



Everyone's Welcome Report 2022.

Celebrating diversity across our business.



Foreword.

I'm really proud of how we've come together as a business over the past year to support our customers and communities as they face cost-of-living pressures. Our commitment to **servicing our customers, communities and planet** a little better every day is more important than ever.



We hope to be able to report colleague ethnicity data externally in the future.

This is central to the way we operate as a business and is what drives our ambition to better represent the communities we serve. At the heart of our approach is our diversity and inclusion strategy, and the support we give to our colleagues on their career journey, whatever that means individually to them.

This is our second Everyone's Welcome report and we want to share the progress we've made, and the actions we're taking, towards creating a more inclusive, supportive and family-friendly workplace for all colleagues - irrespective of gender, ethnicity, preferences or beliefs.

We're proud to have been named for the second year running as both one of The Times Top 50 Employers for Women and one of the World's Top Female Friendly Companies by Forbes. It's great to be recognised for our efforts in working towards achieving gender equality, but we won't let up in our drive to ensure female representation across all areas of our business.

We continue to ask our colleagues to voluntarily share personal diversity information with us and we're working towards sharing details of our ethnicity pay gap in the future.

Businesses need young, diverse talent. Through our Place to Get On campaign and in partnership with the Prince's Trust, we've helped over 50,000 young people build employability skills and jumpstart their career. We have a wide range of facilitated and self-led training available to colleagues to support their development and help shape their future - whoever they are and whatever their background.

Since we first started reporting in 2017, we have made significant progress in reducing our gender pay gap and we remain well ahead of the UK average. While there is still work to do, we are moving in the right direction and we are absolutely determined to build on the progress we have made so far.

If we look just at the year-on-year figures, you'll note there is a 0.2% increase in our median gender pay gap (now at 6.9% vs 6.7% last year). There has been a small impact as the business adapts post-Covid, following a period of significant change. If we remove premium payments from our calculation, our median pay gap is significantly lower at 2.7% (down from 2.9% last year).

Making Tesco a place where all colleagues have opportunities to get on is at the heart of our approach to supporting our colleagues on their career journeys and making them feel welcome. We need to work together to achieve this, challenging ourselves and driving change and I know we'll continue to do this over the coming year.

Jason Tarry
Chief Executive, UK and ROI

Diversity & Inclusion at Tesco.

No matter your gender, ability, ethnicity or belief, Tesco is a place where everyone is welcome, with diversity and inclusion embedded in our values - we treat people how they want to be treated. Our key priorities for our strategy are linked to three core pillars.

Lead and role model inclusion



Tesco is led by inclusive leaders, and we value diverse talent in teams 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.

Embed inclusion in everything we do



We want all our colleagues to always feel welcome, and we are driving a more inclusive workplace across all colleague touchpoints with fully inclusive policies - from recruitment and new joiners, to the way our managers lead their teams. We want every colleague to understand the importance of diversity at Tesco.

Listen, learn, act



We recognise, celebrate and value the differences in our colleagues; working together to raise awareness and educate ourselves, through open and honest conversations and a range of facilitated and self-led learning.





Lead and role model inclusion

Diversity in senior appointments

We have continued to build on previous, positive changes to our senior appointments practices. Through the introduction of an anonymous survey, we are now able to take a bi-annual, aggregated view of the candidate diversity of our shortlists for senior leadership roles. We continue to see the positive impact on both our senior hires and internal appointments: 40% of our external new joiners since March 2022 have been ethnically diverse while 46% of our senior internal promotions have been female and 35% ethnically diverse. We continue to listen to both candidates and hiring managers to learn how we can improve further.

We have also cemented our commitment to externally recruit and internally appoint more female and ethnically diverse candidates by linking our targets to our financing activities. In the recent refinancing and signing of our £2.5bn Revolving Credit Facility, a corporate loan facility, D&I specific KPIs were included for % of female and ethnically diverse global senior leaders (35% female / 14% ethnically diverse representation by 2025).

Mentoring with Arrival Education

Working with Arrival Education, our Executive Committee and business leaders participated in a mentoring programme to work with diverse talent outside our business.

Our leaders benefited from the programme by becoming more empowered to lead change and more confident in having the right conversations.



