

# Pay Gap Reporting

March 2024



# Pay gap reporting

## Summary: Gender

- We're pleased to continue to see a trend that our gap is closing both for the mean and median.
- As in previous years, our pay gap is driven by the higher proportion of female Partners in entry roles, differences in gender representation in different job functions and premium pay for anti-social hours.

**What is the difference between median and mean figures?**

**Median pay gap:** The median pay gap is the difference between the midpoints of hourly pay of all men and women. The easiest way to picture how this is calculated is to imagine all our female Partners standing 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 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 Partner and dividing it by the total number of female Partners. The same is done for male Partners.

## Our gender pay gap

**Gender Pay Gap: 4.4%** (2023 median)

	JLP 2023	JLP 2022	JLP 2021	JLP 2020	JLP 2019	JLP 2018	JLP 2017	UK AVERAGE <sup>1</sup> 2023	RETAIL AVERAGE <sup>2</sup> 2023
<b>MEDIAN PAY GAP</b>	4.4%	5.8%	6.4%	8.6%	8.0%	8.2%	7.8%	14.3%	7.3%
<b>MEAN PAY GAP</b>	7.0%	7.9%	9.0%	10.4%	13.0%	12.7%	13.9%	13.2%	13.5%

<sup>1</sup> Office for National Statistics provisional 2023 data from the Annual Survey of Hours and Earnings and based on full-time and part-time figures. Data taken from the reports in November 2023 [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables](https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables)

<sup>2</sup> Office for National Statistics provisional 2023 data from the Annual Survey of Hours and Earnings and based on full-time and part-time figures. Data taken from the reports in November 2023 [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables](https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables)

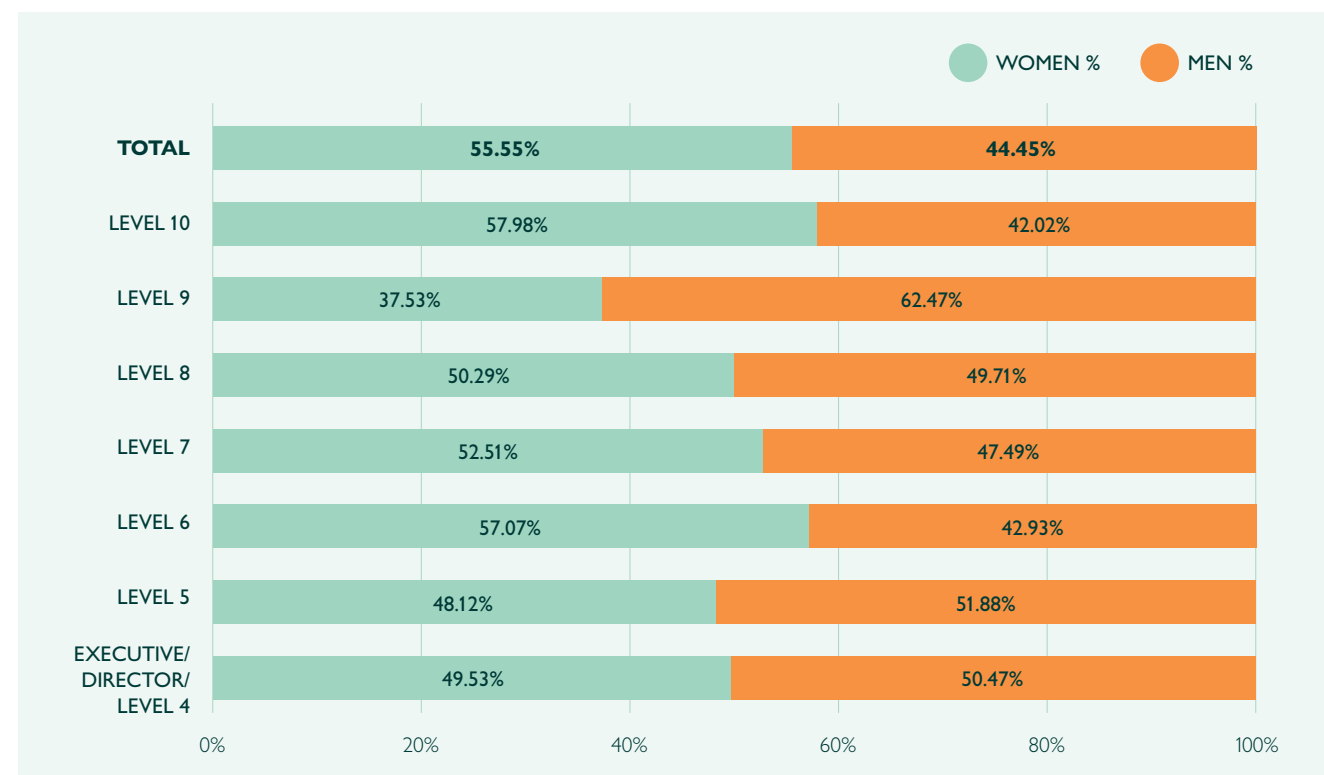


## Gender by Partnership level

LEVEL	WOMEN %	MEN %
EXECUTIVE/DIRECTOR/ LEVEL 4	49.53%	50.47%
LEVEL 5	48.12%	51.88%
LEVEL 6	57.07%	42.93%
LEVEL 7	52.51%	47.49%
LEVEL 8	50.29%	49.71%
LEVEL 9	37.53%	62.47%
LEVEL 10	57.98%	42.02%
<b>TOTAL</b>	<b>55.55%</b>	<b>44.45%</b>

