

Gender & Ethnicity Pay Gap Report 2025



J Sainsbury plc

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Foreword

At Sainsbury's, our colleagues are the heart and soul of our business, and it's the talent, commitment and diversity of our entire team that enables us to deliver on our purpose of making good food joyful, accessible and affordable for everyone, every day. As a retailer serving communities across the UK, we recognise the responsibility we have to ensure our organisation reflects the diversity of the customers we serve and the colleagues who power our success.

This year marks our ninth Gender Pay Gap Report and our sixth year of voluntarily publishing our Ethnicity Pay Gap, a commitment that reflects our belief in transparency and accountability.

Across gender and ethnicity, our results this year show areas of meaningful progress, alongside challenges we are determined to address. Our mean gender pay gap has continued to narrow, now at **6.6%**, down from **7.5%** the previous year and the median remains broadly stable. We remain focused on improving representation at senior levels and ensuring our people processes support fair progression for women at every stage of their careers.

Our ethnicity pay gap has remained stable and in favour of ethnically diverse colleagues, with the mean gap at **-3.3%** and the median at **-6.0%**, continuing to reflect the significant proportion of colleagues from ethnically diverse backgrounds working in London, where we pay a location premium. Our long-term goal remains to ensure that colleagues of all ethnicities have equitable opportunities for progression, particularly at senior levels where representation gaps persist.

Beyond the data, we are proud of the steps we have taken to build a more inclusive culture. Over the past year, we have strengthened our colleague development approach, enhanced our reporting processes and worked closely with our colleague networks to ensure diverse voices continue to help shape our decisions. We have continued to evolve our inclusion strategy to ensure that every colleague feels heard, respected and supported, whether through improved workplace policies, better access to wellbeing support or the ongoing work to ensure our new Store Support Centre reflects inclusive design principles.

As Executive Sponsor for Diversity, Equity and Inclusion, I am really proud of the progress all our teams have made this year, and I am equally aware we must be determined and committed in continuing to drive our progress for the future. Building a truly inclusive Sainsbury's is a long-term commitment. Thank you to all our colleagues, leaders and networks for their passion and dedication in driving this work forward. Together, we will continue building the inclusive culture that sits at the heart of **Next Level Sainsbury's**.



Simon Roberts
CEO Sainsbury's
Executive Sponsor for Inclusion



Driving our inclusive culture

We remain committed to our goal of being a truly inclusive retailer. Below are some of our achievements since our last pay gap report

Colleagues

- We have launched the Carers Passport, providing our colleagues with an opportunity to have structured conversations with managers about the challenges they face as carers, and work to establish ways of working that allows them to be productive and balance the challenges they face in their working lives.
- Our Women's Health series, and the launch of the Fertility@Work community, has brought the challenges facing women, and families, regarding a range of health issues at work to the forefront.
- Working with our I AM ME network, we have continued to educate all colleagues on the practical steps that they can take to ensure allyship and inclusion at work.
- Working with our colleague networks & expert external parties, we ensured the inclusive design of our new store support centre in London.

Representation

- As we continue to make progress towards our gender & ethnicity representation targets, we have enhanced our reporting on progress, working with People Partners and business leaders once a quarter to shine a light on what's working, and where we need to take further action.
- We have further embedded inclusion through the use of "Moments that Matter" into our talent & performance cycles, highlighting to leaders the importance of equity throughout our colleague lifecycle.

Leaders

- Our Leadership Performance Expectations continue to be at the centre of how leaders engage in their work. Our expectation around Leading Fearless teams in particular demonstrates the importance of inclusion & equity, and having all voices heard.
- This year, our retail leaders engaged in a number of leadership masterclasses, including one focused on inclusion, further embedding our emphasis on diversity, equity & inclusion into our stores.

Recognition

- We are delighted to be recognised as industry leaders through the benchmarking with Diversity in Retail's Maturity Curve & Diversity in Grocery's Maturity Model.
- We continue to be the only retailer graded as Tier 1 in the CCLA Mental Health Benchmark.

