

Gender Pay Report 2023



ASDA

Introduction

At Asda, we are passionate about creating a truly inclusive culture that enables all of our colleagues to bring their best and true selves to work every day. We want to create an environment where all of our colleagues feel supported and able to reach their full potential.

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 mean hourly pay gap has reduced from 7.6% to 6.6%. Our median gap has increased slightly from 4.7% in 2022 to 5%.

Although we have seen a decrease in our mean hourly pay gap, 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 women colleagues in progressing to higher paying roles.

In 2023, we were proud to once again run our Intentional Allyship programme, created to inspire and equip the next generation of senior leaders. The programme is specifically aimed at women and colleagues from ethnically diverse backgrounds with a focus on skills development, career advancement, and building an inclusive culture. We had 290 managers attend the programme, and they were mentored by 50 senior directors from across the business.

Looking ahead, in early 2024 we will be relaunching our Asda Allies Inclusion Networks. Each network will be sponsored by at least two senior leaders who will work closely with the network co-chairs to drive inclusive behaviour and create positive change across every area of the business. We'll have five network groups, one of which is Women in Leadership in recognition of the need to continue to support the development and progression of even more women in our business.

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



HAYLEY TATUM

Chief People & Corporate Affairs Officer



FAST
FACTS **ASDA**

>137,000
TOTAL COLLEAGUES
ACROSS THE UK

52% **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 2023 are set out below:

Asda median hourly pay gap



UK National Median Pay Gap 14.3%*

Asda mean hourly pay gap

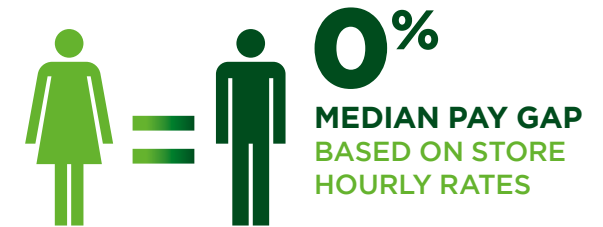


UK National Mean Pay Gap 13.2%**

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

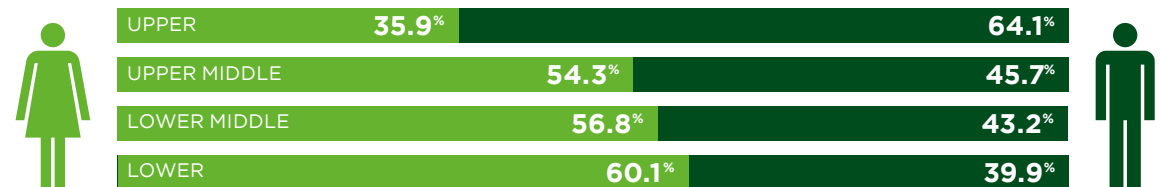


At Asda, 84% of our total UK workforce are hourly paid store colleagues. Within this store colleague population, all are paid the same base rate, so the pay gap is 0% when supplements, such as location, are excluded.



Gender population by pay quartile

In 2023, we saw an increase of women in the lower pay quartile and a decrease of women in the lower middle, upper middle and upper pay quartiles.



*Source House of Commons Library November 2023

**Source Office for National Statistics November 2023

Gender Bonus Gap

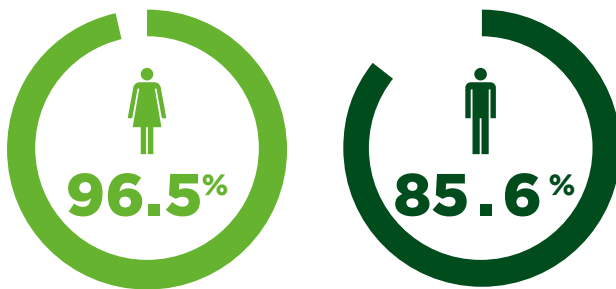
Asda median bonus gap



Asda mean bonus gap



PROPORTION OF OUR MEN AND WOMEN PAID A BONUS - 2023



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

-0.4%



Our plans to close the gap

We're committed to the development of women throughout our business and offer a range of programmes, from apprenticeships through to bespoke in-house training, targeted specifically at supporting their progression.

Intentional Allyship programme

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

Following its 2022 success, in 2023 we were pleased to inspire and equip the next generation of senior leaders with our Intentional Allyship Programme. The programme was specifically run for women and colleagues from ethnically diverse backgrounds with a focus on skills development, career advancement, and building an inclusive culture. We had 290 managers come together and participate in the programme with the support of 50 senior leader mentors. During the six-month programme, colleagues took part in bespoke live learning workshops, mentoring circles with senior leaders, sponsorship, and reverse mentoring.

Learning and Development

Our Early Careers Programmes focus on providing opportunities for women at the graduate and apprentice level.

New for 2023, we introduced a Degree Apprenticeship Programme in our retail and logistics functions where our apprentices study for a degree alongside gaining practical experience by taking on placements across the business.

For 2024, 46% of our Future Talent cohort are women, including 60% women on our Asda Logistics Services degree apprenticeships programme and 50% women on our retail graduate programme.

And for colleagues already in the business, we're proud that seven have graduated with distinction from the Cranfield Senior Executive Programme, and a further eight women are currently completing theirs. This is an executive level apprenticeship for high-potential managers and leaders.

In addition to this, we have a continuous focus on talent reviews, making sure we create robust action plans to support the development of women within our business.

Our plans to close the gap

Changes to our menopause policy

We recognise the significant impact menopause can have on lives and so in 2023 we made changes to our Menopause Policy to make sure it raises awareness and provides support for our colleagues and their families. This includes setting out common symptoms and key facts, outlining support and adjustments, and outlining considerations that can be made for colleagues who are experiencing or impacted by menopause.

As part of our Menopause Policy changes, retail colleagues can now request an alternative uniform that is comprised of more breathable fabric, helping them feel more comfortable while at work. In addition, all Line Managers have access to training on menopause at work, ran in collaboration with our partners Unum.

Partner of LEAD Network

We're a proud partner of LEAD (Leading Executives Advancing Diversity) network working to attract, retain and advance women in the retail industry through education, leadership, and business development.

In 2024, six women across the business will be taking part in the LEAD Cross-Sector mentoring programme, where they will get involved with interactive learning sessions and learn directly from industry experts.

We are also a signatory to the LEAD Network CEO Gender Parity Pledge, extending further our commitment to building an inclusive and diverse workplace.

Inclusion Matters

One of our core values is 'All colleagues together, one team' and we know that it takes the commitment of every colleague to create a truly inclusive culture.

In 2022 we launched a new two-hour Inclusion Matters training course which is available to all colleagues and compulsory for all newly appointed managers in retail and Asda Logistics Services and all new starters in our home offices. 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.

Our plans to close the gap

Relaunch of our Asda Allies Inclusion Networks

We know listening to our colleagues to understand how we can drive real and meaningful change is at the heart of creating a culture of belonging.

In early 2024, we will relaunch our Asda Allies Inclusion Networks which will be sponsored by 16 senior leader ambassadors who will work closely with co-chairs from each network to drive inclusive behaviour and create positive change across every area of the business. We'll have five network groups, one of which is Women in Leadership, working to support the development and progression of women in our business. Our other groups are Accessibility, Ethnicity, LGBTQ+, and Wellbeing.





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