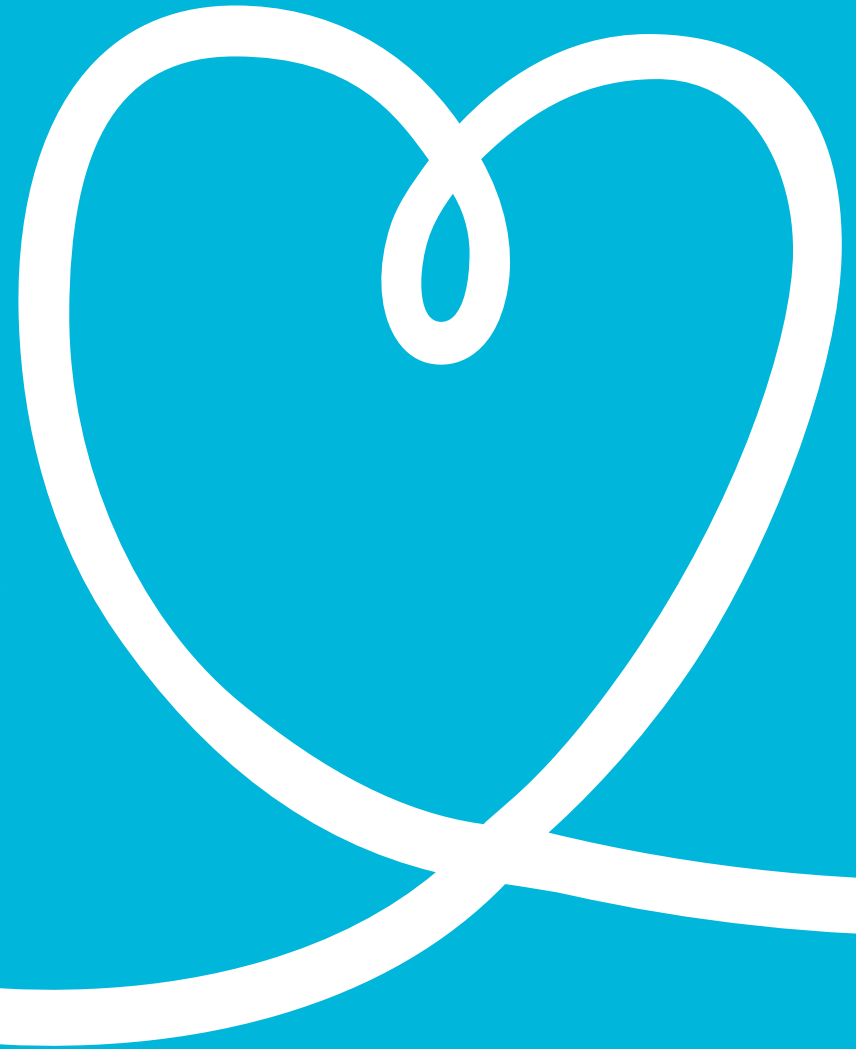


**PRIMARK  
SUSTAINABILITY  
AND ETHICS  
PROGRESS REPORT  
2021/22**



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# CEO INTRODUCTION

**Welcome to Primark's Sustainability and Ethics Progress Report, the first time we will share the breadth of our work and update on the commitments we made with the launch of our sustainability strategy, Primark Cares, one year ago. Launching our Primark Cares strategy was a defining moment for Primark. It represents a new vision for who we are as a business, our promise to change, and a commitment to think differently about how we do business.**

Building on 15 years of strong ethical foundations, Primark Cares has accelerated our ambition, challenging us to push Primark further. We spent nearly two years developing the framework for what is a multi-year programme designed to drive change where we can have the greatest impact.

This foundational year has focused on developing the internal processes and programmes that will underpin the changes needed within Primark and across our value chain to deliver on our strategy. We have committed to provide regular updates on our progress and to be honest about the challenges we face along the way.

At Primark, we have always been about quality clothing at affordable prices. Now we want to help people buy better and more sustainably. This is what our customers tell us they want and now, more than ever, they want to be able to do this without breaking the bank. Our Primark Cares strategy is deliberately set out to challenge the premise that affordable fashion and sustainability are incompatible. We want to show that we can use our size and scale to drive meaningful change to make more sustainable fashion affordable for all, to reduce our impact on the planet and to better support the livelihoods of the people who make our clothes. We understand that we have a critical role to play along with the whole industry to deliver this change.

When we launched Primark Cares last September, we talked about **How Change Looks** – a theme we have returned to throughout the year to talk about all of the changes we are making. Reflecting on a year's progress, and how we have started to embed the programme in the business, we agreed that the right theme for this first report should be **How Change Feels**.

One year on, I can tell you it feels very challenging but we know it's the right approach. Our Primark Cares commitments are driving everyone in Primark to change, to get behind our goals and to embed them in their day-to-day. The past year has been a year of forging new collaborations, across the business and more widely with our suppliers. It's also been a year where many have had to develop new skills and take on new responsibilities to set us up for the future. From our environmental sustainability and social impact experts to our product specialists and sourcing team, from our designers and buyers through to our colleagues on the shop floor, I am proud of the passion and commitment everyone at Primark has shown in this foundational first year.

I also understand now, more than ever, that for a business our size with a large and diverse global supply chain, change will take time. There are complex issues to solve, not many easy solutions and certainly no one retailer or stakeholder holds all the answers. The whole industry and our customers are rethinking and redefining the relationship between fashion and sustainability. For that reason, there's no better time for us to have set out on this ambitious course as we embed our Primark Cares commitments and wider ethical and environmental responsibility programmes. Our commitment remains firm: to make more sustainable fashion affordable for all.

**Paul Marchant**  
Chief Executive



**“OUR PRIMARK CARES COMMITMENTS ARE DRIVING EVERYONE IN PRIMARK TO CHANGE, TO GET BEHIND OUR GOALS AND TO EMBED THEM IN THEIR DAY-TO-DAY.”**

Paul Marchant,  
Chief Executive

# ABOUT THIS REPORT



## Our reporting

**This is our Sustainability and Ethics Progress Report for our financial year 2021/22.** When we launched Primark Cares in September 2021, we committed to provide transparent information on our progress against the commitments we published. This includes decisions on our supply chain, our business operations, our products and our people. We're committed to reporting annually on our progress and how we are learning and changing as a company. All the data and statements in this report relate to our reporting year for non-financial data from 1 August 2021 to 31 July 2022, unless otherwise stated.

## Reporting standards

As a division of Associated British Foods plc (ABF), we contribute to the ABF Annual Report and Responsibility Report. We also contribute to the ABF Carbon Disclosure Project (CDP) and Task Force on Climate-related Financial Disclosures (TCFD) submission.

We have also committed to set near-term company-wide emissions reductions in line with climate science with the Science Based Targets initiative (SBTi)<sup>1</sup>. This commitment aligns with our Primark Cares carbon emissions target but adds an additional level of scrutiny to ensure our approach is in line with the latest criteria and recommendations of the SBTi.

In line with the UK Modern Slavery Act, we publish a [Modern Slavery Statement](#) annually. This sets out the measures we have taken during the past year to mitigate against the risks of modern day slavery and human trafficking in our supply chain or within our operations. Our [website](#) provides details of our strategy in this area and is regularly updated to highlight any new initiatives. We regularly report through partner and third-party benchmarks. More information on our reporting can be found [here](#).

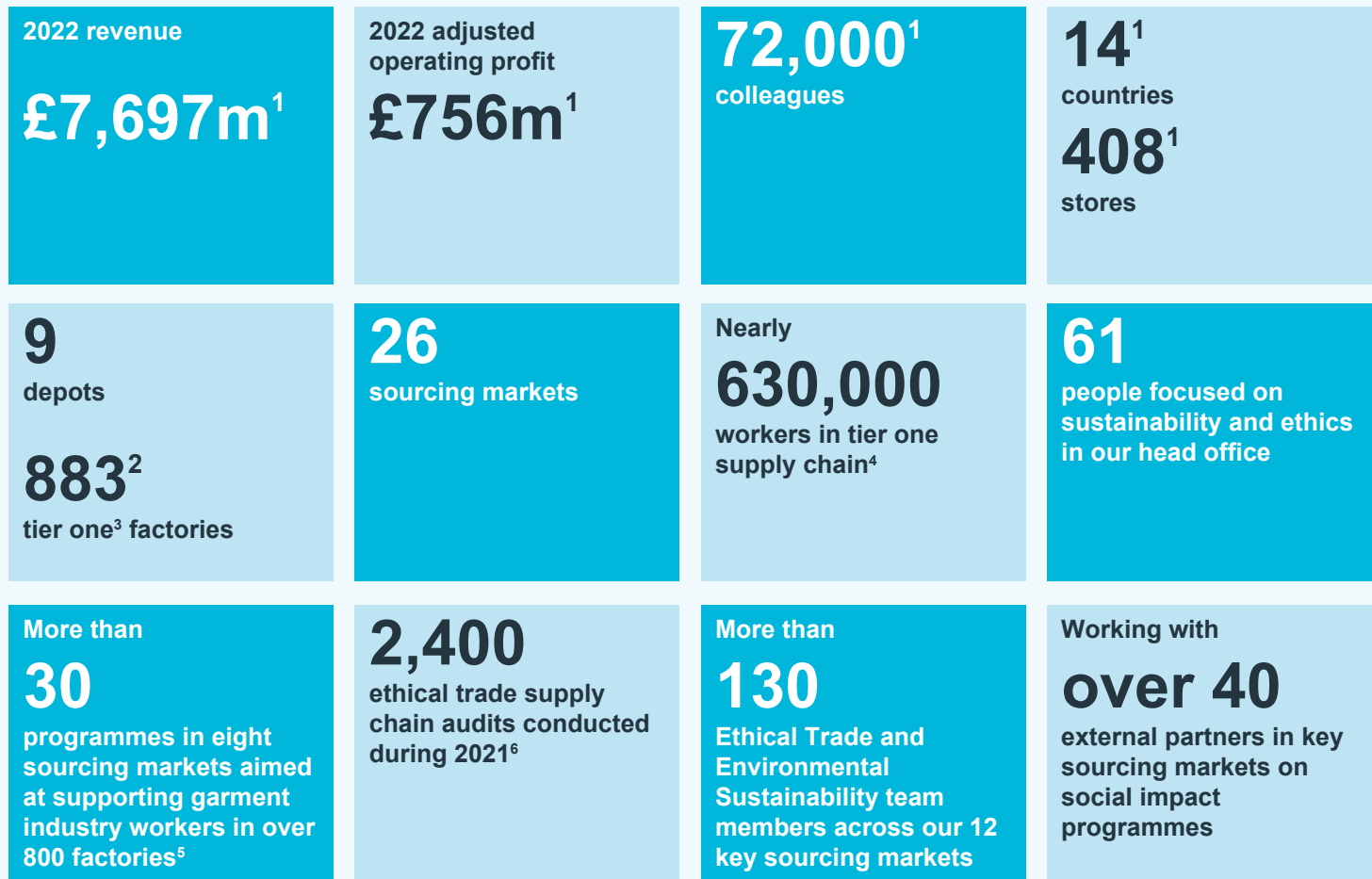
Ernst & Young (EY) have provided independent limited assurance over 26 statements in this report.

1. <https://sciencebasedtargets.org/business-ambition-for-1-5c>

# PRIMARK AT A GLANCE

**Primark is an international clothing retailer employing 72,000 colleagues across 14 countries in Europe and the US. Founded in Ireland in 1969 under the Penneys brand, Primark aims to provide affordable clothing for everyone, from great quality everyday essentials to stand-out style across womenswear, menswear and kidswear, as well as beauty, homeware and accessories.**

**About Associated British Foods plc**  
Our parent company Associated British Foods plc (ABF), which founded Primark in 1969, was established in 1935 as a bakery business. Since then, it has grown and diversified to become an international food, ingredients and retail group, which employs 132,000 people in 53 countries. ABF shares our commitment that acting responsibly and with integrity is the only way to build and manage a business over the long term. We share a rigorous commitment to ethical conduct and more sustainable business practices, towards people and the planet. We also strive to be a good neighbour and to contribute positively to the communities in which we operate, while recognising our wider obligations to society as a whole.



1. Data as per ABF's financial year end of 17 September 2022.  
 2. Figures based on our [Global Sourcing Map](#), updated in October 2022.  
 3. Tier one factories manufacturing finished goods in our supply chain.  
 4. The exact number of workers in our tier one supply chain based on our Global Sourcing Map is 628,358 (based on data from October 2022). Our Global Sourcing Map is updated annually.  
 5. Figures based on our Global Sourcing Map from 31 July 2022.  
 6. Data up until 31 December 2021.

