

Gender Pay Report 2022



ASDA

Introduction

At Asda, we're committed to building an inclusive and diverse workplace where colleagues are happy and confident to be themselves and know they will always feel warmly welcomed.

A big part of this is our important work to increase the representation and opportunities for women at all levels across our business.

Since last year, our median hourly pay gap has reduced to 4.7% as we welcomed more women into senior roles. Our mean hourly pay gap has also reduced to 7.6%. Although we have seen a decrease, we know that there's more work we need to do to close the gap further and are committed to doing more to support our female colleagues in progressing to higher paying roles.

In 2022, we ran a bespoke six-month development programme to help increase female representation at senior levels in our business. This is a significant step in our commitment towards gender diversity and a fairer business.

In addition, we launched a new two-hour Inclusion Matters course for all of our line managers. The course improves our colleagues' understanding of the importance and benefits of diversity and inclusion in the workplace.

You can read more about our equality, diversity and inclusion plans in this report, and how we're focussed on creating a programme of positive action for underrepresented communities, and encouraging everyone to take action to create a true sense of belonging.



HAYLEY TATUM

Chief People & Corporate Affairs Officer



FAST
FACTS **ASDA**

>140,000
TOTAL COLLEAGUES
ACROSS THE UK

54% FEMALE
COLLEAGUES

38% OF OUR SENIOR
LEADERSHIP
ARE WOMEN

Measuring the pay gap

Under the UK Government's Gender Pay Gap Regulations, employers in Great Britain with more than 250 employees need to report their gender pay gap.

What is the gender pay gap?

The gender pay gap shows the difference in the average hourly earnings of men and women across an organisation, regardless of their roles or industry sectors. The statistics can be affected by a range of factors, including the different number of men and women across all roles right across the workforce. The gender pay gap is different from equal pay. 'Equal pay' is about men and women receiving equal pay for the same jobs, similar jobs or work of equal value.

Under the regulations there are two ways to measure the pay gap

1. Median pay gap



The median represents the middle point of a population. If you lined up all of the women at a company and all of the men, the median pay gap is the difference between the hourly rate of pay for the middle woman compared to the hourly rate of pay for the middle man.

2. Mean pay gap

The mean gender pay gap is the difference between the average hourly rate of pay for women, compared to the average hourly rate of pay for men, within a company.



Understanding Asda's pay gap

In this report we are providing our data across two distinct industry sectors – retail and logistics services. Details for April 2022 are set out below:

Asda Median Hourly Pay Gap



UK National Median Pay Gap 14.9%*

Asda Mean Hourly Pay Gap

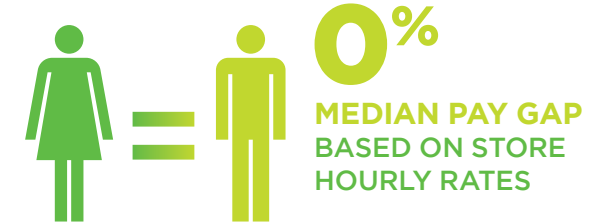


UK National Mean Pay Gap 14.6%**

84%
OF OUR UK WORKFORCE
ARE HOURLY-PAID
STORE COLLEAGUES

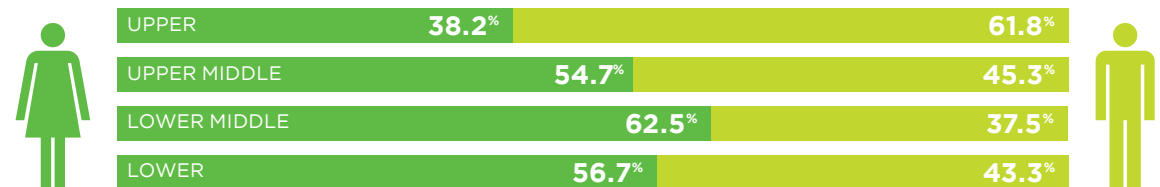


At Asda, 84% of our total UK workforce are hourly paid store colleagues. Within this store colleague population, all are paid the same base rate, so the pay gap is 0% when supplements, such as location, are excluded



Gender population by pay quartile

The regulations require that we split our relevant paid colleagues into four equal quartiles and show the gender distribution for each quartile. We're pleased that in 2022 we saw a reduction of women in the two lower pay quartiles.



*Source House of Commons Library December 2022

**Source Office for National Statistics October 2020

Gender Bonus Gap

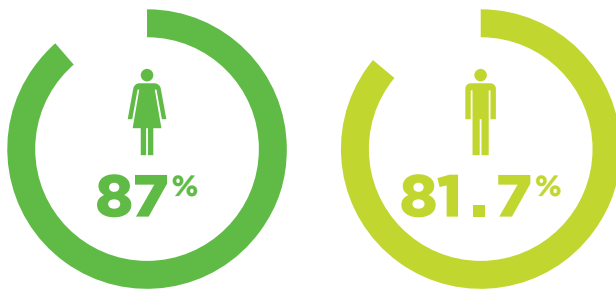
Asda Median Bonus Gap



Asda Mean Bonus Gap



PROPORTION OF OUR MEN AND WOMEN PAID A BONUS - 2022



The statutory calculation does not allow for full time equivalent normalisation.

If we were to apply this normalisation, Asda's more reflective median bonus gap would be

-2.2%



Our plans to close the gap

Colleague advocates and Intentional Allies

Our equality, diversity and inclusion plans are focussed on creating a programme of positive action for underrepresented communities and encouraging everyone to take action to create a true sense of belonging.

In 2022, we ran a bespoke six-month development programme to help improve female representation at senior levels in our business. This is a significant step in our commitment towards levelling the playing field in gender diversity. The programme brought together over 290 female colleagues from all functions across our business to work with over 80 senior leadership mentors.

We will be running a similar programme in 2023 which focusses on skill development and career advancement.

Investing in our future talent

We're investing in our future leaders and are proud that our retail graduate programme has been refreshed for 2023, with a range of our graduate-level roles available all year round. Colleagues will be given a range of support to achieve leadership roles and this investment will fuel a representative talent pipeline for our future.

In 2022, 96 women completed an apprenticeship, and 100 women started an apprenticeship with the business. We also have 486 colleagues participating in internal development programmes to support them in their career progression.

Our plans to close the gap

Developing an inclusive culture

In 2022 we launched a new two-hour Inclusion Matters course for all of our line managers. The course aims to improve our colleagues' understanding of the importance and benefits of diversity and inclusion in the workplace and the important role they play in making it happen. 200 colleagues have completed the course since it launched in October.

We've also been focussing on the importance of allyship through our #AsdaAllies campaign. The campaign raised awareness of the importance of allyship to inclusivity, sharing colleague case studies, celebrating allyship specifically within gender representation in action. The campaign was sponsored by our Executive Board and created a real momentum behind the importance of inclusivity.

We continue to evolve our Inclusion Networks and in 2023 we will adapt our approach to have greater reach across our entire business.

Alongside our Inclusion Networks, we have Connection Groups which bring colleagues together to talk and find support on shared experiences such as menopause, fertility, and gender fluidity. In 2022, we ran sessions on the menopause and we have a Working Group of 30 colleagues from across the business who are driving positive actions in the workplace, for example, reviewing our policy. We will be joining the Menopause Friendly Membership in 2023, as a further commitment to making the business an inclusive workplace for all.





I confirm that the information reported is accurate and meets the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Hayley Tatum

HAYLEY TATUM
Chief People &
Corporate Affairs Officer

ASDA