Following the programme, 100% of leaders feel they have an improved understanding of the barriers facing diverse talent. 84% of leaders feel better able to have conversations about diversity. 100% of leaders feel they benefited from having a connection with a wider and more diverse talent pool.



Embed inclusion in everything we do

Inclusive recruitment

Throughout the recruitment and hiring process, ensuring we remain inclusive is firmly at the forefront, and is key to ensuring we reflect the diversity of the communities we serve at all levels of the organisation.

Our careers website features an accessibility assistance toolbar and we partner with diversity job boards to continually improve how we advertise roles so we reach more diverse candidates. At interview stage, our updated toolkit helps managers carry out an inclusive interview, with additional information around any reasonable adjustments we can make to support colleagues.

Inclusive policy approach

Tesco is a family-friendly employer, and we want all our colleagues to feel supported to start a family at any stage of their career.

Our policies support primary and secondary parents and caregivers, irrespective of gender; sexual orientation; or how and when a colleague chooses to start a family. All policies use gender neutral language throughout. Our Maternity and Paternity Leave policies go above statutory requirements, and we have additional policies to support adoption, foster families and colleagues who are having fertility treatment. In 2022, following a review with colleagues on maternity leave or with a disability, we created two new guides to help managers when working through periods of change.

Our Flexible Working policy explains the different options available to colleagues on a permanent basis. With a fixed term option for flexible working, we've created a checklist to support managers in considering colleague requests, and added a section on blended working for office colleagues to help them balance their time. In distribution, we now offer part-time contracts to better suit colleagues' needs, and have seen a positive increase in productivity levels. We have seen an increase in female colleagues working part-time hours as they take advantage of more flexible working opportunities.

Hourly paid colleagues in our stores and Customer Fulfilment Centres are offered any additional permanent hours before we recruit externally, so that colleagues who need or want to, can increase their guaranteed contractual hours to support their families.

Women's health in the workplace

The health and wellbeing of colleagues remains our top priority, and we are a founding signatory to the Eve Appeal's 'Every Woman Promise', underlining our commitment to supporting women's health in the workplace, and to Wellbeing of Women's 'Menopause Workplace Pledge', which looks at how we can support colleagues affected, and how to talk positively, respectfully and openly about the menopause.

This year we released a new Menopause guide to better support colleagues going through the menopause. We also introduced an update to our Sickness & Absence policy which means that if colleagues need to take time off due to menopause-related symptoms, this is not counted as part of their sick pay entitlement.





Listen, learn, act

Championing diverse talent

Building a Black Action Plan

In 2022, we launched our Black Action Plan, which focuses on understanding the disparities and challenges faced by Black colleagues to deliver lasting change, both inside and outside of our business.

The Plan has been driven by our colleagues, predominately those in our Black Advisory Group and Race and Ethnicity colleague network, and aspires to achieve fair and equitable representation across four key areas, each of which are sponsored by our Exec and leadership.

We have already seen progress since implementing the plan in 2022, including introducing new Black-owned brands to our offer and launching a development community for colleagues, to help us better accelerate the careers of Black talent.



Talent

reach 3% black representation by 2030



Community

direct 3% of our community contributions to the Black community by 2030



Commercial

increase Cost of Goods Sold (COGS) with Black-led suppliers and support all our supplier partners to develop and implement Black inclusion and Anti-Racism plans



Brand

direct more New Product Development to address unmet needs of Black customers



Tesco is also a proud member of the Black British Network, supporting lasting, systemic change for the Black community. Our Black colleagues are supported and encouraged to attend network roundtable sessions alongside our UK & ROI CEO, to discuss how we can improve the inclusion of Black colleagues at every level.

Diverse Talent Communities

Our Diverse Talent Community helps us develop our emerging talent* colleagues who are from an underrepresented** community get on, by addressing barriers, providing colleagues with the tools, support and visibility to drive their career forwards. For our second cohort of 246 colleagues, we have extended this community to other areas of the Tesco Group and opened it up to more underrepresented communities.

To help address the barriers and challenges faced by many Black colleagues in the workplace, we have also put a spotlight on the Black learning offer. In line with Tesco's Black Action Plan commitments, 46 Black colleagues will receive additional modules tailored to their lived experience run by Black facilitators. We also want to provide Black colleagues with the opportunity to build co-mentoring relationships with allies: 38 colleagues have volunteered to explore their journey to allyship with sessions run by Black facilitators.



