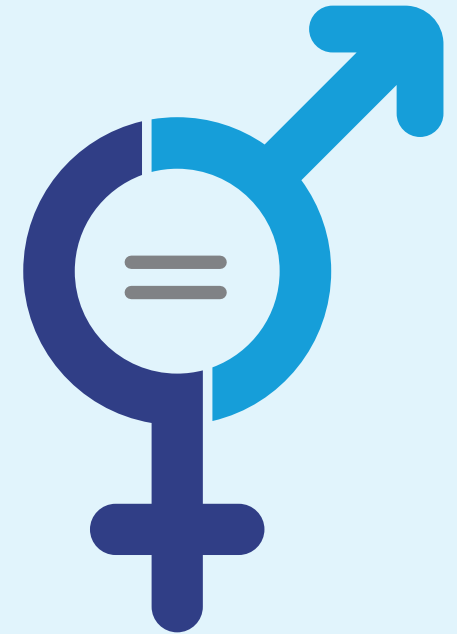




Link Financial Outsourcing Ltd
Gender Pay Gap Report 2023

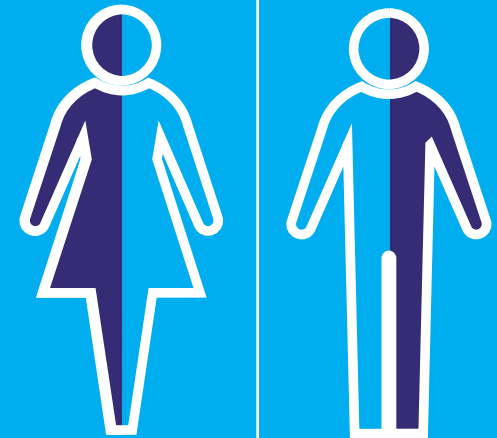


Introduction

All companies in the UK which employ 250 people or more are required to report annually on their gender pay gap statistics. The gender pay gap is the difference in the average pay and bonuses of all men and women across an organisation, regardless of their role, so the numbers don't mean that women are paid less than men for doing the same job. The results show that, on average, men may occupy higher paying roles than women in the organisation. The statistics are inevitably influenced by a number of external and internal factors and should therefore be treated with a degree of caution.

As a company, we welcome the transparency and opportunity to consider the gender pay gap and ways in which we can continue to take positive action to ensure equal opportunity for all.

As an equal opportunities employer, all candidates are given the same consideration regardless of sex, age, religion, ethnicity, sexual orientation, marriage, or gender reassignment. We aim is to reduce our Gender Pay Gap and we are confident that we have equal pay for work of equal value. Our approach to recruitment, development and reward has **enabled us to achieve statistics that are in most cases significantly better than the average for our sector.**



Analysis

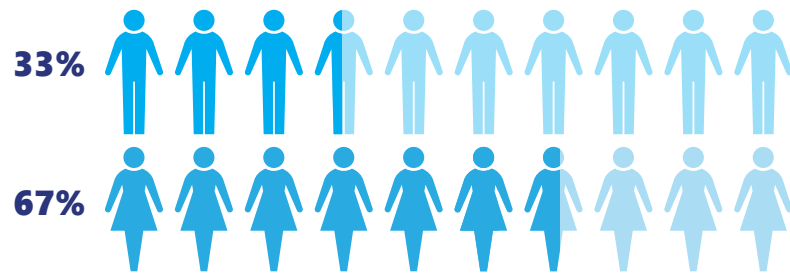
Gender pay gap reporting in the UK is now in its seventh year and this report covers the 2023–24 reporting cycle, using the required snapshot date of 5 April 2023. The gap is assessed against 6 different measures.

In summary, Link Financial Outsourcing (“Link”) has seen a slight increase in the mean hourly pay gap from 29% to 32%.

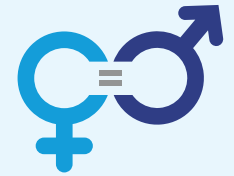
Our Workforce

The total proportion of male and females is 67% (204) female and 33% (100) male. This is not uncommon in the Financial Services sector, where women are overrepresented in certain roles, for example in Customer Service positions.

