

AMENDED AUGUST 2021

# STATEMENT OF CORPORATE GOVERNANCE

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## Statement of Corporate Governance

This Statement of Corporate Governance has been established by the Board of Directors (the “Board”) of Fox Corporation (“FOX” or the “Company”) and is intended, in conjunction with the Company’s Amended and Restated Certificate of Incorporation, Amended and Restated By-Laws (the “By-laws”), other corporate governance documents and all applicable laws, to be a flexible framework within which the Board may conduct its business.

### **The Board of Directors**

The Board establishes broad corporate policies for the Company and its controlled entities (referred to collectively as the “Group”), sets the strategic direction for the Group and oversees management with a focus on enhancing the interests of stockholders. The Board is also responsible for the corporate governance of the Company and for overseeing management’s identification and management of risks.

### Size of the Board

The By-laws provide that the Board shall have the exclusive authority to determine the size of the Board from time to time; provided, however, the Board shall consist of not less than three (3) members.

### Board Structure and Election of Directors

The By-laws provide that all Directors shall be elected annually at each annual meeting of stockholders. Each Director will hold office for a term of one (1) year or until his/her successor is duly elected and qualified, subject to such Director’s earlier death, resignation, disqualification or removal.

Each Director of the Company shall be elected by a majority of the votes cast; provided that, if the election is contested, a plurality of the votes cast shall be sufficient. If a nominee for Director who is not an incumbent Director does not receive a majority of votes cast in an uncontested election, the nominee shall not be elected. If an incumbent Director (i.e., a Director who was elected by the stockholders or appointed by the Board and serves on the Board at the time of an annual meeting for the election of Directors) who is standing for re-election does not receive a majority of votes cast in an uncontested election, such incumbent director shall tender his or her offer of resignation within ten (10) calendar days of the date of the certification of the election results to the Board. The Nominating and Corporate Governance Committee of the Board (the “Nominating and Corporate Governance Committee”) shall make a recommendation to the Board on whether to accept the Director’s offer of resignation, taking into account factors, which shall include, but not be limited to: (i) the stated reason that stockholders voted against a Director and whether such reason was based on actions authorized or approved by the full Board; (ii) a Director’s qualifications and contributions; (iii) the overall composition of the Board, including whether accepting

the resignation would cause the Company to fail to meet any Securities and Exchange Commission or listing requirements; (iv) the availability of other qualified Director candidates; and (v) whether the acceptance of the offer of resignation would trigger a default or breach under a material agreement to which the Company is a party. Any Director offering his or her resignation pursuant to this resignation policy shall not participate in the Nominating and Corporate Governance Committee's recommendation or the Board's determination. The Board shall determine whether to accept or reject such offer of resignation within ninety (90) days of the date of the certification of the election results. If less than two (2) members of the Nominating and Corporate Governance Committee are elected at a meeting of stockholders for the election of Directors, the independent members of the Board who were elected shall consider and make a recommendation on whether to accept the tendered offer of resignation. If less than three (3) Directors are elected at a meeting of stockholders for the election of Directors, all Directors may participate in the action regarding whether to accept the tendered offers of resignations.

#### Director Independence

The Board shall be comprised of a majority of the Directors who qualify as "independent directors" in accordance with the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the rules promulgated thereunder, and the listing standards of The Nasdaq Stock Market ("Nasdaq"), as they may be amended from time to time. The Board will consider all relevant facts and circumstances in making an independence determination. The Board shall review the independence of each Director at least annually and at other times as appropriate and, upon the recommendation of the Nominating and Corporate Governance Committee, shall determine the independence of each Director.

#### Meetings of the Board

Regular meetings of the Board shall be held at such times and places as determined by the Board and special meetings shall be held at other times as the Board may determine is appropriate. Directors are expected to attend meetings of the Board and meetings of the Board committees on which they serve.

#### Board Meeting Materials

To the extent practicable, the Directors shall be provided with appropriate materials in advance of each meeting to permit prior review by the Directors.

#### Executive Sessions of Independent Directors

The independent Directors shall meet in executive session without the participation of the Company's management in connection with each regular meeting of the Board, and at other times as they may determine is appropriate.

#### Strategic Planning

The Board reviews the Company's long-term strategic plan at least annually and monitors implementation of the strategic plan throughout the year.