### How do we define levels?

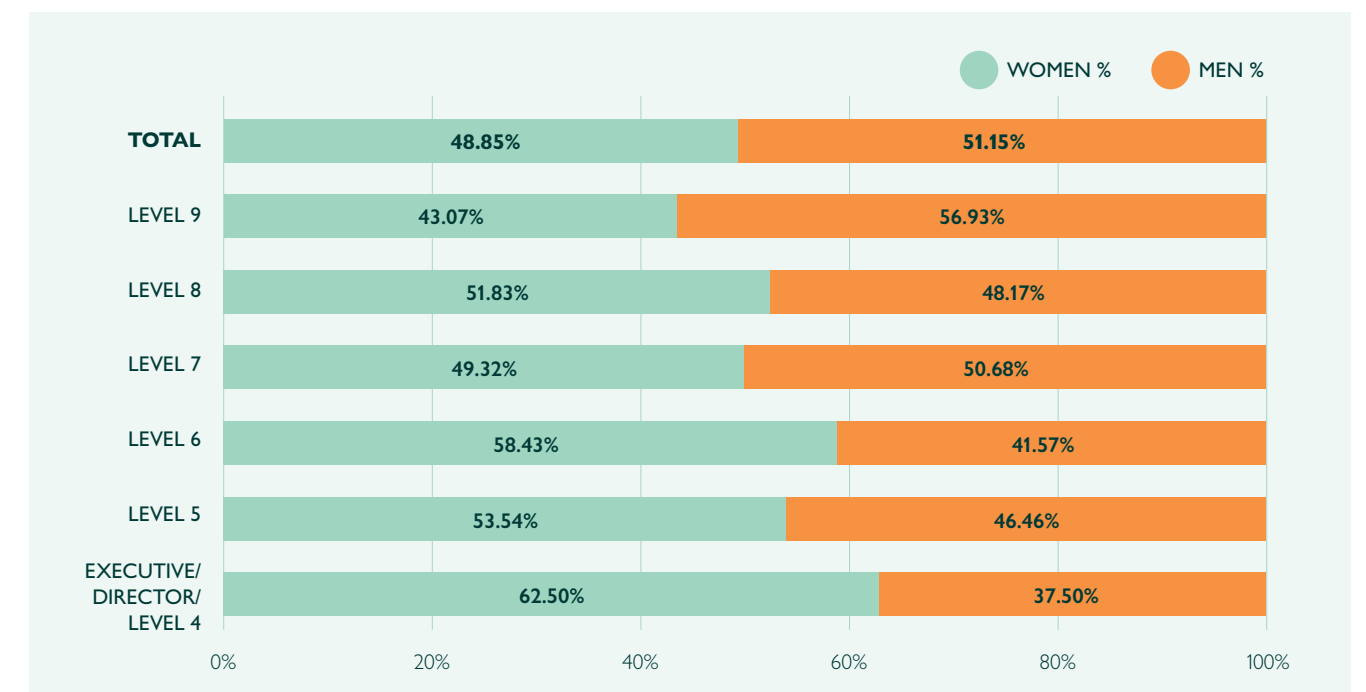
Job levelling enables different jobs to be measured based on their relative scale, impact and size and allows us to compare job levels in all different industry sectors in our business. We look at every individual role and not the person in the role to determine a level from Executive to 10 and consider 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.



## Percentage of Partners promoted into new level by gender

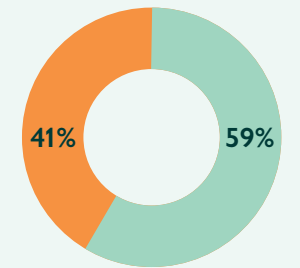
LEVEL*	WOMEN %	MEN %
EXECUTIVE/DIRECTOR/ LEVEL 4	62.50%	37.50%
LEVEL 5	53.54%	46.46%
LEVEL 6	58.43%	41.57%
LEVEL 7	49.32%	50.68%
LEVEL 8	51.83%	48.17%
LEVEL 9	43.07%	56.93%
<b>TOTAL</b>	<b>48.85%</b>	<b>51.15%</b>

\*Level 10 Partners not represented, as the 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.

