

RESPONSIBLE SOURCING

CODE OF PRACTICE

LABOUR STANDARDS

*“The vision of the
Partnership was created
wholly and solely to make
the world a bit happier
and a bit more decent.”*

John Spedan Lewis



JOHN LEWIS

| WAITROSE

Respecting Human Rights and promoting strong working conditions in our supply chain.

As a purpose-led business that aims to put people and the planet before profit, nothing could be more important to the John Lewis Partnership ('the Partnership') than addressing the human rights of those who help make and sell our products and services. Comprising both John Lewis and Waitrose, we are the UK's largest co-owned business. Our Partners (employees) have a voice in how our business is run and the welfare and satisfaction of our Partners is at the core of our employment practices.

Our Constitution, first written in 1928 by our Founder John Spedan Lewis, states:

"The Partnership's relationships with its suppliers must be based, as 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" (Rule 96). We seek to build lasting relationships with our suppliers. We are committed to respecting the rights of workers throughout our product and services supply chains and collaborating to raise labour standards, to improve working conditions and to create fairly rewarded employment.

This Responsible Sourcing Code of Practice (RSCOP) sets out the Partnership's expectations of suppliers on issues such as pay, working hours, child labour, worker rights and representation. The provisions mirror the Ethical Trading Initiative (ETI) Base Code and apply to all forms of workers¹. The ETI Base Code, developed by business, NGO and trade union members of the ETI and based on International Labour Organisation conventions, provides a standard for assessing progress on labour rights. We believe the application of the RSCOP promotes real improvements in supply chain social conditions.

Suppliers are expected to comply with the provisions of the RSCOP or if there are areas where they aren't able to comply they should explain to the Partnership how their policies, processes and standards address the fundamental principles of that provision and how their standards were developed in collaboration with workers. Our compliance programmes monitor RSCOP adherence via risk assessment and ethical auditing informing sourcing decisions. We work with suppliers to support necessary improvements, but will take action if they are not prepared to work collaboratively and drive improvements.

The Partnership welcomed the UK's Modern Slavery Act and the duty it places on businesses to disclose publicly the steps they are taking to tackle forced labour and human trafficking. In meeting the first provision of the RSCOP – 'employment should be freely chosen' – we recommend that our suppliers carry out risk assessments to understand areas of vulnerability, raise awareness internally and externally of the risks and establish clear policies and due diligence processes.

The RSCOP focusses on Labour Standards. However, responsible sourcing also incorporates sustainable sourcing of raw materials, environmental stewardship and ensuring high standards of animal welfare. These issues are important to the Partnership and both Waitrose and John Lewis have a series of associated standards tailored to specific product areas.



Jason Tarry
Partner & Chairman, John Lewis Partnership

¹ As defined by the ILO, 'worker' is a person of any age or sex who produces goods or provides services for use by others or for own use. This can be employed, self-employed, contract and agency work.

John Lewis Partnership Responsible Sourcing Code of Practice Labour Standard

The RSCOP is applicable to all suppliers of goods and services, including branded and own brand suppliers in all sourcing countries. Suppliers are expected to establish management systems for implementing the RSCOP and maintain records demonstrating compliance. It is important that their workers and those in their supply chains understand their rights set out in the RSCOP.

In applying the RSCOP, suppliers must also comply with all relevant national and other applicable laws. Suppliers are encouraged to exceed the standards set out in the RSCOP to drive improvements in labour standards. Companies trading with the Partnership are expected to be compliant in meeting their contractual requirements and all relevant John Lewis Partnership policies.

Provisions of the RSCOP

1. Employment is freely chosen

- 1.1. There is no forced, bonded or involuntary prison labour.
- 1.2. Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

2. Freedom of association and the right to collective bargaining are respected

- 2.1. Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2. The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3. Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4. Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

3. Working conditions are safe and hygienic

- 3.1. A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 3.2. Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- 3.3. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5. The company observing the code shall assign responsibility for health and safety to a senior management representative.

4. Child labour shall not be used

- 4.1. There shall be no new recruitment of child labour.
- 4.2. Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child; "child" and "child labour" being defined in the appendix.
- 4.3. Children and young persons under 18 shall not be employed at night or in hazardous conditions.

- 4.4. These policies and procedures shall conform to the provisions of the relevant ILO standards.

5. Living wages are paid

- 5.1. Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
- 5.2. All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- 5.3. Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

6. Working hours are not excessive

- 6.1. Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.
- 6.2. Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.²
- 6.3. All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
- 6.4. The total hours worked in any seven day period shall not exceed 60 hours, except where covered by clause below.
- 6.5. Working hours may exceed 60 hours in any seven day period only in exceptional circumstances where all of the following are met:
 - 6.5.1. this is allowed by national law;
 - 6.5.2. this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
 - 6.5.3. appropriate safeguards are taken to protect the workers' health and safety; and
 - 6.5.4. the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.
- 6.6. Workers shall be provided with at least one day off in every seven day period or, where allowed by national law, two days off in every 14 day period.

7. No discrimination is practised

- 7.1. There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

8. Regular employment is provided

- 8.1. To every extent possible work performed must be on the basis of recognised employment relationships established through national law and practice.
- 8.2. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor

² International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.

shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

9. No harsh or inhumane treatment is allowed

- 9.1. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Definitions

Child: Any person less than 15 years of age unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply. If however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention No. 138, the lower will apply.

- Young Person: Any worker over the age of a child as defined above and under the age of 18.
- Child Labour: Any work by a child or young person younger than the age(s) specified in the above definitions, which does not comply with the provisions of the relevant ILO standards, and any work that is likely to be hazardous or to interfere with the child's or young person's education, or to be harmful to the child's or young person's health or physical, mental, spiritual, moral or social development.