

# BE YOURSELF. ALWAYS REPORT 2020





# MESSAGE FROM SHARON WHITE



Dear Partner,

The past 12 months have been one of the most pivotal years in the Partnership's history. Amidst the uncertainty and challenges, we have all pulled together in the most extraordinary way and really been there for each other and our customers when they needed us most.

Of course, there are some things we haven't got right over the past year and we know we aren't perfect. We have much more work to do and becoming a more diverse and inclusive business is one such example, and an important priority for the Partnership.

As you will read throughout this report, we are starting to make positive progress, but we have a long way to go. It's also a sign of our Partnership values that, in this past year especially, we have been able to have an open and honest debate with Partners to set out our desire to truly reflect the customers and communities we serve.

As a Partnership we have the great advantage that we can take a long-term view, taking the right decisions for the long-term benefit of our Partners and customers. We can be bolder and more innovative than conventional companies, even in these challenging times. That's why last year we published for the first time our *Be Yourself. Always Report*, combining data on gender, ethnicity, age and health and wellbeing.

This year we are doing the same and as our reporting evolves, we will report on other diversity characteristics. Our objective is to be very open in sharing our data, the progress we make, what is working and what is not. And also to be open to constructive feedback and learn from others to adapt our approach.

This report is supported by all of the Executive Team as we truly believe and support the principle that our Founder created many years ago – the happiness and wellbeing of our Partners through worthwhile and satisfying employment in a successful business.

**SHARON WHITE**  
Partner & Chairman

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# OUR PURPOSE AND AMBITION

Our Founder, John Spedan Lewis, established the John Lewis Partnership to be a force for good in society. He wrote a Constitution that contains principles and rules for how we as Partners run our business. It sets out the role the Partnership has in society and defines our responsibilities to Partners, customers, suppliers and the environment. It also states that we are required to make 'sufficient', not 'maximum', profit and that's why we are focused on reinvesting our profits back into our Partners, our business and the communities we serve.

We are driven to make a difference to people's lives and create positive social change. In that sense, we are a social enterprise. As an organisation with such a strong heritage in being purpose-led, it's critical we continue to build on our history. We need to ensure our purpose is clear, responds to the world our Partners and customers live in today, builds a compelling vision for the future and drives decisions and actions for our business.

As part of our five-year Partnership Plan, which we launched in October 2020, we had an exciting opportunity to update our ambition as a business. We spoke to customers, Partners, suppliers, charities and non-governmental organisations to understand what matters most to them, and where our business can have the biggest impact. As a result, three key areas of focus were identified to try and do good in society: tackling inequality, wellbeing and sustainable living. These have never felt so relevant, especially due to the economic uncertainty and social inequality coming from the pandemic.

This ambition is driving our commercial decisions and shaping our employment practices. It influences the services we offer to customers and how we work with new commercial partners. It sees us, for instance, taking firmer action on pay, working conditions and diversity and inclusion.

Our vision is to be recognised as the UK's most inclusive business by Partners, customers, suppliers and the wider community. We must create an inclusive workplace that embraces the diversity of our current and future customers, and for Partners, where they can bring their whole selves to work and where development and career opportunities are fair and open to all.

It's this sense of belonging which is core to our wellbeing as individuals, and collectively in society. That's why one of our five core Partnership values is 'Be Yourself. Always'. This recognises that we're all quirky and proud, and at our best when we are free to be ourselves. We know that, when our Partners feel a sense of belonging and are healthy and well, they're better able to help and support our customers, and can contribute to the communities where we operate.





# OUR DIVERSITY AND INCLUSION PLAN

The Partnership was formed almost 100 years ago with the principles of humanity and equality for all at its very heart. We know that, as we stand where we are today, we have work to do to keep this alive. It needs relentless focus and leadership over many years but we are prepared to take bold action. That's why we are developing a new Partnership-wide diversity and inclusion plan.

Our diversity and inclusion plan has to be agile and start with our purpose. It must link to our commitment to become the UK's most inclusive business – for both our Partners and customers – reflecting and connecting with the diverse communities that we serve. Like many people around the world, we were shocked by the horrific death of George Floyd and it was a sign of the Partnership's values that we were able to have an open and honest debate with Partners about his death and the wider impact it had on each of us individually and how we operate as a business.

Our support of Black Lives Matter was not about politics, it was and still is about basic humanity that is intrinsic to the Partnership's traditions and values. It helped us realise that this moment should be a movement and we must do more. And our diversity and inclusion plan will guide us.

Our plan is being informed by data and customer and Partner opinion and is being led by Nikki Humphrey, Executive Director of People. It is also receiving input from our seven Partnership networks – Gender Equality, Unity, LinkAGES, Pride in the Partnership, Ability, Faith and Belief

and Working Parents, as well as the diversity and inclusion sub-group of Partnership Council. We are also working with a third-party specialist and expect to publish our finalised plan in the spring. In the meantime, some key areas of focus include:

- 1 Part-time working** – We will take what we've learned from our new Part-Time Advisory Group and continue to gain knowledge so we can provide greater support to part-time Partners so they can continue to progress within our business.
- 2 Supporting ethnic minorities** – We formed last year the Black Partner Advisory Group, which has made leaps and bounds with the way our business applies actions and processes that support ethnic minorities. We will continue to reach out to more ethnic minority Partners to ensure the steps we take are more inclusive and informed by them.
- 3 Care-experienced people** – As part of our five-year Partnership Plan, we have committed to supporting those who have had experience of the care system by helping them forge a career in the Partnership. We will also explore how to provide mentoring support for those in care.
- 4 Voluntary Real Living Wage** – We will move towards paying all Partners aged 18 and over the voluntary Real Living Wage when we expect to reach over £200m profit. This is different to the legally stipulated National Living Wage, which we already pay.

