

Report of the Fox News Workplace Professionalism and Inclusion Council dated December 29, 2020

Introduction and Background

Since its last report on May 27, 2020, the Fox News Workplace Professionalism and Inclusion Council (the “WPIC”) met with the Honorable Paul D. Ryan, Fox Corporation’s NCG Chair, on June 1, 2020, and with the full NCG Committee on June 10, 2020. The WPIC also held numerous informal meetings from July through November, focusing first on the finalization and implementation of the *Great Places to Work* (“GPTW”) employee survey, which Fox News launched on August 24, 2020, and then on analyzing the results, including Fox News being certified as a Great Place to Work. The WPIC also met a second time with NCG Chair Ryan on December 14, 2020. All such meetings were held via teleconference. WPIC members Kevin Lord, Executive Vice President of Human Resources, Fox Corporation; Lily Fu Claffee, Executive Vice President & General Counsel, Fox News Media; Sylvia Hewlett, Author & Chair Emeritus, Center for Talent Innovation; the Honorable Barbara Jones, Partner, Bracewell LLP; Virgil Smith, Principal, Smith Edwards Group LLC; and Brande Stellings, Principal, Vestry Laight LCC, attended all meetings.

Meeting with Fox Corporation’s Corporate Governance Committee Chair on June 1, 2020

On June 1, 2020, the WPIC held the first of two meetings for 2020 with Fox Corporation’s NCG Chair, the Honorable Paul D. Ryan. This meeting focused on the preparation for the *GPTW* employee survey to be conducted later in the year, and Fox Corporation’s response to the COVID pandemic.

Ms. Stellings provided Speaker Ryan with the rationale for selecting *GPTW* to conduct the survey and how the survey would allow the WPIC to focus on its key mandate. Ms. Hewlett discussed the merit and value of the *GPTW* survey questions. Speaker Ryan was very engaged in the discussion, noted that he had experience with *GPTW*, and was impressed with the survey’s diagnostic tools.

Next, Judge Jones explained the steps taken by FOX to care for its employees in response to COVID-19. These measures ranged from the waiver of medical insurance premiums for all employees to pay incentives, transportation assistance, and daily catering for those essential workers physically at the office despite the pandemic. Judge Jones noted that she expected the *GPTW* survey to be better received due to these ongoing programs, and that FOX’s response to the pandemic would likely encourage employees to respond with more candor. Speaker Ryan noted that he was impressed with the steps FOX has taken.

Mr. Smith then discussed certain best practices that FOX developed during COVID-19 but can live on after the pandemic wanes. These included FOX's initiatives to increase Employee Engagement, the efforts of the Diversity & Inclusion Team, and the several Mental Health benefits available to employees.

Meeting with Fox Corporation's Full Corporate Governance Committee on June 10, 2020

On June 10, 2020, the WPIC met with the full NCG Committee, which in addition to its Chair, Speaker Ryan, is composed of Roland Hernandez, Chair of the Audit Committee, and director Anne Dias. The WPIC gave the Committee a detailed briefing on the *GPTW* survey results and the measures mentioned above. The Committee was appreciative of FOX's efforts for the well-being of its employees, and was pleased that the WPIC is moving from a statement of values to a very practical approach. The Committee noted its confidence that the *GPTW* survey would be a very valuable tool.

Informal WPIC Meetings

Throughout 2020, the WPIC conferred multiple times to fine tune the specifics of the *GPTW* survey. This included the addition of five custom questions the WPIC created that were included with the standard *GPTW* questions. These custom questions were designed to yield an index measuring the extent to which progress has been made at Fox News over the past year regarding sexual harassment, racial bias, and discrimination, as well as workplace respect and inclusion.

Fox News is Certified as a Great Place to Work

Beginning in March 2020, Fox News employees began working in various, non-typical work locations due to COVID-19 in order to keep employees healthy and safe while maintaining news gathering and on-air production intact. Additionally, 2020 presented an extremely hectic period of news coverage of major events such as presidential impeachment proceedings, national protests over the death of George Floyd, and the 2020 Election. Despite these challenges, the *GPTW* survey was conducted from August 24 to September 8, 2020. The survey required employees to respond to a set of 60 statements, as well as the five custom statements added by the WPIC. Its aim was to enable Fox News to see how it compares to the best employers and gain perspective from everyone in the organization. Employees were sent individual invitations and were able to provide anonymous feedback through any device and from any location. The response rate was 51%, which is a good response rate for the first year of this type of survey. The goal going forward is to improve the response rate each year.

