

Gender Pay Gap Report 2024

Clarins UK Group | April 2025

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At Clarins UK our pursuit of diversity, equity and inclusion remains very much at the top of our agenda. Our Clarins Beyond Boundaries 5-year Strategy for 2025 – 2030 will strengthen our commitment to continuing a journey to ensure that we have fair and equitable practices that encourage growth, and provide a workplace where our people can flourish, grow and feel a sense of belonging.

It has remained a vital part of our recruitment and progression strategies to encourage greater gender diversity and more diverse applicant pools through our focus on an inclusive hiring strategy, as well as continuing to take further steps to continually develop our culture. We are committed to ensuring our policies and practices are fair and equitable, strive for inclusion and support a working environment that accepts differences in cultural background and lifestyles. We will also continue with our training and education programmes around diversity, equity and inclusion.

In 2024 women represented 95% of our workforce, and held 83% of leadership positions, which has changed since our last report. In General, women tend to be more highly represented in the retail beauty industry in line with the customer profile. The high female population and ratio of females to males continues to provide challenges when comparing the gender pay gap, which we outline in this report along with some of the ways we aim to improve gender diversity.

We are pleased to present our 2024 gender pay report. It highlights the opportunity for us to continually improve and challenge the gender norms associated with certain roles and professions within our industry.

Gender pay as well as equal pay is one aspect of our long-term commitment to diversity, equity and inclusion and forms part of our reward strategy that has the principles of fairness and transparency at its core.

We confirm the data reported is accurate.



Debbie Lewis

Managing Director
Clarins UK Ltd



Denise Bird Newell

Director of People, Culture & Facilities
Clarins UK Ltd



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Overview: A reminder

What is the Gender Pay Gap?

- Gender pay shows the difference in average pay between all men and women within a company
 - it's a collective comparison.
- Equal pay compares the pay of a man and a woman who hold the same roles within a company
 - it's an individual comparison.

What causes the Gender Pay Gap?

The causes of the gender pay gap are complex, but one of the main reasons in our society is that men are still more likely to be in high paying senior roles. Women are more likely to be in occupations that offer less financial reward and in lower paying sectors of our economy. They are also more likely than men to be employed in part-time roles, which are often lower paid. Women are more likely to take career breaks to raise a family in comparison to men and to return in part-time roles.

In Clarins UK Ltd we have a very low ratio of men to women and men tend to be employed in professional services such as IT and Finance.

What is reported?

An employer must publish six calculations showing their:

1. Average gender pay gap as a mean average
2. Average gender pay gap as a median average
3. Average bonus gender pay gap as a mean average
4. Average bonus gender pay gap as a median average
5. Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
6. Proportion of males and females when divided into four groups ordered from lowest to highest pay



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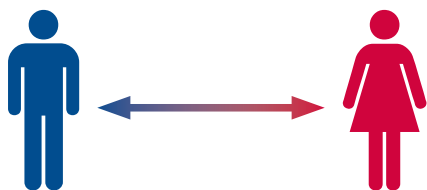
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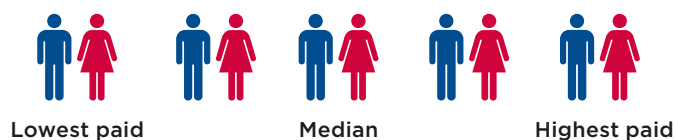
Mean Pay Gap

The mean pay gap is the difference in the average earnings between all women and men.



Median Pay Gap

The median pay gap is the mid-point between high and low earnings between all women and men.



Our results

We have compared both the mean (average) and median (mid-point) in the hourly rate we paid to men and women on 5 April 2024. Below you can see both our mean and median gender pay and bonus gaps and the progress made when comparing with 2023 results. Our results will be discussed further in the **Understanding the Gap for Clarins (UK) Ltd** section.

