

CLARKS UK

**GENDER PAY
GAP REPORT 2020**

WELCOME

MESSAGE FROM EMIEL KLEEFSTRA, CHIEF PEOPLE OFFICER

At Clarks, we believe in working responsibly.

Whether it is reducing our carbon footprint, ensuring good conditions for all employees in our supply chain or partnering with charities that match our values – we take our social, ethical and environmental responsibilities as a global footwear brand seriously.

An inclusive culture in our business, in our communities and across the world, benefits us all. Gender equality is no exception. It is however a complex issue, and not one that can be solved by one business alone or in a short time.

That is why we seek to work alongside partners, to help us not only continue to improve our own approach, but to play a part in the broader conversation.

We have also partnered with *Girl Rising*, a charity which aims to create a brighter future for girls around the world.

We still have a way to go and our figures reflect this, but we will continue to seek out opportunities to tackle the issue of gender equality.

In time, and with the increased focus and understanding brought by sharing these figures, we believe it will be possible to close the gap within our business, our sector and wider society.



A handwritten signature in black ink, appearing to read 'Emiel Kleefstra'. The signature is stylized and slanted upwards to the right.

Emiel Kleefstra, Chief People Officer

UNDERSTANDING THE FIGURES

HOW ARE THE GENDER PAY GAPS CALCULATED?

Following the reporting regulations set out by the UK Government, we have extracted data about the pay of our 7,162 UK colleagues as at 5 April 2019.

The **median gender pay gap** is calculated as follows: if all our UK employees were lined up in a female line and a male line, in order of pay from highest to lowest, the median gap is the difference in hourly pay of the female in the middle of her line when compared to the hourly pay of the man in the middle of his line.

It does not compare the pay of men and women doing the same role.

The **mean gender pay gap** compares the average hourly pay of men, with that of women. This figure is heavily influenced by the numbers of men and women in different roles.

Calculations for median and mean figures are also carried out in relation to bonus pay over the year to 5 April 2019, and we also show the proportion of men and women receiving any bonus pay during that period.

PAY QUANTILES

The report also illustrates the proportion of men and women in four 'pay quartiles'. The quartiles are calculated by splitting employees into four groups of an equal number of people, based on their pay.

WHAT'S INCLUDED IN EACH CALCULATION?

The data for both the mean and median gender pay gaps, and the pay quartiles, includes both ordinary and bonus pay as defined below, based on data as at 5 April 2019.

Ordinary pay includes basic pay, but also other pay such as leave pay and shift allowances. Overtime, redundancy or benefits in any form other than money are not included.

Bonus pay includes our retail incentive scheme and our annual bonus scheme – and any other additional pay that relates to profit sharing or performance. This is the same definition used for bonus pay in relation to the bonus pay gap.

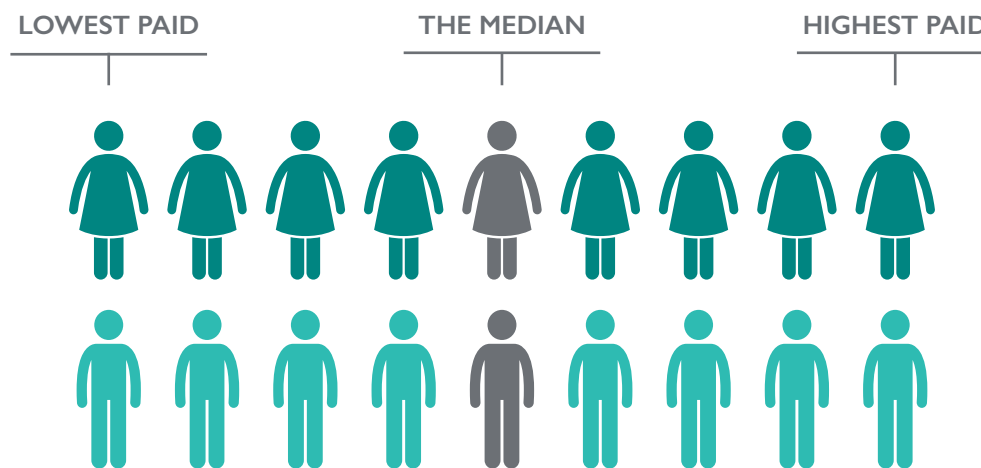
OUR GENDER PAY AND BONUS GAP FIGURES

The table below shows our overall mean and median gender pay and bonus gap, based on hourly rates of pay.

