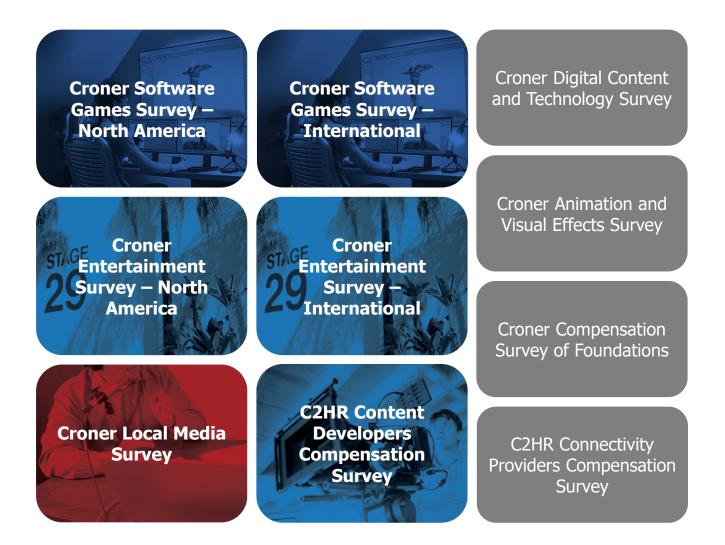
Compensation Trends in Media & Gaming 2025 MFM Annual Conference May 20, 2025



What We Mean by Media & Gaming



10 Annual Industry-Specific Surveys





Content Developers Survey Participants



Source: 2024 C2HR Content Developers Survey.



Local Media Survey Participants



Source: 2024 Croner Local Media Survey.

- ¹ Local media organization also provided matches to digital positions.
- ² Local media organization also provided matches to radio positions.



Software Games Survey Participants







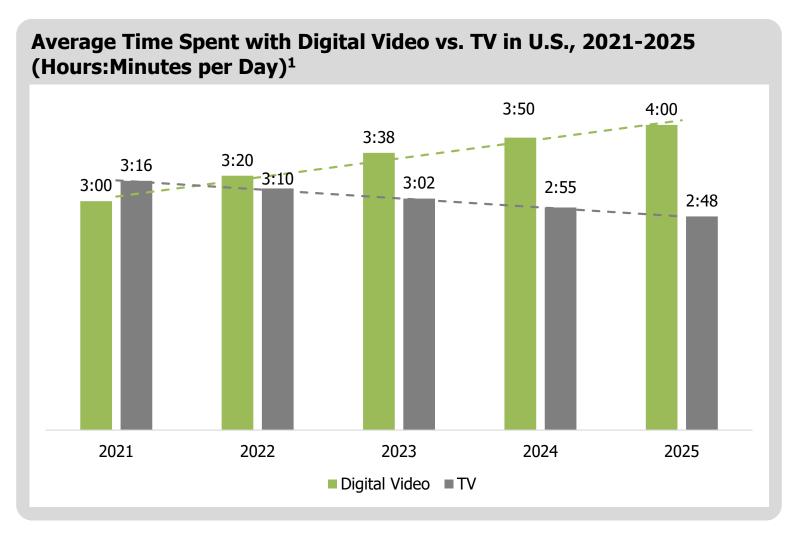
Media & Entertainment Trends

"The M&E industry continues to rapidly evolve and transform. Competition is fierce. New technologies are changing the game. Business models and portfolios are in flux as the **quest to attract and monetize consumer engagement intensifies across digital and physical environments**."

- Ernst & Young, "Top five media & entertainment industry trends to watch in 2025", December 2024.



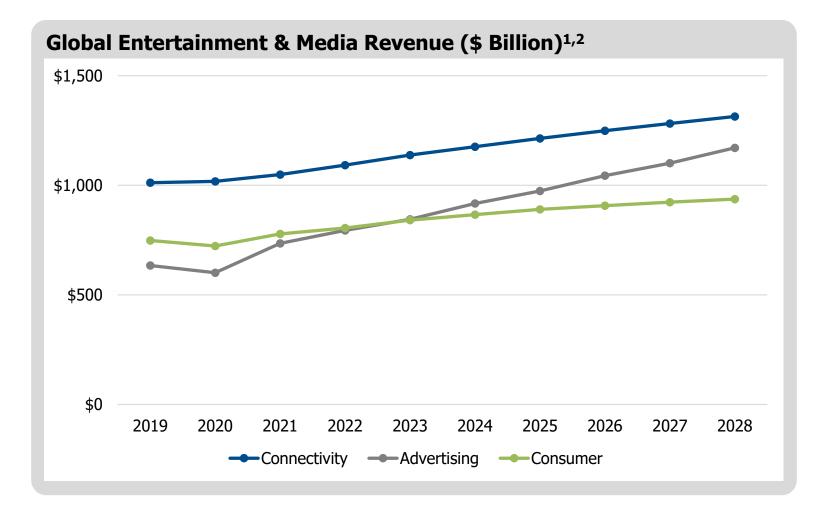
Time Spent with Digital Video Continues to Grow as TV Time Declines



¹ eMarketer February 2024. Ages 18+; Digital Video includes all time spent with online video activities; includes viewing via any device and time spent with video via social networks. TV includes live, DVR and other prerecorded video (video downloaded from internet but saved locally).



Ad Spend Surpassing Consumer Spend as Largest E&M Revenue Growth Category

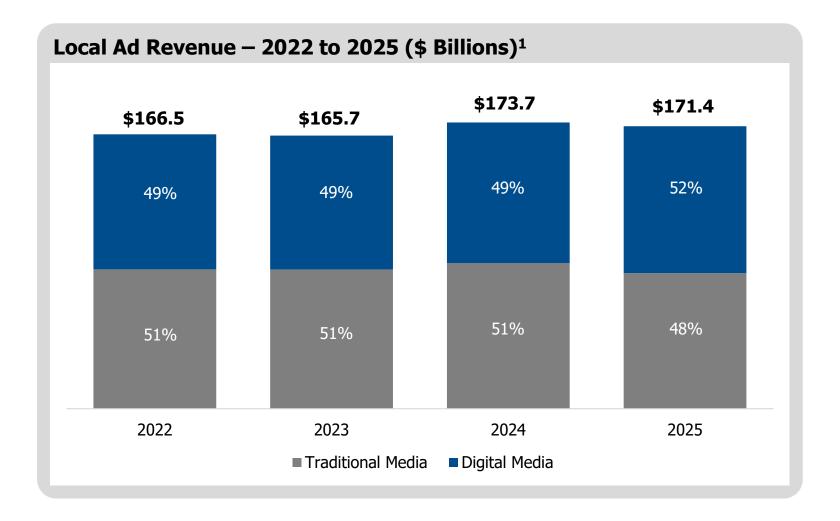


¹ PwC Global Entertainment & Media Outlook, 2024–2028.

² 2023 is latest available data; 2024–2028 values are forecasts.



Local Ad Spend Reflects Growing Strength of Digital Media



¹ BIA: U.S. Local Advertising Forecast 2025. Chart includes political ad spend. U.S. non-political, core local advertising spend is projected to rise 5.5% year over year from 2024 to 2025.



All Major Media Are Active in the Digital Content Landscape



¹ Source: 2024 C2HR Content Developers Survey.



Local Broadcasters Adapting Practices to Meet Expectations of Today's Audiences



Push, publish, stream and share

Meeting people where they are in digital spaces, producing content across all platforms

Multi-skilled journalists

Tech savvy to tell stories across multiple platforms



AI – experiment and implement

Embracing AI for efficiencies

Community-focused storytelling

On-the-ground journalism, sharing best of communities





Increased Focus on Consumer Products and Location-Based Entertainment^{1,2}

Theme parks, branded entertainment districts, cruises, casinos, live theatrical and musical performances satisfy a **growing consumer desire for authentic, immersive and interactive activities** that link to their favorite programming, stories and characters.

The TV and movie **merchandise market is thriving** as fans seek movie collectibles and merchandise related to their favorite films and series. Growth is driven by the rise in e-commerce sales and in popularity of streaming services.

