix: That is correct.

Q3452 **Ian C. Lucas:** You were presenting with a specific reference to Russian election clients. Why was that?

Alexander Nix: I have subsequently followed up on this. It seems this document was produced as part of a larger document that had all clients on it; some election clients, some commercial clients and some social clients. That was edited down to just election clients. Obviously it reflects some of the wrong clients.

Q3453 **Ian C. Lucas:** So I am clear, you are saying this graphic is inaccurate?

Alexander Nix: I am saying this graphic is inaccurate and that, as far as I am aware, we have never worked on a Russian election. While some work has been done with Russian clients prior to my joining the company, I have no knowledge of that and cannot speak to it.

Q3454 **Ian C. Lucas:** Can you explain the relationship between Cambridge Analytica and Lukoil, a Russian oil company?

Alexander Nix: Yes, very much I can. This, again, was another allegation very forcefully put forward by Mr Wylie—that somehow we were involved with a Russian company. I think he went on to say that we



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exposed ourselves to sharing data and information with the FSB, another one of these ludicrous conspiracy theories. The relationship is much more benign than that.

We were introduced to Lukoil in Turkey, to their office in Istanbul, in 2014. The purpose of the meeting was to explore whether we might be able to use micro-targeting capabilities to target their clients with different messages to increase the sales of petrol at Lukoil petrol stations in either Antalya or Istanbul.

Q3455 **Ian C. Lucas:** Who made the introduction?

Alexander Nix: The introduction was made by some Turkish colleagues of mine. I went for a two-day trip to Istanbul. I probably met with eight or nine companies; from an airline, to Lukoil, to manufacturing companies, product companies and so forth. We explored working opportunities in Turkey. This was one of those pitches. This particular set of meetings and the follow up is extremely well documented. We did submit a proposal to undertake a pilot project where we were looking at three, five or seven—I cannot remember—petrol stations where we were going to market to people local to that station to see if we could demonstrate an increase in sales. It was a Turkish project for a Turkish subsidiary of a Russian company that ultimately never moved forward. Therefore any allegations that this was something nefarious, connected with intelligence, data sharing or Russian involvement in the US election, is another one of these breathtakingly groundless allegations.

Q3456 **Ian C. Lucas:** When you did the presentation to Lukoil did you represent to them that you had had clients in Russia previously?

Alexander Nix: I do not know what particular sales deck I was using. This was in 2014. We do a lot of sales pitches. I am sure you could tell me better because I am sure you are about to show me what was presented.

Ian C. Lucas: I am not actually; I am just asking you a question.

Alexander Nix: I do not know. It would have been a very generic sales pitch, I would have thought. The only problem at that time was that although we were always keen on getting into the commercial space, the pitch to Lukoil and those other companies in Turkey was really our first proper foray into this space. We did not really have a demonstrable track record to give to potential clients. In order to help explain the methodology we proposed to use for them, we used illustrations of some of the political work we had done, certainly in terms of the methodology, to show them how we could segment and target audiences for selling more petrol at petrol stations.

Q3457 **Ian C. Lucas:** Were you ever introduced to any business, or have any of your employees pitched for business, by New Century Media, a financial PR consultancy in London?



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Alexander Nix: That name rings a bell. Could you tell me a little bit more about it? Who is the principal?

Q3458 **Ian C. Lucas:** You tell me a little bit more about it. What do you know about New Century Media? I would like you to answer my question.

Alexander Nix: I suppose what I am really grappling with is that I can recognise the name, but in order to help me put them on the map, if you could tell me their office address or who the CEO is, then I might be able to help you.

Q3459 **Ian C. Lucas:** What I want you to say is whether that company ever introduced you to any businesses.

Alexander Nix: I cannot recall. I genuinely cannot recall.

Q3460 **Ian C. Lucas:** Is it true that one of New Century Media's main PR clients is your former majority shareholder Vincent Tchenguiz?

Alexander Nix: I am struggling to remember who New Century Media is.

Q3461 **Ian C. Lucas:** It seems that the former majority shareholder of New Century Media is Vincent Tchenguiz. Do you know him?