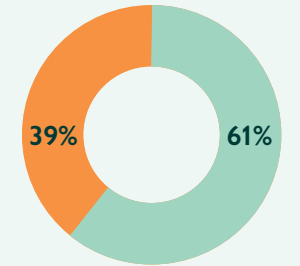


## Pay Quartiles

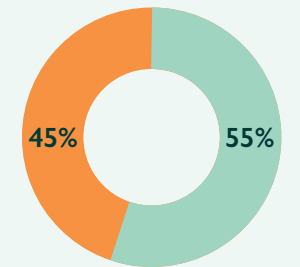
Lower quartile



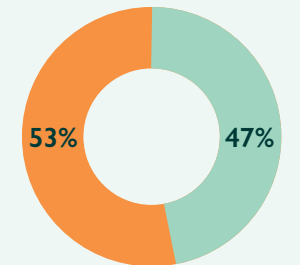
Lower middle quartile



Upper middle quartile



Upper quartile



● MEN  
● WOMEN



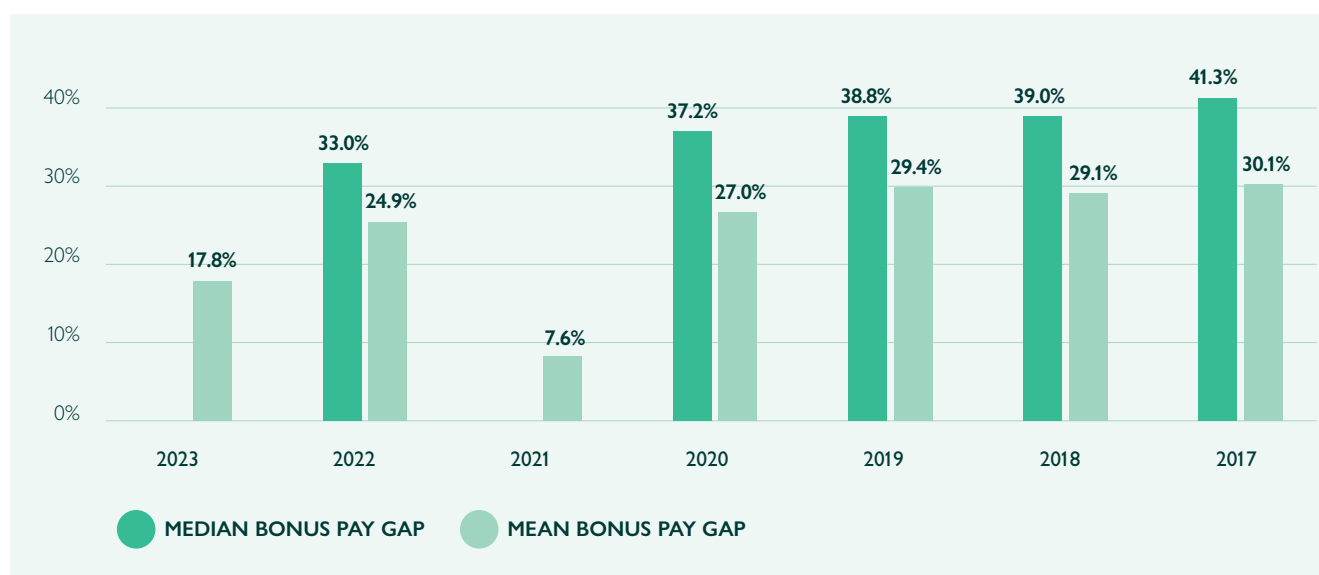
## The proportion of male and female Partners who received a bonus

**Male: 9.1%**  
**Female: 8.6%**

### Bonus pay gap

The Partnership did not pay a bonus in 2023 and so the bonus pay gap figures this year look a little different from 2022. The definition of bonus pay for the purposes of gender pay reporting includes any additional pay relating to profit sharing, productivity or performance, in the form of money or vouchers. This means that payments or awards we wouldn't normally describe as a bonus (but which we use to recognise outstanding contribution by our Partners) are included. These payments or awards are paid at a flat rate and are not influenced by the number of hours or pay that a Partner receives. This helps to explain why the mean gap has closed and there is no median bonus gap.

	2023	2022	2021	2020	2019	2018	2017
<b>MEDIAN BONUS PAY GAP</b>	0.0%	33%	0.0%	37.2%	38.8%	39.0%	41.3%
<b>MEAN BONUS PAY GAP</b>	17.8%	24.9%	7.6%	27.0%	29.4%	29.1%	30.1%



### What is driving our gender pay gap?

Whilst we're delighted with the progress we've made this year, the underlying drivers of our gap continue to be:

- **Female Partners in Level 10 roles.** We have a large representation of female Partners in Level 10 roles, which are our lowest-paid positions.
- **Differences in gender representation in different job functions.** Our pay ranges are 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.
- **Premium pay for anti-social hours.** Gender pay gap calculations cover a number of other pay elements, which apply to some functions that may contain more of one gender than the other.

### How are we closing our gender pay gap?

- **Promotions** – we have seen an increase in female Partners being promoted into Level 5, 6 and senior management roles.
- **Continued increase in our minimum rate of pay** – we now have more Partners on the same rate of pay for our entry-level roles rather than at different points in a pay range.

### How will we continue to close the gap?

- After conducting listening sessions with working parents, we are dedicated to enhancing the opportunities available to them. We are proud to collaborate with the charity Working Families and engage in external benchmarking to identify areas for further improvement in our Partners' experiences.
- We will launch a new Carers network early in 2024. This network will provide support for all Partners with caring responsibilities, which should have a positive effect on working mothers within our organisation.
- We continue to look at our approach to pay strategy across all Partner levels and job types. We look at best market practice as well as fairness and transparency when making changes to our proposition.
- We are partnering with LEAD Network (Leading Executives Advancing Diversity), who offer support to attract, retain and advance women in the retail and consumer goods industry.
- Recruitment is one of the key areas of creating greater diversity in our organisation. We will be using an Inclusive Language tool to review our job adverts for biases that could attract or discourage different groups of applicants, including women.
- In our annual Partner Happiness Survey, we saw that women score higher than men in 'Growth' (e.g. Learning = my job enables me to learn and develop new skills; Mentoring = my people manager encourages and supports my development).



