



Tesco Gender Pay Report.

2023



“We want to ensure all colleagues in our business feel supported in their development at all stages of their journey with us.”

Maurice Kelly

Our goal is to build a workplace where our 13,000 colleagues have the opportunity to get on, both now and in the future, driving equal opportunities for all.

We pride ourselves on always making everyone feel welcome - regardless of who they are, where they work and what they do. We want our colleagues to feel they can be themselves at work and are valued and respected. Diversity, equality, and inclusion are at the heart of our Values as a business, and our Values guide us in the right way to achieving our Purpose of serving our customers, communities and planet a little better every day.

We want to ensure all colleagues in our business feel supported in their development at all stages of their journey with us and have addressed this with a number of new measures in recent years. We will continue to strive for parity for everyone at Tesco.

Our mean gender pay gap for 2023 is 8.78%, which is an improvement of 1.04% VS 2022. Whilst we have more to do, we are tracking ahead of the national average gap at 9.6% according to the CSO*; and continue to perform ahead of the recently reported mean gender pay gap of 12.6% across Irish organisations.**

*CSO data October 2023

**PWC February 2023



We know there are two key factors driving our gap:

1. A lower proportion of women in more senior roles

We have a gender balanced Executive Leadership team in Ireland and aim to achieve 30% female representation in senior leadership roles by 2025. We are addressing this through a variety of initiatives and have already seen positive results (see page 7).

2. Career and lifestyle choices

We want to support our colleagues to work flexibly in a way that suits their personal lives and continue to take a number of steps to reflect this.

To continue our commitment to close the gender pay gap, we'll focus our actions around:

- Supporting and attracting talented women
- Equipping and empowering our leaders
- Sustaining an inclusive culture

The actions we have taken have helped us make progress, but we recognise that we need to continue our work to remove the gender pay gap from our business. We will continue to listen and support our colleagues, so they feel confident in knowing Tesco is a truly inclusive workplace where everyone's welcome and has the opportunity to get on.

Maurice Kelly

People Director
Tesco Ireland



Our data

In this report, we are sharing our gender pay gap data for the 12 months to 17 June 2023.

Gender pay gap

The figures opposite show our gender pay gap as a percentage in mean and median pay for 2023.

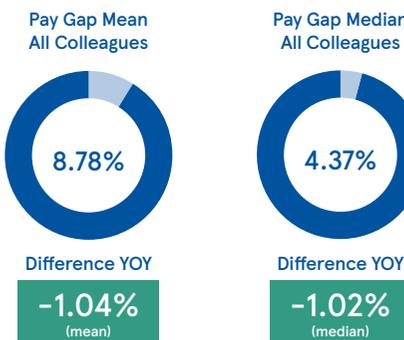
Our analysis shows that the pay gap continues to be driven by more men in senior roles and also career and lifestyle choices.

Understanding gender pay

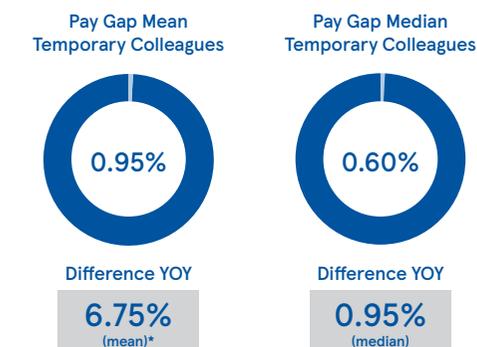
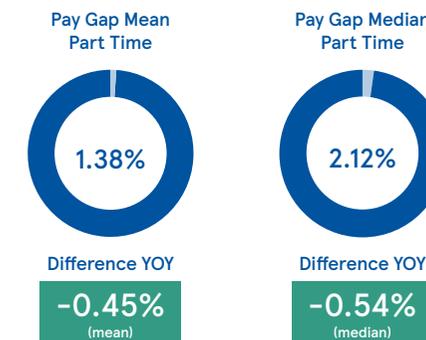
The gender pay gap measures the difference between men and women's average pay within an organisation regardless of their role or work level.

This is different to equal pay which compares the pay of men and women who perform the same role or roles of equal value.

Mean & Median figures



Part-time working arrangement colleagues



*Change in Gap YOY is reflective of a positive movement of female talent from temporary to permanent status.



Pay quartiles

The figures show the gender balance within each of our pay quartiles for 2023.