# OUR COMMITMENTS TO PARTNERS AND CUSTOMERS



An extraordinary 2020 called for us to focus on listening to our Partners and customers more than ever and here are some of the commitments we made. Our Executive Team also made a number of commitments and this included each individually sponsoring one of our seven internal Partnership networks for Partners.

## PARTNERS

Provide safe spaces for our Black and other ethnic minorities Partners to talk about what discrimination feels like. This enabled us to understand what we need to do to improve. We have also put a number of initiatives in place to continue the conversation and change behaviours, including reverse mentoring and a Black Partner Advisory Group.

Take time to listen to Partners whose difference affects their Partnership experience, such as part-time Partners. We're committed to understanding more about the difficulties faced by the group, and already working hard to

improve their experiences. Through the work of the Part-Time Advisory Group, for example, we've already influenced a number of internal processes, with much more to do.

## CUSTOMERS

Responding to Partner feedback, a Kindness Rules statement was created for our shops and customer-facing sites to display. The statement details the Partnership's stance and approach to abusive behaviour towards Partners, which also includes racism and discrimination.

Adding new brands and products so we can meet more the needs of local communities we serve. For example, in Waitrose, we have been adding more multi-ethnic cuisines such as Afro-Caribbean and Indian. The Waitrose World Food section now has 44 new product lines and we will look at adding further products in 2021. In John Lewis we added new hosiery from Sheer Chemistry.

Together with other retailers, we collectively made a public stance against racism following some racist comments made by the general public on Christmas TV adverts. We worked with Channel 4 to #StandAgainstRacism.

### WHAT CAN PARTNERS DO?

- Join our Partnership networks. Visit their Google Currents communities for more details.
- Complete your personal information on Workday. This is crucial in helping us build our understanding and stops us making assumptions.
- Work with PartnerVoice, Forum and Council to keep the conversation around diversity and inclusion buoyant and hold ourselves to account through real life experiences.



### WHAT CAN PARTNERS DO?

- Keep collecting feedback from Partners and customers so that we can continue to improve and evolve.



# WHAT PROGRESS HAVE WE MADE SINCE LAST YEAR?

## LISTENING SESSIONS

We've run listening sessions for Black Partners to hear first hand what it feels like to be Black in the Partnership. By creating a safe space to share stories, we heard some very open, honest and difficult messages from our Partners.

## BLACK PARTNER ADVISORY GROUP

The Black Partner Advisory Group was set up as a consultative body and sounding board to test ideas and contribute to improving the experiences of Black Partners. Made up of 35 Black Partners from across the country and from different jobs and levels, it has created lots of positive action such as honouring Black History Month more, improving career progression opportunities, influencing diversity and inclusion learning, and advising on fashion and inclusivity products.



## KINDNESS RULES STATEMENT

Responding to Partner feedback, a Kindness Rules statement was created for all our shops and other customer facing sites to display. The statement details the Partnership's stance and approach to abusive behaviour towards Partners, which also includes racism and discrimination.



## REVERSE MENTORING

Black Partners from anywhere in the business and all senior leaders were encouraged to sign up to become mentors and mentees in a reverse mentoring programme. The nine-month programme is designed to give leaders (mentees) a better understanding of Black Partners' experiences and Black Partners' (mentors) a better understanding of leadership roles. 190 mentoring pairs are participating in the monthly meetings and there are plans to roll this out to wider groups.

## EQUALITY, DIVERSITY AND INCLUSION MANDATORY TRAINING

We have updated our existing challenging bias mandatory e-learning module for all Partners to complete. Designed using real Partner experiences, it helps Partners understand their role and responsibility in creating equality, inclusion and diversity in the workplace. We also created virtual challenging bias workshops led by a facilitator. Feedback has been very positive with 88% of Partners commenting that they found the training useful and 83% recommending it.

## PART-TIME PARTNER ADVISORY GROUP

We currently have over 39,800 part-time Partners who work reduced hours for a number of reasons, such as being in education, parenting responsibilities, being semi-retired and job sharing. To improve progression and development, reduce cultural bias and remove part-timer limits regarding pay and performance, we set up the Part-Time Partner Advisory Group. We ran listening sessions and key areas of focus include shifting our language around the words 'part-time' and demystifying the assumptions that are attached to this and instead using the words 'reduced hours' or 'working flexibly'. We will also improve guidance and support around opportunities, end-of-year appraisals and calibration. We will improve job share guidance and support, create a job share bank, review recruitment processes and improve access and prioritisation of communication so part-time Partners can keep up to date more easily.



## DIVERSITY NETWORKS

Our seven internal networks for Partners – Ability, Faith and Belief, Gender Equality, LinkAGES, Pride in the Partnership, Unity and Working Parents – continue to grow with over 8,500 members and all paired with a member of our Executive Team as a sponsor. They are also supported by a new diversity and inclusion sub-group of Partnership Council. This year they hosted tough and important conversations and helped hold leaders to account. The Working Parents network, for example, hosted sessions with our Chairman and championed some of the issues they have faced during the pandemic. And Pride in the Partnership launched a new rainbow pin badge to help Partners have conversations with others and provide support to all, regardless of race, gender, sexual identity or any other characteristic.