# YEAR ONE HIGHLIGHTS

<p>We've piloted a new framework for an <b>enhanced durability wash standard.</b></p> <p>We started with denim and, so far, 60% of the product tested has passed this enhanced standard.</p>	<p><b>65%</b> of all Primark stores have Textile Takeback boxes. These are currently available in the UK, Republic of Ireland, Austria and Germany.</p>	<p>We commissioned and funded research with the Anker Research Institute to provide new or updated <b>Global Living Wage Coalition</b> estimates for our sourcing markets: Bangladesh, Cambodia, Turkey and Vietnam.</p>	<p>We set up our <b>Colleague Networks</b> with a focus on neurodiversity and disability, cultural diversity, gender and life stages, and LGBTQIA+.</p>	<p><b>40%</b> of cotton clothing units sold contained cotton that is either organic, recycled or sourced from our Primark Sustainable Cotton Programme, up from 27% at the launch of Primark Cares.</p>
<p>Almost <b>3,000</b> of the farmers in our Primark Sustainable Cotton Programme have participated in a pilot for more regenerative farming.</p>	<p>We began new <b>partnerships</b> with the British Asian Trust to tackle mental health and the International Finance Corporation (IFC) to address gender-based violence and harassment, both aimed at workers in our supply chain.</p>	<p>Launched our Spark wellbeing programme to over <b>70,000<sup>1</sup></b> colleagues.</p>	<p><b>45%<sup>2</sup></b> of our clothing units sold contained recycled or more sustainably sourced materials, increasing from 25% at the launch of Primark Cares.</p>	<p><b>252,800<sup>3</sup></b> farmers trained in our Primark Sustainable Cotton Programme, with a commitment to expand the programme to 275,000 farmers by the end of 2023.</p>
<p>We published our <b>Supply Chain Human Rights Policy</b> to provide further guidance to the business and our suppliers.</p>	<p>We've piloted a <b>Circular Design Training Programme</b> for 24 members of our Product team and six suppliers – of which a key component is product recyclability – and we will scale this up across the business next year.</p>	<p>We've introduced LED lights into 37 stores across the UK and Republic of Ireland this year, leading to an energy consumption reduction of <b>35-37%</b> across individual stores.</p>	<p>We developed a new Wood and Wood-Derived Fibre Policy and partnered with Canopy, as a commitment to <b>protect ancient and endangered forests.</b></p>	<ul style="list-style-type: none"> <li><span style="display: inline-block; width: 10px; height: 10px; background-color: #ADD8E6; margin-right: 5px;"></span> Product</li> <li><span style="display: inline-block; width: 10px; height: 10px; background-color: #90EE90; margin-right: 5px;"></span> Planet</li> <li><span style="display: inline-block; width: 10px; height: 10px; background-color: #FFDAB9; margin-right: 5px;"></span> People</li> <li><span style="display: inline-block; width: 10px; height: 10px; background-color: #66B3FF; margin-right: 5px;"></span> Our people</li> </ul>

1. Figure based on the number of colleagues at time of launch in February 2022.  
 2. We have been working to increase the minimum content levels of recycled and more sustainably sourced materials in our Primark Cares ranges. This metric is calculated by assessing a garment against the minimum content standard that existed at the time of production, so minimum content levels may vary. We will take this approach consistently as we continue to increase the minimum standards we require.  
 3. This is based on data up until the end of August 2022. This includes farmers that are currently being trained and those that have completed training under the programme.  
 5 Primark Sustainability and Ethics Progress Report 2021/22

# Q&A WITH LYNNE WALKER, DIRECTOR OF PRIMARK CARES

**Lynne is responsible for embedding Primark's sustainability strategy Primark Cares across the business – over 14 markets, 72,000 colleagues and more widely through our supply chain.**

## How did Primark Cares come about?

We spent nearly two years developing the framework behind this multi-year programme, which builds on our existing Ethical Trade and Environmental Sustainability Programme. Using guidance from experts in the field of social and environmental impact, the Primark Cares commitments were developed by our expert colleagues, alongside those based in sourcing markets. We stress-tested it rigorously with suppliers, stakeholders and our industry partners and we're proud of the programme we have developed. The commitments are deliberately ambitious and stretch us as a business – we want to ensure they are still relevant and impactful in 2030, supporting us to address key risks in our business and value chain.

## What has been the focus of year one of Primark Cares?

This foundational year has focused on developing the internal processes and programmes that will underpin the significant changes needed, both within Primark and across our value chain to deliver on our commitments. This has included putting in place robust metrics and gathering the data necessary to set baselines against which we can measure and report on our progress, which we will do annually in this report. It has also been a year of scaling up alongside new beginnings – a year of consolidating existing

relationships and reaching out to begin new ones. We've been developing the programmes to deliver on our commitments – whether that is testing products in line with our new durability standard, kicking off our circular design pilot or continuing to deliver our social impact programmes in a number of our key sourcing markets. It's been a very busy but exciting year.

The size and scale of Primark gives us the ability to explore new ways of operating, to work with a range of partners and try to lead the way for others. Yes, it is going to be challenging – it already is – but we see it as an incredibly exciting opportunity for us, our supply chain and our customers.

## Why is collaboration so critical to the success of the Primark Cares ambition?

First and foremost, our Primark Cares commitments set out what we can do as a business ourselves to drive impact and change. As you will read in this report, this evolution is underway. But the fashion industry is highly complex. Many businesses like us share supply chains across a number of countries and regions and we share factories with many brands. By working together, we have a chance to move the industry forward to make a larger and lasting impact. For us, working together means collaborating with all our stakeholders. We're taking a broad and considered view across our supply chain, through our partners, our suppliers, workers and civil societies to use our influence to drive change.

One of the values that has remained at the heart of Primark since we were founded over 50 years ago is never to stand still. We always look to the future. We design and deliver

solutions using a collaborative approach, no matter the stakeholder we are working with, be it our suppliers or grassroots organisations, like those supporting our Primark Sustainable Cotton Programme. Local organisations often have a valuable understanding of local needs and priorities, and we must take these into account. Partners often bring in technical expertise that we may not have – such as agronomists in our Primark Sustainable Cotton Programme and experts on gender equality to support us in the delivery of our social impact programmes.

## How will environmental and social considerations impact the future of the fashion industry?

We all know we need to adapt to address climate change – the fashion industry must evolve to be fit for the future. Our stakeholders are also demanding change – environmental and social issues are becoming more important to our customers, investors, legislators and civil society. For us, becoming more sustainable isn't a choice – it's vital that we change the way we operate to reduce our impact on the planet and support the livelihoods of people who make our clothes. The complexity and global scale of the challenges we face mean we can't succeed alone. As an industry, we have the chance to take bold steps to tackle these challenges. We want to be more than a part of the change – we want to push ourselves to be at the forefront of the leaders driving our industry forward.

It's also important to mention technology – it's changing all the time and opening new possibilities for sustainability. While scalable solutions relating to some of our commitments don't exist yet, we're optimistic that the next decade will bring new solutions that we can adopt.



Lynne Walker,  
Director of Primark Cares

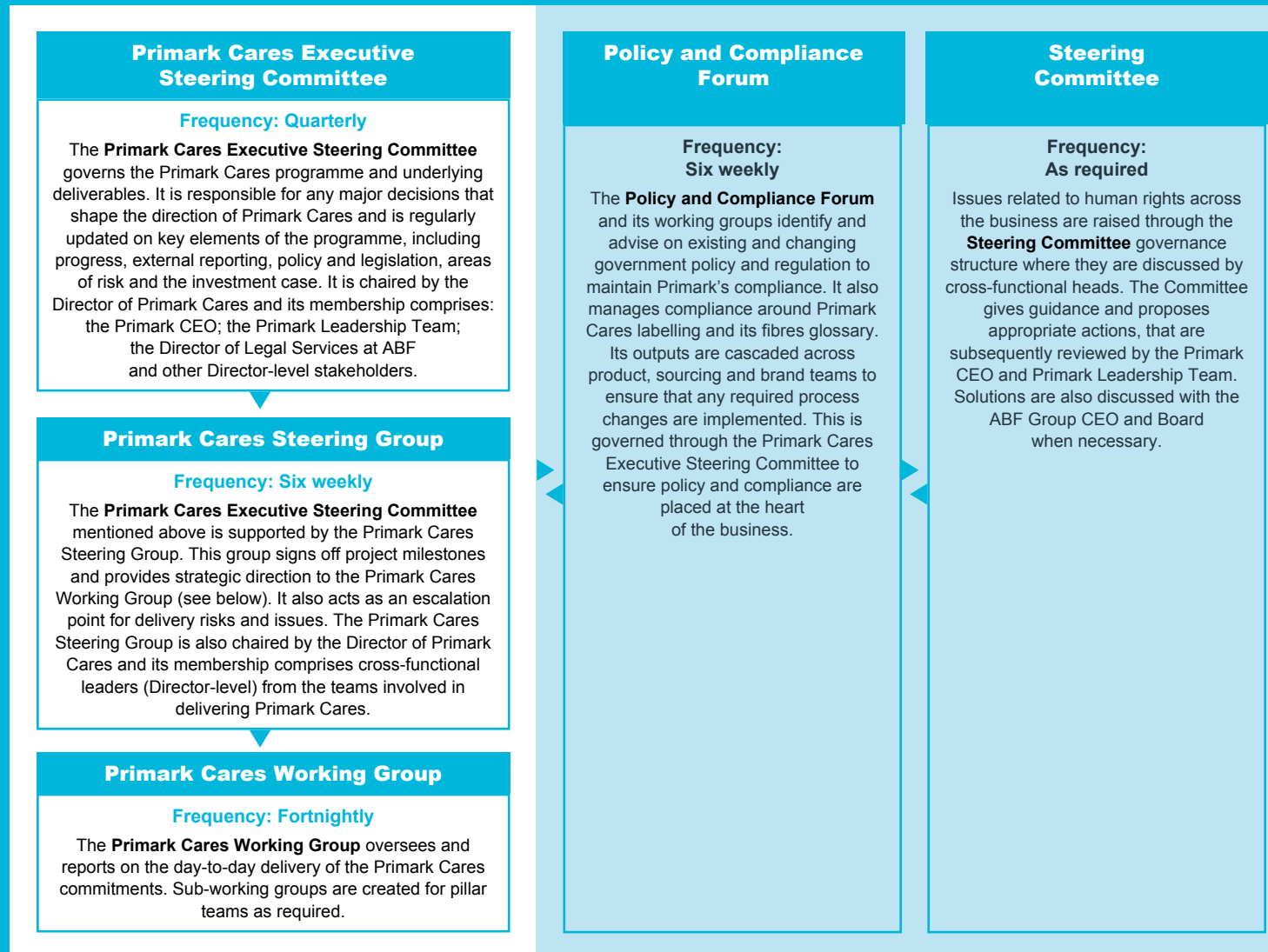
## Why is Primark Cares important for customers?

Primark Cares gives customers more sustainable options at affordable prices. Our customers tell us that they want to shop more sustainably but they believe they can't afford it. We believe that people shouldn't be priced out of making more sustainable choices. Now more than ever, we want to make sure our customers can do this without breaking the bank. There is a common misconception that paying more for something means it has a lower impact on the environment. That's not always the case. More than half of what we sell is everyday basics and essentials, so socks, underwear, basic white t-shirts, hoodies and jeans, and we're working hard to make our essentials more sustainable. For me, a key part of Primark Cares is broadening the scope of what we mean by 'value' to our customers to include sustainability.

# SUSTAINABILITY AND ETHICS GOVERNANCE

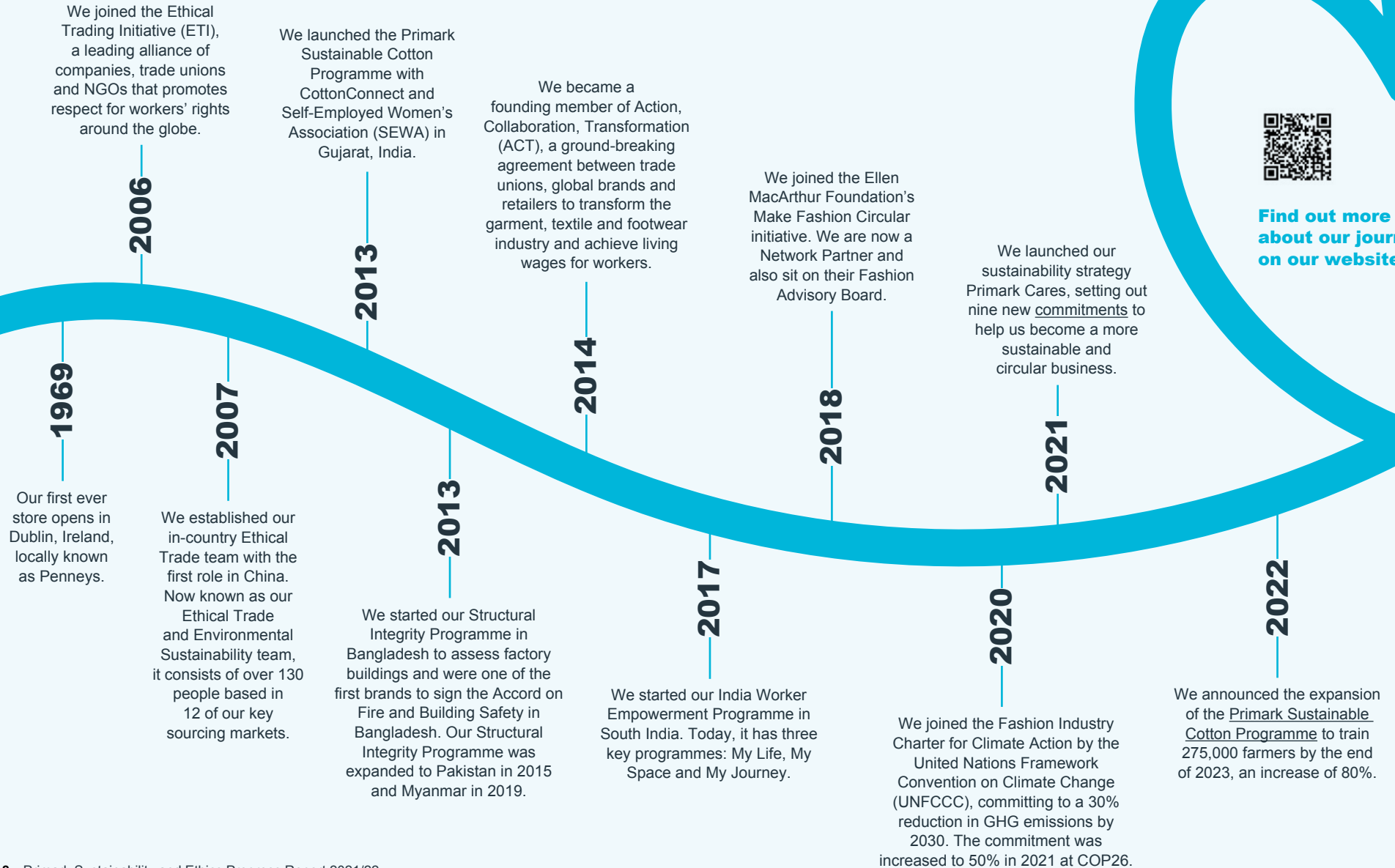
Responsibility for sustainability and ethical issues is led from the top at Primark, with strong endorsement and sponsorship from our CEO and the Primark Leadership Team, in addition to our parent company, ABF. This support is reflected in the substantial investment made in building our Ethical Trade and Environmental Sustainability team, which was set up 15 years ago, in addition to our newly formed Primark Cares team.

