

# ROADMAP 2018

## PRIMARK Measures Report 2018 – Partnership for Sustainable Textiles

### An Overview on approach, status, goals

August 2018

The welfare of the people who make products for Primark matters to us. We require suppliers and our suppliers' factories who commit to making our products to do so in factories with good working conditions, so that people are treated decently and paid a fair wage. And we strive to minimise the impact on our planet wherever we can. We share these goals with the Partnership for Sustainable Textiles and our membership underlines our commitment to enhance sustainability across the entire supply chain.

### Primark's goals for the Partnership for Sustainable Textiles 2018

For 2018 the German Partnership for Sustainable Textiles, has set 10 Mandatory Targets. Through the work carried out by Primark's Ethical Trade and Environmental Sustainability team we already meet six of these targets and are working on achieving the remaining four, though three of them are recurring goals so will appear as Mandatory goals every year to help drive continuous improvement. Regarding the Textilbündnis's Recommended Targets for 2018, Primark has already achieved three of these.

In addition to the Mandatory and Recommended Targets set by the Textilbündnis, Primark has agreed a series of Voluntary Targets for 2018 with Textilbündnis. These targets cover a range of social and environmental activities across Primark's supply chain, with the emphasis on addressing environmental sustainability. Also included are two targets that mark the next stage of two of our key projects: our Sustainable Cotton Programme and our Structural Integrity Programme.

### German Partnership for Sustainable Textiles: one building block of Primark's international engagement

We believe no one retailer alone can have a positive impact on an entire industry. However we believe we can play a role alongside other retailers, NGOs and other organisations, to improve social and environmental standards in the industry. Primark is a member and active contributor of several multi-stakeholder initiatives, including the Ethical Trading Initiative, the Sustainable Apparel Coalition and the ACT initiative on wages. Primark is also on the board of organisations including Zero Discharge of Hazardous Chemicals (ZDHC). All these bodies include some type of reporting, either internally to them or publicly.

### Primark's programmes and activities

It is a step-by-step process: for more than a decade Primark has worked to promote workers' rights within our supply chain, to improve the lives of the workers and to reduce our environmental impact. Today we have an extensive social and environmental programme across our supply chain, much of which falls outside the activities covered by our Partnership roadmap goals. For example, we have a programme of structural integrity surveys for our suppliers' factories in Bangladesh, which we have extended to Pakistan over the coming months. We also run training programmes and other projects for our suppliers and their workforces, such as the SAVE health and education community project in Southern India, which we have been running since 2009. <https://www.primark.com/en/our-ethics/people-production/running-education-programmes>

### Code of Conduct

Primark is able to offer low prices because we do some simple things differently to other retailers, for example, we have very efficient processes and do very little advertising, but we do have high standards. These are set out in the Primark Code of Conduct, which is the backbone of the Ethical Trade and Environmental Sustainability programme and covers a robust set of requirements. The Code of Conduct is underpinned by the UN Guiding Principles and OECD guidelines, and has a robust due diligence framework. It forms part of every supplier's contract and is a condition of doing business with Primark. 100% of all Primark's suppliers' factories are audited against the Code. Today Primark has more than 100 social and environmental experts based in key sourcing countries, who undertake the following activities: they monitor compliance, carrying out over 3,000 audits per year; delivering more than 7,000 hours of training for factory management and their workers each year; and engaging with stakeholders locally. Primark's extensive range of social and environmental activities resulted in Primark gaining Leadership status from the UK's Ethical Trading Initiative since 2011. <https://www.primark.com/en/our-ethics/people-production/standards-in-factories>

# Primark 2018 Partnership for Sustainable Textiles Measures

## Report goals

### Mandatory targets

Of the ten mandatory targets for 2018 Primark has already met six.

- **Commitment to the Partnership's goals:** Our Code of Conduct sets out all social and environmental requirements for our supply chain, which are in line with the overarching goals set by the Partnership for Sustainable Textiles. Primark's Code of Conduct forms a key part of the terms and conditions of a supplier's contract with us, which all suppliers and their factories must commit to prior to doing business with us.

