

# PRIMARK®

## Introduction

This page outlines the scope, methodology and controls used for calculating the data forming the basis for preparing select internally developed metrics included in the **Primark Sustainability and Ethics Progress Report 2023/24**. The reporting criteria supporting Primark Ethical Trade Audits disclosed as part of **ABF Corporate Responsibility Reporting 2023/24** is also detailed below.

The Basis of Reporting for 2022/23 can be found [here](#)

## Basis of Reporting 2023/24

Percentage of Primark's cotton clothing units sold containing cotton that is organic, recycled or from the Primark Cotton Project	
Pillar	Product
Definition	Organic cotton, recycled cotton and cotton from the Primark Cotton Project as defined in our <b>Online Fibres Glossary</b> . Clothing unit sales are included in the metric if they contain cotton fibre components that satisfy the minimum content criteria outlined in our <b>Online Fibres Glossary</b> . The minimum content of such fibres must be included within the main body of the clothing unit.
Reporting Unit	Percentage based on 'Number of units sold'.
Scope	<p>Applicable clothing units containing either one or combination of; organic cotton, recycled cotton, or cotton from the Primark Cotton Project that satisfy the minimum content criteria outlined in our <b>Online Fibres Glossary</b> within the main body of the clothing unit.</p> <p>The applicable clothing units are:</p> <ul style="list-style-type: none"> <li>Hosiery</li> <li>Underwear and nightwear</li> <li>Men and women's clothing</li> <li>Children's clothing</li> </ul> <p>The following product items are out of scope:</p> <ul style="list-style-type: none"> <li>Footwear</li> <li>Accessories (e.g. bags, belts, hats, gloves, glasses, umbrellas, luggage)</li> <li>Homewear (e.g. bedding, duvet covers, towels)</li> <li>Health and beauty products</li> <li>Primarket products (e.g. food, stationary, toys, electronic items)</li> </ul>
Reporting Period	<p>1 August 2023 to 31 July 2024*</p> <p>*Primark operates on an accounting calendar based on numerical weeks in its financial year. This metric accounts for sales beginning in week 46 of the 22.23 financial year from 30 July 2023 to the end of week 45 of the 23.24 financial year on 27 July 2024. Due to this process, sales on 28-31 July 2024 are excluded from the calculation while sales on 30-31 July 2023 are included.</p> <p>A component of the denominator calculation outlined below relies on data from an external classification system known as Tariffel. This system tracks products shipped for customs and import purposes and is used to identify all clothing intake units containing cotton. Tariffel reporting parameters allow for periodic analysis within Primark's financial year. There are 13 four-weekly periods within the financial year. To best</p>

	<i>approximate the reporting period above, this covers period 12 of the 22.23 financial year from 23 July 2023 to the end of period 11 of the 23.24 financial year on 20 July 2024.</i>
<b>Calculation</b>	<p>Percentage of Primark's cotton clothing units sold containing cotton that is organic, recycled or from the Primark Cotton Project</p> $= \frac{\text{Number of clothing sales containing organic cotton, recycled cotton or cotton from the Primark Cotton Project (in units)}}{\text{Total sales of clothing containing cotton (in units)}} \times 100$
<b>Methodology</b>	<p><b>Data collation:</b> Excel-based 'Proforma' to collate information on organic, recycled and/or Primark Cotton Project cotton used in clothing. There are three separate Proformas used in the reporting period covering textile products included in the metric calculation; Spring Summer 23, Autumn Winter 23 and Spring Summer 24.</p> <p><b>Data Verification:</b></p> <ol style="list-style-type: none"> <li>For organic and recycled cotton - verify the claim based on third-party certifications;</li> <li>For Primark Cotton Project cotton- perform a 3-way check by coordinating with Primark Cotton Project garment suppliers; internal Buying &amp; Merchandising team and data reported in the Proforma.</li> </ol> <p><b>Metric Calculation:</b></p> <ol style="list-style-type: none"> <li>Extract total clothing sales reported for the reporting period using an internal Enhanced Reporting (ER) System;</li> <li>Map the clothing products containing organic, recycled and/or Primark Cotton Project cotton highlighted in the Proforma to total clothing sales extract using associated Kimball (product) numbers;</li> <li>Determine the percentage intake of clothing made from cotton received in the selected reporting period using an external classification system known as Tariffitel;</li> <li>To derive the total amount of clothing made from cotton (which includes conventional cotton + organic, recycled and/or Primark Cotton Project cotton) sold in terms of 'number of units' apply the percentage obtained from Tariffitel to total clothing sales report; and</li> <li>Using the formula mentioned in 'Calculation' derive the final data to be reported.</li> </ol>
<b>Limitations</b>	<ul style="list-style-type: none"> <li>ER system limitation - unable to obtain fabric details for total clothing sold and hence dependent on an external classification system 'Tariffitel'</li> <li>Tariffitel vs ER limitations - there is a lag between when units are received per Tariffitel and when they are sold per the ER system within the reporting period.</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>The percentage of clothing made from cotton is applied to the total clothing sales from ER, therefore assuming that the percentage of cotton intake is equal to cotton clothing sold in units.</li> <li>Clothes containing 1% to 100% cotton are considered for determining the percentage intake of clothing made from cotton received, obtained from Tariffitel.</li> <li>For textile items sold as multi-packs, each pack is considered as one unit regardless of the number of items within the pack.</li> </ul>
<b>Internal Controls and Reviews</b>	<i>On a semi-annual basis the Metric Owner performs the data collation, verification and final metric calculation. This is subject to a secondary review by the Metric Approver.</i>
<b>Data Assurance</b>	<i>Externally assured - Limited.</i>