We have a comprehensive governance framework in place to oversee the development and delivery of Primark Cares. In addition, we have a Steering Committee governance system which oversees other issues related to ethical trade and human rights.





# SUSTAINABILITY AND ETHICS: OUR TIMELINE



Find out more about our journey on our website

# OUR PRIMARK CARES COMMITMENTS

**Primark Cares is our vision to make more sustainable fashion affordable for all.**

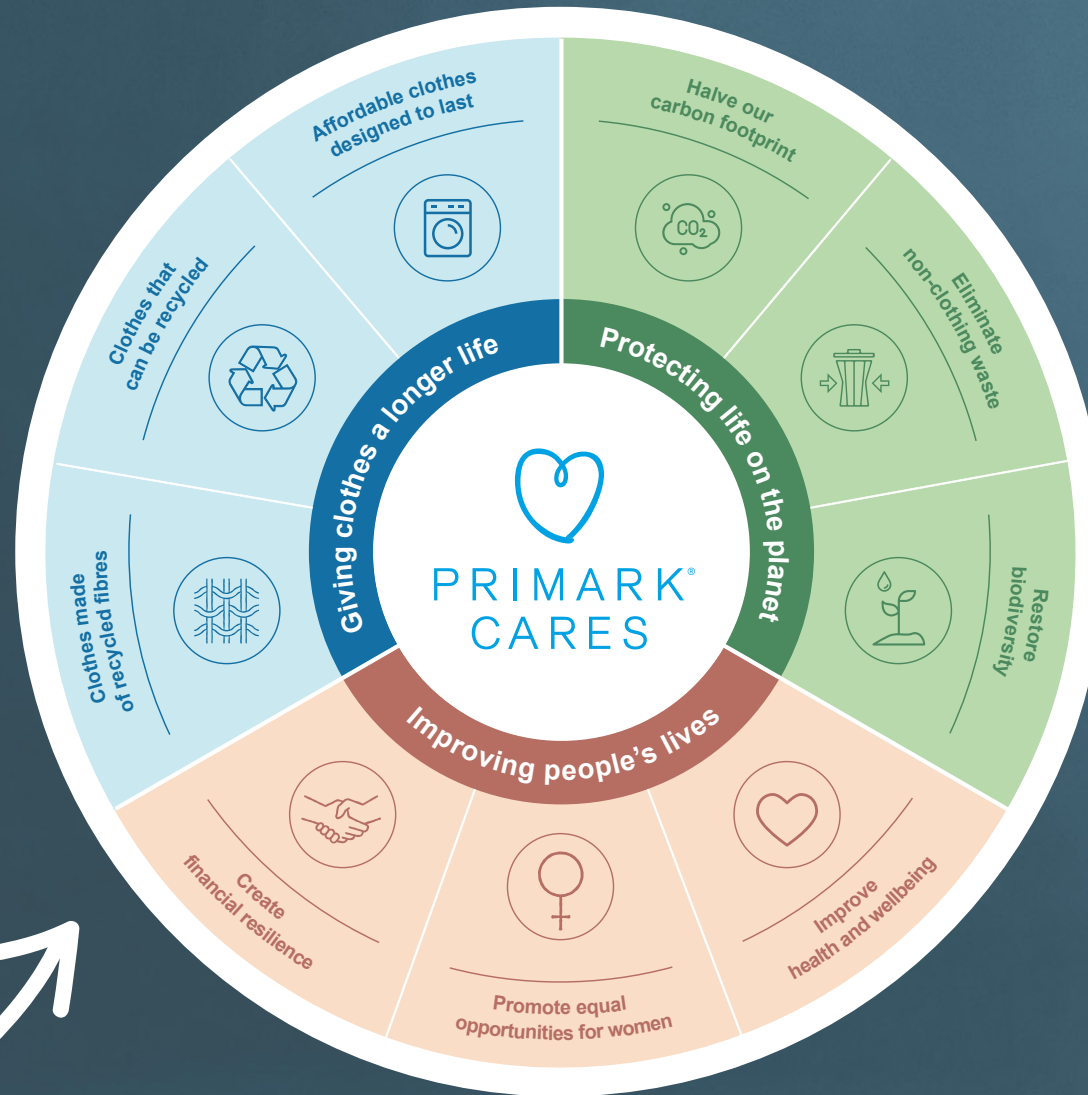
To do this, we need to look right across our business and supply chain. From how we design and make our clothes, and the materials we use, to the suppliers we work with, how our products are packaged and shipped to us, in addition to the cotton farming practices of the farmers in our Primark Sustainable Cotton Programme.

Our commercial model is underpinned by the strong foundations laid by our long-standing Ethical Trade and Environmental Sustainability team, set up 15 years ago. However, we had to go further and evolve. **Our Primark Cares commitments reach across three areas: Product, Planet and People, and stretch until 2030.**

**Our Primark Cares strategy is enabled by and underpinned by five key principles:**

- Our commitment to ethics and human rights through our Code of Conduct and [Supply Chain Human Rights Policy](#)
- [Our Environmental Policy](#), which sits within our [Code of Conduct](#)
- How we collaborate and innovate with our suppliers and partners
- Our engagement with stakeholders
- Traceability and transparency

- Product
- Planet
- People



Our Primark Cares commitments continued



## Product

### Giving clothes a longer life

Our customers are increasingly conscious of the impact of their shopping choices on society and the planet. They want to know how and where their clothes are made, and that they're designed to last. We are working hard to become a more circular business to reduce the impact of our clothes on the environment. To do this, we have made some core commitments to give our clothes, and the materials they are made from, a longer life:



**Affordable clothes designed to last** – we will strengthen the durability of our clothes by 2025.



**Clothes that can be recycled** – our clothes will be recyclable by design by 2027.



**Clothes made of recycled fibres** – all our clothes will be made from recycled or more sustainably sourced materials by 2030.



## Planet

### Protecting life on the planet

We all have a responsibility to protect the world we live in. As an international retailer, we must reduce the environmental impact of our own operations and our supply chain. Primark Cares brings together many long-term initiatives to do this. We have set ambitious environmental commitments and we are working hard to amplify our efforts in order to meet them:



**Halve our carbon footprint** – we will halve carbon emissions across our value chain by 2030.



**Eliminate non-clothing waste** – we will eliminate single-use plastics and all our non-clothing waste by 2027.



**Restore biodiversity** – our Primark Sustainable Cotton Programme will use more regenerative agricultural practices by 2030.



## People

### Improving people's lives

The scale of our business means that hundreds of thousands of people all over the world work in our supply chain. As a business, we care about the welfare of all those workers and recognise that we have a responsibility to do what we can to ensure they have a safe place to work and their rights are respected in the workplace. And it's a responsibility we take very seriously. The People pillar of our Primark Cares strategy seeks to address some of the most salient human rights-related risks to workers in our supply chain, as set out by our Code of Conduct, and also focuses on some other areas where we think we can have greatest social impact in our supply chain:



**Create financial resilience** – we will pursue a living wage for workers in the supply chain and support with financial literacy training and access to social protection by 2030.



**Promote equal opportunities for women** – we will strengthen the position of women through skills development and addressing their barriers to progression by 2030.



**Improve health and wellbeing** – we will ensure access to effective grievance processes and widen access to help for mental and physical wellbeing by 2030.

# OUR LONG-TERM **COMMITMENT** TO THE PEOPLE WHO MAKE OUR CLOTHES

**As well as providing our customers with value, quality and choice, we are committed to supporting the livelihoods of the people who make our clothes. This includes supporting workers' rights, enhancing their safety and welfare and strengthening their resilience, for example through building their knowledge and skills.<sup>1</sup>**

## Our approach

Our Code of Conduct sets the ethical standards we hold our suppliers to – compliance with our Code of Conduct is a key condition of doing business with us. It includes elements such as workers' rights including health and safety and freedom of association, discrimination and forced labour. It is based on the Core Conventions and the Fundamental Principles and Rights at Work of the International Labour Organization (ILO), a UN agency, in addition to the Ethical Trading Initiative's Base Code.

For 15 years, we have continued to invest in growing our Ethical Trade and Environmental Sustainability team. Our Code of Conduct is the bedrock of this team. We have more than 130 team members working locally in 12 countries, which includes all our key sourcing markets. They play a vital role in monitoring that our standards are met.

Any potential new factories must go through a rigorous onboarding process, including an audit from our Ethical Trade team. No orders are placed in a supplier factory until an approved audit takes place. Once this onboarding is complete, our team works with suppliers to assess that our standards are maintained and to investigate every grievance raised. Every tier one factory in the Primark-approved supply chain is audited at least once a year, mostly unannounced – and more frequently in some instances. During 2021, we carried out 2,400 audits either ourselves or through third-party audit contractors.

Our regional teams also help to make us visible to workers in our supply chain. They conduct regular monitoring visits and provide training on a range of topics such as working conditions, pay, health and safety. Our local teams are our 'eyes and ears' on the ground. They help us to identify any issues quickly and work closely with partners to develop remediation plans that address root causes.

## Our commitment to human rights

We take a risk-based approach to human rights due diligence in our supply chain. Knowledge of where risks might exist, combined with supply chain mapping, enables us to monitor, identify and remedy issues, or even to anticipate and avert them before they arise.

We reiterated our commitment to human rights through the publication of our [Supply Chain Human Rights Policy](#) in March 2022. This policy, which aligns to the United Nations Guiding Principles on Business and Human Rights (UNGPs), helps to provide additional guidance to the business on human rights and sets out how our Code of Conduct is used in supplier relationships.

We ban all forms of modern slavery, including child labour, forced labour and human trafficking, in line with our Code of Conduct. We publish our Modern Slavery Statement annually which highlights our programmes and work in this space.

**“OUR CODE OF CONDUCT SETS THE ETHICAL STANDARDS WE HOLD OUR SUPPLIERS TO. COMPLIANCE WITH OUR CODE OF CONDUCT IS A KEY CONDITION OF DOING BUSINESS WITH US.”**



**15 years**  
of our Ethical Trade and Environmental Sustainability team

**Over 130**  
team members across

**12**  
sourcing markets

1. Our commitment to decent work aligns with the definition of decent work from the ILO: [www.ilo.org/global/topics/decent-work/lang-en/index.htm](http://www.ilo.org/global/topics/decent-work/lang-en/index.htm)

Our long-term commitment to the people who make our clothes continued

### Our position on sourcing from Myanmar

Our priority has always been the safety and wellbeing of the people who make our clothes and products. The situation in Myanmar is extremely concerning and very complex, with international stakeholders, including governments and trade unions, expressing differing views about the best course of action for the garment sector. We leverage the strength of our Ethical Trade programme, long-standing relationships and local partnerships to monitor for compliance with our Code of Conduct, facilitated by our team in Yangon.

In order to align with the UNGPs, due to the complexity of the situation since the military coup in February 2021 and the subsequent calls from global trade unions to disinvest from the country, we needed to conduct enhanced due diligence to inform our decision about our future sourcing strategy.

Working with a group of other international brands sourcing from Myanmar, who are also members of the ETI, we recognised that an extensive human rights impact assessment was called for.

A report was commissioned by the ETI and undertaken by independent experts, working with stakeholders locally and internationally as well as engaging with workers in Myanmar.

The ETI report highlighted significant deterioration in the situation in Myanmar since the coup. The report, which was published in September 2022, detailed challenges for businesses sourcing from Myanmar in relation to conducting the level of due diligence required to meet recognised standards. Consequently, we concluded we would work towards a responsible exit from Myanmar.

This was not a decision we took lightly and there is ongoing concern for those working in the factories in our supply chain. Therefore, this exit will be managed in close collaboration with our local and international partners and stakeholders, including the global trade unions and in line with the UNGPs.

We will continue monitoring compliance with our Code of Conduct throughout the exit process and are considering ways to further support the workers in our Myanmar supply chain in this interim period. In order to do so, we have doubled the size of our local team working in Myanmar.

### Supplier relationships

Our global supply chain is large and diverse. It spans 26 countries and we don't own any factories ourselves. At the same time, the fashion industry and related supply chain and environmental legislation is constantly evolving. We welcome any proposals that have the potential to drive industry-wide change. Adapting ourselves, and supporting our suppliers to evolve in line with changing standards and expectations, is critical.

Supplier engagement crosses several departments within Primark. Whether it's our buying and merchandising teams liaising with suppliers on pricing or manufacturing lead times, or our quality team working with suppliers to drive forward our new durability testing, to our Sourcing and Product Sustainability teams liaising to increase the amount of recycled or more sustainably sourced materials in our clothes. How all our teams engage with suppliers is crucial to ensuring decent work for the garment workers in our supply chain.