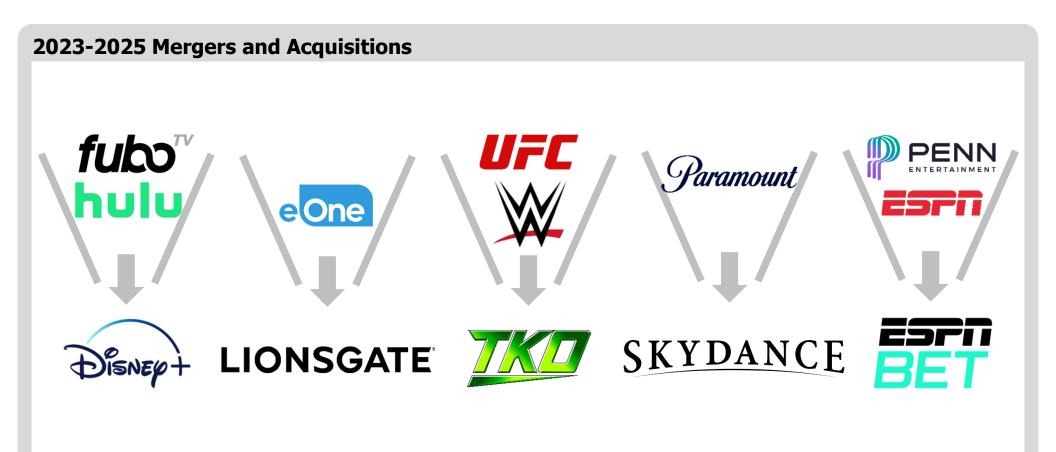




¹ "Top five media & entertainment industry trends to watch in 2025", EY, December 2024. ² "TV and Movie Merchandise Market Analysis", technavio, February 2025.

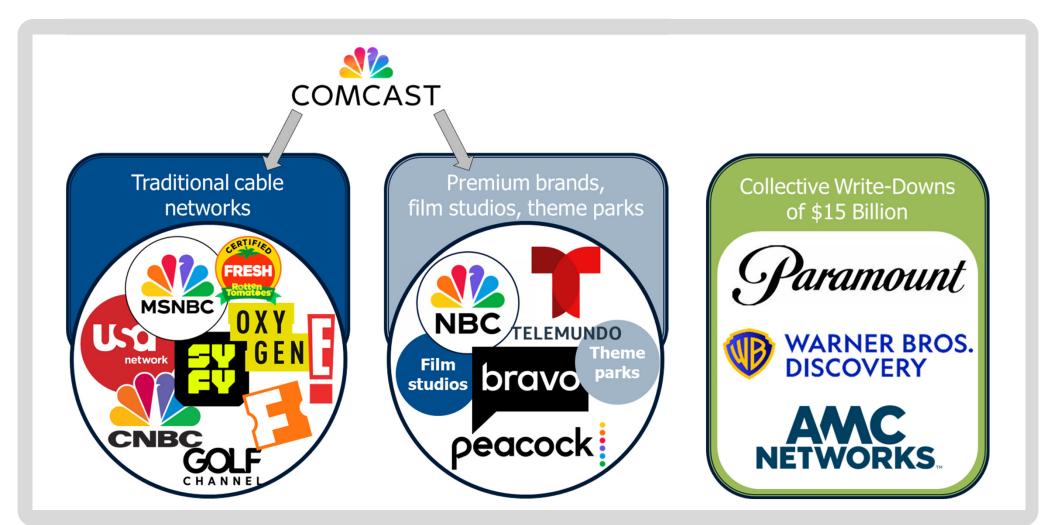


Mergers and Acquisitions Continue to Impact Media Labor Landscape



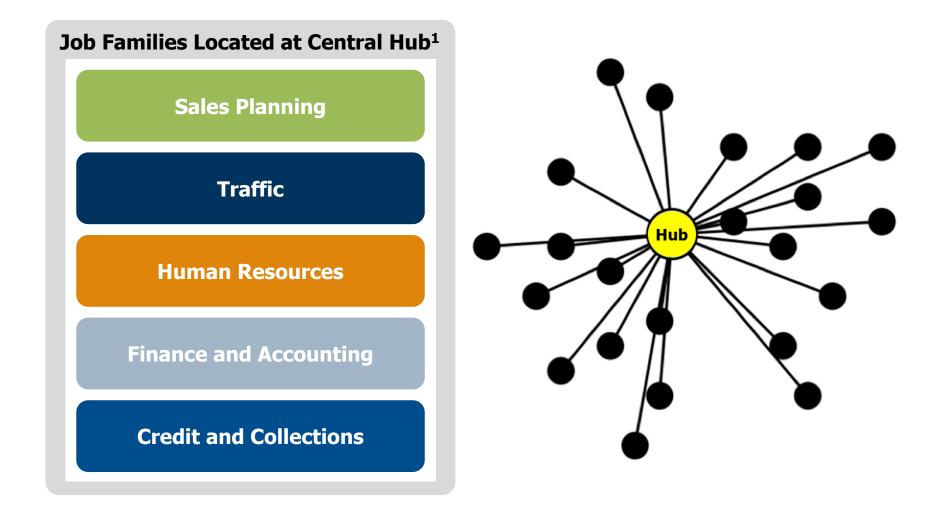


Spinoffs and Write-Downs of Cable Network Value Reflect Pressures of Streaming





Local Stations Seeking Efficiencies By Consolidating Central Services



¹ Source: 2024 Croner Local Media Survey. Job families reported above had greater than 50% of incumbents matched located at a central hub. TV Creative Services and TV Master Control also had representation at 27% and 24% respectively.



Gaming Trends

"Like many industries, gaming overextended itself following the black swan event that was the COVID-19 pandemic...The market is very different now, and many moves ultimately did not pan out. The games market has reached its maturity phase...double-digit growth is a thing of the past."

- MIDiA Research, Global Games Forecasts 2025-2031, January 2025.



Top Mobile Games Revenues Rival Top Worldwide Films

2024 Top Mobile Games Worldwide¹



2024 Top Films Worldwide²



¹ Mobilegamer.biz, The top grossing mobile games of 2024, January 2025.

² BoxOfficeMojo.com, January 2025.



2024: \$1.0B-1.7B

2023: \$956M-\$1.4B

Collaboration Between Gaming and Entertainment Continues to Grow





Gaming Studios Affected by Game Entrenchment, Layoffs, AI and Unionization

Increased Competition for Player Time and Attention

 Fewer games taking up more player time



Layoffs and Studio Closures

 Increased layoffs and closures amidst industry restructuring



Generative AI

 AI helping studios create and push games to market on faster timeline



Unionization

- Studio-specific unions
- Industry-wide union
- SAG-AFTRA strike over AI concerns