## IT'S NOT OK

Created by our Black Partner Advisory Group, the 'It's not OK' film brings to life our Partner listening sessions and describes what discrimination can feel like for some of our ethnic minority Partners. It has enabled Partners to articulate their experiences in a clear, impactful and educational way, while creating space for questions and conversations that now feel less uncomfortable.

## CHANGE PROGRAMMES

We're applying what we've heard from the experiences of Partners to improve our people change processes. We're ensuring People Managers, leaders, and Partners are aware of the biases that can take place during change, and doing all we can to educate and give our Partners the tools they need to identify inclusivity as well as track the impact of our decisions.

## EQUALITY IMPACT ASSESSMENTS

We have been testing in several change programmes and projects an Equality Impact Assessment (EIA) tool. This allows us to assess a new or changing policy, process or proposition with a diversity and inclusion lens to evaluate any aspects that may lead to disadvantage or discrimination.

## DIVERSE SHORTLISTS

Our resourcing specialists are working with hiring managers to ensure recruitment activities and opportunities have a broad appeal in order to create more diverse interview shortlists. Initially, we are aiming for diverse shortlists in all leadership appointments including candidates from an ethnic minority background.



## WHAT CAN PARTNERS DO?

- Have open conversations with other Partners by running your own listening sessions and by celebrating the events in the Cultural Moments calendar.
- To help us better understand Partners' experiences, the areas we need to prioritise and to track progress, we are encouraging all Partners to update their protected characteristics information on Workday. Data is protected by confidentiality and equal opportunity laws.
- If you are hiring for a role in your team, challenge yourself on whether the criteria on the job description is essential for the role so that it is open to as many Partners as possible.



# HEAR FROM OUR PARTNERS

## REVERSE MENTORING MEMBERS

“ I’m reading and watching more and more. I’m playing my thoughts back to my mentor. I’m speaking differently to my family. I’m designing experiences differently in my day job.”

MENTEE

“ I entered the mentoring scheme with plenty of optimism but also scepticism. I had initial concerns about whether or not I would find a good match. Ultimately, I wanted to ensure that it was an authentic and enlightening experience for us both. So far, my journey has exceeded all of my expectations. We started by building a relationship just as people and found common ground. The rest is history. I found that the introduction set a great foundation but gave us the creative freedom to do what we feel would best suit our individual partnership. So far, so good!”

MENTOR

## PART-TIME PARTNER ADVISORY GROUP MEMBER

“ I had no expectations of what the Part-time Partner Advisory Group would cover or what the results might be. I have to say that I have been staggered by the honesty of all Partners taking part in our meetings and the rapid turnaround of information following the meetings. What has been most impressive is at all levels, Partners have bought into changing the culture of working part-time and seeing this activity as a real step change to making a massive difference into how working part-time can bring real flexibility and insight.”

## BLACK PARTNER ADVISORY GROUP MEMBER

“ I believe the Black Partner Advisory Group has become recognised as the starting point for the business if it has a question or a concern and knows it will be discussed honestly and with the business at the forefront of its mind. We have a mix of levels and experience so are able to get a balanced view. We need to do more of this to shape the business in a diversity and inclusion world.”




### WHAT CAN PARTNERS DO?

- Keep talking and sharing your thoughts and experiences so we can walk in each others' shoes and together we can become a truly inclusive business.
- Seek out someone different to you and build new relationships and learn from each other.

# CULTURAL MOMENTS CALENDAR

During 2020 our Partners came together to celebrate their individualities, allowing those who wanted the chance to learn about new cultures to do so. To ensure we continue to empower Partners to celebrate, share and learn, we have launched, for the first time, a Cultural Moments calendar. Informed by Partners, these key dates should help to engage Partners and continue celebrations, while reinforcing permission to be respectfully curious.



## INTERNATIONAL WOMEN'S DAY

Celebrated on 8 March, International Women's Day is a focal point in the movement for women's rights. We see this day as celebrating gender equality in the workplace through conversations, vlogs and keynote speakers.

## LGBTQ+ PRIDE MONTH

Celebrated usually during the month of June, Pride is about the promotion of the LGBTQ+ community. We encourage Partners to celebrate locally and post on our Partner engagement network – Pride in the Partnership.

## BLACK HISTORY MONTH

Black History Month is celebrated during the month of October in the UK, to experience and understand Black history and culture. We encourage Partners to celebrate locally and share through our Unity network. A toolkit has been produced by the Black Partner Advisory Group for all Partners to use.

## EID-AL-FITR

Eid is a religious holiday celebrated by Muslims at the end of Ramadan. This year we aim to improve our Eid offer for customers and our Partners are encouraged to celebrate and capture stories on our Faith and Belief and Unity networks.

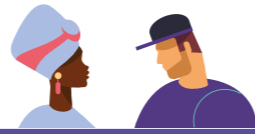
## INTERNATIONAL MEN'S DAY

Celebrated on 19 November, International Men's Day objectives are split into six pillars of achievements and contributions which are nation, union, society, community, family marriage and childcare. We have chosen to use the day to build awareness into men's mental and physical health.