*(2018 Partnership target: "Brands and retailers have required their producers and business partners to comply with the Partnership's social goals")*

- **Transparency:** Primark chooses and approves every factory before we place an order and require any one making Primark products to commit to the internationally recognised standards in our Code of Conduct. We then have checks and audits in place so that we can monitor each factory against the Code, which includes standards on social and environmental conditions. This work forms the very backbone of the work carried out by Primark's Ethical Trade and Environmental Sustainability team.

*(2018 Partnership target: "Brands and retailers have systematically recorded their business partners and producers.")*

- **Supplier Training:** Our Ethical Trade and Environmental Sustainability Team is made up of more than 100 specialists, based in our key sourcing markets. They work hand in hand with suppliers, their factories and local partners to deliver programmes that help the factories that make Primark's products address locally-relevant issues and needs. We believe that the more factory management and workers know about the standards we expect and why they matter, the more likely they are to meet them. Sometimes this involves regular face-to-face meetings, at other times it is training programmes or more interactive methods like role-play. In a typical year Primark delivers more than 7,000 hours of supplier training. In countries where the factories who make products for Primark cover a large geographic area, for example in China, we have invested in an e-learning platform to improve factories' access to information and training. We offer over 20 different interactive courses ranging from the Primark Code of Conduct through to hiring procedures. We are also continually evolving our approaches to make sure we are best placed to help factories to improve. For example, in Southern India we worked with local Indian NGO ASK - The Association for Stimulating Know How – and U.S.-based NGO Verité on the Fair Hiring Fair Labour programme. This programme provides factories with a toolkit to help improve their recruitment and hiring processes.

*(2018 Partnership target: "Brands and retailers will support their producers with implementing the social Partnership's goals.")*

- **Chemical Management:** Primark has committed to ZDHC's Manufacturing Restricted Substances List (MRSL) which lists the substances and chemicals that suppliers are not permitted to use in manufacturing Primark products. This MRSL is now also promoted by the Partnership for Sustainable Textiles. Primark has communicated the MRSL to all our suppliers, and we have held workshops for our suppliers in China, India and Bangladesh to support them in implementing the MRSL in factories.

*(2018 Partnership target: "Brands and retailers have required their business partners and producers to comply with the Partnership's MRSL.")*

- **Risk Management:** Primark's Ethical Trade and Environmental Sustainability programme is underpinned by a thorough due diligence process, which is based on the UN Guiding Principles and the OECD Guidelines for Due Diligence in the Garment and Footwear industry. This process allows us to analyse and assess social and ecological risks associated with our business activities throughout the supply chain and adapt our processes to respond to them.

*(2018 Partnership target: "Brands and retailers have recognized and prioritized their risks and potential negative effects")*

- **Due Diligence on Child Labour and Forced Labour:** We strictly prohibit the use of child labour and forced labour in the manufacturing of products. This is set out in the Primark Code of Conduct, which all suppliers must commit to. Our approach is summarized in the Primark Modern Slavery Act Statement 2017. It details our policies, our due diligence process, areas of risk we have identified and how we are addressing those risks both directly, and in collaboration with other stakeholders. For Modern Primark Slavery Statement 2017 see: <https://www.primark.com/en/our-ethics/setting-high-standards/our-performance>

*(2018 Partnership target: "Brands and retailers have established a process for dealing with or child and / or forced labour, including access to remedy.")*

For the four remaining mandatory targets of the Textile Partnership for 2018, we have committed to the following activities:

- **Good housekeeping:** We will create and publish Primark's Supplier Environmental Sustainability Requirements in 2018. The document will help suppliers and their factories understand our requirements for good housekeeping and provide support for implementation. It details among others, provisions on areas from resources to waste, from chemical management to efficiency in water or energy use.