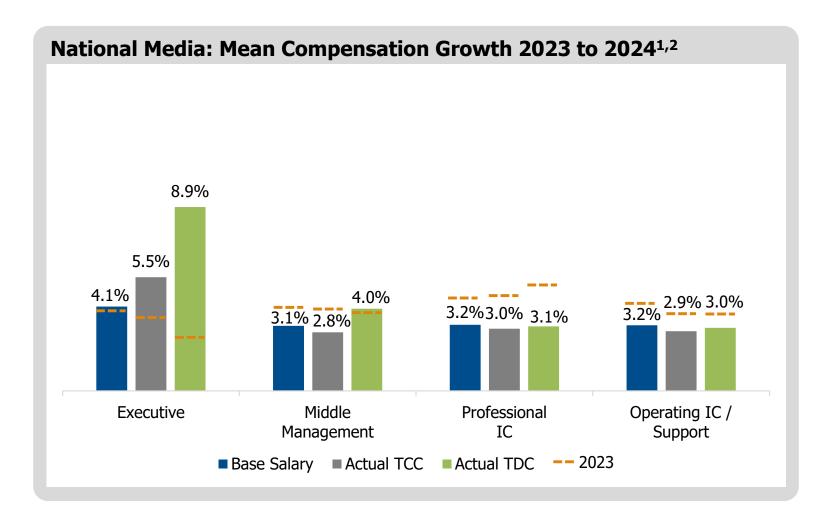




2024 Compensation Trends



National Media: Steady Compensation Growth for All Levels

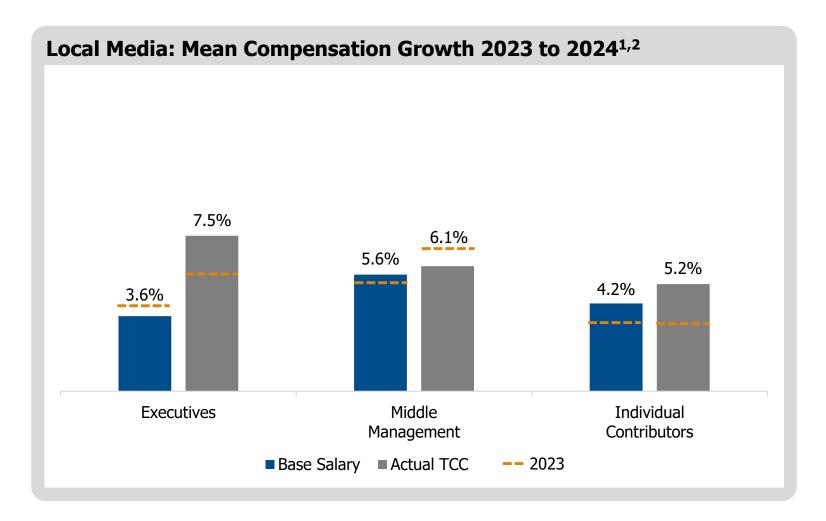


¹ Source: 2024 C2HR Content Developers Survey.

² For companies participating in both the 2023 and 2024 Surveys; excludes sales positions.



Local Media: Strong Compensation Growth for Station-Specific Positions

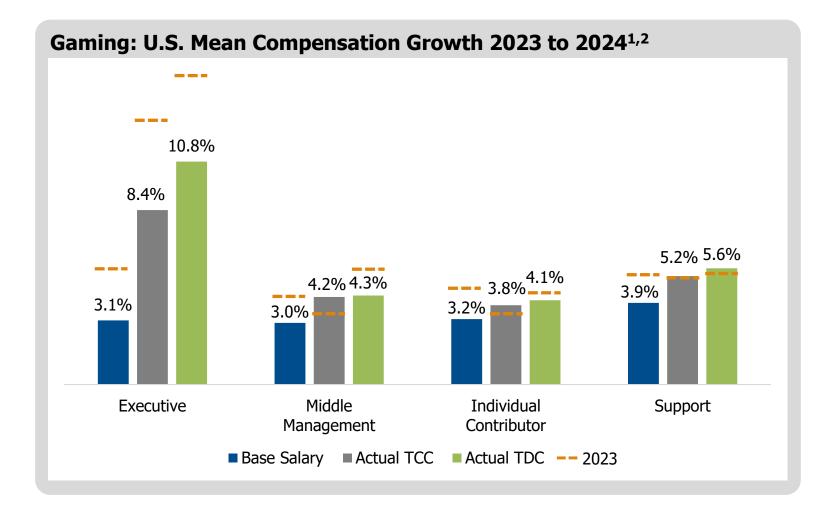


¹ Source: 2024 Croner Local Media Survey.

² For companies participating in both the 2023 and 2024 Surveys; excludes sales positions.



Gaming: Similar Compensation Growth to National Media

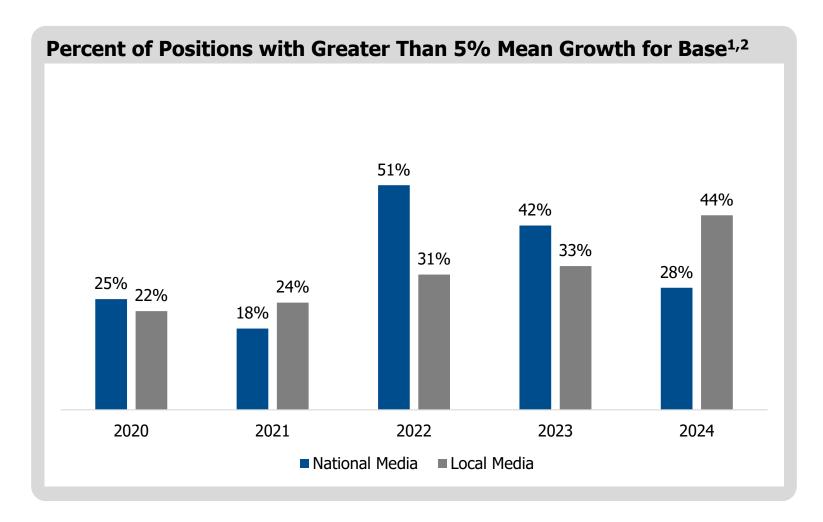


¹ Source: 2024 Croner Software Games Survey.

² For companies participating in both the 2023 and 2024 Surveys.



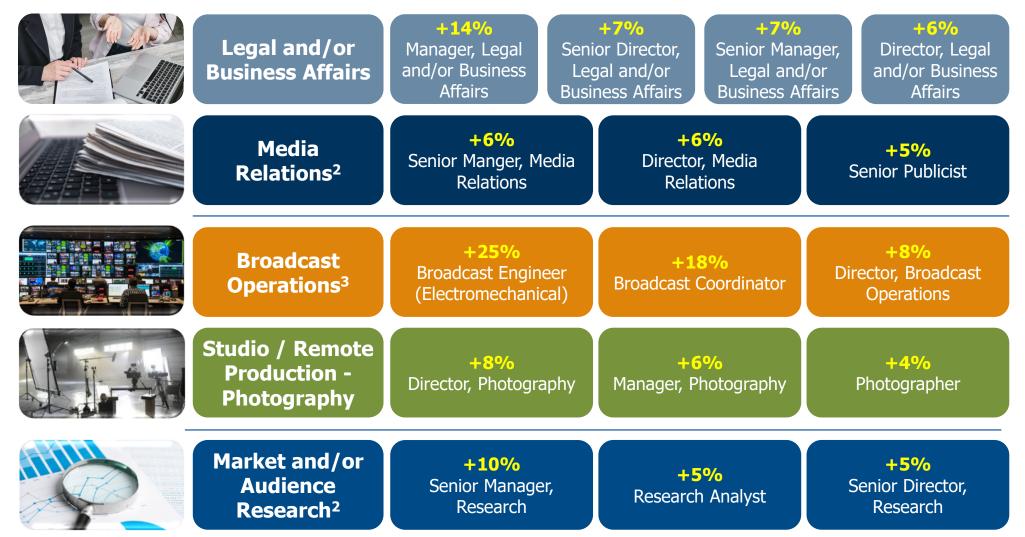
Participants Responded to Tight Market Post Covid by Increasing Base Pay – Now Cooling



¹ Sources: Croner Local Media Survey (Local Media) and C2HR Content Developers Survey (National Media). ² Each year includes companies participating in both current and prior Survey year. Represents mean movement.



National Media: "Hot" Jobs Focus on Business Affairs, Broadcast Operations and Research



¹ Source: 2024 C2HR Content Developers Survey. Mean base salary growth for companies participating in both 2023 and 2024 Surveys.

² Also a hot job family in the 2023 Survey.

³ Primarily for Cable Programmers.



Local Media: "Hot" Jobs Focus on TV Talent, Content and Operations¹

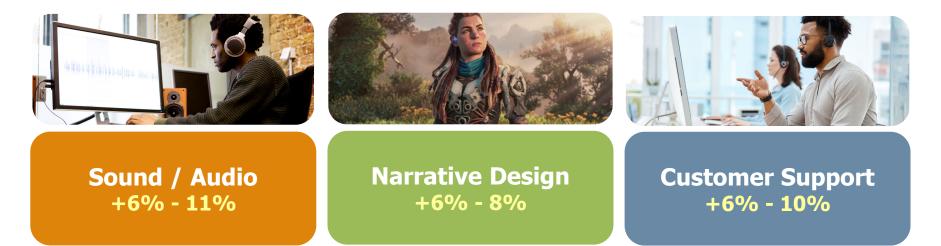


¹ Source: 2024 Croner Local Media Survey. Mean base salary growth for companies participating in both 2023 and 2024 Surveys.