### WHAT CAN PARTNERS DO?

- Celebrate events that mean something to you locally and educate those who you feel would benefit from learning more. Be curious.
- Leaders to continue to support through dialogue, action and celebration of events.
- Subscribe to the Cultural Moments calendar via the Google calendar. Alternatively, download from the Intranet.



# OUR HEALTH AND WELLBEING

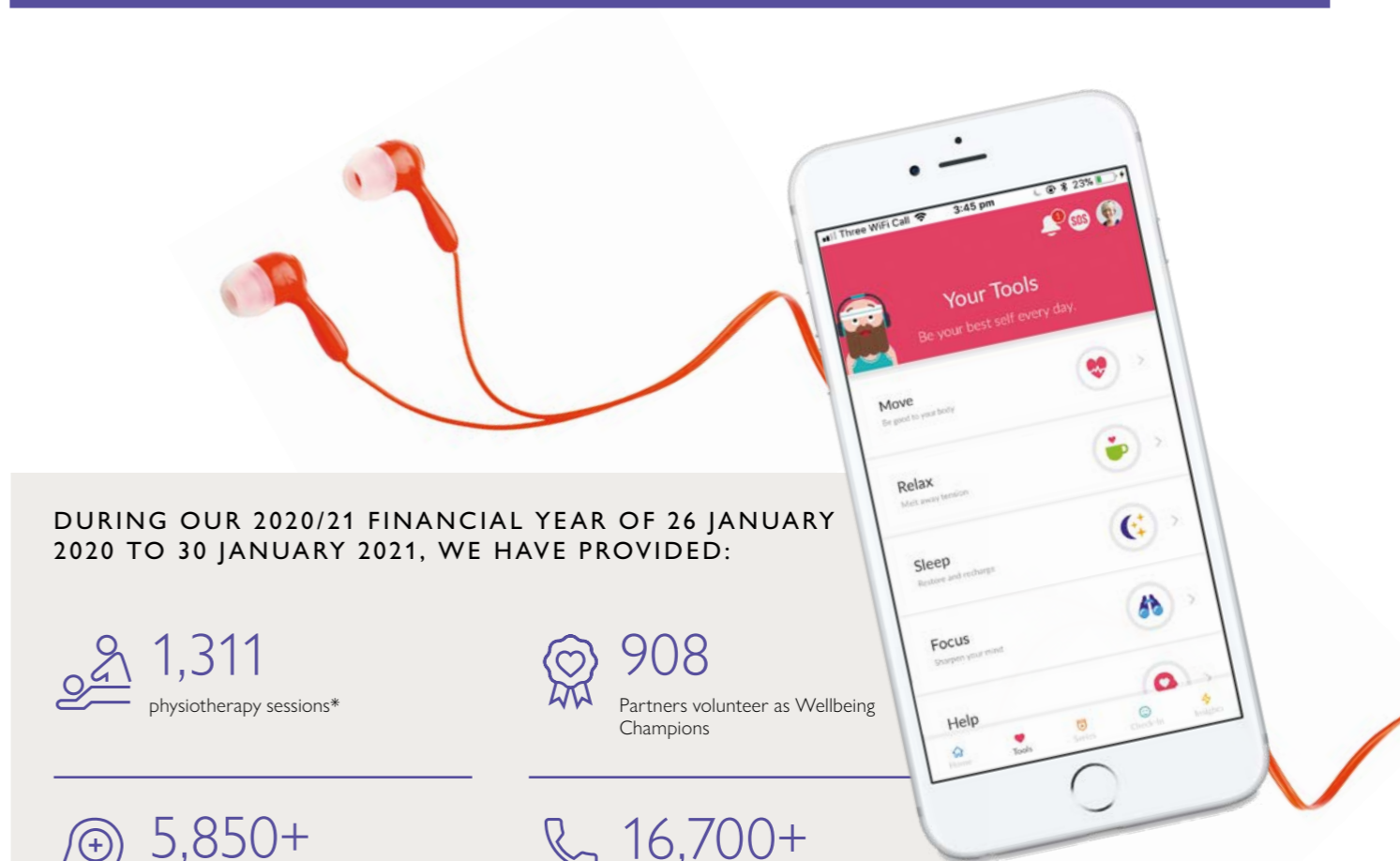


As an employee-owned business, looking after our Partners is key. We've been investing in Partners health and wellbeing since 1929 – 19 years before the NHS – when we introduced free in-house health and medical services to all our Partners. Today, this continues through our Partnership Health Services team and over £20m is invested annually.


During the pandemic it's been even more important to keep our Partners safe, fit and healthy and we expanded the visibility of our health and wellbeing services, introducing some remote delivery options when face-to-face delivery was no longer possible.

We set up a Covid-19 Health Hub, which has the latest government guidance and our own policies. In conjunction with our Leisure Benefits team and PartnerChoice app, which provides Partners with leisure discounts and free offers, we also added a Partnership Health Services section, uploading podcasts and videos.


This year, we also created a EatWell FeelWell campaign, trialled new areas of support such as a My Resilience health check-up tool, created a diabetes screening pilot and became one of the first UK businesses to roll out rapid lateral flow Covid-19 testing for our Partners.




