

TWENTY-FIRST CENTURY FOX, INC.  
Form DEF 14A  
August 30, 2013  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934**

**(Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-12

**Twenty-First Century Fox, Inc.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

.. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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(2) Aggregate number of securities to which transaction applies:

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(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**Twenty-First Century Fox, Inc.**

**1211 Avenue of the Americas**

**New York, New York, 10036**

**(212) 852-7000**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**To Be Held on October 18, 2013**

Dear Stockholder:

The Annual Meeting of Stockholders (the Annual Meeting) of Twenty-First Century Fox, Inc. (the Company) will be held on October 18, 2013 at 10:00 a.m. (Pacific Time) at the Zanuck Theatre at Fox Studios, 10201 West Pico Boulevard, Los Angeles, California 90035.

**A shuttle service will be available to take you to the Annual Meeting from Century Park West Parking Structure, 2030 Century Park West, Los Angeles, California 90067, where complimentary parking for the Annual Meeting will be provided. Parking will not be available at Fox Studios. Please see the map and instructions in Appendix A for parking information and other logistical details. We suggest arriving at least 45 minutes early to allow sufficient time to park, take the shuttle provided by the Company to the meeting site and complete the admission process. You will not be able to enter the Annual Meeting except by the shuttle service provided by the Company.**

At the Annual Meeting, stockholders will be asked to:

- elect the 12 Directors identified in this proxy statement to the Board of Directors;
- ratify the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending June 30, 2014;
- consider an advisory vote to approve executive compensation;
- approve the Twenty-First Century Fox, Inc. 2013 Long-Term Incentive Plan;
- consider a stockholder proposal to adopt a policy that the Chairman of the Board of Directors be an independent Director;
- consider a stockholder proposal to eliminate the Company's dual class capital structure; and
- consider any other business properly brought before the Annual Meeting and any adjournment or postponement thereof.

The foregoing items of business are more fully described in the Company's proxy statement. **While all of the Company's stockholders and all holders of CHESSE Depositary Interests (CDIs) exchangeable for shares of the Company's common stock are invited to attend the Annual Meeting, only stockholders of record and holders of CDIs exchangeable for shares of the Company's Class B Common Stock at the close of business on August 21, 2013 (the Record Date) are entitled to notice of, and to vote at, the Annual Meeting and any adjournment or postponement thereof. Holders of the Company's Class A Common Stock are not entitled to vote on the matters to be presented at the Annual Meeting or any adjournment or postponement thereof.**

As more fully described in the Company's proxy statement, in order to maintain compliance with U.S. law, the Company has suspended 40% of the voting rights of Class B Common Stock of the Company held by non-U.S. stockholders or those who are deemed to be non-U.S. stockholders. The Audit Committee of the Board of Directors may modify the voting suspension percentage to reflect changes, if any, in the Company's foreign ownership based on its assessment of the information reasonably available to it. If you are a holder of Class B Common Stock or CDIs exchangeable for Class B Common Stock, you must identify whether you are a U.S. stockholder or a non-U.S. stockholder by choosing the appropriate designation on the proxy card. If you do not provide a response as to your citizenship on the proxy card, you will be deemed to be a non-U.S. stockholder and your shares will be subject to the suspension of voting rights unless you are a stockholder of record and you previously submitted a U.S. citizenship certification to the Company's transfer agent or Australian share registrar.

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### **Important Information for Holders of Class B Common Stock**

It is important that your shares of the Company's Class B Common Stock be represented and voted at the Annual Meeting. If you are a holder of shares of Class B Common Stock, you may submit a proxy for those shares by telephone or the Internet by following the instructions on the Notice of Internet Availability of Proxy Materials, or if you requested a paper proxy card, you may submit your proxy by mail if you prefer. If you attend the Annual Meeting, you may vote your shares in person. Please review the instructions on the proxy card or the information forwarded by your broker, bank or other nominee regarding the voting instructions. You may vote your shares of Class B Common Stock in person even if you previously submitted a proxy. Please note, however, that if your shares of Class B Common Stock are held of record by a broker, bank or other nominee and you wish to vote in person at the Annual Meeting, you must obtain a proxy issued in your name from such broker, bank or other nominee. **Whether or not you plan to attend the Annual Meeting, we urge you to submit a proxy for your shares of Class B Common Stock by telephone or the Internet or, if you requested a paper proxy card, by completing and returning the proxy card as promptly as possible, prior to the Annual Meeting to ensure that your shares will be represented at the Annual Meeting if you are unable to attend.**

If you are planning to attend the Annual Meeting in person, you will be asked to register before entering the Annual Meeting. **You must request an admission ticket in advance and your request must be received by October 14, 2013. All attendees will be required to present the admission ticket and a government-issued photo identification (e.g., driver's license or passport) to enter the Annual Meeting. You may request an admission ticket by:**

if you are a stockholder of record, visiting [www.21cfannualmeeting.com/2013](http://www.21cfannualmeeting.com/2013) and following the instructions provided;  
sending an e-mail to the Corporate Secretary at [2013AnnualMeeting@21cf.com](mailto:2013AnnualMeeting@21cf.com) providing the name under which you hold shares of record or a properly executed proxy card, or evidence of your beneficial ownership as described below;  
calling the Corporate Secretary at (212) 852-7000; or  
sending a fax to the Corporate Secretary at (212) 852-7217 providing the name under which you hold shares of record or a properly executed proxy card, or evidence of your beneficial ownership as described below.

If you are a stockholder of record, your ownership of the Company's common stock will be verified against the list of stockholders of record as of the Record Date prior to your being issued an admission ticket. **If you are not a stockholder of record and hold your shares of common stock in street name, i.e., your shares of common stock are held in a brokerage account or by a bank or other nominee, you will need to send a request for an admission ticket either by e-mail or fax along with proof of beneficial ownership as of the Record Date, such as an account statement or letter from your broker, bank or nominee indicating that you were the beneficial owner of the shares on the Record Date.** Requests for admission tickets will be processed in the order in which they are received and must be received by October 14, 2013.

Seating at the Annual Meeting will begin at 9:00 a.m. (Pacific Time). Prior to entering the Annual Meeting, all bags will be subject to search and all persons may be subject to a metal detector and/or hand wand search. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting. The security procedures may require additional time, so please plan accordingly. We suggest arriving at least 45 minutes early to the Annual Meeting. **If you do not provide an admission ticket and government-issued photo identification or do not comply with the other registration and security procedures described above, you will not be admitted to the Annual Meeting. The Company reserves the right to remove persons from the Annual Meeting who disrupt the Annual Meeting or who do not comply with the rules and procedures for the conduct of the Annual Meeting.**

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The Annual Meeting will be audiocast live on the Internet at [www.21cf.com](http://www.21cf.com).

In accordance with the rules of the Securities and Exchange Commission, instead of mailing a printed copy of the Company's proxy statement, annual report and other materials (the "proxy materials") relating to the Annual Meeting to stockholders, the Company may furnish proxy materials to stockholders on the Internet by mailing a Notice of Internet Availability of Proxy Materials (the "Notice of Internet Availability") to inform stockholders when the proxy materials are available on the Internet. If you receive the Notice of Internet Availability by mail, you will not receive a printed copy of the proxy materials unless you specifically request one. Instead, the Notice of Internet Availability will instruct you on how you may access and review all of the Company's proxy materials and the Company's annual report, as well as how to submit your proxy, over the Internet. If you receive a Notice of Internet Availability and would still like to receive a printed copy of the Company's proxy materials, including a proxy card or voting instruction card, you should follow the instructions for requesting these materials included in the Notice of Internet Availability.

If you would like to register to receive materials relating to next year's annual meeting of stockholders electronically instead of by mail, please go to [www.21cf.com/investor/ElectronicDelivery/](http://www.21cf.com/investor/ElectronicDelivery/) and follow the instructions to enroll. We highly recommend that you consider electronic delivery of these documents as it helps lower the Company's costs and reduce the amount of paper mailed to your home.

Laura A. Cleveland

Corporate Secretary

New York, New York

August 29, 2013

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**YOUR VOTE IS IMPORTANT**

**REGARDLESS OF HOW MANY SHARES OF THE COMPANY'S CLASS B COMMON STOCK YOU OWN AS OF THE RECORD DATE, PLEASE SUBMIT A PROXY FOR YOUR SHARES BY TELEPHONE OR INTERNET, OR IF YOU HAVE REQUESTED A PAPER PROXY CARD, BY COMPLETING, SIGNING AND DATING THE PROXY CARD AND RETURNING IT IN THE ENVELOPE PROVIDED, WHICH IS ADDRESSED FOR YOUR CONVENIENCE AND NEEDS NO POSTAGE IF MAILED IN THE UNITED STATES. IN ORDER TO AVOID THE ADDITIONAL EXPENSE TO THE COMPANY OF FURTHER SOLICITATION, THE COMPANY ASKS YOUR COOPERATION IN PROMPTLY SUBMITTING YOUR PROXY BY TELEPHONE, INTERNET OR PROXY CARD.**

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**Twenty-First Century Fox, Inc.**

**1211 Avenue of the Americas**

**New York, New York, 10036**

**PROXY STATEMENT**

**Annual Meeting of Stockholders October 18, 2013**

**GENERAL**

**Persons Making the Solicitation**

This proxy statement is furnished in connection with the solicitation by the Board of Directors (the **Board**) of Twenty-First Century Fox, Inc. (the **Company** or **21st Century Fox**) of proxies for use at an Annual Meeting of Stockholders (the **Annual Meeting**) to be held on October 18, 2013 at 10:00 a.m. (Pacific Time) at the Zanuck Theatre at Fox Studios, 10201 West Pico Boulevard, Los Angeles, California 90035 and at any adjournment or postponement thereof.

**A shuttle service will be available to take you to the Annual Meeting from Century Park West Parking Structure, 2030 Century Park West, Los Angeles, California 90067, where complimentary parking for the Annual Meeting will be provided. Parking will not be available at Fox Studios. Please see the map and instructions in Appendix A for parking information and other logistical details. We suggest arriving at least 45 minutes early to allow sufficient time to park, take the shuttle provided by the Company to the meeting site and complete the admission process. You will not be able to enter the Annual Meeting except by the shuttle service provided by the Company.**

This proxy statement is first being mailed to stockholders on or about August 30, 2013. You are requested to submit your proxy in order to ensure that your shares are represented at the Annual Meeting.

The expense of soliciting proxies will be borne by the Company. Proxies will be solicited principally through the use of the mail, but Directors, officers and regular employees of the Company may solicit proxies personally, by telephone or special letter without any additional compensation. Also, the Company will reimburse banks, brokerage houses and other custodians, nominees and fiduciaries for any reasonable expenses in forwarding proxy materials to beneficial owners.

**Outstanding Shares**

The Company has two classes of common stock, Class A Common Stock, par value \$0.01 per share ( **Class A Common Stock** ), and Class B Common Stock, par value \$0.01 per share ( **Class B Common Stock** , and together with the Class A Common Stock, the **Common Stock** ). Subject to the restrictions described in the section entitled **Restrictions on Voting by Non-U.S. Stockholders** , holders of Class B Common Stock are entitled to one vote per share on all matters to be presented at the Annual Meeting. Holders of Class A Common Stock are not entitled to vote on the matters to be presented at the Annual Meeting. Unless the context dictates otherwise, all references to **you**, **your**, **yours** or other words of similar import in this proxy statement refer to holders of Class B Common Stock.

The Company's shares are also traded on the Australian Securities Exchange in the form of CHESS Depository Interests ( **CDIs** ). CDIs are exchangeable, at the option of the holder, into shares of either Class A Common Stock or Class B Common Stock, whichever is applicable, at the rate of one CDI per one such share of Common Stock.

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### **Record Date**

The Board has fixed the close of business on August 21, 2013 as the record date for determining which of the Company's stockholders are entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof in person or by proxy (the Record Date). If the Annual Meeting is adjourned or postponed, notice of such adjournment or postponement will be sent to all stockholders of record entitled to vote at the Annual Meeting in accordance with applicable law and the Company's Amended and Restated By-laws (the By-laws).

**Holders of Class A Common Stock are not entitled to vote on the matters to be presented at the Annual Meeting.** As of the Record Date, there were 798,520,953 shares of Class B Common Stock outstanding and entitled to vote held by approximately 1,004 holders of record. Subject to the restrictions described in the section entitled Restrictions on Voting by Non-U.S. Stockholders, each share of Class B Common Stock held as of the Record Date is entitled to one vote per share on all matters to be presented at the Annual Meeting. A list of the stockholders of record entitled to vote as of the Record Date will be available at the Annual Meeting and at the Company's principal executive offices during the ten (10) days prior to the Annual Meeting.

If your shares of Class A Common Stock or Class B Common Stock are registered directly in your name with our transfer agent, Computershare Trust Company, N.A., you are a stockholder of record, and these proxy materials are being sent directly to you from the Company. As the stockholder of record of Class B Common Stock as of the Record Date, you have the right to grant your voting proxy directly to the Company or to vote in person at the Annual Meeting.

If your shares of Class A Common Stock or Class B Common Stock are held in street name, meaning your shares of Class A Common Stock or Class B Common Stock are held in a brokerage account or by a bank or other nominee, you are the beneficial owner of these shares and these proxy materials are being forwarded to you by your broker, bank or nominee, who is considered the stockholder of record with respect to such shares. As the beneficial owner of Class B Common Stock as of the Record Date, you have the right to direct your broker, bank or nominee on how to vote and you will receive instructions from your broker, bank or other nominee describing how to vote your shares of Class B Common Stock. However, since you are not the stockholder of record, you may not vote these shares of Class B Common Stock in person at the Annual Meeting unless you obtain a signed proxy from the stockholder of record (i.e., your broker, bank or nominee) giving you the right to vote such shares.

Holders of CDIs exchangeable for Class B Common Stock (Class B CDIs) have a right to direct CHESSEX Depository Nominees Pty Ltd. (CDN), the issuer of the CDIs, on how it should vote with respect to the proposals described in this proxy statement.

### **Restrictions on Voting by Non-U.S. Stockholders**

Under U.S. federal law, no broadcast station licensee may be owned by a corporation if more than 25% of that corporation's stock is owned or voted by non-U.S. stockholders if the Federal Communications Commission finds that the public interest will be served by the refusal or revocation of the license. The Company owns broadcast station licensees in connection with its ownership and operation of 28 U.S. television stations.

A non-U.S. stockholder is defined in Appendix B attached to this proxy statement.

In order to maintain compliance with U.S. law and in accordance with Article IV, Section 5 of the Company's Restated Certificate of Incorporation, the Company has suspended 40% of the voting rights of Class B Common Stock held by non-U.S. stockholders. The Audit Committee of the Board may modify the voting suspension percentage to reflect changes, if any, in the Company's foreign ownership based on its assessment of the information reasonably available to it.

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If you are a holder of Class B Common Stock or Class B CDIs, you must identify whether you are a U.S. stockholder or a non-U.S. stockholder by choosing the appropriate designation on Item 7 on the proxy card. If you do not provide a response to Item 7 on the proxy card, you will be deemed to be a non-U.S. stockholder and your shares will be subject to the suspension of voting rights unless you are a stockholder of record and you previously submitted a U.S. citizenship certification to the Company's transfer agent or Australian share registrar. For all matters to be voted on at the Annual Meeting, shares of Class B Common Stock or Class B CDIs subject to the suspension of voting rights will not be counted as a vote cast FOR or AGAINST any proposal and will not be considered as shares entitled to vote for purposes of a quorum. Fractional shares will be counted as a fraction of a share cast FOR or AGAINST any proposal.

**If you are a non-U.S. stockholder subject to the suspension of voting rights, you should still give voting instructions for, or submit a proxy for, all of the shares you own when submitting your voting instructions or proxy.** If you are subject to the suspension of voting rights and you are a holder of record, the Inspector of Elections will apply the then applicable suspension to a percentage of the voting rights of the Class B Common Stock or Class B CDIs represented by your proxy card. If you are subject to the suspension of voting rights and you are a beneficial owner who holds in street name, the proxy tabulator will apply the then applicable suspension to a percentage of the voting rights of the Class B Common Stock represented by your voting instructions.