Gaming: "Hot" Jobs Focus on Product Development, Biz Dev and Customer Support¹





¹ Source: 2024 Croner Software Games Survey. Mean base salary growth for companies participating in both 2023 and 2024 Surveys.



National Media: Annual Short-Term Incentives Paid at or Below Target

Mean Bonus Paid as a Percent of Target 2022 to 2024 (Excluding Sales)¹ 21% 21% 20% 19% 2% 0% -3% -7% -9% -9% -21% -22% Executive Middle Professional IC Operating IC / Management Support ■ 2022 ■ 2023 ■ 2024

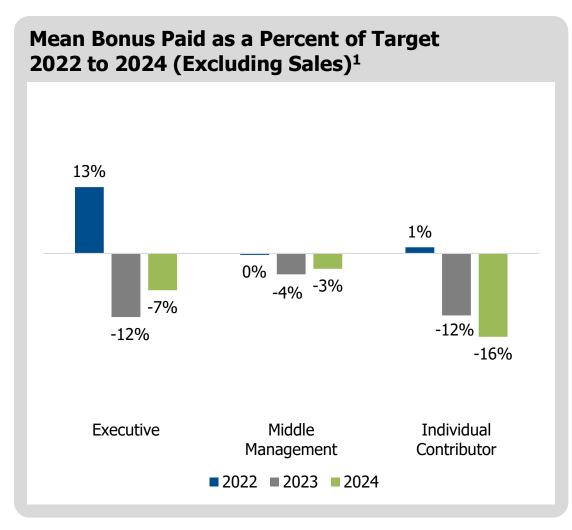
Short-term Incentive Paid as Percent of Tar	get -
Prevalence and Mean (Excluding Sales)	L

Below Target (Below 95% of Target)			Approx. Target (95%-105% of Target)			Above Target (Above 105% of Target)		
n		Mean			Mean			Mean
14	44%	81%	14	44%	99%	4	13%	126%

¹ Source: C2HR Content Developers Survey.



Local Media: Annual Short-Term Incentives Generally Below Target



Short-term Incentive Paid as	s Percent of Target -
Prevalence and Mean (E	Excluding Sales) ¹

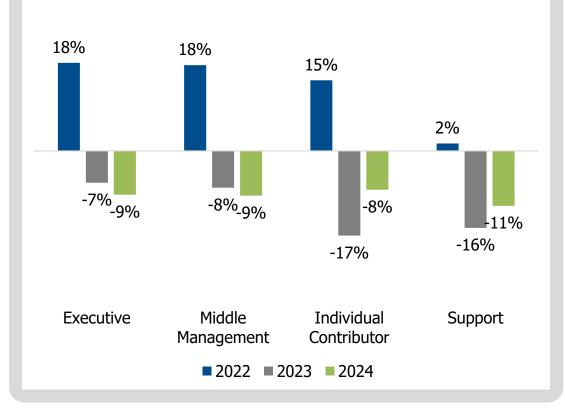
Below Target (Below 95% of Target)		Approx. Target (95-105% Target)			Above Target (Above 105% of Target)			
n	%	Mean	n	%	Mean	n	%	Mean
7	58%	80%	3	25%	100%	2	17%	133%

¹ Source: Croner Local Media Survey.



Gaming: Annual Short-Term Incentives Generally Below Target

Mean Bonus Paid as a Percent of Target 2022 to 2024 (Excluding Product Development)^{1,2}



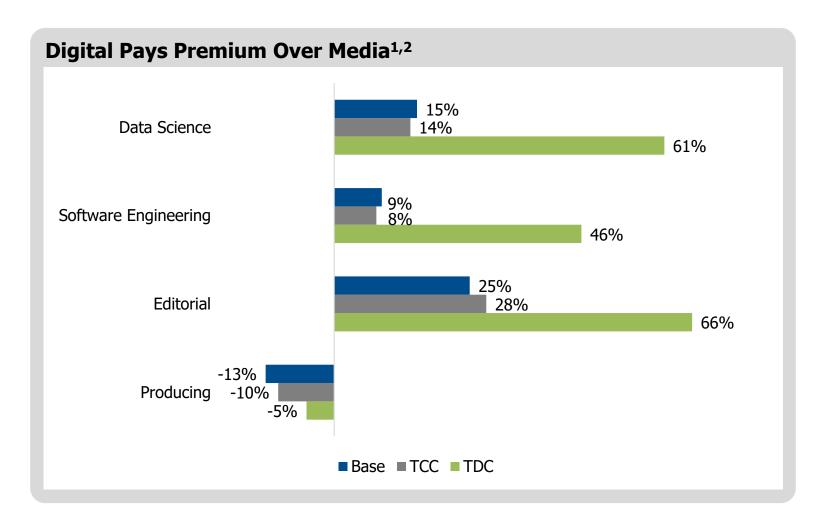
Short-term Incentive Paid as Percent of Target -Prevalence and Mean (Excluding Sales)¹

Below Target (Below 95% of Target)		Approx. Target (95-105% Target)			Above Target (Above 105% of Target)			
n	%	Mean	n	%	Mean	n	%	Mean
18	60%	67%	6	20%	99%	6	20%	146%

¹ Source: Croner Software Games Survey.



National Media: Digital Continues to Pay More for Key Job Families



¹ Source: 2024 Digital Content and Technology Survey.

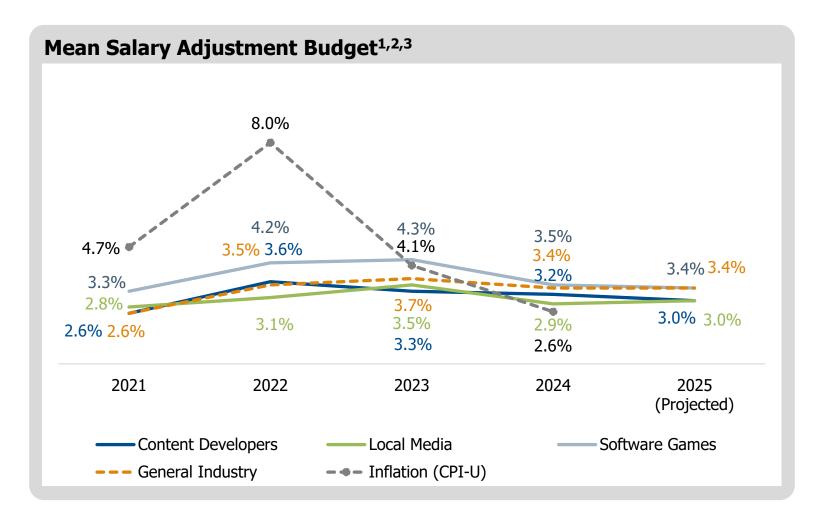
² Differential between digital native and media companies for base salary, total cash compensation and total direct compensation (median).



2025 Salary Outlook



Salary Adjustments Budgets Projected to Remain Flat or Decrease for 2025



¹ Sources: C2HR Content Developers, Croner Local Media and Croner Software Games Salary Budget Survey Participants: August 2024.

² WorldatWork Salary Budget Survey: April - June 2024.

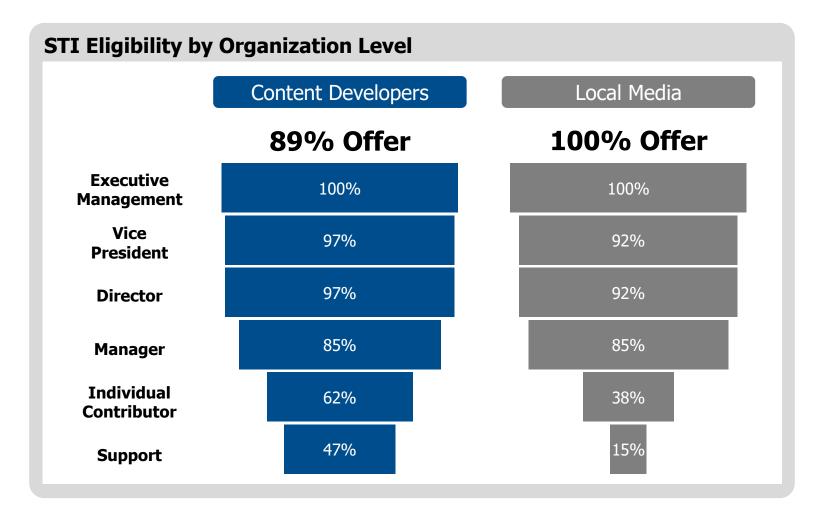
³ U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers (CPI-U).