Customers

- We have continued to expand our World Foods offering to ensure we cater for the full diversity of our customers, including providing dedicated ranges and support during important moments such as Diwali, Lunar New Year, Passover and Ramadan.

Celebration

- This year our networks have focused on awareness, community building & collaboration. As a business, we have celebrated Race Equality Week, International Women's Day, Mental Health Awareness Week, Pride, Carers Week, & Disability Awareness Week with over 3000 attendees at events and almost 200,000 views & interactions on our online platforms.

All of these achievements were made possible by our amazing colleagues, and the ongoing support of our incredible networks

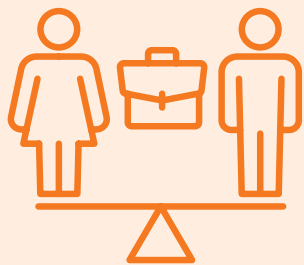


What is the pay gap?

The pay gap shows the difference in average earnings between groups of colleagues across our business, regardless of their roles. Our report shares the differences for both gender and ethnicity, which means the difference between men and women, as well as the gap between colleagues in each ethnic group and White colleagues.

Equal Pay is different from the pay gaps that we are reporting here. Equal pay is about how much colleagues are paid for doing the same or similar role or work that's considered of equal value. We pay our colleagues according to their role, regardless of their gender or ethnicity. For example, all retail assistants in stores are paid the same hourly base rate. It's important to know that the way the government asks us to report means that even when pay is equal, there may still be a gap.

We pay our colleagues according to their role, regardless of their gender or ethnicity.



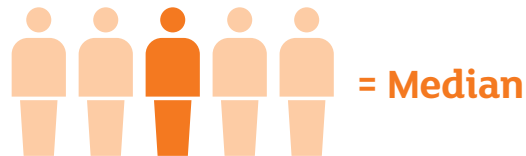
How is the bonus pay gap calculated?

We operate a business-wide recognition scheme for all colleagues, which is included in the definition of bonus pay, alongside management bonus/incentive plans.

We are required to calculate the bonus gap by using the actual amount of bonus pay received by colleagues which doesn't consider where bonus payments have been pro-rated for colleagues working part-time hours.

How is the pay gap calculated?

- Imagine our male and female colleagues lined up in a row from the lowest to the highest paid, the pay of the colleague in the middle is the median. The median pay gap is the difference between the middle male colleague and middle female colleague, and the middle White colleague and middle Ethnically Diverse colleague for each ethnic group.



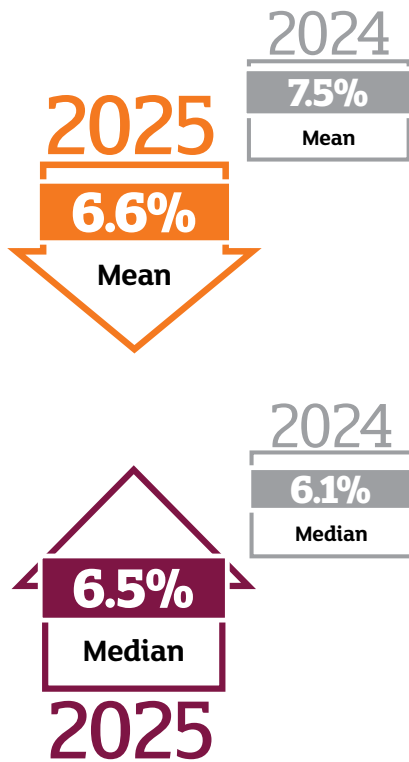
- With the mean pay gap we take the average pay of all our male colleagues and compare this to the average pay of all our female colleagues. We do the same with White and Ethnically Diverse colleagues.