Alexander Nix: Yes, of course.

Q3462 **Ian C. Lucas:** Has he or New Century Media ever brokered any business for SCL?

Alexander Nix: Vincent Tchenguiz was an investor in SCL Group in 2005. I believe he sold his equity in the company in—I am going to struggle—2010 maybe, or 2011. I would have to check. You could check at Companies House, I am sure.

Q3463 **Ian C. Lucas:** Were you ever introduced by New Century Media to any business?

Alexander Nix: Look, I am really not trying to obfuscate my answer here. I cannot remember who they are. If you cannot just help me understand who they are, I cannot answer your question fairly.

Chair: David Burnside's company.

Alexander Nix: David Burnside. Okay. Yes, I have met David Burnside. I am familiar with him; I lost one of my senior staff members to him some time ago. I don't believe that we ever did any work with them, but I would have to revert to you on that. I really, really can't remember.

Q3464 **Ian C. Lucas:** Did he introduce you to any Russian business?

Alexander Nix: Not as far as I am aware.

Q3465 **Ian C. Lucas:** Russian potential clients?

Alexander Nix: Not as far as I am aware.



Q3466 **Ian C. Lucas:** Have you ever met with Mr Alexander Nekrassov?

Alexander Nix: No.

Q3467 **Chair:** A couple of follow-up questions on Lukoil. I have seen a copy of the presentation that was given. There are two striking case studies that, as you allude to, are political, one of which is on raising awareness of national security issues and the campaigns that were run for John Bolton, and the other is raising greater turnout strategically for America, again in political campaigns in America. Can you see how people that are familiar with this might raise an eyebrow that political work paid for by John Bolton in America is presented to the Turkish subsidiary of a Russian oil company as part of a consumer, customer-focused campaign trying to get people to buy more petrol from their pumps? It just seems like an odd series of case studies to use in a presentation like that.

Alexander Nix: I have explained this, have I not? You accept the fact that we were trying to demonstrate a methodology, that we did not have any relevant case studies, and that in order to illustrate how this methodology could be deployed we illustrated it through example.

Q3468 **Chair:** I understand that, and I accept you have given your answer to the Committee on that. However, some people might be concerned that the work that was done for John Bolton in America, a highly sophisticated piece of work of very sophisticated voter targeting for an election campaign, if that has just been used as an example of, "These are the improved results we got because of the work we did," that is one thing. If some of the methodology or work behind that was being discussed and shared with clients in other countries, particularly a Turkish subsidiary of a Russian oil company, some people might be concerned as to whether that is appropriate sharing of information, insight and knowledge as part of your work. Can you see why this raises some concerns for some people?

Alexander Nix: I think the implication you are trying to make is that we were sharing some top-secret intelligence. Please understand, and I am sure as Dr Kogan will tell you—and I am sure certainly Chris Wylie, who purports to be a data scientist, can speak to this—micro-targeting is a very common practice that is being undertaken all over the world in very many jurisdictions. This is not some Government secret that we are giving away. We are talking about how to segment and target small audience groups of people. Most sophisticated advertising agencies would be able to give a similar presentation all over the world. I am not entirely sure what you are alluding to.

Q3469 **Chair:** I appreciate you say you did not have very much commercial experience and that the pitch was SCL Commercial rather than SCL Elections. You used what you had. I am saying the reason, probably, some people are concerned about the nature of this pitch, the nature of the work you might have done, is if you were referencing and using political work you had done in America to a Russian-owned oil company



in Turkey, that is probably why people get concerned about it. You may know that that is totally innocent and there is no question of any data or intelligence being compromised in any way, but I think you can see why people have become concerned about it.

Your other chart was very helpful in demonstrating the separation of companies as well, but the same day you are presenting to Lukoil in Turkey, SCL Group are doing strategic communications work to counter Russian intelligence in Riga at the NATO strategic communication centre, discussing some of the same techniques and approaches. You can see why some people are concerned about that.