Percentage of Primark's clothing unit sales containing recycled or more sustainably sourced materials	
Pillar	Product
Definition	Recycled or more sustainably sourced materials as defined in our <b>Online Fibres Glossary</b> . Clothing unit sales are included in the metric if they contain fibre components that satisfy the minimum content criteria outlined in our <b>Online Fibres Glossary</b> . The minimum content of such fibres must be included within the main body of the clothing unit.
Reporting Unit	Percentage based on 'Number of units sold'.
Scope	<p>Applicable clothing units containing either one or combination of; organic cotton, recycled cotton, cotton from the Primark Cotton Project, recycled acrylic, recycled polyamide (nylon), recycled polyester and more sustainable viscose, modal and lyocell that satisfy the minimum content criteria outlined in our <b>Online Fibres Glossary</b> within the main body of the clothing unit.</p> <p>The applicable clothing units are:  Hosiery  Underwear and nightwear  Men and women's clothing  Children's clothing</p> <p>The following product items are out of scope:  Footwear  Accessories (e.g. bags, belts, hats, gloves, glasses, umbrellas, luggage)  Homewear (e.g. bedding, duvet covers, towels)  Health and beauty products  Primarket products (e.g. food, stationary, toys, electronic items)</p>
Reporting Period	<p>1 August 2023 to 31 July 2024*</p> <p>*Primark operates on an accounting calendar based on numerical weeks in its financial year. This metric accounts for sales beginning in week 46 of the 22.23 financial year from 30 July 2023 to the end of week 45 of the 23.24 financial year on 27 July 2024. Due to this process, sales on 28-31 July 2024 are excluded from the calculation while sales on 30-31 July 2023 are included.</p>
Calculation	<p>Percentage of Primark's clothing unit sales containing recycled or more sustainably sourced materials</p> $= \left( \frac{\text{Number of clothing units sold containing recycled or more sustainable fibres (in units)}}{\text{Total clothing sales (in units)}} \right) \times 100$
Methodology	<p><b>Data collation:</b> Excel-based 'Proforma' to collate information on recycled or sustainably sourced materials used in the clothing.</p> <p><b>Data Verification:</b></p> <ol style="list-style-type: none"> <li>For recycled or more sustainable fibres- verify the claim based on third-party certifications;</li> <li>Primark Cotton Project cotton- perform a 3-way check by coordinating with Primark Cotton Project garment suppliers, internal Buying &amp; Merchandising team and data reported in the Proforma.</li> </ol> <p><b>Metric Calculation:</b></p> <ol style="list-style-type: none"> <li>Extract total clothing sales report for the reporting period using an internal Enhanced Reporting (ER) System;</li> <li>Map the clothing products containing recycled or sustainably sourced material highlighted in the Proforma to total clothing sales extract using associated Kimball numbers; and</li> </ol>

	<i>3. Using the formula mentioned in 'Calculation' derive the final data to be reported.</i>
<b>Limitations</b>	<i>None</i>
<b>Assumptions</b>	<i>For textile items sold as multi-packs, each pack is considered as one unit regardless of the number of items within the pack.</i>
<b>Internal Controls and Reviews</b>	<i>On a semi-annual basis the Metric Owner performs the data collation, verification and final metric calculation. This is subject to a secondary review by the Metric Approver.</i>
<b>Data Assurance</b>	<i>Externally assured - Limited.</i>

