
Primark Ltd. Modern Slavery Statement 2020

PRIMARK®

OUR COMMITMENT TO ADDRESSING MODERN SLAVERY

We are pleased to share our fifth Modern Slavery statement which covers our activities for the financial year ending 2020, in respect of the requirements under the UK Modern Slavery Act 2015. Modern slavery is a zero-tolerance issue at Primark, and we are committed to preventing and addressing it in line with the United Nations Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Supply Chains.

In this statement we outline how our commitment is put into practice through our policies, due diligence processes and training programmes. We highlight areas of risk we have identified and the steps we are taking to address these risks directly ourselves, with our partners and with stakeholders across the industry. We consider modern slavery to be one of the most salient risks within global supply chains, and we acknowledge the increased risk of modern slavery due to the impacts of the COVID-19 pandemic.

This statement and our previous statements can be found on the [Primark website](#) and we welcome feedback on our efforts from stakeholders, our customers and other interested parties. Our statement has been reviewed by the boards of Associated British Foods Plc and Primark Limited.



Paul Marchant,
Chief Executive Officer of Primark
December 2020

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OUR COMPANY

Primark is an international retail company employing almost 70,000 people. Our range includes womenswear, menswear, childrenswear, footwear, accessories, beauty and homeware. We are headquartered in Dublin, Republic of Ireland and have over 380 stores in 13 countries including the UK, Republic of Ireland, mainland Europe and the USA.

We do not own the factories or suppliers that produce our goods, but we recognise we have a role to play in ensuring our products are made in good working conditions and free from modern slavery.



678

Suppliers



1,018

Factories & warehouses



28

Sourcing countries



623,074

Workers



277,096

Male



345,978

Female



3,234

Audits conducted in 2019



OUR RESPONSE TO COVID-19

Our commitment to respecting the rights of everyone within our operations and throughout our supply chains is more important than ever during times of crisis and we have strived to minimise the impact of any human rights risks associated with COVID-19.

The pandemic had a devastating impact on the garment industry and the retail supply chain. All Primark stores closed over a 12-day period in mid-March due to the COVID-19 outbreak and, with no idea of how long stores might be closed, tough decisions had to be made – including the need to cancel orders.

Primark worked hard at every stage to find cost mitigations, diverting as much of these savings as possible back to the supply chain. In April 2020, the company established a 'wages fund', an advance payment to suppliers to support their ability to pay wages. This covered factories in Bangladesh, Cambodia, India, Myanmar, Pakistan, Sri Lanka and Vietnam for work on Primark products in production. Almost £23m was paid out in total.

When the stores reopened and trading resumed in July, Primark was able to make a further substantial commitment: pledging to pay its suppliers in full for all outstanding finished garments, and to utilise and pay for any outstanding finished fabric liabilities.

This followed earlier commitments to pay, in full, for orders that were in production, finished and planned for handover by 17 April 2020. By July 2020, Primark had placed around £1.2bn of orders for the coming seasons.

We are vigilant of the increased risk of modern slavery from the crisis and we are addressing this by working closely with our teams, our suppliers and our partners on the ground in our key sourcing countries.

ACCOUNTABILITY FOR OUR PROGRAMME

We have established clear responsibilities and accountabilities for the implementation of our policies and programmes within Primark.

- Oversight of the risk of modern slavery sits with the boards of Associated British Foods plc (ABF) and Primark Limited (Primark).
- Katharine Stewart, Ethical Trade & Environmental Sustainability Director, is responsible for the development and implementation of the programme.
- Katharine reports to Paul Lister, Director of Legal Services at ABF.

Legislation to address modern slavery and wider human rights risks continues to develop. We are supportive of such measures. Our policy engagement in 2019-20 has included:

- **UK Modern Slavery Transparency in Supply Chain.** As with the government's Independent Review in 2019, Primark has provided feedback and insights from our programme. Recommendations from both consultations have fed into how we report on Modern Slavery.
- **Environmental Audit Committee (EAC) Inquiry into the Sustainability of the Fashion Industry.** We provided evidence to the previous 2018 inquiry and were supportive of many of the measures proposed by the committee. We welcomed the decision in 2020 to reopen the EAC Inquiry and the opportunity to submit written evidence to the Committee in November 2020.
- **Department for Business, Energy & Industrial Strategy (BEIS) and Department of Foreign Affairs Committee Inquiries on forced labour.** We responded to information requests of both committees and engaged with the UK Department of Trade & Industry in China.
- **Mandatory human rights due diligence.** We have been involved in consultations on the introduction of mandatory due diligence legislation at EU regional level and within Member States.

Communicating on our progress is important if our industry is to have an impact in addressing modern slavery and we aim to be transparent in our efforts to share our learnings. We report on our progress through our [Modern Slavery statements](#), the [ABF Responsibility Report](#), the [Primark website](#), through our member reports to the Ethical Trading Initiative and the German Partnership for Sustainable Textiles, as well as directly with our shareholders, stakeholders and other brands.

KnowTheChain benchmarks our performance and we submit our Modern Slavery statements annually for inclusion in the UK Modern Slavery Registry. We welcome the UK Government's announcement in 2020 to establish a government-run reporting service for all modern slavery statements.

GENDER

We have taken the opportunity in our most current modern slavery statement to talk more broadly about our programmes to tackle gender inequality. We recognise that women overall face increased risks of modern slavery¹. We also acknowledge the important role that Primark, our industry, and business overall can play in helping to meet UN Sustainable Development Goal 5 to "Achieve gender equality and empower all women and girls".

We have learnt that the cross-cutting and pervasive nature of gender inequality requires a gender focus across all our work, from auditing factories against our Code of Conduct, to training our team on gender issues, and collaborating with key stakeholders focused on women's rights and women's empowerment.

Tackling gender inequality is rooted in changing perceptions and attitudes; often held by both women and men, both within the workplace and the broader communities in which our supply chain operates. Addressing it requires engagement with women and men through training, knowledge sharing, dialogue and partnerships.

We recognise the need to continue to drive change across multiple areas related to this issue. Through ongoing monitoring and evaluation of our activities, dialogue and partnerships with experts, and encouraging greater ownership of these issues among the business partners in our supply chain, we will continue to identify gaps, expand and deepen our approach and strengthen our impact on this critical issue.

We have highlighted in this statement some of the ways our work has sought to address gender issues in 2019/20, particularly through our partnership programmes (see table on Worker and Community Programmes on page 13).

¹Stacked Odds, The Minderoo Foundation (2020). Women and girls account for 71% of all modern slavery victims globally, and 50.8% of all forced labour victims.



POLICIES

SUPPLIER CODE OF CONDUCT

We have policies and procedures in place for our suppliers, business partners and our employees to ensure that our standards are being met and to help individuals raise issues and concerns. We are committed to launching our Human Rights Policy in due course which will set out our position on supporting and respecting human rights at a broader level.

Our [Supplier Code of Conduct](#) is based on the UN's ILO Core Conventions and Fundamental Principles including the elimination of Forced Labour. The scope of the Code of Conduct covers our supply chain including goods for sale, services and goods not for sale (such as service providers, logistics and transportation) and forms part of Primark's Business Terms and Conditions with its first-tier suppliers. First-tier suppliers are required to cascade the Code of Conduct to their suppliers.

The Code of Conduct is available on the [Primark website](#) in 44 languages (this year we added Greek and Slovenian) which reflects the languages spoken in the factories producing for Primark and is updated regularly following internal review and with input from external stakeholders.

Our Code was updated in early 2020. This update included strengthening sections on forced labour, living wages, freedom of association, child labour and health and safety, as well as a new clause requiring our suppliers to implement their own workplace grievance procedures.