### Summary: Ethnicity

- This is the second year where we are solely using our current HR system to report on ethnicity, rather than supplementing missing details with data held in legacy systems (which is no longer readily available). As a result of this, our disclosure rate now stands at 75%; this is an increase on last year but not as high as former years where 95% of our data was complete. We continue to encourage our Partners to update their details so that we can provide a more accurate set of results.
- Ethnicity pay gap reporting remains a voluntary process. However, we are making changes to the way we report our data this year due to the introduction of new government guidance. We will be breaking down into further categories of ethnic minority populations for a more rounded picture of our ethnicity pay gaps. As this is the first year reporting in this way, we are unable to make an informed comparison with previous years, but moving forward, this type of data will be invaluable to help us identify any areas of concern.
- 13.2% of Partners have self-identified as being an ethnic minority, up on last year's figure of 9.89%.

### How do we calculate?

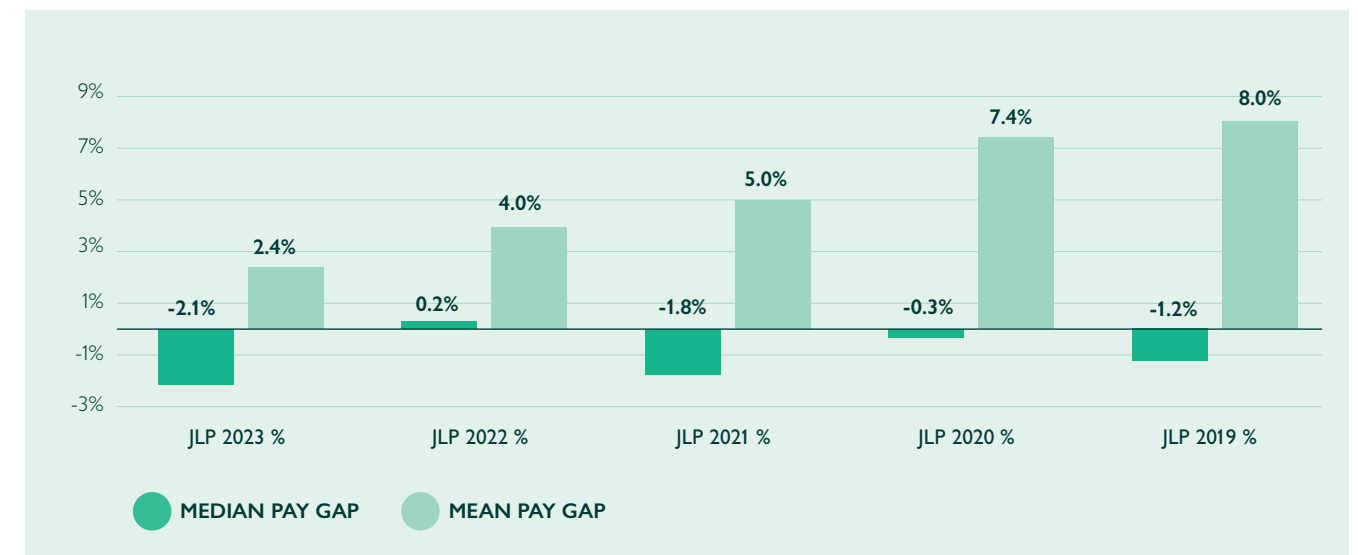
In the absence of any statutory formula for ethnicity pay gap reporting, which is available for gender pay gap reporting, we designed our own methodology and used data taken from over 67,000 Partners in the John Lewis Partnership in the calendar month of April 2023. Because of this, the data may not be comparable to future years, for example if mandatory ethnicity pay gap reporting is introduced by the government.

Unlike in previous years where we have reported our figures based on ethnic minority and white, we are now able to break this down into further categories to provide a more detailed picture of pay gaps within our ethnic minority representation.

### Our ethnicity pay gap (white vs ethnically diverse)

## Ethnicity Pay Gap: -2.1% (2023 median)

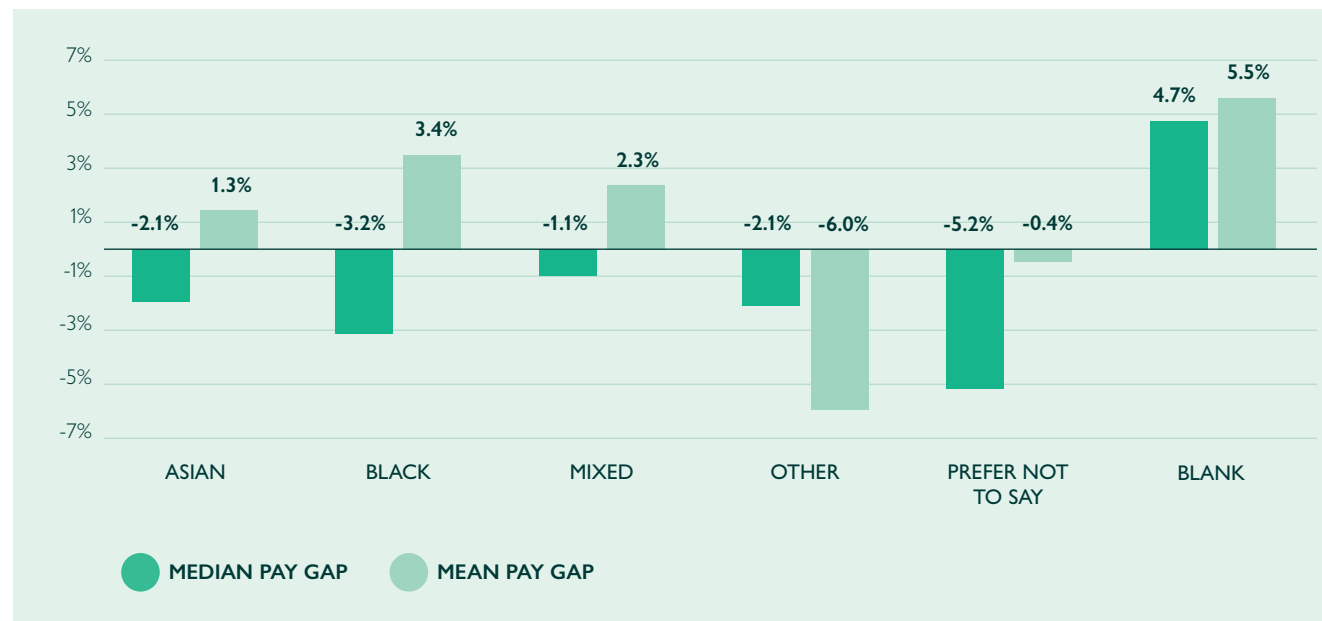
	JLP 2023	JLP 2022	JLP 2021	JLP 2020	JLP 2019
MEDIAN PAY GAP	-2.1%	0.2%	-1.8%	-0.3%	-1.2%
MEAN PAY GAP	2.4%	4.0%	5.0%	7.4%	8.0%