Media Compensation Practice Highlights



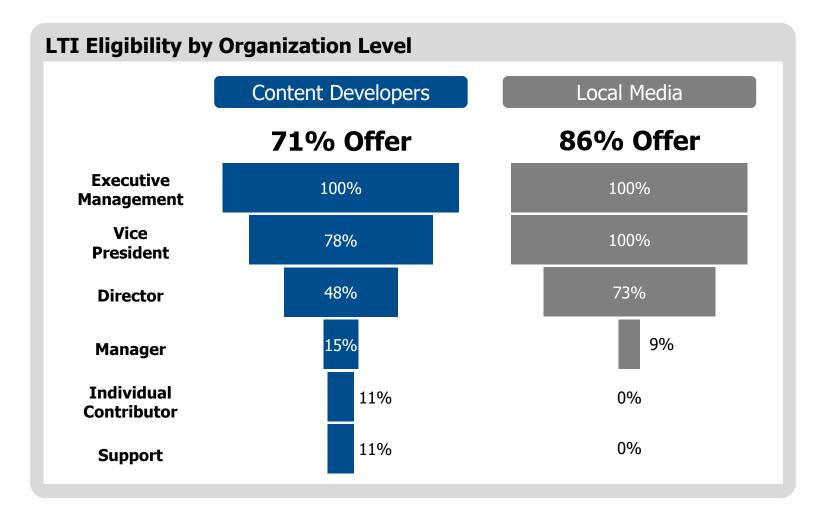
Short-Term Incentives Typically Offered to Management



¹ Sources: 2024 Croner Local Media Survey and 2024 C2HR Content Developers Survey.



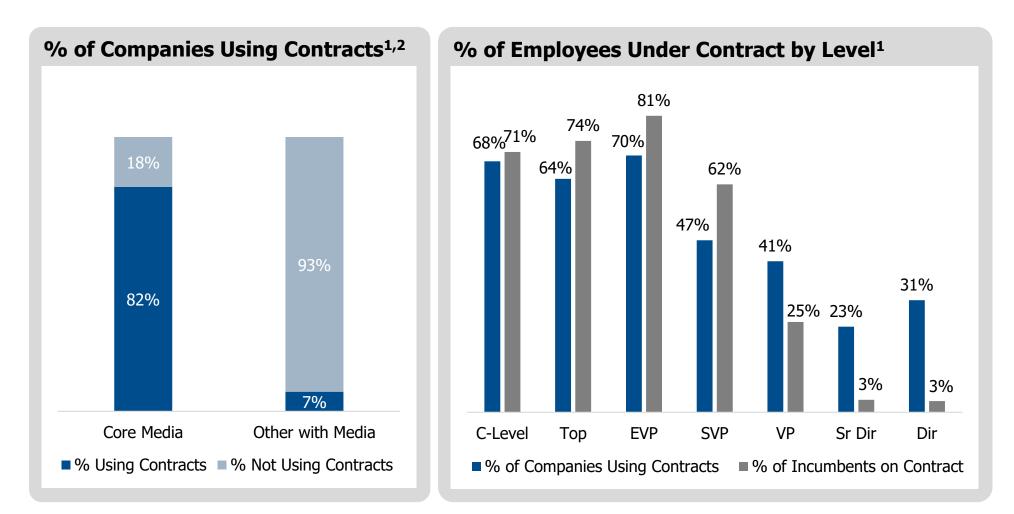
Long-Term Incentive Eligibility Typically Limited to Vice President Level and Above



¹ Sources: 2024 Croner Local Media Survey and 2024 C2HR Content Developers Survey.



National Media: Employment Contracts Generally Used for Senior Executives



¹ Source: 2024 C2HR Content Developers Survey.

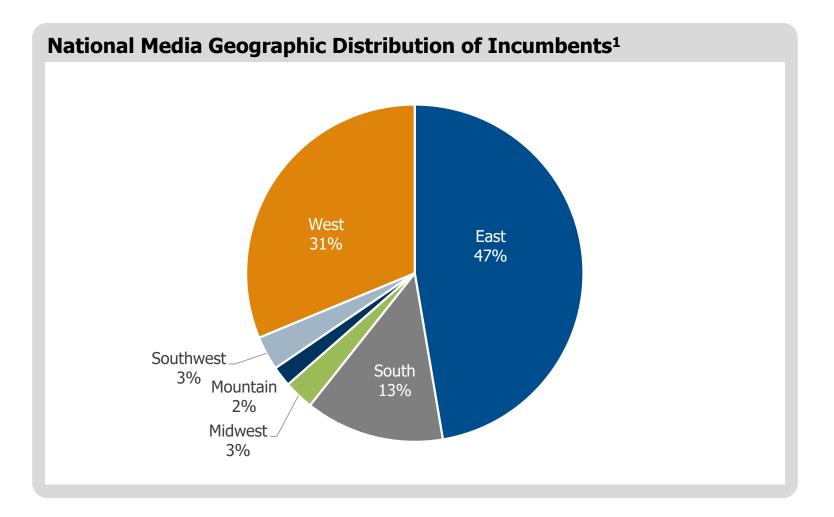
² Core Media represents companies that primarily produce media and entertainment; Other with Media represents companies that produce media in addition to their core business.



Geographic & Market Size Differentials



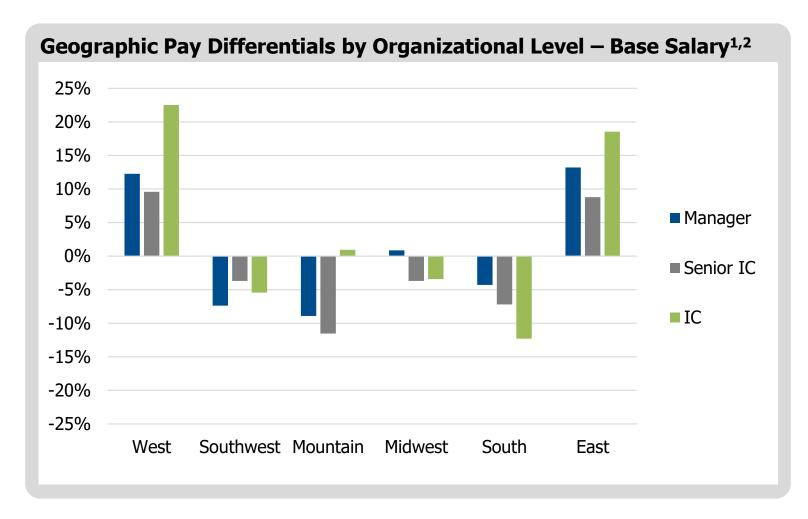
National Media Is Primarily Coastal, with Limited Geographic Pay Differentials



¹ Source: 2024 C2HR Content Developers Survey.



Local Media: Makes Use of Geographic Pay Differentials for Station and Corporate Roles

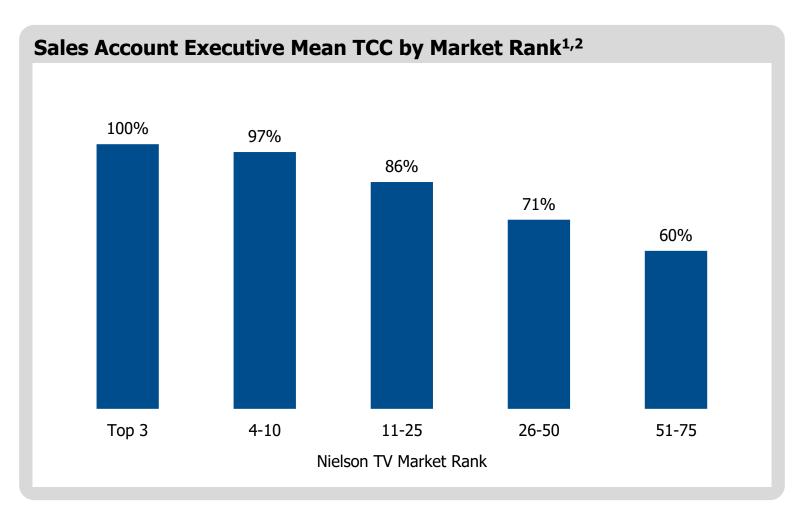


¹ Source: 2024 Croner Local Media Survey.

