JOHN LEWIS & PARTNERS

JOHN LEWIS PARTNERSHIP

Our commitment to suppliers 25 February 2019

We are committed to supporting the suppliers and communities we work with, and are in, to thrive. A strong and trusted supply chain is integral to our success as a retailer, and we aim to conduct all our business relationships with integrity and courtesy.

We work with a diverse range of suppliers - 15,500 from over 80 countries - and it is the strength of these relationships that allow us to source high quality, responsibly produced products and services for our customers. We have 700 suppliers who have been working with us for over 30 years.

We support our suppliers in a number of ways, including:

- **Support for smaller suppliers** Waitrose & Partners leads the sector by paying its small food producers and suppliers within seven days, a week ahead of competitors.
- **Encouraging worker voice in the supply chain** building on our experience as a co-owned business, we have launched a programme to promote better jobs in our John Lewis & Partners supply chain through helping create better worker voice mechanisms.
- **Farming partnerships** Waitrose & Partners was the first retailer to set up livestock producer groups, of which we now have over 30, sourcing directly from farm, giving producers an assured market, clear direction and a stable base.

Duty to Report

The John Lewis Partnership today publicly reported on its payment practices to suppliers. In line with government requirements, we submitted our data, from the last six months of our financial year (July 2018 - January 2019), as three separate entities - John Lewis Plc, Waitrose Ltd and John Lewis Properties Plc.

The full report and previous submissions can be found <u>here</u> but the top-line headlines are as follows:

- Waitrose & Partners pays its smallest suppliers within 7 days
- Waitrose & Partners average payment length for all suppliers is 38 days and for John Lewis & Partners, 39 days
- Over a third of all John Lewis & Partners and Waitrose & Partners suppliers are paid within 30 days of them submitting their invoices (John Lewis & Partners: 38% and Waitrose & Partners: 34%)
- Half are paid between 31-60 days (John Lewis & Partners: 50% and Waitrose & Partners: 53%)
- 12% of John Lewis & Partners and 13% of Waitrose & Partners invoices are paid later than 60 days
- 6% of John Lewis & Partners and 3% of Waitrose & Partners invoices are not paid within the agreed payment period.