Our ethnicity pay gap (white vs each grouping)

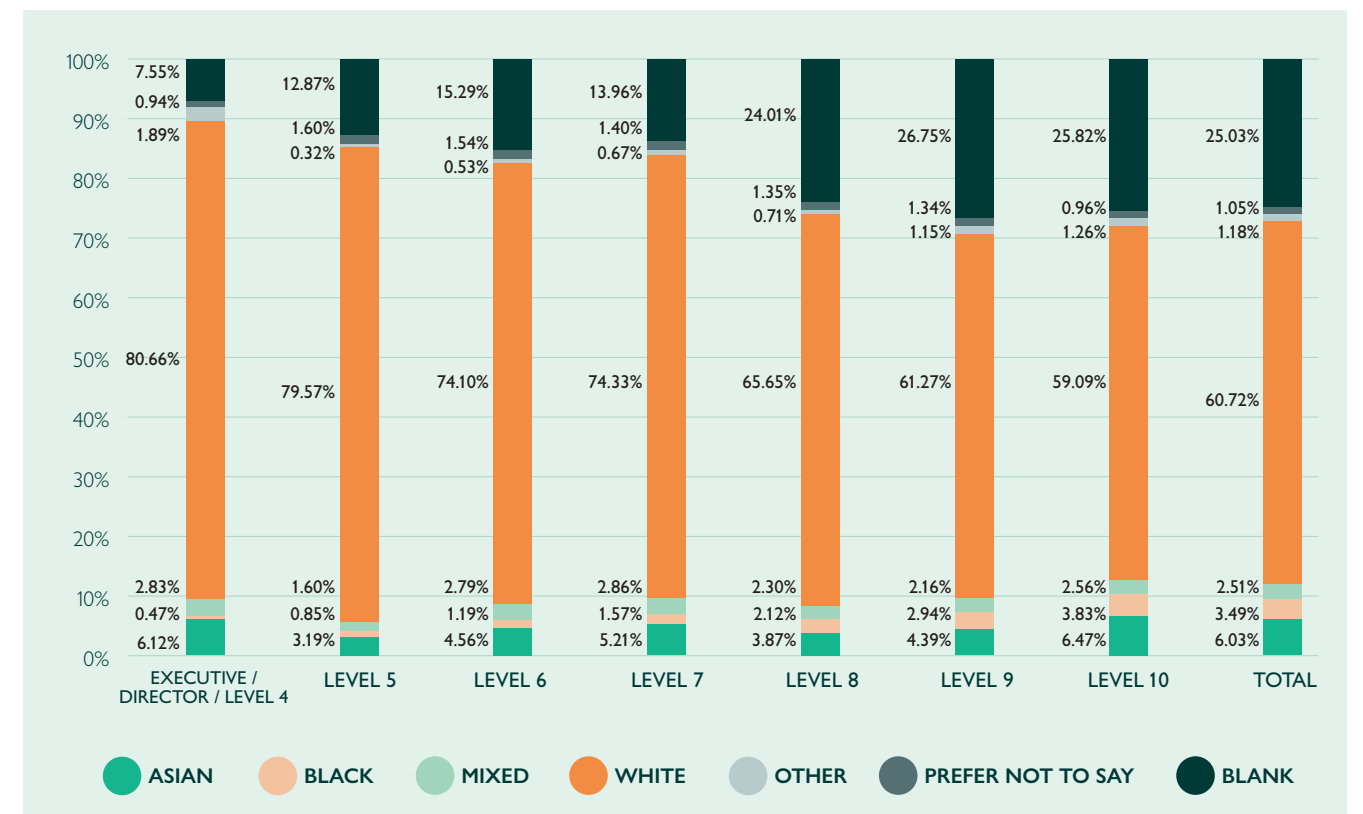
**Asian Pay Gap: -2.1%**  
**Black Pay Gap: -3.2%**  
**Mixed Pay Gap: -1.1%**  
**Other Pay Gap: -2.1%**  
 (2023 medians)

	ASIAN	BLACK	MIXED	OTHER	PREFER NOT TO SAY	BLANK
<b>MEDIAN PAY GAP</b>	-2.1%	-3.2%	-1.1%	-2.1%	-5.2%	4.7%
<b>MEAN PAY GAP</b>	1.3%	3.4%	2.3%	-6.0%	-0.4%	5.5%