Specifically, in the clause requiring that 'employment is freely chosen', the Code states:

1. There must be no forced or compulsory labour in any form, including bonded, indentured, trafficked, or prison labour and overtime must be voluntary.
2. Any fees associated with the employment of Workers must be paid by the Employer.
3. Workers must not be required to lodge any monetary deposits or their identity papers with their Employer.
4. Workers must be free to leave their Employer after reasonable notice.

The revised Code came into effect in September 2020.

Suppliers have a six-month implementation window (ending in March 2021) and we are providing training and guidance for suppliers during this period.

ANTI-BRIBERY & CORRUPTION POLICY

As a subsidiary of ABF, Primark has adopted ABF's [Anti-Bribery and Corruption Policy](#) and is committed to maintaining the highest standards of ethics and compliance with all relevant laws wherever business is conducted. The policy is incorporated into our Code of Conduct and prohibits any bribes including facilitation payments.

Every member of Primark's Ethical Trade and Environmental Sustainability (ETES) team must sit ABF's online Anti-Bribery and Corruption training module once a year. Additionally, lawyers from parent company ABF visit our teams located in our sourcing countries at intervals of approximately 18 months to deliver face-to-face training, allowing for a more contextualised discussion and enabling specific questions or concerns to be raised and addressed.

Primark's suppliers must put in place anti-bribery and corruption procedures for their own businesses. We assess all third-party service providers and partners, regardless of size, location or type of service provided, and require them to undergo our training programme where our assessment indicates there is a need.

WHISTLEBLOWING POLICY

As a subsidiary of ABF, we encourage an open culture in all our dealings and support effective and honest communication. Our [Whistleblowing Policy](#) provides guidance for individuals who feel they need to raise certain issues with Primark, in confidence, and is designed to protect the individual against any retaliation or detriment.

We have included further information on how we are supporting workers and others to raise concerns on page 18.

ENVIRONMENTAL POLICY FOR SUPPLIERS

We are committed to reducing our business impact on the environment. We aim to ensure that the diverse range of product we sell from our global supply chain is manufactured in an environmentally sustainable way and this includes the responsible sourcing of raw materials such as cotton.

Our [Environmental Policy](#) for suppliers contains more information on our requirements and expectations.

In January 2020 we launched our supplier guidelines which aim to better inform our suppliers about our environmental requirements. Suppliers are required to communicate our requirements specified in the guidelines to the lower tiers of their supply chain.

We are members of the [United Nations Framework Convention on Climate Change \(UNFCCC\)](#) and further information on our environmental and climate change programme can be found on our [website](#).

HOW WE IDENTIFY THE RISKS OF MODERN SLAVERY AS PART OF OUR DUE DILIGENCE PROCESS

We continuously conduct due diligence to identify human rights risks, including the risk of modern slavery, across our business. Our process aligns with the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector and was the result of in-depth benchmarking and consultation with human rights organisations. It consists of four main components:



COUNTRY RISK ASSESSMENTS

We conduct research using existing external reports and sources of publicly available credible information to build an assessment of every country we source from. This includes political, economic, social and legal analysis and risk-mapping including modern slavery risks. Assessments look at both the garment and footwear sector and additional sectors and industries. This helps us to:

- (i) build a comprehensive picture of the risks in each country in our supply chain, including the most salient risks such as forced and child labour. In 2020, we began work on revising and strengthening the country risk assessment protocol to include additional details of forced labour indicators.
- (ii) understand the deeper root causes of these risks.
- (iii) identify key stakeholders and initiatives working on these issues that we can engage with and learn from.



STAKEHOLDER CONSULTATION

External stakeholders are a vital source of information and guidance to help us understand the risk of modern slavery in our supply chains, how to identify it, and which groups may be most vulnerable. Their insight and knowledge are invaluable.

External stakeholders also assist in the development of strategies and approaches to prevent or remediate issues. Stakeholders may include civil society groups, trade unions, governments, international agencies, intergovernmental agencies, multi-stakeholder initiatives (MSIs), and legal experts.

As members of the [Business Network on Civic Freedoms and Human Rights Defenders](#) we believe that human rights defenders are critical stakeholders for our due diligence process and help us to operate sustainably. Further information on the stakeholders we engage and partner with can be found on page 9.

STRUCTURAL INTEGRITY

All workers should work in safe conditions. Following the Rana Plaza tragedy, we established a programme to identify countries where lack of building structural integrity was a potential risk. We considered indicators including those drawn from World Bank data, the Corruption Perception Index, risk of natural disaster, quality of building regulations, quality control in construction, liabilities and insurance regimes and professional certifications index. Our programme assesses all first- and second-tier sites in Bangladesh, Pakistan and Myanmar.

We are a member of the Bangladesh Accord on Fire and Building Safety, soon to transition into the Ready-Made Garments Sustainability Council (RSC), which is working to improve the structural and electrical safety of garment factories in Bangladesh.



ANALYSIS FROM PRIMARK INTERNAL DATA

Primark's local Ethical Trade & Environmental Sustainability teams are one of our most important resources – they are our 'eyes and ears' on the ground. Our team of over 120 local experts, based in ten of our major sourcing countries, were recruited from a range of different organisations including other companies, development agencies and civil society.

The team is responsible for monitoring the supply chain to ensure our workplace standards and policies are being met. They are able to engage directly with workers in our supply chain and our external partners and experts on the ground.

At a macro level, we are also able to draw from intelligence and analysis of over 34,000 audits conducted on Primark's suppliers since 2007, which we hold in our audit database.



RIGHTS HOLDER CONSULTATION AND WORKER ENGAGEMENT

Workers in the supply chain are rights-holders yet are often excluded from the due diligence process or face obstacles in getting their voices and views heard.

Our Drawing the Line tool, which we have used in India and Myanmar, was developed with civil society to help us conduct meaningful engagement with workers. It is a participatory tool designed to obtain direct feedback from workers and can be extremely useful in highlighting the key risks and indicators of modern slavery.

Tools like these can help us gain increased understanding of some of the more sensitive and complex issues faced by female workers, particularly the less reported or more hidden issues related to discrimination and harassment. We have worked at building trusted partnerships with local and regional stakeholders as these relationships enable us to gain insight into the needs of workers on an on-going basis. This provides important feedback into our work and the impact it is having.

During the pandemic, some of our partner programmes where face-to-face contact with workers in the workplace is required, had to be halted to protect the safety of workers and our partners. Our partners reached out to workers and communities to find out how they were managing during the crisis and what support could be offered through other means.

More information on what support was provided is available in the table on Worker and Community Programmes on page 13.

ENHANCED DUE DILIGENCE ASSESSMENTS FOR CRITICAL RISKS

Where assessments or third-party allegations highlight an extreme risk of forced or child labour in our supply chain, we work with experts to conduct deeper dive audits which employ worker-centric and forensic auditing techniques.

At a country level, this has informed and guided sourcing decisions. Where we identify countries or regions with endemic forced or child labour risks that we feel are currently not fully remediable, we will not source from them.

Examples of this include Mauritius, Malaysia and the UAE where we will not consider approval of production of Primark product, Uzbekistan and Turkmenistan from where we have banned sourcing of cotton, and the Xinjiang Uighur Autonomous Region of China (XUAR), from where we have banned all sourcing and production from all levels of the supply chain.

HELPING OUR EMPLOYEES AND SUPPLIERS BE MORE AWARE OF THE RISKS OF MODERN SLAVERY

Training and awareness-raising programmes are important to help decision-makers within our business and our supply chain be more aware of the risks related to modern slavery and the steps they can take to prevent these risks.

In 2020, our local team in Turkey hosted online training seminars for almost 200 participants from factories. The training included our policy related to refugees and the remediation process for any refugee workers which were undocumented. One of our suppliers presented on how this policy had been implemented within their factory successfully, and some of the outputs including work permits for workers and training on cultural understanding and communication.

MUDEM, our local partner and grievance mechanism provider, updated participants on their Worker Support Centre and grievance process for refugee workers.