Alexander Nix: That is not true at all, because the work that was being pioneered by SCL Group under Nigel's steerage was completely different to the work that we were doing. We were using big data to target and segment audiences, and he was using behavioural communications to deliver— I don't know what was happening on that particular project, but PSYOP training to Governments, or other similar strategic communication programmes. There is not an overlap, as has been suggested in the media and obviously by Mr Wylie. They were very different methodologies.

What we were doing is really quite benign. The technologies were originally pioneered by Obama's campaign in 2008 and then obviously used in 2012, and then developed by us in our own way in 2014, 2015, 2016, and so forth. This is similar technology that advertising agencies and other political consultancies were using all across America, and certainly across Western Europe, but possibly not in countries such as Turkey, which is why we saw a potential market opportunity to be able to offer them. There is no sharing of secrets with a Turkish company that happens to be owned by a Russian company.

Chair: You have given your answer and I think it is appropriate we ask you these questions. I do not think this is about conspiracy theories of one or two people. I think there are a number of different people observing this activity going on and raising concerns and questions about it, and we have had the chance to put them to you today. In terms of your techniques and methodologies, while you say there are lots of companies out there that do this, you certainly did not sell it yourself in that way. You certainly sold, as we spoke about last time, what Cambridge Analytica does in particular as being particularly powerful, and particularly effective, and particularly with the combination of not just big data but psychological profiling and Facebook data as well. We discussed all that at length.

There is a particular interest in your work because of the work you were doing at that time and the high-profile campaigns you were involved with. We have gone through that, and I do not think there is anything more we can add on that today. It is understandable why some people have been concerned. I do not think the conspiracy theories are just one person.



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Q3470 **Jo Stevens:** I just have a couple of short questions. You described Cambridge Analytica as a very small advertising agency earlier in your evidence. At any one time typically how many clients would Cambridge Analytica represent—not just on your books, but actually doing work for?

Alexander Nix: You have seen how the company has developed. Are you talking specifically about Cambridge Analytica, or are you talking about SCL?

Q3471 **Jo Stevens:** Cambridge Analytica.

Alexander Nix: Are you talking about politics or are you talking about commercial work?

Q3472 **Jo Stevens:** I am asking at any one time typically how many clients Cambridge Analytica would be working for.

Alexander Nix: When I last saw you on 27 February 2018, we maybe had 30 clients or 35 clients on our books at that time.

Q3473 **Jo Stevens:** Do you ever do any due diligence on prospective clients?

Alexander Nix: Clearly not enough, as was demonstrated by the Channel 4 video.

Q3474 **Jo Stevens:** Do you do any? Do you have a process in place for any sort of due diligence?

Alexander Nix: It depends on what clients.

Q3475 **Jo Stevens:** Is that a yes or no? Yes, you do due diligence, or no you do not?

Alexander Nix: In some cases we undertake due diligence and in other cases we do not. If you are working for Mercedes Benz, it is a different proposition than if you are working for a company you maybe have never heard about. It is not a yes or no answer.

Q3476 **Jo Stevens:** Okay. Finally, can we just go back to where we started, which is about the \$8 million? Did you take \$8 million out of the company?

Alexander Nix: Again, I think I have answered this extremely clearly, which is that that story was based on a false allegation. It has been very inaccurately reported, and I only saw it briefly this morning before I came to this Committee hearing. I have not even had the chance to read it properly. I need to digest it and decide with my counsel how we want to follow up.

Q3477 **Jo Stevens:** I'm sorry, Mr Nix, that's not clear at all to me. Did you take \$8 million out or didn't you? Yes or no?

Alexander Nix: The answer to your question is that I am not answering your question. I have not had the ability to consider the matter myself and to decide what action I am going to take in regards to that.



Q3478 **Jo Stevens:** You do not want to answer the question?

Alexander Nix: I do not want to answer the question.