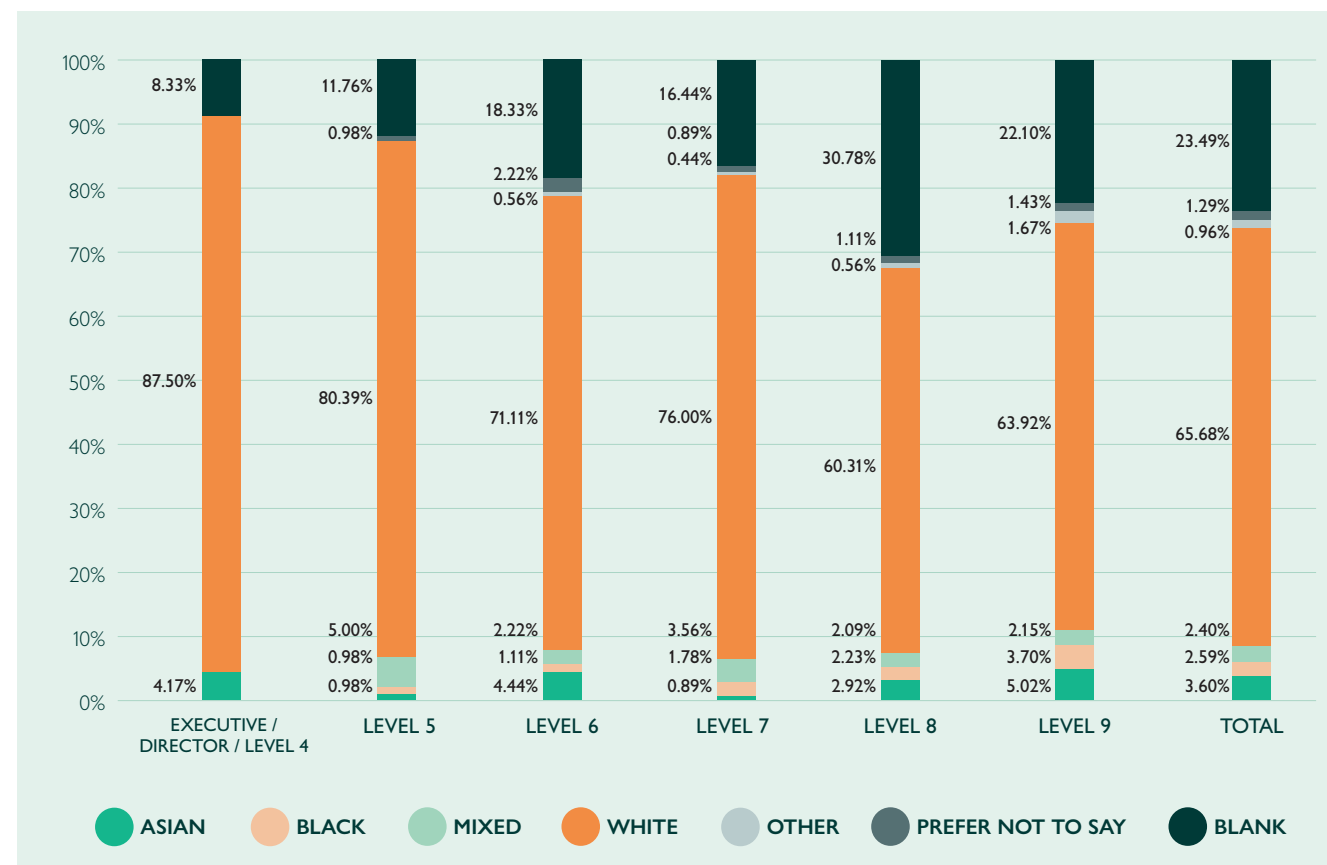
Ethnicity by level

LEVEL	ASIAN	BLACK	MIXED	WHITE	OTHER	PREFER NOT TO SAY	BLANK
EXECUTIVE / DIRECTOR / LEVEL 4	6.12%	0.47%	2.83%	80.66%	1.89%	0.94%	7.55%
LEVEL 5	3.19%	0.85%	1.60%	79.57%	0.32%	1.6%	12.87%
LEVEL 6	4.56%	1.19%	2.79%	74.10%	0.53%	1.54%	15.29%
LEVEL 7	5.21%	1.57%	2.86%	74.33%	0.67%	1.4%	13.96%
LEVEL 8	3.87%	2.12%	2.30%	65.65%	0.71%	1.35%	24.01%
LEVEL 9	4.39%	2.94%	2.16%	61.27%	1.15%	1.34%	26.75%
LEVEL 10	6.47%	3.83%	2.56%	59.09%	1.26%	0.96%	25.82%
<b>TOTAL</b>	<b>6.03%</b>	<b>3.49%</b>	<b>2.51%</b>	<b>60.72%</b>	<b>1.18%</b>	<b>1.05%</b>	<b>25.03%</b>