Our results: Gender Pay Gap

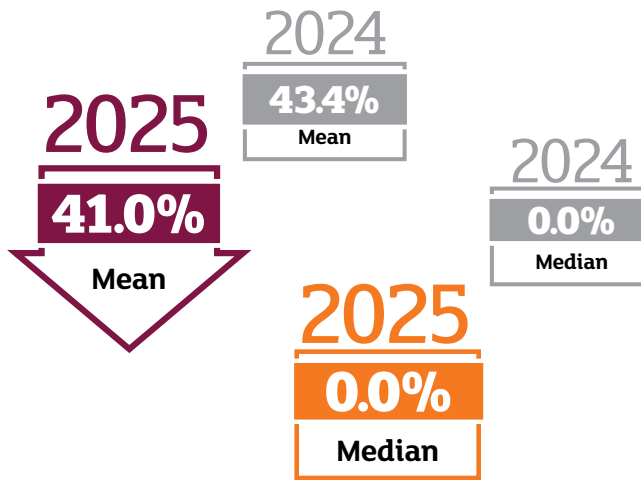
The figures below relate to colleagues across all of the group businesses

Gender pay gap

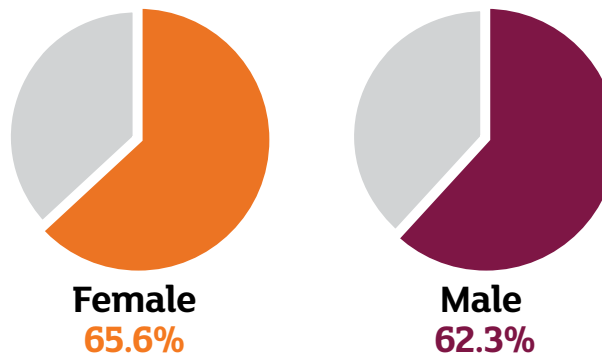


Mean Gender Pay Gap: Retail Industry 12.6%; UK 13.4%
 Median Gender Pay Gap: Retail Industry 6.3%; UK 12.8%
 (Source: ASHE Survey 2025 Provisional)

