

Tom Tugendhat MP
Chair of the Foreign Affairs Select Committee
Foreign Affairs Select Committee
House of Commons
London
SW1A 0AA

14 January 2021

Dear Mr Tugendhat, Ms Ghani and Mr Jones,

Thank you for your letter dated 18 December 2020 inviting John Lewis to contribute to the Foreign Affairs and Business, Energy and Industrial Strategy Committees' inquiries into the Xinjiang region.

The John Lewis Partnership is firmly committed to safeguarding the human rights of those who help make and sell our products and services.

We are a leading member of the Ethical Trading Initiative (ETI) and in 2019, the Partnership achieved 'leader status' based on our human rights programme. We sit on the Better Cotton Initiative advisory group to help support industry-wide efforts to create more sustainable cotton.

And we support efforts to help eradicate modern slavery and human rights abuses, which are blights on societies, so we welcome the opportunity to support your inquiry. We also recognise this is a major priority of the UK Government following the announcement this week by Foreign Secretary Dominic Raab.

We have set out responses to each of your questions below.

Questions:**1. What is the nature and extent of your company's operations in Xinjiang?**

The John Lewis Partnership does not have operations, own brand suppliers¹ or factories in Xinjiang, China.

2. What specific raw materials arriving in UK markets are sourced from Xinjiang?

The John Lewis Partnership places significant importance on how and where it sources its raw materials. Cotton is an important raw material for John Lewis. The majority of our cotton usage is within our bed linens and towels assortments, where the cotton originates predominantly from India, Egypt and the US. We do source a small amount of product where the cotton originates from China and all of it comes from suppliers who sign up to our Responsible Sourcing Code of Practice (see further detail in Question 3 below), which prohibits the use of forced labour within the supply chain.

Cotton traceability is an industry-wide issue due to its long and complex global supply chain. We are committed to addressing the traceability challenge, both through our own actions and by working collaboratively with others, which is crucial to implementing the improvements that are needed.

In 2015, we set ourselves a target to ensure that 50% of cotton in own brand products would be more sustainably sourced by the end of 2020/21. We are on track to reach this target (to be reported April 2021). Our sustainable cotton sourcing programme supports the Better Cotton Initiative (BCI), which ensures it is produced in fair working conditions with human rights protected at the cotton farm level.

¹ 1. 'Supplier' - means the supplier of the Goods as set out in the Commercial Agreement

2. 'Own Brand Supplier' - means where the supplier supplies Goods which carry or incorporate a JL, or JL Group brand and/or where the Goods are supplied to a specific design by JL or a member of a member of its Group including un-branded Goods or where un-branded Goods are supplied where the design is used exclusively by JLP.

3. Tier 1 factory - those manufacturing the whole finished product or where the majority of the assembly and packing of product bearing a John Lewis & Partners label occurs.

While we are on track to achieve our 2021 cotton target, we recognise there is more to do, and sourcing raw materials that are as sustainable as possible remains a high priority for the John Lewis Partnership.

In October 2020, the Partnership published a new strategic Plan, which strengthened our commitments to responsible sourcing, so that all key raw materials, including cotton for our own branded products, will be from sustainable or recycled sources by 2025. We are committed to improving worker welfare in our supply chain, create meaningful employment and only work with suppliers that respect and uphold our values. As part of this commitment, we have allocated specific funding to invest in tools and technologies that allow physical traceability of raw materials, which will then give us full visibility and control over where suppliers source cotton from, for all our own brand products.

The role of organisations such as BCI is important in our cotton supply chain. We became a BCI member in 2015, working closely not just to ensure our own cotton is sustainably sourced, but also to drive improvements across the industry.

In March 2020, the BCI suspended licensing and assurance activities in the Xinjiang region. As a result, there is no new licensed Better Cotton coming from the region. In October 2020, the BCI took the decision to cease all field-level activities in the Xinjiang region (including capacity building and data monitoring and reporting).

We are a member of the BCI “Chain of Custody Advisory Group”, providing strategic advice to its members on strengthening traceability at every stage of the cotton supply chain. In addition, we have recently committed to be part of the Retailer & Brands Steering Committee that will influence the future design of cotton traceability.

3. Are any of your products assembled in factories deemed to be at risk of using forced labour?

We have a large, global supply base and source own-brand products from 53 countries worldwide. No matter where they are in the world, we expect our suppliers to obey the law and respect the rights, interests and well-being of their employees, communities and the environment.