“ We had a really great session on Forced Labour by Impact today.

I was very impressed as they have done a good job, many practical experiences and [it] was highly interactive. They also mentioned the importance of worker interview/discussion approach to extract many indicators of Forced Labour.

I also got many ideas on training on a virtual platform and feel we could review the content of My Journey in alignment with this module.”

- Ann, Primark Country Project Manager, India

Training & Awareness Raising 2019/20

Our employees	All new employees across head office and retail attend induction training which includes Primark’s Code of Conduct. 1,192 attendees have attended training from 2017 until end of financial year 2019/20.
First-tier suppliers	In India, 46 staff of our suppliers have received training through My Journey to date. In Myanmar, 12 suppliers’ factories have received training on the ACT FOA guideline to date. In Turkey, 198 staff of our suppliers have received training by our local Turkey team and MUDEM on effective recruitment practices and remediation to date. Our top 100 suppliers attended our annual Supplier Conference in January 2020 which addressed our updated requirements in line with our Code of Conduct.
Primark Ethical Trade & Environmental Sustainability teams	62 members of our team have received training on how to detect the risk of modern slavery in financial year 2019/20. Training is based on ILO indicators and tailored for regional context and risk. 64 members of our team received training on gender mainstreaming and gender-based violence in financial year 2019/20. 46 members of our team received training on grievance mechanisms in financial year 2019/20.



WORKING WITH STAKEHOLDERS TO INCREASE OUR LEVERAGE AND IMPROVE STANDARDS ACROSS THE INDUSTRY

Engaging and partnering with relevant stakeholders helps us to increase our leverage, understand and prevent the risks in our business and provide remedy where required. This includes engaging with policy makers, worker rights organisations and civil society groups and actively participating in multi-stakeholder and industry initiatives both at a national and international level.

This year, this has included:

- Engaging with international campaign and advocacy organisations on Primark’s response to the pandemic particularly in relation to commercial decisions in our supply chains.
- Endorsing the Call to Action convened by the IOE, ITUC and ILO which aims to protect workers’ income, health and employment and social protection.
- Working with ACT on Living Wages to engage with local trade unions and NGOs in Bangladesh, Cambodia and Myanmar. Further information on the work of ACT during COVID-19 is included on page 17.
- Engaging with organisations addressing the issue of state sponsored forced labour of Uighur in XUAR. This has included UK and US governments, the Coalition to End Forced Labour in the Uighur Region, the Ethical Trading Initiative and the American Apparel and Footwear Federation. Through our engagement we have sought to understand the issue better and establish a response in line with the requirements of companies under the UN Guiding Principles and OECD Due Diligence guidance.

	2020 Spotlight
<p>Partnerships that help us on governance and best practice, policy and guidance</p> <p>OECD Advisory Group on Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector, Ethical Trading Initiative (ETI), Partnership for Sustainable Textiles, Business for Social Responsibility (BSR), Sustainable Apparel Coalition (SAC), Business Fights Poverty, Social Accountability International (SAI), Business Network for Civic Freedoms and Human Rights Defenders.</p>	<p><i>Primark has partnered with the Work and Opportunities for Women (WOW) programme, funded by the UK FCDO (formerly DFID) to explore gender issues within global supply chains. The collaboration has resulted in two reports Building Back Equitably: Spotlight on COVID-19 and women workers in global value chains and Hidden in Plain Sight: why we need more data about women in global value chains and a study focusing on the burden of unpaid work for female garment workers in Bangladesh.</i></p> <p><i>We have raised awareness of the issue by speaking at events and roundtables and hosting workshops.</i></p>
<p>Partnerships that help us prevent and address the risks of child and forced labour</p> <p>Cotton Campaign Pledge, ILO-IPEC, ILO-IPEC Child Labour Platform, OECD Platform for Due Diligence and Responsible Business Conduct for India, Impactt, Anti-Slavery International, ETI (Modern Slavery Working Group), ETI (Tamil Nadu Multi-Stakeholder Programme), SAVE, MUDEM, CYDD, CCR-CSR, Business Against Slavery Forum, SHEVA, SHIFT.</p>	<p><i>Our partnership with the Center for Child Rights and Corporate Social Responsibility (CCR CSR) and the International Labour Organisation International Programme on the Elimination of Child Labour (ILO-IPEC) has helped to define best practice procedures for prevention, identification, and remedy of child labour.</i></p>
<p>Partnerships that help us promote decent work in our supply chains</p> <p>Bangladesh Accord on Building and Fire Safety, Action, Collaboration, Transformation on Living Wages (ACT), ILO Better Work, Industry Summit, SAC, SAI, Myanmar Centre for Responsible Business, Impactt, Mott McDonald, Partnership for Sustainable Textiles (Grievance Mechanisms), ETI (Social Dialogue), ETI (Turkey), Elevate, TRN, TUV SUD, Innovatus, UL, NUK/SCIB, ILO Call to Action.</p>	<p><i>We have been working with ILO Call to Action and our own suppliers to help determine a constructive way for stakeholders to deliver support to industry workers affected by the COVID-19 pandemic. We endorsed the ILO COVID-19 Global Garment Industry Action that was announced in April.</i></p>
<p>Partnerships that help us support worker empowerment and raise awareness of workers’ rights</p> <p>Foreign Commonwealth & Development Office (FCDO), UN Women, SEWA, CottonConnect, BSR (HERproject), ETI (Tamil Nadu Multi-Stakeholder Programme), ACT, Women Win, Microbenefits, Carnstone, SHEVA, St Johns Medical College, Elevate, Naz Foundation, SWASTI, Girl Determined, Palladium, REEDS, Heping Cotton Farmers’ Cooperative, SMART (Myanmar), Solidarity Centre.</p>	<p><i>In Myanmar, we worked with SMART, an EU-funded project, to help former garment workers access social security funds in lieu of government-funded support.</i></p>
<p>Partnerships and stakeholders that help us address gender issues and support women’s rights and women’s empowerment.</p> <p>St John’s Medical College, SEWA, CottonConnect, Business Fights Poverty, UN Women, BSR, FCDO, MUDEM, Girl Determined, SAVE, the Naz Foundation, Care International, Verite, Women Win, Better Work, ETI.</p>	<p><i>In 2019 we partnered with Business Fights Poverty in the development of a toolkit to identify and share examples of best practice on preventing and addressing gender-based violence from within and beyond the garment sector. This work also fed into the internal guidelines that Primark developed for managing NGO partnerships in times of crisis.</i></p>



TRACEABILITY AND TRANSPARENCY OF OUR SUPPLY CHAINS

Having traceability of our supply chain is something we take seriously and are working hard to improve. We have full visibility of all the first-tier production sites that make our products. We are increasingly mapping the lower tiers and we have now mapped our fabric and spinning mills.

In 2018 we published our [Global Sourcing Map](#) which shows the first-tier production sites which make Primark's products. The map is updated twice a year.

Production sites are included once they have worked for us for over one year, and those included in the map represent over 95% of Primark products for sale in Primark stores.

We include the factory name, address, the number of workers and the gender split. Information from the Global Sourcing Map is accessible as a PDF to download.



PRIMARK SUSTAINABLE COTTON PROGRAMME

In 2013 we launched the Primark Sustainable Cotton Programme. Working with organisations including CottonConnect and local implementing partners, we are able to source more sustainable and traceable cotton for use in our products.

The Primark Sustainable Cotton Programme improves farmers' livelihoods and helps to protect the environment and the communities in which it is grown. In 2019 we announced our goal to increase the number of farmers trained through the programme to 160,000 by 2022. Our long-term aim is that all our cotton will be from fully traceable and sustainable sources.