On April 18, 2012, the Murdoch Family Trust and K. Rupert Murdoch (together the Murdoch Family Interests) entered into an agreement with the Company, whereby the Murdoch Family Interests agreed to limit their voting rights during the voting rights suspension period (the Voting Agreement). Under this Voting Agreement, the Murdoch Family Interests will not vote or provide voting instructions with respect to a portion of their shares of Class B Common Stock to the extent that doing so would increase their percentage of voting power from what it was prior to the suspension of voting rights. Accordingly, the shares held by the Murdoch Family Interests that are subject to the restrictions in the Voting Agreement will not be counted as shares cast FOR or AGAINST any proposal, but they will be considered as shares present at the meeting for purposes of a quorum.

## **Internet Availability of Proxy Materials**

In accordance with the rules of the Securities and Exchange Commission (the SEC), instead of mailing a printed copy of the Company's proxy statement, annual report and other materials (the proxy materials) relating to the Annual Meeting to stockholders, the Company may furnish proxy materials to stockholders on the Internet by providing a Notice of Internet Availability of Proxy Materials (the Notice of Internet Availability) to inform stockholders when the proxy materials are available on the Internet. If you receive the Notice of Internet Availability by mail, you will not receive a printed copy of the proxy materials unless you specifically request one. Instead, the Notice of Internet Availability will instruct you on how you may access and review all of the Company's proxy materials, as well as how to submit your proxy, over the Internet. If you receive a Notice of Internet Availability and would still like to receive a printed copy of the Company's proxy materials, including a proxy card or voting instruction card, you should follow the instructions for requesting these materials included in the Notice of Internet Availability.

The Company intends to commence distribution of the Notice of Internet Availability to stockholders on or about August 30, 2013.

The Company will first make available the proxy solicitation materials at [www.proxyvote.com](http://www.proxyvote.com) on or about August 30, 2013 to all stockholders entitled to vote at the Annual Meeting. You may also request a printed copy of the proxy solicitation materials by any of the following methods: via Internet at [www.proxyvote.com](http://www.proxyvote.com); by telephone at 1-800-579-1639; or by sending an e-mail to [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com). Our 2013 annual report to stockholders will be made available at the same time and by the same methods.

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If you are a CDI holder, you may also request a printed copy of the proxy solicitation materials and our 2013 annual report to stockholders by any of the following methods: via Internet at [www.investorvote.com.au](http://www.investorvote.com.au); or by telephone at 1300-652-536 (within Australia) or +61-3-9415-4883 (outside of Australia).

Only one copy of this proxy statement is being delivered to multiple stockholders sharing an address unless the stockholders have notified the Company of their desire to receive multiple copies of the proxy statement. The Company will promptly deliver, upon oral or written request, a separate copy of the proxy statement to any stockholder residing at a shared address to which only one copy was mailed. Requests for additional copies of the proxy statement for the current year or future years should be directed to the Corporate Secretary at 21st Century Fox, 1211 Avenue of the Americas, New York, New York 10036. Alternatively, additional copies of this proxy statement may be requested via Internet at [www.proxyvote.com](http://www.proxyvote.com), by telephone at 1-800-579-1639, or by sending an email to [sendmaterial@proxyvote.com](mailto:sendmaterial@proxyvote.com). Stockholders of record residing at the same address and currently receiving multiple copies of the proxy statement may contact the Corporate Secretary to request that only a single copy of the proxy statement be mailed in the future.

## **Voting and Submission of Proxies**

The persons named on the proxy card and on the Company's voting website at [www.proxyvote.com](http://www.proxyvote.com) (the proxy holders) have been designated by the Board to vote the shares represented by proxy at the Annual Meeting. The proxy holders are officers of the Company. They will vote the shares represented by each valid and timely received proxy in accordance with the stockholder's instructions, or if no instructions are specified, the shares represented by the proxy will be voted FOR Proposals 1, 2, 3 and 4 and AGAINST Proposals 5 and 6 in accordance with the recommendations of the Board as described in this proxy statement. If any other matter properly comes before the Annual Meeting, the proxy holders will vote on that matter in their discretion.

If you are a holder of Class B Common Stock, telephone and Internet proxy submission is available 24 hours a day through 11:59 p.m. (Eastern Time) on the day before the Annual Meeting date or the applicable cut-off date. If you are located in the United States or Canada and are a stockholder of record, you can submit a proxy for your shares by calling toll-free 1-800-690-6903. Whether you are a stockholder of record or a beneficial owner, you can also submit a proxy for your shares by Internet at [www.proxyvote.com](http://www.proxyvote.com). Both the telephone and Internet systems have easy to follow instructions on how you may submit a proxy for your shares and allow you to confirm that the system has properly recorded your proxy. If you are submitting a proxy for your shares by telephone or Internet, you should have in hand when you call or access the website, as applicable, the Notice of Internet Availability or the proxy card or voting instruction card (for those holders who have received, by request, a hard copy of the proxy card or voting instruction card). If you submit a proxy by telephone or Internet, you do not need to return your proxy card to the Company. A telephone or Internet proxy must be received no later than 11:59 p.m. (Eastern Time) on the day before the Annual Meeting date or the applicable cut-off date.

If you have received, by request, a hard copy of the proxy card or voting instruction card, and wish to submit your proxy by mail, you must complete, sign and date the proxy card or voting instruction card and return it in the envelope provided so that it is received prior to the Annual Meeting.

If you hold Class B CDIs, Internet proxy submission is available 24 hours a day through 5:00 p.m. (Australian Eastern Daylight Time) on October 14, 2013. You may submit a proxy for your CDIs by Internet at [www.investorvote.com.au](http://www.investorvote.com.au). The Internet system has easy to follow instructions on how you may submit a proxy for your CDIs and allows you to confirm that the system has properly recorded your proxy. If you submit a proxy for your CDIs by Internet, you should have in hand when you access the website the Notice of Internet Availability or the voting instruction card (for those CDI holders who have received, by request, a hard copy of the voting instruction card). If you submit a proxy for your CDIs by Internet, you do not need to return your voting instruction form to the Company. If you have received, by request, a hard copy of the voting instruction card, and wish to submit your proxy by mail, you should complete and return the voting instruction card to Australian share registrar by 5:00 p.m. (Australian Eastern Daylight Time) on October 14, 2013.

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While the Company encourages holders of Class B Common Stock to vote by proxy, you also have the option of voting your shares of Class B Common Stock in person at the Annual Meeting. If your shares of Class B Common Stock are registered directly in your name with the Company's transfer agent, you are considered the stockholder of record with respect to such shares of Class B Common Stock and you have the right to attend the Annual Meeting and vote in person, subject to compliance with the procedures described below. If your shares of Class B Common Stock are held in a brokerage account or by a bank or other nominee, you are the beneficial owner of such shares. As such, in order to attend the Annual Meeting or vote in person, you must obtain and provide when you request an admission ticket a properly executed proxy from the stockholder of record (i.e., your broker, bank or other nominee) giving you the right to vote the shares of Class B Common Stock.

### **Revocation of Proxies**

A proxy may be changed or revoked by a stockholder at any time prior to the voting at the Annual Meeting:

- if you are a holder of record of Class B Common Stock, by notifying in writing our Corporate Secretary, Laura A. Cleveland, at 21st Century Fox, 1211 Avenue of the Americas, New York, New York 10036;
- by attending the Annual Meeting and voting in person (your attendance at the Annual Meeting will not by itself revoke your proxy);
- by submitting a later-dated proxy card;
- if you submitted a proxy by telephone or Internet, by submitting a subsequent proxy by telephone or Internet; or
- if you have instructed a broker, bank or other nominee to vote your shares, by following the directions received from your broker, bank or other nominee to change those instructions.

Class B CDI holders may change prior voting instructions by submitting a later-dated CDI voting instruction form before 5:00 p.m. (Australian Eastern Daylight Time) on October 14, 2013. Revocation of prior voting instructions must be submitted in writing and received before 5:00 p.m. (Australian Eastern Daylight Time) on October 14, 2013.

### **Attending the Annual Meeting in Person**

**While all of the Company's stockholders and all holders of CDIs exchangeable for shares of Common Stock are invited to attend the Annual Meeting, only holders of Class B Common Stock are entitled to vote at the Annual Meeting.** As discussed above, if your shares of Class B Common Stock are registered directly in your name with the Company's transfer agent, you are considered the stockholder of record with respect to such shares of Class B Common Stock and you have the right to attend the Annual Meeting and vote in person, subject to compliance with the procedures described below. If your shares of Class B Common Stock are held in a brokerage account or by a bank or other nominee, you are the beneficial owner of such shares. As such, in order to attend the Annual Meeting and vote in person, you must obtain and present at the time of admission a properly executed proxy from the stockholder of record giving you the right to vote the shares of Class B Common Stock.

If you are planning to attend the Annual Meeting in person, you will be asked to register prior to entering the Annual Meeting. **You must request an admission ticket in advance and your request must be received by October 14, 2013. All attendees will be required to present the admission ticket and a government-issued photo identification (e.g., driver's license or passport) to enter the Annual Meeting. You may request an admission ticket by:**

- if you are a stockholder of record, visiting [www.21cfannualmeeting.com/2013](http://www.21cfannualmeeting.com/2013) and following the instructions provided;
- sending an e-mail to the Corporate Secretary at [2013AnnualMeeting@21cf.com](mailto:2013AnnualMeeting@21cf.com) providing the name under which you hold shares of record or a properly executed proxy card, or evidence of your beneficial ownership as described below;

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calling the Corporate Secretary at (212) 852-7000; or  
sending a fax to the Corporate Secretary at (212) 852-7217 providing the name under which you hold shares of record or a properly executed proxy card, or evidence of your beneficial ownership as described below.

If you are a stockholder of record, your ownership of Common Stock will be verified against the list of stockholders of record as of the Record Date prior to being issued an admission ticket. **If you are not a stockholder of record and hold your shares of Common Stock in street name, i.e., your shares of Common Stock are held in a brokerage account or by a bank or other nominee, you will need to send a request for an admission ticket either by e-mail or fax along with proof of beneficial ownership as of the Record Date, such as an account statement or letter from your broker, bank or nominee indicating that you were the beneficial owner of the shares on the Record Date, and a copy of the voting instruction card provided by your broker, bank or nominee, or similar evidence of ownership on the Record Date.** Requests for admission tickets will be processed in the order in which they are received and must be received by October 14, 2013.

Seating at the Annual Meeting will begin at 9:00 a.m. (Pacific Time). Prior to entering the Annual Meeting, all bags will be subject to search and all persons may be subject to a metal detector and/or hand wand search. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting. The security procedures may require additional time, so please plan accordingly. We suggest arriving at least 45 minutes early to the Annual Meeting. **If you do not provide an admission ticket and government-issued photo identification or do not comply with the other registration and security procedures described above, you will not be admitted to the Annual Meeting. The Company reserves the right to remove persons from the Annual Meeting who disrupt the Annual Meeting or who do not comply with the rules and procedures for the conduct of the Annual Meeting.**

If you require any special accommodations at the Annual Meeting due to a disability, please contact the Corporate Secretary at (212) 852-7000 or send an email to [2013AnnualMeeting@21cf.com](mailto:2013AnnualMeeting@21cf.com) and identify your specific need no later than October 14, 2013.

The Annual Meeting will be audiocast live on the Internet at [www.21cf.com](http://www.21cf.com).

### **Required Vote**

*Quorum.* In order for the Company to conduct the Annual Meeting, the holders of a majority of the Class B Common Stock outstanding and entitled to vote as of the Record Date must be present in person or represented by proxy at the Annual Meeting. Abstentions and broker non-votes will be counted for purposes of establishing a quorum at the Annual Meeting. A broker non-vote occurs when you do not give your broker or nominee instructions on how to vote your shares of Class B Common Stock. Shares subject to the suspension of voting rights, as described in the section entitled Restrictions on Voting by Non-U.S. Stockholders, will not be considered as shares outstanding and entitled to vote and, accordingly, will not be counted for purposes of establishing a quorum at the Annual Meeting. Whether or not you plan to attend the Annual Meeting, we urge you to vote your shares of Class B Common Stock by submitting your proxy by telephone or the Internet or, if you requested a hard copy of the proxy card or voting instruction card, by completing and returning the proxy card or voting instruction card as promptly as possible in the accompanying postage-paid envelope prior to the Annual Meeting to ensure that your shares of Class B Common Stock will be represented at the Annual Meeting if you are unable to attend and so that the Company will know as soon as possible that enough votes will be present for the Annual Meeting to be held.

*Election of Directors.* In an uncontested election, each Director shall be elected by a majority of the votes cast. This means that the number of votes cast FOR a Director's election exceeds the number of votes cast AGAINST that Director's election. A properly executed proxy marked ABSTAIN with respect to the

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election of one or more Directors or shares held by a broker for which voting instructions have not been given will not be counted as a vote cast either FOR or AGAINST with respect to the Director or Directors indicated. If you do not instruct your broker, bank or other nominee how to vote in the election of Directors, no votes will be cast on your behalf. In a contested election where the number of nominees for Director exceeds the number of Directors to be elected, each Director shall be elected by a plurality of the votes cast. The election of the 12 Director nominees at the Annual Meeting will be an uncontested election.

*Ratification of Independent Registered Public Accounting Firm.* Ratification of the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending June 30, 2014 requires a majority of the votes cast at the Annual Meeting to be voted FOR the proposal. Abstentions and broker non-votes will have no effect on the outcome of the votes cast on this proposal.

*Advisory Vote on Executive Compensation.* We will consider this proposal to be approved, on an advisory basis, if a majority of the votes cast at the Annual Meeting is voted FOR the proposal. Abstentions and broker non-votes will not be counted as a vote cast either FOR or AGAINST executive compensation.

*Approval of the Twenty-First Century Fox, Inc. 2013 Long-Term Incentive Plan.* We will consider this proposal to be approved if a majority of the votes cast at the Annual Meeting is voted FOR the proposal. Abstentions and broker non-votes will not be counted as a vote cast either FOR or AGAINST this proposal.

*Vote on Each of the Stockholder Proposals.* We will consider any of these proposals to be approved if a majority of the votes cast at the Annual Meeting is voted FOR the proposal. Abstentions and broker non-votes will not be counted as a vote cast either FOR or AGAINST the proposal.

*Other Items.* Under the Company's By-laws and the NASDAQ Stock Market (NASDAQ) listing rules, approval of each other proposal to be voted upon at the Annual Meeting requires a majority of the votes cast at the Annual Meeting to be voted FOR the proposal. A properly executed proxy marked ABSTAIN with respect to any proposal and broker non-votes will not be counted as a vote cast FOR or AGAINST that proposal.

All shares of Class B Common Stock represented by properly executed proxies, which are submitted or returned and not revoked, will be voted in accordance with your instructions. If no instructions are provided in a properly executed proxy, the number of shares of Class B Common Stock represented by such proxy will be voted:

- FOR the election of each of the Director nominees;
  - FOR the ratification of the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending June 30, 2014;
  - FOR, on an advisory basis, the approval of executive compensation;
  - FOR the approval of the Twenty-First Century Fox, Inc. 2013 Long-Term Incentive Plan;
  - AGAINST the stockholder proposal to adopt a policy that the Chairman of the Board of Directors be an independent Director;
  - AGAINST the stockholder proposal to eliminate the Company's dual class capital structure; and
- in accordance with the holder of the proxy's discretion as to any other matters raised at the Annual Meeting.

Additionally, if you do not provide a response under Item 7 as to your citizenship on a properly executed proxy, you will be deemed to be a non-U.S. stockholder and your shares will be subject to the suspension of voting rights unless you are a stockholder of record and you previously submitted a U.S. citizenship certification to the Company's transfer agent or Australian share registrar. A representative of American Election Services, LLC has been appointed to act as independent Inspector of Elections for the Annual Meeting and will tabulate the votes.

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**PROXY SUMMARY**

We provide below highlights of certain information contained elsewhere in this proxy statement. This summary does not contain all of the information you should consider before you decide how to vote. You should read the entire proxy statement carefully before voting.

**Completion of the Separation**

On June 28, 2013, the Company completed the separation of its business into two independent publicly traded companies (the Separation) by distributing to its stockholders shares of the new News Corporation (News Corp). The Company retained its interests in a global portfolio of cable, broadcast, film, pay-TV and satellite assets spanning six continents. News Corp holds the Company's former businesses including newspapers, information services and integrated marketing services, digital real estate services, book publishing, digital education and sports programming and pay-TV distribution in Australia.

In connection with the Separation, the Company made the following changes to its Board:

As of the date of the Separation, Delphine Arnault, Jacques Nasser and Robert S. Silberman joined the Board.

