

Report of the Fox News Workplace Professionalism and Inclusion Council dated January 19, 2022

Introduction and Background

Since its last report on July 22, 2021, the Fox News Workplace Professionalism and Inclusion Council (the “WPIC”) met on September 27, 2021 with Fox Corporation’s NCG Chair and met on November 10, 2021 with Fox Corporation’s full NCG Committee. The WPIC also held a regular council meeting on December 14, 2021.

WPIC members Kevin Lord, Executive Vice President of Human Resources, Fox Corporation; Bernard Gugar, General Counsel & Executive Vice President of Corporate Development, Fox News Media; Sylvia Hewlett, Author & Chair Emeritus, Center for Talent Innovation; Virgil Smith, Principal, Smith Edwards Group LLC; and Brande Stellings, Principal, Vestry Laight LLC, attended all meetings. WPIC member the Honorable Barbara Jones, Partner, Bracewell LLP, attended the September 27 and December 14 meetings.

Meeting with Fox Corporation’s Corporate Governance Committee Chair on September 27, 2021

On September 27, 2021, the WPIC met with Fox Corporation’s NCG Chair, the Honorable Paul D. Ryan. This meeting focused on the pulse survey Fox News Media (“FNM”) conducted in March and April of 2021; career development initiatives launched in 2021; diversity actions, including the May 2021 launch of the *Eskalera* program; and the *Spotlight Awards*, an employee recognition program.

Ms. Hewlett, noting that there was enormous energy this past year, described how the pulse survey targeted the low scoring departments and leaders from the 2020 *Great Places to Work* (“GPTW”) survey. The WPIC worked with GPTW to develop 10 survey questions to monitor hot-spots noted during the 2020 survey. The pulse survey showed improvement from the already positive 2020 GPTW results in each category that was measured. Ms. Hewlett noted that the trend lines are going in the right direction, and that the climate of inclusion at FNM has improved in the 7 months since the GPTW survey. In fact, 79% of pulse survey respondents agreed that people are treated fairly at FNM regardless of their race. The WPIC did note, however, that there were still areas that should continue to be addressed. Specifically, the issues around Black employees continued to be a concern. In that regard, the WPIC recommended that FNM should keep the successful town halls, create greater transparency around career paths and pay scales, and ramp up mentoring programs.

Ms. Hewlett then described “High Octane Mentoring,” which is a sponsorship program with a goal of engaging, retaining, and preparing individuals identified as high potential talent for continued growth within FNM. CEO Suzanne Scott and her

direct reports have selected 16 high performing and diverse employees who would be assigned sponsors. In response to Speaker Ryan's question about scalability, the WPIC described how the program is about driving value and that there will be a cascade of how that can be passed down on their teams, and added that if the initial tests of the program are successful, then it can be scaled down the pyramid for broader application.

Ms. Stellings then discussed other areas of career development that will complement the high octane mentoring. For example, in June 2021, FNM Digital launched a Rotational Program that strives to identify high potential talent from diverse backgrounds with passion for the FNM brand. This is a year-long program in which participants rotate through 3 key departments for 4 months each. This program is intended to grow future leaders through: (i) a wide range of professional experiences within FNM Digital; (ii) training and development initiatives focused on furthering hard and soft skillsets; (iii) cross-company exposure that enhances understanding of, and contributions to, Digital's strategy; and (iv) impactful and lasting mentorship opportunities.

Ms. Stellings also discussed the FNM Career Launch Program that was implemented in August 2021 and strives to set up early-career talent for success by providing tools and resources that empower them to navigate their own career journey, becoming well-rounded employees who contribute to the long-term success of FNM. This program is led by a diverse 9-person Advisory Team representing all areas of the business and whose focus is to develop and lead these events, and also to be mentors to early career employees. The program goal is to provide the early career population with more experiences focused on increasing engagement, inclusion, exposure, and growth opportunities. Each month, the program hosts events that focus on 1 of 3 key areas: (i) Skills for Success; (ii) Business Knowledge; and (iii) Networking.

The WPIC then briefed Speaker Ryan on the several Diversity Actions FNM has implemented in 2021. First, Ms. Stellings discussed the *Eskalera* Learning Circles, which began in September 2021. These learning circles provide an opportunity for employees to connect with others in the organization to discuss what they learned from the *Eskalera* program that has been in place since May 2021. The learning circles are conducted over Zoom and, with help from *Eskalera*, contain question prompts and live polling. Early reviews of *Eskalera* from these learning circles are extremely positive and 72% of managers have participated in *Eskalera*.

Mr. Smith gave a brief history of The Maynard Institute for Journalism Education, a nonprofit organization that trains people of color to become journalists, editors and newspaper managers. The Institute was established in 1977 by Bob Maynard, a reporter for the Washington Post who later became the first African-American to own a mainstream metropolitan newspaper. In September 2020, FNM confirmed

that it will sponsor 2 seats for the Maynard 200 Fellowship Program in 2022. Maynard 200, with a goal of training 200 media professionals over the next 5 years, is the signature Diversity Fellowship Program from the Maynard Institute, and provides cutting-edge training and frameworks to leaders of diverse backgrounds. More importantly, the program is seeding and emboldening the next generation of professionals of color to be the driving force of diversity, equity, inclusion, and belonging across America's newsrooms, companies and ventures.

