



Kobalt UK Gender Pay Gap Report

5th April 2021 Data

Kobalt's mission, vision, and values are built around transparency and fairness – that's not just for our clients and creators. Our UK business consists of two entities; the Publishing business and Technology. This pay gap report is focused primarily on the Kobalt UK Publishing business, also known as Kobalt London Limited (KLL). Legally we are required to report the data as of April 2021. However, as part of our values of transparency and dedication to reviewing this data bi-annually, this report also highlights how we have significantly progressed. Our 2021 mean gender pay gap is **1.3%**, and our median is **12.7%**. There has been a significant decrease from 17.9% for the mean gender pay gap in the last year, and our results are remarkably lower than the national average of 15.4%.

Since our last report, we have significantly improved females promoted from the lower quartiles into the upper-middle and upper quartiles. As such, a considerable number of women are moving into management roles, meaning that we have consequential movement from our lower quartiles.

To clarify, the calculation behind the gender pay gap is not the same as equal pay. We are confident that we are complying with the law as gender does not play a part in our decisions regarding remunerating equivalent jobs, recruitment, or making promotions. We continue to examine the compensation employees receive and make adjustments where necessary to ensure we maintain pay equity across departments and roles.

We are continuously committed to increasing the number of and improving the development opportunities for women of all races and ethnicities at all levels.

Our commitment

While we still have a lot of work to do, we have made meaningful progress. We remain committed to consistently reviewing, evaluating, and enhancing our employee programmes and practices around hiring and career progression. We'll continue to challenge ourselves to beat the trend.

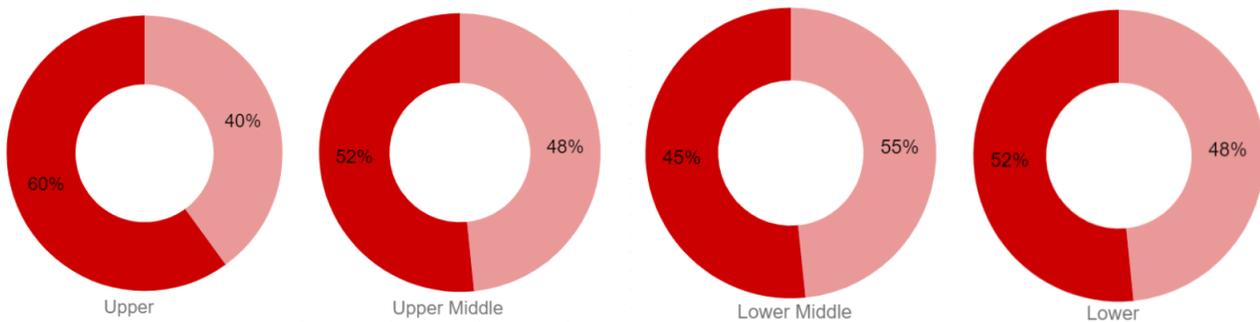
Together with our Diversity, Equity, and Inclusion strategic goals, we remain dedicated to creating progressive improvement and impact.

UK Overall

Our focus continues to be toward creating the building blocks to close the gap until it reaches 0%. We will continue to work hard to support our people internally and drive for meaningful change recognized externally.

	MEAN	MEDIAN
PAY GAP	1.3%	12.7%
BONUS GAP	-26.8%	-29.4%

The proportion of females/males in each pay quartile ♀ ♂



We know our gender pay gap is not an equal pay issue, but down to the lack of representation of women in senior roles. When we look at the pay gap by each quartile, the mean pay gap is 2% or less.

Percentage receiving a bonus payment



To attract and retain the best senior talent in the music industry, those at the top of our organization have more opportunity to earn discretionary bonuses depending on the business results. While fewer women received a bonus compared to men, the bonus mean of -26.8% indicates that women on average received a higher bonus than men.

Kobalt does not operate a bonus scheme. Employees who receive a bonus are currently awarded on a discretionary basis.

Closing the gap

The data throughout this report is based on April 2021 information required as per the UK pay gap legislation.

We were able to accomplish some initiatives, but there is work to do, and we're focused on taking the necessary steps to close the gap we see today.

Attract and nurture the broadest possible female pool by continuing to

- Explore more opportunities to nurture female talent in the tech and music industries.
- Support managers with their hiring strategies, ensuring a diverse candidate pool for all roles, emphasizing senior positions being considered both internally and externally.
- Inject junior talent via our global internship and apprenticeship programmes in the UK.
- Focus on mentoring opportunities globally, specifically targeting females and team members from underrepresented groups.
- Build community partnerships to improve our employability to female candidates and underrepresented groups.

Empower our leaders to own and drive inclusion by continuing to

- Drive and implement our Diversity, Equity, and Inclusion strategic goals by providing programs to our leaders and management groups.
- Support leadership and management groups to lead their teams inclusively and authentically.

Implement sustainable data and reporting

- Implement a dedicated metrics dashboard to drive data-driven decisions on equity and inclusion.
- Invested internally on a Global lead for Diversity, Equity & Inclusion

Empower employees to create communities of allyship

- Continue to provide the space and structure for Employee Resource Groups to form.
- Support employees to raise awareness and harness their community challenges to improve company culture and engagement.

Thank you for taking the time to read our report. We confirm that Kobalt's gender pay gap calculations are accurate and meet the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

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Laurent Hubert