The impact of the programme since its establishment in 2013 is manifest in the average results from the first 3 groups of farmers in India, who participated in the programme between 2013 and 2019. On average, the groups of female farmers saw:

An average profit increase of over 200% and an increase in yield of 14%.

Almost a 26% reduction in the use of chemical fertiliser and a 41% reduction in chemical pesticide usage, indicating that environmentally sustainable farming methods are being adopted.

Almost 10% reduction in water usage, revealing sustainable water efficiency practices in action.

VINOBHABEN'S STORY

Vinobhaben cultivates cotton in her 3.5-acre farm and has been part of the Primark Sustainable Cotton Programme since 2019. In just one year of being in the programme, she has seen better yields. With her increased earnings, she has been able to invest more money in her children's education, and has also purchased a cow, which will provide supplemental household income through the sale of milk and additional nutrition for her family.

She turns the cow dung back into compost which she uses on her farm.

IMPROVING OUR COMMERCIAL PRACTICES TO SUPPORT OUR SUPPLIERS

We recognise the impact that purchasing practices can have on increasing the risks associated with modern slavery within supply chains.

As a founding member of ACT (Action, Collaboration, Transformation on Living Wages) we have publicly stated our commitment to ensure that our **“purchasing practices support long term partnerships with manufacturers which enable and reward their progress to paying living wages.”**

This commitment includes specific measures: wages as itemised costs, fair payment terms, better planning and forecasting, training on responsible sourcing and buying, and responsible exit strategies.

We are working within our business with colleagues from our commercial functions including buying, sourcing and merchandising and our suppliers on activities to support implementation of the commitments. Our progress in 2020 has included:

- **Implementation of a responsible exit strategy.** The ACT responsible exit strategy was developed in 2019/2020 to help ensure that when a commercial relationship with a supplier or factory comes to an end, both the brand and supplier have assessed the risks to workers. This is now operational within Primark. Our Sourcing team conducts dependency reviews with our suppliers and their factories to indicate relative dependencies and risks on both sides, giving our supply chain partners an opportunity to mitigate any impacts where required.
- **Responsible Purchasing Training.** We are developing a Purchasing Practices training module on our Digital Learning Platform for our employees so that they are trained in the best approach to implement positive practices amongst our buyers, merchandisers and designers.
- **Monitoring our progress.** ACT members track and monitor their progress against ACT commitments and their actions. Our plan to conduct internal and external surveys across our buying and merchandising team and our suppliers this year was postponed due to the impact of COVID-19. We will conduct these surveys when greater stability returns to our business following this year’s disruption.



We also support our first-tier suppliers through a range of initiatives and programmes which aim to incentivise good labour practices, for example:

- Our team of over 120 local experts, based in ten of our major sourcing countries, provide support, guidance and assistance for suppliers to meet our standards.
- We build long-term partnerships with our suppliers. Our oldest supplier has worked with us for over 22 years and the majority of our suppliers have supplied Primark for over six years.
- We have standard terms of trade that we apply to all our suppliers, fairly and equally.
- We are signatories to the UK Government Prompt Payment Code and our payment terms are set at 30 days.
- We invest in our suppliers and their capacity to meet our standards through training programmes, through support and access to our resources, and through access to programmes that improve their overall competitiveness in the market.
- We often use off-season factory time for production. This lengthens the lead time and helps a factory to plan their production more effectively and provides stable employment in typically low seasons.
- We do not insist that our suppliers use nominated fabric and sundry suppliers, which allows suppliers to remain flexible and cost-effective.
- Our supplier balanced scorecard system was developed by our sourcing team and is used by our sourcing and buying teams to track and monitor how well suppliers are meeting our standards on quality, delivery and ethical trade including the Code of Conduct. Ethical trade is one of the highest weighted KPIs.

FOCUSING EFFORTS ON RECRUITMENT AND HIRING PRACTICES

Recruitment practices can present a particular risk to workers and we are taking the following steps to address these risks:

- We support the 'employer pays principle' which means that no worker in our supply chain should pay for their job and any costs associated with their recruitment must be paid for by the employer. This is clearly stated in our Code of Conduct.
- If recruitment fees are identified, we have a process in place to provide remedy in the form of reimbursement.
- We may conduct additional due diligence assessments on suppliers that hire migrant and contract or agency workers as these groups can be more vulnerable to recruitment practices that may result in forced, indentured and bonded labour.
- My Journey (South India) is a programme which supports suppliers on their recruiting and hiring processes. My Journey was designed to target the risks of modern slavery through the hiring and recruitment process. The project has a focus on supporting human resource management in factories to understand the nature of the risks and design appropriate processes and practices tailored to the recruitment channels. The project also involves undertaking a detailed needs assessment of factory recruitment and hiring processes.

9

factories involved

46

staff members trained

4,547

workers reached

“

Earlier production department and line in charge were involved in recruitment. Now we came to know the importance of HR dept in streamlining the recruitment process.”

Factory manager

- If accommodation for migrant workers is provided by agents or contractors, our team will visit and inspect the accommodation as part of the audit process. Our programme My Life in India (see page 13) includes activities which take place in hostels meaning that our team on the ground and our partners are regularly visiting and spending time in worker hostels, interacting with workers there and seeing the conditions in situ.

HELPING WORKERS AND COMMUNITIES UNDERSTAND THEIR RIGHTS AND THE RISKS OF MODERN SLAVERY

It is important for us that we help workers to understand both their rights and the risks of modern slavery.

We require that all our suppliers' factories communicate the Primark Code of Conduct to all employees, and that all worker contracts are in their own language.

We implement programmes for workers to help them understand and exercise their rights and focus particularly on those who may be more vulnerable. We know that partnering with local experts on the ground is important if we are to develop effective programmes, built around the needs of the workers, that deliver the right impact.

Many of our partnerships are with grassroots civil society and development organisations and represent many years of experience building trusted relationships and partnerships through our teams on the ground.

Some of our programmes are highlighted on the following pages.



Worker and community programmes

PASS, India (2019 – present)

The PASS (Promoting Access to Social Security) programme provides education and practical support to help Indian garment workers in and around Tirupur, gain access to the Employees Provident Fund (EPF) and Employees State Insurance (ESI) health scheme. Community organisers train peer volunteers in the local community, who help workers enrol and take advantage of the schemes.

The scheme has been successful in helping workers access their social security benefits, enabling one worker to apply to the Employee State Insurance scheme for health treatment following a workplace injury, and supporting another worker to gain access to their ESI and EPF entitlements which had been obstructed by administrative errors. Community organisers also collate information that will feed into SAVE's advocacy efforts with government and other key stakeholders.

PASS builds upon our previous programme Worker Education Groups with SAVE.

Implementation partner: Social Awareness and Voluntary Education (SAVE).

4

Locations around Tirupur

3

Community organisers

59

Peer volunteers trained

1,406

Workers reached

“*Though I was in the deduction of EPF in previous organization, I was not aware of all the information and also never learnt. Initially it was difficult for me to understand the process of online access, slowly by practice, I am able to learn, it took me for about three months to support others.*”

- Male staff member.

My Space, India (2018 – present)

My Space in South India aims to raise awareness of mental health and reduce the stigma around addressing mental health issues in the workplace. The project aims to establish basic counselling services in factories through capacity building of selected factory staff.

The project has introduced training on sexual harassment for staff and workers trained to become workplace counsellors.

Factories are encouraged to appoint those who have been trained to their Internal Complaints Committees - the formal mechanism through which cases of workplace sexual harassment are addressed in India.

During the pandemic, factory counsellors, management and HR staff continued to use My Space networks to support workers in their communities by raising awareness about COVID-19 precaution measures and general mental health support.

Implementation partner: St John's Medical College.

13

Factories

60

Management staff trained

5,944

Workers reached

“*I had approached our factory counsellor for a big problem in my family. Just by talking I felt the problem is solved and I felt so light.*”

- Factory worker.