² Chart displays the median base salary by organization level by region as a percentage of the national average. Levels provided reflect cases where representation across all regions were available.



Local Media: Size of Markets Are Key Drivers of Compensation

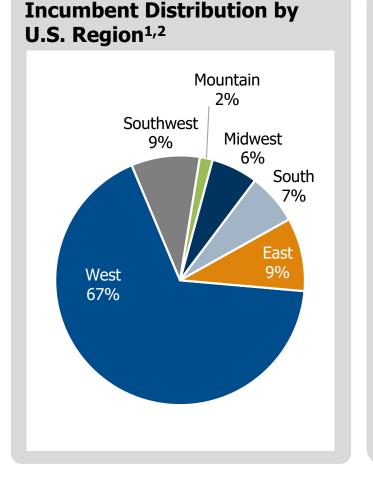


¹ Source: 2024 Croner Local Media Survey.

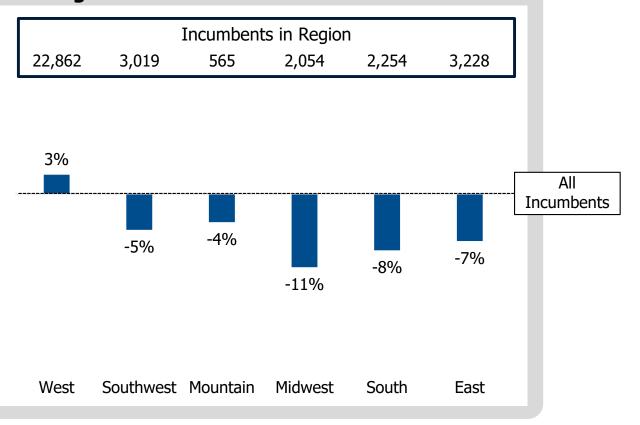
² Chart displays the relationship between actual total cash compensation and market rank. Market rank category percentages reflect the percent of the highest category.



Gaming: Geographic Differentials Prevalent in U.S.



Mean Base Salary Geographic Differentials by U.S. Region^{1,2,3}



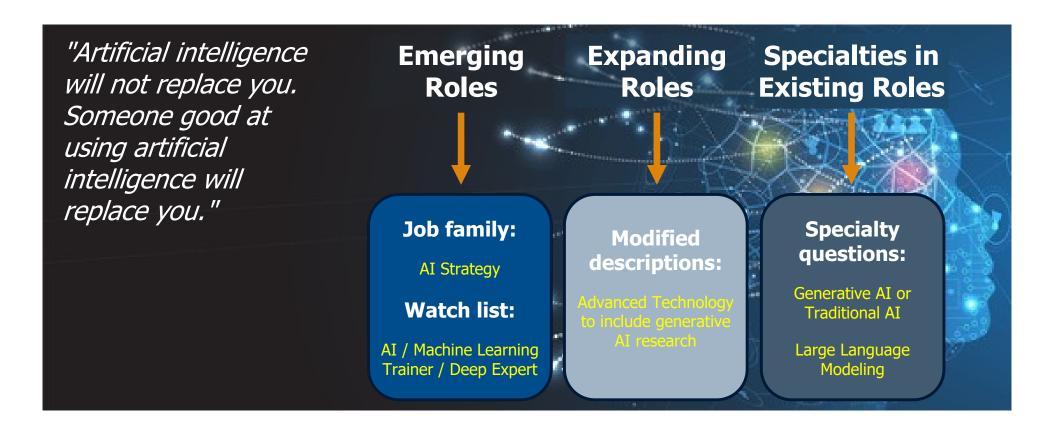
- ¹ Source: 2024 Croner Software Games Survey.
- ² Software games industry in United States is most highly concentrated in West.
- ³ Excludes CEO, Officer level and sales positions.



Pressing Issues and Client Themes



Surveys Continue to Evolve to Include Artificial Intelligence Positions and Specialties



Source: 2025 Croner Digital Content and Technology Survey and 2025 Croner Entertainment Survey.



Recent Client Themes Include Aligning Practices Amidst Organizational Change



Moving to pay transparency 2.0:

Complying with pay equity and transparency laws; increasing internal communications: educating leaders, HRBPs and employees about comp. philosophy, ranges and structures



Focusing on job architecture:

Creating and refining job catalogs, aligning job and compensation amidst mergers and acquisitions and shifting strategic organizational designs



Building compensation infrastructure & optimizing staff to support strategic growth: Adopting benchmarking, reporting systems and human capital analysis for ready reports and analytics



Integrating AI and real-time data: Using AI strategically to gain efficiency in core tasks to free up time for higher value work, and reorganizing roles accordingly



Pay Transparency – U.S. & EU



U.S. Pay Transparency Laws Overview: Increased Visibility & Employee Empowerment

- No federal or state law prescribes a single method of evaluating pay equity; however, the spirit of these laws is to ensure that employees carrying out like work are paid similarly
 - Federal laws regarding pay equity have not changed materially in several years; some states are driving stronger regulations
 - The EEOC (enforcing federal agency) provides investigative guidelines

Federal

- Several laws¹ protect the right of employees to be free from discrimination in compensation
 - Race, color, religion, sex (including pregnancy, gender identity and sexual orientation), national origin, disability or genetic information
 - All forms of pay including cash and non-cash, eligibility and amount
 - "Equal" work
- Enforced by the U.S. Equal Employment Opportunity Commission ("EEOC"")

State

- California's Fair Pay Act strengthened the Equal Pay Act and went into effect on January 1, 2016
- Prohibits an employer from paying any of its employees' wage rates that are less than what it pays employees of the opposite sex, or of another race, or of another ethnicity for substantially similar work, when viewed as a composite of skill, effort and responsibility and performed under similar working conditions.



Federal Laws

- Federal Laws
 - Equal Pay Act of 1963
 - <u>Title VII of the Civil Rights Act of 1964</u>
 - <u>Age Discrimination in Employment Act of 1967</u>
 - <u>Title I of the Americans with Disabilities Act of 1990</u>
- All forms of compensation covered
 - Salary, overtime, bonuses, commissions
 - Stock options, profit sharing, life insurance
 - Vacation and holiday pay
 - Benefits
 - Cleaning or gasoline allowances, hotel accommodations, travel expense reimbursement



EU Directive Overview: Increased Visibility and Employee Empowerment

- The directive seeks to reinforce the principle of equal pay for equal work or work of equal value between men and women
- Adopted in April 2023, EU member states are required to translate the Directive into national law by June 7, 2026
 - Pay transparency: disclosed hiring ranges, cannot ask salary history
 - **Right to information**: information on individual pay level and average pay levels, broken down by sex, for categories of workers performing the same work; cannot prevent employees from discussing pay
 - Reporting obligations: requirements to report gender pay gap data¹
 - Joint pay assessments: if a reported gender pay gap exceeds 5% and cannot be justified by objective, gender-neutral factors, employers are obligated to conduct a detailed pay assessment in collaboration with workers' representatives

¹ Gender pay gap reports for employers with 150 or more employees are due by June 2027, covering data from the 2026 calendar year. Employers with 100-149 employees have until June 2031 to submit their initial reports. Employers with 250 or more employees are required to report annually, while those with 100-249 employees must report every three years.