### Worker engagement

Direct engagement with workers is fundamental to supporting our commitment to decent and safe workplaces for garment workers in our supply chain. Our local teams speak directly with workers through audits and our programmes, helping us to understand how they experience their workplace and what their needs and priorities are. Read more in the [Our People](#) section on this.

### A joined-up approach

We are keen to bring our voice to multi-stakeholder initiatives to drive industry-wide change. In 2006, we joined the ETI, a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights across the globe. We are also a founding member of ACT, a ground-breaking agreement between trade unions, global brands and retailers to transform the garment, textile and footwear industry and achieve the living wage. We were one of the first signatories to the Accord on Fire and Building Safety in Bangladesh which aims to improve the structural and electrical safety of factories in Bangladesh. We reaffirmed our commitment to the Accord in 2018 when the first agreement expired and we are signatories of the International Accord, as it's now known, established in September 2021.

### Transparency and traceability

The size and complexity of our supply chain make traceability a challenge but it's something we continue to focus on. As our programmes evolve, so do our traceability capabilities. Transparency in our supply chain is also a key priority for us. For the past five years, we've published our Global Sourcing Map which includes the tier one production sites that make our products and the number of employees working at each site.

Our long-term commitment to the people who make our clothes continued

We know we need to do more and have begun working with a selection of suppliers to test a new traceability platform that will give us greater visibility of our extended supply chain. We've already provided training on transparency and traceability to more than 450 garment suppliers and will continue to build awareness around this important topic. We also work with Oritain to support verification of the origin of cotton from our Primark Sustainable Cotton Programme.

**Vulnerabilities in our supply chain due to COVID-19**

We continue to be mindful of the ongoing impact of the COVID-19 pandemic felt across our supply chain. Our Primark Cares People commitments seek to address some of the issues and vulnerabilities that were heightened by the pandemic, and which particularly affect women: financial resilience, gender equality and health and wellbeing. To tackle the challenges that COVID-19 presented for workers, we had to re-evaluate existing programmes and establish new ones, depending on each country's situation. In India and Bangladesh, for example, we worked to educate workers and management in our supply chain on COVID-19, including the effectiveness and safety of vaccines. More information can be found [here](#).



**Our Ethical Trade and Environmental Sustainability team**

We have more than 130 team members working across 12 key sourcing markets, who play a vital role in upholding our standards wherever we operate. The team is responsible for:

- providing support for suppliers to help them understand and implement our standards on workers' rights, environmental sustainability and structural integrity;
- visiting factories regularly and auditing and monitoring those factories against our Code of Conduct including conducting unannounced audits and spot-checks;
- working with our external partners to support the development and implementation of longer-term capacity building programmes in our supply chain; and
- engaging with workers, stakeholders and experts to understand the risks and root causes of risks in our supply chain and to ensure that remediation actions are appropriate and effective and meet the needs of stakeholders.

# GLOBAL PARTNERSHIPS WORKING TOGETHER TO DRIVE CHANGE

**Engagement with stakeholders is fundamental to help us deliver on our sustainability commitments.**

We're committed to following the due diligence guidance outlined in the UNGPs, as well as the [OECD Due Diligence Guidance for Responsible Business Conduct](#). Both stress the need to engage with stakeholders with a holistic and rigorous approach to human rights. Engaging and partnering with relevant stakeholders helps us to increase our leverage, to understand and prevent risks in our business and to address issues where required. This includes engaging with policymakers, worker rights organisations and civil society groups. We also actively participate in multi-stakeholder and industry initiatives at both a national and international level.

Our engagement with policymakers is increasingly important with new eco-regulation from the EU and US, in addition to changes to local legislation in our sourcing markets. We welcome regulation that seeks to benefit workers or the environment and helps to level the playing field in the long term.



Global partnerships: working together to drive change continued

**Our supply chain partners**

We don't have all the answers and we know we can't do it alone. So we often work with trusted supply chain partners on key environmental sustainability and ethical trade issues to help us deliver greater impact across our supply chain. We're also signatories to major industry initiatives to provide guidance and support as we embed more sustainable sourcing and

manufacturing practices in our business. These include partners from a range of organisations – including membership groups, local and international NGOs, and unilateral and multi-stakeholder initiatives. More information can be found [here](#) and in our Modern Slavery Statement [here](#).



**Partnering with the Ellen MacArthur Foundation to 'close the loop' in clothing**

Moving towards more circular principles both within Primark's own operations and across our supply chain is a key part of our Primark Cares sustainability strategy. We know that we can't make all changes alone, so since 2018, we've been working with the Ellen MacArthur Foundation, benefitting from their network, knowledge and expertise on how to embed more circular practices within our business. This covers everything from the design and materials we use, through to the production and manufacturing of our clothing and products.

In July 2021, we extended our relationship with the Foundation by becoming a Network Partner and we now sit on their Fashion Advisory Board. Recognising that the best way to show progress in action is through product, we joined the Foundation's Jeans Redesign Project last year. Following the project guidelines, our Jeans Redesign collection featured jeans and denim jackets for both adults and kids that were made of organic cotton and recycled fibres and designed to be easily recycled. The jeans were rivet-free, a common design element that makes jeans difficult to recycle, and the labelling also included guidelines on removing buttons and zips before sending to recycle to give the product another life.

We've also recently launched a pilot to train our designers, buyers and some suppliers to better understand circular design principles and this will be rolled out further next year.

**"We're pleased to see Primark explore and learn how to put products on the market aligned with circular economy principles and growing their understanding of the challenges that must be addressed to achieve the vision of a circular economy for fashion. Now the concept has been proven, we cannot delay progress. There is a need to continue driving action, at pace and scale, towards a circular economy for fashion."**

Laura Balmond, Fashion Initiative Lead at the Ellen MacArthur Foundation





Global partnerships: working together to drive change continued



**Supporting UNICEF’s on-the-ground response in Ukraine**

From the very beginning, and as we watched the crisis in Ukraine unfold, we were in continuous contact with our global partner UNICEF to understand how we could best support its efforts on the ground. We donated €290,000 (£250,000) to UNICEF’s emergency appeal to get urgent support to Ukraine’s 7.5 million children. This donation helped UNICEF to scale up life-saving support for children and their families with safe water, hygiene supplies, healthcare, access to education and psycho-social support.

**“We would like to thank Primark for their continued support. UNICEF greatly appreciates the generous contribution from Primark to support our emergency humanitarian relief effort in Ukraine. At the very beginning of the conflict, when UNICEF urgently needed the funding, Primark’s donation was vital to help scale our life-saving programmes for children and families.”**

Peter Power, Executive Director of UNICEF Ireland

From the outset, many Primark stores in each of our markets collected and donated clothing for those seeking refuge and essentials. In Ireland we went a step further. We partnered with the Department of Justice and Dublin Airport to create and distribute over 2,500 care packs of essential items such as underwear, socks, pyjamas and warm hoodies to families arriving into the country. Our team of Primark volunteers were present at Dublin airport for over two weeks welcoming families and personally distributing these care packs.

**“I was born in Ukraine and have been living in Ireland for over 20 years. As I watched the crisis unfold I felt useless and was eager to help in any way I could. I was so proud to see how much Primark was doing to support people in Ukraine. Those days at the airport welcoming people, speaking with them, giving them clean, warm clothes were emotional and incredibly humbling. I am really proud to have played even the smallest part in making things a little easier for families when they arrived here.”**

Svitlana Shcherbyna, Department Manager, Penneys Blanchardstown

**Our charity partnerships**

As a high street retailer our local communities are the lifeblood of our business. We have a responsibility and an opportunity to give back to our colleagues and customers, making a positive difference to the lives of the people who build our brand and buy our products.

We support and partner with charities and intergovernmental organisations across our markets to deliver on this commitment.

This includes our global partner UNICEF. We also support other charities, such as the Irish Cancer Society, in some of our product campaigns. Read more about our partners [here](#).



# THE PRIMARK **SUSTAINABLE** COTTON PROGRAMME

## Nearly a decade ago in 2013, we launched our Primark Sustainable Cotton Programme (PSCP) with 1,251 women farmers in Gujarat, India.

Working in collaboration with agronomic experts CottonConnect and a local grassroots organisation [SEWA](#), our objective was to understand and reduce the environmental impact of our cotton, support the livelihoods of cotton farmers and explore how we could change the way we sourced cotton.

Since then, through [CottonConnect](#), the programme has expanded to Pakistan and Bangladesh where we work with other local partners, the [Rural Education and Economic Development Society](#) (REEDS) in Pakistan and [Thengamara Mohila Sabuj Sangha](#) (TMSS) in Bangladesh. Up to the end of August 2022, we have trained 252,800 farmers in more sustainable cotton production methods through our programme across India, Bangladesh and Pakistan.<sup>1</sup>

Cotton farmers are trained over three years to reduce their use of water and dependence on chemical fertilisers and pesticides, in addition to learning new skills such as seed selection; land preparation and sowing; crop management; and harvesting.<sup>2</sup>

## Making more sustainable cotton affordable for all

The programme is helping to support our commitment that 100% of the cotton in our clothes will be organic, recycled or sourced from our PSCP by 2027. It also underpins our commitment to make all our products from recycled or more sustainably sourced materials by 2030. More details on how we define the materials in our Primark Cares products can be found in our [fibres glossary](#).

After introducing the cotton from our PSCP in our popular nightwear range in 2017, it is now used across all major product categories and departments, including menswear, womenswear, kidswear and homeware. This year, 40% of our cotton clothing units sold contained cotton that was either organic, recycled or sourced from our PSCP, up from 27% at the launch of Primark Cares. The programme has enabled us to increase the amount of sustainable cotton available for our products, while also creating a more transparent cotton supply chain.

Today we are on track to reach our commitment of increasing the total number of farmers in the PSCP to 275,000 by the end of 2023. We project this will increase the volume of cotton from our programme by around 60%.<sup>3</sup>

## Supporting women farmers

The majority of farmers in the PSCP are smallholders (around 90%), and 80% of them are women. Through our long-term investment in training to encourage lower input costs and higher yields, we are helping to increase profits from cotton for the PSCP farmers. Under the PSCP, we also provide training on life skills such as financial literacy, decision-making and health, including family planning and menstrual hygiene. In addition, women are educated about women's rights.<sup>3</sup>



**“WE GET MORE YIELD AND GOOD QUALITY COTTON. WE NOW SAVE MONEY ON FERTILISERS AND PESTICIDES, WHICH WE USED TO USE IN HUGE QUANTITIES.”**

Dhaniben Parmar, PSCP farmer, Anadej Village, Gujarat, India, May 2022

1. This includes farmers that are currently being trained and those that have completed training under the programme.  
 2. Based on CottonConnect's REEL Code: [www.cottonconnect.org/sustainable-practices](http://www.cottonconnect.org/sustainable-practices)  
 3. This training is part of the Sustainable Lives Programme under the PSCP. It is currently run among farmers in Pakistan and Bangladesh.

The Primark Sustainable Cotton Programme continued

### Enhancing cotton traceability

We work closely with our suppliers to ensure the PSCP cotton is segregated and traceable. We use CottonConnect’s system called TraceBale to help us track and segregate the cotton from farmers in the PSCP to our supply chain (ginners and spinners). Given the complexity of the cotton supply chain, we wanted to go further and we were one of the first high street retailers to partner with Oritain, a specialist scientific verification firm. While TraceBale gives us better visibility over the journey of the cotton from the PSCP to ginners and spinners in our supply chain, Oritain uses forensic science techniques to confirm the origin of the PSCP cotton. We combine the data from Oritain with the TraceBale database to help verify the traceability of the cotton from the PSCP.

### Measuring impact

CottonConnect has a robust monitoring framework. It collects data and analyses results from the PSCP farmers to enable the development of the programme and comparison with control farmers that are not in the PSCP. CottonConnect measures farming inputs of the PSCP farmers such as water, chemical pesticides and fertilisers, in addition to profits from the PSCP cotton. The results go through an external assurance process, giving us insight into the impact the PSCP is having. We recognise the importance of measuring both the social and environmental impact of our PSCP, including gathering lifecycle analysis (LCA) data. We are currently working with external experts to explore conducting LCAs on behalf of Primark for our PSCP.

**“AS THE OTHER WOMEN OF THE VILLAGE SAW THE PROGRAMME, THEY ALSO WANTED TO REGISTER. WE’VE HELPED THEM ENROL AND NOW MANY OTHER WOMEN ARE FOLLOWING THESE PRACTICES AND HAVE ALSO INCREASED THEIR INCOME.”**

Hansaben Patel, PSCP farmer, Anadej Village, Gujarat, India, May 2022

### Evolving our approach and managing future risk

As we look to the future, we are moving towards supporting more regenerative farming practices within the PSCP, building on existing practices adopted by farmers in the PSCP such as inter-cropping, reducing reliance on synthetic and chemical fertilisers and pesticides and increasing use of bio-fertilisers. Our aim is to promote farming methods that go further to support biodiversity and strengthen the resilience of local ecosystems. Under Primark Cares, we have committed that farmers within the PSCP will adopt more regenerative practices by 2030. Our work is already underway with almost 3,000 farmers having participated in a pilot programme in India, Bangladesh and Pakistan.

At the same time, climate change continues to be a growing risk to many cotton-producing areas. Many farmers in our PSCP in Pakistan were severely affected by the recent floods in June 2022 which caused widespread and devastating damage to crops, livestock, houses and community infrastructure such as safe drinking water. We are working closely with our local programme partners, CottonConnect and REEDS to undertake assessments on the damage and the resulting support needed for the farmers and their communities.

We continue to seek to understand how best to respond to these climate change risks, talking to key experts to share and learn, such as the UK Government-funded initiative, Work and Opportunities for Women (WOW) programme.



