



A KOHLER COMPANY

Engineer - Install - Maintain

# 2019 Gender Pay Report

Clarke Energy is a multinational specialist in distributed power generation solutions. Its capabilities range from the supply of a gas fuelled power generation engine, through to the turnkey installation of a multi-engine power plant. Clarke Energy is an authorised distributor and service provider for Jenbacher reciprocating gas engines with a strong focus on aftersales support. It forms part of Kohler Co. specifically Kohler Power Group, thus belonging to a much larger network of over 38,000 associates across 6 continents.

The gender pay gap shows the difference between the average (mean or median) earnings of men and women. The mean is the average and the median is the middle number when hourly rates are placed in order from lowest to highest; both calculations are expressed as a percentage of male earnings.

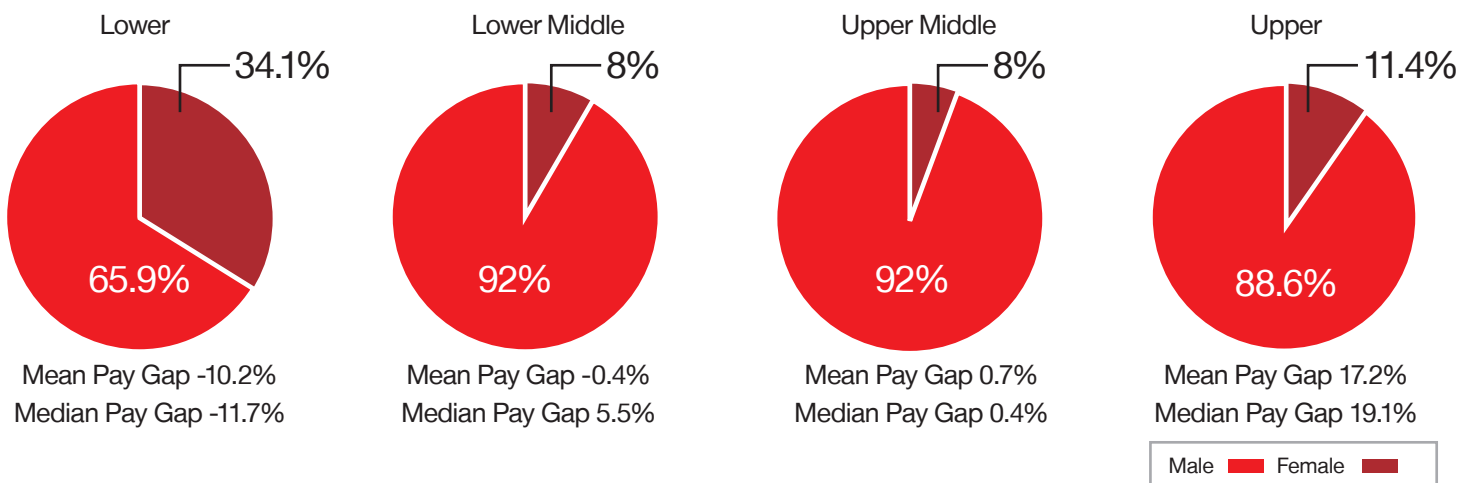
**The gender pay gap is not the same as equal pay.** Equal pay deals with the differences in pay when members of the opposite sex are paid differently but they carry out the same work, similar work or work of equal value. We are committed to supporting equality through fair pay and we strive to ensure that men and women are paid equally for doing equal work. We recognise that the market is continually changing. For that reason we continue to use external benchmarking to price our positions against the market, to ensure that we are offering the correct levels of pay for the role rather than for the individual.