As of the date of the Separation, José María Aznar, Natalie Bancroft, Peter L. Barnes, Elaine Chao and Joel I. Klein resigned as Directors of the Company to join the board of directors of News Corp.

Following the Separation, K.R. Murdoch, James W. Breyer, Chase Carey, David F. DeVoe, Viet Dinh, Sir Roderick I. Eddington, James R. Murdoch, Lachlan K. Murdoch and Álvaro Uribe continued their service as Directors of the Company.

**2013 Business Highlights**

The Company executed all aspects of the Separation with minimal disruption to our business while delivering solid business results.

Revenues at the Cable Network Programming segment grew by 17%, and affiliate and advertising revenues increased by 18% and 11%, respectively.

The Company continued to grow the television and cable channel businesses by continuing its efforts to obtain and increase retransmission and affiliate compensation and securing key distribution agreements.

The Company continued to broaden its core domestic cable business and expand its international cable franchises.

The Company returned a significant amount of cash to stockholders through dividends and stock repurchases of approximately \$2.4 billion during fiscal 2013.

Over the course of fiscal 2013, the Company's Class A Common Stock price increased \$9.09 per share or 46.2% and the Company's Class B Common Stock price increased \$9.10 per share or 45.8%, each as adjusted to reflect the share price value of 21st Century Fox following the Separation. The Company's Common Stock performance was one of the highest of its diversified media peers and outperformed the S&P 500 which increased by 17.9% over the same time period.



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### **Executive Compensation Matters**

The Company seeks to closely align the interests of our named executive officers with the interests of the Company's stockholders. Several important features of our executive compensation program are:

The Company's executive compensation program is designed to attract, retain and motivate top executive talent, drive performance without encouraging unnecessary or excessive risk-taking and support both the short-term and long-term growth for stockholders.

Pay is based on performance. Approximately 67% of the Chief Executive Officer's and 70% of the other named executive officers' fiscal 2013 target total direct compensation was at-risk, with most of the compensation subject to the achievement of short-term and long-term financial and business objectives. For fiscal 2014, approximately 70% of the Chief Executive Officer's target total direct compensation from 21st Century Fox is at-risk.

The Company's annual bonus and long-term incentive programs for its named executive officers rely on a number of diversified performance metrics. The annual bonus program bases a significant portion of each named executive officer's total compensation opportunity upon individual and group contributions and the achievement of target financial performance. The performance-based long-term incentive program relies on multiple pre-set, three-year financial performance metrics.

The Compensation Committee approves in advance the framework for the annual bonus, including a determination at the beginning of the performance period of performance levels for the achievement of the financial performance metric upon which two-thirds of the annual bonus is based. These performance levels and corresponding payout opportunities as a percentage of the financial performance rating were disclosed in the Company's proxy statement for the prior fiscal year. The Company has strong governance policies related to executive compensation. The Compensation Committee is comprised entirely of independent Directors. In addition, the Company's compensation programs include risk mitigation features, such as significant Board and management discretion and oversight, a balance of annual and long-term incentives for senior executives, the use of multiple performance metrics, and recoupment provisions for named executive officers' bonus compensation. The Compensation Committee annually oversees an assessment of risks related to compensation policies and practices.

The Company prohibits all Directors and employees, including our named executive officers, from engaging in short sales of the Company's securities and investing in Company-based derivative securities.

The Compensation Discussion and Analysis begins on page 47 and the Fiscal 2013 Summary Compensation Table and other related tables and disclosure begins on page 67.

**Table of Contents****Meeting Agenda Items****Proposal No. 1: Election of Directors**

Stockholders are being asked to elect 12 Directors. Each of the current Directors is standing for re-election to hold office until the next annual meeting or until his or her successor is duly elected and qualified. All Directors attended at least 75% of the regularly scheduled and special meetings of the Board held during the period for which he or she has been a Director and the meetings of the committees on which he or she served. The following table summarizes information about our Directors. For detailed biographical information, please see page 12, Proposal No. 1 .

Director	Director Since	Occupation	Independent	Committee Memberships		
				A	C	NCG
K. Rupert Murdoch	1979	Chairman and Chief Executive Officer, 21st Century Fox Executive Chairman, News Corp				
Delphine Arnault	2013	Deputy General Manager, Christian Dior Couture	X			
James W. Breyer	2011	Partner, Accel Partners	X		X*	X
Chase Carey	2009	President and Chief Operating Officer, 21st Century Fox				
David F. DeVoe	1990	Senior Advisor, 21st Century Fox				
Viet Dinh	2004	Professor of Law, Georgetown University Law Center	X	X		X*
Sir Roderick I. Eddington	1999	Non-Executive Chairman, Australia and New Zealand, J.P. Morgan	X	X*	X	
James R. Murdoch	2007	Deputy Chief Operating Officer and Chairman and CEO, International, 21st Century Fox				
Lachlan K. Murdoch	1996	Executive Chairman, DMG Radio Australia				
Jacques Nasser	2013	Chairman, BHP Billiton	X	X		
Robert S. Silberman	2013	Executive Chairman, Strayer Education, Inc.	X			X
Álvaro Uribe	2012	Former President, Colombia	X		X	

A = Audit Committee

C = Compensation Committee

NCG = Nominating and Corporate Governance Committee

\* = Committee Chairman

**PROPOSAL NO. 1 RECOMMENDATION: THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF THE NOMINEES LISTED ABOVE.**

**Proposal No. 2: Ratification of Selection of Independent Registered Public Accounting Firm**

Subject to stockholder ratification, the Audit Committee has selected Ernst & Young LLP ( E&Y ) as the Company s independent registered public accounting firm to audit the books and accounts of the Company for the fiscal year ending June 30, 2014. E&Y has audited the books and records of the Company since the fiscal year ended June 30, 2002. For a detailed description of the fees paid to E&Y, please see page 26,

Proposal No. 2 . A representative of E&Y is expected to be present at the Annual Meeting to respond to appropriate questions and will be given the opportunity to make a statement if the representative desires to do so.

**PROPOSAL NO. 2 RECOMMENDATION: THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE PROPOSAL TO RATIFY ERNST & YOUNG LLP AS THE COMPANY S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING JUNE 30, 2014.**



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***Proposal No. 3: Advisory Vote on Executive Compensation***

The Company is asking its stockholders to indicate their support for the Company's compensation of its named executive officers. The Company holds this vote, commonly known as a say on pay vote, on an annual basis.

PROPOSAL NO. 3 RECOMMENDATION: THE BOARD UNANIMOUSLY RECOMMENDS AN ADVISORY VOTE FOR THE APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.

***Proposal No. 4: Approval of the Twenty-First Century Fox, Inc. 2013 Long-Term Incentive Plan***

The Company is asking its stockholders to approve the adoption of the Twenty-First Century Fox, Inc. 2013 Long-Term Incentive Plan (the 2013 LTIP). The 2013 LTIP, if approved, will replace our 2005 Long-Term Incentive Plan, which will be frozen and no new awards will be made thereunder.

The 2013 LTIP provides for awards of stock options, stock appreciation rights, restricted and unrestricted shares, restricted share units, dividend equivalents, performance awards and other equity-related awards and cash payments. Awards may be granted under the 2013 LTIP to employees, officers and directors of ours and our affiliates, and consultants and advisers providing services to us or our affiliates. An aggregate of 87,500,000 shares of our Class A Common Stock may be issued under the 2013 LTIP. If approved by stockholders, the 2013 LTIP will terminate automatically on October 18, 2023, unless terminated earlier by our Board of Directors. For a detailed description of the key features of the 2013 LTIP, please see page 29, Proposal No. 4 and to read the full text of the 2013 LTIP, please see Appendix C.

PROPOSAL NO. 4 RECOMMENDATION: THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE APPROVAL OF THE TWENTY-FIRST CENTURY FOX, INC. 2013 LONG-TERM INCENTIVE PLAN.

***Proposal No. 5: Stockholder Proposal***

A proposal to adopt a policy that the Chairman of the Board of Directors be an independent director.

For the Board's statement in opposition to Proposal No. 5, please see page 39.

PROPOSAL NO. 5 RECOMMENDATION: THE BOARD UNANIMOUSLY RECOMMENDS A VOTE AGAINST THIS STOCKHOLDER PROPOSAL.

***Proposal No. 6: Stockholder Proposal***

A proposal to eliminate the Company's dual class capital structure.

For the Board's statement in opposition to Proposal No. 6, please see page 42.

PROPOSAL NO. 6 RECOMMENDATION: THE BOARD UNANIMOUSLY RECOMMENDS A VOTE AGAINST THIS STOCKHOLDER PROPOSAL.

**Table of Contents****PROPOSAL NO. 1****ELECTION OF DIRECTORS**

The following table lists the nominees for election as Directors under Proposal 1. Each Director nominated in Proposal 1, if elected, is to hold office until the next annual meeting or until his or her successor is duly elected and qualified. If, for any reason, any of the Director nominees become unavailable for election, the proxy holders may exercise discretion to vote for a substitute nominee proposed by the Board. The information with respect to principal occupation or employment, other affiliations and business experience was furnished to the Company by the respective Director nominee. The ages shown are as of July 31, 2013. Each of the Director nominees has indicated that he or she will be able to serve if elected and has agreed to do so.

<b>Name and Age</b>	<b>Business Experience and Directorships</b>	<b>Director Since</b>
<p><i>K. Rupert Murdoch AC</i></p> <p>(82)</p>	<p>K. Rupert Murdoch AC has been Chief Executive Officer of the Company since 1979 and its Chairman since 1991. He also serves as the Executive Chairman of News Corp since December 2012. Mr. K.R. Murdoch served as a Director of British Sky Broadcasting plc ( BSKyB ) from 1990 to 2007, as a Director of Gemstar-TV Guide International Inc. ( Gemstar-TV Guide ) from 2001 to 2008 and as a Director of The DIRECTV Group, Inc. ( DIRECTV ) from 2003 to 2008. Mr. K.R. Murdoch is the father of Messrs. J.R. Murdoch and L.K. Murdoch.</p> <p>Mr. K. R. Murdoch has been the driving force behind the evolution of the Company from the single, family-owned Australian newspaper he took over in 1953 to the global public media and entertainment company it is today. Mr. K.R. Murdoch brings to the Board invaluable knowledge and expertise regarding the Company's history and provides strong operational leadership and broad strategic vision for the Company's future.</p>	<p>1979</p>
<p><i>Delphine Arnault</i></p> <p>(38)</p>	<p>Delphine Arnault has been a Director of the Company since June 2013. Ms. Arnault has served as Deputy General Manager at Christian Dior Couture since 2008 and as a Director of Christian Dior SA since 2012. Beginning September 2013, Ms. Arnault serves as Executive Vice President of Louis Vuitton Malletier where she will oversee all product-related activities. She was a consultant at McKinsey &amp; Company before joining Christian Dior Couture in 2001. Ms. Arnault has served as a Director of LVMH Moët Hennessy Louis Vuitton SA ( LVMH ) since 2003 and of several of LVMH's subsidiaries including Loewe SA, Emilio Pucci Srl, Les Echos, Château Cheval Blanc and Céline. She has also served as a Director of M6 Métropole Television SA since 2009 and Havas since May 2013.</p> <p>Ms. Arnault's career at LVMH has given her significant experience in business strategy, product development and brand management. She offers the Board a valuable international perspective and strong leadership skills.</p>	<p>2013</p>

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Name and Age	Business Experience and Directorships	Director Since
<i>James W. Breyer</i>  (52)	James W. Breyer has been a Director of the Company since 2011 and serves as Chairman of the Compensation Committee and as a member of the Nominating and Corporate Governance Committee. Mr. Breyer has been a Partner of Accel Partners, a venture capital firm, since 1987 and is the Founder and Chief Executive Officer of Breyer Capital, a global diversified investment firm. Mr. Breyer is also a co-founder and has been co-lead on the strategic investment committee since inception of the IDG-Accel China Funds. Mr. Breyer was elected as a fellow in February 2013 to the join the Harvard Corporation, the University's senior governing body. Since 2009, Mr. Breyer has served as a Director of Dell Inc. Mr. Breyer also serves as a Director of several privately-held companies including Legendary Pictures and Etsy. He previously served as a Director of Facebook from 2005 to 2013, a Director of Wal-Mart Stores, Inc. from 2001 to 2013, a Director of Marvel Entertainment, Inc. from 2006 to 2009, a Director of RealNetworks, Inc. from 1995 to 2008, a Director of Model N, Inc. from 2000 to 2013 and a Director of Brightcove from 2005 to 2013.  As a venture capitalist and an investor in a diverse portfolio of companies, including numerous consumer Internet, media, and technology companies, Mr. Breyer has significant experience in strategic planning and investment management. His entrepreneurial vision, investment expertise and in-depth knowledge of new and existing technologies offer valuable insight into industries relevant to the Company's business operations.	2011
<i>Chase Carey</i>  (59)	Chase Carey has been the President and Chief Operating Officer of the Company and Deputy Chairman of the Board since July 2009. Mr. Carey previously served the Company in numerous roles beginning in 1988, including as Co-Chief Operating Officer from 1996 to 2002, as a consultant from 2002 to 2003 and as a Director from 1996 to 2007. Mr. Carey has served as the Chairman of the Supervisory Board of Sky Deutschland AG ( Sky Deutschland ) since July 2010. Since January 2013, Mr. Carey has served as a Director of BSkyB, where he previously served as a Director from 2003 to 2008. Mr. Carey served as a President and Chief Executive Officer and a Director of DIRECTV from 2003 to 2009.  As the Company's President, Chief Operating Officer and Deputy Chairman, Mr. Carey is a key member of the Company's management team. He has a broad and deep understanding of the Company and its operations, having served in a variety of leadership positions within the Company and with its affiliates for over 23 years. Mr. Carey brings valuable executive leadership experience to the Board, as well as unparalleled expertise in the media and satellite television industries. He also brings his experience of having served on the boards of other large public companies.	2009

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Name and Age	Business Experience and Directorships	Director Since
<i>David F. DeVoe</i>  (66)	David F. DeVoe has been a Director of the Company since 1990. Mr. DeVoe currently serves as a Senior Advisor of the Company. He served as the Company's Chief Financial Officer from 1990 to June 2013. Mr. DeVoe has been a Director of BSKyB since 1994. He served as a Director of Gemstar-TV Guide from 2001 to 2008 and as a Director of DIRECTV from 2003 to 2008.  Mr. DeVoe has an extensive knowledge of the Company and its operations having served as the Chief Financial Officer of the Company for 23 years. Mr. DeVoe's financial acumen and perspective offer the Board key insight into the business of the Company.	1990
<i>Viet Dinh</i>  (45)	Viet Dinh has been a Director of the Company since 2004 and serves as Chairman of the Nominating and Corporate Governance Committee and as a member of the Audit Committee. Mr. Dinh has been a Professor of Law at Georgetown University Law Center since 1996. Mr. Dinh is a Member of Bancroft PLLC, a law firm he founded in 2003. Mr. Dinh has acted as General Counsel and Corporate Secretary of Strayer Education, Inc. ( Strayer ) since 2010 through Strayer's engagement of Bancroft PLLC. He served as an Assistant Attorney General for Legal Policy in the U.S. Department of Justice from 2001 to 2003. Mr. Dinh has served as a Director of Revlon, Inc. since 2012. He served as a Director of M&F Worldwide Corp., which ceased to be a public reporting company in 2011, from 2007 to 2011, and as a Director of The Orchard Enterprises, Inc., which ceased to be a public reporting company in 2010, from 2007 to 2010.  As a member of the Company's Board, Mr. Dinh offers the Company his experience, intellect and acute knowledge of and contacts within the U.S. government. He teaches on issues of corporate governance and brings to the Board and the committees on which he serves corporate governance expertise, which is also strengthened by his current and former service on the boards of other public companies.	2004