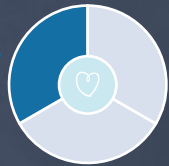
**Read more about our PSCP here**





# PRODUCT

# GIVING CLOTHES A LONGER LIFE



Primark Cares includes three commitments that address different stages of the product lifecycle to help us become a more circular and a more sustainable business:



**Affordable clothes designed to last** – we will strengthen the durability of our clothes by 2025.



**Clothes that can be recycled** – our clothes will be recyclable by design by 2027.



**Clothes made of recycled fibres** – all our clothes will be made from recycled or more sustainably sourced materials by 2030.

**Adapting how our clothes are made and sourced is central to our Primark Cares commitments. This includes improving the durability of our clothes and making clothes that our customers can wear again and again or repurpose.**

Primark has a unique business model which we have built and honed over the last 50 years – we don't do any traditional advertising, we use very little air freight, and we keep our factory-to-store operations very simple. These measures enable us to offer quality clothing at affordable prices to our customers. There is a common misconception that we're a business that is built around clothes that are bought in bulk, worn a couple of times and thrown aside. That's simply not the case. In fact, more than half of what we sell is everyday basics and essentials, so socks, underwear, basic white t-shirts, hoodies and jeans. We saw after lockdown when we reopened that this is what people were waiting to buy and we're seeing this trend again – these are essential items people are continuing to buy even when household budgets are squeezed elsewhere.

Our ambition is to drive forward innovation and collaboration within our industry to drive positive change. This will help us to demonstrate how we are changing in a meaningful way that can be trusted and understood. Our customers are central to this. They have told us that they care about how long their clothes last and where and how they are made. As we evolve towards a more circular model of how our clothes are made, helping to build our customers' understanding of what this means is an important part of our work.

**Becoming a more circular business: our commitments**

Becoming a more circular business requires a change in our mindset. We must change the way we operate and work with our partners right across our value chain. However, product design is only one part of the picture. We also need to consider changes in the way we manage waste in our own operations and throughout our supply chain, helping to extend a product's lifecycle.

We are taking the following steps to invest in and embed circularity within our business:

- building our knowledge and skills in circularity;
- integrating circular thinking into our design and manufacturing processes;
- identifying waste streams and opportunities for improved waste collection management;
- establishing waste sorting and recovery systems;
- working with partners to evaluate investment in new technologies to help us recycle waste into resources; and
- exploring and implementing product reuse models.

**Affordable clothes designed to last**

We are committed to strengthening the durability of our clothes by 2025. This will be measured by increasing the amount of our clothes which have been tested and pass our enhanced durability wash standard. In year one, we have piloted a framework for this new standard and we have started by testing our denim. So far, 60% of the product tested has passed this standard.

Making our clothes last for longer is a key commitment of Primark Cares because it has the potential to reduce clothing waste by enabling customers to wear our clothes for longer. We're proud of the quality of the clothes we sell, and we work hard to ensure our customers can wear our clothes time and again. We want to tackle the assumption some people make that low price clothing must signal low quality and much of the work we have begun this year seeks to do this.



Giving clothes a longer life continued

We have begun the process of identifying ways to test and enhance durability across product categories and have set our sights on continuous improvement over time. On the back of this pilot programme with denim, we are now developing processes for both socks and jersey categories using the [WRAP Clothing Longevity Protocol](#) to understand the additional number of washes our clothing will need to last to meet the required standards. This rigorous and methodical approach is building a unique framework of data and insight around durability, which allows us to measure the impact of the improvements we make. For example, we've increased our wash testing for many of our denim ranges, in line with the Ellen MacArthur Foundation Jeans Redesign Project and WRAP. This gives us a richer picture of how our garments may perform after they've left our stores.

A key challenge in this area is that there is currently no recognised standard for durability across the fashion industry. We believe this must change and so we are working with WRAP, as a signatory to its [Textiles 2030 initiative](#), to bring businesses together to create a uniform standard of durability that helps us all achieve higher standards. Where products don't meet our new enhanced durability requirements, we will work with suppliers to drive improvements in line with our standards – for example exploring the use of different dyes or making adjustments to fabrics to strengthen and make them more durable.

**Clothes that can be recycled**

Recyclable by design is all about making decisions at the beginning of a product's lifecycle and designing clothes with their end in mind. This means considering all the components of an item of clothing, from the pockets of jeans through to the care labels on the inside of the seam, in order to see where we can make improvements without sacrificing quality. The chemical or mechanical recycling process that will be used at the end of a product's lifecycle also needs to be factored into our design decisions. Our ambition is that our customers are able to return products they are no longer using back into the system, working towards a true closed loop.

These can be big or small changes like moving towards a single more sustainable mono-material for each garment; minimising the use of blends of both natural and synthetic fibres; minimising the use of embellishments such as beads and sequins; designing jeans with removable buttons; or replacing metal rivets with stitches. While we know we have work to do in this space, our [EMF Jeans Redesign collection](#) and our [Cradle to Cradle Certified®](#) mom jeans are two good examples of where recyclability has been designed into our clothes.

This year, we've been working with [Circle Economy](#) and the Sustainable Fashion Academy to pilot a Circular Design Training Programme for buyers, designers and suppliers – of which a key component is product recyclability. The circularity training is designed to embed circular thinking across all levels of the business, but with a specific focus on how to develop and design products that meet our vision of a circular product.

**Love your clothes for longer through repair**

We want to help our customers love and wear their clothes for longer. One of the ways we are doing that is through our free education workshops which show or remind people how to repair their clothes and give them a longer life.

Mending clothes has become a lost art. However, there is a growing interest in learning new repair skills among our customers.

After piloting the sessions with smaller groups during the pandemic, we started to roll the programme out more broadly in March 2022. To date, we've run 43 sessions in our stores and head offices in the UK and Republic of Ireland, offering over 500 free places to customers and colleagues.

Our workshops are led by Lecturer and Designer Lorraine Mitchell, a Primark customer, who approached us about hosting a repair workshop together. During the workshops, she shares basic hand-sewing techniques and practical repair tips and guides attendees through the hands-on sessions.

Feedback from these workshops has been great and we plan to scale them up further during 2023.



**“PRIMARK’S REPAIR WORKSHOPS HELP TO GIVE PEOPLE CONFIDENCE TO REPAIR A GARMENT. WITH THE COST OF LIVING CRISIS, THIS IS MORE IMPORTANT THAN EVER. THESE ARE LIFE SKILLS THEY CAN SHARE WITH THEIR FAMILY AND FRIENDS.”**

Lorraine Mitchell,  
Lecturer and Designer and Primark  
Repair Ambassador

Giving clothes a longer life continued



**Reducing textile waste at source through the Circular Fashion Partnership**

To explore how we can help ‘close the loop’, so waste could be redefined as a new resource, we joined the Circular Fashion Partnership (CFP), led by the [Global Fashion Agenda](#). CFP is a cross-sector programme, also involving Reverse Resources and the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Its goal is to reduce dependency on virgin textile materials and increase the availability of recycled textiles in support of a circular fashion system in garment manufacturing countries.

When we joined the partnership in 2021, we worked with the most relevant parts of our supply chain – for example, our manufacturers, waste handlers and recyclers – and were able to gain valuable insights about waste infrastructure in Bangladesh.

To date we have worked with three suppliers and are already seeing improvements such as:

- better waste management practices;
- improved waste segregation;
- more effective waste storage to avoid contamination;
- more accurate record keeping about waste generation and composition;
- full traceability of waste through the Reverse Resources platform; and
- full transparency so factories can identify which recyclers process their waste.

Looking ahead, we will continue to work with suppliers to implement effective practices more widely and to apply lessons learned in other sourcing markets.

We appointed a Circular Product Lead to manage this work – a former buyer within the business. To date, 24 colleagues have taken part in the programme representing over 10% of eligible colleagues from our Product team. Six suppliers also participated in the pilot.

**Reducing textile waste**

Reducing textile waste in the manufacturing process is central to reducing our environmental impact as a business. To deliver real change, we need to work closely with our suppliers to explore how we can close the loop to transform what we once described as ‘waste’ into a new resource. Through various initiatives, we are helping our suppliers learn how to segregate their textile waste by composition, colour and fabric type. To scale effective circular systems, we need collaboration. Brands, manufacturers, waste handlers and recyclers need to agree to improve areas such as waste traceability and output quality, all of which are key to large-scale circular production. However, the small changes we make can deliver a huge impact and we’re committed to use Primark’s scale to help deliver change in this space.

**Clothes made of recycled and more sustainable fibres**

We’ve committed to make all our clothes from recycled or more sustainably sourced materials by 2030. At the end of our first year, 45% of our clothing units sold met this criteria, an increase from 25% at the launch of Primark Cares, so we are making progress in this area. But we need to do more and this requires us to continue adapting the ways we source and use materials.

**Giving clothes a longer life continued**

While there is no universal definition of more sustainably sourced materials, we use this phrase to talk about the fibres sourced and processed for our Primark Cares products. These materials have a lower environmental impact when compared with conventional materials, for example, organic or recycled cotton or cotton from our PSCP compared with conventional cotton. More information on the fibres and materials we use in our Primark Cares products can be found in our [fibres glossary](#).

The Primark Cares label has a strict list of approved materials and protocols regarding minimum content levels and blending rules. We have been working to increase the minimum content levels of recycled and more sustainably sourced materials in our Primark Cares ranges. Our minimum content standards vary depending on material type, in line with, or surpassing, industry standards. All product under Primark Cares must be signed off against these protocols by our Product Sustainability team. This team of 12 supports the conversion of products and clothes to incorporate recycled and more sustainable fibres, working with our buying and sourcing teams, in addition to our supply chain partners.

At Primark we adhere to, and in some cases go beyond, standards set by Organic Content Standard (OCS), Global Organic Textile Standard (GOTS), Recycled Content Standard (RCS) and Global Recycled Standard (GRS), for our relevant product labelled with Primark Cares. Primark and our supply chain partners work with certification bodies, accredited by Textile Exchange, to certify and validate claims we make on our individual products, relevant to these standards.

All man-made cellulosic fibres under our Primark Cares label, such as viscose, are sourced from responsibly managed forests and are processed more responsibly. To extend our impact deeper into the supply chain, we've recently partnered with environmental non-profit [Canopy](#) with a commitment to keep clothes and packaging free of materials from ancient and endangered forests.

**“WE’VE RECENTLY PARTNERED WITH ENVIRONMENTAL NON-PROFIT CANOPY WITH A COMMITMENT TO KEEP CLOTHES AND PACKAGING FREE OF MATERIALS FROM ANCIENT AND ENDANGERED FORESTS.”**

We're working hard to make sure we can deliver high-quality clothes under the Primark Cares label. Currently, to ensure a product is durable, there are limitations on the amount of recycled materials that can be used within a product. To get the best results, we are taking a product-by-product approach to determine the optimum level of recycled content.

Over time, we must move to a closed loop system, recycling old clothes into new clothes. However, the technology to do this is still in its infancy. In some cases, there may not always be a more sustainable option for some existing fibres so we will look for other ways we can minimise their use.







# PRIMARK AND RECOVER™

## Rags to stitches: turning waste fabric into something extraordinary.

Primark is a proud partner of Recover™, a leading materials science company and global producer of low-impact, high-quality recycled cotton fibre and cotton fibre blends. Recover™ has 75 years of experience behind its innovation and a validated technology. Our partnership with Recover™, which began in 2020, is helping us expand our use of recycled fabrics and also harness the latest innovations.

The company transforms textile waste into recycled fibres and blends that can be used again to create new garments, helping to close the loop on fashion. We launched our second Primark x Recover™ collection in July 2022 and became the first high-street retailer to use Recover™'s unique RColorBlend fibre on an international scale. The leisurewear range was made using recycled cotton and recycled polyester fibres and included t-shirts and sweatshirts in a range of colours. It is available in selected stores across all 14 markets in Europe and the US.

RColorBlend is produced by blending Recover™'s coloured recycled fibre from textile waste – from factory floor cutting waste or used clothes – together with a recycled carrier fibre that has been low impact dyed. Colour accuracy is achieved by mixing the two types of fibres together, with no additional dyeing treatment and limited water and chemicals to reduce the environmental impact.

Looking ahead, we will continue to invest in partnerships like this to support our ambition to become a more circular business and reduce the environmental impact of our clothes.

**“RECOVER™ HAS BEEN A PROUD PARTNER OF PRIMARK SINCE 2020, SUPPORTING IT ON THE JOURNEY TO BECOME A FRONTRUNNER IN THE CIRCULAR TEXTILE BUSINESS. THROUGH THE INTEGRATION OF OUR FIBRE WITHIN ITS SUPPLY CHAIN, WE SUPPORT PRIMARK’S COMMITMENT TO SUSTAINABILITY, OUTLINED IN ITS PRIMARK CARES STRATEGY, TO INCREASE THE AMOUNT OF CLOTHING MADE WITH RECYCLED MATERIALS. OUR LONG-TERM PARTNERSHIP HELPS TO ENSURE A LASTING IMPACT ON THE INDUSTRY AND IS AN IMPORTANT MILESTONE ON OUR WAY TOWARDS MAKING CIRCULAR FASHION ACCESSIBLE AND AFFORDABLE FOR EVERYONE.”**

Alfredo Ferre, Recover™ CEO

# PLANET



# PROTECTING LIFE ON OUR PLANET



The commitments under the Planet pillar of Primark Cares focus on the most material environmental impacts for Primark. We've set ambitious commitments to:



**Halve our carbon footprint** – we will halve carbon emissions across our value chain by 2030.



**Eliminate non-clothing waste** – we will eliminate single-use plastics and all our non-clothing waste by 2027.



**Restore biodiversity** – the Primark Sustainable Cotton Programme will use more regenerative agricultural practices by 2030.