Within each of the quartiles, there is an equal number of colleagues ranging from Quartile 1 which includes the lowest paid colleagues to Quartile 4 which includes the highest paid colleagues.

Through our analysis of the pay quartiles, we know that there are more women in Quartiles 1 and 2 where there is a majority of hourly paid roles, and a higher proportion of men in Quartile 4 where there are more senior, higher paid roles. However the overall trend indicates more female colleagues moving upwards in quartiles which has a direct impact on narrowing the Gap.

Pay quartiles figures



Male: 45%
Female: 55%

Difference YOY

2%
(male)

-2%
(female)



Male: 36%
Female: 64%

Difference YOY

2%
(male)

-2%
(female)



Male: 53%
Female: 47%

Difference YOY

-3%
(male)

3%
(female)



Male: 54%
Female: 46%

Difference YOY

0%
(male)

0%
(female)



Gender bonus gap

Figure 1.1 shows our bonus pay gap as a percentage in mean and median pay for 2023.

Figure 1.2 shows the percentage of men and women who received a bonus payment as well as the percentage difference in bonus amount for the year ending 17 June 2023.

Bonus receivers- We paid an extraordinary Thank You Bonus to all colleagues in 2022. There has been a reduction in both men and women receiving a bonus YOY however the percentage level of reduction is less for women than men and proportionally there are more women than men receiving a bonus in 2023. This is indicative of the movement of women into roles that are eligible for bonus.

Benefit in Kind

Figure 1.3 shows the percentage of men and women who received a benefit in kind for the year ending 17 June 2023.

A similar proportion of men and women are in receipt of benefit in kind during the relevant period.

Figure 1.1 – bonus pay gap

All Colleagues		Difference YOY	
Mean	47.54%	Mean	-3.12%
Median	14.31%	Median	-2.61%

Figure 1.2 – percentage of men and women who receive a bonus payment

All Colleagues		Difference YOY*	
Men	67.61%	Men	-16.05%
Women	71.37%	Women	-12.16%

Figure 1.3 – percentage of men and women who received a benefit in kind

All Colleagues		Difference YOY*	
Men	6.41%	Men	-0.02%
Women	6.17%	Women	-0.24%

*Figures explained: Change to Bonus Scheme Rules - see "Our Actions", page 7



Our Actions during the reporting period

We have taken learnings from our inaugural report by implementing change through action plans and various work streams to reduce the gender pay gap at Tesco and move towards parity and fairness for all.

Some of these changes include:

- **Changing our Bonus Scheme rules** - from 2023, unpaid family leave no longer impacts eligible earnings. Therefore, colleagues who take unpaid protected leave now receive their full bonus. This supports flexible working for those with families and caring responsibilities (we know that approximately 26% of our colleagues identify as having a caring responsibility).
- **Balanced Talent Pools** - We have introduced new Interview Guides and a suite of resources focused on talent acquisition, identification of talent, talent development and retention to ensure a more even spread across new hires.

We have seen a relatively even balanced gender split of candidates applying for roles, and being hired for roles, which indicates that the gender-neutral

language that we have adopted is encouraging all genders to apply for roles, and neutralising any bias in the interview process.

The work in creating a better gender balance in senior management roles, particularly in our stores, is not complete and we still have a way to go, but we will continue to work towards achieving parity in representation at this level.

We have seen a 2% increase in female population at higher managerial levels in 2023.

We introduced mentoring and networking programmes this year, working directly with 65 female colleagues and have already received positive feedback from participants.

- **Flexible working arrangements** - We have continued to foster a hybrid working approach and to offer flexible hours to promote a better work/life balance to encourage women to remain in the workforce.

Our Continued Commitments



- **Engaging in an inclusive hiring process**
- **Growing manager capability and awareness with clear-cut actions**
- **Driving female representation with new programmes and structures**
- **Supporting women's health**

- We are actively monitoring the gender balance of job applications through monthly reporting. This allows us to keep track of candidates who have applied, have been shortlisted and have been hired and shape our recruitment activity accordingly.

Bespoke development plans: we work closely with senior women across our business to understand their career aspirations and help them build bespoke development plans that will support them to move into senior leadership roles. We aim to achieve 30% female representation in senior management by 2025.

During the year, we improved our-female led talent pipelines, and continue to build this pipeline through leadership development, succession planning and talent reviews.