<b>Number of farmers trained in the Primark Cotton Project (formerly the Primark Sustainable Cotton Programme)</b>	
<b>Pillar</b>	<i>Planet.</i>
<b>Definition</b>	<i>Farmers who have enrolled and begun an initial 3-year training programme under the <a href="#">REEL Cotton Code of Conduct</a>. The practical nature of the programme entails implementable measures by the farmers from the onset of enrollment. This refers to both farmers who have completed the training and those who are currently undertaking it.</i>
<b>Reporting Unit</b>	<i>Number of farmers trained.</i>
<b>Scope</b>	<i>Cotton farmers in Primark's supply chain located in India, Pakistan, Bangladesh and Turkey.</i>
<b>Reporting Period</b>	<i>As at 31 July 2024 This includes farmers from the launch of the programme in 2013 to the above reporting date.</i>
<b>Calculation</b>	<i>Cumulative data from the launch of the programme in 2013 on the number of farmers who have enrolled in the training is reported. This includes farmers who have completed the initial 3-year training programme.</i>
<b>Methodology</b>	<i><b>Data collation:</b> Excel-based document comprising farmer enrollment details prepared by third-party referring to the Farmer Field Books (FFBs). <b>Data Verification:</b> An external auditor, onboarded by third-party verifies the data recorded in the FFBs. The verified data along with the audit reports are then submitted to Primark for metric reporting.</i>
<b>Limitations</b>	<i>None.</i>
<b>Assumptions</b>	<i>Farmers who have both enrolled and begun a 3-year training programme are considered for the metric reporting. Farmers who exit the programme on a permanent basis within the first year of enrolment and training are removed from the calculation. The number reported may include some farmers that have left the programme in subsequent years but before full completion.  A farmer is considered to have permanently left the programme if they are unable to continue farming activities on the designated land for any reason mentioned below during upcoming seasons. The overarching reasons for this inability could include:</i> <ul style="list-style-type: none"> <li><i>• Death of the farmer,</i></li> <li><i>• Change of land ownership,</i></li> <li><i>• Conversion of the land to non-agricultural use,</i></li> <li><i>• Old age or health issues,</i></li> <li><i>• Permanent migration, or</i></li> <li><i>• Voluntary withdrawal from the programme.</i></li> </ul> <i>As at 31 July 2024, 11,144 farmers were known to have permanently left the programme.</i>
<b>Internal Controls and Reviews</b>	<i>On an annual basis the Metric Owner reviews the data collation, and verification process. This is subject to a secondary review by the Metric Approver.</i>
<b>Data Assurance</b>	<i>Externally assured- Limited.</i>

<b>2022 single-use plastic packaging (tonnes) baseline</b>	
<b>Percentage of single-use plastic to overall packaging (tonnes)</b>	
<b>Pillar</b>	<i>Planet.</i>
<b>Definition</b>	<i>Single-use plastics (SUPs) are materials which are used once, or for a short period of time, before being disposed of.  Major SUPs in Primark's business include: hangers, polybags, hooks, on-product poly</i>

