

Basis of Reporting 2023

Introduction

This document 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 2022/23**.

Basis of Reporting

Percentage of Primark's clothes containing cotton that is organic, recycled and/or sourced from the Primark Sustainable Cotton Programme ("PSCP")	
Pillar	Product
Definition	Organic cotton, recycled cotton and cotton from the PSCP as defined in our Glossary and used in clothing tagged as 'Primark Cares'. Clothing units are labelled 'Primark Cares' if they contain fibre components that satisfy the minimum content criteria outlined in our Glossary . 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 PSCP that satisfy the minimum content criteria outlined in our Glossary within the main body of the clothing unit.</p> <p>The applicable clothing units are:</p> <ul style="list-style-type: none">HosieryUnderwear and nightwearMen and women's clothingChildren's clothing <p>The following product items are out of scope:</p> <ul style="list-style-type: none">FootwearAccessories (e.g. bags, belts, hats, gloves, glasses, umbrellas, luggage)Homewear (e.g. bedding, duvet covers, towels)Health and beauty productsPrimarket products (e.g. food, stationary, toys, electronic items)
Reporting Period	1 August 2022 to 31 July 2023*

**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 21.22 financial year from 31 July 2022 to the end of week 45 of the 22.23 financial year on 29 July 2023. Due to this process, sales on 30 and 31 July 2023 are excluded from the calculation while sales on 31 July 2022 are included.*

A component of the denominator calculation outlined below relies on data from an external classification system known as Tariftel. This system tracks products shipped for customs and import purposes and is used to identify all clothing intake units containing cotton. Tariftel reporting parameters allow for periodic analysis within Primark's financial year. There are 13 four-weekly periods within the financial year. To best approximate the reporting period above, this covers period 12 of the 21.22 financial year from 24 July 2022 to the end of period 11 of the 22.23 financial year on 22 July 2023.

Calculation

$$\text{Percentage of Primark's clothes containing cotton that is organic, recycled and/or sourced from the Primark Sustainable Cotton Programme ("PSCP")} = \left[\frac{\text{Number of clothing sales containing organic cotton, recycled cotton and/or cotton sourced from PSCP (in units)}}{\text{Total sales of clothing containing cotton (in units)}} \right] \times 100$$

Methodology

Data collation: Excel-based 'Proforma' to collate information on organic, recycled and/or PSCP cotton used in clothing. There are three separate Proformas used in the reporting period covering textile products included in the metric calculation; Spring Summer 22, Autumn Winter 22 and Spring Summer 23.

Data Verification:

1. For organic and recycled cotton - verify the claim based on third-party certifications;
2. For PSCP cotton- perform a 3-way check by coordinating with PSCP garment suppliers; internal Buying & Merchandising team and data reported in the Proforma.

Metric Calculation:

1. Extract total clothing sales reported for the reporting period using an internal Enhanced Reporting (ER) System;
2. Map the clothing products containing organic, recycled and/or PSCP cotton highlighted in the Proforma to total clothing sales extract using associated Kimball (product) numbers;
3. Determine the percentage intake of clothing made from cotton received in the selected reporting period using an external classification system known as Tariftel;
4. To derive the total amount of clothing made from cotton (which includes conventional cotton + organic, recycled and/or PSCP cotton) sold in terms of 'number of units' apply the percentage obtained from Tariftel to total clothing sales report; and

Limitations	5. Using the formula mentioned in 'Calculation' derive the final data to be reported.
	<ul style="list-style-type: none"> ER system limitation - unable to obtain fabric details for total clothing sold and hence dependent on an external classification system 'Tariffitel' 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.
Assumptions	<ul style="list-style-type: none"> 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. Clothes containing 1% to 100% cotton are considered for determining the percentage intake of clothing made from cotton received, obtained from Tariffitel. For textile items sold as multi-packs, each pack is considered as one unit regardless of the number of items within the pack.
Internal Controls and Reviews	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.
Data Assurance	Externally assured - Limited.
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 Glossary and used in clothing tagged as 'Primark Cares'. Clothing units are labelled 'Primark Cares' if they contain fibre components that satisfy the minimum content criteria outlined in our Glossary . 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 Sustainable Cotton Programme, recycled acrylic, recycled polyamide (nylon), recycled polyester and more sustainable viscose, modal and lyocell that satisfy the minimum content criteria outlined in our Glossary within the main body of the clothing unit.</p> <p>The applicable clothing units are:</p> <ul style="list-style-type: none"> Hosiery Underwear and nightwear Men and women's clothing Children's clothing <p>The following product items are out of scope:</p> <ul style="list-style-type: none"> 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)
Reporting Period	<p>1 August 2022 to 31 July 2023*</p> <p><i>* 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 21.22 financial year from 31 July 2022 to the end of week 45 of the 22.23 financial year on 29 July 2023. Due to this process, sales on 30 and 31 July 2023 are excluded from the calculation while sales on 31 July 2022 are included.</i></p>
Calculation	$\text{Percentage of Primark's clothing unit sales containing recycled or more sustainably sourced materials} = \left[\frac{\text{Number of clothing units sold containing recycled or sustainable fibres (in units)}}{\text{Total clothing units sold (in units)}} \right] \times 100$
Methodology	<p>Data collation: Excel-based 'Proforma' to collate information on recycled or sustainably sourced materials used in the clothing.</p> <p>Data Verification:</p> <ol style="list-style-type: none"> 1. For recycled or more sustainable fibres- verify the claim based on third-party certifications; 2. PSCP cotton- perform a 3-way check by coordinating with PSCP garment suppliers, internal Buying & Merchandising team and data reported in the Proforma. <p>Metric Calculation:</p> <ol style="list-style-type: none"> 1. Extract total clothing sales report for the reporting period using an internal Enhanced Reporting (ER) System; 2. Map the clothing products containing recycled or sustainably sourced material highlighted in the Proforma to total clothing sales extract using associated Kimball numbers; and 3. Using the formula mentioned in 'Calculation' derive the final data to be reported.
Limitations	None
Assumptions	<ul style="list-style-type: none"> • For textile items sold as multi- packs, each pack is considered as one unit regardless of the number of items within the pack.
Internal Controls and Reviews	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.
Data Assurance	Externally assured- Limited.

Number of farmers trained in the Primark Sustainable Cotton Programme (“PSCP”)

Pillar	People.
Definition	Farmers who have enrolled and begun an initial 3-year training programme under the REEL Cotton Code of Conduct . 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.
Reporting Unit	‘Number’ of farmers trained.
Scope	Cotton farmers in Primark’s supply chain located in India, Pakistan, Bangladesh and Turkey.
Reporting Period	As at 31 July 2023 This includes farmers from the launch of the programme in 2013 to the above reporting date.
Calculation	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 3-year training programme.
Methodology	Data collation: Excel-based document comprising farmer enrollment details prepared by third-party referring to the Farmer Field Books (FFBs). Data Verification: 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.
Limitations	None.
Assumptions	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.
Internal Controls and Reviews	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.
Data Assurance	Externally assured- Limited.