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<b>Name and Age</b>	<b>Business Experience and Directorships</b>	<b>Director Since</b>
<p><i>Sir Roderick I. Eddington</i></p> <p>(63)</p>	<p>Sir Roderick I. Eddington has been a Director of the Company since 1999 and the Lead Director since 2006, and serves as the Chairman of the Audit Committee and as a member of the Compensation Committee. Sir Roderick Eddington has served as Non-Executive Chairman, Australia and New Zealand of J.P. Morgan since 2006. He served as a Director and the Chief Executive of British Airways Plc from 2000 to 2005 and as the Managing Director of Cathay Pacific Airways from 1992 to 1996. Sir Roderick Eddington has been a Director of John Swire &amp; Sons Pty Ltd since 1997, a Director of CLP Holdings Limited since 2006, and a Director of Lion Pty Ltd since 2011 and its Chairman since April 2012. Sir Roderick Eddington served as a Director of Allco Finance Group Limited from 2006 to 2009 and as a Director of Rio Tinto plc from 2005 to 2011.</p> <p>As the former chief executive of a large public company, Sir Roderick Eddington brings to the Board and his role as Lead Director strong leadership and extensive business, strategic and operational experience. He is particularly knowledgeable and has extensive experience in the Asian and European markets, which are key markets for the Company. His experience as a Director at other large public companies is also a valuable resource for the Board.</p>	<p>1999</p>
<p><i>James R. Murdoch</i></p> <p>(40)</p>	<p>James R. Murdoch has been a Director of the Company since 2007 and its Deputy Chief Operating Officer and Chairman and CEO, International since 2011, after serving as the Company's Chairman and Chief Executive, Europe and Asia beginning in 2007. Mr. J.R. Murdoch was the Chief Executive Officer of BSkyB from 2003 to 2007. Mr. J.R. Murdoch has served as a Director of BSkyB since 2003 and served as its Non-Executive Chairman from 2007 to 2012. Since April 2013, he has served on the Supervisory Board of Sky Deutschland and since June 2013, he has served as a Director of News Corp. Mr. J.R. Murdoch was the Chairman and Chief Executive Officer of STAR Group Limited, a subsidiary of the Company, from 2000 to 2003. Mr. J.R. Murdoch previously served as an Executive Vice President of the Company, and served as a member of the Board from 2000 to 2003. Mr. J.R. Murdoch served as a Director of GlaxoSmithKline plc from 2009 to 2012 and as a Director of Sotheby's from 2010 to 2012. Mr. J.R. Murdoch is the son of Mr. K.R. Murdoch and the brother of Mr. L.K. Murdoch.</p> <p>Mr. J.R. Murdoch is a key member of the Company's management team, as the Deputy Chief Operating Officer with continuing direct responsibility for the Company's European and Asian operations. Mr. J.R. Murdoch has served in a number of leadership positions within the Company and at its affiliates over the past 17 years. His broad-based experience, extensive knowledge of international markets, unique understanding of emerging technologies and strategic perspective of the Company's business and operations enable him to be a valuable resource for the Board.</p>	<p>2007</p>



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<b>Name and Age</b>	<b>Business Experience and Directorships</b>	<b>Director Since</b>
<p><i>Lachlan K. Murdoch</i></p> <p>(41)</p>	<p>Lachlan K. Murdoch has been a Director of the Company since 1996. Mr. L.K. Murdoch has served as Executive Chairman of DMG Radio Australia since 2009. He has served as a Director of Ten Network Holdings Limited since 2010 and as its Non-Executive Chairman since February 2012, after serving as its Acting Chief Executive Officer from 2011 to 2012. Mr. L.K. Murdoch has served as the Executive Chairman of Illyria Pty Ltd, a private investment company, since 2005. Since June 2013, he has served as a Director of News Corp. Mr. L.K. Murdoch served as an advisor to the Company from 2005 to 2007, and served as its Deputy Chief Operating Officer from 2000 to 2005. Mr. L.K. Murdoch is the son of Mr. K.R. Murdoch and the brother of Mr. J.R. Murdoch.</p> <p>Mr. L.K. Murdoch brings a wealth of knowledge regarding the Company's operations, as well as management and strategic skills to the Board. Mr. L.K. Murdoch has extensive experience serving in several senior leadership positions within the Company, including as the Deputy Chief Operating Officer of the Company.</p>	<p>1996</p>
<p><i>Jacques Nasser</i></p> <p>(65)</p>	<p>Jacques Nasser has been a Director of the Company since June 2013 and serves as a member of the Audit Committee. He has been a Non-Executive Advisory Partner of One Equity Partners LLP since 2010, after serving as a Senior Partner from 2002 to 2010. He served as a Director and the President and Chief Executive Officer of Ford Motor Company from 1998 to 2001, after serving in various leadership positions in Europe, Australia, Asia, South America and the United States. Mr. Nasser has been a Director of BHP Billiton Limited and BHP Billiton Plc since 2006 and the Chairman of each since 2010. He served as a Director of BSkyB from 2002 to November 2012.</p> <p>Mr. Nasser has more than 30 years of experience in operating and managing large-scale global businesses and more than a decade of private equity strategic investment experience. Through his service as a Director of BSkyB, Mr. Nasser has a strong understanding of the pay television industry.</p>	<p>2013</p>

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<b>Name and Age</b>	<b>Business Experience and Directorships</b>	<b>Director Since</b>
<p><i>Robert S. Silberman</i></p> <p>(55)</p>	<p>Robert S. Silberman has been a Director of the Company since June 2013 and serves as a member of the Nominating and Corporate Governance Committee. Mr. Silberman is the Executive Chairman of Strayer. He previously served as Strayer's Chief Executive Officer from 2001 to May 2013 and has served as its Chairman of the Board since 2003. Prior to his work at Strayer, he served in a variety of senior management positions at CalEnergy Company, Inc., including as President and Chief Operating Officer. Mr. Silberman also held senior positions in the U.S. Department of Defense, including as Assistant Secretary of the Army. Mr. Silberman has served as a Director of Covanta Holding Corporation since 2004.</p> <p>Through his career in the public and private sector and as the former Chief Executive Officer of a public company, Mr. Silberman has extensive experience in general and financial management and leadership of large scale organizations. He offers the Board valuable insight on public policy, government affairs and strategic development.</p>	<p>2013</p>
<p><i>Álvaro Uribe</i></p> <p>(61)</p>	<p>Álvaro Uribe has been a Director of the Company since 2012 and serves as a member of the Compensation Committee. Mr. Uribe served as the President of Colombia from 2002 to 2010 after holding a number of political offices including Senator of Colombia from 1986 to 1994 and Governor of Antioquia from 1995 to 1997. Mr. Uribe has served as a member of the International Advisory Council of J.P. Morgan since 2011. From 2010 to 2011, Mr. Uribe was a Distinguished Scholar at the Edmund A. Walsh School of Georgetown University and was a Vice Chairman of a United Nations investigation panel.</p> <p>Mr. Uribe brings to the Board strong leadership skills gained from his distinguished political career and service as President of Colombia. He offers the Board a valuable international perspective on political and governmental matters.</p>	<p>2012</p>

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF THE NOMINEES LISTED ABOVE.**

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**CORPORATE GOVERNANCE MATTERS**

*Recent Compliance and Corporate Governance Decisions.* The Company is committed to maintaining a strong ethical culture and robust governance practices that benefit the long-term interests of stockholders and, along with the Board, regularly reviews and updates its compliance and training programs and corporate governance practices, as appropriate, in light of stockholder feedback, changes in applicable laws, regulations and stock exchange requirements and the evolving needs of the Company's business. The Company has recently taken the following actions to further enhance its compliance programs and corporate governance practices.

*Formation of Compliance Steering Committee.* In fiscal 2013, the Board authorized the formation of a Compliance Steering Committee which has the primary responsibility for management and oversight of compliance matters that may affect the Company. The Compliance Steering Committee is currently composed of members of senior management including the President and Chief Operating Officer, the Chief Financial Officer, the head of the Company's internal audit group and regional compliance officers and is chaired by Gerson Zweifach, Senior Executive Vice President and Group General Counsel, and Chief Compliance Officer of the Company. The Compliance Steering Committee reports to the Audit Committee and the Board, and has been actively involved in updating and strengthening the Company's compliance policies.

*Enhanced Board Oversight of Compliance Programs.* In June 2013, the Board amended the charter of the Audit Committee to provide that the Audit Committee would be responsible for reviewing with the Company's General Counsel and Chief Compliance Officer and Corporate Audit the results of the Company's ongoing anti-corruption compliance program and for overseeing the activities of the Compliance Steering Committee. In addition, the Board amended the Statement of Corporate Governance to provide that the Lead Director meet with the Audit Committee and/or Compliance Steering Committee periodically.

*Recognition of effective compliance programs as an important consideration when determining incentive compensation.* As described on page 49 in the Compensation Discussion and Analysis, in fiscal 2013, the Compensation Committee recommended to the Board, and the Board approved, amendments to the Compensation Committee Charter and the Company's 2005 Long-Term Incentive Plan to include the implementation and enforcement of effective compliance programs as a factor for the Compensation Committee to consider when reviewing and approving incentive awards, including annual bonus compensation. The 2013 LTIP to be considered by stockholders at the Annual Meeting includes the same enhancement. In addition, the Compensation Committee determined that beginning with the fiscal 2014 annual bonus, the Compensation Committee will consider, based on a recommendation from the Audit Committee of its assessment of management's performance on ethics and compliance objectives, whether a reduction to the qualitative portion of the annual bonus payout is appropriate and, if so, the amount of such reduction.

*Annual Certification of Compliance with Statement of Corporate Governance.* The Company requires that each Director shall certify annually that he or she has reviewed the Statement of Corporate Governance, has complied with it and will comply with it.

*Board Independence.* The Nominating and Corporate Governance Committee has adopted the definition of Independent Director as set forth in NASDAQ Listing Rule 5605(a)(2) to assist the Board in its determination of whether a Director shall be deemed to be independent of the Company. However, the Board may determine that a Director is not independent for any reason it deems appropriate.

During its review of Director independence, the Board considers transactions and relationships between each Director or Director nominee, as applicable, or any member of his or her immediate family and the Company and its subsidiaries and affiliates. The Board also examines transactions and relationships between the Directors or Director nominees, as applicable, or their affiliates and members of the Company's senior management or their affiliates.

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The purpose of this review is to determine whether any such relationships or transactions are inconsistent with a determination that the Director or Director nominee, as applicable, is independent.

As a result of its review, the Board affirmatively determined that Sir Roderick I. Eddington, Ms. Arnault and Messrs. Breyer, Dinh, Nasser, Silberman and Uribe are independent of the Company and its management under the standards adopted by the Company and set forth in the NASDAQ listing rules. While a majority of Directors are independent as required under applicable NASDAQ listing rules and by the Company's Statement of Corporate Governance and committee charters, the Board is committed to achieving a supermajority of independent Directors.

Due to Mr. Breyer's service on the Board of Legendary Pictures, an independent film production business, the Company's Board has adopted rules to prevent Mr. Breyer from obtaining non-public information regarding the Company's film production and distribution businesses. For example, Mr. Breyer recuses himself from those portions of Board meetings at which the Company's film production and distribution businesses are discussed, and he does not receive Board materials that include non-public information that is specific to the Company's film production and distribution businesses. Additional procedures may be adopted in the future as the business of Legendary Pictures or the Company evolves, and otherwise as appropriate.

The Company has also stated that Mr. Uribe, former President of Colombia, will not participate in any Company interactions with the Colombian state.

*Board Leadership Structure.* The Board is 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 Director. The positions of Chief Executive Officer (CEO) and Chairman of the Board are both currently held by Mr. K.R. Murdoch. The Board has also appointed a Lead Director, Sir Roderick I. Eddington. The Lead Director's responsibilities include:

- presiding over all meetings of the Board at which the Chairman of the Board is not present, including executive sessions of the non-executive Directors and the independent Directors;
- communicating to the Chairman of the Board feedback from executive sessions as appropriate;
- servicing as liaison between the Chairman of the Board and the independent Directors;
- meeting with the Audit Committee and/or the Compliance Steering Committee periodically;
- reviewing agendas and information sent to the Board for Board meetings;
- reviewing meeting schedules to assure that there is sufficient time for discussion of all agenda items;
- calling meetings of the non-executive Directors and/or independent Directors, if desired;
- participating in the Compensation Committee's evaluation of the performance of the CEO;
- supervising the self-evaluations of the Directors in coordination with the Nominating and Corporate Governance Committee;
- supervising the Board's determination of the independence of its Directors; and
- ensuring his or her availability for consultation and direct communications, if requested by major stockholders.

The Board believes that this combined role of Chairman and CEO, coupled with a Lead Director, is currently the most effective leadership structure for the Company and is in the best interests of its stockholders. The combined role of Chairman and CEO promotes strong and consistent leadership for the Company, with a single voice setting the tone and having primary responsibility for the management of the Company. The Board believes that the CEO is the person best suited to serve as Chairman, because he is the person most familiar with the Company's businesses and the most capable of effectively identifying strategic priorities and opportunities and

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leading the Board in the discussion of the execution of the Company's strategy. The Board believes that the combined role of Chairman and CEO also facilitates the flow of information between the Board and management.

In considering its leadership structure, the Board believes that the combined roles of Chairman and CEO are appropriately balanced by the designation of a Lead Director with substantive responsibilities, the majority of independent Directors that comprise the Board and the Company's strong corporate governance policies and procedures.

The Board reviews 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 will 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.

*CEO Succession Planning.* The Board, with the assistance of the Compensation Committee, oversees CEO succession planning. As set forth in the Statement of Corporate Governance, the Board, in coordination with the Compensation Committee, also sees that the Company has in place appropriate steps to address emergency CEO succession planning in the event of extraordinary circumstances.

As part of the CEO continuity succession planning, the CEO provides to the Compensation Committee recommendations and evaluations of members of senior management and their succession potential to the CEO position. The Compensation Committee reviews potential internal candidates with the CEO or other members of senior management as the Compensation Committee considers appropriate, which review includes development needs and developmental progress with respect to specific individuals. Directors engage with potential internal candidates at Board and committee meetings and periodically in less formal settings to allow personal assessment of candidates by the Directors. Further, the Compensation Committee periodically reviews the overall composition of the qualifications, tenure and experience of members of senior management. The Lead Director also participates in the Compensation Committee's evaluation of the performance of the CEO.

The Compensation Committee reports on its succession planning efforts to the full Board, and the full Board reviews succession planning at least annually at a regularly scheduled Board meeting.

Emergency CEO succession planning enables the Company to respond to an unexpected vacancy in the CEO position while continuing the effective operation of the Company and minimizing any potential disruption or loss of continuity to the Company's business and operations, including in the case of a major catastrophe.

*Board Oversight of Risk.* Risk management is primarily the responsibility of the Company's management; however, the Board has responsibility for overseeing management's identification and management of those risks. The Board does not view risk in isolation; it considers risks in making significant business decisions and as part of the Company's overall business strategy. The Board uses various means to fulfill this oversight responsibility. The Board, and its committees as appropriate, regularly discuss and receive periodic updates from the Company's Chief Executive Officer, President and Chief Operating Officer, Chief Financial Officer, Group General Counsel and other members of senior management regarding significant risks to the Company, including in connection with the annual review of the Company's business plan and its review of budgets, strategy and major transactions. These discussions include operational, strategic, legal and regulatory, financial and reputational risks, and the plans to address these risks.

Each of the Board's committees assists the Board in overseeing the management of the Company's risks within the areas delegated to that committee, which then reports to the full Board as appropriate. For example: the Audit Committee is responsible for risks relating to its review of the Company's financial statements and

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financial reporting processes, and its oversight of the Company's Compliance Steering Committee; the Compensation Committee is responsible for monitoring risks associated with the design and administration of the Company's compensation programs; and the Nominating and Corporate Governance Committee oversees risk as it relates to the Company's corporate governance processes. Each committee has full access to management, as well as the ability to engage advisors. The independent Board members also discuss the Company's significant risks when they meet in executive session without management.

*Statement of Corporate Governance.* The Board has adopted a Statement of Corporate Governance that sets forth the Company's corporate governance guidelines and practices. The full text of the Statement of Corporate Governance may be found on the Company's website at [www.21cf.com/StatementofCorporateGovernance/](http://www.21cf.com/StatementofCorporateGovernance/) and is available in print to any stockholder requesting a paper copy of the document by contacting the Corporate Secretary. Each Director has certified that he or she has reviewed the Statement of Corporate Governance, has complied with it and will comply with it.

*Standards of Business Conduct and Code of Ethics.* The Board has adopted the Standards of Business Conduct. The Standards of Business Conduct confirm the Company's policy to conduct its affairs in compliance with all applicable laws and regulations and observe the highest standards of business ethics. The Standards of Business Conduct also apply to ensure compliance with stock exchange requirements and to ensure accountability at a senior management level for that compliance. The Company intends that the spirit, as well as the letter, of the Standards of Business Conduct be followed by all Directors, officers and employees of the Company, its subsidiaries and divisions. This is communicated to each new Director, officer and employee and was communicated to those in such positions at the time the Standards of Business Conduct were adopted.