My Life, India (2017 – present)

My Life in South India supports factories to train vulnerable workers on basic life skills including health and safety in the workplace, rights and responsibilities, communication and teamwork. The training is particularly targeted at female workers and is delivered through a 'play-based' approach which uses interactive activities to help workers engage and learn. Factory management have also recognised its positive impact on the factory environment.

In 2018 we worked with our partners to further scale up the project by launching a 'Train the Trainers' module, whereby each of the participating factories nominated several staff that would be trained to become 'My Life Trainers'. In 2019-20, we are working on finalising the Train the Trainer model and introducing the My Life project to more factories within our supply chain.

Implementation partners: Women Win, Naz Foundation and SWASTI.

12

Factories

2,380

Workers trained (68% female)

8,865

Workers reached

“*The greatest change is in the communication. Workers no longer have any fear to ask questions. Previously when they were assigned tasks, they would hesitate to ask information. Now they are more confident, communicate clearly and ask for clarifications and more instructions.*”

- Factory manager

My Life, Myanmar (2019 – present)

In 2019, building on the positive experience in south India, Primark brought the My Life project to workers in Myanmar.

In the wake of COVID-19, the project was re-oriented and refocused on educating former factory workers on Gender Based Violence (GBV), as Covid-19 brought an increased risk of Gender Based Violence (GBV) to communities.

The programme gave women an opportunity to learn how to deal with GBV and how to support their community in coping with GBV in the future. Individuals involved in the programme received training to become 'GBV Facilitators' and once fully trained, there are plans to encourage factories to re-hire these workers so that they can support the factory in developing an effective GBV strategy.

Implementation partners: Women Win, Girl Determined.

2

Factories

50

Workers trained

7,000

Workers reached

“*This training on GBV helped me to understand how I can speak up against unacceptable behaviour. After the training I shared my knowledge with my family and my community – we all can work together to stop GBV at work and in our community.*”

- Female worker

Worker and community programmes

Bridging the Gap, Myanmar (2020)

Bridging the Gap aims to address the impact of the COVID-19 pandemic on low-income and vulnerable workers in global supply chains, tackling the immediate and long-term challenges of supporting employment, livelihoods and incomes of workers in the ready-made garment sector in Myanmar.

This project involves conditional cash transfers to workers, and factory-level training and support to community organisations to address gender issues affecting working women in Myanmar.

Implementation partners: Impactt and Women Win. Bridging the Gap has received funding as part of the FCDO's Vulnerable Supply Chains Facility (VSCF) programme.

3

Factories

5,000

Workers (90% women)

“

This project will financially help our workers in these difficult times. In addition, empowerment of women in our factories is crucial and important not just for us but also for the society.”

- Factory manager

Sudokkho, Bangladesh (2016 – October 2020)

Sudokkho helped garment factories to train new and existing sewing machine operators through a structured in-house technical training system. All workers trained under the project, many of whom were women, become eligible for promotion and pay rises. The project provided livelihood opportunities for over 16,000 workers.

Whilst the programme was discontinued by the Foreign and Commonwealth Development Office (FCDO) in October 2020, we are intending to take elements of the project and incorporate them into our own programme.

Implementation partners: Palladium International in partnership with Swisscontact and the British Council. Co-financed by FCDO (formerly DFID) and the Swiss Agency for Development and Cooperation (SDC). UK Government funding ended as of October 2020.

57

Factories

16,551

Workers trained

“

I was working in the factory for a year and a half as a helper before being selected for operator training. I just learnt that I have been recommended for promotion next year. Without Sudokkho, this promotion would not have been possible.”

- Female worker

Soromik er Kotha – Worker Voice, Bangladesh (2020 – present)

In partnership with Microfinance Opportunities, a US-based NGO, and SANEM, their local partner in Bangladesh, we have established a project aimed at strengthening worker voice through an understanding of workers' views and experiences in the workplace.

The project is modelled on the Worker Diaries project in Bangladesh and closely follows valuable information generated by the programme, where workers respond to a series of questions asked repeatedly over a defined period of time to allow us to gain an understanding of their views on a range of areas. Questions span topics such as health and safety in the workplace, payment of wages and bonuses, and retrenchment.

Implementation partners: Microfinance Opportunities and South Asian Network on Economic Modelling (SANEM).

400

Workers

Taking key learnings from the programme, we have established a sample of 400 workers across various factories in Primark's supply chain from whom we will collect similar data. Workers are recruited to the project via community networks and are paid for their time. We are at the beginning of the partnership and hope that in the year ahead it will generate valuable data and insight to help us understand and be better able to respond to the challenges being faced by workers in Bangladesh.

ETI Social Dialogue, Bangladesh (2016 – present)

The ETI's Social Dialogue programme in Bangladesh strengthens the capacity of worker participation committees and helps workers and management understand their rights and responsibilities. Strengthening participation committees is a priority as they are required by law but are not often very effective. The committees are developed by training elected workers and management on key aspects of being a committee member including understanding labour law, handling grievances, problem solving, formal meeting procedures and effective communication, and sexual harassment.

Among the training is a course designed for the female members of a factory's participation committee. This covers issues such as maternity pay, sexual harassment and wage discrimination as well as developing soft skills such as public speaking and communication skills. Participants also map and discuss their perceptions of safety in the workplace on their commutes. Participants often report that their confidence to manage conflicts improves as a result of the training, both in the workplace and in their homes.

Implementation partner: ETI.

15

Factories

33,204

Workers reached

418

Workers trained

“

I would not talk to management in past, I was afraid [of] management, but now I have confidence to take any issues to the management.”

- Factory worker

Worker and community programmes

Promising Futures, China (2018 – present)

The Promising Futures programme for workers in China aims to raise awareness and understanding of China's complex social insurance system among workers and factory management, and support access to social insurance.

The project utilises WeChat, a social media platform, and web-based materials, to raise awareness and to promote resources to workers and management. Web-based materials include an educational drama and a website on social insurance, which offers information and practical guidance for workers across 13 provinces in China where Primark sources from. Primark is also funding the extension of the website to provide information on additional provinces in China where social security procedures may differ.

During 2020, gaining access to Social Insurance was more important than ever before, and the programme provided workers with information on applying for unemployment insurance, medical insurance and job transfers. We conducted a worker survey on access to social security during COVID-19 and the results of this survey will help us to understand the safety net for workers in selected regions in China and identify the gaps between migrant workers and local workers.

Implementation partner: Camstone.

85

Factories

23,495

Workers and managers reached

“*You helped me deal with the big problem of medical insurance reimbursement. I spent a lot of time on it because I didn't know which medicines could be repaid. Fortunately, I read the articles posted by PF and problem solved. Really appreciate!*”
- Factory worker

Microbenefits, China (2018 – present)

We started to scale up our China CIQ Worker App programme following a successful pilot in 2018. The pilot indicated improved transparency of human resources practice, better communication between management and workers and enhanced worker awareness of rights.

The app also provides a function for workers to raise grievances. Six of the ten factories that participated in the pilot have continued with the app and are now self-funding. One factory has also implemented the app in their second factory.

While tools like smartphone apps may provide an effective method for raising grievances, they only work if they are in turn supported by proper management systems and processes for handling and resolving grievances, and we are supporting factories to build their capacity to do this.

Implementation partner: Microbenefits.

20

Factories

6,000

Workers reached

Worker Learning Clubs, China (2019 – present)

Worker Learning Clubs take place in factories and aim to educate workers on OHS (Occupational Health and Safety), core labour rights and life skills. The clubs are led by Worker Champions, who attend a two-day training on awareness and knowledge of OHS as well as skills to operate and manage the Clubs effectively.

Worker Champions disseminate learning materials through online platforms (WeChat) to facilitate peer learning. Although not a women-specific OSH Project, the developers made extra efforts to incorporate gender equality considerations into the content development, as such, specific concerns of female workers regarding gender discrimination, sexual harassment and women's labour rights protection, especially on OHS and job restrictions for female workers are included in the learning modules.