The John Lewis Partnership Responsible Sourcing Code of Practice (RSCoP), sets out our expectations of suppliers on issues such as forced labour, pay, working hours, child labour, worker rights and representation. All suppliers must sign up to these requirements as part of our Terms & Conditions of Trade. These standards reflect International Labour Organisation (ILO) Conventions and the ETI Base Code. If suppliers refuse to sign up to our requirements, we will not do business with them.

A copy of the Code is available on the John Lewis Partnership website:

<https://www.johnlewispartnership.co.uk/content/dam/cws/pdfs/Juniper/jlp-responsible-sourcing-code-of-practice-2020.pdf>

We perform due diligence on all John Lewis own brand suppliers and operate a “no audit, no order” policy, whereby we will not place an order with a supplier without an up to date and acceptable audit result. Our due diligence process includes on-the-ground audits of our suppliers, which measure factory compliance against the standards set, and where we identify shortfalls, we work with suppliers to address them. These audits must be conducted by recognised third party companies who employ skilled auditors to identify breaches in human rights. If we were to identify issues of forced or bonded labour we take a zero-tolerance approach and we require our suppliers take immediate action to address them.

We regularly consult with internal and external stakeholders in order to strengthen our overall approach to responsible sourcing. We recognise that there are limitations to audits and certification programmes as they are often just a snapshot in time, which is why we consider the compliance programmes to be a minimum requirement for ensuring suppliers are in adherence with RSCoP. We are investing in activities that go above and beyond audit and compliance to support supplier improvement and capacity building, which will make a tangible difference to on-the-ground working conditions. One example of this is our *Better Jobs* Programme, which verifies working conditions by gathering direct employee feedback (see further detail in Question 5, below).

Since 2015, we have followed the United Nations Guiding Principles on Business and Human Rights (UNGPs) guidance on how to identify our salient human rights risks, which enables us to focus our work on the most severe potential negative impacts on human rights. This includes the risks of modern slavery or forced labour being used in our supply chains.

We are active members of the ETI, and in 2019, the John Lewis Partnership achieved 'leader status' based on our ethical trading and human rights programmes. The ETI is recognised as a leading alliance of companies, trade unions and NGOs working to promote respect for workers' rights.

4. Which Chinese companies are involved in your supply chains?

We publish annually our full Tier I [factory list](#) covering home, fashion garments and electrical products on our website, and we will next update the list in February 2021. None are located in Xinjiang. We also publish our fashion factory list on the Open Apparel Registry ([OAR](#)).

We have strong, long standing relationships with many of our Chinese suppliers and require all of them to commit to RSCoP. They are frequently visited by members of our local sourcing team based in Hong Kong and are subject to third party audits.

5. How do you ensure that companies at every stage of your supply chain meet their contractual obligations regarding anti-slavery and anti-human trafficking laws?

The John Lewis Partnership Responsible Sourcing Code of Practice (RSCoP), sets out our expectations of suppliers on issues such as forced labour, pay, working hours, child labour, worker rights and representation. All suppliers must sign up to these requirements as part of our Terms & Conditions of Trade. These standards reflect International Labour Organisation (ILO) Conventions and the ETI Base Code. In 2019, the Partnership published a best practice document that explains clearly what is expected in order to comply. This guidance document was shared with all suppliers and is additionally available on our social compliance supplier portal.

We have a number of mechanisms by which we ensure that our supply chain meets our standards on the issues of anti-slavery and anti-human trafficking: (i) due diligence and audit; (ii) supplier engagement; (iii) training; and (iv) governance.

(i) Due Diligence and Audit programme

All John Lewis & Partners 'Tier 1' production sites (defined as those manufacturing the whole finished product or where the majority of the assembly and packing of product bearing a John Lewis & Partners label occurs) are required to have an independent third party ethical audit carried out every 2 years. This information is used to decide if we will source or continue to source from a supplier's factory. Without an audit that meets our stringent requirements, we will not place an order with the supplier (as explained in question 3). If a new factory is proposed that does not meet our minimum requirements, it has six months to make improvements set out by the auditor before it can be proposed again.

Where we find non-compliance to our RSCoP standards we work with suppliers to implement time-bound action and provide guidance on how to meet our standards. Where there are entrenched issues, we use different solutions offering support to our suppliers to make improvements. If, however, the supplier is not committed to making these changes and consistently does not comply then we would ultimately delist them from our supply chain.

Increasingly, we are requiring suppliers to show how they are meeting our standards and going beyond compliance. This has the additional benefit of moving beyond pure compliance to an enhancement of working conditions and employee engagement, improving the lives of those who work in our supply chains.

(ii) Supplier engagement

In 2012 and 2017, we created local sourcing teams based in India and Hong Kong respectively, to further strengthen our understanding of our supply chains and build on our relationships with suppliers in the region. We now have a highly qualified team of 114 people working with suppliers in China and India, including working with suppliers on their human rights performance.