To promote further ethical and responsible decision-making, the Board has established a Code of Ethics for the CEO and senior financial officers that is incorporated by reference into the Standards of Business Conduct.

The full text of the Standards of Business Conduct and the Code of Ethics may be found on the Company's website at [www.21cf.com/CorporateGovernance/StandardsofBusinessConduct/](http://www.21cf.com/CorporateGovernance/StandardsofBusinessConduct/) and [www.21cf.com/CodeofEthics/](http://www.21cf.com/CodeofEthics/), respectively, and each is available in print, without charge, to any stockholder requesting a paper copy of the documents by contacting the Corporate Secretary.

*Director Nomination Process.* The Nominating and Corporate Governance Committee develops criteria for filling vacant Board positions, taking into consideration such factors as it deems appropriate, including 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 Company's businesses; and whether he or she possesses unique expertise or perspective that will be of value to the Company. Candidates should not have any interests that would materially impair their 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. Although the Board does not have a formal policy with respect to diversity in identifying Director nominees, the Nominating and Corporate Governance Committee seeks to promote through the nomination process an appropriate diversity on the Board of professional background, experience, expertise, perspective, age, gender, ethnicity and country of citizenship. The Company also maintains a Diversity Statement which provides that the Company has established resources and measurable diversity objectives which focus on, among other things, expanding and embracing diversity across the Company.

After completing this evaluation, the Nominating and Corporate Governance Committee will make a recommendation to the full Board which makes the final determination whether to nominate or appoint the new Director after considering the Nominating and Corporate Governance Committee's recommendation.

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*Stockholder Nomination Procedure.* The By-laws provide procedures for stockholders to nominate persons for election as Directors.

Stockholders must provide timely notice of a Director nomination and such nomination must be submitted in writing to the attention of the Corporate Secretary at 21st Century Fox, 1211 Avenue of the Americas, New York, New York 10036. Pursuant to the By-laws, to be timely for the 2014 Annual Meeting of Stockholders, the notice must be delivered to the Corporate Secretary between June 20, 2014 and July 20, 2014. Stockholder nominations must contain, for each person nominated as Director, all information relating to the stockholder nominee as would be required pursuant to the By-laws, the stockholder nominee's written consent to serve as Director if elected, a completed and signed questionnaire, which seeks information on the background and qualifications of any nominee, and a completed and signed representation and agreement, which provides that such nominee (i) will abide by the majority voting requirements contained in the By-laws, (ii) is not and will not become a party to voting commitments that have not been disclosed to the Company or could limit such person's ability to comply with his or her fiduciary duties, (iii) is not and will not become a party to any arrangement with any person or entity other than the Company with respect to direct or indirect compensation, reimbursement or indemnification in connection with service as a Director that has not been disclosed and (iv) will be in compliance, if elected, and will comply with all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Company. Stockholder nominations must also (i) state the stockholder's name and address as they appear on the Company's books, (ii) the class and number of shares of the Company owned by the stockholder, (iii) a description of any agreement, arrangement or understanding with respect to the nomination between such stockholder and/or beneficial owner, any of their respective affiliates or associates, and any others acting in concert, including the nominee, (iv) a description of any agreement, arrangement or understanding that has been entered into as of the date of the notice by such stockholder or beneficial owner, the effect of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of such stockholder or beneficial owner with respect to the Company's securities, (v) a representation that the stockholder is a holder of record of Class B Common Stock and intends to appear in person or by proxy at such meeting to propose the nomination, (vi) whether such stockholder intends to deliver a proxy statement and form of proxy to a sufficient number of holders of Class B Common Stock to elect such nominee or nominees and (vii) any other information required to be disclosed, as applicable, in accordance with Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act). A stockholder providing notice of a proposed Director nomination shall update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date of the meeting and as of the date that is fifteen days prior to the meeting.

Director candidates recommended by stockholders should meet the Director qualifications set forth under the heading Director Nomination Process. Director candidates recommended by stockholders who meet these Director qualifications will be considered by the Chairman of the Nominating and Corporate Governance Committee, who will present the information on the candidate to the entire Nominating and Corporate Governance Committee. All Director candidates recommended by stockholders will be considered by the Nominating and Corporate Governance Committee in the same manner as any other candidate.

Prior to their appointments to the Board, Ms. Arnault and Mr. Nasser were each recommended by an executive director and Mr. Silberman was recommended by an independent director for nomination by the Nominating and Corporate Governance Committee, which in turn recommended the appointments of Ms. Arnault and Messrs. Nasser and Silberman to the Board.

*Communication with the Board.* 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.21cf.com](http://www.21cf.com), including the Company's annual report which is distributed to all stockholders in connection with distribution of the Company's

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proxy statement for its annual meeting of stockholders and which is available to all stockholders on request, as set forth under the heading Annual Report on Form 10-K ; reports and other disclosures made to the SEC, NASDAQ and the stock exchange in Australia; and notices and proxy statements of special and annual meetings of stockholders.

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, any committee of the Board or 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 our Lead Director, Sir Roderick I. Eddington, at 21st Century Fox, 1211 Avenue of the Americas, New York, New York 10036. This information is also posted on the Company's website at [www.21cf.com](http://www.21cf.com).

*Director Evaluation Policy.* The Lead Director and the Nominating and Corporate Governance Committee are 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 Standards of Business Conduct and the Company's corporate governance policies. The review seeks to identify specific areas, if any, in need of improvement or strengthening and culminates in a discussion by the full Board of the results and any actions to be taken.

### **Committees and Meetings of the Board of Directors**

During the fiscal year ended June 30, 2013, the Board held 8 regularly scheduled and special meetings. All of the Directors attended at least 75% of the regularly scheduled and special meetings of the Board held during the period for which he or she has been a Director and the meetings of the committees on which he or she served.

It is the policy of the Board to hold regular executive sessions of the Non-Executive Directors and independent Directors without management present. During the fiscal year ended June 30, 2013, the Non-Executive Directors and independent Directors of the Board held 6 executive sessions. Sir Roderick I. Eddington currently serves as Lead Director and presides over such executive sessions.

Directors are encouraged to attend and participate in the Company's annual meetings of stockholders. At the annual meeting of stockholders held by the Company in October 2012, all of the then serving Directors attended the annual meeting, with the exception of Mr. Lachlan K. Murdoch.

The Board has three standing committees: the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. These committees are comprised entirely of independent Directors, as currently required under the existing rules of the Exchange Act and NASDAQ. Each committee is governed by a written charter approved by the Board. These charters are available on the Company's website at [www.21cf.com/BoardCommittees/](http://www.21cf.com/BoardCommittees/) and are available in print to any stockholder requesting a paper copy of these documents from the Corporate Secretary.

*Audit Committee.* The Audit Committee consists of Sir Roderick I. Eddington, who serves as Chairman, and Messrs. Dinh and Nasser. The Audit Committee assists the Board in its oversight of (i) the integrity of the Company's financial statements and the Company's financial reporting processes and systems of internal control, (ii) the qualifications, independence and performance of the Company's independent registered public accounting firm and the performance of the Company's corporate auditors and corporate audit function, (iii) the Company's compliance with legal and regulatory requirements involving financial, accounting and internal control matters, (iv) investigations into complaints concerning financial matters, (v) risks that may have a significant impact on the Company's financial statements, (vi) oversight of the Company's ongoing Anti-Corruption Compliance Program and the activities of the Compliance Steering Committee and (vii) the review, approval and ratification of transactions with related parties. The Audit Committee provides an avenue of



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communication among management, the independent registered public accounting firm, the corporate auditors and the Board. During the fiscal year ended June 30, 2013, the Audit Committee held 10 meetings. The Audit Committee's report required by the SEC rules is included in this proxy statement under the heading "Report of the Audit Committee."

The Audit Committee Charter provides that its members shall consist entirely of Directors who the Board determines are independent in accordance with the NASDAQ listing rules. The Board determined that each member of the Audit Committee meets the foregoing independence requirements and that each member of the Audit Committee is financially literate in accordance with the NASDAQ listing rules. The Board also determined that Sir Roderick I. Eddington and Mr. Nasser are audit committee financial experts as defined under the SEC rules.

*Compensation Committee.* The Compensation Committee consists of Mr. Breyer, who serves as Chairman, Sir Roderick I. Eddington and Mr. Uribe. The primary responsibilities of the Compensation Committee are: (i) to review and approve goals and objectives relevant to the compensation of the CEO, to evaluate the performance of the CEO in light of these goals and objectives and other factors the Compensation Committee deems appropriate, and, based on this review and evaluation, to recommend to the Board the compensation of the CEO; (ii) to consider, authorize and oversee the Company's incentive compensation plans and equity-based plans and recommend changes in such plans to the Board as needed, and to exercise all authority of the Board with respect to the administration of such plans, including the granting of awards under the Company's incentive compensation plans and equity-based plans; (iii) to review and approve fixed and performance-based compensation, benefits and terms of employment of the Company's executive officers (as defined by NASDAQ listing rules) and such other senior executives identified by the Compensation Committee after consultation with the Company's CEO and other members of management; (iv) to review and approve or ratify the principal employment terms for each employment arrangement (excluding arrangements for talent) where the sum of the base salary, bonus target and long-term incentive target for the contract period is equal to or greater than a threshold amount set by the Compensation Committee; (v) to review and approve separation obligations that exceed by more than a certain amount set by the Compensation Committee (excluding consideration for outstanding equity awards) those contractually provided for in an employment agreement approved or ratified by the Compensation Committee pursuant to (iv) above; (vi) to review the Company's recruitment, retention, compensation, termination and severance policies for senior executives; (vii) to review and assist with the development of executive succession plans and to consult with the CEO regarding the selection of senior executives; (viii) to review the compensation of non-executive Directors for service on the Board and its committees and recommend changes in compensation to the Board; and (ix) to review the Company's compensation policies and practices to determine whether they create risk-taking incentives that are reasonably likely to have a material adverse impact on the Company.

During the fiscal year ended June 30, 2013, the Compensation Committee held five meetings. Pursuant to its charter, the Compensation Committee may delegate its authority to one or more members of the Board or officers of the Company, to the extent permitted by law, as it deems appropriate. The Compensation Committee has delegated to Messrs. K.R. Murdoch and Carey the authority to make awards of restricted stock units and performance stock units, as applicable, within certain prescribed limits to non-executive officers of the Company. Any awards made by Messrs. K.R. Murdoch or Carey pursuant to this authority are reported to the Compensation Committee on an annual basis. Further discussion of the processes and procedures for the consideration and determination of the compensation paid to the named executive officers during fiscal 2013, including the role of our CEO in recommending the amount or form of compensation paid to the named executive officers, other than himself, is found in the section entitled "Compensation Discussion and Analysis" below.

Pursuant to its charter, the Compensation Committee has the sole authority to retain and terminate any compensation consultant. During the past several years, including fiscal 2013, the Compensation Committee has retained Deloitte Consulting LLP ( "Deloitte Consulting" ) to provide advice on a variety of compensation matters as requested by the Compensation Committee. Deloitte Consulting primarily provides advice relating to named

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executive officer and non-executive Director compensation, compensation trends, the design of the Company's equity incentive plans, and, from time to time, the structure of individual executive employment agreements. The Compensation Committee reviews information provided by Deloitte Consulting to determine the appropriate level and mix of compensation for each of the named executive officers in light of our compensation objectives. The total fees paid to Deloitte Consulting for these services during fiscal 2013 were approximately \$476,000.

During fiscal 2013, the Company's management retained Deloitte Consulting and its affiliates (collectively, Deloitte) to provide other services to the Company. These services included tax compliance and consulting for domestic and international operating units, systems implementation assistance, operational consulting, internal audit assistance and due diligence. The total amount paid for such services (excluding the services as consultant to the Compensation Committee as discussed above) to Deloitte during fiscal 2013 was approximately \$52 million, approximately \$16 million of which was for services provided to News Corp prior to the Separation. Deloitte was engaged directly by management to provide these other services and, accordingly, Deloitte's engagement for these other services was not formally approved by the Board or by the Compensation Committee.

In June 2013, the Compensation Committee considered Deloitte's independence as its compensation consultant by taking into account the factors prescribed by the NASDAQ listing rules. Based on such evaluation, the Committee determined that no conflict of interest exists.

*Nominating and Corporate Governance Committee.* The Nominating and Corporate Governance Committee consists of Mr. Dinh, who serves as Chairman, and Messrs. Breyer and Silberman. The primary responsibilities of the Nominating and Corporate Governance Committee are: (i) to review the qualifications of candidates for Director suggested by Board members, stockholders, management and others in accordance with criteria recommended by the Nominating and Corporate Governance Committee and approved by the Board; (ii) to consider the performance of incumbent Directors in determining whether to nominate them for re-election; (iii) to recommend to the Board a slate of nominees for election or re-election to the Board at each annual meeting of stockholders; (iv) to recommend to the Board candidates to be elected to the Board as necessary to fill vacancies and newly created directorships; and (v) to advise and make recommendations to the Board on corporate governance matters. The Nominating and Corporate Governance Committee also makes recommendations to the Board as to determinations of Director independence and conducts an annual self-evaluation for the Board. The Nominating and Corporate Governance Committee held six meetings during the fiscal year ended June 30, 2013.

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Subject to stockholder ratification, the Audit Committee has selected Ernst & Young LLP ( E&Y ) as the Company's independent registered public accounting firm to audit the books and accounts of the Company for the fiscal year ending June 30, 2014. E&Y has audited the books and records of the Company since the fiscal year ended June 30, 2002. A representative of E&Y is expected to be present at the Annual Meeting to respond to appropriate questions and will be given the opportunity to make a statement if the representative desires to do so.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE PROPOSAL TO RATIFY ERNST & YOUNG LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING JUNE 30, 2014.**

**Fees Paid to Independent Registered Public Accounting Firm**

The Audit Committee is responsible for the appointment, compensation, retention and oversight of the work of the independent registered public accounting firm. Accordingly, the Audit Committee has appointed E&Y to perform audit and other permissible non-audit services for the Company and its subsidiaries. The Company has formal procedures in place for the pre-approval by the Audit Committee of all services provided by E&Y. These pre-approval procedures are described below under Audit Committee Pre-Approval Policies and Procedures.

The description of the fees for professional services rendered to the Company and its subsidiaries by E&Y for the fiscal years ended June 30, 2013 and June 30, 2012 is set forth below. The increased fees in fiscal 2013 as compared with fiscal 2012 reflect the additional services in connection with executing the Separation, including the separate audit of News Corp.

	<b>Fiscal 2013</b>	<b>Fiscal 2012</b>
Audit Fees <sup>(1)</sup>	\$ 29,530,000	\$ 19,149,000
Audit-Related Fees <sup>(2)</sup>	\$ 2,175,000	\$ 2,957,000
Tax Fees <sup>(3)</sup>	\$ 19,018,000	\$ 11,429,000
All Other Fees <sup>(4)</sup>	\$ 119,000	\$ 67,000
<b>Total Fees</b>	<b>\$ 50,482,000</b>	<b>\$ 33,602,000</b>

- (1) Audit fees include: fees rendered in connection with the annual audit of the Company's consolidated financial statements as of and for the fiscal years ended June 30, 2013 and June 30, 2012; the audit of internal control over financial reporting as of June 30, 2013 and June 30, 2012 (as required by Section 404 of the Sarbanes-Oxley Act of 2002, as amended (the Sarbanes-Oxley Act )); statutory audits required internationally; reviews of the Company's unaudited condensed consolidated interim financial statements included in the Company's statutory and regulatory filings; audit and related work for the carved-out consolidated financial statements of News Corp as a result of the Separation; and other services normally provided by the independent registered public accounting firm in connection with statutory and regulatory filings.
- (2) Audit-related fees principally relate to employee benefit plan audits, due diligence related to mergers and acquisitions, audits of entities to be sold, accounting consultations, agreed-upon procedure reports, reports on internal controls over certain distribution services provided to third parties and other services related to the performance of the audit or review of the Company's consolidated financial statements.
- (3) Tax fees include fees for tax compliance and tax consultations for domestic and international operating units, including consultations related to the Separation.
- (4) All other fees principally consist of services relating to participation in an industry operational benchmarking study and E&Y training seminars in the fiscal years ended June 30, 2013 and 2012.