**DURING OUR 2020/21 FINANCIAL YEAR OF 26 JANUARY 2020 TO 30 JANUARY 2021, WE HAVE PROVIDED:**


 **1,311**  
physiotherapy sessions\*


 **908**  
Partners volunteer as Wellbeing Champions


 **5,850+**  
psychological therapy sessions


 **16,700+**  
calls to our in-house Partner Support helpline

 **451**  
People Managers participated in mental health awareness training

 **5**  
Partnership Hotels for Partners and their family and friends to use at a specially subsidised rate

 **10,600+**  
Partners have downloaded the Unmind app and can also now share the benefits by giving free access to a friend or family member with over 270 signed up

 **24**  
Partnership clubs and societies, ranging from sailing to singing, cycling to photography, with over 8,700 Partners signed up as members

 **11,000+**  
Partners referred to Partnership Health Services as a self-referral or management referral

**£ 420,000**  
given in financial assistance to Partners through grants and interest-free loans

\*Physiotherapy sessions were less than last year due to being unable to deliver face-to-face appointments because of Covid-19.





### DID YOU KNOW?

Partnership Health Services is a multidisciplinary clinical team which includes occupational health nurses, a doctor, physiotherapist, and a wellbeing clinical lead. The service is not designed to replace the NHS or your local GP but can provide for free:

- Health advice and guidance
- Medical triage
- End-to-end clinical case management
- Specialist support, including physiotherapy, mental wellbeing, podiatry and international business travel health
- Health services such as driver medicals, respiratory and hearing testing and eye care.

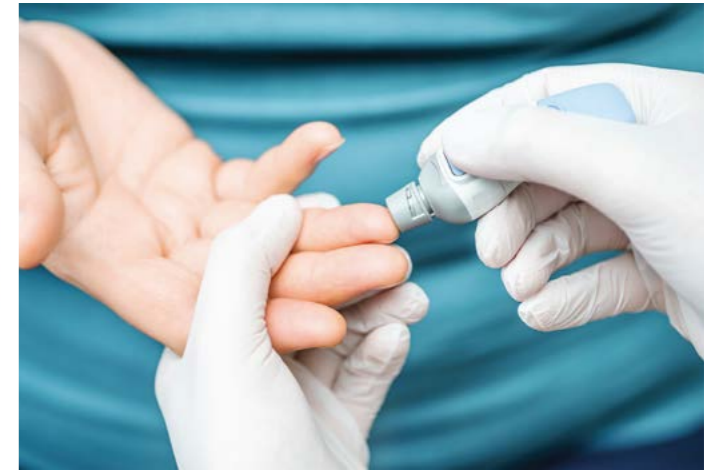


### SPOTLIGHT ON PARTNER RESILIENCE

Undoubtedly Covid-19 has had a massive impact on our personal and work lives, with our resilience well and truly tested. Personal resilience is about being able to cope in the face of adversity, and can be developed through self-awareness and understanding of how we feel and cope with multiple challenges at work and at home.

To support with this and enable Partners to withstand workplace stress, we launched a free, confidential online health check-up and advice tool for Partners called My Resilience. The survey took 15 minutes to answer, and focused on four areas: social support, confidence, adaptability and sense of purpose. A personalised report was generated and helped over 6,000 Partners understand more about their own resilience, and where they may need to focus and get support, signposting to services like Unmind and Partnership Health Services.

One Partner said: "This was unexpectedly eye opening and gave some incredible advice. Lots of food for thought about things I hadn't even realised were affecting me."



### SPOTLIGHT ON DIABETES TESTING

More people than ever have diabetes and if nothing changes, over five million people will have diabetes in the UK by 2025<sup>1</sup>. To get a better understanding of diabetes, its impact on Partners and related risks, our occupational nurses conducted our first diabetes screening pilot. Partners were invited from 20 John Lewis and Waitrose shops across London, and 287 Partners were screened. Results showed 13% of Partners were assessed as high risk and 32% at moderate risk.

To reduce the risk of developing diabetes, we have initiatives encouraging behavioural change in nutrition and exercise, such as the EatWell FeelWell campaign. Results of this pilot are now feeding into our people and wellbeing strategy thinking to inform development of future wellbeing solutions.

<sup>1</sup> Diabetes UK, 2020



### WHAT CAN PARTNERS DO?

- If you need specific medical advice in relation to your health and work environment, contact Partnership Health Services. If you need emotional, practical and financial support contact Partner Support. This is a confidential, non-judgemental listening phone service, run by specially trained Partners. If you need urgent emotional support outside Partner Support opening hours, contact Samaritans 24/7.
- Become a Wellbeing Champion in your area. To sign up, visit the Partner Intranet.



# OUR DIVERSITY: GENDER

This is the fourth year we have reported our gender pay gap and it has remained largely unchanged over time, with some small increases and decreases in the figures each year. A number of measures have been implemented to reduce our gender pay gap over time and the success of these are being monitored on a regular basis.

## SUMMARY

- We continue to see a higher proportion of female Partners in level 10 roles, however, the total number of female Partners in level 10 has dropped slightly this year with a marginal increase in level 9 female Partners.
- This year we have seen an increase in female Partners in senior levels 1 to 4 roles.
- There is a decrease this year in female Partners in level 5 roles but this is reflective of promotions into level 1 to 4 positions.
- Our mean gender pay gap has decreased and therefore improved by 2.6%, while our median gender pay gap has increased slightly by 0.6%.

