

**John Lewis plc makes the following announcement for John Lewis Partnership plc, the ultimate holding company of John Lewis plc.**

**News release**

12.30pm 4 November 2020

**JOHN LEWIS PARTNERSHIP ANNOUNCES NEXT PHASE OF HEAD OFFICE CHANGES**

The John Lewis Partnership is today announcing the next phase of its five-year plan to return the Partnership to sustainable profits by 2025.

Last month, we published the [Partnership Plan](#), which sees our business continuing to adapt rapidly to changing shopping habits and getting closer to customers. We are also expanding in new areas outside retail where we believe our values can be a force for good.

The first two years of the Plan focus on strengthening our Waitrose and John Lewis retail businesses, backed by £1bn investments in customer service and experience in store and online. This will require the Partnership to become a leaner, simpler and faster business. The Plan set out a target to make £300m in annual savings by 2022 through operational efficiencies throughout the business.

A key part of our efficiency plan is to create an agile, and flexible head office that is even closer to customers and frontline Partners. We have shown through the pandemic how well we can work at pace, and we want this to continue. This next phase of efficiency improvements builds on changes begun in October 2019.

We propose to reduce the size of our Head Office operations by up to 1,500 roles between now and April 2021. We will do this by simplifying how we work and delaying our structures. The changes will save another £50m on top of £50m of recent efficiencies, a significant contribution to our £300m target.

**How we will support Partners**

This is a difficult decision for the Partnership to make and we will be consulting with affected Partners about the proposals. Wherever possible, we will seek to find new roles in the Partnership for Partners whose roles become redundant.

For Partners who are unable to find new roles, we will provide them with a market leading redundancy support and funds for retraining. This includes up to £3,000 towards a recognised qualification or course for up to two years for any Partner with two years' service or more\*.

### **Executive changes**

We are also announcing today that Patrick Lewis, Executive Director, Finance has decided to leave the Partnership at the end of this year following a long and distinguished 26-year career with the Partnership.

Patrick will be succeeded by Bérangère Michel, currently Executive Director, Customer Service, and former Finance Director for John Lewis. Bérangère joined the Partnership in 2008, and the Executive Team in February 2020, and has 20 years of leadership experience in finance.

As part of the changes to Head Office, the size of the Executive Team will also reduce as we will not recruit a new Executive Director for Customer Service. Instead those responsibilities will transfer to James Bailey, Executive Director for Waitrose and Pippa Wicks, Executive Director for John Lewis.

Sharon White, Chairman of the John Lewis Partnership, said: "Our Partnership Plan sets a course to create a thriving and sustainable business for the future. To achieve this we must be agile and able to adapt quickly to the changing needs of our customers."

"Losing Partners is incredibly hard as an employee-owned business. Wherever possible, we will seek to find new roles in the Partnership and we'll provide the best support and retraining opportunities for Partners who leave us."

"It has been a privilege and pleasure to work with Patrick. He is the best of the Partnership and personifies our purpose and our values. His determined drive to build the financial strength of the business has granted us opportunity to emerge stronger from the Covid crisis. Patrick told me a while ago of his wish to leave the Partnership to seek new opportunities. I'm very grateful to him for agreeing to stay until we'd been able to identify a successor."

"I am delighted that Bérangère has agreed to succeed Patrick as Executive Director for Finance. Bérangère brings 20 years of leadership experience in finance, including three years as Finance Director for John Lewis. She is passionate about the Partnership, and what it means to be a Partner, and will do a brilliant job."

Patrick Lewis, Executive Director of Finance, said: "I've felt very lucky to be part of a leadership

team in such an extraordinary organisation. I'm immensely proud of the role the Partnership plays in demonstrating a better way of doing business, and hugely grateful for the unstinting support I've had from colleagues over such a long period in furthering that goal. I'm delighted that Bérangère will be stepping into the role, bringing with her both a deep understanding and commitment to the Partnership, and valuable financial experience."

Bérangère Michel, Executive Director of Customer Service, said: "The whole Partnership will miss Patrick, who has done a fantastic job in putting our business on strong financial footing. I look forward to continuing this work to ensure the Partnership Plan is a success."

**-ENDS-**

### **Notes to editors**

#### **\* How we will support Partners**

For those Partners made redundant, the expanded Retraining Fund put in place in the summer has been maintained. This will contribute up to £3,000 towards a recognised qualification or course for up to two years for any Partner with two years' service or more. Partners will be given access to a three-month support programme with an outplacement specialist to help with CV writing and interview skills. In addition to statutory redundancy payments, Partners who have worked with the business for more than a year will be eligible for Partnership redundancy pay, which equates to two weeks' pay for every year of service, regardless of age. Those with less than one year's service who leave on grounds of redundancy would receive an ex-gratia tax-free payment equivalent to one week's contractual pay.

#### **About the John Lewis Partnership**

The [John Lewis Partnership](#) owns and operates two of Britain's best-loved retail brands - John Lewis & Partners and Waitrose & Partners. Started as a radical idea nearly a century ago, the Partnership is the largest employee-owned business in the UK and amongst the largest in the world, with over 78,000 employees who are all Partners in the business. For all intents and purposes, the Partnership is a social enterprise; the profits made are reinvested into the business - for customers and Partners. John Lewis & Partners operates 42 shops plus one outlet across the UK as well as [johnlewis.com](#). Waitrose & Partners has 335 shops in England, Scotland, Wales and the Channel Islands, including 61 convenience branches, and another 27 shops at Welcome Break locations. Waitrose & Partners exports products to more than 50 countries worldwide and has 13 shops which operate under licence in the UAE. The retailer's omnichannel business includes the online grocery service, [Waitrose.com](#), as well as specialist online shops including [waitrosecellar.com](#) for wine and [waitroseflorist.com](#) for plants and flowers.

### **Enquires**

#### **John Lewis Partnership**

Chris Wynn, Partner & Director of Corporate Communications, 07980 242019,  
[chris.wynn@johnlewis.co.uk](mailto:chris.wynn@johnlewis.co.uk)

JOHN LEWIS  
& PARTNERS

JOHN LEWIS  
**PARTNERSHIP**

WAITROSE  
& PARTNERS

Sarah Henderson, Partner & Senior External Communications Manager, 07764 676036,  
sarah.henderson@johnlewis.co.uk

**Debt investors**

Lynn Lochhead, Partner & Head of Treasury and Corporate Finance,  
investor.relations@johnlewis.co.uk