#### Board Leadership and Lead Independent Director

The Board shall be responsible for establishing and maintaining the most effective leadership structure for the Company. To retain flexibility in carrying out this responsibility, the Board does not have a policy on whether the Chairman of the Board shall be an independent member of the Board. However, if the Chairman is not an independent Director, an independent, non-executive Director shall be designated by a majority of the independent, non-executive Directors of the Board as Lead Independent Director. The duties and responsibilities of the Lead Independent Director shall be to:

- Preside over all meetings of the Board at which the Chairman is not present, including executive sessions of the non-executive Directors and the independent Directors;
- Communicate to the Chairman of the Board feedback from executive sessions as appropriate;
- Serve as liaison between the Chairman of the Board and the independent Directors;

- Approve information sent to the Board and meeting agendas for the Board;
- Approve meeting schedules to assure that there is sufficient time for discussion of all agenda items;
- Call meetings of the non-executive Directors and/or independent Directors, if desired;
- Participate in the Compensation Committee's evaluation of the performance of the Chief Executive Officer (the "CEO");
- Supervise the self-evaluations of the Directors in coordination with the Nominating and Corporate Governance Committee;
- Supervise the Board's determination of the independence of its Directors; and
- Ensure his or her availability for consultation and direct communications, if requested by major stockholders.

The Board shall review its leadership structure at least annually taking into account the responsibilities of the leadership positions and the Directors qualified to hold such positions. In conducting this review, the Board shall consider, among other things: (i) the policies and practices in place that provide independent Board oversight; (ii) the Company's performance and the effect a particular leadership structure may have on that performance; (iii) the structure that serves the best interests of the Company's stockholders; and (iv) any relevant legislative or regulatory developments.

#### Board Succession Planning; Board Membership Criteria

The Nominating and Corporate Governance Committee engages in succession planning for the Board and key leadership roles on the Board and Board committees. The Nominating and Corporate Governance Committee is responsible for regularly reviewing the composition of the Board, and for assessing the skills and characteristics represented on the Board and in individual Directors in the context of the then-current composition of the Board and its needs at that time, as well as for developing criteria for identifying and evaluating Director candidates, taking into consideration such factors as it deems appropriate, including the skills and characteristics the Board may find valuable in the future based on the anticipated needs of the Board and the Company. No single factor is determinative. Relevant considerations include the candidate's education and background; his or her leadership and ability to exercise sound judgment; his or her general business experience and familiarity with the Group's businesses; and whether he or she possesses unique expertise or perspective which will be of value to the Company. Candidates should not have any interests that would materially impair his or her ability to exercise independent judgment or otherwise discharge the fiduciary duties owed as a director to the Company and its stockholders. All candidates must be individuals of personal integrity and ethical character, and who value and appreciate these qualities in others. It is expected that each Director will devote the necessary time to the fulfillment of his or her duties as a Director. In this regard, the Nominating and Corporate Governance Committee will consider the number and nature of each Director's other commitments, including other directorships. The Nominating and Corporate Governance Committee will seek to promote through the nominations process diversity on the Board of professional background, experience, expertise, perspective, age, gender, ethnicity and country of citizenship.

#### Outside Directorships

Without approval from the Board, the Chairman of the Board and executive officers of the Company shall not be members of the board of directors of more than two (2) other public companies, excluding boards of directors of companies affiliated with the Company.

Without approval from the Board, other members of the Board shall not be members of the board of directors of more than four (4) other public companies, excluding boards of directors of companies affiliated with the Company, and members of the Audit Committee shall not serve on the audit committees of more than two (2) other public companies.

### Change in a Director's Occupation

The Board does not believe that Directors who retire or change the position they held when they became a member of the Board should necessarily leave the Board. However, promptly following such an event, the Director must notify the Nominating and Corporate Governance Committee of such event and the Nominating and Corporate Governance Committee may take such event into consideration when determining whether to re-nominate such Director.

### Director Tenure and Retirement

The Company does not have established term limits or a set retirement age for Directors. The Company's policy regarding Director tenure and retirement is determined on a case-by-case basis depending upon various factors, including the age, experience, qualifications and performance of the Director and his or her history of service on the Board.

### Director Compensation

The Compensation Committee of the Board (the "Compensation Committee") is responsible for reviewing the form and amount of compensation of non-executive Directors for their service on the Board and its committees. The Compensation Committee shall periodically review the form and amount of director compensation against the Company's peers and consider the appropriateness of the form and amount of director compensation and make recommendations to the Board concerning director compensation with a view toward attracting and retaining qualified Directors. Directors who are executives or employees of the Company shall not receive any additional compensation for serving as a Director.

