



# John Lewis Partnership

## *Trust-partnership on behalf of all employees*

### In a nutshell

The John Lewis Partnership's trust-partnership is a model of democratic steward-ownership that includes over 48,000 employees in its corporate governance structure. Through a sophisticated set of checks and balances, the trust-partnership ensures that the trust's purpose and independence are secure for the long-term.

The John Lewis Partnership (JLP) is a major retail organization based in the United Kingdom that operates John Lewis department stores, Waitrose supermarkets, banking and financing services, and other retail-related activities. With around 70,000 partners and £11.1 billion in annual sales, the employee-owned trust has thrived for almost 100 years.

Spedan Lewis, the son of John Lewis, introduced the first profit-sharing schemes to his organization in 1920 after a car accident gave him time to reflect on the future of the business, working conditions, and the mission of the company.



**FOUNDED: 1864**



**LONDON, UK**



**SALES: £11,113 M  
(2024)**



**48,100 EMPLOYEES  
(2024)**

**STEWARD-OWNED SINCE: 1929**

**STEWARD-OWNERSHIP MODEL:**  
Trust-partnership

It was during this period that he learned that his father and brother annually earned the equivalent of the entire workforce of two of their company's shops. Lewis was convinced that "the present state of affairs is a perversion of the proper workings of capitalism"<sup>32</sup> and that "the dividends paid to some shareholders" for doing nothing were obscene when "workers earn hardly more than a bare living."<sup>32</sup> He set out to improve working conditions, offering shorter work days, setting up a staff committee, and providing more paid leave. In 1929 he established the Trust and Partnership, which allowed him to retain practical control of the business while distributing its profits among employees. In 1959 he signed over the last remaining shares to the trust, and the partnership became the property of John Lewis' employees.

This trust-partnership structure has enabled the company to stay independent, principle-led, and dedicated to its commitment to foster the happiness of its employees.

### Trust-partnership structure: democratic governance

JLP is owned by a trust on behalf of all of its employees, or "partners." The trust holds the shares for the benefit of the company's employees. The trustee is the John Lewis Partnership Trust Limited. John Lewis also practices a blend of employee democracy and meritocracy: All partners have a say in how the company is run, and have a right to its profits. The ownership structure can only be changed by the worker-elected partnership council in agreement with the chairman.

The governance system of JLP is a sophisticated set of check and balances, with power shared between three governing authorities:

### Partnership trustee

JLP Trust Ltd holds, as the trustee of JLP Trust, all shares with voting rights and profits rights of the JLP PLC for the benefit of the Partners.