**We all have a responsibility to protect the planet we live on and, as a large international retailer, we are aware of the environmental impact of our own operations and our industry. To address this, Primark Cares brings together many long-term initiatives to accelerate our efforts in this area. However, this isn't our only focus as we continue to advance a wide range of environmental initiatives, from water stewardship to sustainable chemicals management.**

To support delivery of our work, Primark is fortunate to have a team of environmental specialists with a presence across our key manufacturing regions and within Primark's own operations. This helps to ensure that environmental sustainability is considered throughout our operations and strengthens our engagement with suppliers and factories.

We don't underestimate the scale of the task ahead. We are proud of what we have been able to achieve already, but there is much more we want and can do.

## Halving our carbon footprint

We're a large business, responsible for producing over six million tonnes of CO<sub>2</sub>e<sup>1</sup> emissions across our value chain each year. Reducing our carbon footprint is imperative to meet our environmental commitments and to ensure we do our part to mitigate the impacts of climate change. With the launch of our Primark Cares strategy, we cemented our commitment to halving carbon emissions across our value chain by 2030. This built on our pledge made in 2020 when we became a signatory to the Fashion Industry Charter for Climate Action by the UNFCCC.

Our commitment covers emissions across GHG Protocol Scopes 1, 2 and 3<sup>2</sup> so includes our supply chain, which is where 88% of our carbon emissions occur. Establishing our baseline was fundamental to tracking our progress in this commitment – this is set on our financial year 2018/19. We were careful to ensure our process aligned with relevant standards and we also engaged the Carbon Trust to provide an independent review of our methodology.

This work will not only set a baseline to measure our progress in the future, but it will also help us to identify opportunities to improve and ensure the feasibility of our targets.

We don't own any of the factories in our supply chain, so we continue to work in partnership with our suppliers and other brands to achieve our goal, leveraging our scale to take a leading role in driving our industry to reduce its impact. In fact, many of the initiatives within Primark Cares contribute to this decarbonisation goal, whether through switching to renewable energy or introducing more sustainable materials, increasing our use of recycling textiles or reducing resource use in manufacturing.

This year, there has been an overall increase of 2.6% in carbon emissions across our value chain against our baseline financial year 2018/19. This is largely the result of the increased volume of material used to produce the products sold over that period. In the short term, this trend is likely to continue but there will be a decline once our energy programmes that are being rolled out across our supply chain begin to deliver at scale.



1. This figure reflects the measurement of Primark's carbon emissions for the last four years. Due to disruption during COVID-19, two of those years saw our impact drop below 6 million tCO<sub>2</sub>e. 2018/19: 6.4 million tCO<sub>2</sub>e; 2019/20: 5.2 million tCO<sub>2</sub>e; 2020/21: 4.7 million tCO<sub>2</sub>e; 2021/22: 6.6 million tCO<sub>2</sub>e.  
2. See Glossary for our definition of Scope 1, 2 and 3.

Protecting life on our planet continued

**Reducing emissions within our operations**

Working with our suppliers to tackle emissions and reduce their carbon footprint is a key priority, however, we continue to look carefully at the footprint of our own operations. Our Energy Policy was developed in 2018 and updated in 2022 and is just one of the foundational tools we've put in place to reduce emissions within our own operations.

We're starting by reducing our demand for energy. In June 2021, we continued to scale the roll-out of an energy bureau to allow us to manage our energy remotely. It now covers more than 140 locations across our stores in the UK. This also gives us more visibility into the energy we are using and lets us manage our demand more effectively. To date, this initiative has delivered in-store electricity savings of approximately 11%.

An LED initiative to fit all our stores with energy-efficient light fittings is also underway and we have completed this in 37 stores this year. The results are already significant with overall energy consumption reduced by 35-37% across these individual stores. Based on this success we have accelerated our LED programme for our 2022/23 financial year to include 120+ stores.

Our energy management system is certified to the ISO 50001 standard in stores, offices and distribution centres across all of the markets where we trade. The certification requires that we demonstrate continuous improvement in energy efficiency, so it helps to ensure this remains a focus for us.

At the moment, we are currently developing a strategy to move our energy supply to renewable energy across all our markets and, by the end of 2022, we will have re-tendered all of our energy contracts in Europe.

We have also recently entered into a new electricity supply agreement in the UK where 100% of our electricity will be supported by Renewable Energy Guarantees of Origin, providing full transparency about the proportion of electricity sourced from renewable generation. Our energy consumption in the UK for 2021/22 equated to approximately 35% of our Scope 1 and 2 emissions, so an agreement of this scale will greatly reduce our impact going forward<sup>1</sup>.

**Enabling our suppliers to switch to renewable energy sources**

We can only reach our carbon emissions reduction target by working collaboratively with our suppliers. We are mindful of their business needs and are working hard to develop initiatives that could improve their operational efficiency and reduce costs while also reducing their impact on the environment.

This year, we are hiring for regional carbon leads across Bangladesh, India and China to support our engagement with suppliers in this area.

It can be difficult for individual factories to engage with energy suppliers and negotiate a power purchase agreement so we are working with RenEnergy to help our suppliers source and switch to energy from renewable sources. RenEnergy is mapping energy consumption in key strategic supplier factories so that we can identify opportunities where we could pool their purchasing power and access alternative energy options that they wouldn't otherwise have access to individually.

We have also looked carefully at our transport and logistics operations to optimise energy use, including reducing the impact of ocean freight and trialling the use of alternative fuels in trucks. Our business model demands that most of our shipping is done via ocean freight, therefore it is crucial that we look for ways to reduce our emissions here. Through our partner Maersk's EcoDelivery solution we will be able to replace traditional fuels with greener fuel alternatives, reducing our emissions in shipping our products.

We are still in a 'test and learn' phase with these two initiatives, but our plan is to measure effectiveness and develop roll out plans when we know what works and how we can best make an impact.

**Carbon emissions data 2021/22**

The data tables in this section cover the key metrics that we are tracking as part of our Primark Cares commitments. As this is the first year of our programme, many of these metrics will form a baseline from which we will monitor and report our progress towards our goals in the years ahead. We have also created a series of factsheets on additional topics of interest that do not fall under our Primark Cares programme of work but remain an important focus of our efforts to improve the sustainability of our operations.

Read more about our approach to reducing our carbon emissions [here](#) and our methodology [here](#).

	2018/19 tCO <sub>2</sub> e	2021/22 tCO <sub>2</sub> e	Difference against the 2018/19 baseline year
<b>GHG Protocol Category</b>			
Scope 1 & 2 Δ	160,443	<b>123,772</b>	-22.9%
Scope 3 Δ	6,246,005	<b>6,451,835</b>	+3.3%
<b>Total Emissions</b>	<b>6,406,448</b>	<b>6,575,607</b>	<b>+2.6%</b>

1. GHG Protocol Category: Supplier Emissions: Scope 3 Cat. 1-6, Customer Emissions: Scope 3 Cat. 11-12, Own Operations: Scope 1 & Scope 2.

Protecting life on our planet continued



**Our bra accessories packaging with the removal of PVC plastic**

**“WE’VE ESTABLISHED A PACKAGING CENTRE OF EXCELLENCE TO LOOK CLOSELY AT OUR PACKAGING AND EXPLORE WAYS TO REDUCE IT.”**

**Eliminating non-clothing waste**

Our aim is to eliminate all single-use plastic (SUPs)<sup>1</sup> and all our non-clothing waste by 2027. This will be measured by two progress indicators, the percentage reduction in units of SUP against our baseline (when mapping is complete) and the percentage of our own operations waste diverted from landfill.

**Reducing plastic and waste in our packaging**

As one of our main sources of non-clothing waste, product packaging is one of our priority focus areas. We’ve established a Packaging Centre of Excellence to look closely at our packaging and explore ways to reduce it. Since 2019, we estimate we have removed over 600 million units of unnecessary SUP components from our business.

To improve our measurement in this area, we are currently in the process of establishing a baseline for this metric. This baseline will enable us to accurately measure our reduction as a percentage of total output in years to come.

Clothes hangers account for around 65% of total SUP volumes used in Primark. This year, we have developed a new hanger strategy which is made up of a few components. Where possible, we are aiming to move to 100% recycled materials for all hangers. We will also aim to reuse or recycle as many remaining hangers as possible so that all hangers can be part of a circular system.

1. Single-use plastics (SUPs) are products which are used once, or for a short period of time, before being thrown away.

**Recycling and managing our waste**

Since the launch of Primark Cares last year, we have diverted 95% of the waste we produce across our direct operations away from landfill. Clear guidelines have been developed to explain how to treat and manage every type of waste we produce. We provide comprehensive training to our colleagues so they all know how to manage waste appropriately.

We also introduced additional waste segregation facilities and we are now adding infrastructure across our stores in the UK and Ireland to enable recycling. Our approach takes into account local nuances around recycling processes and providers, the distances to travel to providers, and the need to find trusted providers in each market where we sell clothes.

Read about the methodology for our waste metrics [here](#).

**Bra accessories and headphones packaging**

We have re-designed the packaging for our bra accessories and headphones. It is now fully recyclable using FSC backing card. The redesign will remove approximately 38.3 tonnes of non-recyclable PVC clam pack and non-FSC metpol card.

**Socks and tights packaging**

We have replaced plastic hooks from the packaging of our socks and tights and converted to a cardboard hook, removing approximately 16 tonnes of SUPs from the business.

**Carton optimisation programme**

Our carton optimisation programme provides guidance to suppliers on how to optimise transit packaging. Since the programme was launched late in 2018, it has contributed to a 3.9% reduction (over 280,000 cubic metres) in packaging volume shipped and received, which is the equivalent to almost 5,000 large ocean shipping containers (size 40ft High-Cube). This programme has created a 4% reduction (6.79 million square metres) of corrugate material being produced, shipped and recycled.

Protecting life on our planet continued

**Reducing clothing waste**

We operate a Textile Takeback scheme in all the stores across four markets – the UK, the Republic of Ireland, Germany and Austria – where we accept clothing donations from customers in store of any brand or condition. This makes up 65% of our total stores internationally. Our goal is that all clothing collected through the scheme is either re-used, recycled or repurposed. Profits from this scheme will go to support Primark’s global partner, UNICEF, and more specifically, UNICEF’s education programmes for children around the world. We would like to extend our Textile Takeback scheme across all markets but will only do so when we can be confident our programme works with local regulations and infrastructure and for customers in that country.

Alongside this, we carefully consider the environmental and ethical credentials of our recycling partners. Our recycling partner has helped divert 100% of our Textile Takeback store donations from landfill. We have strict governance in place to ensure our textile recycling programme is responsibly managed.

We make regular donations of our unsold items and buying samples from the UK and the Republic of Ireland (ROI) to Newlife, a charity supporting disabled and terminally ill children across the UK. We also make regular donations of unsold clothing from the US to our charity partner Delivering Good.

**Restoring biodiversity**

Biodiversity is defined as all the distinct kinds of life you’ll find in one area – the variety of animals, plants, fungi, and even microorganisms that make up our natural world. It represents an important marker of ecosystem health, but due to activities such as deforestation, land-use change, pollution and climate change, the earth’s biodiversity is in decline.

To better understand what biodiversity means to our business, this year, we commissioned Biodiversify, a leading biodiversity consultancy, to conduct a Biodiversity Risk Assessment of our operations.<sup>1</sup> This assessment helped shape our biodiversity strategy. Growing cotton well for the future depends on healthy soils, pollination and seed dispersal, all of which are linked to healthy biodiversity. Given that cotton is our most widely used raw material, our biodiversity strategy therefore has cotton at its core.

**Moving towards a more regenerative approach to farming**

As set out in the section on our PSCP, some farmers in our programme have already adopted some regenerative farming practices. But our ambition is that our PSCP will use even more regenerative agricultural practices by 2030. This is an important development in our programme.

To date, almost 3,000 PSCP farmers have participated in a pilot on regenerative practices in India, Bangladesh and Pakistan. Now in its second year, this pilot will initially run for a total of three years and will support the design of an effective training programme – specific to the needs and situation of farmers across the three countries.

Our suppliers source cotton from a number of different countries and regions, and the local environment and climate is different for each location. This means there is no ‘one-size fits all’ for the most appropriate regenerative farming practices. So, we’ve been working closely with farmers and our partners on the ground to consider their different needs in this context. We know we don’t have all the answers, so we’re working with partners to test and learn, and evolving the programme design through our learnings.

To understand the impact of our efforts and measure our progress on how more regenerative farming practices are supporting improvements in biodiversity, we’re currently developing a monitoring framework to assess biodiversity in some of the farms where our suppliers source cotton. Importantly, we know that improving biodiversity will be a long-term endeavour. Results may take several years to emerge, so putting a robust framework in place will be the first step to help us set a baseline with which we can measure the impact of our PSCP over the years to come.



**“OUR AMBITION IS THAT OUR PSCP WILL USE EVEN MORE REGENERATIVE AGRICULTURAL PRACTICES BY 2030. THIS IS AN IMPORTANT DEVELOPMENT IN OUR PROGRAMME.”**

1. The Biodiversity Risk Assessment aligns with the Interim Guidance for the Science Based Targets for Nature.

Protecting life on our planet continued

**Managing the risks of deforestation**

As part of our commitment to reduce our environmental impact, this year we published our Wood and Wood-Derived Fibre Policy for the responsible sourcing of these materials. This commits Primark to protect the world's ancient and endangered forests by applying circular design principles, procuring responsibly and prioritising [Next Generation Solutions](#) in the future. This new policy also pushes us to purchase more man-made cellulosic fibre products made from innovative fibre sources. In addition, we're exploring ways to reduce our reliance on 'virgin' paper and packaging and improve efficiencies to reduce paper waste. Primark's Wood and Wood-Derived Fibre Policy can be accessed [here](#).