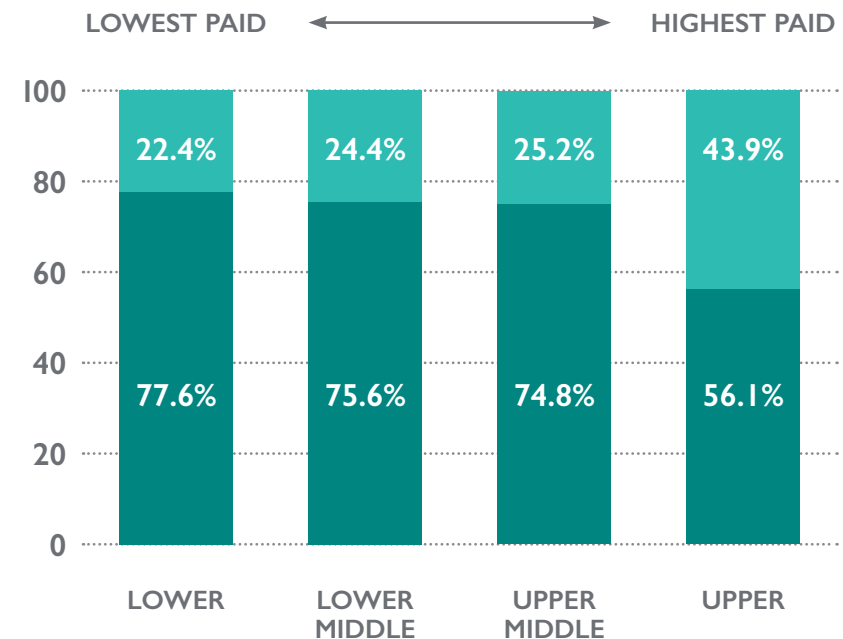
	MEAN	MEDIAN
GENDER PAY GAP	24.3%	5.1%
GENDER BONUS GAP	71.5%	1.61%

Our **mean gender pay gap** shows that average hourly pay (including bonus) for women is 24.3% lower than the average hourly pay for men.

Our **median gender pay gap** shows that the hourly pay of the female in the middle of her line is 5.1% lower than that of the man in the middle of his line.



PROPORTION OF MEN AND WOMEN IN FOUR EQUAL PAY QUARTILES



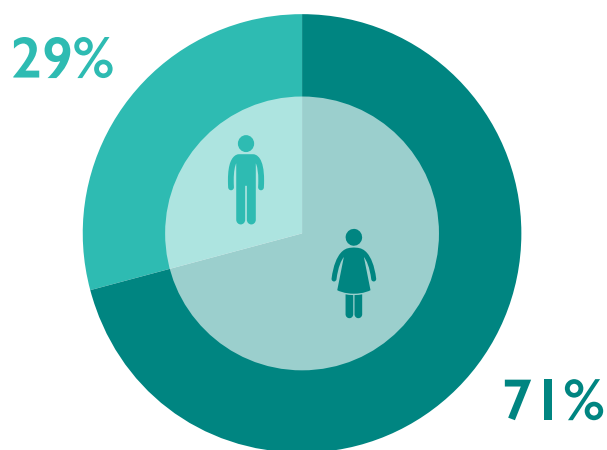
UNDERSTANDING OUR FIGURES

The key factor that continues to influence our gender pay gap is the balance of men and women across different job levels.