	<p>bags, barbs, shuttle locks, and pallet wraps.</p> <p><i>Note:</i> Reference to “SUP”, hereon after, refers to SUP packaging materials.</p> <p>Primark discloses this metric based on actual data and estimated data.</p>
Reporting Unit	<ul style="list-style-type: none"> <li>• Intake of SUP in tonnes across Spring Summer 2022 (“SS22”) and Autumn Winter 2022 (“AW22”) seasons</li> <li>• SUP intake as a percentage of total packaging intake in tonnes</li> </ul>
Scope	<p>All consumer/primary and secondary-level packaging is included. Tertiary-level packaging is out of scope, but Primark maintains tertiary packaging data where available for monitoring purposes. Tertiary-level packaging is estimated to be highly immaterial for Primark.</p> <ul style="list-style-type: none"> <li>• <i>Consumer/Primark Packaging:</i> The packaging that most closely touches a product. This packaging will leave the store with the consumer e.g. a swing tag or sizing label that are both attached to the product.</li> <li>• <i>Secondary Packaging:</i> The packaging used to carry products e.g. a box containing products. This can also include display packaging in retail locations e.g. a tray holding 12 lipsticks.</li> <li>• <i>Tertiary Packaging:</i> The packaging often used at warehousing or by transport companies to ship products, with the goal of protecting shipments during transit e.g. pallets that bulk shipments are placed on, corrugated pads to separate layers of boxes and stretch wrap to secure stacks of cartons.</li> </ul>
Reporting Period	09 January 2022 – 07 January 2023
Calculation	<ul style="list-style-type: none"> <li>• Baseline Year SUP intake in tonnes</li> <li>• SUP as a percentage of total packaging = (Baseline Year SUP intake in tonnes) ÷ (Baseline Year total packaging intake in tonnes) × 100</li> </ul>
Methodology	<p><b>Data collation:</b> The packaging material consumption data is collated from product suppliers for relevant periods. Primark then engages with a third-party specialist who supports Primark in developing a packaging material consumption dashboard based on the information received from suppliers. Product intake units are applied to bill of materials (BOM) weights for each packaging component.</p> <p><b>Data extrapolation:</b> Primark does not receive feedback for all questionnaires sent out to suppliers. This could be due to some suppliers ceasing to supply Primark or a discontinuation of certain product lines where suppliers have not retained the relevant packaging data. As a result, Primark, with the help of its third-party specialist, has developed an extrapolation methodology to estimate the missing data based on the details of the actual data received from all suppliers and the homogeneity of packaging across categories of product. Depending on the level of actual data received at product section and sub-section levels and the level of homogeneity across the relevant section, extrapolation will be performed using weighted average BOM weights at either section or sub-section level to estimate the remaining packaging weight.</p> <p><b>Data Verification:</b> Supplier completeness checks and data completeness checks are performed by Primark’s Packaging Centre of Excellence (CoE) team along with its third-party packaging specialist. In addition, sample checks are performed to confirm accuracy of the data received from the suppliers against an internal database on packaging materials, which includes visual inspections and weight measurement checks.</p> <p><b>Metric Calculation:</b></p> <ol style="list-style-type: none"> <li>1. Combine the actual data received from suppliers and extrapolated data, in case of unavailable data, to determine the total weight and units of packaging items for all products in the intake.</li> <li>2. Extract the SUP intake and using the formula mentioned in ‘Calculation’</li> </ol>

	<i>derive the final data to be reported.</i>
<b>Limitations</b>	<ul style="list-style-type: none"> <li>• Primark does not have control over the packaging material data received from suppliers.</li> <li>• There is no third-party verification carried out to confirm that alternative packaging used by suppliers does not have any traces of SUP.</li> <li>• Primark does not have control over the external system used by its third-party packaging specialist.</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Primark's SUP baseline for SS22/AW22 was extrapolated based on an average of 56% actual data received from suppliers about packaging materials across the product range in the intake.</li> <li>• The extrapolation process for determining the SUP intake relies on a sample Average (weighted average per packaging item) and sample BoM Quantity (weighted average number of the packaging item per intake unit) to determine the unavailable packaging data. A level of homogeneity is assumed within packaging across similar product types.</li> </ul>
<b>Key Dependency</b>	<i>This metric is directly correlated with product intake volumes for the relevant period and as such may fluctuate in line with changes in product intake.</i>
<b>Internal Controls and Reviews</b>	<i>On an annual basis the Metric Owner reviews the data collation, and verification process. This is subject to a secondary review by the Metric Approver.</i>
<b>Data Assurance</b>	<i>Internally assured</i>

<b>Percentage of waste diverted from landfill</b>	
<b>Pillar</b>	<i>Planet</i>
<b>Definition</b>	<p><i>Recycled or recovered wastes are materials used beneficially off site or where they are turned into a new substance or product.</i></p> <ul style="list-style-type: none"> <li>• <i>Recovered wastes are part, or all, of a waste which is cleaned, repaired, refurbished or reused as is.</i></li> <li>• <i>Include all non-hazardous and hazardous wastes that are not sent for final disposal.</i></li> <li>• <i>Include wastes which are then disposed of as compost.</i></li> <li>• <i>Includes wastes that are incinerated.</i></li> </ul> <p><i>Exclude land spreading of wastewater / effluents</i></p>
<b>Reporting Unit</b>	<i>Percentage (%)</i>
<b>Scope</b>	<i>The metric boundary consists of retail stores, head and regional offices and Distribution centers.</i>
<b>Reporting Period</b>	<i>1 August to 31 July</i>
<b>Calculation</b>	<i>Percentage of Waste diverted from Landfill = { 1 - (Total quantity of waste sent to landfill in tonnes / Total quantity waste in tonnes)} x 100</i>
<b>Methodology</b>	<p><b>Data collation:</b> <i>The waste type, quantity of waste generated and type of disposal method data is collated from waste contractors from all operating locations defined in the reporting boundary.</i></p> <p><b>Data estimation:</b>  <i>For each waste type, where actual data is unavailable the data is estimated as below:</i>  <i>Estimation for stores &amp; depots<sup>1</sup>:</i>  <i>a. Waste generated per square feet = Total quantity of waste generated / Total square footage of operating locations for which actual waste quantity was available.</i>  <i>b. Estimated waste data = Waste generated per square feet X Total square footage of operating locations for which waste quantity was not available</i></p>