Within our Diverse Talent Community, we have 54 colleagues participating - 29% have been promoted and 23% have experienced broadening moves since being part of the community. 94% of participants told us that they are now clearer on their career aspirations and have a career plan since joining the community.

Colleagues within the Diverse Talent Community have had opportunities to experience different areas of the business, and take on stretching assignments to help them achieve their career goals. When we asked our 21/22 cohort, 94% of our Diverse Talent Community feel the scheme will help them reach their potential, and have more confident career conversations.

All online learning resources are available to access by our wider colleague population.

Helping young people to get on

We offer a wide range of apprenticeship, internship and graduate opportunities across Tesco, helping us to attract young and diverse talent into our business.

We believe that our colleagues should have the opportunity to learn new skills and work in a range of different roles during their time with us. We remain focused on supporting colleagues from all backgrounds and with different abilities, in shaping their career path.

In 2022, our Business Diversity Internship, which supports external candidates identifying as disabled or with a long-term health condition; ethnic minority; LGBTQ+; or socially, economically disadvantaged, entered its second year. 70% of candidates taking part in the 10-week paid experience were female, 81% from an ethnic minority background, and 22% with a disability. Feedback has been positive, with a satisfaction rate of 95%. 71% of interns from this programme were offered a place on our Business Graduate Programme.

Through our Place to Get On campaign, we've helped over 50,000 young people from all backgrounds build employability skills and jumpstart their career - beating our original target of 45,000. We have also completed the first year of our 5-year extended partnership with the Prince's Trust and aim to reach 200,000 young people during this time. Building confidence and skills in the secondary school setting is vital for young people and we work with Speakers for Schools, IGD and The Careers and Enterprise Company to support us with our ambition.

Training and resources

We work hard to raise awareness of important cultural, religious, or social events or issues that matter to our colleagues, with a wide range of training courses and self-led resources also available.

Our UK colleagues complete mandatory 'Everyone's Welcome' training to help them understand the importance of diversity and inclusion at Tesco, and the responsibility we all have in helping everyone feel welcome. Masterclasses on topics including bias, intersectionality, privilege, and race fluency form part of our core learning offer for directors and business leaders.

Other self-led resources shared with colleagues this year include our updated guide on Being an Active Ally. The guide helps colleagues understand what allyship means at Tesco and how they can play their part in creating a workplace where everyone feels welcome.

It also helps colleagues reflect on their own allyship practice and commit to action.

We continue to hold regular listening sessions with our Armed Forces; Disability; LGBTQ+; Parents & Carers; Race & Ethnicity; and, Women colleague networks, hosted by Executive sponsors.

* colleagues at WL2 and below who have medium or high potential
 **colleagues who identify as Black; Ethnically Diverse; LGBTQ+; and/or Disabled

Our colleague networks.



Our six colleague networks share our ambition of an inclusive workplace. In addition to Executive Sponsors and Network Chairs, we have representatives in our offices, stores and centres to provide contact points for all colleagues, wherever they are based. Together, with their insight and knowledge, we aim to celebrate the differences in each other. Our networks also help build our relationships with our external partners, to hold ourselves to account and ensure we are continuing to make progress.

Armed Forces at Tesco



In 2022, we were pleased to be the lead sponsor of Armed Forces Day, working in partnership with Scarborough Council, to celebrate the tremendous contribution that the armed forces make to our country. As part of a nationwide collection in stores

we also helped to raise over £120k for Help for Heroes, and thanked over 700 serving military personnel with a free breakfast in our cafes.

We continue to offer support to former service personnel in their search for a civilian job, inside or outside Tesco. All veterans are supported throughout their employment, as well as those training as reservists. Colleagues who have family in service can work flexibly before deployment, with workplace transfer options available.

Externally, we were the first retailer to sign the Ministry of Defence's Armed Forces Covenant back in 2014, and we're proud to have been named a Gold employer by the Government's Employer Recognition Scheme.

