

Our commitment to our suppliers - 20 August 2020

The John Lewis Partnership is governed by its own written Constitution. The Constitution contains Principles and Rules for how we run our business alongside our Partners (employees). The Constitution also sets out the role the Partnership has in society, defining our responsibilities to customers, suppliers and the environment.

The Constitution states the the Partnership's relationships with its suppliers must be based, as like with its customers, on honesty, fairness, courtesy and promptness. It looks for a similar attitude throughout its supply chains. In particular, the Partnership expects its suppliers to obey the law and to respect the wellbeing of their employees, their local communities and the environment.

The Partnership works with a diverse range of suppliers from 64 countries and has 700 suppliers who have worked alongside us for over 30 years. It is the strength of these relationships that allow us to source high quality, responsibly produced products and services for our customers.

We support our suppliers in a number of ways of which further details can be found in our [2019/20 Ethics & Sustainability Progress Report](#) and [Modern Slavery Statement](#). Some examples include:

- **Support for smaller suppliers** - Waitrose pays its small food producers and suppliers (turnover of less than £100k) within seven days.
- **Farming partnerships** - Waitrose was the first retailer to set up livestock producer groups, of which we now have over 30, sourcing directly from farms, giving producers an assured market, clear direction and a stable base.
- **Encouraging worker voice in the supply chain** - Following a successful trial, John Lewis is rolling out a new progressive supplier engagement programme called 'Better Jobs' to all of our 120 UK manufacturing suppliers. The purpose of the [Better Jobs Programme](#), which is free to suppliers and replaces traditional ethical audits, is to create more rewarding and enriching jobs for the people who make John Lewis own-brand products. In 2020 we will also trial the programme with 15 suppliers in China.

Duty to Report supplier payments

The John Lewis Partnership today publicly reported on payment practices to our suppliers. In line with government requirements, we submitted our data, from the last six months of our financial year (February 2020 - July 2020), as three separate entities - John Lewis Plc, Waitrose Ltd and John Lewis Properties Plc. The full report and previous submissions can be found [here](#) but findings are:

- Waitrose pays its smallest suppliers within 7 days.
- Average time taken to pay invoices is 37 days for Waitrose and 42 days for John Lewis. For John Lewis Properties it's 37 days.
- Almost a third (32%) of all John Lewis suppliers and over a third (34%) of all Waitrose suppliers are paid within 30 days. For John Lewis Properties it is 87%.
- Over half (59%) of John Lewis suppliers and almost two thirds (63%) of Waitrose suppliers are paid in 31 to 60 days. For John Lewis Properties it is 2%.
- 9% of John Lewis and 3% of Waitrose invoices are paid later than 61 days or more. For John Lewis Properties it is 11%.
- And 6% of John Lewis and 3% of Waitrose are not paid within the agreed payment terms. For John Lewis Properties it is 40%.