Gender bonus gap

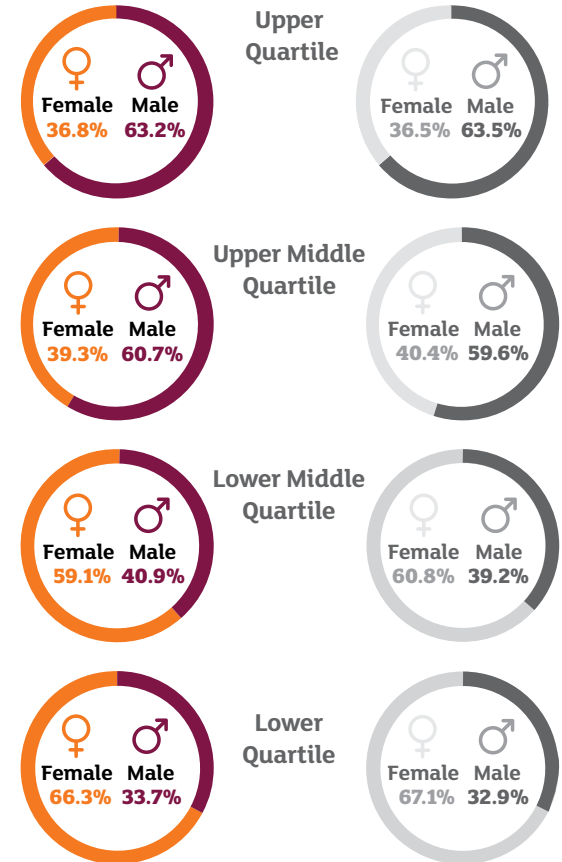


Colleagues receiving a bonus



Proportion of females and males in each pay quartile

2025 | 2024

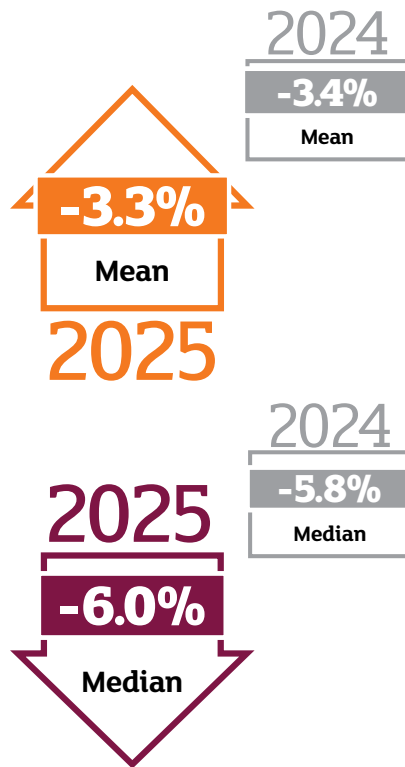


Quartiles are calculated by ranking pay for all colleagues from lowest to highest and then splitting into four equally sized groups, showing the percentage of males and females in each group. Our retail hourly colleagues represent over 80% of our total workforce therefore span all four pay quartiles.

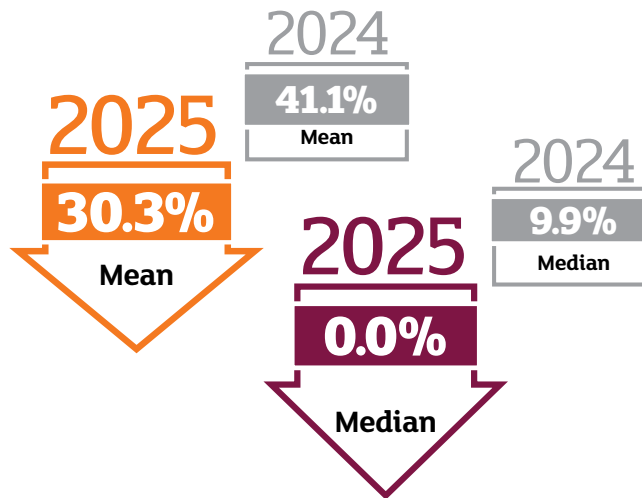
Our results: Ethnically Diverse Pay Gap

The figures below relate to all ethnicities combined across all the group businesses