In April 2022, Primark joined forces with not-for-profit environmental organisation Canopy, whose mission is to protect the world's forests, species and climate, and to help advance frontline community rights. The new partnership will see Primark work alongside other fashion brands through the CanopyStyle initiative, which aims to transform fashion supply chains away from using ancient and endangered forest material and bring lower impact fabric alternatives to customers. Primark has also joined Canopy's Pack4Good initiative, which is working to ensure companies use more sustainable forest friendly, lower impact, recycled and alternative fibre paper packaging options.

**Reducing our impact on the planet through other key areas**

**A safer way forward in chemicals management**

Chemistry enables colour and performance enhancements to be applied to the materials used throughout our product ranges. The majority of chemicals in our supply chain are used during the 'wet processing' of our materials, which involves dyeing, printing, bleaching, tanning and washing materials, as well as other processes. Although a number of finished goods factories are able to carry out these processes on site, the majority of wet processes are carried out at specialist factories. Given the importance of selecting and using chemicals in the right way, it is crucial that we support our suppliers' factories and provide them with the tools and guidance needed to use chemicals safely.



Protecting life on our planet continued



Many of the targets under our Primark Cares strategy have strong ties to chemistry. For example, selection of better chemicals can make a direct contribution to lowering GHG emissions and reducing water use by improving the efficiency of manufacturing processes. Chemical technologies will also play a vital role in helping to solve a number of key industry challenges, such as improving the durability and recyclability of our clothes.

Collaboration in this area is key to improving chemical management practices within our supply chain. We are long-standing members of the Zero Discharge of Hazardous Chemicals (ZDHC) Foundation since 2015 and, as a board member, are helping to steer the direction of sustainable chemical management across the industry. This year, ZDHC has published a [Third Impact Report](#) to demonstrate collective progress and remaining challenges across textiles, apparel, leather and footwear. Read more about our approach to chemical management [here](#).

**“WE ARE LONG-STANDING MEMBERS OF THE ZERO DISCHARGE OF HAZARDOUS CHEMICALS (ZDHC) FOUNDATION SINCE 2015 AND, AS A BOARD MEMBER, ARE HELPING TO STEER THE DIRECTION OF SUSTAINABLE CHEMICAL MANAGEMENT ACROSS THE INDUSTRY.”**

**Becoming a leader in water stewardship<sup>1</sup>**

Growing populations and economies, changing lifestyles and global climate change are putting increasing pressure on our water resources. Water is a critical natural resource within the fashion industry – from the irrigation of the cotton fields to the dyeing and finishing of our fabrics and materials. It is vital that we manage it effectively. Ensuring factories of our suppliers manage their water use effectively and control their wastewater responsibly is crucial for helping to reduce our environmental impact as a business. Supporting farmers within our PSCP to reduce water use when growing cotton is also a key priority for us as a business.

In 2021, we joined the [Alliance for Water Stewardship \(AWS\)](#) which drives, recognises and rewards good water stewardship performance globally. We are one of the few fashion brands that are funding members of the AWS, and our aim is to spur change in the fashion industry through this initiative. Through AWS’s Implementation Accelerator Programme, we will identify priority areas for water stewardship and the implementation of the AWS Standard in our supply chain. This includes encouraging suppliers to reduce water consumption in their factories, finding opportunities to recycle and reuse water, improving the quality of wastewater effluent, and working collectively with other stakeholders in the catchment to achieve common sustainability goals. Read more about our approach to water stewardship [here](#).

**Our approach to animal welfare**

As we increase the use of more sustainably sourced materials across our product range, we continue to ensure that animal welfare is an integral part of our selection criteria. Animal derived materials make up less than 1% of the materials used in Primark products, but we are committed to ensuring that any that are used are responsibly sourced.

In October 2021, we updated our Animal Derived Material Policy with a focus on traceability and transparency. We support the development of animal welfare standards and certifications, and our new Policy requires that our suppliers comply with these industry standards in the sourcing of Primark products.

We do not conduct or support the use of animal testing that is not required by law. Primark’s own brand cosmetics are approved by the [Leaping Bunny Programme](#), an internationally recognisable gold standard for products that are cruelty free. The full Animal Derived Material Policy can be accessed [here](#).

1. We align to the AWS definition of Water Stewardship: the use of water that is socially and culturally equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that includes both site and catchment-based actions.





**Clean by Design has helped reduce the environmental impact of Primark sock suppliers in China**

# CLEAN BY DESIGN

## Reducing energy and water consumption in China

Textile manufacturing is traditionally energy, water and chemicals-intensive and as a result of high global demand, many mills operate to produce fabric or yarn for multiple customers around the world.

### Partnering for shared benefits

A dyeing mill, located in Anhui Province, China, supplies dyed yarn for a number of different Primark sock suppliers. Like many facilities of this type, it needs water, chemicals and energy to process raw materials and create yarn. To support improvements in both energy and water use at the mill, we worked with the [Apparel Impact Institute \(Aii\)](#). Together, we ran workshops to familiarise the mill management team with the [Clean by Design \(CbD\) initiative](#), which provides guidance to identify, fund, scale and measure solutions for reducing environmental footprints in textile manufacturing.

Following on from these workshops, the mill was assessed by Aii and supported to develop an action plan to implement improved practices across its operations. As a result of wide-ranging changes in its processes, the mill improved its environmental impact. These changes included:

- insulating steam pipes, steam valves and condensing water pipes;
- consolidating maintenance of dye vats;
- improving the efficiency of its wastewater heat exchanger; and
- recovery and recycling of condensate water.

Altogether and over a 12-month period, these actions resulted in the mill saving around 7,624 tonnes of coal, which is equivalent to 19,368 tonnes of CO<sub>2</sub>e, and delivering operating cost savings of RMB 3.95m (equivalent to £485,950).

## Looking ahead

The mill is now exploring further ways of becoming more energy efficient, including the possible installation of on-site solar panels. It is also embedding these new ways of working into its operational guidelines to ensure its workers can integrate these practices into their daily work routines.

Initially piloted with three factories in China, we are now looking to expand the programme to over 50 factories across China, India and Bangladesh and share the learnings from the initial phase with other factories in our supply chain.



# PEOPLE



# OUR GLOBAL REACH

Our Ethical Trade and Environmental Sustainability team has been building programmes and initiatives for the past 15 years in a number of sourcing markets to support the people who make our clothes.

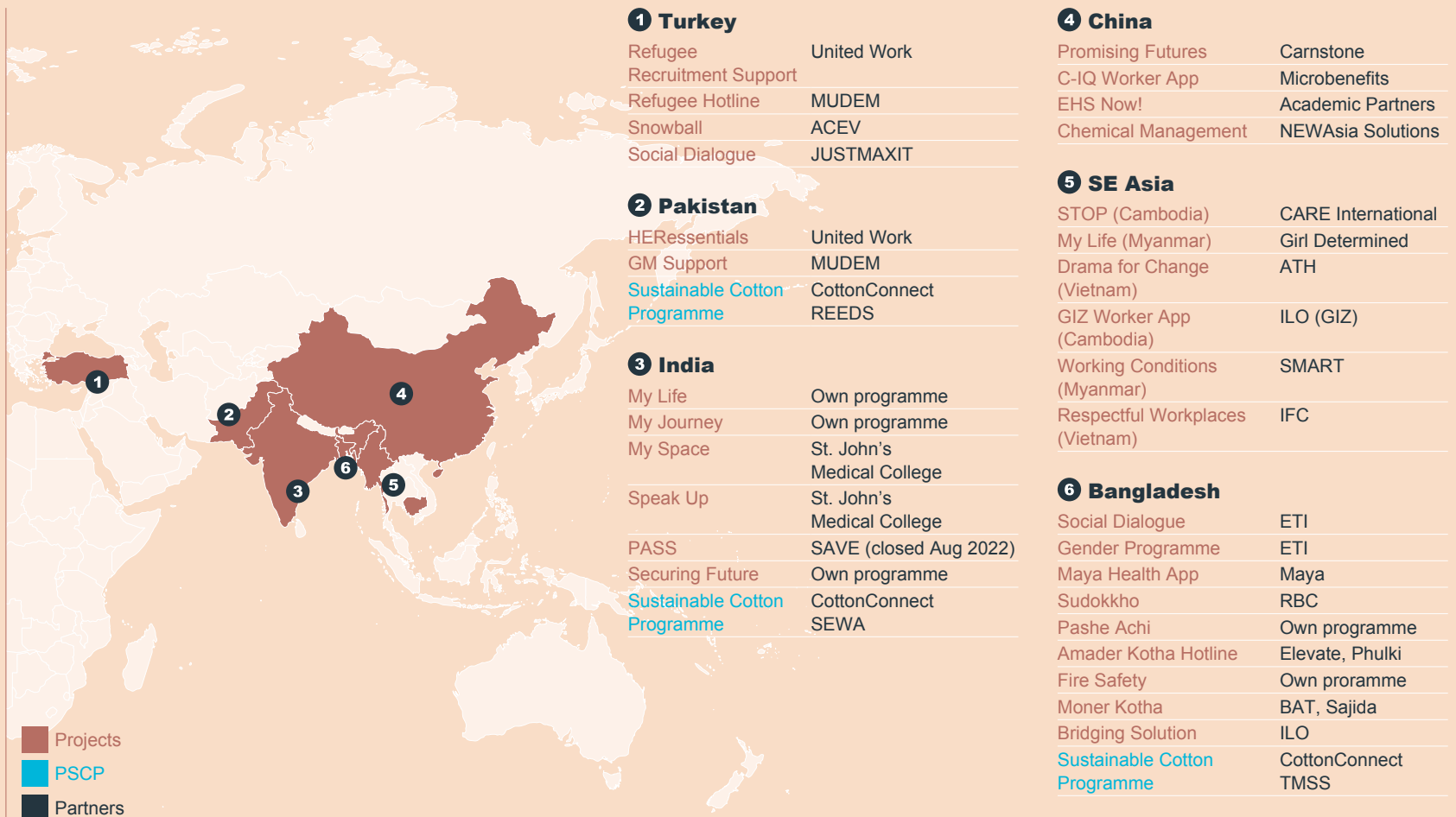
**8**  
countries

**800+**  
factories engaged

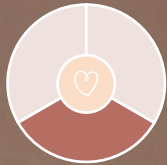
**30+**  
initiatives

**600k+**  
workers

**40+**  
external partners



# IMPROVING PEOPLE'S LIVES



Our commitments set out three ways we aim to support the livelihoods of the people who make our clothes:



**Create financial resilience** – we will pursue a living wage for workers in the supply chain and support with financial literacy training and access to social protection by 2030.



**Promote equal opportunities for women** – we will strengthen the position of women through skills development and addressing their barriers to progression by 2030.



**Improve health and wellbeing** – we will ensure access to effective grievance processes and widen access to help for mental and physical wellbeing by 2030.

**As set out earlier in this report, we have a long-standing commitment to promoting decent and safe workplaces for the people who make our clothes, in line with the standards set out by our Code of Conduct. We take this responsibility very seriously.**

Our Primark Cares commitments help to clarify and amplify our ambitions to support the livelihoods of workers in our supply chain. This is particularly important in the wake of COVID-19 which left many workers in our key sourcing markets vulnerable.

## Measuring impact

Monitoring and evaluating the impact of our work is a core part of what we do. A structured approach helps us capture our learnings across the programme and understand our progress against our Primark Cares commitments. We have also started working with social impact measurement experts, Tandem and 60 Decibels, to strengthen our measurement approach and to understand the effectiveness of our programmes in line with international best practice. Listening to workers involved is an essential part of this. Our approach gives us a clear indication of each initiative's successes and setbacks, so that we can learn, develop and improve them.

## Supporting improved financial resilience

### Pursuing a living wage

We're committed to pursuing a living wage for workers in our supply chain, in addition to improving our own purchasing practices. While many of our sourcing markets are facing rising inflationary pressures, we remain committed to achieving this. We've adopted the definition of a living wage developed by the Global Living Wage Coalition, which is widely recognised.

Our approach builds on what is already a well-established process to monitor the payment of workers' wages. This is a key aspect of social audits conducted in our suppliers' factories through our Ethical Trade programme. Our in-country teams have significant expertise in analysing payroll data for compliance with our Code of Conduct.

As founding members, we continue to work within ACT. By working together with like-minded brands and the IndustriAll Global Union, our vision is to achieve living wages for workers through collective bargaining at industry level, freedom of association and responsible purchasing practices.

Our purchasing practices have a big impact on our suppliers' ability to pay a living wage. We have offered prompt payment to our suppliers through 30-day standard payment terms for many years and we are signatories to the UK Government Prompt Payment Code. We have also committed to implement ACT's Purchasing Practice Commitments by the end of 2023. This year, we rolled out awareness training on our [ACT Purchasing Practices Commitments](#) to our Product teams. This was part of the first global survey by ACT member brands, sent to both suppliers and Product teams. An aggregate report and findings of the survey was published on the ACT website in November 2021.



Improving people’s lives continued

We’ve also commissioned and funded research by the Anker Research Institute which works in partnership with the Global Living Wage Coalition (GLWC) to provide new and updated Anker methodology living wage benchmarks for our sourcing markets: Bangladesh, Cambodia, Turkey and Vietnam. These benchmarks will be available publicly and mean that Primark will, for the first time, have robust and credible living wage benchmarks for a number of sourcing markets. This information is key to enable us to develop and pilot initiatives to bring about real wage growth across our supply chain, including being able to track factories’ performance against these benchmarks.

