

CLARKS UK

**GENDER PAY GAP
REPORT 2023**

WELCOME

MESSAGE FROM JONATHAN RAM, CHIEF EXECUTIVE OFFICER

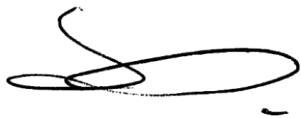
For the last 2 years our report has been affected by Furlough and like many UK businesses, our business has started to recover from the impact of the Covid-19 pandemic, where we had to temporarily close all our UK stores and reduce many of our operations, in line with Government restrictions. But as of September 2021, all our employees had returned from Furlough.

We are therefore pleased that our gender pay data has improved by 8% this year and our headcount has increased.

For the 12 months reflected in this report, Clarks only paid bonuses to a very small number of head office and retail employees.

Despite the disruption to our business, we remain committed to diversity, inclusion and equality within all our communities across the world. We still have a way to go, but we will continue to seek out opportunities to tackle the issue of gender equality and inclusion within Clarks and within the markets in which we operate.

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.



Jonathan Ram
Chief Executive 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 UK colleagues as at 5 April 2022. There is a total of 4,208 UK based employees across our Retail, Corporate & Distribution Centre included in this report which is an increase of 300 employees since April 2021.

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 2022, 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 2022.

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.

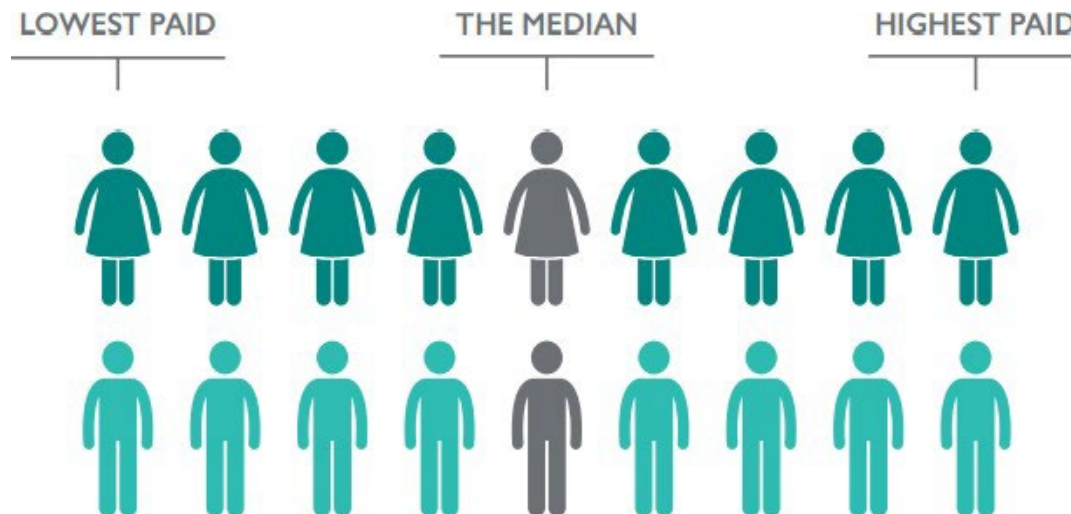
OUR GENDER PAY AND BONUS GAP FIGURES

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

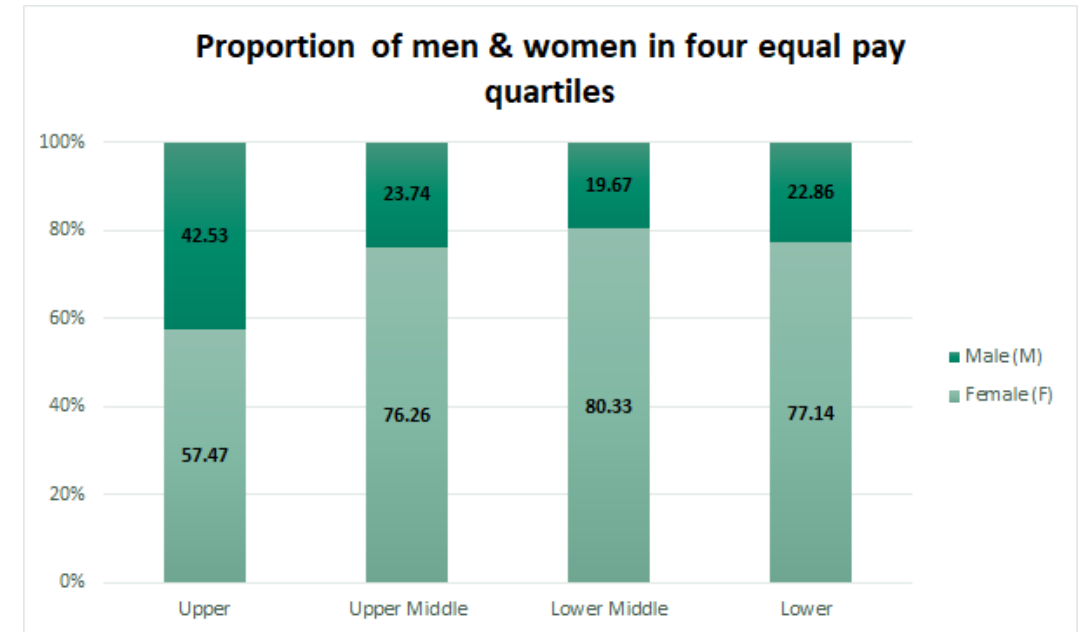
	MEAN	MEDIAN
GENDER PAY GAP	24.70%	6.67%
GENDER BONUS GAP*	66.97%	50.00%

Our **mean gender pay gap** shows that average hourly pay has **improved** by **8%** from 32.55% in 2021 to 24.70% lower for women in 2022 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 has also **improved** by **3%** from 9.67% in 2021 to 6.67% in 2022.