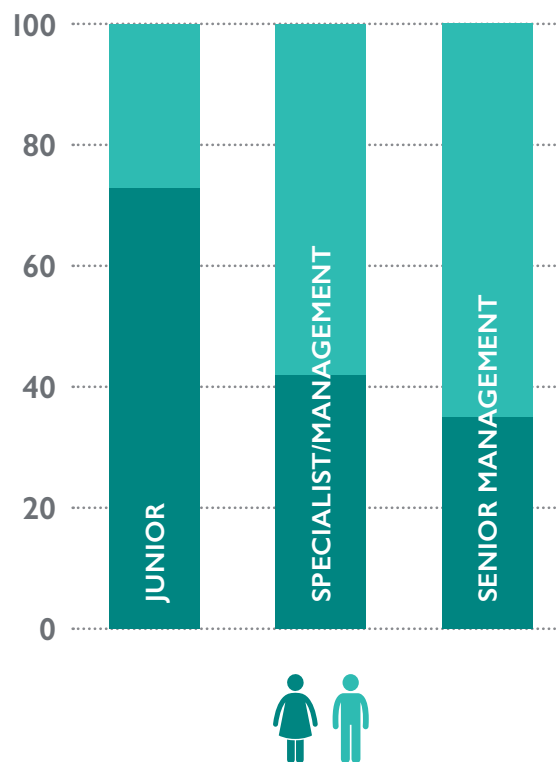
The following graphics show the overall gender balance in our business and within different work levels and types of role.

Overall, 71% of our colleagues are female and 29% are male. However, most of our lower paid roles, in our retail stores, are held by women, whereas most higher paid roles, in our global headquarters in the UK, are held by men.

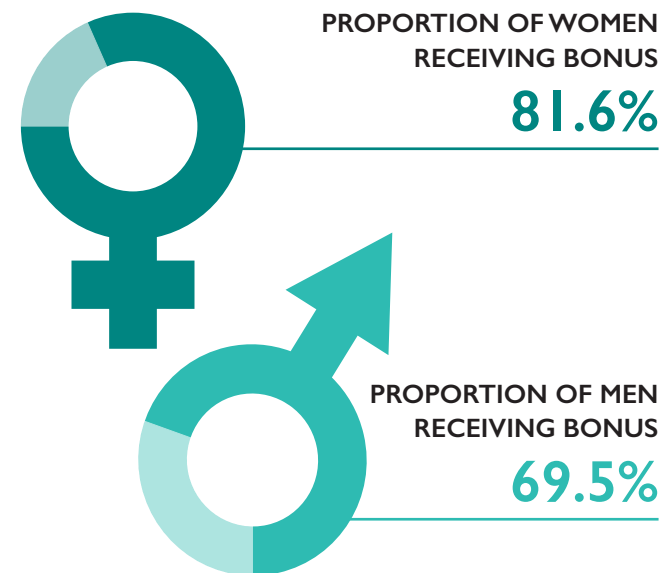
OVERALL GENDER BALANCE



We know from listening to our people, that the flexibility offered by working in our stores assists with work/life balance and this may explain the higher proportion of women in these roles. However, we are keen to encourage and support more women into senior roles in our business, to improve the balance at the top.

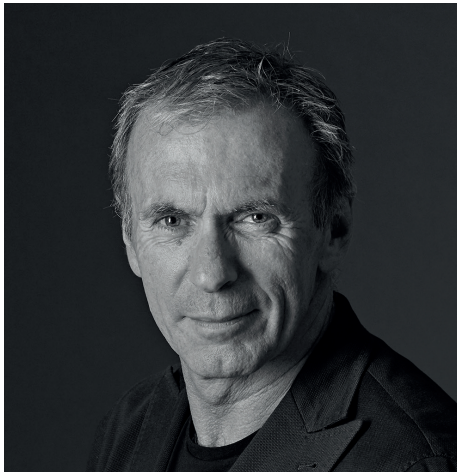


Due to our bonuses for senior roles being calculated as a percentage of pay, having more men in our most senior, highest paid roles also drives the bonus pay gap. So, despite more women than men receiving some form of bonus or incentive payment (81.6% of women compared to 69.5% of men), the average bonus for women was 71.5% lower than that for men. The difference at the median reduced from 7.5% to 1.61%. This is because the Head Office Bonus Scheme payments in 2018 – which are included in the bonus gap calculation – were reduced, placing more emphasis at the median on store-based incentives which tend to be for smaller amounts.



CLARKS UK PAY GAP REPORT 2020

We can confirm that this report and the information within is accurate.



A handwritten signature in black ink, appearing to read 'Giorgio Presca', written in a cursive style.

Giorgio Presca
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Emiel Kleefstra', written in a cursive style.

Emiel Kleefstra
Chief People Officer

MORE INFORMATION

For more information on the gender pay gap and how it's calculated:
www.acas.org.uk/genderpay

The Clarks logo, featuring the word 'Clarks' in a stylized, cursive font with a registered trademark symbol.