Resourcing: Tools to equip hiring managers

- Inclusive recruitment remains at the forefront at every stage of our resourcing processes.
- We have ensured the use of gender-neutral language in all our job adverts through use of a Gender Bias Decoder. Recruitment statistics tell us that there is an even gender split in candidate applications and hiring across work levels, demonstrating success at reducing any bias in the interview process.
- Standardised Interview Guides are used in all recruitment processes which provide reminders to hiring managers on being an ambassador for our 'Everyone is Welcome at Tesco' value and the importance of avoiding bias in the interview process.

- We have two talent programmes in place to support women with targeted development and opportunities to realise their potential; Women's Development Programme and Women's Mentoring Programme.



Our Continued Commitments

- The Women’s Development Programme provides a career-focused learning community for female colleagues, led by Tesco Group.
- Our Women’s Mentoring Programme provides colleagues based in Ireland with mentoring support in individualised areas of development and helps them reach their potential by removing barriers to achieve their career ambitions.

We understand the importance of female representation at senior level and our aim in establishing these mentoring and networking programmes is to connect colleagues with mentors who can offer guidance and support them with their personal development, as well as putting a spotlight on leaders and role models already in role.

Female representation in the upper middle quartile increased by 3% in 2023, indicative of the progression of female talent in Tesco through the programmes and structures in place.

Wellbeing comes first. We want all our colleagues to be at their best, whatever life brings. In our commitment to support women’s health in the workplace, we have sought to improve the understanding of menopause in our workplace. We aim to create a positive working environment, support colleagues who are approaching this milestone in their health as well as reducing any risk of unconscious bias when it comes to talent management.

Through partnership we have facilitated education and awareness training modules on the topic with the Menopause Hub; and introduced a Menopause Guide for all colleagues along with a new uniform featuring breathable fabric, offering more comfort to our store colleagues dealing with body temperature changes.



Equipping and empowering our leaders

Diversity, Equality and Inclusion training – we continue to evolve training for our business leaders, directors and managers and share these learnings with all colleagues so that everyone is clear on the role they play in creating an inclusive culture for our colleagues and customers.

New support materials: this year we introduced DE&I guides and a suite of resources focused on talent acquisition, identification of talent, talent development and retention. These guides are used across the business by our leadership team and managers to ensure a consistent and inclusive approach to talent management in preventing/reducing the chance of unconscious bias.

Senior Leadership representation: We remain committed to increasing female representation across our most senior roles.

- As at June 2023, our current Senior Management Talent Pool has 54% female representation

Senior Management Talent Pool



June
2023

■ Female: 54%



Sustaining an inclusive culture

Tesco Ireland is led by inclusive leaders, who value diverse talent in their teams and help us build a workplace where colleagues feel supported and comfortable to be themselves. Through our leaders, managers and recruitment teams, we work to attract, train and develop diverse talent of all genders and abilities, and from all backgrounds. Our diversity, equality and inclusion communities are sponsored by members of our leadership team, who work with community leads to drive meaningful change.

Diversity, Equality and Inclusion strategy: Our Women at Tesco Colleague Community works to support the business to achieve a gender balance within the workplace, promoting career progression in conjunction with flexible working policies. This Community continues to champion gender diversity and promote a positive culture where all colleagues feel confident and empowered to share their views.

We are continuing to evolve our diversity, equality and inclusion training for our business leaders, directors and managers and include learnings that will be available for colleagues so that everyone is clear on the role they play in creating an inclusive culture for our colleagues and customers.

It is important we ensure our colleague experience is truly inclusive from beginning to end. We have improved our range of family friendly policies, to support and retain all colleagues throughout their career life-cycle:

- **Ways of working** - flexible working hours, remote working, to promote work life balance and a successful career.
- **Time Off Policy** - to include five days paid leave for domestic abuse victims, with no minimum service or proof requirement to avail of the leave.
- **Family-friendly leave policies** including paid leave for new parents (maternity, paternity and adoptive leave) above the statutory requirement.
- **Healthcare plans** which include enhanced adoption leave, foster care leave, fertility benefits and paid leave while undertaking fertility treatment.

