

GENDER PAY REPORT 2023

SQUARE ENIX

introduction

This report has been prepared in compliance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and is based on data for the year 6th April 2022 to 5th April 2023.

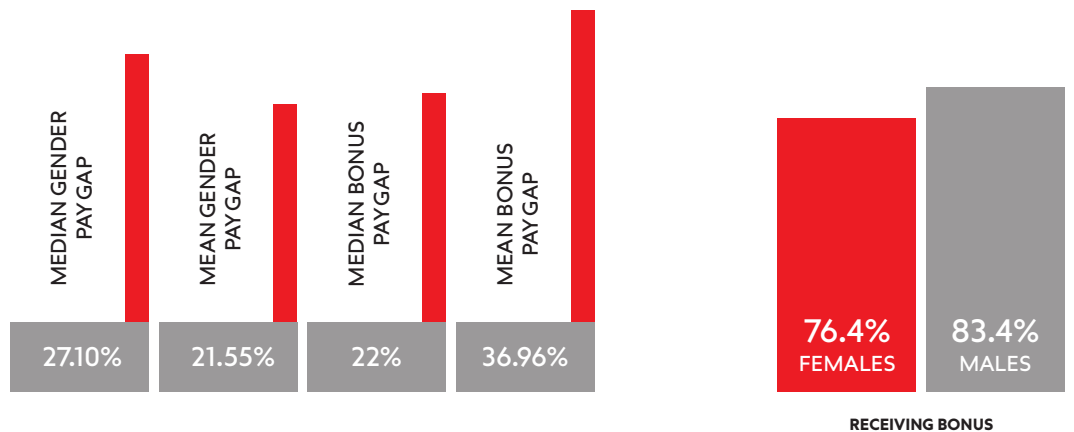
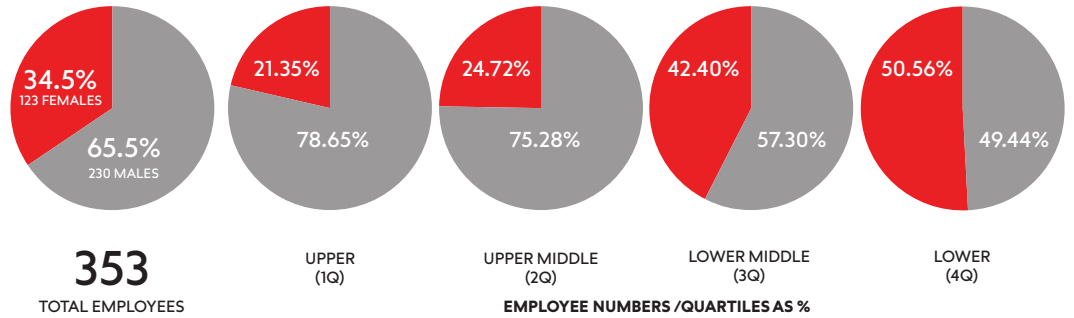
The scope of this report encompasses Square Enix Ltd, a London-based subsidiary of the Japanese parent company, Square Enix Holdings Co. Ltd, a leading Publisher, Licensor and Distributor of Games and Merchandise.

Of the employee population, 65.2% identify as male and 34.8% identify as female. It is important to note that we have colleagues identifying as either non-binary or as a gender not assigned at birth within our organisation, but for the purposes of this report and the statutory requirements, they have been included, as the HMRC gender reporting requirements continue to be binary.

We remain committed to hiring, supporting and retaining our people. And while we continue to make progress, we continue to have a Gender Pay Gap due in part to male employees with significant tenure who joined the organization in senior roles.

The Gender Pay Gap refers to the to the difference in average earnings of all male employees compared with the average earnings of all female employees and is measured in two ways:

- The mean, which is calculated by adding together all values and then dividing by the number of values (average)
- The median is the mid-point when all values are sorted from lowest to highest



This year's data shows that our upper quartile is the same as last year, however the number of women holding senior roles in our organization has increased by almost 5 percent over the last 3 years. This demonstrates a positive step in ensuring that women are holding more senior positions, whether through internal mobility or external recruitment.

The overall reduction in the mean and median bonus pay gaps is also positive, reflecting more women being hired and/or promoted into senior roles within our organisation and therefore benefitting from the increase in their compensation package. We also strive, where possible, to hire new starters who can benefit from our bonus plan. As a result of this, the bonus pay gap reflects the balance of those eligible for a bonus.

All London-based employees are eligible for bonus in June on the basis that they commenced employment prior to the 4th quarter (1st January) of our Financial Year and have passed probation. Employees commencing employment between 1st January and 31st March each year, are not eligible for bonus in the fiscal year in which they joined but are eligible in the following year. As a result of this, the bonus pay gap reflects the balance of those eligible for a bonus.

closing our gender pay gap

Over the last year we have taken great strides to ensure that there are more internal development opportunities to empower our strong internal talent pool, which can be seen through the improvements in all quartiles in the last 2 years.

We have also rolled out mandatory training around Equity, Diversity & Inclusion in 2 stages. Firstly, mandatory training for all employees covering key topics that impact everyone in the workplace including but not limited to Dignity at Work and Conscious Inclusion. In addition, we also rolled out Leadership training to our senior managers which highlighted topics such as identifying and mitigating bias, microaggressions and protected characteristics.

In addition to the above, we also carry out proactive sourcing of candidates and check that all Hiring Managers ensure representation when shortlisting.

I confirm the data contained in this report is accurate and meets the requirements of the Gender Pay Gap report regulations.

Benjamin Spence

Head of Human Resources