## GENDER BY PARTNERSHIP LEVEL

LEVEL	FEMALE	MALE
1-4*	43.5%	56.5%
5	46.6%	53.4%
6	50.0%	50.0%
7	52.7%	47.3%
8	50.3%	49.7%
9	45.1%	54.9%
10	58.9%	41.1%
TOTAL	56.5%	43.5%

\* As of February 2021, our Executive Team consists of five women (71.4%) and two men (28.6%). And our Partnership Board consists of six women (75%) and two men (25%).

## PERCENTAGE OF PARTNERS PROMOTED INTO NEW LEVEL BY GENDER

LEVEL*	FEMALE	MALE
1-4	66.7%	33.3%
5	43.2%	56.8%
6	56.1%	43.9%
7	58.6%	41.4%
8	51.0%	49.0%
9	54.7%	45.3%

\* Level 10 is not represented as this data shows the percentage of Partners getting promoted into a level and not from that level. We do not have anyone promoted into a level 10 role as that is our lowest level.



## HOW DO WE DEFINE LEVELS?

Job levelling enables different jobs to be measured based on their relative scale, impact and size and allows us to compare job levels in all different industry sectors in our business. We look at every individual role and not the person in the role to determine a level from 1 to 10 and consider the impact it has on the organisational structure. This allows Partners to see what roles they might be qualified for in other parts of the business, offering a benefit to career development and progression.

PARTNERSHIP LEVEL	ROLE LEVEL
1	Chairman and Exec Director
2 and 3	Director
4	Head of Department/Head of Branch
5 and 6	Leadership, Specialist and Senior Specialist
7, 8 and 9	Specialist Partner and Junior Management
10	Partner entry roles

## OUR 2020 GENDER PAY GAP

Gender pay gap is a measure of the difference in the average pay of men and women across an entire organisation, regardless of the nature or level of their work. It highlights the different number of men and women across all roles. It is different from an equal pay comparison, which involves a direct comparison of two people or groups of people carrying out the same work or work of equal value.

For this report, our data aligns with the reporting requirements requested by the UK government for all UK companies with 250 or more employees to publish data from the calendar month of April each year.

## WHAT IS THE DIFFERENCE BETWEEN MEDIAN AND MEAN FIGURES?

### Median pay gap:

Imagine a picture where all our female Partners stood next to each other in one line in order of lowest hourly pay to highest and imagine the same picture where all our male Partners did the same. The median gender pay gap is the difference in pay between the female Partner in the middle of their line and the male Partner in the middle of their line.

### Mean pay gap:

The other measure is the mean gender pay gap, which shows the difference in average hourly rate of pay between men and women. This is also affected by the different numbers of men and women in different roles.







OUR GENDER PAY GAP DATA

	JLP 2020	JLP 2019	JLP 2018	JLP 2017	UK AVERAGE 2020 <sup>2</sup>	RETAIL AVERAGE 2020 <sup>3</sup>
MEDIAN	8.6%	8.0%	8.2%	7.8%	15.5%	7.1%
MEAN	10.4%	13.0%	12.7%	13.9%	14.6%	16.2%

<sup>2</sup> Office for National Statistics 2020 data from the Annual Survey of Hours and Earnings and based on full-time and part-time figures [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables)

<sup>3</sup> Office for National Statistics 2020 data from the Annual Survey of Hours and Earnings and based on full-time and part-time figures [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables)

WHAT IS DRIVING OUR GAP?

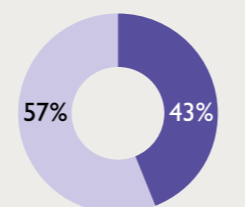
Fundamentally, the drivers of our April 2020 gender pay gap which we have published in February 2021 are:

- 1 Female Partners in levels 9 and 10 roles** – We have a large representation of female Partners in levels 9 and 10 roles which are our lowest-paid positions.
- 2 Differences in gender representation in different job functions** – Our pay ranges are all informed by the market and therefore differ by function as well as job level, meaning the gender split between functions also has an effect on our gender pay gap.
- 3 Premium pay for anti-social hours** – As well as basic pay, gender pay gap calculations cover a number of other pay elements, which apply to some functions which may contain more of one gender than the other.

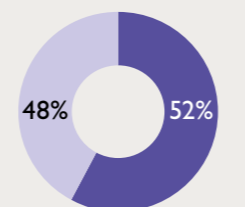


PAY QUARTILES

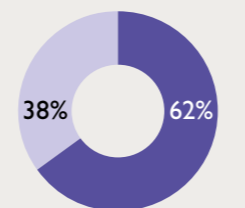
The proportion of male and female Partners according to quartile pay bands.



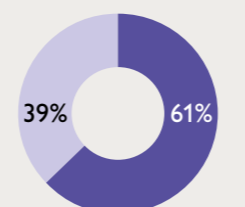
Upper Quartile



Upper Middle Quartile



Lower Middle Quartile



Lower Quartile

MALE FEMALE

OUR BONUS PAY GAP

Bonus pay includes any additional pay relating to profit sharing, productivity or performance, when in the form of money or vouchers. In our case, the vast majority of bonus pay is in the form of the annual Partnership bonus. In March 2020 all our Partners received the same Partnership bonus of 2% of their earnings regardless of level, job or full-time or part-time.

The methodology stated in the gender pay gap regulations requires us to report on the difference in the actual amount of bonus received by our Partners which is therefore heavily influenced by the number of hours worked. As our male Partners worked more hours on average per week than our female Partners, which increases their overall earnings, this created a bonus gap.