Disability at Tesco



We are a proud Level 2 Disability Confident Employer – a voluntary Government scheme which encourages the employment of those with disabilities – and have strong aspirations to become a Level 3 Disability Confident Leader by May 2023.

In 2022, we gained Visibly Better Employer status from RNIB*, which calls out our work to recognise the challenges people with sight loss face at work and, with RNIB'S support, look to make improvements.

Our Disability Network continues to help us to celebrate key events to empower and educate colleagues and consult with the business to drive change. We work in partnership with PurpleSpace and the Business Disability Forum, to help us build a disability-smart Tesco, and in 2019 we became a signatory to the Valuable 500, ensuring that disability is always on our leadership agenda.

LGBTQ+ at Tesco



In February 2023, we placed 15th on Stonewall's Top 100 LGBTQ+ Employers List, an improvement of 8 places from the previous year'.

Additionally we achieved a Gold Award, the highest award possible from the Workplace Equality Index. A Gold Award means that, as well as performing well overall, Tesco specifically met a high proportion of Stonewall's criteria for transgender and bisexual inclusion, supporting two of the most marginalised groups within the LGBTQ+ community.

Our LGBTQ+ at Tesco colleague network was highly commended by Stonewall for the huge contribution it makes to LGBT equality and inclusion. In 2022, the network created a new LGBTQ+ identities and allyship guide.

*Royal National Institute of Blind People



Parents & Carers at Tesco

This year, we launched our newest colleague network which recognises the different family units across Tesco and supports our family-friendly approach to work. We have formed a new partnership with Working Families and have hosted listening sessions to help us understand how we can better support colleagues who care for elderly relatives or relatives with disabilities.



Race & Ethnicity at Tesco

In 2022 we were proud to be the only retailer listed in the Top 25 in the Investing in Ethnicity Maturity Matrix. This is a tool that scores and rates organisations on their current ethnicity work and looks at areas including Employee Resource Groups, leadership and commitment and external impact.

As a business, we sponsored UK Black Pride 2022, and we are a proud member of the [Black British Network](#), [Race at Work Charter](#), and [If Not Now, When?](#) campaign, all of which share our commitment to create a more inclusive future for people from an ethnic minority background.

Our Race & Ethnicity network help us to celebrate differences, and build colleague resources around topics including race and allyship. They consult with the business to help us mark key events such as Black History Month, for which colleagues developed a festival of activities to drive awareness, and were consultants for our award-winning Ramadan customer advert.

Women at Tesco



In 2022, as per the previous year, we were named in The Times' list of Top 50 Employers for Women.

We have recently launched a new menopause guide, which supports both colleagues affected and those close to them, that we have also shared as inspiration with other companies. Every quarter, we also hold a 'Talking Menopause Colleague Café' bringing colleagues together to share experiences and increase awareness and understanding. In November 2022, led by our Tesco Bank CEO, Gerry Mallon, a group of male colleagues led the session to discuss the indirect impact of menopause on others and bring even more people into the conversation. To support our commitment to increase female representation in our most senior roles, we are a member of the 30% Club, and part of the FTSE Women Leaders Review.

We actively support women in taking on roles in areas across our business, including signing up to a PWC-led initiative called 'Tech She Can' which encourages women to consider careers in Technology.



Our Gender Pay Gap.

Gender pay gap information within this report has been calculated using the pay data for 235,292 Tesco UK colleagues, and covers the 12 months prior to April 2022.

Everyone is welcome at Tesco and we celebrate the differences in each other, including colleagues who may identify as non-binary, transgender or gender-fluid. Gender Pay Gap regulations require us to report our data as male and female, however we support all colleagues in being themselves.

Following changes in our business during the pandemic, including the recruitment of additional, temporary colleagues, the business is again adapting in the post-pandemic period, and we've seen a slight increase in our gender pay gap as a result.

In addition, our efforts to manage our supply chain during periods of disruption required investment in recruitment and retention of drivers for our distribution centres and warehouses. This is an area of the business where we typically have more male colleagues than female colleagues working.

Our colleagues are able to take advantage of flexible working options, wherever they work. Across our stores and centres we have more male colleagues than female colleagues working Sundays, nights and bank holidays – or shifts that pay premiums. However, if we remove premium payments from our calculation, our median pay gap reduces further, to 2.7%.