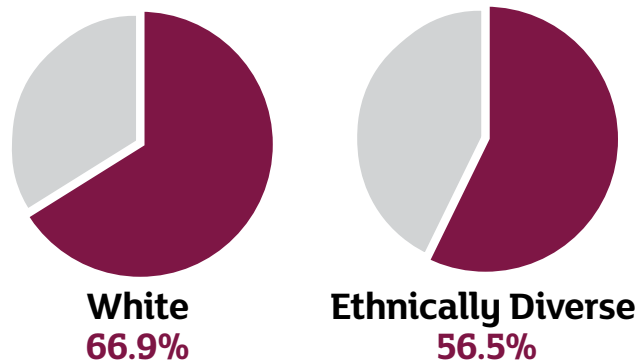
Ethnically Diverse Pay Gap



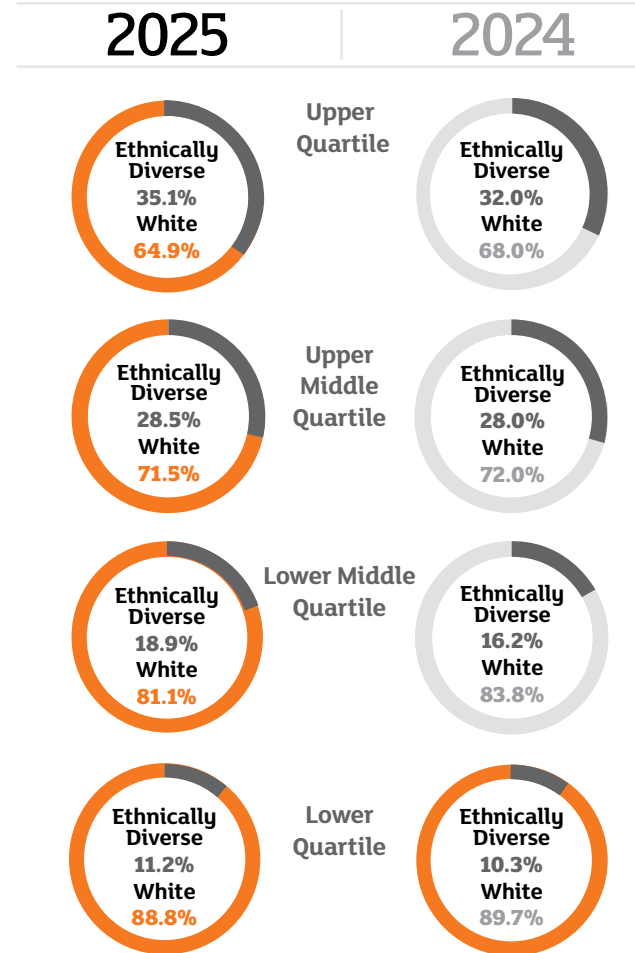
Ethnically Diverse Bonus Pay Gap



Colleagues receiving a bonus



Proportion of Ethnically Diverse and White colleagues in each pay quartile



Our median Ethnicity Pay Gap has moved further in favour of Ethnically Diverse colleagues, while our mean pay gap has increased slightly but remains in favour of Ethnically Diverse Colleagues.

Quartiles are calculated by ranking pay for all colleagues from lowest to highest and then splitting into four equally sized groups, showing the percentage of males and females in each group. Our retail hourly colleagues represent over 80% of our total workforce therefore span all four pay quartiles.

Our results: Pay Gap by Ethnicity

The figures below relate to all ethnicities represented across all the group businesses