Highlights of the project included a Safety Month campaign that collected 19 workplace safety improvement suggestions from the workers in one factory as well as a Safety Awareness Quiz through the Learning Club which attracted a high level of participation by the workers.

In one Primark factory, female workers are very active. Among nine worker champions, seven are women, and female workers constituted 60% of the total club members, reaching the programme goal of “at least 50% female participation”.

Implementation partner: Verité.

2

Factories

190

Workers reached

Worker and community programmes

STOP Project, Cambodia, Vietnam (2019 – present)

STOP aims to address sexual harassment and gender-based violence in the workplace. The project delivers support and training to help factories establish and maintain effective workplace mechanisms to prevent and respond to sexual harassment.

Due to the disruption of COVID-19, the Cambodia programme was re-orientated to training in communities. In both Vietnam and Cambodia, CARE International also undertook home-based research to map relevant support and referral services related to gender-based violence in the local communities.

Implementation partner: CARE International.

7

Factories (5 in Cambodia and 2 in Vietnam)

4,555

Workers reached

306

Workers trained

“This project is great. We must all take responsibility to stop sexual harassment in our factory. Together we can do this.”
- Factory manager

Better Work, Cambodia, Indonesia, Vietnam (2011 – present)

Primark is a partner member of the ILO Better Work programme which operates in key sourcing countries.

It conducts monitoring of sites and provides capacity building for management and workers, including offering training on preventing and addressing sexual harassment for workers, middle managers and supervisors.

Central to the Better Work Programme is the establishment of factory-level committees to support worker-manager communication. Women are highly encouraged to join these committees and at least 50% of members must be female.

Better Work has designed a programme to help female workers deal with situations in the workplace and develop leadership skills that they use to better represent themselves and their colleagues. The programme has also helped women to address the resistance they often receive from family members to join factory committees.

Implementation partner: ILO Better Work.

53

Factories

50,143

Workers reached

All data is recorded from the beginning of the respective programme to date.





SUPPORTING FREEDOM OF ASSOCIATION AND EFFECTIVE WORKER REPRESENTATION

We support and acknowledge the enabling right of freedom of association so that workers are aware of and are able to exercise their fundamental rights at work, and the role of legitimate trade unions in achieving mature industrial relations and addressing labour-related disputes and grievances.

Our Code of Conduct sets out the standards we expect of our suppliers in relation to freedom of association and collective bargaining agreements.

We monitor and track our supply chain, looking at whether the site has a trade union or worker representatives in place, and how many workers are covered through collective agreements by a trade union or other means. We require factories to supply documentary evidence such as a copy of any collective bargaining agreements, a list of committee members and minutes of meetings, election procedures, and registers of any grievance or suggestion boxes.

We are a founder member of ACT and have signed a Memorandum of Understanding with IndustriALL to work towards the goals of ACT. These include industry-wide collective bargaining in key sourcing countries supported by responsible retailer purchasing practices (see page 11 on Improving our Commercial Practices).

During the crisis, ACT was able to use its programme of supporting freedom of association and its strong relationships with trade unions to provide support and guidance.

As members of ACT, we were able to liaise with trade unions to highlight any practices or events of concern in our supply chain related to factory closures and/or temporary and permanent lay-offs as a result of COVID-19.

In Myanmar, representatives of factories on ACT brands in Myanmar and affiliate union the Industrial Workers Federation of Myanmar (IWF) formed the ACT Employer Working Group to produce the Myanmar Guideline on Freedom of Association (2019). The guideline was concluded in 2019 after eight months of negotiations. The ILO provided technical support to ensure alignment with international labour standards.

ACT members including Primark have committed to adopt the guideline as part of their freedom of association requirements in Myanmar.

The guideline covers the right to freedom of association and how it is applied within the workplace, including the process for constructive social dialogue, release and facilities for trade union activities, dismissal procedure, collective bargaining mechanism and negotiation process, principles on strikes, lock-out and picketing, overall standards of conduct, and dispute resolution. Training for suppliers on the guideline was provided by ACT in 2020.

ACT members have piloted a dispute resolution mechanism to handle cases pertaining to the implementation of the guideline.

The mechanism was negotiated by suppliers and the IWF, backed by ACT brands and with a commitment to take action on the outcomes of the mechanism. As of September 2020, over ten cases addressing the rights of workers in ACT member brand factories have been addressed collectively by members through this mechanism.

We work directly with trade unions in our sourcing countries to resolve specific issues and grievances. In some cases, we have also sought the involvement of national Arbitration Councils, the ILO, and multi-stakeholder initiatives including the ETI. In 2019/20, we worked with multiple stakeholders including other brands and independent mediators to address issues of union-busting in factories in Myanmar, Sri Lanka, Bangladesh.

We participate in programmes such as ILO Better Work and ETI Social Dialogue which strengthen and build the capacity of workers and management to understanding apply mature industrial relations and social dialogue. More information on these programmes is in the table on worker and community programmes on page 13.

PROVIDING EFFECTIVE WAYS FOR WORKERS TO DIRECTLY RAISE GRIEVANCES WITH US

It is important that people and organisations can raise grievances directly with us and alert us to breaches of our standards including any issues of modern slavery. We provide access to grievance mechanisms through several channels:

- Directly through our website.
- Through our confidential whistle-blowing facility which is available to all employees.
- Through the confidential worker interview process. Interviews with workers are a mandatory part of our audit programme and are always held in confidence to protect worker testimony. We give workers direct contact details for the Primark team so that they can contact us at their own discretion.

We investigate all grievances thoroughly, and we do not tolerate any retaliation.

ENABLING AFFECTED STAKEHOLDERS TO RAISE GRIEVANCES WITH US

We are taking steps to strengthen our programme on grievance mechanisms. Our goal is that any and all workers and relevant stakeholders can report grievances and receive effective remedy through robust and effective formal workplace grievance mechanisms.

We launched Your Voice in 2020 as a pilot in Primark's UK warehouses and logistics operators. Your Voice was developed in line with the UN Guiding Principles on Business & Human Rights and the OECD Due Diligence Guidance. In 2021, we will consult with our stakeholders including workers and factory management on the findings and outcomes of the pilot as part of our process in understanding how to take forward our approach.

We work with existing independent locally based grievance mechanisms where these are available, and where they are effective and trusted by workers. These mechanisms include MUDEM in Turkey, which was specifically designed to support the needs of Syrian workers in Turkish factories, and Amader Kotha and the Accord (RSC) grievance mechanisms in Bangladesh which were both established following the Rana Plaza tragedy.



SUPPORTING AND STRENGTHENING GRIEVANCE MECHANISMS IN OUR SUPPLIER FACTORIES

We are also looking at ways we can support our suppliers to implement good grievance procedures. Our aim is that our suppliers have functioning and effective grievance mechanisms and are able to address issues and provide appropriate forms of remedy.

Our updated Code of Conduct was published in early 2020 and introduced the requirement for our suppliers to implement own workplace grievance procedures.

The new clause states:

1. *There should be a procedure that allows workers to raise and address workplace grievances, without fear of reprisal.*
2. *The procedure must be clearly communicated to Workers at the time of their recruitment and be easily accessible to all Workers and their representatives.*
3. *The grievance procedure must involve an appropriate level of management.*
4. *The management must address Workers' concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned.*
5. *The grievance procedure must not be used to undermine the role of trade unions and collective bargaining processes and must not impede access to other existing judicial, arbitration or administrative procedures.*

The revised Code came into effect in September 2020.

Suppliers have a six-month implementation window (ending in March 2021) and we are providing training and guidance for suppliers during this period.

