

Our performance 2021

Primark is part of (ABF) Associated British Foods, and you can read about our performance in the ABF Corporate Responsibility Report by visiting the ABF website. We also provide detailed annual performance data, as below. KPMG LLP has provided limited assurance over the collation of selected performance data for the years ended 31 December 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020 and 2021 marked with symbols Δ , λ , Ω , ∂ , α , ∞ , μ , \wedge , \yen , π , β and Σ respectively. The full assurance statement for 2021 can be found in the “Annual Performance” section of the Primark Cares Website.

Annual Performance Data 2021

The Primark Code of Conduct is the backbone of the Ethical Trade and Environmental Sustainability Programme. It is a robust set of requirements that forms a key part of the terms and conditions of a supplier’s contract with us. Every factory must commit to meeting it before we’ll work with them. Once audited, factories are rated by our internal Ethical Trade team. If they meet our minimum standards, we will approve them for production. Any new factories rated Grade 3 would not be approved. We always make every attempt to safely audit every factory at least once a year, sometimes more, to check whether the standards in our code are being met. However, most of our sourcing countries continued to be impacted by Covid-19 pandemic, we have had to make certain decisions regarding the safety of our auditors and the factories’ employees, also observing restrictions on travel within the countries we operate in. This restricted the number of factories in our supply chain we were able to visit during 2021. In Vietnam and Cambodia, we are partners of Better Work, an IFC (International Finance Corporation) and ILO (International Labour Organization) Programme which provides audits, remediation, and training for suppliers. We have an online supplier management system which allows us to analyse key trends and report in detail on supplier performance at country and departmental level. This information feeds into our training and capacity building strategy for suppliers.

- 2021: 2471 audits conducted Σ
- 2020: 1206 audits conducted β
- 2019: 3234 audits conducted π
- 2018: 3319 audits conducted \yen
- 2017: 3413 audits conducted \wedge

- 2016: 2994 audits conducted μ
- 2015: 2629 audits conducted ∞
- 2014: 2412 audits conducted α
- 2013: 2058 audits conducted ∂
- 2012: 1825 audits conducted Ω
- 2011: 1727 audits conducted λ
- 2010: 1266 audits conducted Δ
- 2009: 1136 audits conducted

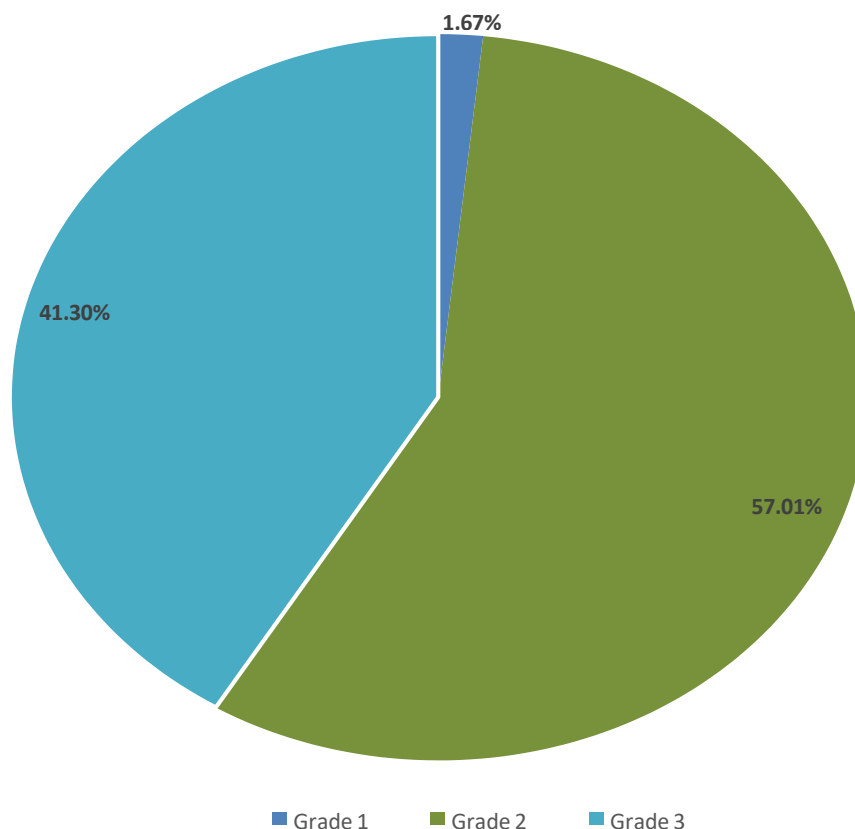
Sites are rated according to their compliance status with grade 1 being the best and 3 the weakest

Note that the following data relates to site ratings, not individual audit ratings. 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

2021 Ratings Percentages Σ



Highlighting current critical Non-Compliances

The most frequent non-compliances identified during audits fall under the category of working conditions Σ . These can range from poor chemical labelling and storage of materials to lack of machine guards or fire safety. Living wages and working hours, including excessive overtime, remain challenges for us. We aim to reduce their occurrence through greater focus on the implementation of proper management systems and efficiency measures.

Data point	Definition
<p>Number of audits conducted</p>	<p><i>Number of audits conducted in factories against Primark's Code of Conduct during the calendar year.</i></p> <p><i>Note: a single factory may be audited more than once during this time.</i></p> <p><i>Note: 43 factories in Cambodia and Vietnam have been audited on behalf of the ILO (International Labour Organization) these audits have been accepted in place of our own. This also includes 11 incomplete audits where we were unable to gather all relevant information during the factory audits. In these cases, we perform additional follow up audits.</i></p> <p><i>The Data includes Tier 1 and a selection of Tier 2 factories.</i></p> <p><i>Primark defines Tier 1 as the main manufacturing process including but not limited to cutting, sewing, trim attachment, and thread trimming, quality assurance, and packing.</i></p> <p><i>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.</i></p>
<p>Most frequent non-compliances identified</p>	<p><i>Most frequent category of non-compliances identified following factory audits during the calendar year. Primark's Code of Conduct includes thirteen categories of non-compliances. We also rate our factories against an additional category 'Primark Requirements' which relates to our audit process requirements.</i></p>

Ratings for all sites audited

Percentage of factories at grade 1, 2 and 3 following a Primark 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 Code of Conduct and audit requirements with potential new suppliers/factories before an initial audit is carried out and should a supplier's factory not pass this first audit, a nominal fee is required before any subsequent audits can be carried out. This has meant 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.