Electronic Arts Ltd. UK Gender Pay Gap Disclosure 2020

Introduction

This report has been prepared in compliance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The figures represented below reflect accurate employee data gathered on 5th April 2020 and were calculated according to the rules defined in the regulations.

Electronic Arts (EA) is a leading global publisher and developer of games, content and online services. For the purposes of the UK Gender Pay Gap Disclosure, we are reporting on the scope of our entity in the UK, which consists of 347 employees of Electronic Arts Ltd (EA Ltd). Of the surveyed employees in EA Ltd, 27% are women and 73% are men. Job functions range across marketing, sales, IT, development, HR, legal, finance, facilities and administration. EA Ltd's total compensation package for each employee is determined based on job function and experience level, regardless of gender, ethnicity or any other individual attributes. This is consistent with EA Ltd's practice of equal pay for equal work. However, because EA Ltd also employs more men than women, particularly at senior and higher paid roles, the calculations that EA Ltd is required to report under this regulation show a pay gap according to gender. The data below illustrates this story.

Methodology and Metrics

In accordance with the calculation guidance outlined in the Gender Pay Gap reporting regulations, the four metrics reflected include:

- 1. average hourly pay gap between men and women reflected as median and mean
- 2. average bonus pay gap between men and women reflected as median and mean
- 3. proportion of male and female employees receiving bonus and
- 4. gender proportion in pay quartiles.

EA Ltd's gender pay gap report reflects data from all jobs, at all levels and all salaries within the company. The calculations are an average view of the pay for men and women in the workforce without taking into consideration job function, job level, qualifications and experience.

Results

(1) Gender pay gap in hourly pay

(2) Bonus gender pay gap

Metric	%	Metric	%
Median difference in hourly pay between men and women	20.1%	Median difference in bonus pay between men and women	42.3%
Mean difference in hourly pay between men and women	15.7%	Mean difference in bonus pay between men and women	60.4%

Results

In addition to base salary, employees are eligible to receive additional incentive compensation including performance bonus. As is common practice in the software and technology industry, bonus targets as a percent of base salary are greater for more senior roles within the organization. Bonus targets are defined by job role, job level and location and are therefore equal by gender.

Based on present workforce makeup, there are currently more men in more senior roles with higher target bonus percentage, which explains the disparity reflected in bonus pay.

(3) Proportion of male and female employees receiving a bonus payment

Metric	%
Male	91%
Female	81%

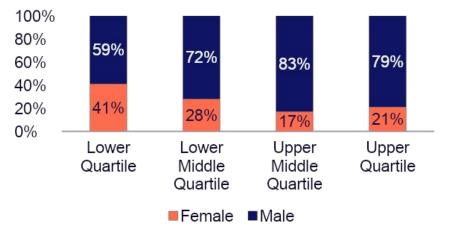
All of the employees (male and female) who did not receive a bonus were ineligible for bonus because they were new EA Ltd employees whose hire date did not meet the cut-off date for eligibility.

Results

The graph below shows the proportion of male and female employees according to each quartile pay band.

Pay is commensurate to the position in the company, experience and seniority, the under representation of women at higher levels of the company results in an overall disparity in pay based on gender.

(4) Proportion of male and female employees in each pay quartile



We recognize the need for more opportunities for women to take more senior roles in the company. Reaching a more balanced representation across all levels and functions of the company is a priority for EA as a global organisation. We have made positive strides through our focus on talent acquisition, career development and promotion. As the UK business represents nearly 4% of our global workforce, the pace of change is likely to be commensurate with the overall volume of our UK hiring requirements.





To increase diverse representation through talent acquisition, we seek qualified women and underrepresented populations at all levels. Through the use of inclusive language tools, targeted sourcing strategies and events we are building and cultivating relationships with underrepresented communities, including women. Our executive recruitment team works to attract diverse candidates into more senior roles and technical positions that generally reflect higher industry-average pay.

To cultivate future talent, we actively focus on building pipelines of diverse talent starting with inspiring interns and graduate students to join a career in game making. We offer and facilitate a full program of year long internships, Work Experience placements, studio Open Days and Game Jams for students in the local community to participate and get early exposure to career possibilities in science, technology, engineering, arts and mathematics.

To increase representation through talent development, we have studied and identified root causes that are limiting our representation at senior levels. We have targeted actions to encourage and support women in applying for and growing towards senior leadership roles.

To build a strong and supportive community of women at EA in the UK, in 2017 we launched the UK chapter of the global Women's Ultimate Team Employee Resource Group. This group provides mentorship and networking for men and women to bolster the advancement of women in our company. Furthermore, we have invested in programs that equip employees with the support, resources, and opportunity for personal and career growth to reach their fullest potential at EA.

As a global company, EA believes in equal pay for equal work and has made efforts across its global organisation to promote equal pay practices. EA is committed to continuing to assess pay equity and aims for equal pay for equal work across our global organisation.

EA is a leader in games with representation featuring diversity in leading characters and experiences that engage wide-reaching communities. Diversity is deeply rooted in our teams and our creative process.