### Directors Emeritus

The Board may, from time to time, by majority vote, elect one (1) or more of its former Directors to serve as a Director Emeritus for one (1) or more consecutive one-year terms or until such Director Emeritus' earlier resignation or removal by a majority of the Board for any reason or no reason. Directors Emeritus shall serve as consultants to the Board and may be asked to serve as consultants to committees of the Board. Directors Emeritus may be invited to attend meetings of the Board or any committee of the Board and, if present, may participate in the discussions occurring at such meetings. Directors Emeritus shall not be counted for the purpose of determining whether a quorum of the Board or a committee of the Board is present and shall not have any of the responsibilities or liabilities of a Director, or any of a Director's rights, powers or privileges. Directors Emeritus may be entitled to receive fees for such service in such form and amount as recommended by the Compensation Committee and approved by the Board, and shall be reimbursed for reasonable travel and other out-of-pocket business expenses incurred in connection with attendance at meetings of the Board and its committees. Directors Emeritus shall remain subject to the reporting requirements of Section 16 of the Exchange Act and shall remain subject to all FOX policies applicable to Directors, including, but not limited to, the Standards of Business Conduct and the Insider Trading and Confidentiality Policy. Reference in the By-laws to "Directors" shall not mean or include Directors Emeritus.

### Non-Executive Director and Named Executive Officer Equity Ownership Requirements

Non-executive Directors and named executive officers are expected to have an appropriate equity ownership in the Company to more closely align their economic interests with those of other Company stockholders. Each non-executive Director shall be required to own equity securities of the Company (including restricted stock, restricted stock units, deferred stock units and vested options) equal in value to at least five (5) times the amount of the non-executive Director's annual cash retainer for service on the Board within five (5) years of his or her first (1<sup>st</sup>) election to the Board.

In addition, the Board has adopted stock ownership requirements for the Company's named executive officers. Each named executive officer is required to own equity securities of the Company (including restricted stock, restricted stock units, deferred stock units, performance shares, performance stock units and vested options) equal in value to at least a defined multiple of his or her salary, with the defined ownership levels as follows:

| <u>Officer Level</u>           | <u>Ownership Requirements</u> |
|--------------------------------|-------------------------------|
| Executive Chairman             | 6x annual base salary*        |
| Chief Executive Officer        | 6x annual base salary*        |
| Other Named Executive Officers | 2x annual base salary         |

\*Revised from 5x annual base salary on August 5, 2021.

Each named executive officer of the Company is required to achieve the appropriate ownership level within five (5) years from the end of the fiscal year in which the named executive officer first becomes subject to the ownership requirements. To ensure that named executive officers make continuous progress toward their respective targets, they must own 25% of the requirement by the end of the second fiscal year after becoming subject to the requirements, 50% after the end of the third fiscal year and 75% by the end of the fourth fiscal year. If a named executive officer's requirement increases, then after the initial five-year compliance period, the named executive officer will have an additional three (3) years to achieve the increased requirement.

The Compensation Committee will monitor compliance with the above-summarized requirements on a regular basis and, from time to time, may exercise discretion in light of applicable circumstances.

#### Director Orientation and Continuing Education

New Directors are given an orientation regarding the Group's businesses, corporate governance and reporting procedures and are updated on such matters on a continuing basis. In addition, Directors are advised with respect to policies and procedures applicable to Board and committee meetings and the rights and responsibilities of Directors. Various information reports are sent to the Board in order to keep them informed of the Group's businesses. The Company also encourages Directors to attend appropriate outside continuing education programs, the costs of which will be reimbursed by the Company.

#### Director Access to Management and Outside Advisors

Directors receive operating and financial reports of the Company and have access to senior management at Board and Committee meetings. The Board and the Board standing committees shall have the authority to retain, terminate and determine the fees and terms of consultants, legal counsel and other advisors to the Board or the Board standing committees, as applicable, as the Board or any of its standing committees, as applicable, may deem appropriate in its discretion.

#### Attendance at Annual Meeting of Stockholders

All Directors are encouraged to attend the Company's Annual Meeting of Stockholders.

#### Board and Committee Self-Evaluations

The Nominating and Corporate Governance Committee, in coordination with the Lead Independent Director, shall be responsible for conducting an annual review and evaluation of the Board's conduct and performance based upon completion by all Directors of a self-evaluation form that includes an assessment, among other things, of the Board's maintenance and implementation of the Company's standards of conduct and corporate governance policies. The review shall seek to identify specific areas, if any, in need of improvement or strengthening and shall culminate in a discussion by the full Board of the results and any actions to be taken.

Each of the standing committees of the Board shall evaluate its performance at least annually and report to the Board on such evaluation.

### Bonus Clawback Policies

The Board has policies requiring the recoupment of performance-based bonus compensation paid to the named executive officers in the event of certain financial restatements or of other bonus compensation paid to executives in certain other instances. The policies require reimbursement to the extent permitted by governing law and any employment arrangements entered into prior to the adoption of the policies.

### **Board Committees**

The Board has three (3) standing committees:

- the Audit Committee;
- the Nominating and Corporate Governance Committee; and
- the Compensation Committee.