EU Directive Update: Limited Implementation

- Some member countries have started integrated the Directive into their national legislature (e.g., Belgium, Sweden, Czech Republic and Estonia)
- Countries will differ in how they implement
- Countries may need to introduce digital platforms for reporting

Item	Sweden	Belgium			
Reporting Obligations ¹	 All employers must <u>summarize wages and identify</u> <u>wage differences between women and men</u> who perform work that is to be considered equal or equivalent Employers with 10+ employees must prepare a written report that <u>evaluates pay gaps</u> between women and men Employers with 25+ employees, <u>additional evaluation of active measures related to pay gaps and hiring, promotion, working conditions, and other dimensions of the employee lifecycle are also required</u> 	 Employers with 50 or more employees must <u>create a report</u> <u>analyzing employees'</u> <u>remuneration structures by</u> <u>gender</u>. [Gender pay gap was enacted by the Belgian Legislature April 22, 2012] 			
Pay Transparency ²	 There are currently no legal requirements for employers to post salary details to applicants or employees regarding specific positions. 				

¹ Source: Gender Pay Gap Reporting Syndio.

² Source: Trusaic Global Pay Transparency Center.

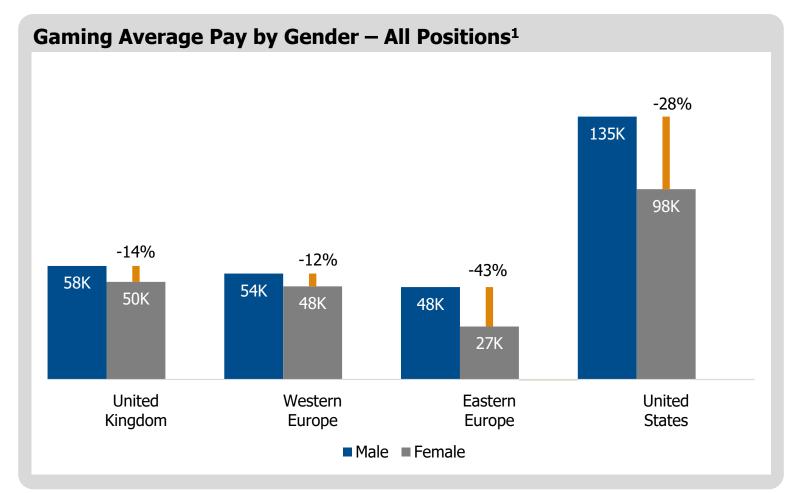


Anticipating Outcomes of Pay Transparency



Without Role Differentiation, as Example, Gaming Industry Shows Gap in Gender Pay

 Reflects average pay across all organization levels in an industry where there are more men in senior level roles



¹ Source: https://www.skillsearch.com/news/item/gender-pay-gap--games-industry.



Men Overrepresented in Management in Gaming Industry

The only way to ensure compliance is to be able to <u>identify and</u> <u>describe</u> similar jobs

70%

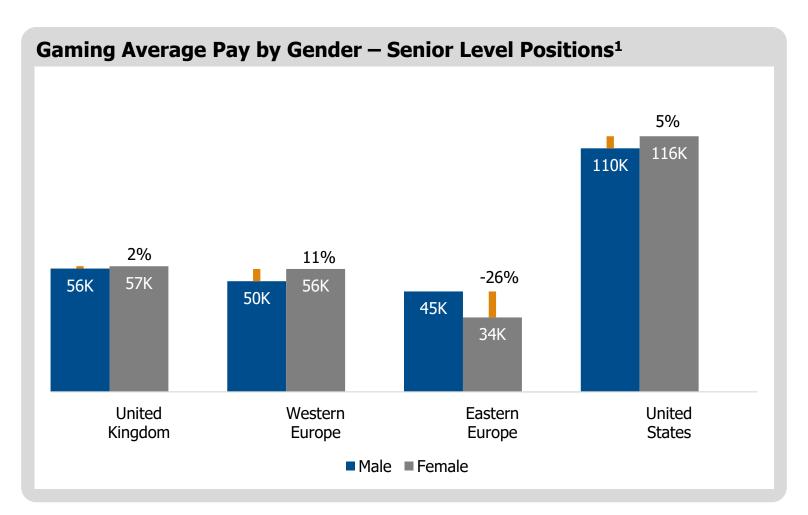
of people working in the gaming industry are male¹

¹ Women in Tech, "Gender diversity in the gaming industry", August 25, 2023.



However, Correcting for Level, Gap Is More Limited

• Reviewing senior positions only, pay gaps are smaller or reversed



¹ Source: https://www.skillsearch.com/news/item/gender-pay-gap--games-industry.



Preparing For Pay Transparency Compliance



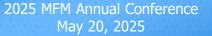
Start by Building Infrastructure

Well **defined job architecture¹** (families & levels) with objective, genderneutral criteria Established **salary ranges** and understanding where current staff compare to salary ranges

Criteria for identifying "work of equal value"

¹ Job architecture has as core, the building blocks of defined organization levels and job families. May also be referred to as a "job structure" or "job catalogue."





Well Defined Job Architecture Requires Job Families & Levels

Family Level		PROGRAMMING							
		Program Acquisitions 210	Original Programming 220	Program Development 230	Current Programming 235	International Program Development 240	Program Scheduling 250	Talent Relation 260	
Top220002 Top Programming Executive (at Multiple Network Organization, Network Group 20002.5 Top Network Programming Executive (of Single Network Organization or 2nd Level of Network Organization or 2nd Level of Network Programming Executive (of Single Network Organization or 2nd Level of Network Organization or 2nd Level of Network Programming Executive (of Single Network Organization or 2nd Level of Network Organization or 2nd Level of Network Programming Executive (of Single Network Organization or 2nd Level of Network Organization or 2nd Level of Network Programming Executive (of Single Network Organization or 2nd Level of Network Organization or 2nd Level of Network Programming Executive (of Single Network Organization or 2nd Level of Network Organization or 2nd Level of Network Programming Executive (of Single Network Organization or 2nd Level of Network Programming Executive (of Single Network Organization or 2nd Level of Network Organization or 2nd Level of Network								e)	
Management	EVP	10	21010 EVP, Prgm Acq	22010 EVP, Original Prgmg	23010 EVP, Prgm Dev	23510 EVP, Current Prgmg		25010 EVP, Prgm Sched	26010 EVP, Talent Relations
	SVP	11	21011 SVP, Prgm Acq	22011 SVP, Original Prgmg	23011 SVP, Prgm Dev	23511 SVP, Current Prgmg	24011 SVP, Int'l. Prgm Dev	25011 SVP, Prgm Sched	26011 SVP, Talent Relations
	VP	12	21012 VP, Prgm Acq	22012 VP, Original Prgmg	23012 VP, Prgm Dev	23512 VP, Current Prgmg	24012 VP, Int'l. Prgm Dev	25012 VP, Prgm Sched	26012 VP, Talent Relations
	Senior Director	13	21013 Sr Dir, Prgm Acq	22013 Sr Dir, Original Prgmg	23013 Sr Dir, Prgm Dev	23513 Sr Dir, Current Prgmg		25013 Sr Dir, Prgm Sched	26013 Sr Dir, Taler Relations
	Director	14	21014 Dir, Prgm Acq	22014 Dir, Original Prgmg	23014 Dir, Prgm Dev	23514 Dir, Current Prgmg	24014 Dir, Int'l. Prgm Dev	25014 Dir, Prgm Schec	26014 Dir, Talent Relations
	Senior Manager	15	21015 Sr Mgr, Prgm Acq	22015 Sr Mgr, Original Prgmg	23015 Sr Mgr, Prgm Dev	23515 Sr Mgr, Current Prgmg		25015 Sr Mgr, Prgm Sched	26015 Sr Mgr, Tale Relations
	Manager	16	21016 Mgr, Prgm Acq	22016 Mgr, Original Prgmg	23016 Mgr, Prgm Dev	23516 Mgr, Current Prgmg	24016 Mgr, Int'l. Prgm Dev	25016 Mgr, Prgm Sched	26016 Mgr, Talent Relations
	Supervisor	17	21017 Supv, Prgm Acq					25017 Supv, Prgm Sched	26017 Supv, Talen Relations
	Lead	18							
	Senior	24	21024 Sr Prgm Acq Spec		23024 Sr Prgm Dev Spec			25024 Sr Prgm Scheduler	26024 Sr Talent Relations Spec
Individual Contributor	Journey	25	21025 Prgm Acq Spec	22025 Original Prgmg Spec	23025 Prgm Dev Spec		24025 Int'l. Prgm Dev Spec	25025 Prgm Scheduler	26025 Talent Relat Spec
	Assoc	26							26026 Assoc Talen Relations Spec



Job Families & Descriptions Are Building Blocks of Job Architecture

Critical step in identifying similar roles



Finance & Accounting: manages an organization's financial resources, ensuring compliance with regulations, and providing insights to support decision-making. Maintains financial reporting and forecasting.