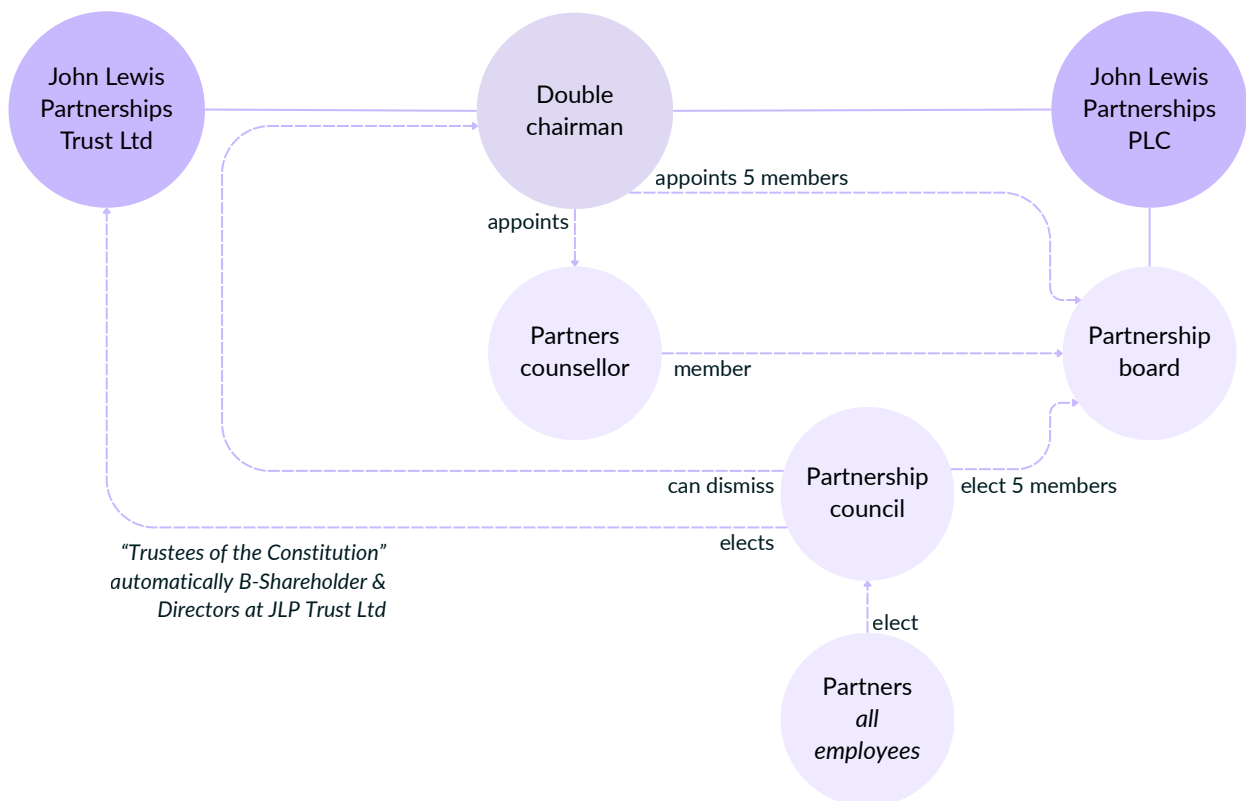
### Share structure

The Chairperson is the owner of all 40 A-Shares. B-Share owners are the trustees selected by the Partnership Council. B-Shares only have voting rights in the event of a liquidation and approval of the other directors or when the Chairperson leaves without an appointed successor.

### Double-chairman

Serve as Chairperson and Owner of the Trustee of JLP Trust Ltd and the Executive Chairperson of the Board of JLP PLC. Chairman and Deputy are automatically Partnership Board members.

### Governance structure at John Lewis





## Partners

The partners (employees) together comprise a worker-democracy. In accordance with the company constitution, the partners elect a Partnership Council, which can, in turn, elect persons to the company's Board of Directors.

## Chairman

The chairman of the JLP is appointed by the previous chairman. They are simultaneously the chairman of JPL PLC and the JLP Trust Ltd, and must be operationally active. The chairman holds the sole voting right of the JLP Trust Ltd (A-Shares), and, as such, has a great deal of discretionary power. They can only be dismissed by a qualified majority of the Partnership Council. The chairman's role and powers bring a meritocratic element into the organization.

## Partnership board

The Partnership Board is in part appointed by the chairman, and in part elected by the Partnership Council. It is responsible for vital business decisions, including how financial resources are invested, how profits are distributed, and the salary of the chairman.

## Partnership council

The Partnership Council comprises 82 representatives, 80 percent of whom are elected by the partners; the remaining representatives are appointed by the chairman. The council has the power to discuss 'any matter whatsoever,' and is responsible for the non-commercial aspects of the business. The Partnership Council can change the governance structure of the organization with the agreement of the chairman.

## People as purpose

As partners, JLP employees share in both the responsibility of ownership and its rewards, including profits, knowledge, and power. In this structure, partners are able to express their views about the business, its mission, and its practices through formal democratic bodies like the Partnership Board and Council, as well as through the company's weekly magazine, the Gazette. Partners get final-salary pensions and perks, ranging from holiday homes to memberships in sailing clubs. This unique ownership structure has helped JLP grow into one of the UK's largest retailers, one with a loyal, committed employee base that delivers exceptional customer service. This exceptional level of service continues to be JLP's competitive strength.



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After all, as a Partnership, we are a democracy – open, fair, and transparent. Our profits are shared, our Partners have a voice, and there is a true sense of pride in belonging to something so unique and highly regarded.

– John Lewis