Q3479 **Paul Farrelly:** We are here to follow facts, not prejudices or conspiracy theories, whoever may hold them. To us today you have presented Cambridge Analytica, SLC Elections, as an ethical company, essentially, striving, as you used the term in February, for best practice, with checks and balances, and compliance processes, and absolutely not guilty of any of the dirty tricks or alleged stings that have been in different jurisdictions—including Nigeria with the video, and the Caribbean—that have been retailed in recent months since you came here. Yet now Cambridge Analytica is bust. Who knows what will follow? If none of this is true, why do you think so many people have had it in for you?

Alexander Nix: That is a very good question, and I am pleased that you asked that. I think I have touched on this before, but I think that I can answer that question. I think that our involvement in the US election for the election of a President who has proved to be so divisive among voters and polarising among voters put an incredibly huge target on our back. Ever since that day, although it was a great success in some terms for the company and its business growth, it proved to be its undoing, because from that moment onwards there were actors, not least Democrats and the liberal media particularly, who were just determined to destroy us—absolutely destroy us.

We became the target of a sustained press and media attack. Couple that with the reporting in the UK, driven largely by Carole and *The Guardian*, about our involvement in Brexit. Obviously that has proved to be false reporting at every level, but in this country we were then perceived to be the architects of that campaign, and we were vilified and hated for that. Add into the mix an extremely jealous and resentful employee who sat there and stewed for three years as his baby grew and matured and got all the success. He then saw this opportunity to go to Carole and to share with her every single possible fantastical allegation that he could come up with, and she gave him the mouthpiece to be able to put all of this into print so that it went viral on a global scale. You have the makings of a perfect storm.

You have people who the public want to hate because of our association with Trump and our false association with Brexit. You have somebody who is deeply motivated to destroy us, who is feeding snippets of information and half-baked allegations to a media organisation that is incredibly influential and powerful. Obviously *The Guardian*, and particularly Carole, thought that by attacking Cambridge Analytica and proving that we had been involved in the referendum and that our involvement had somehow been illegal they might be able to push for a second referendum—which is exactly what they tried to do together yesterday—and might be able to change the course of history.



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I genuinely, wholeheartedly believe that that is what has happened. I believe that people in America cannot accept that Trump is their President and they want to blame someone for that, and people in England, led by Carole, are looking to use us as a way to overturn the outcome of this referendum that they do not agree with. The fact of the matter is we did not work on the referendum. The overwhelming, vast majority of the allegations against us are just simply, patently not true and have been proven to be not true.

Yes, gosh, I am so guilty of being foolish, but that hardly constitutes the kind of cataclysmic response that we have received from the press and media and the destruction of an otherwise—I say humbly—brilliant, growing tech company staffed by super-talented people that could have gone on to really do some exciting and good things in this world. That is your answer.

Q3480 Paul Farrelly: A final question or thought for you: if the company is responsibly led, none of that explains why, when there are allegations of dirty tricks or exciting capers to try to swing elections with a little bit more of a twist than using digital marketing techniques in those circumstances, you should give them credence by behaving as you did on film with Channel 4. I think foolishness does not even begin to describe it, really.

Alexander Nix: Look, we could go back over this. I hope this Committee can empathise with my position just a little bit. It was not just a single incident; it has been a perfect storm. It was a very, very co-ordinated attack by the *New York Times*, by Channel 4, by *The Guardian* and by Chris Wylie. They all came together and manufactured a string of allegations, together with a bit of foolishness and together with, obviously, the whole GSR and Facebook debacle. We have become the object of global hatred, and that is why our company has finished.

Chair: You have been asked a lot of questions today. I think we will draw it to a close. This is not, I would put to you, a matter of a campaign being run by one or two individuals or one or two journalists, because if it was, you would not be under investigation by as many authorities as you are. These are very serious matters. I think you were not straight with the Committee in February; you certainly were not on the questions around GSR and Facebook data. You yourself have acknowledged that, in parts, the answers you gave were partial and, I think, misleading.

A lot of the allegations that have been made against you have come from people that used to work for you, not just Mr Wylie but others as well, some of whom do not wish to be identified and others who have spoken out. No doubt the questions will remain for as long as people do continue to speak out in that way. We have covered the questions we wanted to ask you today. Thank you for coming back and giving evidence.

Alexander Nix: Thank you again.