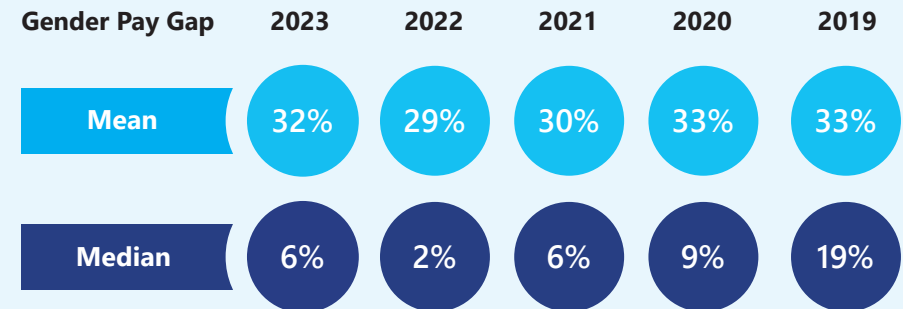
Proportion of Male and Female Employees



The detailed outputs of the analysis and explanations are set out below.



Our Median Gender Pay Gap



Mean and median gender pay gap

The gender pay gap shows the difference between the mean (average) and median (mid-point) hourly rate of pay of male full pay relevant employees and that of female full pay relevant employees, expressed as a percentage.

Table 1: Gender Pay Gap

Our latest data shows that Link has a median gender pay gap of 6% and a mean gender pay gap of 32%.

Median gender pay gap

We rank all our people by their hourly pay. Then we compare what the woman in the middle of the female pay range received with what the man in the middle of the male pay range received. The difference between these figures is the median gender pay gap.

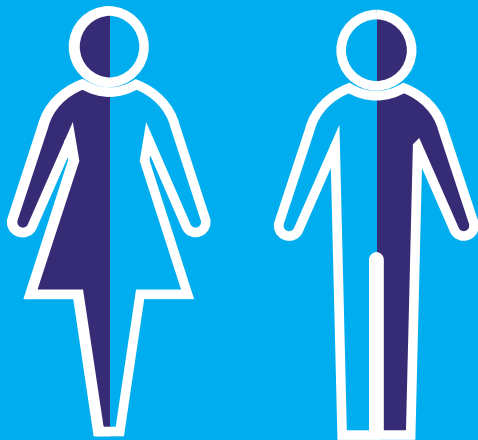
This slight increase of the median pay gap from the previous reporting year by 4% is something we need to be aware of when considering measures to address the gender pay gap. This means women in the middle of the female pay range received less than the men in the middle of the male pay range. This is because the proportion of women in the lower and middle quartiles has remained consistently greater than those in the upper quartile. Salary ranges in the upper quartile are much broader than in other quartiles, because of the more specialised roles at these levels, and this contributes to our median pay gap.

Mean gender pay gap

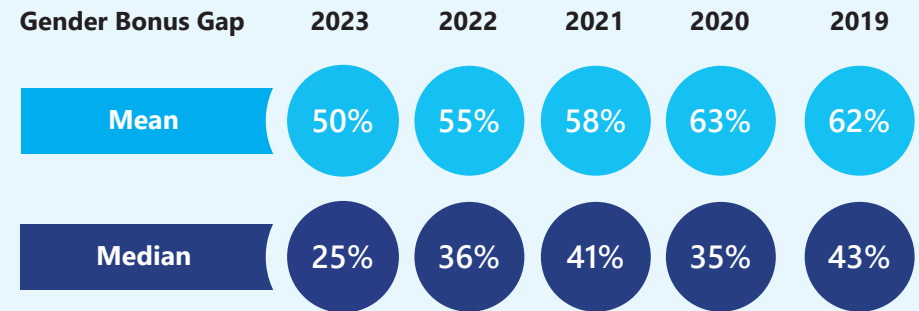
We add together all the hourly pay rates that women receive, divided by the number of women in our workforce. We then repeat this calculation for men. The figures represent how much lower the hourly pay of the average (or mid-point) female employee is against that of the average male employee. The difference between these figures is the mean gender pay gap.

Link is an equal pay company, so employees doing the same job on the same grade are paid the same amount. The mean is distorted by a small number of the highest paid employees in the upper pay quartile who are mostly male, so the median (mid-point) is considered a more representative reflection of the workforce as a whole.

The gap arises because of the unequal distribution of men and women across senior roles as well as technical and specialist roles which typically attract more males, such as ICT, and not because of our pay policies and practices.



Our Gender Bonus Gap



Mean and median bonus Gap

The bonus pay gap refers to the difference between the mean (average) and median (mid-point) bonus earnings of male and female employees, expressed as a percentage of the bonus pay paid to male relevant employees.

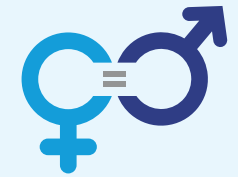
Table 2 | Gender Bonus Gap

Only relevant employees who received a bonus are included in the calculation. At Link, bonuses are awarded based on personal and company performance, irrespective of gender, and are made available to all eligible employees at all levels.