Since we first started reporting in 2017, we have made significant progress in reducing our gender pay gap and we remain well ahead of the UK average. While there is still work to do, we are moving in the right direction and we are absolutely determined to build on the progress we have made so far.

Gender Pay Gap – Median

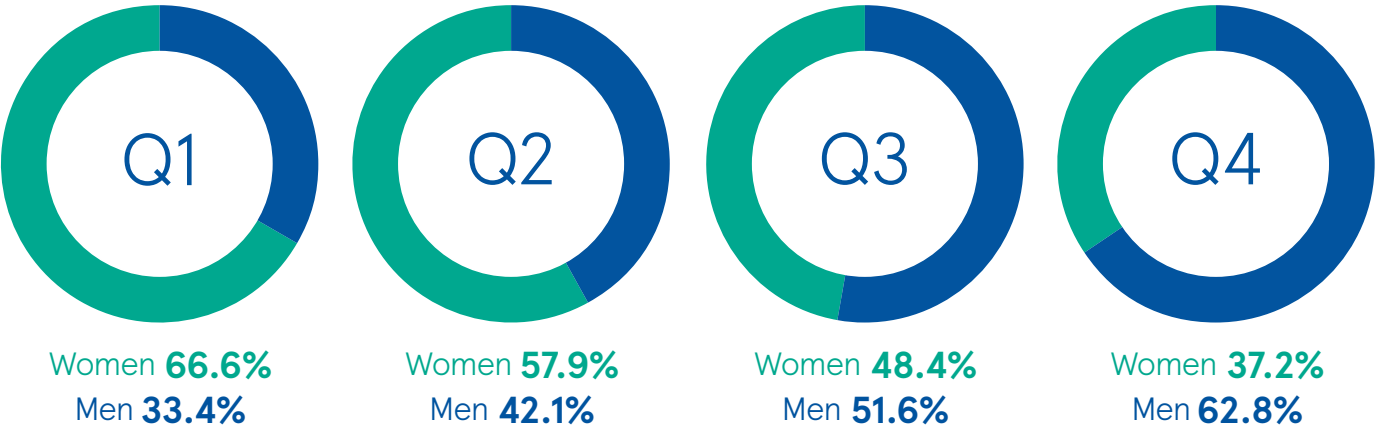


Gender Pay Gap – Mean



2.7% (without premium payments)

Proportion of men and women in each quartile pay band



We continue to support colleagues across our business, and remain committed to increasing the percentage of female colleagues in our more senior roles, and ensuring Tesco is reflective of our customer base and wider colleague population. Over 30% of our Executive Committee and their direct reports are women, but we know we can do more.

Our Gender Bonus Gap.

Our bonus scheme is open to all colleagues in an eligible role, and those at the same work level or in the same job role have the same bonus opportunity.

The proportion of male and female colleagues receiving a bonus has declined vs last year, to 76.1% and 80.1%, respectively. This is due to our previous year's report including a number of discretionary recognition payments within the bonus data; however, this year's data includes only a single bonus payment and therefore participation is lower.

Our bonus gap has increased as a result of a larger proportion of male colleagues holding higher earning bonus roles. We know we need to do more to address this and we are committed to increasing the number of female colleagues in senior roles and tackling this gap.

We are required to report on our gender bonus gap based on the actual hours worked, without taking into account pro-rating for part-time working. When calculating this using the full-time equivalent for part-time colleagues, our overall median bonus gap was significantly lower at 13.4%.

We recognise the hard work shown by all of our colleagues, and eligible WL2 head office and store manager roles are part of our discretionary Annual Bonus Plan. Eligible WL1 colleagues in office salaried roles remain part of our Colleague Bonus Plan, which was enhanced from May 2022.

Gender Bonus Gap - Median



Gender Bonus Gap - Mean



13.4% (adjusted according to FTE)

Men and women who received a bonus

2022



2021



Our gender pay gap for Tesco UK businesses.

Our gender pay data has been collected according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The table opposite shows our latest gender pay figures for our Tesco UK businesses, which includes Tesco Stores Limited (TSL), One Stop Stores Limited, Tesco Family Dining Limited (TFDL), Oakwood Distribution Limited and Tesco Maintenance Limited. It excludes Tesco Bank and Tesco Underwriting, Booker Group and dunnhumby Employment Company Limited who have reported their gender pay figures separately.