Our commitment to equality, inclusion, and diversity means compensating our employees fairly based on the work that they perform. Using a holistic and comprehensive approach, we regularly review employees' pay to apply compensation philosophies and practices that are fair, free from unconscious bias, and result in equal pay for equal contribution



EA's Commitments to Inclusion and Diversity

At EA, we believe in the potential of every human being.

We celebrate diversity of thought, cultural differences, lifestyle, age, background, experience, religion, economic and social status, gender identity and marital status.

Building a culture of inclusion allows us to create experiences for our people, culture, and community.

Our mission is to inspire the world to play and we view inclusion and diversity as a business imperator. We realize that an inclusive culture fuels our creative process and enables us to deliver amazing games and experiences for our players every day.



We strive to embrace diversity in both our games and our workforce. By investing in internal and external initiatives, we are creating opportunities for every employee to maximize contribution and reach their full potential to deliver an amazing player experience.

EA's diversity and inclusion framework creates opportunities for every employee to maximize their contributions, enables a culture of innovations, and strengthens the communities in which we live, work, and play. We believe in being a force for change. Games can be a reflection of a diverse world, with inclusive communities that engender connection, self-expression and inspiration. With millions of hours spent in play every day, games are a powerful platform for diversity and inclusion.

Which is why, as a key member of Ukie and a leading player in both the UK and global games industry, we do all we can to help make the sector an inclusive and welcoming place for people of all backgrounds. In 2019 we encouraged our UK employees to participate in the new **UK Games Industry Diversity Census**, which produced the most detailed analysis of workforce diversity in our sector ever. This census was an important first step to understanding how and where change needs to be made

#RaisetheGame

EA is also one of the five founding partners of the <u>#RaisetheGame pledge</u>. #RaiseTheGame is a collaborative and high-impact pledge to improve diversity and inclusion in the games industry – creating cultures where everyone belongs, and ideas can thrive.

Alongside founding members Facebook, Jagex, King and Xbox, and more than 55 other industry companies, we have committed to providing annual updates on our progress across the three main pledge pillars:

1.

Creating a diverse workforce by recruiting as fairly and widely as possible 2.

Shaping inclusive and welcoming places to work, by educating and inspiring people to take more personal responsibility for fostering and promoting diversity and inclusion 3.

Reflecting greater diversity within games at every level from game design and development through to marketing and community engagement

Inclusion and Diversity @ EA : A Business Imperative

Our investments in inclusion and diversity will shape the future of EA. We are working to embed inclusion across our systems, processes, and culture in order to:

- 1. Develop relatable content and games.
- 2. Enable expansion into new and diverse markets.
- 3. Attract, develop, and retain great talent that can thrive and do their best work.
- 4. Bridge to better representation that authentically reflects players around the world.

EA Inclusion and Diversity Pillars and Governance

- **PEOPLE** Attracting, hiring, developing, and retaining diverse teams.
- **CULTURE** Creating an inclusive environment, where people feel that they belong.
- COMMUNITY Building and maintaining healthy online and local communities.

EA Inclusion and Diversity Pillars and Governance

Our Global Diversity Council, led by our CEO, governs our commitments to equity, inclusion, and diversity, as well as our outreach and community impact. The Nominating and Governance Committee ultimately oversees our commitments and progress.

The global player community represents a wide diversity of demographics with players in nearly every country. Notably, 43.9 percent of players are female and the average age is 33 years old. To create games and experiences that resonate with players, it is a business imperative that we cultivate a workforce that reflects the diverse player community.

Currently, 50 percent of EA Studios' leadership—those overseeing the conceptualization, development, and production of all of our games and services across all platforms—are female. Additionally, Hispanic/Latinx representation in our workforce has risen 34 percent in the last two years and **each EA Business Unit (BU)** has established an Inclusion Action Plan to identify initiatives, actions, and metrics that cultivate a more inclusive employee experience with leadership accountability

The journey we are on...

While we have made steady improvements with respect to diverse representation, we are not where we aspire to be in all areas. Our plan to accelerate progress includes:

BELONGING CULTURE Create an inclusive culture that welcomes different viewpoints and enables employees to do the best work of their careers. This includes encouraging allyship, leveraging Employee Resource Groups (ERGs) as an organizational resource to accelerate progress against key employee engagement and retention goals outlined in the BU Inclusion Action Plan, and building our future talent pipeline through science, technology, engineering, arts, and math (STEAM) education and social/ racial justice initiatives.

LEADERSHIP Equip leaders with training and education that increases understanding and provides them with the tools and behaviors to be inclusive managers that advocate for equity, inclusion, and diversity. This includes holding leaders accountable and rewarding managers who foster inclusive cultures and achieve the objectives outlined in the BU Inclusion Action Plan.

INCLUSIVE PEOPLE SYSTEMS AND PRACTICES Evaluate people processes with an eye to systemic inclusion and execution of inclusive behaviors and practices. This includes evaluating our holistic sourcing and hiring process to expand upon the places we proactively look for talent, as well as creating a more inclusive planning and development process.

For more information on EA's Commitments to Diversity & Inclusion, please visit <u>https://www.ea.com/about/diversity-and-inclusion</u>.

I confirm the data reported is accurate for EA Ltd.

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Derek Chan Director EA Ltd