	2020	2019	2018	2017
MEDIAN BONUS PAY GAP	37.2%	38.8%	39.0%	41.3%
MEAN BONUS PAY GAP	27.0%	29.4%	29.1%	30.1%

The proportion of male and female Partners who received the 2% bonus was:



HOW WE ARE CLOSING OUR GENDER PAY GAP

Our long-term goal is to reduce our gender pay gap through achieving equal gender representation across all job levels. We have committed to:

- A blended working approach for all head office roles, which allows Partners to have more choice and flexibility around when and where they work. This opens up more opportunities, removing location as a barrier and creating a level playing field.
- Regular conversations that continue to be at the heart of how we spot talent and develop our Partners. We believe every Partner has the potential to play to their strengths, broaden skills or move into a new role.
- Continuing to improve our recruitment processes to create diverse shortlists. In addition, we are conducting further work with the Behavioural Insights Team (BIT) to understand how bias may creep into end-of-year performance and calibration conversations and what action we need to take.
- Continuing the work we are doing through our unique Part-Time Advisory Group.
- Regularly reviewing our pay policies and Partners' pay so we can retain and attract talent, as well as meet the needs of our Partnership Plan. Our pay needs to be fair, objective and not subject to any sort of bias.



WHAT CAN PARTNERS DO?

- Fill out your career progression plan in Workday.
- Have regular conversations with your People Manager about your future aspirations and skills development.
- Talk to your People Manager about flexible and blended working options.



# OUR DIVERSITY: ETHNICITY

For the second year running, we have decided to report our ethnicity data voluntarily and before it becomes mandatory because we know this transparency is valued by our Partners. Diversity and pay data does not tell the whole story but is a useful starting point for understanding what action we need to take to ensure all Partners have an equal opportunity to progress in our business.

## ETHNICITY BY LEVEL

This data is based on 98.4% of Partners who self-declared their ethnicity. The remaining 1.6% preferred not to say or did not respond.

LEVEL	ETHNIC MINORITIES %	WHITE %
1-4*	2.9%	95.7%
5	5.2%	93.3%
6	8.0%	90.9%
7	9.1%	89.7%
8	10.2%	89.0%
9	12.5%	86.3%
10	16.7%	81.6%
<b>TOTAL</b>	<b>15.4%</b>	<b>83.0%</b>

### SUMMARY

- Overall 15.4% of our Partners have self-declared they are from an ethnic minority background, compared to 14%<sup>4</sup> of the UK population.
- The proportion of ethnic minority Partners promoted at each level reflects the proportion of ethnic minority Partners at each level.
- A greater proportion of ethnic minority Partners are promoted to first line and middle management roles, with a smaller proportion promoted at senior levels.
- A greater proportion of Partners from ethnic minority backgrounds work in non-management roles, with 16.7% of level 10 (non-management) Partners from ethnic minority backgrounds, compared to 2.9% of our most senior (level 1-4) Partners.

<sup>4</sup> [www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/national-and-regional-populations/population-of-england-and-wales/latest](http://www.ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/national-and-regional-populations/population-of-england-and-wales/latest)

\* As of February 2021, our Executive Team consists of four white members (57%) and three (43%) from an ethnic minority background. And our Partnership Board consists of six white members (75%) and two (25%) from an ethnic minority background.



## OUR ETHNICITY PAY GAP

	JLP 2020 %	JLP 2019 %
MEDIAN PAY GAP	-0.3%	-1.2%
MEAN PAY GAP	7.4%	8.0%

To calculate this, we designed the methodology ourselves and used data taken from more than 78,000 Partners in the John Lewis Partnership in the calendar month of April 2020. Because of this, this data may not be comparable to future years if mandatory ethnicity reporting is introduced by the Government.

The factors that can affect ethnicity pay gap data are different to gender. In particular, location can play a key role. As a national retailer, we have a higher proportion of Partners from ethnic minority backgrounds in London, which is in line with the diverse demographics in the capital, where hourly pay is higher compared to the rest of the UK. This explains the difference between our mean pay gap and our median pay gap, and also means the ethnicity pay gap should not be compared directly to the gender pay gap. We have a minus figure for our median pay gap because median pay for ethnic minority Partners is higher than Partners not from ethnic minority backgrounds as a result of this demographic impact.

Our data shows there is more we need to do to reduce our mean ethnicity pay gap. This is why the work we started in 2020 through the creation of a Black Partner Advisory Group and Part-Time Partner Advisory Group is so important in helping us make progress.

## PERCENTAGE OF PARTNERS PROMOTED INTO NEW LEVEL BY ETHNICITY

LEVEL*	ETHNIC MINORITIES %	WHITE %
1-4	0.0%	100.0%
5	6.2%	93.7%
6	8.7%	91.3%
7	6.6%	93.4%
8	8.2%	91.8%
9	15.1%	84.9%
<b>TOTAL</b>	<b>11.6%</b>	<b>88.4%</b>

\* Level 10 is not represented as this data shows the percentage of Partners getting promoted into a level and not from that level. We do not have anyone promoted into a level 10 role as that is our lowest level.



## WHAT CAN PARTNERS DO?

- Join our seven internal Partnership networks. Each has their own Google Currents community which all are welcome to actively be a part of.
- Continue to engage with PartnerVoice and Forums to keep the dialogue going.
- Contribute to the work that the Black Partner Advisory Group and Part-Time Partner Advisory Group are doing.