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**Audit Committee Pre-Approval Policies and Procedures**

The Audit Committee has established policies and procedures under which all audit and non-audit services performed by the Company's independent registered public accounting firm must be approved in advance by the Audit Committee. The Audit Committee's policy provides for pre-approval of audit, audit-related, tax and certain other services specifically described by the Audit Committee on an annual basis. In addition, individual engagements anticipated to exceed pre-established thresholds, as well as certain other services, must be separately approved. The policy also provides that the Audit Committee can delegate pre-approval authority to any member of the Audit Committee provided that the decision to pre-approve is communicated to the full Audit Committee at its next meeting. The Audit Committee has delegated this responsibility to the Chairman of the Audit Committee. Management has also implemented internal procedures to ensure compliance with this policy. As required by the Sarbanes-Oxley Act, all audit and non-audit services provided in the fiscal years ended June 30, 2013 and June 30, 2012 have been pre-approved by the Audit Committee in accordance with these policies and procedures. The Audit Committee also reviewed the non-audit services provided by E&Y during the fiscal years ended June 30, 2013 and June 30, 2012, and determined that the provision of such non-audit services was compatible with maintaining the auditor's independence.

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**PROPOSAL NO. 3**

**ADVISORY VOTE ON EXECUTIVE COMPENSATION**

At the Company's 2012 Annual Meeting of Stockholders, our stockholders approved the compensation of our named executive officers. The Company has determined to hold an advisory vote on executive compensation annually.

As described in detail in the Compensation Discussion and Analysis, the Compensation Committee seeks to closely align the interests of our named executive officers with the interests of the Company's stockholders. The Company's executive compensation program is designed to attract, retain and motivate top executive talent, drive performance without encouraging unnecessary or excessive risk-taking and support both short-term and long-term growth for stockholders. The compensation framework designed by the Company emphasizes a pay for performance model, a focus on long-term growth and diversified performance metrics. The Compensation Committee believes that our compensation framework effectively aligns pay with individual and Company performance as further described on page 50 under the heading

Pay-for-Performance Alignment. In addition, as described on page 55 under the heading 2013 Pay Mix, the compensation framework places a significant majority of the Chief Executive Officer's and other named executive officers' total direct compensation at-risk and dependent upon performance, with a significant portion of total direct compensation tied to the Company's long-term results and future stock price performance. The Company has also implemented a number of executive compensation practices, as described beginning on page 51, which the Compensation Committee considers to be effective at driving performance and supporting long-term growth for our stockholders.

The Board recommends that stockholders indicate their support for the Company's compensation of its named executive officers. The vote on this resolution, commonly known as a say on pay resolution, is not intended to address any specific element of compensation but rather the overall named executive officer compensation program as described in this proxy statement. Although this vote is advisory and not binding on the Company or the Board, the Compensation Committee, which is responsible for developing and administering the Company's executive compensation philosophy and program, will consider the results as part of its ongoing review of the Company's executive compensation program.

Accordingly, we ask our stockholders to vote on the following resolution:

RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation of the Company's named executive officers, as disclosed in the Company's proxy statement for the 2013 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the Fiscal 2013 Summary Compensation Table and the other related tables and disclosure.

**THE BOARD UNANIMOUSLY RECOMMENDS AN ADVISORY VOTE FOR THE APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.**

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**PROPOSAL NO. 4**

**APPROVE THE TWENTY-FIRST CENTURY FOX, INC. 2013 LONG-TERM INCENTIVE PLAN**

On August 6, 2013, the Board adopted the Twenty-First Century Fox, Inc. 2013 Long-Term Incentive Plan (the 2013 LTIP ) subject to stockholder approval at the Annual Meeting. The 2013 LTIP, if approved by our stockholders, will replace the Company's existing 2005 Long-Term Incentive Plan (the 2005 LTIP ), under which no additional awards will be granted.

The 2013 LTIP is an important part of the Company's overall compensation program. The purpose of the 2013 LTIP is to benefit and advance the interests of the Company and its subsidiaries by making awards to certain employees, directors and other service providers of the Company and its subsidiaries as an additional incentive for them to make contributions to the financial success of the Company.

All awards under the 2013 LTIP will be approved by the Compensation Committee of the Board (the Compensation Committee ) or its designee, in its sole discretion. For this reason, it is not possible to determine the benefits or amounts of the awards that will be received by any particular participant or group of participants in the future under the 2013 LTIP. No awards have yet been granted under the 2013 LTIP.

A description of the terms of the 2013 LTIP is set forth below. This summary is qualified in its entirety by the full text of the 2013 LTIP, which is attached as Appendix C to this proxy statement.

**2013 LTIP's Promotion of Good Compensation Practices**

The 2013 LTIP includes a number of provisions that the Company believes promote good compensation practices. As described in more detail below, the 2013 LTIP includes the following features:

*No Discounted Stock Options or Stock Appreciation Rights ( SARs ).* No stock option or SAR may be granted with a per share exercise price less than the fair market value of the underlying shares on the grant date.

*No Repricing without Stockholder Approval.* The Company may not, without the approval of stockholders, reprice any stock option or SAR.

*No Evergreen Provision.* There is no reload evergreen share replenishment feature.

*No Single Trigger Vesting.* The 2013 LTIP does not provide for automatic vesting solely upon a change in control.

*No Dividends or Dividend Equivalents on Unearned Performance Awards.* Dividends and dividend equivalents granted with respect to an award that vests or is earned based upon the achievement of performance goals will be accrued and will vest and be paid only if the performance goals for the underlying award are achieved.

*No Transferability.* Awards may not be transferred other than by will or the laws of descent or distribution, unless approved by the Compensation Committee.

*No Share Recycling.* Shares tendered or withheld to satisfy the exercise price of a stock option, deducted from payment of a stock option or SAR in connection with a tax withholding obligation, or purchased by the Company with option proceeds are not available for future grants.

**Summary of Material Terms of the 2013 LTIP**

***Awards***

The 2013 LTIP provides for awards of stock options, SARs, restricted and unrestricted shares, restricted share units ( RSUs ), dividend equivalents, performance awards and other equity-related awards and cash payments.

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### ***Eligibility***

Executive officers and directors of the Company, of which there are 15, employees of the Company or an affiliate of the Company, and consultants and advisers currently providing services to the Company or an affiliate of the Company, are eligible to receive awards under the 2013 LTIP.

### ***Plan Limits***

The total number of shares of Class A Common Stock that may be issued under the 2013 LTIP (the 2013 LTIP Limit ) will not exceed, in the aggregate 87,500,000 shares of Class A Common Stock plus the number of shares of Class A Common Stock subject to outstanding awards under the 2005 LTIP as of October 18, 2013 that terminate by expiration, forfeiture, cancellation or otherwise after such date (the Returning Shares ). In addition, the maximum number of shares of Class A Common Stock that may be issued in conjunction with stock options and SARs is 12,500,000 shares plus the number of Returning Shares that were subject to outstanding awards of stock options and SARs under the 2005 LTIP (the Stock Option/SAR Award Limit ). The maximum number of shares of Class A Common Stock that may be issued in conjunction with awards other than stock options, SARs or awards denominated in cash is 75,000,000 shares plus the number of Returning Shares that were subject to outstanding awards other than stock options, SARs or awards denominated in dollars under the 2005 LTIP (a Full Value Award, and such limit, the Full Value Award Limit ), except that a Full Value Award granted in excess of the Full Value Award Limit will be counted against the Stock Option/SAR Award Limit as 2.5 shares of Class A Common Stock for every share subject to such award.

Shares subject to awards under the 2013 LTIP will again be available for future awards upon the occurrence of specified events that result in fewer than the total number of shares subject to the award being delivered to the participants. Shares of Class A Common Stock subject to awards under the 2013 LTIP that expire or are cancelled, forfeited or terminated without having been exercised or paid, or that are settled in cash will be available for the grant of future awards in the same amount as such shares were counted against the 2013 LTIP Limit, the Stock Option/SAR Award Limit and the Full Value Award Limit. Shares of Class A Common Stock (a) tendered or withheld or subject to an award surrendered in connection with the exercise of a stock option, (b) deducted or delivered from payment of a stock option or SAR in connection with the Company's tax withholding obligations, or (c) purchased by the Company with proceeds from the exercise of stock options will not be available for the grant of future awards. Shares underlying awards granted in substitution for awards previously granted by an entity acquired by the Company will not be counted against the 2013 LTIP Limit, the Stock Option/SAR Award Limit or the Full Value Award Limit.

No participant may be granted stock options or SARs with respect to more than 3,000,000 shares of Class A Common Stock in any one calendar year, except that a participant may be granted awards in respect of up to 5,000,000 shares of Class A Common Stock in the participant's year of hire. For all other awards intended to qualify for the Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code ) exception for qualified performance-based compensation, the maximum amount payable to any one participant in respect of any performance period, which shall be a period of time of at least one year, is \$25,000,000 for awards denominated in cash and 3,000,000 shares of Class A Common Stock for awards denominated in shares.

### ***Administration***

The 2013 LTIP will be administered by the Board or the Compensation Committee. In addition, subject to certain limitations, the Compensation Committee may delegate its authority under the 2013 LTIP to one or more members of the Compensation Committee or one or more officers of the Company. The Compensation Committee selects the participants who receive awards under the 2013 LTIP, and determines the type of award to be granted, the number of shares subject to awards or the cash amount payable in connection with awards and the terms and conditions of these awards under the 2013 LTIP.

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With respect to any award that is intended to satisfy the requirements of the Section 162(m) exception for qualified performance-based compensation, the Compensation Committee will consist of at least the number of directors required from time to time to satisfy this exception, and each Compensation Committee member will satisfy the qualification requirements of such exception.

### ***Fair Market Value Determination***

The fair market value of a share of Class A Common Stock on a given date will mean, unless otherwise determined by the Compensation Committee, the closing price of the Class A Common Stock on such date (or if no closing price was reported on such date, as applicable, on the preceding business day) on the NASDAQ Global Select Market or other principal stock exchange on which the Class A Common stock is then listed. If the Class A Common Stock is not listed on such an exchange, quoted on such system or traded on such a market, the Board will determine the fair market value by the application of a reasonable valuation method, in a manner consistent with Section 409A of the Code.

The fair market value of a share of Class A Common Stock was \$31.44 on August 19, 2013.

### ***Terms and Conditions of Awards***

#### ***Stock Options***

Stock options can be either incentive stock options within the meaning of Section 422 of the Code or options that do not qualify as incentive stock options for federal income tax purposes, called non-qualified stock options, as determined by the Compensation Committee.

The Compensation Committee determines the number and kind of stock options granted, the date of grant, the exercise price, and the vesting and exercise schedule applicable to such stock options. Unless the Compensation Committee determines otherwise, in no event may a stock option be exercised following the earlier to occur of the expiration of the stock option and the tenth anniversary of the date of grant.

The exercise price for each stock option granted under the 2013 LTIP may not be less than 100% of the fair market value of a share of Class A Common Stock on the date of grant unless such stock option is granted in substitution for outstanding awards previously granted by an entity acquired by the Company (with certain limitations).

#### ***Stock Appreciation Rights***

The Compensation Committee may grant SARs under the 2013 LTIP alone or in tandem with other awards. The exercise price for each SAR that is granted alone under the 2013 LTIP may not be less than 100% of the fair market value of a share of Class A Common Stock on the date of grant unless such SAR is granted in substitution for outstanding awards previously granted by an entity acquired by the Company (with certain limitations). SARs granted alone or in tandem with awards other than stock options will be subject to the terms and conditions established by the Compensation Committee as set forth in the applicable award agreement.

Unless the Compensation Committee determines otherwise, in no event may a SAR granted alone or in tandem with awards other than stock options be exercised following the earlier to occur of the expiration of the SAR and the tenth anniversary of the date of grant.

Stock appreciation rights granted in tandem with a stock option may be granted either at the time the stock option is granted or by amendment at any time prior to the exercise, expiration or termination of such stock option. This type of SAR entitles the holder to surrender the related stock option in lieu of exercise and to receive an amount equal to the excess of the fair market value of a share of Class A Common Stock determined as of the



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day preceding the date the holder surrenders the stock option over the aggregate exercise price of such stock option. This amount will be paid in cash or shares of Class A Common Stock, as determined by the Compensation Committee. A SAR granted in tandem with a stock option will be subject to the same terms and conditions as the related stock option and will be exercisable only at such time and to such extent as the related stock option is exercisable.

### *No Repricing*

The Compensation Committee may not reprice any stock option or SAR without the approval of stockholders. In general, reprice means any of the following or any other action that has the same effect: (a) amending the terms of a stock option or SAR to reduce its exercise price, (b) cancelling a stock option or SAR at a time when its exercise price exceeds the fair market value of a share of Class A Common Stock in exchange for a stock option or SAR with an exercise price that is less than the exercise price of the original stock option or SAR, as applicable, or a restricted share or other equity award unless the cancellation and exchange occurs in connection with a merger, acquisition, spin-off or other similar corporate transaction, (c) cancelling a stock option or SAR at a time when its exercise price exceeds the fair market value of a share of Class A Common Stock in exchange for cash or other securities, or (d) taking any other action that is treated as a repricing under U.S. generally accepted accounting principles.

### *Restricted Shares, Restricted Share Units and Unrestricted Shares*

The Compensation Committee may grant restricted shares, RSUs and unrestricted shares under the 2013 LTIP. A restricted share is a share of Class A Common Stock granted to the participant subject to restrictions as determined by the Compensation Committee. An RSU is a contractual right to receive, in the discretion of the Compensation Committee, a share of Class A Common Stock, a cash payment equal to the fair market value of a share of Class A Common Stock or a combination of cash and Class A Common Stock, subject to terms and conditions as determined by the Compensation Committee. The Compensation Committee may also grant awards for unrestricted shares of Class A Common Stock to eligible employees in recognition of achievements and performance.

Restricted shares and RSUs will be subject to a vesting schedule, which may include any applicable performance goal requirements, established by the Compensation Committee. Subject to limited exceptions, vesting schedules must remain in effect (in whole or in part) until the first anniversary of the date of grant.

For restricted shares, the participant will have all rights as a holder of shares of Class A Common Stock except that the restricted shares cannot be sold, transferred, assigned, pledged or otherwise encumbered or disposed of until such shares have vested. Notwithstanding the foregoing, dividends paid on restricted shares that vest or are earned based upon the achievement of performance goals will be accrued during the applicable performance period and such dividends will vest and be paid only if the performance goals for the underlying restricted shares are achieved, and if the performance goals are not achieved, the participant will forfeit all unvested dividends with respect to such restricted shares.

### *Performance Awards*

The Compensation Committee may grant performance awards in the form of either performance shares or performance units. Unless the Compensation Committee determines otherwise, the granting, vesting and/or exercisability of performance awards will be conditioned on the achievement of performance goals (as described below) during a performance period as selected by the Compensation Committee. Performance shares are payable in shares of Class A Common Stock and performance units are payable in cash or in shares of Class A Common Stock or in a combination of cash and shares of Class A Common Stock.

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### *Performance Goals and Section 162(m) of the Code*

Section 162(m) of the Code generally provides that no federal income tax business expense deduction is allowed for annual compensation in excess of \$1 million paid by a publicly-held company to its principal executive officer or any of its three other most highly compensated officers (excluding the principal financial officer), as determined in accordance with applicable rules under the Exchange Act, who are referred to as covered employees. However, performance-based compensation is excluded from this limitation. The 2013 LTIP is designed to permit the Compensation Committee to grant awards that qualify as performance-based for purposes of satisfying the conditions of Section 162(m).

Under the 2013 LTIP, the Compensation Committee may condition the grant, vesting and/or exercisability of any award, including, but not limited to, performance shares and performance units, upon the attainment of performance targets related to one or more performance goals over a performance period selected by the Compensation Committee. The Compensation Committee may reduce any award below the maximum amount that could be paid based on the degree to which the performance targets related to such award were attained. However, the Compensation Committee may not increase any award that is intended to satisfy the Section 162(m) exception for qualified performance-based compensation above the maximum amount that could be paid based on the attainment of performance targets.

For awards that are intended to satisfy the Section 162(m) exception for qualified performance-based compensation, the awards will be subject to one or more, or any combination, of the following performance goals, on a GAAP or non-GAAP basis, as selected by the Compensation Committee: net income, adjusted net income, EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization), adjusted EBITDA, OIBDA (Operating Income Before Depreciation and Amortization), adjusted OIBDA, operating income, adjusted operating income, free cash flow, adjusted free cash flow, net earnings, net earnings from continuing operations, earnings per share, adjusted earnings per share, revenue, net revenue, operating revenue, total stockholder return, share price, return on equity, return in excess of cost of capital, profit in excess of cost of capital, return on assets, return on invested capital, net operating profit after tax, operating margin or profit margin.