TRACKING AND MONITORING GRIEVANCES

This year we have focused on improving how we can better monitor grievances raised across the multiple mechanisms that affected stakeholders in our supply chain have access to. Tracking from a range of sources enables us to better understand the scope and range of grievances. We will continue to deepen the collection and analysis of our grievance data to help us better understand and respond to specific human rights issues; for example through collecting gender disaggregated data.

This year, our report incorporates data on grievances from a much broader data set (as below). We are now working on understanding how to ensure this data is consistently aligned, and it is likely that our reporting on grievance will change as we learn more.

Grievances	
2019/20 Financial Year	
Total grievances raised in 2019/20	
Open / Pending	37
Resolved	25
Total	62
Grievances related to issues of forced labour in 2019/20	
Open / Pending	12
Resolved	12
Total	24

1. From workers through our audit and monitoring programme and in confidential worker interviews.
2. Workers who have directly contacted Primark’s local teams on the ground.
3. Worker representatives including trade unions.
4. Grievance mechanism programmes on the ground run by local partners.
5. Workers who have contacted other Primark local programme partners (non-grievance programmes) on the ground.
6. Civil society and campaign groups.

As part of this work, we are also looking at how to better track and evaluate access to remedy. We are currently drawing on best practice to create a practical framework that can be used across our supply chain and we will start applying this from 2021.



SELECTING SUPPLIERS THAT MEET AND SHARE OUR STANDARDS

As part of our audit and monitoring programme, we assess the risk of modern slavery in line with our Code of Conduct at first-tier sites both before any Primark production is placed and then on a regular basis (at least annually). All Primark audits are unannounced, apart from the initial pre-production assessment of new sites. COVID-19 has meant that we were unable to consistently audit all sites in our supply chain this year.

All Primark audits include rigorous checks for forced and trafficked labour including a review of relevant documentation, confidential worker interviews, visits to associated production facilities and worker accommodation if provided by the factory. Where our assessments or third-party allegations highlight an extreme risk of forced labour in our supply chain, we work with experts to conduct deeper dive audits which employ worker-centric and forensic auditing techniques. This approach was developed during supply chain investigations into migrant labour in a factory in Malaysia in 2018. We use the ILO indicators of forced labour as a reference within our audit process. We follow SMETA best practice guidance on the number of workers interviewed and our internal auditors are trained to SA8000 standards.

We may also conduct worker interviews off-site if we deem it necessary and may use support from NGOs or other experts. Child labour is a zero-tolerance issue and strictly prohibited in the manufacturing of our products. Within our audit programme, we check that workers meet the minimum age requirements set out in our Code of Conduct. Only when the Ethical Trade team is satisfied that our standards are met do we permit production to start. We then continue to monitor and check our suppliers' factories on a regular basis (at least annually). After each audit, the supplier's factory is given a corrective action plan (CAP) which outlines the areas for improvement. Each item in the CAP is time-bound and the CAP contains practical guidance to help suppliers implement the recommended action. We verify implementation of the CAP through on-going monitoring including spot-checks, document review and worker interviews. Our suppliers are in turn responsible for compliance and implementation across their supply chain, factories, and contractors, and must make sure they do not source components or materials for use in Primark products that are made using forced or trafficked labour.

Primark is a partner member of the ILO Better Work and Better Factory programmes, a collaboration between the ILO and the International Finance Corporation. In some countries e.g., Vietnam and Cambodia, the ILO conducts an assessment and shares the results with all brands and retailers sourcing from that factory.

If at any point we identify any issues that present a severe and imminent threat to workers' lives or safety, we prioritise these and the factory is immediately suspended from our purchase order system until we can verify that the issue has been fully remediated and there is no further risk to workers. In cases where suppliers are either unable to make improvements or lack commitment, we have a clear process on termination, and work with the supplier and our Buying and Merchandising and Sourcing teams on a responsibly managed exit plan. We implement the ACT responsible exit strategy guidance to help ensure that when a commercial relationship with a supplier or factory comes to an end, both the brand and supplier have assessed the risks to workers. Primark's Sourcing team conducts dependency reviews with our suppliers and their factories to indicate relative dependencies and risks on both sides, giving our supply chain partners an opportunity to mitigate any impacts where required.

ADDRESSING GENDER THROUGH OUR AUDIT PROGRAMME

Risks related to gender discrimination take many forms and occur at multiple points throughout a woman's experience in the workplace; whether in the recruitment and hiring process, the pay received, the wearing of protective equipment or the behaviours women are subjected to from colleagues and management. In addition, the experience of women within the same workplace may differ depending on other characteristics such as their age, nationality and ethnicity².

We have used our audit programme to address issues we have identified.

Some recent examples include:

- Ensuring that pregnant and breastfeeding women were receiving equal pay (pay had been reduced in line with a reduction of hours as per Turkish law). Our actions resulted in women receiving the same amount of pay as they would have been had they not been pregnant or breastfeeding.
- Changing discriminatory working practices that required women workers to obtain approval from their supervisor to go to the bathroom. The same practice was not required for male workers. Our actions resulted in the supplier reviewing its systems and removing the practice.

We are continuing to strengthen the reach and impact of our audit programme to identify and remediate issues related to gender discrimination. In 2019 we partnered with the UK FCDO (formerly DFID) on its Work and Opportunities for Women (WOW) programme to analyse our audit data. This made several recommendations on how we might strengthen our collection and analysis of gender-related data which are currently under consideration.

In 2020 the Primark ETES team undertook training on Gender Mainstreaming and Gender-Based Violence to help better identify relevant risks during site audits. (See page 8 for more information)

² ETI Base Code Guidance: Gender Equality

UNAUTHORISED SUBCONTRACTING

Unauthorised sub-contracting is not permitted and is a breach of our terms and conditions of trade. Our teams on the ground are our eyes and ears and work closely with our suppliers to address the risk of sub-contracting. If sub-contracting is identified, Primark conducts an immediate unannounced assessment of the factory. The assessment focuses on critical issues including forced labour and child labour*.

If undisclosed sub-contracting is confirmed, we suspend the Primark approved factory to which the order was raised from our purchase order system until the supplier and the approved factory to whom the order was raised is able to demonstrate to us that they can manage and prevent any further issues of unauthorised sub-contracting.

**It is important to note that where such issues are identified, we insist that the supplier (and/or the approved factory who sub-contracted) work with us on a remediation programme to ensure such issues are addressed in full. At the same time, any goods produced in the factory are removed.*



Example of a non-compliance issue as reported in the Corrective Action Plan:

New, existing, or closed NC	Non-compliance	Reference to Primark Code of Conduct	Non-compliance	Agreed timescale	Method of verification
Closed	<p>27/11/2019: According to document review, workers interview and management interview, the factory did not pay OT premium to all 26 sampled workers in all 3 sampled months</p> <p>Re-audit on 19/10/2020 According to document review, management and worker interviews, all sampled workers were paid sufficient OT premium as required in the sampled months of June, July and August 2020.</p>	5	<p>27/11/2019: Pay overtime premium at 50%, 100% and 200% of regular wage to regular overtime, rest day overtime and statutory holiday overtime for workers.</p> <p>Re-audit on 19/10/2020: Closed</p>	Closed	Site visit

100%

Percentage of Tier 1 suppliers' factories audited in calendar year 2019

100%

Percentage of unannounced audits (apart from initial pre-production audits)

3,234

Number of audits in calendar year 2019

0.43%/0.25%

Percentage of non-compliances related to forced labour/percentage of resolved non-compliances in calendar year 2019*

*We have updated our methodology on how we measure this indicator. We have moved from a narrow definition of non-compliances related to the Employment is Freely Chosen clause of our Code of Conduct to a broader range of clauses, in recognition of the way forced labour presents.