*(Annually Reoccurring Partnership target: "Brands and retailers assist producers to make their business operations more compliant and environmentally friendly".)*

- **New wool policy:** Primark believes that all animals should be treated humanely, and we have recently summarised our position in the Primark Animal Welfare statement published on our website. It applies to all Primark branded products and includes Primark's position on wool, including a statement on mulesing. [https://www.primark.com/-/media/newourethics/settingshightstandards/animal\\_welfare\\_statement.ashx](https://www.primark.com/-/media/newourethics/settingshightstandards/animal_welfare_statement.ashx)

*(2018 Partnership target: "Brands and retailers have in place a policy on the use of new wool, including a position in opposition of mulesing.")*

- **Increased share of sustainable cotton:** Primark's long-term ambition is to ensure all the cotton in our supply chain is sustainably sourced. In 2013, Primark set up the Primark Sustainable Cotton Programme with the agricultural experts CottonConnect and the Self-Employed Women's Association to train female smallholder farmers in India to grow more environmentally sustainable cotton, and ultimately improve their livelihoods through increased income. After a pilot phase from 2013 to 2016, where 1,251 farmers were trained, we announced an extension of the Programme to train an additional 10,000 farmers over six years. To-date more than 6,000 female farmers have been enrolled in the Programme.

In 2017 Primark announced the launch of its first sustainable cotton products in store, which was a significant step towards achieving our long-term ambition. As we continue to scale up the Programme, we will train more farmers, who in turn will grow more cotton, which we have committed to use in Primark products. Enrolling and training farmers through Primark's Programme takes time, which is why this year's target is 5%. <https://www.primark.com/en/our-ethics/planet-and-environment/raw-materials>

*(Annually Reoccurring Partnership target: "Brands and retailers increase the proportion of organic cotton and / or other sustainable cotton they use.")*

- **Raising awareness:** : Primark is currently piloting messages on our Ethical Trade and Environmental Sustainability programme in selected stores in Germany aimed at educating our customers. It covers a range of subjects including our ethical programmes, how products are sourced and designed, and our business model, which all aims to raise awareness of Primark's activities in the area of Ethical Trade and Environmental Sustainability. We are aiming to roll this project out to more stores in Germany in 2018.

*(Annually Reoccurring Partnership target: "Brands and retailers will contribute to raising public awareness of sustainable textile production.")*

## Recommended targets

Primark has already met three targets recommended by the Partnership for Sustainable Textiles:

- **Supplier Transparency:** Primark has published information about our suppliers' factories in the 31 countries from which Primark sources product through our Global Sourcing Map on our website. Details include factory names, addresses, number of workers and gender split of the workforce. <https://www.primark.com/en/our-ethics/people-production/global-sourcing-map>  
*(2018 Partnership target: "Brands and retailers have systematically recorded and published their business partners and producers.")*
- **Subcontracting:** Primark does not allow its suppliers and their factories to subcontract orders without authorization and this constitutes a breach of our Supplier Code of Conduct and the terms and conditions of doing business with us, that suppliers and their factories must commit to. We have robust processes to prevent unauthorised subcontracting and if we find issues we don't hesitate to take the appropriate steps to remediate these issues, which may include the suspension of a supplier's factory or in the most extreme cases we will stop working with a supplier altogether.  
*(2018 Partnership target: "Brands and retailers have banned unauthorized subcontracting by producers and business partners.")*
- **Transparency across the supply chain:** Continuous improvement across the entire supply chain requires collaboration, as our influence and leverage to address issues is lessened due to the indirect relationships with suppliers beyond Tier 1, for example in wet processing units or spinning mills. Our actions are focused on building knowledge and awareness of the risks and working with other brands and retailers through collaborations such as the SAC, ZDHC and the Ethical Trading Initiative, to bring about industry-wide change.  
*(2018 Partnership target: "Brands and retailers have recorded additional actors in the deeper supply chain.")*

## Voluntary targets

Primark is committed to enhancing sustainability across the entire supply chain and shares these goals with the Partnership for Sustainable Textiles. Our ambition is to minimise the impact our products have on the planet wherever we can and is an integral part of this year's target commitments. In 2017 we finalised the development of the Primark Environmental Management System, in line with our Environmental Strategy, which is why we have chosen to publish targets from our Environmental Strategy within our membership of the Partnership for Sustainable Textiles, thereby also making them publicly accountable.