2023 results

Median Gender Pay Gap

53.3%

Mean Gender Pay Gap

33.6%

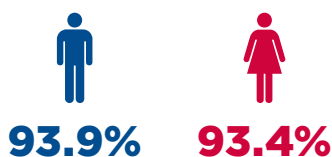
Median Gender Bonus Pay Gap

60.5%

Mean Gender Bonus Pay Gap

41%

Proportion of **men** and **women** receiving bonus



2024 results

Median Gender Pay Gap

47.1%

Mean Gender Pay Gap

50.8%

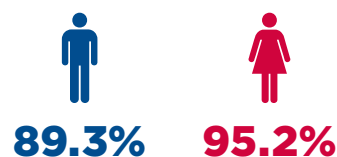
Median Gender Bonus Pay Gap

62.5%

Mean Gender Bonus Pay Gap

55.5%

Proportion of **men** and **women** receiving bonus



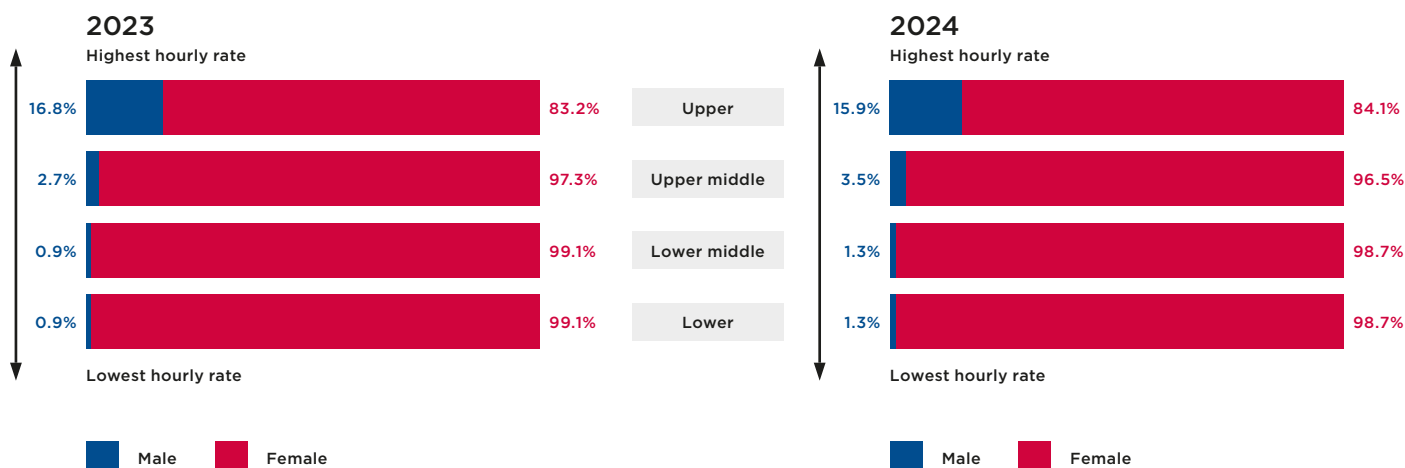
What's included in Bonus Pay

Our bonus pay includes sales commission and incentive payments, Christmas and performance bonus payments, Long Service Awards and Merit Awards.



Pay quartiles

The pay quartiles shown in the diagram below are calculated by listing the rates of pay for every employee from lowest to highest, before splitting that list into four equal-sized groups and calculating the percentage of males and females in each. Pay quartiles give an indication of women's representation at different levels of the organisation.



The diagrams show that women are the majority in all quartiles. This has not changed since last year. Any changes in the male population have a significant impact due to the low number of men within the organisation and in each of the quartiles.



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Understanding the Gap for Clarins (UK) Ltd

Our gender pay gap results show that there is an increase in the mean pay gap from 33.6% to 50.8%. This has been driven by the recruitment of males in senior and leadership roles within Finance and Supply Chain, which were not included last year. Despite ensuring diversity within the talent pools, there were still more shortlisted applications from males compared to females for these roles, indicating that these roles continue to be male dominated at leadership level.

Our median pay gap results show a decrease of 53.3% to 47.1%. This is due to an increase in females in the upper quartiles moving the mid-point to a higher rate. There has been an increase in the male population in the lower quartiles, which has changed the male mid-point reducing the median pay gap.