In 2019, 28 of our own-brand factories based in China piloted a two-year training programme, which included modules on ethical hiring and building effective dialogue between workers and managers. This training provided frameworks for suppliers'

management to establish effective hiring processes that reduce the risks of exploitation, trafficking and child labour.

The learnings from this training programme were used to adapt our own leadership human rights programme, *Better Jobs* UK, so that it could be relevant for our Chinese supply base. We piloted *Better Jobs* China during 2020 with 15 suppliers and are currently analysing the findings to determine how we roll the programme out further. This programme enables workers to communicate directly with us about their own experience of being at work using seven theme areas: growth, reward, security, job design, respect, health & wellbeing and employee voice.

For more details please see our latest [Better Jobs](#) report.

(iii) Team training programme

Our Buying teams are also crucial in supporting the effort to avoid modern slavery or human rights abuses. All relevant trading functions within John Lewis & Partners complete mandatory responsible sourcing training, which includes specific modules on modern slavery. This training is required to be renewed on an annual basis. Our buying teams also visit our suppliers (although this has been curtailed this year due to the Covid-19 pandemic). This further enhances our ability to understand our supply chain and ensure suppliers are meeting their contractual and legal obligations.

(iv) Governance

The governance of our human rights programmes forms part of our wider Ethics & Sustainability governance and approach to risk management. The Executive Team, led by the Chairman of the John Lewis Partnership, sets the strategic direction for Ethics & Sustainability, including human rights. The Partnership Board has oversight of this strategy and the plan to deliver it.

The Ethics & Sustainability Committee, led by the Partnership's Chairman, with representation from Executive and Non-Executive Directors as appropriate, is the most senior governing body with specific responsibility for Ethics & Sustainability issues. Its purpose is to ensure ethics and sustainability are core to the Partnership's activities and that we deliver our commitments. This includes ensuring that the Partnership continues to build inclusive and transparent relationships with our suppliers and customers.

Across the John Lewis Partnership, environmental and sustainability risks and opportunities are identified, assessed and managed at Executive Leadership Team level, supported by the Risk Team as part of the broader risk management process. The Director of Audit & Risk reports on the consolidated status of all of the Partnership's principal and emerging risks to the Executive on a quarterly basis for monitoring and escalation purposes. The outcome of Executive review is reported quarterly to the Audit and Risk Committee for further challenge on outcomes as part of the Partnership's formal governance structure. The information is also reported to the Partnership Board.

6. What is John Lewis' approach to assessing and scrutinising its supply chains to ensure that materials are ethically sourced?

Please refer to our answers to Questions 2, 3 and 5 for further detail on our approach.

To add, given the global nature of cotton supply chains, and our relatively small size, our ability to make positive change involves working collaboratively with other organisations. We are members of a number of multi-stakeholder initiatives run through the ETI, Textile Exchange and BRC which help us improve how we source. Through industry collaboration we are also able to assess industry-wide conditions/risks and therefore it also allows us to and make positive change as a whole.

7. Where materials from unethical sources are identified, how does your company respond and what steps are taken to mitigate the risk of future occurrences?

Please refer to our answers to Questions 2, 3 and 5 for further detail on our approach.

To explain further, suppliers agree to our policy requirements as part of their contractual Terms and Conditions. Adherence is initially assessed through the audit process, which grades factories according to their compliance. We work with independent audit companies who work directly with our suppliers to develop time-bound corrective action plans and to ensure that suppliers are able to address any non-compliances raised.

If a corrective action can be verified with documentary evidence then this can be done remotely. However, where an issue requires more detailed evidence then an independent onsite verification visit will be commissioned. If serious breaches of RSCoP (which indications of human rights abuses or forced labour would constitute) have been uncovered then this is escalated within our business.

We are aware that some of our suppliers will require additional support in order to support their factories with improvements. We will work collaboratively with these suppliers to try and ensure that there is an adequate remediation programme in place. Where we have in-country resources (such as in China, through the Hong Kong Sourcing Office) or in India (through the Indian Sourcing Office), our local sourcing teams will support remediation on the ground and will visit factories themselves to verify that improvements have been made.

Where we are unable to remediate ourselves, we would engage with specialist third parties to offer help and support. Where a supplier is unable or unwilling to make the necessary changes, then we would consider terminating the relationship. This is an absolute last resort and should we do this, we would always work through a responsible exit plan with the supplier. We are committed to improving standards in factories and not creating further vulnerabilities for workers.