Both our median bonus pay gap and mean bonus pay gap narrowed this year.

The median gender bonus gap exists because there is a higher proportion of female employees in the business and across the lower quartiles. The gender pay gap therefore remains impacted by currently having fewer women in senior positions along with a higher proportion of women part-time workers in the company whose bonuses are pro-rated (the calculation for the gender bonus gap does not allow for any adjustment to bring these bonuses back to their full-time equivalent) and the upper quartiles receive higher value bonus payments with more men in senior management positions.

The number of males and females receiving a bonus is relatively more balanced this year with 88% females and 83% males receiving a bonus. Employees are only eligible to receive a bonus after a specific length of service in role which explains why some did not receive one. The small reduction in men receiving bonuses relates to a period of recruitment into technical and specialist roles, which typically attract more males.



Our Pay Bands

Proportion of employees in each pay quartile band 2023

The proportion of male and female employees in four quartile hourly rate pay bands, ranked from lowest hourly rate to the highest hourly rate by dividing the workforce into four equal parts. +

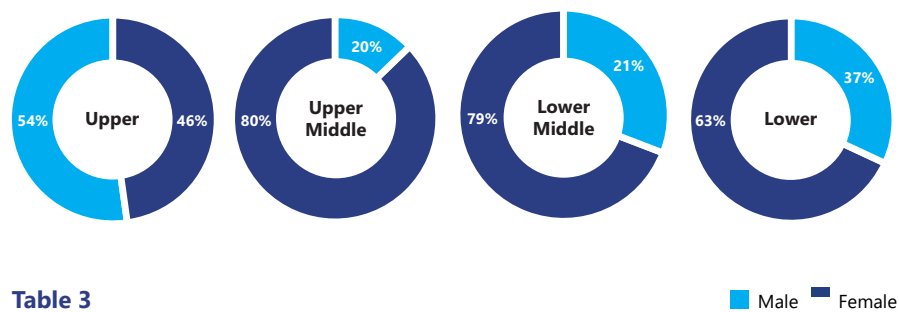


Table 3 | Pay Quartiles

Each pay quartile represents a quarter, or 25%, of our total workforce ranked by pay. The table shows how the proportion of men and women at the lower and lower-middle pay quartiles has remained relatively stable since the previous year. There remains a higher proportion of men in senior roles in the Upper Quartile across the company. This pool of employees remains static and small and has not seen any changes during the reporting year.

Closing our Gender Pay Gap

Our gender pay gap over the last few years has reduced, which is positive, but there are no quick and easy fixes when it comes to closing the pay gap. There are many societal reasons why more men than women tend to occupy the highest paid roles and closing the gender pay gap for good requires a meaningful shift in cultural norms more widely.

Within Link, we are committed to closing our own gender pay gap by continuing to maintain consistency and fairness across the total reward package, and by ensuring that all colleagues have the same recognition, reward and career development opportunities, regardless of gender.

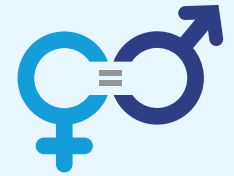
Pay Transparency

We follow the principle of fair pay and continue to review our pay and grade structures to ensure equality of pay for people undertaking the same or similar roles at the same level. We carry out regular pay benchmarking exercises to ensure our compensation is fair in line with the external job market.

Recruitment and Retention

We encourage everyone to complete our Employee Engagement Survey to participate in our Employee Forums so that we can hear their views, providing us with data on key people issues. Diversity and inclusion are central to our business to ensure our continued success, and is a key part of our recruitment practices, ensuring candidate pools are diverse, particularly for senior roles, and that processes are consistent to reduce the risk of bias.

We also continue to build on our staff investment, and are progressing our internal plan, which will include diversity and inclusion awareness training for all employees and leaders.



Development

The Company is committed to encouraging women and giving them the same opportunities as men to apply and be selected for roles at all levels within the business. We continue to focus on developing women at more junior levels to gain experience and seniority to encourage greater balance in the distribution of women and men across our organisation.

Maintaining a commitment to reducing our pay gap is critical if we are to achieve the growth, productivity and skill advantages that come from greater inclusion and equal progression. Achieving and sustaining this in a medium sized organisation will take time, but we aim to see our Gender Pay Gap narrow and will continue to develop our people strategies to deliver these objectives.

Frank Horvath | MD, Link Financial Outsourcing

