

PRIMARK®

**SUPPLIER KEY INFORMATION PACK
[GOODS NOT FOR RESALE]**

This pack provides Primark suppliers and potential suppliers with key information and guidance about trading with Primark and how we work with our suppliers.

Primark is looking to build relationships with suppliers who can, and will, actively support our drive to promote the Primark brand.

Primark wants to build relationships with suppliers of all sizes who can provide innovative products, services and solutions that support Primark to deliver our commitment to our customers in a fast moving ever changing market. By building successful relationships with suppliers who are able to offer competitive solutions, Primark can create added value for our customers and trading partners.

Primark conducts a vast range of procurement activities with thousands of suppliers around the globe. We are committed to ensuring that all our dealings with suppliers from selection and consultation, to recognition and payment, are conducted in accordance with the principles of fair and ethical trading.

Definition of Goods Not For Resale [GNFR] is the goods and services we buy to run our business. For example: - Heating, Lighting, Facilities, PR & Marketing, VM & Print Services, IT equipment, Fixtures & Fittings Travel & Expenses, Tills, Cash in Transit & Security services. Whereas, Goods for resale is the merchandise we sell in our stores.

Primark Background

Primark operates in eleven countries in Europe: Ireland, Spain, The Netherlands, Portugal, Germany, Belgium, Italy, Austria, France, UK and USA. Primark is a subsidiary of Associated British Foods. Associated British Foods is a diversified international food, ingredients and retail group. As Primark is owned by ABF; it is a quoted FTSE 25 Company and is therefore subject to the obligations of a PLC Company.

Role of Procurement in Primark

The role of Procurement in Primark is to ensure that there is an efficient procurement process, suppliers receive equitable treatment, total value for money is achieved and the needs of the internal customer are met.

We achieve this by

- Proactively identifying and delivering cost saving opportunities by business unit, commodity and supplier.
- Implementing and supporting the end to end tender process and ensuring all goods and services are sourced in the most efficient, cost effective manner by selecting the best suppliers for our business.
- Ensuring that when suppliers are selected that they can continue to support and deliver as we grow. We can pre-empt where practical, supply chain risks and propose alternative sources if and when required.
- Managing risk and governance by ensuring policies, processes and structures are in place to support Primark to buy effectively and efficiently internally and externally in accordance with corporate governance standards and that commercial and legal terms are in place to protect our business.
- Managing our strategic suppliers to ensure they deliver against their cost and quality objectives, timelines, KPIs and performance objectives over the life of the contract.

Code of Conduct

Primark's Supplier Code of Conduct is a mandatory requirement within which our suppliers work. It incorporates the United Nations Charter, Chapter IX, article 55 and is subject to strict and on-going audits conducted by third parties. Primark's takes this Code of Conduct very seriously and its management board reviews it regularly.

Please click on the link below to review our Code of Conduct

<http://www.primark.com/en-ie/our-ethics/workplace-rights/code-of-conduct>

Anti-Bribery and Corruption

All potential suppliers shall be required to complete an Anti-Bribery and Corruption questionnaire before engaging in work with Primark.

Please note that Primark's Anti-Bribery and Corruption policy will vary depending on what country/region you are trading in.

Ethical Trading

Primark has continued to make significant year on year progress with our Ethical Trade programme. A member of the Ethical Trading Initiative since 2006, Primark has been ranked as 'Leader' by the ETI since 2011 which puts us in the top 5% of ETI member brands. Our business directly contributes to the employment of workers across three continents. Primark shares over 98% of third party factories with other high street retailers and this also gives us an opportunity to collaborate on tackling supply chain issues. The impact of growing in-country teams of specialists has been significant in supporting sustainable improvements within supplier factories, giving us greater visibility across our supply chain, as well as improving the management of our audit programme and a variety of projects which will help support the development of our future programmes.

Terms and Conditions

Primark's standard Terms and Conditions for goods not for resale (under the value of £50k)



Primark terms and conditions goods and

Please note that these Terms and Conditions may vary slightly depending on what country/region you are trading in.

For goods over the value of £50k, these terms and conditions shall be agreed with each Supplier.

Payment Terms

Primark's standard payment terms are 30 days from receipt of invoice.

Supplier Selection General Guidelines

The selection of Suppliers shall be based on sound business principles which recognises, amongst other factors, their relevant experience and reputation, suppliers financial stability and most importantly their ability to perform the contract in a manner which is both timely acceptable, and provides value for money to Primark.

Award criteria can vary depending on the contract but in general tenders will be awarded to the most economic and advantageous tender that takes in all aspects of the commercial decision.

Depending on requirements, Suppliers may be approached by Primark in one of two procurement processes;

RFQ: Request for Quotation

A document issued to suppliers asking typically pricing, lead-time information and normally used for commodity items and lower spend and lower risk areas.

RFT: Request for Tender

A more comprehensive process where a tender is issued made up of a number of documents to include specifications, terms and conditions and typically used for more complex purchases where the decision will not be made on price alone but on more qualitative type information.

Where business has been awarded to a Supplier which is new to Primark, the Supplier must be set up on Primark systems. This is done by completing a Supplier set-up form including ECF approval.

Confidentiality

It is Primark's policy to honour the confidentiality of all dealings with past, current and potential Suppliers in recognition of the competitive environment in which they do business. Information provided by Suppliers must be regarded as proprietary information and will not be divulged to any other parties with a competitive interest. Furthermore, any knowledge gained through Supplier site or manufacturing process audits, conducted by either commercial or technical employees of Primark will be regarded as confidential and will be respected accordingly.