Mr. Smith also briefed Speaker Ryan on the Fox Weather Diversity Outreach Strategy, which is designed to engage diverse populations within the weather community. The strategy is based on 4 pillars: (i) outreach to strategic universities, including Mississippi State University, which has one of the largest meteorological departments in the country; (ii) visibility within premiere industry organizations such as the American Meteorological Society; (iii) championing diversity in the weather community through strong partnerships with diversity journalism organizations (NABJ, AAJA, NAHJ, NLGJA) and Historically Black Colleges & Universities (HBCUs) with weather programs; (iv) cultivation of internal development opportunities, including leveraging and scaling best practices across the organization through training and development opportunities and developing internal pipelines for talent mobility.

Mr. Gugar discussed the FNM *Spotlight Awards*, which recognize individuals in the following categories: (i) the *Impact Award*, which will go to employees, teams, or departments whose work had one of the most positive impacts on the company; (ii) the *Inclusion Ambassador of the Year*, for employees who lead by example in celebrating, engaging, and advocating on behalf of diverse communities and voices both inside and outside the company; (iii) the *Innovator of the Year*, for employees, teams, or departments whose consistent hard work, dedication, and outside of the box creative thinking led to innovative changes throughout the business and took FNM to new heights; (iv) the *Community Service Award*, for employees who have dedicated their time and energy to their local communities and are most active in company volunteer efforts; (v) the *Unsung Hero Award*, for employees whose work is vital to the business but often goes unnoticed; and (vi) the *Rising Star Award*, for entry-level employees who showed exemplary work ethic and growth throughout the year. One aspect that makes these awards special is that it is employees who nominate their colleagues for these awards, and the nominations are then reviewed by the leadership team.

Meeting with Fox Corporation's Full Corporate Governance Committee on November 10, 2021

On November 10, 2021, the WPIC participated in a joint meeting of the Nominating and Corporate Governance and the Audit Committees. Co-Chairs Speaker Ryan and Roland Hernandez, Anne Dias, William Burck, and Jacques Nasser were present. Mr. Lord walked the Committees through the cultural evolution that has occurred at FNM in recent years. For example, in 2017 alone, FNM increased the size of its Human Resources team (87% women/37% minority), established the Diversity and Inclusion Council, initiated Small Group Open Forums to address areas of opportunity throughout Fox News, instituted all employee Quarterly Town Halls, launched Women@ FOX News and a Monthly Women's Breakfast Series, conducted an employee survey, launched Performance Management Training, engaged with Minority Journalism Conferences and Recruitment Events, and established recruiting relationships with HBCU's and Hispanic-Serving Institutions (HSI's). Suzanne Scott was named CEO of FNM in May 2018, a year in which FNM moved the news team from the outdated basement space into state-of-the-art NYC Newsroom, hired a dedicated employment attorney for FNM, and launched MentorMatch and a Leadership Development Training program. As of September 2019, 2 of the 3 Presidents at FNM are women and 50% of Ms. Scott's leadership team are women. FNM launched the *GPTW* survey in the Fall of 2020 and was certified as a Great Place to Work.

The WPIC explained that while the *GPTW* survey results were overall positive, the results did show gaps in the scores for Black and multi-racial employees, which led FNM and the WPIC to partner with *GPTW* and implement the pulse surveys discussed above. The WPIC informed the Committee of the positive pulse survey results and discussed the career development and Diversity & Inclusion initiatives discussed with Speaker Ryan on September 27, and also discussed the 9 Employee Resource Groups (ERGs) at FOX.

Mr. Gugar then described the process for the employee *Spotlight Awards*, which became an integral part of FNM's 25th Year Anniversary celebrations. This celebration included FNM's Week of Service from November 8-12, which enabled employees to participate in various volunteer opportunities that can be done both virtually and in the office.

Regular WPIC Meeting on December 14, 2021

On December 14, 2021, the WPIC held the last regular council meeting of the year, in which the *Eskalera* focus groups and *Spotlight Awards* were discussed. The WPIC, at

its request, was also provided a report containing quantitative data surrounding employee complaints of gender-based discrimination and harassment at FNM.

Marsheila Hayes, Vice President, Diversity and Inclusion, FNM, discussed the focus groups she and *Eskalera* have been developing. The plan is to conduct 11 different focus groups, with each session expected to last for an hour. *Eskalera* will work with the WPIC to develop the questions for each focus group, which will include polling, open questions, and conversations. The intention is to begin the focus groups after employees have returned to the office and had an opportunity to get acclimated to being in person.

Ms. Hayes also discussed the *Spotlight Awards* with the WPIC, sharing that there were 330 nominations submitted by fellow employees and that the voting was very difficult since there were so many deserving candidates. These results showed great employee enthusiasm and was viewed as a significant morale booster. The WPIC was looking forward to seeing the announcement of the winners.

The WPIC was then presented with a comparison and analysis of anonymized gender-based (including sexual orientation-based) employee complaint data for the calendar years 2018 and 2020. The scope of the data encompassed claims of sexual harassment, sex discrimination, and retaliation. The comparison showed that the total number of complaints in 2020 was somewhat lower than the complaints in 2018. The analysis also showed FNM's increased use of independent outside investigators for certain claims. The WPIC requested more qualitative and timely briefings related to complaints going forward.

Looking Forward

As it has done to date, the WPIC will continue to collaborate with FNM management to set the agenda and topics to be addressed at future meetings. A key topic for the new year will be setting dates for the *Eskalera* focus groups, which would then be followed by a second company-wide *GPTW* survey tentatively scheduled for Fall 2022. FNM is committed to both initiatives, the timing of which will be partially dependent on the progress of the pandemic and the eventual full return of employees to the office.