	Tesco UK Retail	TSL	One Stop	TFDL	Oakwood	Maintenance
Gender pay gap: median	6.9%	6.7%	4.9%	1.4%	1.3%	4.9%
Gender pay gap: mean	10.5%	10.1%	6.7%	5.9%	19.3%	1.6%
Proportion of men/women in lower quartile pay band (M% / F%)	33.4%/66.6%	33.6%/66.4%	38.6%/61.4%	18.6%/81.4%	62.3%/37.7%	94.9%/5.1%
Proportion of men/ women in lower middle quartile pay band (M% / F%)	42.1%/57.9%	43.0%/57.0%	29.8%/70.2%	21.7%/78.3%	59.6%/40.4%	93.7%/6.3%
Proportion of men/ women in upper middle quartile pay band (M% / F%)	51.6%/48.4%	51.7%/48.3%	38.4%/61.6%	19.7%/80.3%	71.2%/28.8%	96.8%/3.2%
Proportion of men/ women in upper quartile pay band (M% / F%)	62.8%/37.2%	62.4%/37.6%	50.4%/49.6%	31.5%/68.5%	73.1%/26.9%	95.4%/4.6%
Gender bonus gap: median	30.5%	29.9%	22.8%	24.7%	0.8%	12.2%
Gender bonus gap: mean	54.4%	54.6%	40.8%	32.7%	46.8%	9.9%
Proportion of men who received a bonus	76.1%	76.4%	60.0%	55.0%	92.8%	86.9%
Proportion of women who received a bonus	80.1%	80.9%	68.0%	57.0%	91.0%	78.8%

Supporting our customers.

We celebrate the differences in each other, and help our customers mark the key moments that are special to them. We serve and treat everyone equally and with respect and ensure everyone feels safe and comfortable while shopping in our stores.



Supporting customers with disabilities

Identifying invisible disabilities

The sunflower lanyard initiative has been in place across our stores since 2019, helping colleagues identify customers with invisible or hidden disabilities who may need a little extra help. We've also created a visual imagery guide to support customers with autism.

Market-leading Changing Places facilities

We continue to partner with Changing Places to offer bigger bathroom facilities in many of our larger stores – now in 103 locations – helping those with complex disabilities use toilets safely and comfortably.

A Quiet Hour for customers

To help create a calmer atmosphere in our stores for customers who find supermarkets overwhelming, too loud and too bright, from 9am to 10am every Wednesday and Saturday, we reduce the volume on all our store checkouts, and turn down our lighting in larger stores.

Auditing our stores

We recently carried out independent surveys across all our stores with AccessAble, which allowed us to work together to create an individual guide for every one of our stores, and offer customers more support ahead of their shopping trip with us.

Updating our self-service checkouts

All our self-service checkouts allow customers to increase the font size when paying for their shopping, to support our blind and partially-sighted customers. We are registered as market leading by the Development Assistance Committee.

Assistance at our petrol filling stations

We're working with Fuel Service to help our customers with limited mobility to re-fuel more easily. Customers can call or download the Fuel Service app, either in advance or while on-site, to ask for colleague assistance.

Promoting inclusivity

Diverse lingerie and hosiery

We offer a basics range, with skin tone colours to suit our customers, supported by our Race & Ethnicity network and developed by our F&F team.

Caribbean hair care

For our Black customers, we've introduced a range of products specifically designed for Black hair, which requires specialist products to treat and style correctly.

Toys for children

In our stores, we're looking at ranging our children's toys by activity, rather than by gender, a change which has already been made on our website.

We are also looking at the packaging and how we talk about toys, to allow a more inclusive range for our younger customers.

Increasing representation

Greeting cards for all occasions

We offer a broad range of greeting cards for all occasions, including Ramadan and Pride; representing different family dynamics and LGBTQ+ identities; and with a wider range of designs showcasing the different ethnic backgrounds and cultures seen across the UK.