<sup>1</sup> used the existing activity data for the Distribution Centres to calculate the waste to square footage ratio

	<p><b>Data Verification:</b> A third-party review of the data is carried out along with multiple internal reviews before reporting the data externally</p> <p><b>Metric Calculation:</b> Extract Total quantity of waste sent to landfill, calculate the Total quantity of waste and apply the formula defined in the calculation methodology to define the Waste diverted from Landfill.</p>
Limitations	Due to dependency on waste contractors for waste management activities, there are no physical checks carried out in terms of verification of documents maintained by waste contractors that confirms the type and quantity of waste generated and associated disposal method at each waste treatment location.
Assumptions	<ul style="list-style-type: none"> <li>The data provided by the waste contractor is correct.</li> <li>The estimated waste to landfill sites (where Primark does not have contractors at the sites and the mall manages waste - i.e., it is assumed all waste at these sites is sent to landfill unless written verification from third party has been received) is reflective of actual waste to landfill for those sites that it is estimated for.</li> </ul>
Internal Controls and Reviews	On a semi-annual basis the Metric Owner performs a data collation and verification process. This is subject to a second internal review.
Data Assurance	Internally assured

Primark Ethical Trade Audits	
Data Point	Reporting Criteria
Number of Audits Conducted	<p>Number of audits conducted in factories against Primark's <a href="#">Supplier Code of Conduct</a> during the calendar year.</p> <p>Note: a single factory may be audited more than once during this time.</p> <p>Note: 53 factories in Cambodia and Vietnam have been audited by the ILO (International Labour Organisation) on behalf of Primark. This also includes 14 incomplete audits where we were unable to gather all relevant information during the factory audits. In these cases, we perform additional follow up audits.</p> <p>The data includes Tier 1 and a selection of Tier 2 factories. Primark defines Tier 1 as the main manufacturing process, including but not limited to, cutting, sewing, trim attachment &amp; thread trimming, quality assurance and packing. Primark defines Tier 2 as specific manufacturing operations that the main factory is not capable of doing in their own facility, such as printing, embellishment/ embroidery, dyeing and washing.</p> <p>The calculation of number of audits was updated in 2022 to exclude Desk-Based Audits in the total number.</p>
Most Frequent Non-Compliances Identified	<p>Most frequent category of non-compliances identified following factory audits during the calendar year. Primark's Supplier Code of Conduct includes thirteen categories of non-compliances.</p> <p>In addition to the above, we also rate our factories against an additional category called 'Primark Requirements' which outlines our own audit process requirements and against which the factories are also expected to comply.</p>
Ratings for all Sites Audited	The overall factory grading is based on Primark's rating matrix which is aligned to the Primark Supplier Code of Conduct. In some cases, however, there may be regional variances which are taken into consideration by management who will apply their judgement when deciding the final factory grading. For example, there may be

*instances where local legislative requirements differ from the Primark Supplier Code of Conduct and therefore also need to be taken into consideration. In these cases, management will review the regional variances through an internal review process. This process will record the justification and rationale for all ratings that are as a result of the regional variance.*

*Even though legislative differences may be in place which differ to the Primark Supplier Code of Conduct, Primark continue to operate with these suppliers where it is our view that in doing so, we are doing more good than harm and it is in the interest of the local community for such contracts to continue to be awarded”.*

*Percentage of factories at grade 1, 2 and 3 following a Primark Supplier Code of Conduct audit during the calendar year. Where a factory has had more than one audit in the year, the latest audit result is used. In summary, the ratings are:*

- *Grade 1: Good systems in place to ensure ethical compliance, limited number of minor issues*
- *Grade 2: Evidence of some good systems in place, however, not achieved full ethical compliance*
- *Grade 3: Ethical compliance not met, with significant and numerous issues*

*Our in-country ethical teams continue to discuss/brief/train on Primark’s Supplier Code of Conduct and audit requirements with potential new suppliers/factories before an initial audit is carried out. Should a supplier’s factory not pass this first audit, a nominal fee is required before any subsequent audits can be carried out. This means that suppliers are more aware of the standards we expect in the factories which we source from, so are better prepared for the audit process. This fee goes into funding technical assessments for training and upskilling our existing suppliers.*