



UK Gender Pay Gap Report 2025



COSTA
COFFEE



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Introduction & Regulatory Context:

Voted the Nation's Favourite Coffee Shop for the 16th year in a row*, we're proud to be at the heart of thousands of communities across the UK, employing more than 18,000 talented people.

In line with the Equality Act 2010 (Gender Pay Gap Regulations 2017), employers with more than 250 employees must publish gender pay gap information annually, covering mean and median hourly pay gaps, bonus gaps, and the proportion of men and women across pay quartiles.

This report provides Costa Coffee's 2025 results for our UK workforce and explains the drivers behind them, our ongoing progress, and actions we are taking to foster workplace equity.

Who's Included and how we calculate:

This report covers Costa Coffee employees in the UK who meet the government's eligibility criteria for gender pay gap reporting.

We aim to explain results in clear, accessible terms around what changed, why, and what we're doing next.

We follow the same definitions and approach used in our 2024 report to enable like-for-like comparisons.

*Source: The award is based on Allegra's annual Project Café UK 2026 study, which asks UK coffee drinkers to name their favourite branded coffee shop, with Costa Coffee cited by the highest proportion of respondents.

Total representation of UK Team: Members

	Female	Male	Total
Senior Leadership	26	57	83
Manager	1,106	710	1,816
Entry Level	11,404	4,748	16,152
Total Population	12,536	5,515	18,051



Definitions & Methodology

The Make Up of Our Workforce

Our job grades are measured based on their relative scale, impact, and size. This allows us to compare job grades in all different industry sectors in our business. We look at the role, rather than the person, to determine a grade, from our executive teams to our entry-level roles and consider the impact it has on the organisational structure.

Mean Calculation

The mean gender pay gap is the difference in average hourly pay between men and women. The average hourly rate of pay is calculated by adding up all of the hourly pay of every female team member and dividing it by the total number of female team members. The same is done for male team members.

Median Calculation

The difference between the midpoints of hourly pay of all men and women. Imagine all our female team members standing next to each other in one line from lowest pay to highest and imagine the same picture where our male team members did the same. The median gender pay gap is the difference in pay between the female and males in the middle of each of their lines.

Pay Quartiles

Employees are ranked from lowest to highest based on their hourly pay. The list is then divided into four equal-sized groups (quartiles). The percentage of men and women in each quartile shows how pay is distributed across the organisation, helping to identify representation patterns by level.

2025 Results - Pay

Pay Gap:

The gender pay gap at Costa Coffee reflects several structural and industry-wide factors, including:

- **Occupational Segmentation:** One of the main drivers for our gender pay gap is the large proportion of women who join Costa Coffee at entry level roles such as Baristas and Barista Maestros.
- **Career Progression Barriers:** While we have made progress in more women taking up leadership roles, the pipeline to senior positions remains our focus. Further acceleration programmes are being developed to support acceleration of female succession pipelines.

Year	Median Pay Gap	Mean Pay Gap
2025	4.0%	12.8%
2024	0.0%	18.5%
2023	4.3%	18.1%
2022	3.2%	21.5%
2021	9.4%	26.2%
National Average*	6.9% Estimated	12.8% Estimated









*Source: Taken from the Office for National Statistics
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2025>

Key Points:

- Costa's mean pay gap of 12.8% is trending downwards and in line with the most recent UK industry average of 12.8%, whereas previously we were 4.7% above this.
- This year's calculations are impacted by moving the timing of our bonus payment, resulting in two payments within the reported period. However, a like-for-like comparison shows we are making progress overall.
- We invested in a 5% pay rate increase for Baristas equating to an £8m investment, taking the starting salary to £12.60 per hour, ensuring team members continue to receive a sustainable pay rate that factors the increase in cost of living.

2025 Pay Quartiles:

The below pay quartiles illustrate the distribution of men and women across different pay levels within our organisation. By analysing the percentage of men and women in each quartile, we can identify where pay disparities exist and take steps to address them.

Upper Quartile	Upper Middle Quartile	Lower Middle Quartile	Lower Quartile
 60.7%  39.3%	 69.5%  30.5%	 71.6%  28.4%	 73.4%  26.6%

2025 Results - Bonus

Bonus pay gaps comprise all bonus and incentive payments received by employees over a 12-month period ending in April 2025. This calculation excludes employees who did not receive a bonus or incentive due to factors such as performance or ineligibility, for example their start date with the organisation.

Our organisational structures and working patterns remain diverse, and in many cases tailored to individual needs. This can mean our bonus payments are varied.

Year	Median Bonus Gap	Mean Bonus Gap	Females Receiving a Bonus	Males Receiving a Bonus
2025	7.7%	35.2%	9.3%	18.7%
2024	37.6%	42.8%	49.0%	52.0%
2023	39.2%	64.5%	86.3%	90.5%
2022	1.3%	22.8%	9.5%	17.9%
2025	9.4%	15.5%	12.3%	19.1%

Key Points:

- There were no bonus payments in the relevant bonus period for Barista/ Barista Maestro as investment has focussed on base pay and recognition, which has reduced our bonus gap.
- This has been partially offset by our support centre population due to the inflated impact of paying two bonuses within the relevant bonus period - however, by individual bonus cycle we are seeing the gap in support centre continue to reduce.



Final Reflections

Costa Coffee's 2025 results show encouraging movement in the mean hourly gap, higher female representation in the upper quartile, and materially improved bonus gaps. We continued to focus our efforts on programs and initiatives that aim to develop our talent, including access to mentorship and leadership programs, and support an inclusive working environment.

We recognise that sustained progress requires consistent attention to representation at senior levels, equitable reward processes, and inclusive everyday practices.

We remain committed to transparent reporting, continuous improvement, and building a workplace where everyone can thrive.