These committees are comprised entirely of independent Directors, as required under the rules of the Exchange Act and Nasdaq listing standards, including heightened independence rules and standards applicable to the members of the Audit Committee and Compensation Committee. Each committee is governed by a written charter approved by the Board. These charters are available on the Company's website at [www.FOXCORPORATION.COM](http://www.FOXCORPORATION.COM).

### **Chief Executive Officer Evaluation and Management Succession Planning**

The Compensation Committee is responsible for reviewing and approving goals and objectives relevant to the compensation of the Company's CEO, evaluating the performance of the CEO in light of the goals and objectives and recommending to the Board the compensation of the CEO based on such evaluation. The Lead Independent Director shall participate in the Compensation Committee's evaluation of the performance of the CEO.

The Board plans for succession to the position of CEO of the Company, which involves consideration of its policies and principles regarding selection and performance review of the CEO, and plans for succession in the event of an emergency or ordinary course succession, such as the retirement of the CEO. To assist the Board, the CEO shall provide the Compensation Committee and the Board with an assessment of members of senior management and their succession potential. The Compensation Committee shall report the results of these assessments to the Board. The Board shall review succession planning at least annually.

In addition, the CEO should report annually to the Board regarding non-CEO management succession planning.

### **Ethical Standards**

The Board is committed to acting with the utmost integrity and expects the same of every employee at every level of the Company. The Board has adopted "Standards of Business Conduct." The full text of the Standards may be found on the Company's website at [www.FOXCORPORATION.COM](http://www.FOXCORPORATION.COM). In addition, the Board has adopted and supervises the Company's Ethics and Compliance Program to enforce these Standards and other Company policies. \*

Employees are encouraged to raise any matters of concern with their supervisor or the relevant general counsel. Further, FOX is affirmatively committed and obligated to a business practice and corporate value of zero tolerance for sexual harassment, race discrimination, and all other forms of discrimination prohibited by law, and a corporate policy that creates a safe, productive and welcoming workplace for all of their employees. FOX is also affirmatively committed and obligated to a business practice and corporate value of zero tolerance for retaliation. This commitment and obligation to zero tolerance for retaliation includes retaliation against anyone who in good faith complains about harassment or discrimination, or who provides support, as a witness or otherwise, for a complaint regarding harassment or discrimination.



\* Added on June 17, 2021.

## **Confidentiality**

Directors must protect and hold confidential non-public information that comes to them, from whatever source, in their capacity as a Director of the Company, unless disclosure is authorized or required by law. Proceedings and deliberations of the Board and its committees are confidential.

## **Protection for Company “Whistleblowers”**

The Company has established procedures to facilitate the submission and review of complaints from employees regarding questionable accounting, internal controls, auditing or securities law matters, on a confidential and anonymous basis. These procedures enable employees to make their concerns known without fear of retaliation and in the knowledge that procedures are in place to act upon their complaints.

## **Stockholder Communication**

Stockholders play an integral part in corporate governance and the Board ensures that stockholders are kept fully informed through:

- information provided on the Company’s website ([www.FOXCorporation.com](http://www.FOXCorporation.com)), including its Annual Report which shall be distributed to all stockholders electing to receive it and which shall be available to all stockholders on request;
- reports and other disclosures made periodically by the Company to the Securities and Exchange Commission and Nasdaq; and
- notices and proxy statements of special and annual meetings.

It is the policy of the Company to facilitate communications of stockholders and other interested parties with the Board and its various committees. Stockholders may raise matters of concern at the annual meetings of stockholders. In addition, any stockholder or other interested party wishing to communicate with any Director, including our Lead Independent Director, any committee of the Board or to the Board as a whole, may do so by submitting such communication in writing and sending it by regular mail to the attention of the appropriate party or to the attention of the Lead Independent Director at FOX, 1211 Avenue of the Americas, New York, New York 10036. This information is also posted on the Company’s website at [www.FOXCorporation.com](http://www.FOXCorporation.com).

## **Communication with Third Parties; Stockholder Engagement**

The Board believes that it is, in general, the responsibility of management to speak for the Company in communications to outside parties (e.g., investors, the press and industry associations). However, Directors may meet with stockholders on corporate governance and related issues where board-level involvement is appropriate. The Board, acting through the Nominating and Corporate Governance Committee, oversees the Company’s stockholder engagement efforts, with assistance from the Compensation Committee, which oversees stockholder engagement on the subject of executive compensation.

## **Corporate Governance Review**

The Nominating and Corporate Governance Committee shall review this Statement of Corporate Governance no less than annually and shall recommend any changes to the Board for its approval.