### Pay and Bonus Pay Gap 2019

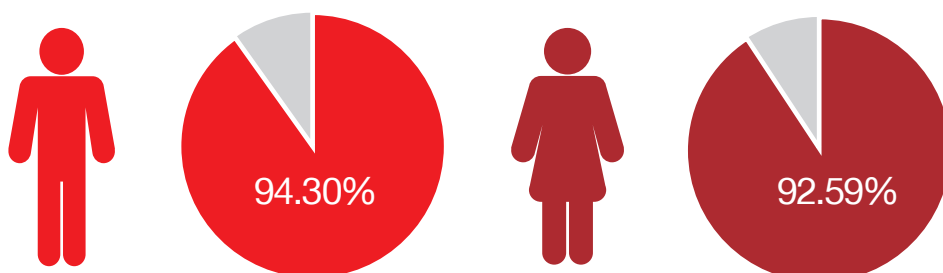
The table below shows our overall mean and median gender pay gap based on the hourly rates of pay on the 5th April 2019. The gender pay gap calculations for the bonus pay relate to the 12 month period 6th April 2018 to 5th April 2019 inclusive.

	Mean	Median
Hourly Pay	21.66%	22.56%
Bonus Pay	45.43%	24.46%

### Gender representation and pay gap within each quartile of the workforce



### Proportion of males and females awarded a bonus in the bonus pay period \*



\* 6th April 2018 - 5th April 2019

## Understanding the results

As shown in the gender representation figures (below), there are significantly more male associates at Clarke Energy than female and as a result there is a greater proportion of males in more senior roles. As such, our gender pay gap results are a reflection of our gender imbalance rather than a pay imbalance. Our male/female split and gender pay gap is indicative of the engineering sector where research shows there is a significant shortfall in engineers in general in the UK. EngineeringUK estimates that 59,000 more engineers are needed each year and that there is a serious diversity deficit with engineering workforces that are 12% female. This is as a result of a low number of women that are choosing engineering as a career, with only 16% representation of females as engineering graduates. Once females enter an engineering profession there are then challenges in retention however those that do remain and progress consistently show higher than average earnings and job satisfaction.

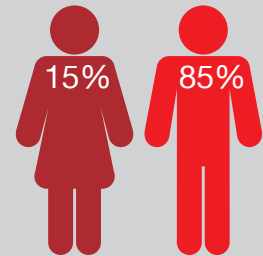
### Gender Representation at Clarke Energy, UK

The gender representation within the business is 85% male and 15% female. Despite industry challenges, we are committed to playing our part in trying to change that in order to achieve a better gender balance and recognise the immense benefits of having a workforce that truly represents society.

Kohler Co. has a long-standing commitment to pay equality and diversity, and our employment decisions are based on principles of equal opportunity. The company is making progress on its diversity and inclusion strategic plan objectives which are to-

- Attract and retain the best talent which is increasingly diverse.
- Build a strong talent pipeline to support the goal to promote from within.
- Achieve a gender balance across Kohler Co. at all levels, including senior levels.
- Create a culture of inclusion to optimise team performance and drive results globally.

At Clarke Energy we are aligned and committed to achieving these objectives.



## Closing the Gap

- We will aim to have a minimum of 2 qualified female candidates per interview slate, including our engineering vacancies.
- We will continue to build upon our Science, Technology, Engineering and Maths initiatives and early years careers programmes that aim to engage both males and females in Manufacturing and Engineering at an early age. On top of this we will create a female mentoring programme for school pupils who show an interest in relevant industry subjects.
- We will continue to support women in the business by focussing on their development.
- We will examine our benefits, policies and processes to ensure that they attract female candidates and portray a place where women want to work. We will also develop training programmes that highlight and build self-awareness of unconscious bias in the recruitment and promotion processes.
- We will continue to promote and celebrate diversity and inclusion within the business and the wider community as part of our stewardship initiatives.

We welcome the continued UK Government Gender Pay reporting initiative and support any action designed to highlight gaps in pay. Despite the challenges we face in the recruitment of females into technical and senior roles we will work to ensure that women are given the opportunities at Clarke Energy to progress from entry to boardroom level.

Jamie Clarke, President

Lynsey Merryweather, HR Director