Mean Ethnicity Pay Gap

Asian	Black	Mixed	Other
-6.2%	-6.7%	-3.8%	-4.4%
Median	Median	Median	Median

Median Ethnicity Pay Gap

Asian	Black	Mixed	Other
-4.3%	-1.3%	-2.5%	-0.3%
Median	Median	Median	Median

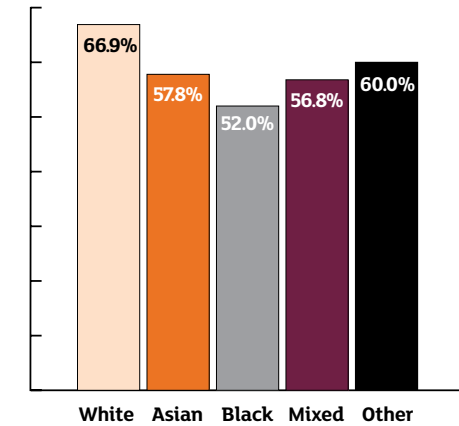
Mean Ethnicity Bonus Gap

Asian	Black	Mixed	Other
28.1%	39.0%	26.0%	35.0%
Median	Median	Median	Median

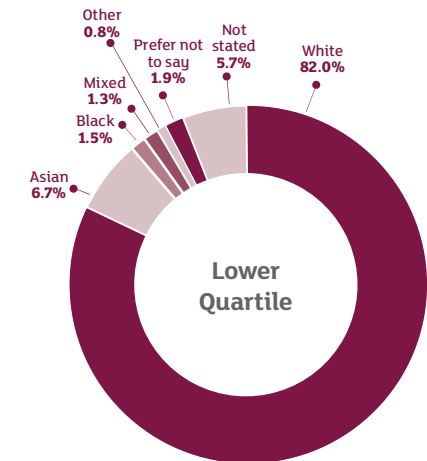
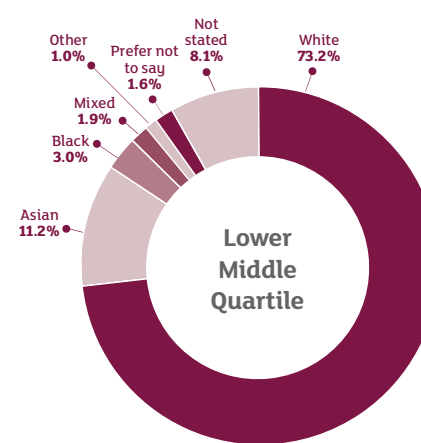
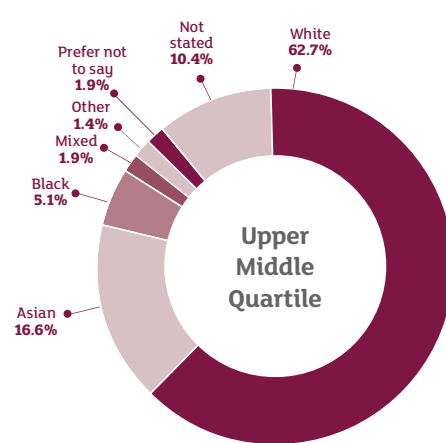
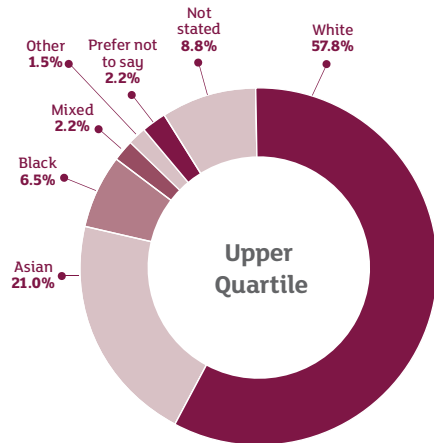
Median Ethnicity Bonus Gap

Asian	Black	Mixed	Other
0.0%	0.0%	17.2%	0.0%
Median	Median	Median	Median

% of colleagues receiving a bonus



Proportion of each ethnic group in each pay quartile



Quartiles are calculated by ranking pay for all colleagues from lowest to highest and then splitting into four equally sized groups, showing the percentage of colleagues in each ethnic group in each quartile.

Understanding our Gender and Ethnicity Pay Gap

There are more men in senior roles



While representation at senior levels has remained consistent over the past year, the pay gap still exists as we have a higher proportion of men in management and senior leadership roles, which are typically higher paid. Whilst a higher proportion of women are employed in hourly paid colleague roles.

Higher Proportion of Women in Part-Time Roles



The bonus gap calculation is based on the actual bonus amount paid to colleagues, without adjusting for hours worked. Since 67% of roles in our workforce are part-time and 75% of these roles are held by women, the bonus gap reflects comparisons between part-time bonuses for women and full-time bonuses for men.

Our bonus gap also continues to be significantly influenced by the annual bonuses awarded to managers. These have remained broadly consistent with last year.

Skilled roles attracting a premium



Over the last year, the gender balance within our hourly paid population has shifted towards a more even split. All retail hourly colleagues in the same role receive the same base pay rate, although some roles attract an additional premium.

Last year, we invested in increasing hourly pay rates for retail colleagues. However, pay for roles with a skills premium increased at a slower pace, which has helped narrow the overall pay gap. Additionally, outsourcing part of our distribution operation has further contributed to reducing the gap.

Representation in management roles



There are notable differences in representation across ethnicities at manager and senior leadership levels. For example, 17% of Mixed colleagues, 17% of White colleagues, and 16% of Asian colleagues hold management or senior leadership positions, compared to 12% of Black colleagues.

Since annual bonuses increase with seniority, lower representation of ethnically diverse colleagues in senior roles contributes to a higher bonus gap in favour of White colleagues.

