



**SUBMISSION TO THE TREASURY'S REVIEW OF THE NEWS MEDIA AND DIGITAL PLATFORMS
MANDATORY BARGAINING CODE**

5 MAY 2022

News Corp Australia welcomes the opportunity to make a submission to the Treasury's *Review of the News Media and Digital Platforms Mandatory Bargaining Code* (the Review).

As the Introduction to the Review states, the News Media and Digital Platforms Mandatory Bargaining Code (the Code) aims to address the bargaining power imbalances between digital platforms and news media businesses to ensure that digital platforms fairly remunerate news businesses for news content, thereby helping to sustain public interest journalism in Australia. The Code provides incentives for digital platforms and news media businesses to reach commercial deals outside of the Code.

The Code supports commercial agreements between news media organisations and digital platforms.

On February 17, 2021 News Corp announced a global partnership with Google¹ (see press release at Attachment A). On March 15, 2021 News Corp announced *News Corp and Facebook reach agreement in Australia*² (see press release at Attachment B). The terms of these agreements are confidential.

These agreements and others that were made against the backdrop of the Code are important to the future of news media businesses in Australia. The Code will continue to play a crucial role in the news media landscape for years to come.

¹ <https://newscorp.com/2021/02/17/news-corp-and-google-agree-to-global-partnership-on-news/>

² <https://newscorp.com/2021/03/15/news-corp-and-facebook-reach-agreement-in-australia/>

ATTACHMENT A

Feb 17, 2021

News Corp and Google Agree To Global Partnership On News

Long-term Deal Involves Payment For Premium Content For Google News Showcase;

Will Yield Substantial Benefits For Journalism And Society

New York, NY (February 17, 2021) – News Corp announced today that it has agreed to an historic multi-year partnership with Google to provide trusted journalism from its news sites around the world in return for significant payments by Google.

Among the News Corp publications joining Google News Showcase will be The Wall Street Journal, Barron's, MarketWatch, and the New York Post; in the UK: The Times and The Sunday Times, and The Sun; and in Australia a range of news platforms, including The Australian, news.com.au, Sky News, and multiple metropolitan and local titles.

The landmark three-year agreement also includes the development of a subscription platform, the sharing of ad revenue via Google's ad technology services, the cultivation of audio journalism and meaningful investments in innovative video journalism by YouTube.

Robert Thomson, Chief Executive of News Corp, said that the deal would have "a positive impact on journalism around the globe as we have firmly established that there should be a premium for premium journalism.

"I would like to thank Sundar Pichai and his team at Google who have shown a thoughtful commitment to journalism that will resonate in every country. This has been a passionate cause for our company for well over a decade and I am gratified that the terms of trade are changing, not just for News Corp, but for every publisher.

"The deal simply would not have been possible without the fervent, unstinting support of Rupert and Lachlan Murdoch, and the News Corp Board. For many years, we were accused of tilting at tech windmills, but what was a solitary campaign, a quixotic quest, has become a movement, and both journalism and society will be enhanced.

"Particular thanks are certainly due to the Australian Competition and Consumer Commission's Rod Sims and his able team, along with the Australian Prime Minister, Scott Morrison, and Treasurer Josh Frydenberg, who have stood firm for their country and for journalism."

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About News Corp

News Corp (Nasdaq: NWS, NWSA; ASX: NWS, NWSLV) is a global, diversified media and information services company focused on creating and distributing authoritative and engaging content and other products and services. The company comprises businesses across a range of media, including: digital real estate services, subscription video services in Australia, news and information services and book publishing. Headquartered in New York, News Corp operates primarily in the United States, Australia, and the United Kingdom, and its content and other products and services are distributed and consumed worldwide. More information is available at: <http://www.newscorp.com>.

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Forward-Looking Statements

This release contains forward-looking statements based on current expectations or beliefs, as well as assumptions about future events, and these statements are subject to factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The words “expect,” “estimate,” “anticipate,” “predict,” “believe,” “potential” and similar expressions and variations thereof are intended to identify forward-looking statements. These statements appear in a number of places in this release and include statements with respect to, among other things, the expected benefits from the partnership. Readers are cautioned that any forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Many factors could cause actual results to differ materially from those described in these forward-looking statements. The forward-looking statements in this release speak only as of this date and we undertake no obligation (and expressly disclaim any obligation) to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

ATTACHMENT B

Mar 15, 2021

News Corp and Facebook Reach Agreement in Australia

Expands News Corp-Facebook Connection, Which Began With Deal In US

New York, NY (March 15, 2021) – News Corp announced today that it has reached a multi-year agreement to provide access to trusted news and information to millions of Facebook users in Australia through its Facebook News product.

The agreement involves News Corp Australia and includes The Australian national newspaper, the news.com.au news site, major metropolitan mastheads like The Daily Telegraph in New South Wales, Herald Sun in Victoria and The Courier-Mail in Queensland and regional and community publications.

In parallel Sky News Australia has also reached a new agreement with Facebook which extends and significantly builds on an existing arrangement.

The three-year deal follows an agreement reached in October, 2019 in which News Corp publications in the United States receive payments in exchange for access to additional stories for Facebook News.

News Corp now has agreements with Facebook, Google and Apple to provide access to journalism and related content for a potential audience of millions around the world. News Corp and its leadership, including Executive Chairman Rupert Murdoch, Co-Chairman Lachlan Murdoch and Chief Executive Robert Thomson, have championed the cause of the tech platforms compensating news publications for content for many years.

“The agreement with Facebook is a landmark in transforming the terms of trade for journalism, and will have a material and meaningful impact on our Australian news businesses. Mark Zuckerberg and his team deserve credit for their role in helping to fashion a future for journalism, which has been under extreme duress for more than a decade,” said Mr. Thomson, News Corp Chief Executive. “Rupert and Lachlan Murdoch led a global debate while others in our industry were silent or supine as digital dysfunctionality threatened to turn journalism into a mendicant order. We are grateful to the Australian Prime Minister Scott Morrison, Treasurer Josh Frydenberg and the Australian Competition and Consumer Commission Chair Rod Sims and his team for taking a principled stand for publishers, small and large, rural and urban, and for Australia. This digital denouement has been more than a decade in the making.”

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