If we were to include our Distribution business as it has its own company status and does not meet the criteria for gender pay reporting in our total company reporting, our mean pay gap would be reduced to 37.9% and the median pay gap would reduce to 23%. This is because there are more males in the Distribution operational areas in the lower quartiles.

The median bonus gap has increased from 60.5% to 62.5% and the mean gap has also increased from 41% to 55.5%. This is largely due to more senior leaders in the male population being eligible for a bonus this year, in comparison to last year, as well as a higher number of long service awards and merit awards for males compared to last year. Including distribution, the median bonus gap would reduce to 44.2%.

Career bands 2023	M	F	Career bands 2024	M	F
Leadership Team	0%	100%	Leadership Team	17%	83%
Senior Management	39%	61%	Senior Management	43%	57%
Middle Management	9%	91%	Middle Management	9%	91%
Junior Management	6%	94%	Junior Management	5%	95%
Technical, Clerical & Retail Operations	1%	99%	Technical, Clerical & Retail Operations	2%	98%



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We continue to have more women than men in our retail roles, which offers greater flexibility of shift patterns and hours and attracts more part-time workers. It continues to be the case that the men that hold these positions within retail are more likely to be in management roles in Flagship stores and have a greater longevity of service. Retail roles also tend to have lower market pay rates than office-based roles where we have more men employed in specialist and technical roles such as IT and Finance. In the last reporting period, there was an increase in vacant roles within Finance and Supply Chain, that have been filled by men. This has been the primary reason for the increase in our gap, however we remain confident around our commitment to equal pay.

Sales-related bonus and reward payments are influenced by the number of hours worked. The majority of part-time roles are held by women.

We remain confident that men and women are paid equally for equivalent roles as we have robust processes in place to uphold this. We use job evaluation methodology to compare jobs across the organisation to ensure relative alignment and external benchmarking to standardise our approach to job grading and reward. Our pay ranges differ for job family as well as grade to allow us to benchmark effectively and ensure competitiveness with the external market.

The fashion and beauty industry continues to be over-represented by women in line with its consumer profile. As a beauty company our employee profile mirrors the industry, with the majority of our workforce being employed as Beauty Coaches and Beauty Therapists in the retail environment.



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Closing the gap

Action plan

We continue to look for ways to close the gender pay gap with focus on our recruitment, reward, family friendly policies and agile working practices. We also continue to strive to find ways to increase diversity and attract more men into the retail beauty industry so that there is a better balance of male and female representation. Throughout our marketing campaigns, we are increasingly using more male models across all our communication channels to raise awareness of our male product range. This in turn, may help to encourage more males to consider employment within our industry. In addition, we are also looking for ways to increase female representation in the male dominated areas such as Supply Chain, IT and Finance.

Addressing the gender pay gap is a priority, and we are committed to taking meaningful action. Below are key recommendations to close the gap and promote pay equity across our workforce:

- Increasing transparency in pay and reward that is benchmarked both internally and externally, especially during recruitment and career progression. We are introducing more global policies and practices that will allow for greater mobility between countries without widening our pay gap.
- Allocating pay increases fairly and consistently based on position on the salary range and level of performance.
- Proactively monitoring and identifying any gaps or equal pay issues by comparing salaries of men and women, by job level, and by function across the business.
- Actively look for opportunities to improve diversity during recruitment and selection, including bias-free processes, diverse interview panels and gender-neutral job descriptions. This includes unconscious bias training for all managers involved in hiring, promotions and pay decisions.
- Enhance flexible working options to support employees balancing work and care giving responsibilities whilst encouraging and supporting men in taking parental leave to challenge gender norms.
- Working with our global and local Diversity, Equity & Inclusion Forums, and employee network groups e.g. working parents, menopause and me and pride to listen and encourage an inclusive culture where all employees feel valued and supported in their careers.
- By adopting practices and education programmes that promote equity in employment and career prospects for our people.



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