Food Love Stories

Within our Food Loves Stories campaign, we aim to reflect the diversity of our colleagues and customers. Adverts that we've launched this year include Oly's Burgers – where we worked with colleagues and the Dyslexia Association to put neurodiversity at the heart of the campaign, alongside a bespoke

dyslexia-friendly recipe card – and Sue's Pork, which aimed to go against stereotypes or under-representation of older women in media. As part of a campaign in support of Ramadan 2022, we made Iftar (the evening meal that signals the end of daily fasting) the focus of a digital billboard campaign to stand with Muslim communities and colleagues who were fasting.



Appendix.

Our targets, ambitions and commitments

This is Me

Driven by our Chief People Officer Emma Taylor, our This is Me campaign asks colleagues to voluntarily share their personal diversity data, to support our ambition to voluntarily publish our ethnicity pay gap data. This information will also help us identify gaps and where we need to improve, and allow us to make more inclusive decisions. This year, we are focusing on publishing an internal-facing report, to share details of our progress with colleagues.

Driving female representation in senior roles

As part of the FTSE Women Leaders Review, we are focused on achieving 33% female representation across our Executive Committee and their direct reports. We are also a member of the 30% Club - made up of CEOs and leaders from business to drive change - which looks for 30% female representation at Board and Executive level by 2023. As of November 2021, over 30% of our Executive Committee and their direct reports are female.

Diverse representation targets for senior leaders

As part of our commitment to increasing diverse diversity at a leadership level, we have set targets for gender and ethnic representation by 2025 - to increase female representation of our top global leaders from 26% to 35% and from 11% to 14% for leaders from an ethnically diverse background.

If Not Now, When? campaign for Black inclusion

We are a signatory to the If Not Now, When? campaign for Black inclusion within business, committing to increase racial diversity at all levels within Tesco.

Women in Finance Charter

Under the HM Treasury Women in Finance Charter, we've committed to have one third female representation on Tesco Bank Board and Executive Committee, and Directorlevel, by the end of 2022.

Diversity in Grocery

In partnership with Grocery Aid, we are a founding member of the Diversity in Grocery initiative, and remain focused on making the grocery industry more inclusive and gender diverse.



Appendix.

Understanding how we calculate our gender pay and bonus gap

What is the gender pay gap?

The gender pay gap measures the difference between men and women's average pay within a business or 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.

What is 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.

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.

Calculating the median and mean

We must report both our gender pay gap and gender bonus gap as a median percentage and as a mean percentage. We also must report the proportion of men and women who received a bonus payment.

To calculate the median, we look at the figure that falls in the middle of a range when all hourly pay or bonus payments are stacked from lowest to highest.

The median is the difference between the middle figure for all women's hourly pay or bonus payments, and the middle figure for all men's hourly pay or bonus payments.

The mean is the average figure when you consider the hourly pay for bonus payments or all men and all women. The mean gender pay gap is the difference between the average hourly pay or bonus payments for all women and the average hourly pay or bonus payments for all men.

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. Each quartile shown contains an equal number of colleagues.



More information on these calculations can be found on the Government website.

Appendix.

Inclusive language

We understand that the words we use have the power to include or exclude, and want to ensure both our customers and colleagues feel supported, respected and listened to. We are continuing to learn from each other and those outside our business, to ensure we create a safe, inclusive Tesco for everyone.

Culture: The pattern of daily life learned consciously and unconsciously by a group of people. These patterns can be seen in language, governing practices, customs, holiday celebrations, food, religion and clothing.

Disability: A mental or physical impairment which has a substantial effect on someone's ability to carry out normal day-to-day activities. This impairment may be cognitive, developmental, intellectual, mental, physical, sensory, or a combination of any of these.

Diversity: Having a range of individuals with a variety of different backgrounds and characteristics such as gender, language, manners and culture, social roles, sexual orientation, education, skills, income, and countless others.

Equality: When everyone has the same status in certain respects, including civil rights, freedom of speech, property rights and equal access to certain social goods and services.

Gender: The range of characteristics pertaining to, and differentiating between, masculinity and femininity. Many cultures use a gender binary of two genders (male or female), however gender is becoming recognised as a spectrum including a range of other identities, for example non-binary.

Inclusion: An effort or practices in which different groups or individuals with different backgrounds are culturally and socially accepted, welcomed and treated fairly and equally.





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