In addition, for any awards that are not intended to satisfy the Section 162(m) exception, the Compensation Committee may establish performance targets based on other performance goals, as it deems appropriate.

The performance targets may be based on objectives related to individual performance, Company performance, or the performance of an affiliate, division, department, region, function or business unit, including, without limitation, financial and operating performance and individual contributions to financial and non-financial objectives, and the implementation and enforcement of effective compliance programs. The performance targets may be determined on an absolute or cumulative basis or on a percentage of improvement over time. In addition, a performance target may be measured in terms of Company performance (or of the performance of an affiliate, division, department, region, function or business unit) or measured relative to selected peer companies or a market index.

In the event that, during a performance period, any recapitalization, reorganization, merger, acquisition, divestiture, consolidation, spin-off, combination, liquidation, dissolution, sale of assets or other similar corporate transaction or event, or any other extraordinary event or circumstance occurs which the Compensation Committee determines has the effect of distorting the applicable performance criteria involving the Company, including, without limitation, changes in accounting standards, the Compensation Committee may adjust or modify the calculation of the performance goals, to the extent necessary to prevent reduction or enlargement of the participants' awards under the 2013 LTIP for such performance period attributable to such transaction, circumstance or event.

In the case of compensation attributable to stock options and SARs, the performance goal requirement is deemed satisfied, and the certification requirement is inapplicable, if the grant or award is made by the

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Compensation Committee; the plan under which the stock option or SAR is granted states the maximum number of shares with respect to which stock options and SARs may be granted during a specified period to an employee; and under the terms of the stock option or SAR, the amount of compensation is based solely on an increase in the value of the common stock after the date of grant.

### *Dividend Equivalents*

The Compensation Committee may, in its sole discretion, allow any recipient of an award under the 2013 LTIP (other than a stock option or SAR) to receive, currently or on a deferred basis, interest, dividends or dividend equivalent payments, with respect to the number of shares of Class A Common Stock covered by such award. The Compensation Committee may also provide for the amount of such interest, dividends or dividend equivalents to be reinvested and/or subject to the same terms and conditions (including vesting and forfeiture provisions) as the related award. Dividends or dividend equivalents granted with respect to an award that vests or is earned based upon the achievement of performance goals will be accrued during the applicable performance period and such dividends or dividend equivalents will vest and be paid only if the performance goals for the underlying award are achieved, and if the performance goals are not achieved, the participant will forfeit all unvested dividends or dividend equivalents with respect to such award.

### *Other Awards*

The Compensation Committee has the authority to grant other equity-related awards or cash payments, which payments may be based on criteria determined by the Compensation Committee, under the 2013 LTIP that are consistent with the purpose of the 2013 LTIP and the interests of the Company. The Compensation Committee may also establish procedures for the deferral of payment of awards.

### *Adjustments; Change in Control*

In the event of a change in the Company's equity structure, such as a stock split, the Compensation Committee will make appropriate adjustments to the number and kind of securities subject to outstanding awards, the exercise price or purchase price, if any, of outstanding awards, and the maximum number or kind of securities that may be granted under the 2013 LTIP or the aggregate number or kind of securities that may be granted to any participant.

In the event of a change in control (as defined in the 2013 LTIP), the Compensation Committee may also (i) provide for full vesting of outstanding awards for participants whose service is terminated by the Company in connection with the consummation of the change in control, (ii) provide that outstanding awards will be terminated upon the consummation of the change in control, and the vesting and payout of the awards accelerated for participants who are service providers at the time of the change in control, (iii) provide that outstanding awards may be cashed out (with certain limitations), and/or (iv) make such other adjustments as it deems appropriate, including providing for full vesting of awards for those participants whose service is terminated in connection with the transaction.

### *Transfer Restrictions*

The rights of a participant with respect to any award granted under the 2013 LTIP will be exercisable during the participant's lifetime only by the participant and will not be transferable by the participant other than by will or the laws of descent and distribution. The Compensation Committee may, however, permit other transferability, subject to any conditions and limitations that it imposes.

### *Amendment and Termination of the 2013 LTIP*

The Board may at any time alter, amend, suspend or terminate the 2013 LTIP, in whole or in part, except that no alteration or amendment will be effective without stockholder approval if such approval is required by

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law or under the rules of the principal stock exchange on which the Class A Common Stock is listed, and no termination, suspension, alteration or amendment may materially adversely affect the terms of any then outstanding awards without the consent of the affected participant. Unless earlier terminated by the Board, the 2013 LTIP will terminate on October 18, 2023.

### ***Forfeiture; Recoupment***

The Compensation Committee may reserve the right in an award agreement to cause a forfeiture of the gain realized by a participant with respect to an award on account of actions taken by, or failed to be taken by, the participant in violation or breach of, or in conflict with, any employment agreement, non-competition agreement, agreement prohibiting solicitation of employees or clients of the Company or any affiliate, confidentiality obligation with respect to the Company or any affiliate, Company policy or procedure (including, without limitation, the Company's Standards of Business Conduct), other agreement or any other obligation of the participant to the Company or any affiliate, as and to the extent specified in the applicable award agreement. Awards granted under the 2013 LTIP will be subject to mandatory repayment by the participant to the Company to the extent the participant is, or in the future becomes, subject to any Company clawback or recoupment policy that is adopted to comply with the requirements of any applicable law, rule or otherwise, or any law, rule or regulation that imposes mandatory recoupment.

### ***Parachute Payments***

Payments under awards that become subject to the excess parachute tax rules may be reduced under certain circumstances.

### **U.S. Federal Income Tax Consequences**

The following is a summary of certain federal income tax consequences of awards made under the 2013 LTIP based upon the laws in effect on the date of this proxy statement. The discussion is general in nature and does not take into account a number of considerations that may apply in light of the circumstances of a particular participant under the 2013 LTIP. The income tax consequences under applicable state and local tax laws may not be the same as those under federal income tax laws.

### ***Incentive Stock Options***

The grant of an incentive stock option will not be a taxable event for the participant or for the Company. In addition, a participant generally will not recognize taxable income upon exercise of an incentive stock option. A participant's alternative minimum taxable income, however, will be increased by the amount by which the aggregate fair market value of shares of Class A Common Stock underlying the option, which is generally determined as of the date of exercise, exceeds the aggregate exercise price of the option. Any gain realized upon a disposition of the Class A Common Stock received pursuant to the exercise of an incentive stock option will be taxed as long-term capital gain if the participant holds the shares of Class A Common Stock for at least two years after the date of grant and for one year after the date of exercise (the holding period requirement). The Company will not be entitled to any income tax deduction with respect to the exercise of an incentive stock option, except as discussed below.

For the exercise of an incentive stock option to qualify for the foregoing tax treatment, the participant generally must be our employee or an employee of our subsidiary from the date the option is granted through a date within three months before the date of exercise of the option. If all of the foregoing requirements are met except the holding period requirement mentioned above, the participant will recognize ordinary income upon the disposition of the Class A Common Stock in an amount generally equal to the excess of the fair market value of the Class A Common Stock at the time the incentive stock option was exercised over the option exercise price (but not in excess of the gain realized on the sale). The balance of the realized gain, if any, will be capital gain.

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The Company will be allowed an income tax deduction to the extent the participant recognizes ordinary income, subject to the Company's compliance with Section 162(m) of the Code and to certain reporting requirements.

### *Nonqualified Stock Options*

The grant of a nonqualified stock option will not be a taxable event for the participant or the Company. Upon exercising a nonqualified stock option, a participant will recognize ordinary income (and will be subject to income tax withholding) in an amount equal to the difference between the exercise price and the fair market value of the Class A Common Stock on the date of exercise. Upon a subsequent sale or exchange of shares acquired pursuant to the exercise of a nonqualified stock option, the participant will have taxable capital gain or loss, measured by the difference between the amount realized on the disposition and the tax basis of the shares of Class A Common Stock (generally, the amount paid for the shares plus the amount treated as ordinary income at the time the option was exercised). If the Company complies with applicable reporting requirements and with the restrictions of Section 162(m) of the Code, the Company will be entitled to an income tax deduction in the same amount and generally at the same time as the participant recognizes ordinary income.

### *Stock Appreciation Rights*

The grant of a SAR will not be a taxable event for the participant or the Company. Upon exercising a SAR, a participant will recognize ordinary income (and will be subject to income tax withholding) in an amount equal to the fair market value of the Class A Common Stock and the value of cash (if the SARs are settled in whole or in part in cash) received by the Participant. If the Company complies with applicable reporting requirements and with the restrictions of Section 162(m) of the Code, the Company will be entitled to an income tax deduction in the same amount and generally at the same time as the participant recognizes ordinary income.

### *Restricted Shares*

A participant who is awarded restricted shares will not recognize any taxable income for federal income tax purposes in the year of the award, provided that the shares of Class A Common Stock are subject to restrictions (that is, the restricted stock is nontransferable and subject to a substantial risk of forfeiture). However, the participant may elect under Section 83(b) of the Code to recognize compensation income (and will be subject to income tax withholding) in the year of the award in an amount equal to the fair market value of the Class A Common Stock on the date of the award (less the purchase price, if any), determined without regard to the restrictions. If the participant does not make such a Section 83(b) election, the fair market value of the Class A Common Stock on the date the restrictions lapse (less the purchase price, if any) will be treated as compensation income to the participant and will be taxable (and will be subject to income tax withholding) in the year the restrictions lapse and dividends paid while the Class A Common Stock is subject to restrictions will be subject to withholding taxes. If the Company complies with applicable reporting requirements and with the restrictions of Section 162(m) of the Code, the Company will be entitled to an income tax deduction in the same amount and generally at the same time as the participant recognizes ordinary income.

### *Restricted Share Units and Performance Awards*

The grant of an award of RSUs or a performance award will not be a taxable event for the participant or the Company. A participant who is awarded RSUs or a performance award will be required to recognize ordinary income (and will be subject to income tax withholding) in an amount equal to the fair market value of shares of the Class A Common Stock and the value of the cash (if the RSUs or performance award are settled in whole or in part in cash) issued to such participant at the end of the restriction period or, if later, the payment date. If the Company complies with applicable reporting requirements and with the restrictions of Section 162(m) of the Code, the Company will be entitled to an income tax deduction in the same amount and generally at the same time as the participant recognizes ordinary income.

**Table of Contents***Unrestricted Shares*

A participant who is awarded unrestricted shares of Class A Common Stock will be required to recognize ordinary income (and will be subject to income tax withholding) in an amount equal to the fair market value of the shares on the date of the award, reduced by the amount, if any, paid for such shares. If the Company complies with applicable reporting requirements and subject to the limits of Section 162(m) of the Code, the Company will be entitled to an income tax deduction in the same amount and generally at the same time as the participant recognizes ordinary income.

*Dividend Equivalent Rights*

Participants who receive dividend equivalent rights will be required to recognize ordinary income (and will be subject to income tax withholding) in an amount distributed to the participant pursuant to the award. If the Company complies with applicable reporting requirements and with the restrictions of Section 162(m) of the Code, the Company will be entitled to an income tax deduction in the same amount and generally at the same time as the participant recognizes ordinary income.

**Equity Compensation Plan Information**

The following table summarizes equity plan information as of June 30, 2013 with respect to the Company's outstanding stock options and shares of Common Stock reserved for future issuance under the Company's equity compensation plans, including the Company's 2004 Stock Option Plan (the "2004 Stock Option Plan"), the Company's 2004 Replacement Stock Option Plan (the "Replacement Plan" and together with the 2004 Stock Option Plan, the "2004 Plans") and the Company's 2005 LTIP. All shares reflected in the table are shares of the Class A Common Stock. The outstanding shares of Class A Common Stock and the weighted-average exercise price in the table have been adjusted to reflect the Separation.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants, rights, RSUs and PSUs (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c) <sup>(1)</sup>
Equity compensation plans approved by stockholders <sup>(2)</sup>			
2005 LTIP	17,793,834	-	102,387,672
2004 Plans	2,204,590 <sup>(3)</sup>	\$ 11.71	-
Equity compensation plans not approved by stockholders	-	-	-
<b>Total</b>	<b>19,998,424</b>	<b>-</b>	<b>102,387,672</b>

(1) Of the shares available for future issuance under the 2005 LTIP, a maximum of 19,887,672 shares may be issued in connection with awards of restricted stock, RSUs or PSUs as of June 30, 2013.

(2) Beginning June 30, 2005, no additional stock options may be granted under the 2004 Plans.

(3) The outstanding stock options have a weighted-average remaining term of 1.5 months.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE PROPOSAL TO APPROVE THE TWENTY-FIRST CENTURY FOX, INC. 2013 LONG-TERM INCENTIVE PLAN.**

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**PROPOSAL NO. 5**

**STOCKHOLDER PROPOSAL**

**ADOPT A POLICY THAT THE CHAIRMAN OF THE BOARD OF DIRECTORS BE AN INDEPENDENT DIRECTOR**

Christian Brothers Investment Services ( CBIS ), 777 Third Avenue, 29<sup>th</sup> Floor, New York, NY 10017, which is the beneficial owner of 547 shares of Class B Common Stock as of the date of submission, has given notice that it intends to present for action at the Annual Meeting the resolution set forth below. British Columbia Investment Management Corporation, the beneficial owner of 44,223 shares of Class B Common Stock as of the date of submission, joins CBIS as a co-filer of this proposal. In accordance with applicable proxy rules, the proposal and supporting statements, for which the Company accepts no responsibility, is set forth below:

**WHEREAS:**

Events leading to the closure of pre-Separation News Corporation's News of the World operations in 2011 continue to raise investor concerns about the cost in jobs, reputation, market position, and enterprise value of inadequate oversight and maintenance of corporate culture within the company and its subsidiaries.

This pervasive and continuing scandal has led to an erosion of public confidence, helped to scuttle a critical business acquisition, and threatened the journalistic reputation and viability of pre-Separation News Corporation's UK publications. It also has made clear the need for independent board leadership to steer the company through a process of reform.

That these revelations took years to uncover suggest a lax ethical culture and a lack of effective board oversight.

The shareholder proposal calling for the appointment of an Independent Chair was filed at the 2012 annual meeting and the results demonstrate strong investor support:

31% of shares voted supported the proposal, including CalPERS and Hermes Equity Ownership Services. Two-thirds (66%) of non-Murdoch family shareholders voted in favor of the proposal; ISS, PIRC, and Glass Lewis recommended in favor of the proposal as did the Australian Council of Superannuation Investors; and Eighteen investors with more than US\$1.6 trillion in assets expressed support in a letter to the pre-Separation News Corporation board.

To date, there is insufficient evidence that the proposed reorganization will reflect the interests of the wider shareholder body, as the Chairman of the two spin-off companies will not be independent.

Given the dual-class share structure, the level of family control, and the influence this may bring to the impending reorganization, it is particularly important for the Company to have an Independent Chair who is empowered to challenge management and to foster a culture of accountability.

An Independent Chair can provide the Board with the appropriate corporate governance structure to enable a reorganization that benefits all shareholders. This is needed in order to rebuild the public confidence and trust that is critical to a major news organization, and assure shareholders that governance failures are being addressed.

**THEREFORE, BE IT RESOLVED:** That stockholders of Twenty-First Century Fox, Inc. (the Company) ask the Board of Directors to adopt a policy that the Board's Chairman be an independent director according to the definition set forth in NASDAQ listing standards, unless Company common stock ceases being listed there and is listed on another exchange, at which point, that exchange's independence standard should

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apply. If the Board determines that a Chairman who was independent when selected is no longer independent, the Board shall promptly select a new Chairman who satisfies this independence requirement. Compliance with this requirement may be excused if no director who qualifies as independent is elected by shareholders or if no independent director is willing to serve as Chairman. This independence requirement shall apply prospectively so as not to violate any Company contractual obligation at the time this resolution is adopted.

### **THE BOARD'S STATEMENT IN OPPOSITION TO PROPOSAL NO. 5**

The Board recommends that stockholders vote against this Proposal No. 5.

