



Engineer - Install - Maintain

2021 Gender Pay Report



Introduction to Clarke Energy

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.

What is the Gender Pay Gap?

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.

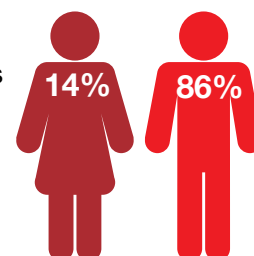
The gender pay gap is not the same as equal pay. Equal pay deals with the differences in pay when members of the opposite sex are paid differently but they carry out the same work, similar work or work of equal value. We are committed to supporting equality through fair pay and we strive to ensure that 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.

Gender Representation at Clarke Energy, UK

The gender representation within the business is 86% male and 14% 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.



Our commitment

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. We welcome the continued UK Government Gender Pay reporting initiative and support any action designed to highlight gaps in pay.

Jamie Clarke, President

Lynsey Merryweather, HR Director

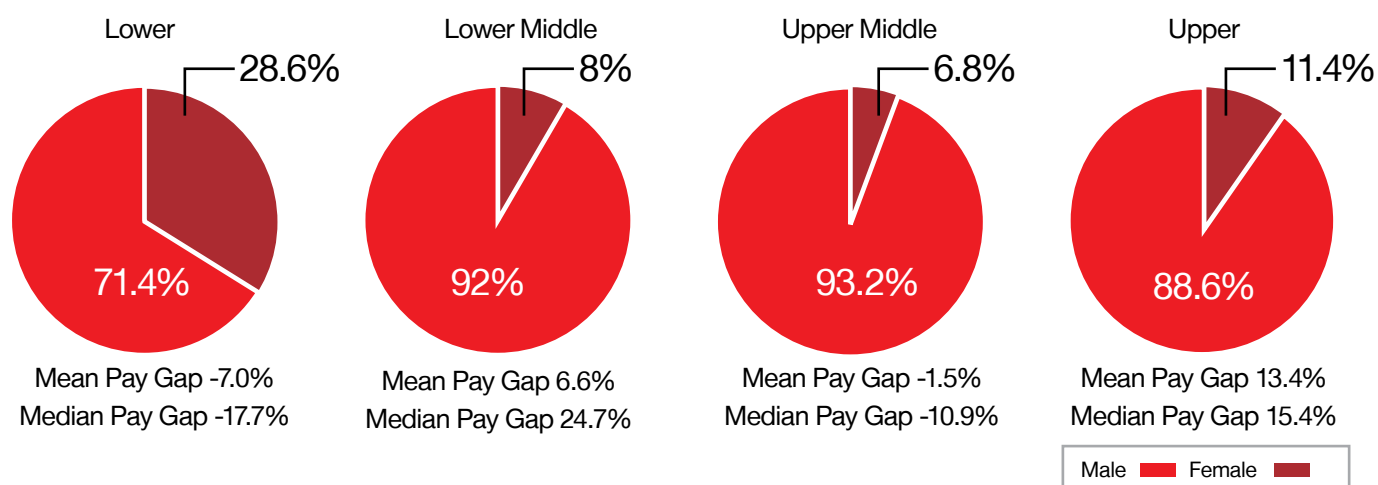
Gender Pay Gap 2021

The table below shows our overall mean and median gender pay gap based on the hourly rates of ordinary pay on the 5th April 2020. Ordinary pay includes basic pay, allowances, pay for piecework, pay for leave and premium shift pay.

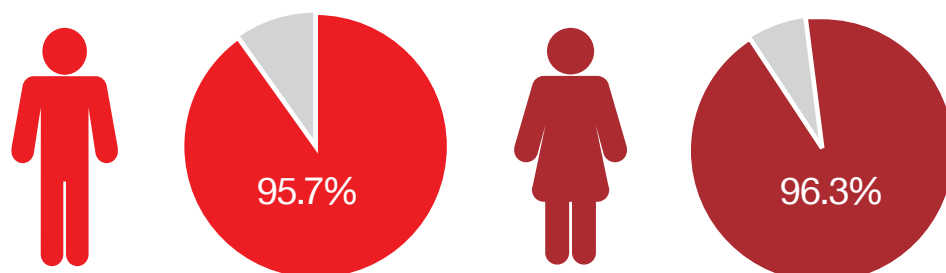
	Mean	Median
Hourly Pay	18.1%	22.0%
Bonus Pay	34.1%	5.9%

Gender representation and pay gap within each quartile of the workforce

The gender pay gap calculations for the bonus pay relate to the 12 month period 6th April 2020 to 5th April 2021 inclusive. Pay quartiles are calculated by dividing the relevant workforce into four equal bands, in Clarke Energy's case this is 92 associates per quartile. The amount of females and males within each quartile is shown below as a percentage. Also shown below is the gender pay gap within each quartile.



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



* 6th April 2020- 5th April 2021

All associates received a bonus in December and, thereafter, new hires that met eligibility prior to the end of the reporting cycle and results correlate to the consistent female and male associate populations.

Understanding the results

Gender Pay Gap 2021

The Gender Pay Gap calculations show similar results to the 2020 report and reflect not an issue with pay but a reflection of the gender balance within Clarke Energy. Females make up only 14% of our UK workforce and typical of a company within the engineering sector, a high percentage of these are in the lower quartiles where there are significantly more women in lower paid roles across the business compared to men. However there have been some highlights, reflecting the opportunities for women that work at Clarke Energy. Overall women's pay increased by 3.4% and in the upper quartile there remains a good representation of women in senior, decision-making roles.

Clarke Energy's workforce is predominantly made up of mechanical and electrical engineering roles which are critical to the success of the business, with more male-oriented field service, overhaul and commissioning engineers making up over 50% of headcount. Even in career areas that are more balanced in attracting both genders, such as project management, business development and commercial sales, a background and qualifications in engineering is essential. This, plus a small pool of female talent choosing engineering as a career, makes 50:50 gender representation harder to achieve.

The UK currently suffers from a shortage of engineers, in 2018 the Guardian reported that 1.8 million new engineers and technicians are needed by 2025 to keep up with new innovations and projects, yet in 2020 research conducted by the Royal Academy of Engineering and WISE has found that just 12% of engineers in the UK are women. Change needs to happen within early educational years so that women see engineering as a career for them and Clarke Energy can play its part in this.

Closing the Gap

- We will continue to identify, develop and retain talented women in the business.
- We will continue to pro-actively find qualified female candidates when we have 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 engineering at an early age.
- We will examine our benefits, policies and processes to ensure that they attract and retain female associates and portray a environment where women want to work. We will also look at our careers website, social media and recruitment activity to make sure that we are attracting female talent and are an employer of choice for women.
- We will continue to promote and celebrate diversity and inclusion within the business and the wider community as part of our stewardship initiatives.