PROPORTION OF MEN AND WOMEN IN FOUR EQUAL PAY QUARTILES



* Only a very small number of bonuses were awarded compared to previous years and our Global Bonus scheme was paid out in May 2022 so is not part of this data

UNDERSTANDING OUR DEMOGRAPHICS

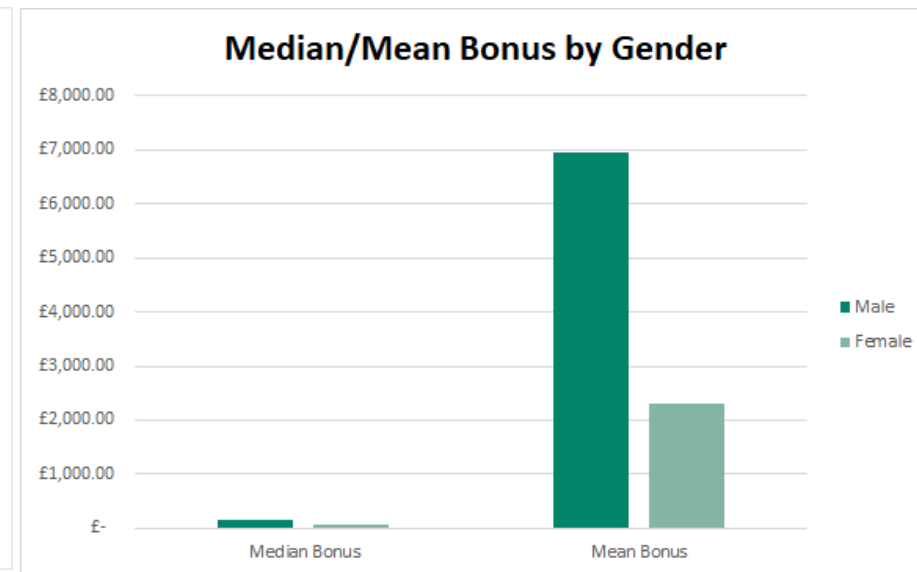
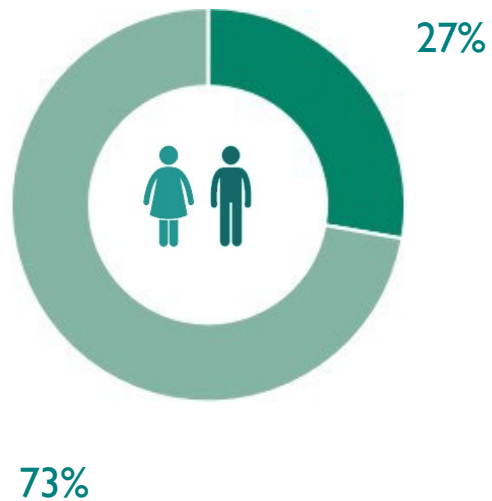
The key factor that continues to influence our gender pay gap is the balance of men and women across different job levels.

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

Overall, 73% of our colleagues are female and 27% 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.

Due to the operational challenges that Clarks experienced throughout 2021/22 only a small number of bonuses (less than 4%) were received in comparison to previous years. As such, the average bonus for women was 66.97% lower than that for men.

This is due to females in lower grades receiving a bonus compared to the male recipients whom are operating at a higher grade.



TAKING ACTION

Our ambition is to close the gap. There are some steps we can take in the short term and also some longer-term actions we can take to ensure we are addressing the gap. We are committed to unlocking career progression for colleagues who desire it and using the skills and talents of our global and diverse workforce in our business.

Our current and new initiatives will improve how we attract, engage and develop women (as well as other under-represented groups). These include:

RAISING AWARENESS AND REMOVING BIAS

We have launched several ERG's over the last 6 months including a Women's ERG. This is proactively raising the issues of importance to women. We also seek to have recruitment shortlists for senior roles that are balanced between male and female candidates.

DEVELOPING OUR ATTITUDES TOWARDS FLEXIBLE & HYBRID WORKING

All our colleagues can request to work flexibly and research shows that flexible working helps support the progression of women, for instance those with caring responsibilities. We are launching a new Hybrid work policy to give employees more flexibility in the way that they work.

BUILDING INTERNAL NETWORKS

We have launched mentorships for those in underrepresented groups or need support in driving their careers. These connect, inspire and better understand the experiences of under-represented groups, including women, across the business.

OUR DEI COMMITMENT:

At Clarks we embrace diversity and celebrate differences. An environment that is diverse and inclusive fosters shared values, behaviours, and ideas. This creates a positive working experience for our people and allows us to connect to the communities we live and the partners we work with. In the last few months we have launched our DEI strategy; rolled out our principles and training for all is underway.

INCREASING ACCESS INTO LEADERSHIP ROLES

We have launched apprenticeship schemes and 27 out of the 39 taking part are women. In addition 2 of which are Senior Women completing the Level 7 Masters level. This builds on our training and mentoring programs, supporting colleagues at all stages of their careers in their development into leadership and as leaders. We will focus on providing specific, targeted support for our female talent to progress their careers into and through our leadership levels.


Gender pay gap report.

CLARKS UK PAY GAP REPORT 2023

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



Jonathan Ram
Chief Executive Officer



Catherine Huot
Chief People and Sustainability Officer

MORE INFORMATION

For more information on the gender pay gap and how it's calculated:

www.acas.org.uk/genderpay