The Board recognizes that one of its key responsibilities is to establish and maintain the most effective leadership structure for the Company. Based on its experience, considerable engagement with stockholders and an assessment of research on this issue, the Board understands that there are a variety of viewpoints concerning a board's optimal leadership structure, that available empirical data concerning the impact of board leadership structure on stockholder value is inconclusive and not compelling, and, therefore, there is no single, generally accepted approach to board leadership in the United States. Given the Company's highly complex business and competitive environment in which we operate, the Board believes that the right leadership structure may vary based on circumstances. Consistent with this understanding and to retain flexibility in establishing the most effective leadership structure for the Company, the Board does not have a policy on whether the Chairman of the Board shall be an independent member of the Board and, at least annually, reviews its leadership structure. This review includes, among other things, the policies and practices in place that provide independent Board oversight, the Company's performance and the effect a particular leadership structure may have on that performance, the structure that serves the best interests of the Company's stockholders and any relevant legislative or regulatory developments. By permitting the roles of the Chairman and CEO to be filled by the same or different individuals, the Board is able to choose a leadership structure that can be tailored to the strengths of the Company's officers and Directors and best addresses the Company's evolving and dynamic business.

Independent oversight of management is critical to the Company's corporate governance structure. The Board does not consider the mandated separation of the Chairman and CEO necessary to accomplish this goal. The Company achieves independent oversight of executive management through the composition of the Board, use of an independent Lead Director and the Company's corporate governance policies and practices.

To ensure a strong and independent Board, the Company's Statement of Corporate Governance requires the Board be comprised of a majority of Directors who qualify as independent directors in accordance with the applicable provisions of the Securities Exchange Act of 1934, as amended and the listing standards of The NASDAQ Stock Market. All members of the Board's standing committees (Audit, Compensation and Nominating and Corporate Governance) are independent. Therefore, oversight of critical issues such as the integrity of the Company's financial statements, executive compensation decisions (including for Mr. K.R. Murdoch), recommendations for the nomination of Directors, oversight of the management of the Company's compliance program and the annual review and evaluation of Board conduct and performance is entrusted solely to independent Directors. The Company's non-executive and independent Directors routinely meet without the presence of executive management, including at each regularly scheduled Board meeting. In addition, the Board's independent Directors have been actively engaged in matters related to *The News of the World* phone hacking investigations, and the full Board has acted decisively to provide for appropriate cooperation with the investigations and to enhance the Company's global compliance program.

The Company's Statement of Corporate Governance also requires that if the Chairman is not an independent Director, an independent, non-executive Director is designated by a majority of the independent, non-executive Directors of the Board as Lead Director. Sir Roderick Eddington currently serves as Lead Director. As disclosed in the section entitled *Board Leadership Structure*, Sir Roderick Eddington's primary responsibilities include:

presiding over all meetings of the Board at which the Chairman of the Board is not present, including executive sessions of the non-executive Directors and the independent Directors;



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communicating to the Chairman of the Board feedback from executive sessions as appropriate;  
serving as liaison between the Chairman of the Board and the independent Directors;  
meeting with the Audit Committee and/or the Compliance Steering Committee periodically;  
reviewing agendas and information sent to the Board for Board meetings;  
reviewing meeting schedules to assure that there is sufficient time for discussion of all agenda items;  
calling meetings of the non-executive Directors and/or independent Directors, if desired;  
participating in the Compensation Committee's evaluation of the performance of the CEO;  
supervising the self-evaluations of the Directors in coordination with the Nominating and Corporate Governance Committee;  
supervising the Board's determination of the independence of its Directors; and  
ensuring his availability for consultation and direct communications, if requested by major stockholders.

The Board has determined that combining the roles of Chairman and CEO in Mr. K.R. Murdoch at this time offers several distinct benefits to the Company and its stockholders. The Board considered Mr. K.R. Murdoch's unique insight and strategic vision which make him the most capable of leading the Board in discussions of the execution of the Company's strategy. The Board also considered the Company's current corporate governance structure, including its emphasis on Board independence, a strong independent Lead Director and focus on Board and committee involvement. The Board concluded that the Company can more effectively execute its strategy and business plans to maximize stockholder value if Mr. K.R. Murdoch continues to hold the positions of Chairman and CEO. The Board also believes that this unified structure provides the Company with a strong and consistent direction with one clear leader in both roles providing decisive and effective leadership.

Furthermore, there is no established consensus that separating the roles of the CEO and Chairman is a corporate governance best practice or that such a separation enhances returns for stockholders. The authors of a 2004 Wharton School of Business article entitled "Splitting Up the Roles of CEO and Chairman: Reform or Red Herring?" (available at <http://knowledge.wharton.upenn.edu>) conclude there is no evidence that separating the positions of Chairman and CEO improves corporate performance. In addition, the vast majority of U.S. companies have not implemented the structure recommended by the proposal. A Spencer Stuart U.S. Board Index 2012 (available at <http://www.spencerstuart.com>) found that 57% of S&P 500 companies have a leadership structure combining the positions of Chairman and CEO. Of the 43% of S&P 500 companies that have separated the positions of Chairman and CEO, only 23% have Chairmen who are considered truly independent.

The Board is aware of investor concerns regarding the leadership structure and will continue to consider the pros and cons of separating or combining the Chairman and CEO positions. However, given the Company's independent Board structure, role of the independent Lead Director and other strong corporate governance practices, the Board believes that mandating a separation of the positions of Chairman and CEO would weaken the Company's current leadership structure. Additionally, the proposal would deprive the Board of the valuable flexibility to exercise its business judgment in selecting the individual best suited to serve as Chairman in the future. Accordingly, the Board does not believe that adopting the proposal would be in the best interests of the Company or its stockholders.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE AGAINST THIS STOCKHOLDER PROPOSAL TO ADOPT A POLICY THAT THE CHAIRMAN OF THE BOARD OF DIRECTORS BE AN INDEPENDENT DIRECTOR.**

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**PROPOSAL NO. 6**

**STOCKHOLDER PROPOSAL**

**ELIMINATE THE COMPANY'S DUAL CLASS CAPITAL STRUCTURE**

The Nathan Cummings Foundation ( Nathan Cummings ), 475 Tenth Avenue, 14<sup>th</sup> Floor, New York, NY 10018, which is the beneficial owner of 3,686 shares of Class B Common Stock as of the date of submission, has given notice that it intends to present for action at the Annual Meeting the resolution set forth below. Legal & General Assurance (Pensions Management) Limited, the beneficial owner of 55,699 shares of Class B Common Stock as of the date of submission, on behalf of its client Hermes Equity Ownership Services, joins Nathan Cummings as a co-filer of this proposal. In accordance with applicable proxy rules, the proposal and supporting statements, for which the Company accepts no responsibility, is set forth below:

RESOLVED, that stockholders of Twenty-First Century Fox, Inc. (the Company ) request that the Board of Directors take the necessary steps (excluding those steps that must be taken by the Company's stockholders) to adopt a recapitalization plan that would eliminate the Company's dual-class capital structure and provide that each outstanding share of common stock has one vote.

**Supporting Statement**

The Company had 2,316,376,191 shares of common stock outstanding as of August 19, 2013, the date used in the beneficial ownership table in the Company's definitive proxy statement filed on April 30, 2013. Holders of the 1,517,855,238 outstanding shares of Class A common stock, nearly 70% of the Company's equity base, have no voting rights. Holders of Class B common stock, of which 798,520,953 shares were outstanding, have one vote per share.

As of April 19, 2013, the Company's chairman and CEO, K. Rupert Murdoch, beneficially owns 39.4% of the Class B shares and less than 1% of Class A shares. Thus, despite owning only about 14% of outstanding shares, Mr. Murdoch controls nearly 40% of the voting power of the Company, allowing him outsized power in determining the outcome of shareholder votes.

Dual-class structures like the one in place at the Company distort incentives and increase agency costs by misaligning economic incentives and voting power. High-profile scandals at companies such as Hollinger and Adelphia illustrate the dangers of dual-class structures in facilitating the extraction of private benefits for management. Governance expert Charles Elson has stated that dual-class structures create a culture with no accountability. (Geoff Colvin, The Trembling at News Corp. Has Only Begun, CNNMoney, July 19, 2011)

According to a recent preliminary proxy statement filed by the Company on April 4, 2013, there are certain negative consequences associated with the existing dual-class capital structure, including the possibility that the Company's significant voting stockholders could pursue their own interests to the detriment of the Company's other stockholders. Indeed, we believe that the Murdoch family's effective control over the Company has resulted in decisions that are not in public stockholders' best interests.

A recently settled derivative suit alleged that the Board failed in its oversight duties. Among other things, the plaintiffs alleged in a June 2012 consolidated complaint that, The Board has a long track record of pursuing transactions that clearly help the controlling family, while providing questionable benefits or objective injury to the public shareholders. (available at <http://www.newscorpdervativesettlement.com/pdf/complaint.pdf>)

Dual-class structures are associated with poorer company performance. A 2008 study by Harvard's Paul Gompers and two co-authors found that dual-class structures with disparate voting rights were correlated with lower firm value. (Paul Gompers et al., Extreme Governance (working paper 2008) (available at [http://papers.ssrn.com/so13/papers.cfm?abstract\\_id=562511](http://papers.ssrn.com/so13/papers.cfm?abstract_id=562511)))

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Accordingly, we believe that eliminating the dual-class structure, and installing a one-share/one-vote arrangement, would benefit the Company and its public stockholders.

**THE BOARD'S STATEMENT IN OPPOSITION TO PROPOSAL NO. 6**

The Board recommends that stockholders vote against this Proposal No. 6. The elimination of the Company's dual class capital structure would effectively dilute the voting power of all the existing Class B stockholders. The Board believes that retaining two classes of common stock with different voting rights is in the best interest of the Company and its stockholders. The Board believes that the current dual class capitalization structure: (a) promotes stability and continuity in the leadership and management of the Company, which allows the Company to focus on long-term objectives, (b) enhances the Company's ability to attract, retain and motivate highly qualified key employees and (c) provides the Company with greater flexibility in financing its growth. The Board's reasons for its position are described in more detail below.

***Continuity and Stability.*** In the face of difficult challenges, management of companies with a single class of common stock can become singularly focused on maximizing short-term value and performance at the expense of long-range planning in an effort to justify its business plans. The Board believes that Mr. K.R. Murdoch, the Company's Chairman and Chief Executive Officer, and his family have pursued stockholder value enhancing strategies throughout the Company's history and have been the primary source of the strategic vision that has made the Company's success up to this point possible. The Board has always been committed to the long-term viability of the Company. As such, the Board believes that the dual class capital structure, which provides limited voting rights for the Class A Common Stockholders on extraordinary matters, reduces the risk of disruption in the continuity of the Company's current operational policies and long-range strategy by allowing management to pursue strategies that it believes will enhance the long-term profitability of the Company.

***Retention of Key Employees.*** The Board believes that the dual class capital structure enhances the Company's ability to attract and retain highly qualified key employees. The Company's ability to issue Class A Common Stock-based equity awards increases its flexibility in structuring compensation plans so that management and key employees can participate in the growth of the Company without diluting the voting power of the Class B stockholders.

***Financing Flexibility.*** The dual class capital structure provides the Company with greater flexibility to pursue a long-term emphasis on stockholder value through growth and financial strength. The Board believes that the Company's ability to issue Class A Common Stock, for which there is already a sizeable and liquid market, better positions the Company to finance growth opportunities without significantly diluting the voting interest of the Company's Class B stockholders. The Board believes that a company with a single class of stock may run the risk of foregoing stock issuances (thereby foregoing strategic transactions that potentially could be of great benefit to stockholders) simply out of concerns over dilution of control. The Company, however, has historically issued its Class A Common Stock for a variety of corporate purposes that have enhanced the value and financial strength of the Company. Such transactions include the financing of significant mergers and acquisitions and the raising of needed capital to fund growth. As the issue of control is not a factor in the Board's consideration of these transactions, the decision by the Company to issue stock in acquisitions or capital raising transactions is based solely on the perceived economic benefits of the transaction to the Company and all of its stockholders.

Approval of this Proposal 6 would not itself eliminate the Company's dual class capital structure, but rather it would be an advisory recommendation to the Board to submit such a proposal to the Company's Class B stockholders within the next 12 months.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE AGAINST THIS STOCKHOLDER PROPOSAL TO ELIMINATE THE COMPANY'S DUAL CLASS CAPITAL STRUCTURE.**

**Table of Contents****EXECUTIVE OFFICERS OF 21ST CENTURY FOX**

The executive officers of the Company at June 30, 2013 are set forth in the table below. Unless otherwise noted, each holds the offices indicated until his successor is chosen and qualified at the regular meeting of the Board to be held following the Annual Meeting, or at other meetings of the Board as appropriate.

<b>Name</b>	<b>Age</b>	<b>Position with the Company</b>
K. Rupert Murdoch <sup>(1)</sup>	82	Chairman and Chief Executive Officer
Chase Carey	59	Deputy Chairman, President and Chief Operating Officer
James R. Murdoch <sup>(1)</sup>	40	Director, Deputy Chief Operating Officer and Chairman and CEO, International
David F. DeVoe <sup>(2)</sup>	66	Director, Senior Executive Vice President and Chief Financial Officer
Gerson Zweifach	60	Senior Executive Vice President and Group General Counsel

- (1) Mr. K.R. Murdoch, is the father of Mr. J.R. Murdoch and Mr. L.K. Murdoch, a Director. Messrs. J.R. Murdoch and L.K. Murdoch are brothers. None of the other executive officers of the Company is related to any other executive officer or Director of the Company by blood, marriage or adoption.
- (2) Beginning July 1, 2013, Mr. DeVoe retired as Chief Financial Officer and became a Senior Advisor of the Company, and is no longer considered an executive officer of the Company. Beginning July 1, 2013, Mr. John P. Nallen serves as Senior Executive Vice President and Chief Financial Officer of the Company.

Information concerning Messrs. K.R. Murdoch, Carey, J. R. Murdoch and DeVoe can be found under the heading Election of Directors.

*Gerson Zweifach* has been a Senior Executive Vice President and Group General Counsel of the Company since 2012. He also serves as Chief Compliance Officer of the Company. Mr. Zweifach served as an attorney at Williams & Connolly LLP where he was a partner from 1988 to February 2012 and currently serves as Of Counsel. He also serves as General Counsel of News Corp for a one-year transition period after the Separation. Mr. Zweifach has been a member of the Bar of the District of Columbia since 1981 and the Bar of the State of New York since 1980.

**Table of Contents****SECURITY OWNERSHIP OF 21ST CENTURY FOX**

The following table sets forth the beneficial ownership of both Class A Common Stock and Class B Common Stock as of August 19, 2013 for the following: (i) each person who is known by the Company to own beneficially more than 5% of the outstanding shares of Class B Common Stock; (ii) each member of the Board; (iii) each named executive officer (as identified under Executive Compensation and Other Information ) of the Company; and (iv) all Directors and executive officers of the Company as a group.

Name <sup>(2)</sup>	Common Stock Beneficially Owned <sup>(1)</sup>					Percent of Class <sup>(4)</sup>
	Number of Shares Beneficially Owned		Option Shares <sup>(3)</sup>	Non-Voting		
	Non-Voting Class A Common Stock	Voting Class B Common Stock <sup>(5)</sup>	Non-Voting Class A Common Stock	Class A Common Stock	Voting Class B Common Stock <sup>(5)</sup>	
Murdoch Family Trust <sup>(6)</sup>	57,000	306,623,480	0	*		38.4%
c/o McDonald Carano Wilson LLP						
100 W. Liberty Street						
10 <sup>th</sup> Floor						
Reno, NV 89501						
HRH Prince Alwaleed Bin Talal Bin Abdulaziz	0	56,237,915	0	0		7.0% <sup>(12)</sup>
Alsaud <sup>(7)</sup>						
c/o Kingdom Holding Company						
Kingdom Centre Floor 66						
P.O. Box 2 Riyadh, 11321						
Kingdom of Saudi Arabia						
K. Rupert Murdoch <sup>(8)</sup>	8,791,232	314,894,138	0	*		39.4%
Delphine Arnault	0	0	0	0		0
James W. Breyer	0	0	0	0		0
Chase Carey <sup>(9)</sup>	85,520	0	0	*		0
David F. DeVoe	4,080	0	0	*		0
Viet Dinh	0	1,010	0	0		*
Sir Roderick I. Eddington	134,770	0	0	*		0
James R. Murdoch <sup>(10)</sup>	2,844,320	1,644	0	*		*
Lachlan K. Murdoch	456	5,857	0	*		*
Jacques Nasser	0	0	0	0		0
Robert S. Silberman	0	15,000	0	0		*
Arthur M. Siskind <sup>(11)</sup>	11,160	7,600	0	*		*
Álvaro Uribe	0					