# OUR DIVERSITY: AGE

The strength and difference of the Partnership is our Partners so it's no surprise we have five age generations working for us. This mix of ages and experience adds to the richness of our business.

### SUMMARY

- The age breakdown across the Partnership remains broadly the same as last year.
- As expected, a higher proportion of senior positions are occupied by older generations, which could reflect having more years of experience in their chosen career.
- Our level 9 and 10 Partners are most evenly represented across all generations.
- Promotions into specialist and management roles tend to be most concentrated in the 26–55 age bracket.

### AGE BREAKDOWN BY LEVEL

LEVEL	16-25	26-35	36-45	46-55	56+
1-3	0.0%	0.0%	27.8%	63.0%	9.3%
4-5	0.0%	15.0%	41.9%	36.5%	6.6%
6-7	2.4%	33.6%	31.6%	24.8%	7.6%
8	6.2%	34.7%	26.2%	24.5%	8.4%
9	14.2%	28.4%	19.8%	23.5%	14.2%
10	31.6%	13.7%	12.2%	19.7%	22.8%



### PERCENTAGE OF PARTNERS PROMOTED INTO NEW LEVEL BY AGE

LEVEL*	16-25	26-35	36-45	46-55	56+
1-3	0.0%	0.0%	20.0%	40.0%	40.0%
4-5	1.1%	33.0%	44.0%	18.7%	3.3%
6-7	5.7%	56.8%	24.4%	9.6%	3.5%
8	16.6%	49.2%	14.4%	15.5%	4.2%
9	28.3%	32.9%	15.8%	14.6%	8.5%

\* Level 10 is not represented as this data shows the percentage of Partners getting promoted into a level and not from that level. We do not have anyone promoted into a level 10 role as that is our lowest level.



### WHAT CAN PARTNERS DO?

- People managers should think and act on how you can support your Partners' development through regular conversations about skills and potential. How could each Partner do more (broaden skills), do better (play to strengths) or do something different (try a new role)?
- Partners should talk to their People Managers about their aspirations and development.
- Join the LinkAGES network. Further details on the Google Currents community or Intranet.

# HEAR FROM OUR DIVERSITY NETWORKS

## WORKING PARENTS NETWORK CHAIR

“ The Working Parents Network aims to support working parents at every stage of the parenting journey, as well as influencing and inspiring the way the Partnership supports Partners to balance their family life and work commitments. Our biggest achievement in 2020 was galvanising the community to support and share experiences with each other, through what may be one of the most challenging years many people have faced due to school closures and restrictions of childcare support. The network allows our members to connect with other working parents who have been faced with similar challenges, in a safe non judgemental environment.”

## GENDER EQUALITY NETWORK CHAIR

“ The Gender Equality Network champions equal opportunities regardless of gender and aspires for the Partnership to have market leading policies, pay and representation where gender is not a barrier. We are passionate about driving this because it is culturally, morally, and financially the right thing to do. Our key achievement in 2020 has been building our external networks to truly understand how the Partnership fares when compared with other organisations, and what we can improve on to ensure a better future for all genders in the Partnership.”

## LINKAGES NETWORK CHAIR

“ We believe the success of a Partner is guided by merit and contribution and never by age. The LinkAGES Network is here to cultivate awareness, build understanding and promote involvement around age diversity and inclusion. We do this by sharing inspiring stories of how age diversity enriches our collective experience; providing a safe space for Partners to talk openly about their experiences in relation to age; and bringing age-related information to life and making it accessible and relatable. During 2020 we grew our membership by 20% and hosted our first National Intergenerational Week, celebrating the age diversity within our business and recognising through Covid-19, how Partners of all ages work together to support our business, our customers and especially one another.”



# DIRECTOR STATEMENT



This report covers employees (Partners) of John Lewis PLC, the main employing entity of the John Lewis Partnership, which incorporates John Lewis and Waitrose plus the Group function. The report covers Partners at all levels, including the Executive Directors. As Partner & Chairman of the John Lewis Partnership, I, Sharon White, can confirm that the information contained herein is accurate.

**SHARON WHITE**  
Partner & Chairman

## USEFUL RESOURCES

Our sustainability and ethics commitments are available at: [www.johnlewispartnership.co.uk/csr](http://www.johnlewispartnership.co.uk/csr)

ACAS guidance on gender pay gap reporting provides a full description of the reporting requirements, the distinction between gender pay and equal pay and links to useful communication materials: [www.acas.org.uk/genderpay](http://www.acas.org.uk/genderpay)

Gender pay gap regulations and details of other organisations gender pay gaps available at: <https://gender-pay-gap.service.gov.uk>

The LEAD network (Leading Executives Advancing Diversity) aims to attract, retain and progress women in retail: <https://leadmembers-eu.net>

The Business Disability Forum support businesses with guidance and advice to support disabled staff and customers: <https://businessdisabilityforum.org.uk>

Stonewall supports LGBTQ+ through networking and unity [www.stonewall.org.uk](http://www.stonewall.org.uk)

The Black Young Professionals Network connects Black professionals with each other and global corporations <https://byp-network.com>

The Women's Business Council provides helpful resources to improve gender diversity: [www.womensbusinesscouncil.co.uk/toolkits](http://www.womensbusinesscouncil.co.uk/toolkits)

Information on flexible working visit Timewise: <https://timewise.co.uk>

John Lewis Partnership  
171 Victoria Street  
London  
SW1E 5NN

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