On the spot recognition



The median colleagues for both gender and ethnicity are hourly paid retail colleagues. The median bonus gaps are influenced by the receipt of discretionary fixed value recognition awards. These 'on the spot' awards are distributed in high volumes to recognise colleagues demonstrating our company values.

Location drives the ethnicity pay gap



Location is a significant factor influencing our ethnicity pay gaps. While all hourly paid retail colleagues receive the same base hourly rate, stores in London offer an additional location premium. Currently, 48% of Ethnically Diverse hourly paid colleagues work in London stores, compared to just 7% of White hourly paid colleagues.

Ethnicity declaration



Our ethnicity declaration rate remains strong at 90%, consistent with last year. Unlike gender data, colleagues are not required to disclose their ethnicity. We continue to actively encourage colleagues to share their diversity information, as this helps us gain a clearer understanding of our workforce and supports our commitment to inclusion.

Gender identity



We want to be a truly inclusive retailer and take our responsibility towards our non-binary and gender fluid colleagues very seriously. Gender pay gap regulations mean we must identify our colleagues as men and women; however, we actively support our colleagues of all gender identities through our inclusion strategy and our LGBT+ colleague network Proud@Sainsbury's.

Statutory Gender Pay Disclosure (2025)

The Gender Pay Gap disclosure as at the snapshot date 5th April 2025

Sainsbury's Supermarkets Ltd

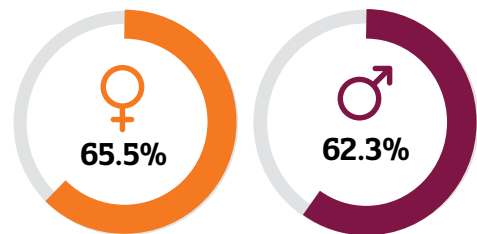
Mean Gender Pay Gap	6.6%
Median Gender Pay Gap	6.7%

Pay quartile headcount gender %

	Female	Male
Upper	36.7%	63.3%
Upper Middle	40.2%	59.8%
Lower Middle	60.2%	39.8%
Lower	66.8%	33.2%
Mean Gender Bonus Pay Gap	40.2%	
Median Gender Bonus Pay Gap	16.7%	

Colleagues receiving bonus

Female	Male
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Sainsbury's Bank plc

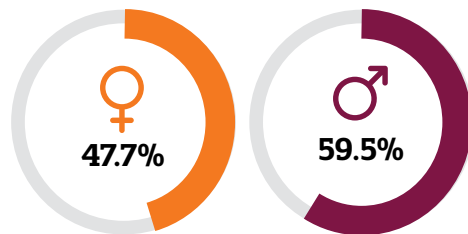
Mean Gender Pay Gap	31.0%
Median Gender Pay Gap	28.5%

Pay quartile headcount gender %

	Female	Male
Upper	43.7%	56.3%
Upper Middle	59.0%	41.0%
Lower Middle	71.4%	28.6%
Lower	71.9%	28.1%
Mean Bonus Pay Gap	69.3%	
Median Bonus Pay Gap	69.8%	

Colleagues receiving bonus

Female	Male
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Argos Ltd

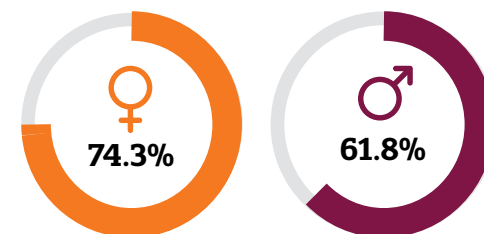
Mean Gender Pay Gap	3.3%
Median Gender Pay Gap	3.9%

Pay quartile headcount gender %

	Female	Male
Upper	31.9%	68.1%
Upper Middle	26.2%	73.8%
Lower Middle	34.9%	65.1%
Lower	55.1%	44.9%
Mean Bonus Pay Gap	15.9%	
Median Bonus Pay Gap	-25.0%	

Colleagues receiving bonus

Female	Male
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J Sainsbury plc

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