Human Resources: manages all aspects of the employee lifecycle. Develops and administers employee policies, programs and processes and ensures alignment with strategic direction of the organization. Drives the development of employee culture.



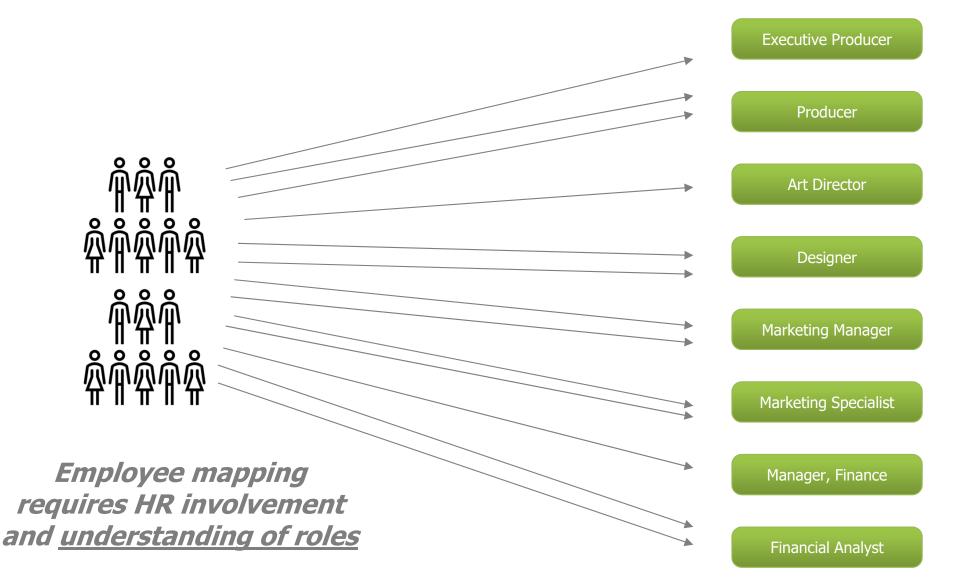
Level Descriptions Also Are Building Blocks of Job Architecture

- Critical step in identifying similar roles
- Particularly in companies with multiple studios & businesses

Level	Scope	Responsibility	Impact	Communications / Interactions
Director	Typically manages multiple teams led by Senior Managers and Managers	Decisions have a serious impact on the overall success or failure of area of accountability	Ownership of short to mid-term (1-3 years) strategy, execution and operational direction	Interacts with executive leadership and others concerning matters of significance to the organization
Manager	Manages experienced professionals	Problems faced are difficult to moderately complex	Policy and strategy implementation for short-term results (1 year or less)	Influences others outside of own job area regarding policies, practices and procedures
Senior IC	Applies advanced knowledge of job area	Problems faced are difficult and sometimes complex	Manages projects / processes, working independently with limited supervision	Coaching and reviewing the work of lower level professionals
Journey IC	Applies practical knowledge of job area	Problems faced are difficult but typically not complex	Works independently with general supervision	May influence others within the job area through explanation of facts, policies and practices



Accurate Employee Mapping to Roles in the Architecture Is Critical to Success

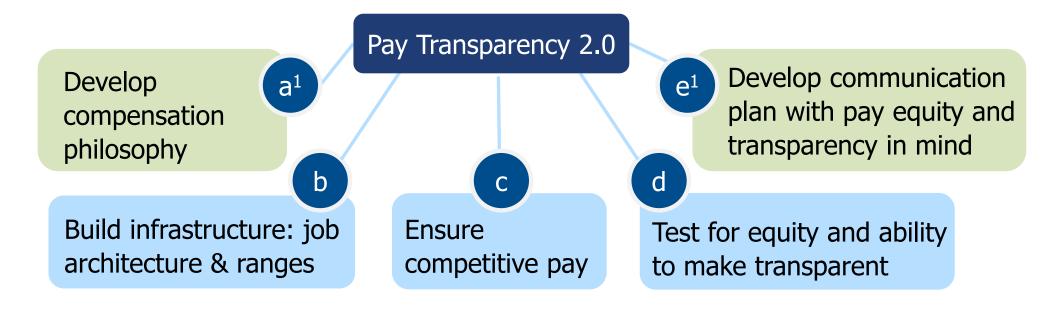




Pay Transparency 2.0



Pay Transparency 2.0: Communication and Training and Involves More Stakeholders



¹ Steps "a" and "e" have become more critical steps during Pay Transparency 2.0.



Compensation Philosophy: Foundation of a Transparent and Equitable Pay Program

- Organization's own context and operating model
- What the program is meant to **achieve** and how it will be **structured**
- Compensation components
- The comparative peer set / relevant market and targeted percentile
- How the organization defines transparency
- Specific definition and **commitments to pay equity**
- **Defined oversight and accountabilities** for how the plan is reviewed and updated



Compensation Philosophy: Example

We offer...

Competitive & equitable salaries that prioritize internal pay parity and considers market benchmarks for base salary + target variable pay. We firmly believe in equal pay for equal work, regardless of gender and across every organizational level.

Comprehensive benefits including medical, dental and vision insurance, company paid holidays, parental leave, paid sick leave, flexible Personal Time Off (PTO), company-paid shortterm and long-term disability insurance, and a 401k retirement plan with a generous company match.

Unique perquisites such as study abroad, self care benefits, recognition awards, matching gifts, and annual education & professional development funds.

Company prioritizes **internal pay parity** across each job level in our career framework and supports equitable pay by:



Establishing marketbased pay ranges

Ensuring consistency in pay positioning using universal, genderneutral leveling criteria

In recognition of gender differences in work flexibility, we do not differentiate pay for hybrid work arrangements or flexible work hours



Communicate: Build a Plan

Determine Level, Timing & Location of Transparency Start with your internal stakeholder group to refine the message. Expand to management, staff and new hires.

Job Postings / Descriptions / Career Matrices Job postings may be modified to ensure equitable pay is supported by posting minimum requirements, ensuring gender neutral criteria, encouraging all to apply and by including pay rate or range.

Management Training

Teach managers about compensation philosophy and pay program and how to communicate with employees. Provide them regularly updated data about the plan and pay equity for them to share with employees.

Employee Communications

May be a modified version of the management training and may include information specific to the employee such as pay range.





Communicate: Determine Level of Sharing

	Degree	Benefits	Challenges	
Moderate Sharing	 Compensation philosophy highlights 	Provides clear rationaleDemonstrates care	Frequently not fully	
8<0	 Total compensation components offered to them 	Increases understandingTies rewards to objectives	understood, requiring multiple conversations	
	 Their own salary range and placement in range 	 Supports development conversations 	 Discussing process only may not satisfy employees 	
	 Pay equity review process and status 	 Builds trust and displays values 		
More Sharing	 The next salary range up during development / promotional conversations 	 Supports development and career growth conversations 	 Requires intensive and regular 	
2 C	 Summary of pay equity findings 	 Builds trust and displays values 	communications	
Potentially Excessive Sharing	 Full salary structure / all salary ranges 	 Reduces staff questions about compensation bands 	 Without context, may foster competitiveness / animosity among some staff 	



Recommended Approach: Consultative, Multidisciplinary Approach



Identify an **executive sponsor** to champion the effort

Engage business managers - their "feet on the ground" experience helps structure the job catalog in the most effective way for the business

Agree on **organization levels** early in the process



Develop families using the **80% rule** – if core accountabilities are close enough to group together– but be **specific enough to be meaningful**



Map with integrity - honest mapping of employees to roles based on accountabilities regardless of title, performance or current pay



Salary **benchmarking and ranges follow** architecture