Supporting suppliers to reduce their impact on the environment wherever possible, is the centre point of our 2018 targets:

- We will provide all suppliers with the Primark Environmental Guidance Document. It will give suppliers practical guidance on how to implement our environmental requirements.
- We will also publish an update of our Chemical Management Implementation Toolkit to suppliers, which will provide practical guidance and advice on how to implement good chemical management in factories.
- In line with our requirements of being a member of ZDHC, we will also expand our waste water testing programme and report this on the "ZDHC Gateway – Wastewater" platform.
- In collaboration with SCAP and Made-by, we will publish guidelines for buyers, on how they can make better choices and purchase more sustainable material.

We have also chosen to two additional targets relating to two of our key projects:

- Scaling up of our Sustainable Cotton Programme, training more smallholders in sustainable farming methods and ensuring full traceability of the Cotton Programme from the field to garment manufacture and retail.
- The roll out of the Primark Structural Integrity Programme in Pakistan, completing the inspection of all Tier 1 production sites in 2018, as we have already carried out in Bangladesh.

## Continued Targets from 2017

In parallel our work on achieving the two outstanding targets from the 2017 Roadmap continues:

- Primark will require its strategic suppliers to follow the ZDHC Chemical Management System Manual and Audit Protocol. Once the tool has been published by the ZDHC, we will roll it out to all our suppliers.
- It is still our ambition to rollout the Primark Recycling Initiative. However, the legislative situation for obtaining licenses is pending a legal decision in Germany and legal approval in other countries where we have stores. We are engaged with the relevant bodies on this matter and seek resolution as soon as possible, as we are keen to give our customers a practical recycling option.

# Measures Report 2018

Goal for 2018	Response
<b>Mandatory Targets</b>	
<p><b>Good Housekeeping</b> Support of producers to improve proper and environmentally sound business management in their supply chain</p>	<p>In 2018, we will continue to support the producers in improving environmental management and good housekeeping practices within their supply chain via publication of our Supplier Environmental Sustainability Requirements document and continue to build on our programme of training with suppliers.</p>
<p><b>New wool policy</b> Publication of a written policy for new wool, incl. positioning against mulesing</p>	<p>In 2018, we will publish the Primark Animal Welfare position statement which contains full details of our position on wool including mulesing. We have actively engaged with internal and external stakeholders on the development of this public-facing position statement.</p>
<p><b>Increased share of sustainable cotton</b> Increased share of sustainable cotton, procured by my organization to 5%</p> <p>Including organic cotton (as a share of the total amount of cotton): 0%</p>	<p>For our Primark Sustainable Cotton Programme (PSCP), we record data on yarn production, ginning and all the way back to the cotton field, to ensure that we can implement full traceability. We will expand the PSCP in 2018 to an additional 1,500 farmers, taking the total to 6,500 farmers.</p>
<p><b>Raising awareness</b> Implementation of measures to raise awareness about sustainable textile production in the following topics:</p> <ul style="list-style-type: none"> <li>• Freedom of association and collective bargaining</li> <li>• Discrimination</li> <li>• Health and safety</li> <li>• Wages and social benefits</li> <li>• Working hours</li> <li>• Child labour</li> <li>• Forced labour</li> <li>• Use of safe chemicals</li> <li>• Good housekeeping</li> <li>• Water and wastewater management</li> <li>• MRSL (chemical inputs at stages of processing)</li> <li>• RSL (chemical residues on textile product)</li> </ul>	<p>In 2018, we will pilot messages on our Ethical Trade programme to our customers in store in Germany. The messages aim to raise awareness of Primark's activities in the area of Ethical Trade and Environmental Sustainability.</p>
<b>Voluntary Targets</b>	
<p><b>Supply chain transparency</b> Expanding the systematic collection of information on our supply chain up to stage <i>Farmers / Agricultural enterprises</i></p>	<p>For the Primark Sustainable Cotton Programme (PSCP), we track production from the cotton field to garment manufacture and retail. This approach ensures we have full traceability of the supply chain at all stages. We continue to expand the programme to increase our volume of sustainable cotton.</p>
<p><b>Supply chain requirements</b> Defining and communicating requirements to the supply chain in order to prevent or minimise identified risks in connection with our operations</p> <p><i>Use of safe chemicals</i> <i>Good housekeeping</i> <i>Environmental management system</i> <i>Water and wastewater management</i> <i>Resource efficiency</i> <i>MRSL (chemical inputs at stages of processing)</i> <i>RSL (chemical residues on textile product)</i></p>	<p>The Primark RSL is fully compliant to the ZDHC MRSL and includes some stricter requirements. In 2018, we will publish updates to our Chemical Management Implementation Toolkit to 100% of Primark suppliers.</p>