## Percentage of Partners promoted into new level by ethnicity

LEVEL*	ASIAN	BLACK	MIXED	WHITE	OTHER	PREFER NOT TO SAY	BLANK
EXECUTIVE / DIRECTOR / LEVEL 4	4.17%	0.00%	0.00%	87.50%	0.00%	0.00%	8.33%
LEVEL 5	0.98%	0.98%	5.0%	80.39%	0.00%	0.98%	11.76%
LEVEL 6	4.44%	1.11%	2.22%	71.11%	0.56%	2.22%	18.33%
LEVEL 7	0.89%	1.78%	3.56%	76.00%	0.44%	0.89%	16.44%
LEVEL 8	2.92%	2.23%	2.09%	60.31%	0.56%	1.11%	30.78%
LEVEL 9	5.02%	3.70%	2.15%	63.92%	1.67%	1.43%	22.10%
<b>TOTAL</b>	<b>3.60%</b>	<b>2.59%</b>	<b>2.40%</b>	<b>65.68%</b>	<b>0.96%</b>	<b>1.29%</b>	<b>23.49%</b>



## What is driving our ethnicity pay gap?

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 with stores and customer fulfilment centres within the M25, 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. We have a minus figure for all our ethnic minority median pay gaps because median pay for ethnic minority Partners is higher than that for Partners not from ethnic minority backgrounds, as a result of this demographic impact. There are some mean pay gaps in the different categories which we will continue to monitor, especially now we are able to look at this data in more detail and track them in future years. Overall, when we look at the year-on-year calculations, we are pleased to see that the mean ethnicity pay gap continues to close (although we are unable to make a direct comparison with previous years due to the differing data sets used).

## What we are doing to close our ethnicity gap?

We know there is more we need to do to reduce our mean ethnicity pay gaps:

- We were pleased to announce that in February we launched a Career Confidence Programme, scheduled to run for 15 weeks. This comprehensive programme is specifically designed for individuals at levels 9, 8, and 7 who hold managerial positions, aiming to enhance their skills and boost their confidence in the workplace. Through this programme, participants will gain access to valuable tools and information that will enable them to create a strategic action plan and determine the necessary steps for their future professional growth.
- We are also excited to share that during 2024, we will be implementing a progression programme focused on fostering opportunities for the career development of individuals at levels 5 and 6. This initiative specifically targets ethnically diverse Partners, with the ultimate goal of improving representation at levels 1 to 4 within our organisation.

\*Level 10 Partners not represented as the 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.



### Summary: Age

- Our Level 9 and 10 Partners remain the most evenly represented across all generations.
- Promotions into specialist and management roles continue to be most concentrated in the 26–55 age bracket.

