



CRAGHOPPERS

GENDER PAY GAP REPORTING

With effect from 2017, it has become a legal requirement for companies with 250 or more employees to publish information about their gender pay gap as at 05 April each year.

The pay gap isn't the same as equal pay. Equal pay - that men and women doing the same job should be paid the same - has been a legal requirement for 47 years. Even with equal pay, there may be specific considerations such as relevant qualifications, experience or skill levels that mean one person is better at doing their job than another. As long as there is a genuine reason for a difference in pay levels which is not related to gender, the unequal pay may well be justified.

At Craghoppers Ltd, we are committed to equal opportunities in all areas of recruitment, employment, training and promotion. We strive to maintain an environment that is based on merit and inclusiveness. We are committed to ensuring all people can develop their full potential, irrespective of race, gender, marital status, sexual orientation, disability, age, pregnancy or maternity, gender reassignment, political opinion, religion, belief, or any other characteristic protected by applicable law.

THE LEGISLATION REQUIRES US TO CALCULATE AND PUBLISH THE FOLLOWING MEASURES:

- Percentage gap in mean and median pay between men and women based on their average hourly pay rate in the pay period covering 05 April.
- The proportion of men and women in each pay quartile.
- Percentage gap in mean and median bonus paid to men and women in the twelve months preceding 05 April.
- The proportion of men and women who were paid a bonus.

OUR PAY AND BONUS GAP IN CRAGHOPPERS IS DISTORTED DUE TO A COUPLE OF KEY FACTORS:

- 1) Pay
 - Within the Craghoppers payroll are two very different sectors, Head Office Professions and Retail Sales. Of the total 297 headcount, 208 were in retail sales and of these 165 were female. These roles are paid in line with our retail competitors and are generally at a lower level than Head Office Professions such as Buying and Design and Marketing.
 - It is also worth noting that there are three male Directors on the Craghoppers Payroll. Although there are female Directors in Craghoppers, due to Group structures, they actually sit in a different company for Gender Pay reporting purposes.
 - Many of the senior females within the Group are also employed by a different company for Gender Pay reporting purposes.

2) Bonus

- The bonus gap is distorted because we are comparing colleagues on very different terms and conditions, each of which are appropriate to the role. Our small Head Office function includes a number of people in sales roles which have sales targets. These roles have an 'On-target-earnings' pay structure which means that a significant part of their overall pay is bonus rather than basic pay. Wholesale and field sales roles have historically attracted male candidates which is something we are looking at in terms of attraction strategy going forward.
- We have many Head Office colleagues who are eligible for a profit share which is a welcome addition to the reward package but not a core part in the same way as an 'On-target-earnings' package.
- We also have the 208 people in concessions, the majority (80% of whom are female, and as at April 2017, none of these roles were eligible for bonus.

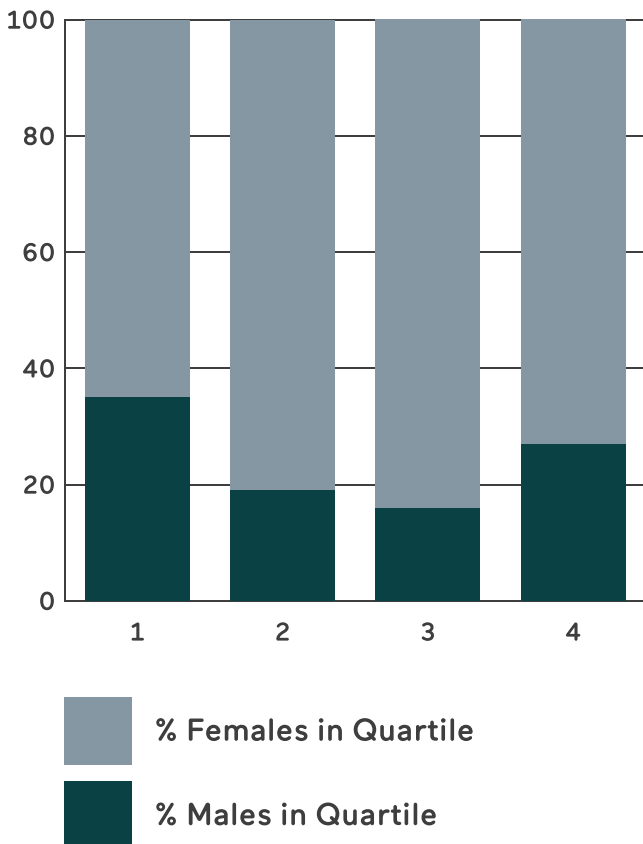
THE FIGURES FOR CRAGHOPPERS LTD AS AT 5TH APRIL 2017 WERE:

Number of men 73 (24.6%) and number of women 224 (75.4%).

Mean gender pay gap 26.1%

Median gender pay gap 2.6%

Proportion of men and women in each pay quartile



Mean bonus gap 85.1%

Median bonus gap 79.2%

The percentage of people paid a bonus – 38.7% men and 28.4% women.

We will continue to focus on ensuring fairness and finding ways to maintain and improve equal opportunity for all our talented and valued people.

In the last 5 years the proportion of men and women who have attended our Head Office development programmes – Personal Effectiveness and Journey to Management Excellence has been 33% male and 67% female. We have also introduced our Trailblazer development programme to support the career development of our colleagues in Retail and will be introducing a bonus scheme for concessions colleagues at the end of 2017.