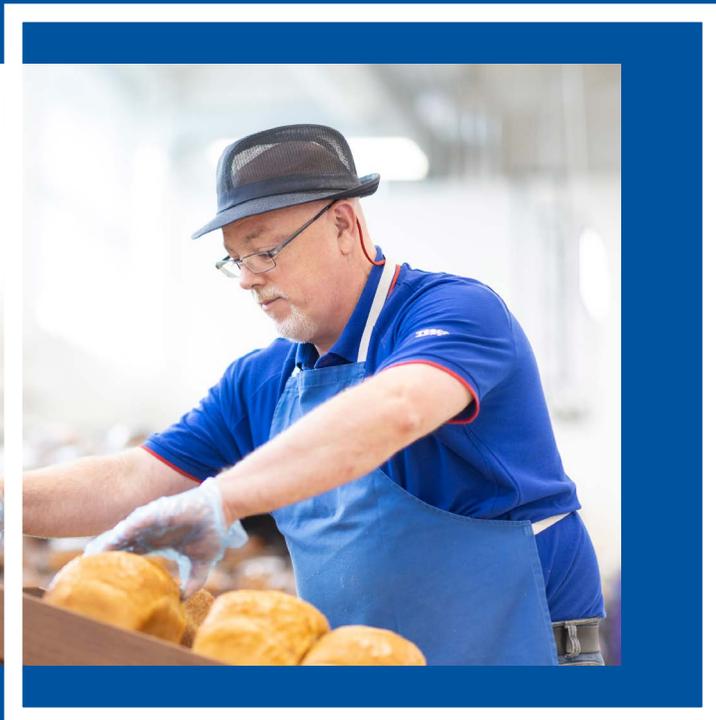


Our gender pay gap figures for Tesco Ireland

Statutory Requirement	Tesco Ireland - All Colleagues
Gender pay gap: mean	8.78%
Gender pay gap: median	4.37%
Proportion of males/females in quartile 1	Males / Females 45% / 55%
Proportion of males/females in quartile 2	Males / Females 36% / 64%
Proportion of males/females in quartile 3	Males / Females 53% / 47%
Proportion of males/females in quartile 4	Males / Females 54% / 46%
Proportion of men who received a bonus	67.61%
Proportion of women who received a bonus	71.37%
Bonus: mean	47.54%
Bonus: median	14.31%
Proportion of men who received BIK	6.41%
Proportion of women who received BIK	6.17%

	Tesco Ireland - Part Time Colleagues	Tesco Ireland - Temporary Contract Colleagues
Gender pay gap: mean	1.38%	0.95%
Gender pay gap: median	2.12%	0.60%

Appendix: Calculating the gender pay gap



The gender pay gap measures the difference in total hourly pay between all women in a business and all men in a business. There are two ways we must report this, as a mean percentage and as a median percentage for all colleagues, part-time colleagues and temporary colleagues.

Mean: is the difference in the average hourly rate of pay between men and women. The mean is affected by the different numbers of men and women in different roles.

Median: is the difference between the midpoint of pay between male colleagues compared to female colleagues (listing from lowest to highest pay)

Calculating our pay quartiles

The pay quartiles measure how many men and women are represented in each quarter of the business when all men and women's hourly pay is stacked from lowest in Quartile 1 to highest in Quartile 4.

Calculating the gender bonus gap:

The gender bonus gap measures the difference in total bonus payments between all women in a business and all men in a business. There are two ways we must report this, as a mean percentage and a median percentage. We also must report the proportion of men and women who received a bonus payment.

Proportion of colleagues to receive a bonus:

The proportion of women who received a bonus is shown as a percentage of all women in the business and the proportion of men who received a bonus is shown as a percentage of all men in the business.

Mean: The mean is the average figure when you consider the bonus payments for all men and all women. The mean gender bonus gap is the difference between the average bonus payment for all women and the average bonus payment for all men.

Median: The median is the figure that falls in the middle of a range when all bonus payments are stacked from lowest to highest. The median gender bonus gap is the difference between the middle figure for all women's bonus payments and the middle figure for all men's bonus payments.

It's important to note that colleagues who work part-time receive their bonus on a pro-rata basis, but we are required to report our gender bonus gap calculation without adjusting these to the full time equivalent payment. Proportion of colleagues to receive a benefit in kind

The proportion of women who received a benefit in kind is shown as a percentage of all women in the business and the proportion of men who received a benefit in kind is shown as a percentage of all men in the business.

More information on these calculations can be found on the [government website](#).

