

# *John Lewis Partnership*

## **Our commitment to suppliers August 2018**

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 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 supply chain. Working with 40 of our UK suppliers, we will begin trialling a model this year to help create better worker voice mechanisms in our supply chains, and build the capacity of our suppliers to listen to and respond to workers' concerns and ideas.
- **Farming partnerships** - Waitrose was the first retailer to set up livestock producer groups, of which we have over 30, sourcing directly from farm, giving producers an assured market, clear direction, and a stable base. We also run regular workshops to help farmers keep abreast of new techniques and environmental issues.

### **Duty to Report**

The John Lewis Partnership today publicly reported on its payment practices of suppliers. In line with new government requirements, we submitted our data, from the last six months of our financial year (28 January-28 July 2018), as three separate entities - John Lewis Plc, Waitrose Ltd and John Lewis Properties Plc. This covers:

- Average number of days it takes to pay small, medium and large suppliers
- Percentage of payments paid in 30 days or fewer, between 31 and 60 days and in 61 days or longer
- Percentage of payments due which were not paid within the agreed payment period

The full report can be found [here](#) but the top-line headlines are as follows:

- Waitrose pays its smallest suppliers within 7 days
- Waitrose's average payment length for all suppliers is 39 days and for John Lewis, 40 days
- A third of all John Lewis and Waitrose's suppliers are paid within 30 days of them submitting their invoices (John Lewis: 37% and Waitrose: 31%)
- Half are paid between 31- 60 days (John Lewis: 46% and Waitrose: 53% )
- 17% of John Lewis and 16% of Waitrose invoices are paid later than 60 days
- 15% of John Lewis and 10% of Waitrose invoices are not paid within the agreed payment period