PROVIDING REMEDY FOR THOSE AFFECTED AND INVESTIGATING ALLEGATIONS

We take immediate steps to investigate thoroughly any potential issues of modern slavery and provide remediation while protecting the confidentiality of victims and those affected. Our team on the ground of local experts is critical to ensuring remediation is effective and appropriate.

We also work with specialist organisations and civil society partners who are experts in their field and have built trusted relationships with our partners over many years, meaning we can draw on their expertise and support quickly, as needed.

Wherever possible, we seek to ensure that any provision of remedy is satisfactory to those affected. We regularly share information on our experiences and the challenges of effective remedy within our sector, either directly on our website, through reports to stakeholders and through industry forums such as the ETI and the OECD.

MEASURING THE PROGRESS AND IMPACT OF OUR EFFORTS TO ADDRESS MODERN SLAVERY

We monitor the coverage and effectiveness of steps we take to combat forced labour by tracking the following indicators:

- The impacts of specific initiatives to address highlighted risks.
- Supplier training and awareness of forced and trafficked labour issues.
- Internal staff training and awareness of forced and trafficked labour issues.
- Audit indicators relating to forced and trafficked labour.
- Factory non-compliances against our Code of Conduct.
- Actions taken as part of collaborative initiatives to address modern slavery.
- Recorded grievances relating to any form of modern slavery.
- Advocacy efforts to raise awareness of the risks within our industry.

AREAS WHERE WE HAVE IDENTIFIED RISKS WITHIN THE GLOBAL TEXTILE AND FOOTWEAR INDUSTRY

Modern slavery is a global issue and addressing it effectively requires coordinated action from all stakeholders including companies, civil society, trade unions, communities, government and intergovernmental agencies.

We have identified the following risks within the global garment sector as a whole and outline our steps to prevent and address these risks both directly ourselves and with other partners and stakeholders across the industry.

Global Risks	
Risks	Our actions taken to address these risks
<p>Agency labour in supply chains</p> <p>Many sites that use agency labour in the UK and EU – particularly in the warehousing and distribution sector – have never before been required to include their agency labour in the scope of customers’ ethical trade audits.</p>	<ul style="list-style-type: none"> – Identifying agency labour in our programme. – Understanding the changing legal landscape, not just around employment law but also in light of GDPR. – Regular assessments of workplaces and employment conditions where agency labour is used. – Corrective action programmes for remedy at individual site level. – Targeted focus on high-risk areas including warehouses, logistics operators and third-party recycling sites, in particular in the EU and UK. – Exclusion of manufacturing suppliers in critical high risks areas including Leicester in the UK. – Face-to-face training for UK suppliers.
<p>Cotton from Uzbekistan & Turkmenistan</p> <p>Widespread reports of state-sponsored forced labour in Uzbek and Turkmen cotton agriculture.</p>	<ul style="list-style-type: none"> – A signatory to the Responsible Sourcing Network Pledge and commitment to not knowingly source Uzbek or Turkmen cotton. – Regular communication to suppliers to ensure this is implemented. – On-the-ground checks in spinning mills in Bangladesh and India to assess origin of cotton bales. – Engagement with key stakeholders working on policy and campaigns.
<p>Cotton</p> <p>Employment by farmers of migrant and temporary workers may result in indentured and bonded labour.</p>	<ul style="list-style-type: none"> – Primark’s Sustainable Cotton Programme for 160,000 cotton farmers by 2022. – Focus on female farmers in India. – Partnerships to support the programme with CottonConnect, SEWA, REEDS and the Heping Cotton Farmers’ Cooperative. – On-the-ground training programme for farmers including child and forced labour. – Industry engagement to share best practice.
<p>Forced labour in China</p> <p>Widespread reports of Chinese forced labour being used for production of goods across multiple sectors and industries.</p>	<ul style="list-style-type: none"> – Zero tolerance on the use of any forced or prison labour. Training for Primark’s team on the ground on ILO Forced Labour indicators and regional context. – Enhanced due diligence to increase understanding of the risk and the likelihood of the use of forced and prison labour in the supply chain. – Engagement with international brands and stakeholders to discuss potential collaborative efforts. – Immediate suspension for any sites found using undisclosed sub-contracting.
<p>North Korean workers recruited to work in factories overseas</p> <p>Widespread reports of North Korean workers being sent by the North Korean government as forced labour across multiple sectors and industries.</p>	<ul style="list-style-type: none"> – Zero tolerance of any labour from North Korea. – Monitoring through audits and factory checks.

Global Risks

Risks	Our actions taken to address these risks
<p>State sponsored forced labour of Uighur and ethnic minorities in and from XUAR, China</p> <p>Widespread reports of Chinese forced labour of Uighur and ethnic minorities within XUAR and other provinces of China.</p>	<ul style="list-style-type: none"> – Zero tolerance on the use of any production inputs (regardless of tier of supply chain or production process) in XUAR. – Zero tolerance on the use of forced labour from XUAR within supply chains in China. – Enhanced due diligence to increase understanding of the risks within the supply chain in China. – Engagement with stakeholders including civil society, governments, brands, industry associations to discuss appropriate routes for remedy and prevention.
<p>Overtime in Moroccan garment factories</p> <p>Audits of Primark’s suppliers’ factories in Morocco in 2019 identified that workers were not being paid overtime premiums due to conflicting interpretation of Moroccan labour law.</p>	<ul style="list-style-type: none"> – Primark position clarified by legal consultation and feedback from the ETI. – Suppliers informed and sourcing decisions guided accordingly. – Factory policy and contracts updated to align with the Primark Code of Conduct on overtime and working hours. – Factories audited and only approved once overtime premiums paid to workers for the period worked.
<p>Spinning mills and factories in South India</p> <p>Widespread reports of poor recruitment, hiring and working practices among spinning mills and factories employing mainly migrant young women. In particular, migrant workers from north India are vulnerable due to differences in language, culture and religion.</p>	<ul style="list-style-type: none"> – Corrective action programmes for remedy at individual factory and mill level. – Encouraging factories to hire staff which can communicate with migrant workers. Some factories have hired migrant worker coordinators. – Support for various factory-level programmes and multi-stakeholder sectoral initiatives with brands, local and national civil society groups, suppliers, factories and other associated experts and partners. – Co-founder of OECD Platform for Due Diligence and Responsible Business Conduct in India and engagement and advocacy with international and Indian national and regional stakeholders for improved practices.
<p>Undocumented workers in Turkey, including refugees from Syria, Afghanistan and other Middle Eastern countries</p> <p>High prevalence of undocumented foreign workers in the garment sector and risks of forced labour and poor working conditions.</p>	<ul style="list-style-type: none"> – Monitoring through audits and factory checks at factory and sub-contractor level. <p>Where undocumented workers are found:</p> <ul style="list-style-type: none"> – Corrective action programmes for remedy at individual factory level. – Partnership programme with expert NGOs since 2016 to provide support and remedy for any undocumented refugees and foreign workers. – Suspension of all factories suspected of using undisclosed sub-contracting.
<p>Factory terminations</p> <p>Workers’ contracts terminated without proper legal process during the outbreak of the COVID-19 pandemic where factories had to downsize and lay off workers.</p>	<ul style="list-style-type: none"> – Engagement with trade unions and suppliers. – Engagement with individual factories to update on requirement to align with the Primark Code of Conduct on Legal Requirements for providing workers with notice. – Corrective action programmes for remedy at individual site level including appropriate severance pay for affected individuals. – Engagement with international brands and stakeholders to discuss potential collaborative efforts.
<p>Mandatory forced overtime in certain US States</p> <p>Legislation and regulation of overtime in certain US States permits employers to implement mandatory overtime in employee contracts.</p>	<ul style="list-style-type: none"> – Specific due diligence to identify US States where workers in the supply chain are most at risk. – Monitoring through social audits. – Corrective action programmes for remedy at individual site level. – Engagement with suppliers on best practice.