Goal for 2018	Response
<b>Voluntary Targets</b>	
<p><b>Supply chain requirements</b>            Expanding our requirements to the supply chain to include  <i>Use of safe chemicals</i>  <i>Good housekeeping</i>  <i>Environmental management system</i>  <i>Water and wastewater management</i>  <i>Other emissions (e.g. off-gas)</i>  <i>Resource efficiency</i>  <i>Recycling</i>  <i>Other: Responsible Sourcing</i></p>	<p>In 2018, we are developing and will publish a Supplier Environmental Guidance document (developed through our Environmental Management System project) to Primark suppliers. It will clearly outline Primark's expected level of environmental management (good housekeeping) within our supply chain.</p>
<p><b>Supporting suppliers</b>            Supporting excellence programmes or other awards for producers and business partners for implementation of the Partnership's goals  <i>Water and wastewater management</i></p>	<p>In 2018, we will continue to scale up our wastewater testing programme to the facilities our suppliers work with for Primark production, in-line with ZDHC's bi-annual reporting requirements on the 'ZDHC Gateway - Waterdata' platform.</p>
<p><b>Supporting suppliers</b>            Supporting excellence programmes or other awards for stakeholders in the deeper supply chain for implementation of the Partnership's goals in connection with  <i>Water and wastewater management</i></p>	<p>In 2018, we will continue to scale up our wastewater testing programme to the facilities our suppliers work with for Primark production, in-line with ZDHC's bi-annual reporting requirements on the 'ZDHC Gateway - Waterdata' platform.</p>
<p><b>Sector-wide activities</b>            Implementing measures to improve sustainability beyond our own supply chain</p>	<p>In 2018, in collaboration with MADE-BY &amp; SCAP, we will publish guidelines for our buyers on more sustainable material procurement.</p>
<p><b>Tracking results in your supply chain</b>            Strengthening/improving our inspecting and monitoring system with the help of  <i>Supplier audits performed by others (3rd party)</i></p>	<p>Under the Primark Structural Safety Programme, all Tier 1 and Tier 2 production sites in Bangladesh are monitored. In 2018 we will complete the roll out of the programme to all Tier 1 and Tier 2 production sites in Pakistan.</p>
<b>Continued targets</b>	
<p><b>Good Housekeeping</b>            Implementation of individual or cooperative measures to support Good Housekeeping</p>	<p>In 2017, we will require our strategic suppliers to use ZDHC CMS manual and audit protocol.</p>
<p><b>Sector-wide implementation of social goals</b>            Promote awareness of socially sustainable textile production in Germany</p>	<p>Following our successful pilot in UK and Germany, we will roll out the Primark Recycling Initiative to cover more European stores in 2017/2018.</p>