On September 11, 2020, Fox News was informed by *GPTW* that, based on its survey results, Fox News was certified as a Great Place to Work. Specifically, 75% of

employees concurred that Fox News is a Great Place to Work. As a benchmark, only 59% of American workers who take the *GPTW* survey identify their employer as a Great Place to Work. Moreover, Fox News scored over 80% favorably on the five custom questions created by the WPIC as an index to measure improvement in the important areas of sexual harassment, racial bias, and discrimination. Considering this is the first year Fox News participated in this prestigious survey, these results are very good. Fox News announced the survey results and its certification as a Great Place to Work in a company-wide Town Hall on September 24, 2020.

Next Steps

Regardless of Fox News' generally high marks on the survey, the WPIC has led Fox News to focus on areas where there are clear opportunities to improve the engagement and overall experience of its employees.

For instance, to gain actionable insight from the survey results, the WPIC asked *GPTW* to aggregate the feedback from a subset of questions from the survey to create an "Inclusion Index" to serve as a guidepost to identify and engage with employees that may have felt excluded or unheard. Analysis of the survey results revealed an acute gap in the scores for engagement and overall experience given by Black and multi-racial employees in comparison to all other demographic groups. Additionally, employees across the company gave low scores for fair recognition and the ability to express themselves.

The WPIC will continue to oversee and lead Fox News in its efforts to analyze survey results, develop follow-up plans, and act to improve employees' experience to ensure that Fox News is a Great Place to Work for All. In order to accomplish this goal, the WPIC will be partnering with the Fox News Diversity Council to brainstorm. The WPIC is also looking at survey trends across Fox News and will conduct focus groups to drill down on potential areas of concern. Further, CEO Suzanne Scott has required each of her direct reports to identify and set forth action plans in a minimum of three areas that department survey responses indicate can be impacted and improved, including training and development, organization design, and leadership coaching. These action plans will be reviewed by Ms. Scott and Mr. Lord, who also met with each of Ms. Scott's direct reports and emphasized the need to drive a more inclusive environment.

Meeting with Fox Corporation's Corporate Governance Committee Chair on December 14, 2020

On December 14, 2020, the WPIC held the second of its two meetings for 2020 with NCG Ryan. The WPIC briefed Speaker Ryan about the *GPTW* survey results and Fox News' certification as a Great Place to Work. The WPIC also discussed the excellent results on the 5 questions it created, including that one of the highest scores

was in response to a question addressing the meaningful steps Fox News has taken over the past year to address sexual harassment. The WPIC also discussed that the successful survey results were not uniform, but instead also revealed opportunities for improving the experience of Fox News' Black employees and for improving the perceptions of fairness among all employees.

Speaker Ryan was very engaged and explored with the WPIC ways at better understanding the survey results, such as conducting focus groups and pulse surveys. In addition to the partnership with the Fox News Diversity Council and the action plans mentioned above, the WPIC noted that it is already working with a diversity expert, is considering the possibility of engaging a vendor that can help the WPIC to better understand the data, and is also looking at how other companies have successfully dealt with similar issues. At Speaker Ryan's suggestion, the Council intends to draw from all of these resources to create a bespoke plan for Fox News designed to address the areas for improvement identified by the survey results.

Looking Forward

The WPIC will continue to work together to set the agenda and topics to be addressed at future meetings. One challenge the WPIC has faced is notification, for the external members of the WPIC, of certain claims of misconduct where the complainant has requested strict confidentiality and non-disclosure. The full WPIC has discussed the challenges posed by these and other confidentiality obligations, such as the attorney-client privilege. Notwithstanding these issues, the WPIC members have worked closely with Fox News leadership and looks forward to building on the successes over the last two years to further Fox News' goal of increasing diversity and maintaining a strong culture that is inclusive and welcoming for all of its employees. Central to this goal will be the creation and implementation of the action plan discussed with Speaker Ryan.