8. What is your information-gathering process for your Modern Slavery statements, and how do you verify this information? What is your process for acting on the findings of your Modern Slavery statements?

We have been tackling human rights issues in our supply chains since long before the introduction of the Modern Slavery Act in 2015, building our programmes over many years through stakeholder collaboration, increasing transparency and reporting on our progress annually. However, we recognise that modern slavery is one of the most severe breaches of human rights and we're determined to make a difference.

We identify our salient risks in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs), and focus our efforts on these risks.

We gather information for our Modern Slavery Statement (MSS) from a variety of sources, depending upon the geography, the product and the specific issues we encounter.

All suppliers to the John Lewis Partnership must contractually commit to meeting the requirements of our [Responsible Sourcing Code of Practice](#), which sets out our expectations on issues such as pay, working hours, child labour, worker rights and representation. These provisions mirror those of the ETI Base Code.

As stated above, John Lewis requires ethical audits for all Tier 1 factories supplying us. Audits are conducted by independent third party audit companies and the findings of the audits are then discussed directly with our suppliers. Our local offices in India and Hong Kong are able to offer direct support to suppliers in these regions including China. These teams also visit factories to verify working conditions and to help with remediation.

In countries where there is a particularly high risk of labour rights abuses, we engage with additional programmes such as the ILO Better Work Initiative (e.g. in Vietnam and Cambodia) and the Bangladesh Accord (in Bangladesh). Within these programmes, factories are monitored and supported to achieve higher standards of working conditions, and the involvement of trade unions in the process supports the verification of remedial actions.

Our human rights programme, '*Better Jobs*', also provides us with information about working conditions, which feeds into our modern slavery statement. Through this programme, direct feedback from workers is encouraged as a method of driving improvements to their own conditions of work and the annual cycle of the programme demonstrates how effective employers have been at implementing these improvements from their workers' own perspectives.

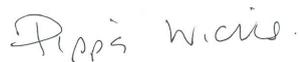
We are members of Back2Source, part of Unseen, a leading charity working to end modern slavery. We also encourage whistleblowers and are able to react to concerns that are raised outside of the programmes mentioned above. Where concerns are raised through these channels we will investigate thoroughly and appropriate action will be taken depending on the outcome.

Following the completion of our modern slavery statement, we carry out assertion assurance on all data points (quantitative & qualitative). The Modern Slavery Statement is reviewed and formally approved by the Partnership Board and signed by our Chairman.

For further detail on our governance, please see Question 5, above.

Our latest [Modern Slavery Statement](#) is available here.

Yours sincerely,



PIPPA WICKS

Partner & Executive Director John Lewis

Cc. Darren Jones MP

Chair of the House of Commons Business, Energy and Industrial Strategy Select Committee

Nusrat Ghani MP



Foreign Affairs Committee

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From the Chair
Tom Tugendhat MP

Pippa Wicks
Executive Director
John Lewis
Letter by email: pippa.wicks@johnlewis.co.uk

18 December 2020

Dear Ms Wicks,

We are writing to you following recent reports that parts of UK companies' supply chains include materials and/or labour sourced from the Xinjiang Uyghur Autonomous Region of China. As part of the Foreign Affairs and Business, Energy and Industrial Strategy Committees' inquiries into the Xinjiang detention camps, we are reaching out to a number of businesses to establish a clearer understanding of commercial activity in the region, and what private companies perceive their ethical responsibilities to be in this area.

We would be grateful if you could address the following questions:

1. What is the nature and extent of your company's operations in Xinjiang?
2. What specific raw materials arriving in UK markets are sourced from Xinjiang?
3. Are any of your products assembled in factories deemed to be at risk of using forced labour?
4. Which Chinese companies are involved in your supply chains?
5. How do you ensure that companies at every stage of your supply chain meet their contractual obligations regarding anti-slavery and anti-human trafficking laws?
6. What is John Lewis' approach to assessing and scrutinising its supply chains to ensure that materials are ethically sourced?
7. Where materials from unethical sources are identified, how does your company respond and what steps are taken to mitigate the risk of future occurrences?
8. What is your information-gathering process for your Modern Slavery statements, and how do you verify this information? What is your process for acting on the findings of your Modern Slavery statements?

It would be helpful to have a response to this letter by 7 January 2021. We intend to place your response in the public domain.

Best wishes,

TOM TUGENDHAT MP
CHAIR, FOREIGN AFFAIRS COMMITTEE



NUSRAT GHANI MP
BUSINESS, ENERGY AND INDUSTRIAL STRATEGY COMMITTEE



DARREN JONES MP
CHAIR, BUSINESS, ENERGY AND INDUSTRIAL STRATEGY COMMITTEE