



LARK

Gender Pay Gap – Aston Scott Limited and Lark (Group) Limited

The Gap

The gender pay gap is a measure of labour market or workplace disadvantage, expressed in terms of a comparison between men's and women's bonuses and hourly rates of pay. This is distinctly different from equal pay as explained below.

The Scope

This report covers the figures of both Aston Scott Limited and Lark (Group) Limited. The two companies will report their figures independently as they are still trading as two separate entities. In light of the merger of the two businesses, this combined narrative has been produced. This report excludes Lark Employee Benefits Limited and Bell & Co. because both companies have less than 250 employees.

Reporting the Gap

UK companies with 250 or more employees have to publish their gender pay gap data by April 2018, under a new legal requirement. Firms must publish a snapshot of their employees' pay as at 5 April 2017 on their website. The pay gap is demonstrated by a series of calculations which show the difference between the earnings of men and women in the organisation.

In order to guarantee consistency of reporting, the 'rules' are very closely defined, including the date at which the payroll 'snapshot' is taken and what specifically must be included in the calculations. Gender pay gap reports will be generated annually so that all companies can see their progression.

At the snapshot date, of Aston Scott's 241 relevant employees, 59% were female and 41% were male. Of Lark's 275 relevant employees, 54% were female and 46% were male.

The figures as at 5th April 2017

	Aston Scott Limited	Lark (Group) Limited
Mean Pay Percentage Gap <i>(The gap between the average pay of males and females)</i>	21.75%	31.75%
Median Pay Percentage Gap <i>(The gap between the middle pay point of males and females)</i>	12.77%	28.85%
Mean Bonus Percentage Gap <i>(The gap between the average bonus of males and females)</i>	-19.86%	57.33%
Median Bonus Percentage Gap <i>(The gap between the middle bonus point of males and females)</i>	36.51%	37.61%



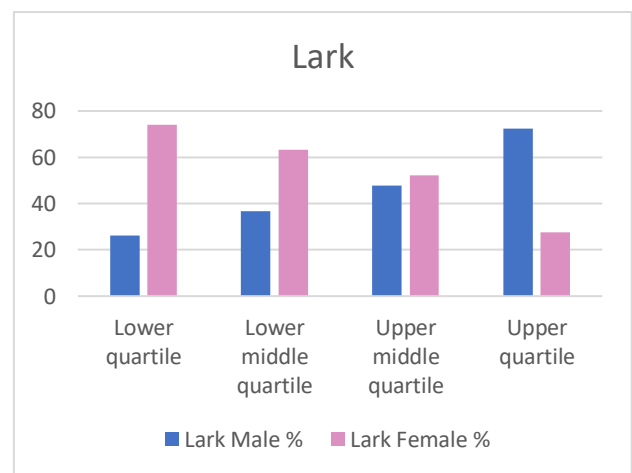
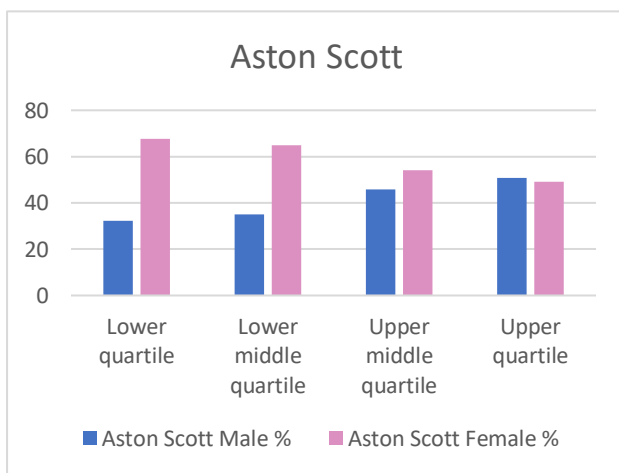
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As an example of the interpretation of the figures above, the data shows that on average in Aston Scott pay for males is 21.75% higher than for females. Conversely the average bonus payment in Aston Scott for females was 19.86% higher than for males.

The medians are useful in indicating what the 'typical' situation is, and are not influenced by above or below average pay rates or bonuses, as it compares the middle point of the list of male and female employees.

Pay bands (25% of workforce in each)

If you split pay (measured as hourly rates) across the companies into four equal pay bands, the following table shows the proportion of men and women in each band –



In both companies you can see that there are more females in the lower and lower middle pay quartiles. This is due to the fact that there are more females in business support and administrative roles. In Lark, the upper quartile is indicative of the fact that the management team is male dominated. These trends are common, to varying degrees, throughout the Financial Services sector.

Equal Pay v. Gender Pay

Equal pay is a very different issue from gender pay, and refers to the level of salary and bonuses received by males and females performing the same role. Equal pay means that salaries are not influenced by gender but are based on individual performance, technical skills, qualifications and experience, taking account of local market conditions and any other external factors. We are confident that both Aston Scott and Lark are robust in ensuring that there is equal pay in both businesses.



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Conclusion

This report has highlighted areas which we will strive to improve in the merged Aston Lark business. Examples include:

- HR are undertaking an exercise to review job titles. Completion of this will allow us to continue to ensure equal pay consistency across the company.
- A consistent approach to bonuses - the snapshot date of 5th April 2017 showed that historically only a minority of Aston Scott employees received a bonus (26.50% of male and 22.81% of female employees). This is in huge contrast to Lark where the majority of employees received a bonus (82.54% of male employees and 85.23% of female employees).
- In Aston Scott this has changed considerably since the 'snapshot date', as in September 2017, 53% of staff received a bonus. This is a reflection of the new incentive arrangements put in place during 2016 which gave all members of staff the opportunity to earn a bonus. We will launch a new Aston Lark bonus scheme for the merged business which will give all employees an opportunity to earn a bonus based on their individual performance and contribution to the company's success.
- HR are working on a diversity project that we believe will have a positive effect on our recruitment process to ensure that we have a diverse workforce who will have equal opportunities to progress. This will include training for managers to ensure that bonuses are awarded fairly and that staff are promoted based on merit.
- We will review our flexible working policy to help our employees to manage their work / life balance and meet their family commitments, whilst continuing to meet the needs of our customers.
- Our L&D team are launching a Career Pathway project which will highlight opportunities for advancement, which we believe will encourage greater female progression into more senior roles in the company.

By developing our policies across recruitment, staff retention, promotion and training, we're actively working towards reducing our gender pay gap in the coming years.

I can confirm that the data contained in this report is accurate.

Stuart Rootham, Group Managing Director

March 2018