### Level 10 roles:

**16–25: 28.30%**  
**26–35: 12.73%**  
**36–45: 12.93%**  
**46–55: 18.52%**  
**56+: 27.52%**

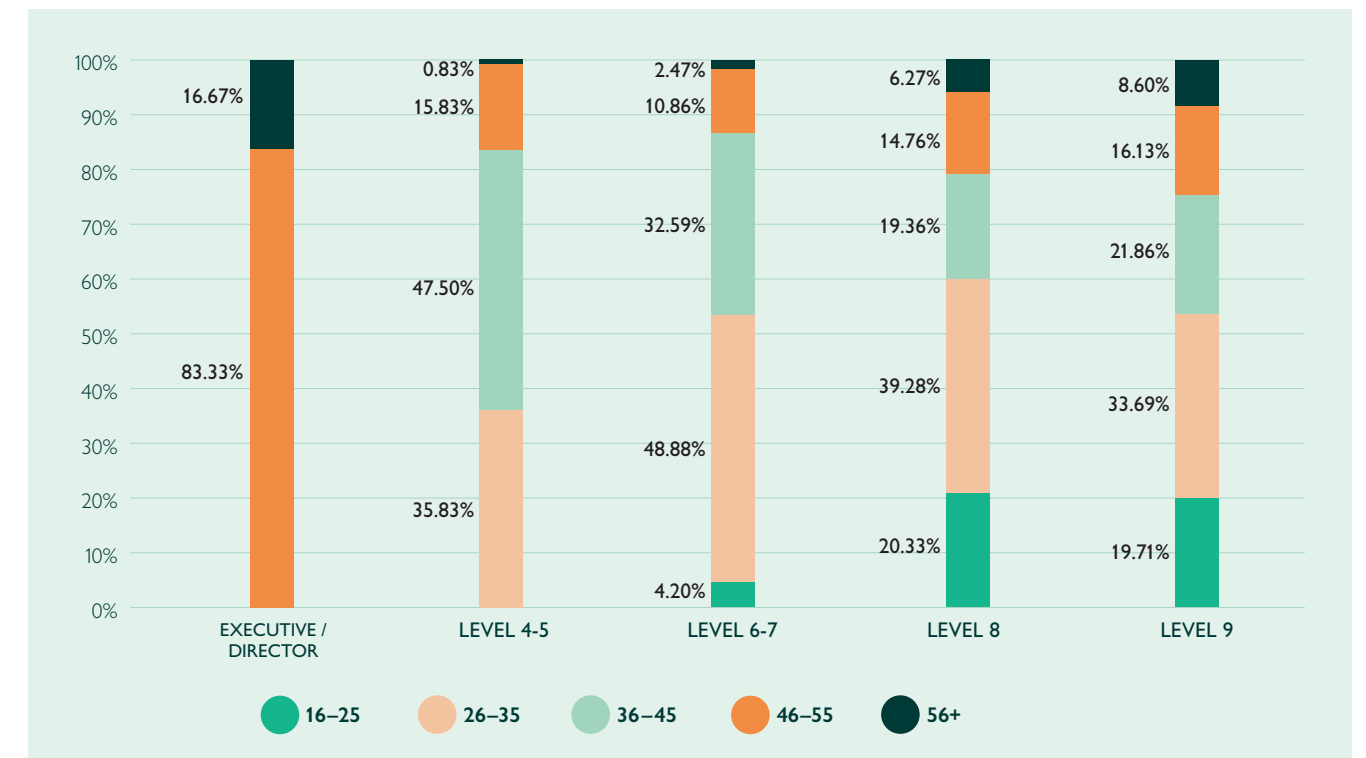
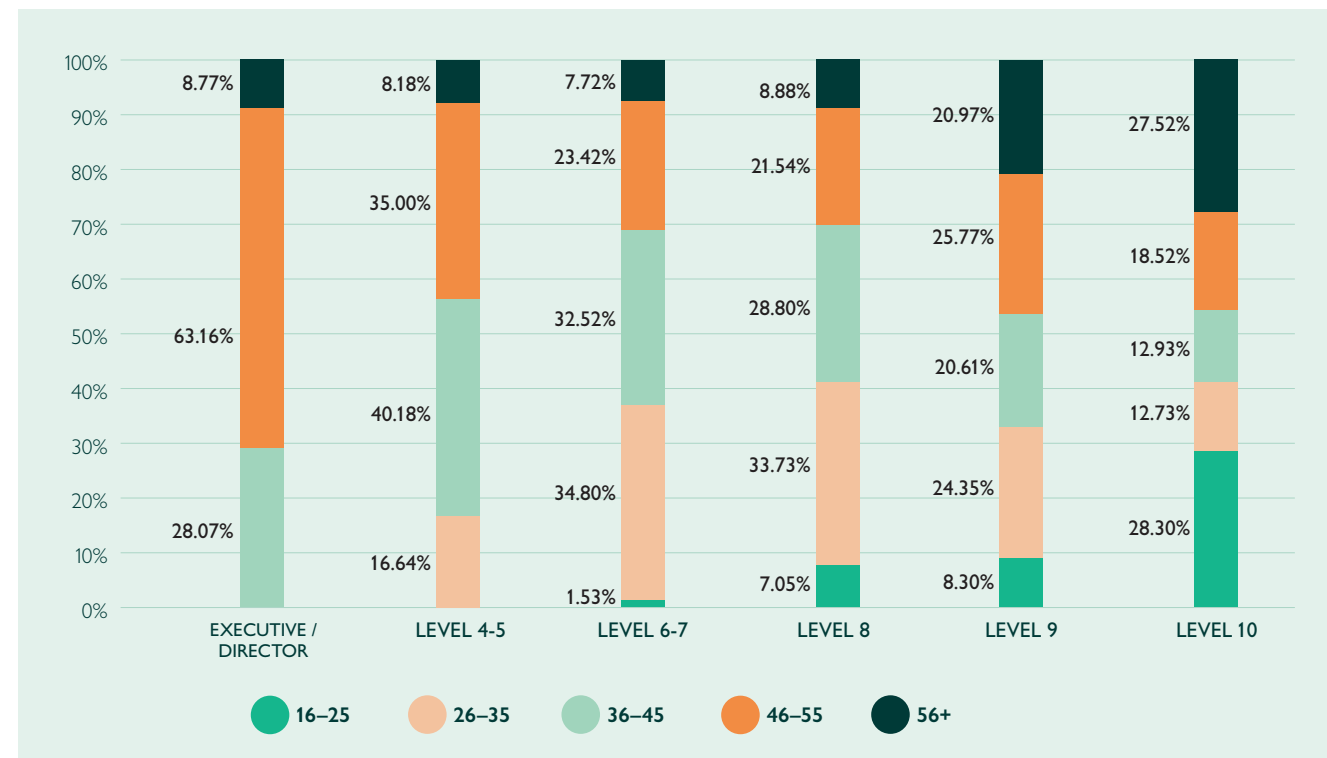
### Age breakdown by level

LEVEL	16–25	26–35	36–45	46–55	56+
EXECUTIVE / DIRECTOR	0.00%	0.00%	28.07%	63.16%	8.77%
LEVEL 4-5	0.00%	16.64%	40.18%	35.00%	8.18%
LEVEL 6-7	1.53%	34.80%	32.52%	23.42%	7.72%
LEVEL 8	7.05%	33.73%	28.80%	21.54%	8.88%
LEVEL 9	8.30%	24.35%	20.61%	25.77%	20.97%
LEVEL 10	28.30%	12.73%	12.93%	18.52%	27.52%

### Percentage of Partners promoted into new level by age

\*Level 10 Partners not represented as the 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.

LEVEL*	16–25	26–35	36–45	46–55	56+
EXECUTIVE / DIRECTOR	0.00%	0.00%	0.00%	83.33%	16.67%
LEVEL 4-5	0.00%	35.83%	47.50%	15.83%	0.83%
LEVEL 6-7	4.20%	48.88%	32.59%	10.86%	2.47%
LEVEL 8	20.33%	39.28%	19.36%	14.76%	6.27%
LEVEL 9	19.71%	33.69%	21.86%	16.13%	8.60%





# Director statement

This report covers employees (Partners) of John Lewis PLC, the employing entity of the John Lewis Partnership. 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.



A handwritten signature in black ink, appearing to read 'Sharon White', on a light-colored background.

**SHARON WHITE**  
Partner & Chairman

John Lewis Partnership PLC  
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Incorporated and registered in England & Wales, under Company no. 00238937