We have committed to capture and publish real wage data for workers in our supply chain. We have tested the Fair Labor Association (FLA) Wage Data Collection Tool, which has been adopted by 50 apparel and footwear companies across 33 countries.<sup>1</sup> We plan to pilot it across 30 factories in a number of our key sourcing markets. FLA’s Fair Compensation Dashboard allows for analysis of the GLWC estimates, bringing to life the work being done on Living Wage Benchmarks.<sup>2</sup>

In the future, we hope to explore new ways to work with our suppliers to better support and encourage them towards paying their workers a living wage. This includes building strategic supplier partnerships and being clear that we

will increasingly prefer to work with suppliers who share our goal.

It’s a complex challenge and Primark is just one brand of many in the factories within our supply chain – we share supplier factories with lots of other brands. For that reason, there are no quick and easy solutions, but we’re committed both to improve our own purchasing practices and to drive change in collaboration with other relevant stakeholders.

**Increasing financial literacy and access to social protection**

We have supported programmes in this area for a number of years and their ongoing outputs will now contribute to our Primark Cares commitments in the People pillar. The first initiative began in 2018 and, since then, we have been running four programmes to help increase access to social protection, financial education and services. Since 2018, 271 tier one factories have been engaged in these initiatives. These factories have 43,825 workers, representing 30% of our tier one factories and 8% of workers in our Global Sourcing Map.<sup>3</sup>

1. The Wage Data Collection Tool is an Excel-based model that is straightforward and scalable, allowing companies to gather worker wage data from apparel and footwear factories. FLA is making this tool publicly available at no cost to companies working to measure the living wage gap in their supply chains. The companion Fair Compensation Dashboard allows companies to analyse average worker wages, measure those wages against living wage benchmarks from more than 30 countries, and track progress over time.  
 2. The GLWC Living Wage Estimates are regional specific living wage benchmarks used in the Fair Compensation Dashboard to measure the living wage gap.  
 3. Data from our Global Sourcing Map up until 31 July 2022. It is updated annually and was last updated in October 2022: <https://globalsourcingmap.primark.com/>

**Strengthening the financial literacy of workers in our supply chain**

Our Code of Conduct requires that all workers are provided with “written and understandable information”, in addition to contracts regarding their employment conditions in respect of wages. But with varying levels of financial literacy within our supply chain, workers sometimes don’t have the knowledge they need to fully understand their payslips and assert their rights on this issue. We want to help change that. In three of our sourcing markets, we are giving workers the chance to attend training on wages and payslips and increase their financial literacy:

- In China, the CompanyIQ app allows workers to check their e-payslips and attendance records and allows real-time feedback to factory management if any wage calculations are incorrect. It also offers training modules on financial literacy and is a tool to improve communication around grievance procedures and raise awareness of workers’ rights. To date, 21 supplier factories in China have participated in the project.
- In India, our My Life project delivers a module called Understanding Your Documents which walks participants through their payslip and teaches them that they have the right to ask for a payslip.
- In Cambodia, the GIZ Labour Law app features a wage calculator that allows workers to input their base salary and other benefits to give a total expected salary.

For the programmes in China and Cambodia above, we have been able to use solutions that already exist and combine them with our initiatives. In India, we developed a bespoke curriculum to support workers’ financial literacy under the My Life programme with our project partners Women Win and the Maitrayana Charity Foundation. We are currently working to support financial inclusion for workers in Vietnam and will also look to expand the topics we cover in our existing training modules around financial literacy.



**“IN THREE OF OUR SOURCING MARKETS, WE ARE GIVING WORKERS THE CHANCE TO ATTEND TRAINING ON WAGES AND PAYSLIPS AND INCREASE THEIR FINANCIAL LITERACY.”**

Improving people's lives continued



**Drama for Change: innovative interventions to tackle gender-based violence in Vietnam**

We recognise the need to address gender-based violence and harassment (GBVH) in our supply chain. In Vietnam, we partnered with a Vietnamese theatre company, Atelier Théâtre et Art (ATH), to create a performance to raise workers' awareness of GBVH. Workers are actively invited into the performance to discuss specific situations and help identify solutions. The performances create safe spaces for otherwise difficult or hidden conversations. We have also partnered with the International Finance Corporation (IFC) through its 'respectful workplaces' initiative.

The IFC is providing direct training on the value of respectful workplaces and train-the-trainer support. It will also work with data generated through engagement with factories, staff and workers in our supply chain to create a data-driven case for addressing GBVH that can be shared with factory management.

These two interventions will run for three years and aim to reach around 12,500 workers in 15 factories in Vietnam.

**Promoting equal opportunities for women**

Women account for the majority of our global supplier factory workforce – this number is estimated at around 320,000.

Under Primark Cares, our goal is to strengthen the position of women in the garment industry through skills development and addressing barriers to progression by 2030. These barriers include the risks of GBVH in the workplace and unpaid care work, which often forces women out of the workplace.

Our work in this area is not new. Since December 2015, we have supported six initiatives for female workers in our supply chain factories with skills development. Over this period, 69 factories engaged in these initiatives. These factories make up 8% of our total tier one factories and have 86,241 female workers – or 27% of total women workers in our Global Sourcing Map.<sup>1</sup>

Our largest skills programme currently is Sudokkho, which supports factories to introduce an efficient in-house training system for both new and existing sewing operators, most of whom are women. They receive quality technical training which improves their productivity and can often open-up opportunities for promotion. Read more about how we are measuring the impact of this work in our case study [here](#).

GBVH remains a risk for women working in the garment industry and an issue we have focused on for a number of years through our local programmes. Since 2019, we have supported four initiatives across 27 supplier factories in this space. These factories have over 310,000 workers, representing 3% of total factories on our Global Sourcing Map.<sup>1</sup>

**Improving health and wellbeing**

Improving workers' access to services that support their mental and physical wellbeing by 2030 is one of our Primark Cares commitments in our People pillar. However, our work in this space is not new. We've been working to drive improvements to workers' physical and mental health and wellbeing since 2016 through five initiatives in 121 factories.

1. Data from our Global Sourcing Map up until 31 July 2022. It is updated annually and was last updated in October 2022: <https://globalsourcingmap.primark.com/>

Improving people's lives continued

**Supporting easier access to healthcare services for women workers**

Last year, we trialled the Maya app for six months across eight factories in Bangladesh. This was funded by the UK Government, via Care International, to support vulnerable women workers in the wake of COVID-19. Users can engage directly with medical personnel through a hotline, text messaging service or directly through the app. Additional services provided by the app include a Period Tracker, Symptom Checker, Pregnancy Tracker, Medicine Reminder, Vaccine Reminder and a BMI Calculator.

To assess the impact of the pilot, our local team conducted interviews with factory management and 10 workers from each of the eight participating factories. All workers interviewed were aware of the app and over 60% had downloaded it. Maya reported that over 500 queries had been logged by workers across the eight factories.

Insights gathered from the worker survey included:

**9%**

of workers received their e-prescription through the app and SMS service.

**11%**

of workers said that the app was helpful because they didn't have enough time to visit a doctor and the app could be easily used during work breaks.

**27%**

of workers were happy to use Maya health services for mental healthcare – something they didn't have access to in the past.

**14%**

of workers shared that, although they have a medical centre within the factory, the app offered benefits more widely to their family members.

The findings also highlighted how women became gatekeepers to access information for other family members' health. The service had both a positive impact on women's access to health information and more broadly through the family unit too.

Overall, the team felt the app was a promising solution to help improve the physical and mental health of women workers. This led to a direct-partnership with Maya and Primark to roll out the app to 20 factories in the supply chain over the coming year.

Areas for improvement were also identified by the worker survey. For example, 4% of workers reported sharing a problem via the app but not receiving a response. The Primark team also recommended future improvements to the service, such as enabling follow-up with the same doctor for continuity; greater awareness-raising of the availability of the Maya health service through the factory; and addressing the challenge of workers calling from unregistered numbers.



Supporting the livelihoods of the people who make our clothes continued



**“I’ve worked in the apparel manufacturing industry over the past 25 years but working with Primark has been different. It’s very rare to see a brand go beyond their Code of Conduct, and even rarer to see a brand invest in an unproven intervention. The success of the My Space project is a result of the risk Primark was willing to take to help improve employee welfare and deliver lasting impact for workers.”**

Professor Bobby Joseph, Head of Community Health and Occupational Health Services, St. John’s Medical College, Bangalore

**Providing mental health support for women workers in India**

Like in many countries, there is still a stigma associated with mental health issues in India, causing the problem to be underreported and underestimated. Depression, anxiety, harassment and bullying in the workplace have a significant social and economic impact.

Implemented in partnership with St John’s Medical College in India, the My Space programme was set up in 2017 to provide practical support to workers’ mental health, including raising awareness of, and reducing the stigma around addressing mental health issues in the workplace.

The programme established basic counselling services in factories by training selected factory staff to become lay counsellors and engage with workers and managers to support with mental health issues. The initiative also helps management understand what they need to do to establish effective counselling sessions. Factories are encouraged to appoint these counsellors to their Internal Complaints Committees – to become part of the formal mechanisms that addresses cases of workplace sexual harassment.

During the COVID-19 pandemic, the networks established by My Space became even more valuable. Counsellors, management and HR staff used them to raise awareness about the risks of COVID-19, to share health guidance and to offer mental health support.

This year, St. John’s Medical College undertook an impact assessment of the My Space project from 2017 to 2022. Highlights from the impact assessment report include:

- 1,445 workers used the counselling services – both formally and informally. They recognise and appreciate the support that is readily available to them.
- 112 workers have been trained as My Space lay counsellors through an 8-day training course and regular follow up. They have demonstrated their ability to adapt quickly to rapidly changing circumstances, providing effective and skilled support to workers across a range of personal and work-related issues such as increased production demand and work-related stress, marital issues; domestic violence; symptoms of depression; and financial issues.
- **My Space** had positively impacted the lives of workers, their families and communities.
- **Changes** in worker attitude, behaviour and the factory environment have been reported by factory floor workers, managers, and owners. Managers appreciate the simple and effective care and support provided by counsellors on the factory floor.
- The need for more migrant and women lay counsellors and greater awareness and understanding of the specific issues they face. Limited progress in addressing Workplace Sexual Harassment was also reported, which led to the development and launch of a new Primark project with St. John’s called Speak Up.

**Supporting workers’ access to grievance mechanisms**

Grievance processes – or mechanisms which enable workers to raise issues in the workplace – are an important aspect of workplace rights. Our approach to support workers is two-fold: we work with suppliers and factories to help improve internal workplace grievance mechanisms in line with our Code of Conduct, and we support existing and new industry-wide grievance mechanisms. Since 2020, we’ve been building on our work in this area – we’ve supported 73 factories with five programmes. These factories employ 133,127 workers and account for 8% of all factories and 23% of all workers in our Global Sourcing Map.<sup>1</sup>

We’re using the programme Amader Kotha in Bangladesh to support an industry-wide grievance helpline for workers. The majority of the issues have been resolved locally and the Primark local team has helped raise awareness among management and workers of the most prevalent issues we are hearing about. This year, there have been over 1,200 substantive calls related to the Primark supply chain in Bangladesh. Issues raised included wages and benefits; termination; earned leave; and reports of verbal abuse.

Following the success of our involvement in this programme, we will look to roll it out into other sourcing markets with other partners.

1. Data from our Global Sourcing Map up until 31 July 2022. It is updated annually and was last updated in October 2022 <https://globalsourcingmap.primark.com/>





**Sudokkho trained worker, Bangladesh**

# MEASURING SOCIAL IMPACT IN BANGLADESH

We have a clear approach to measuring social impact. However, in the past year, we've been working to strengthen our approach to help better understand the effectiveness of our programmes in line with international best practice.

We have partnered with 60 Decibels (60dB), a social impact measurement company, to assess the impact of our Sudokkho programme in Bangladesh. This helps factories establish an effective in-house technical training system for workers.

Sudokkho was launched in 2015 with funding that included the UK and Swiss governments. When this funding ended in 2020, Primark continued to finance and support the garment factory component of this programme in its supply chain.

Up to 2022, we had supported the introduction of the programme in 36 factories in our supply chain in Bangladesh. Over 900 workers have been trained directly by technical experts from Rajesh Bedha Consulting (RBC) under the programme. Close to 10,000 workers have been indirectly trained through Sudokkho across the 36 participating factories.

The Primark team worked with 60dB to develop a questionnaire to understand the impact of the programme on participating workers. This was conducted by 60dB through phone conversations in the local language and the interim insights are positive:

- **Workers** were highly satisfied with the training, as indicated by a high Net Promoter Score of 81 – this is much higher than the 60dB South Asia benchmark of 43 and places the training in the top 20% of the 150+ impact-oriented organisations they have worked with in South Asia. These interim insights also show that workers valued improved skills and upward mobility in their role at the factory.
- **80%** of workers said the Sudokkho training has improved their quality of life.
- **Over 70%** of workers reported an increase in income because of the training. Workers also spoke of getting promoted, being able to contribute financially to their families and an improved standard of living.
- **Over 90%** of workers reported improvements in how they do their job. Of these, most have learnt skills to help them grow and develop in their current role. Almost all workers interviewed reported increased self-confidence as a result of the training.
- **Changes** in income appear to positively impact workers' social status. As a direct result of the Sudokkho training, 80% of workers said that the way their family viewed their job improved.

Of the limited number of workers who had suggestions for improving the Sudokkho training, roughly 10% want to see better training content and a similar proportion suggested changes in the duration of the training.

Looking forward, Primark will work with Sudokkho partners and stakeholders to apply learnings from this assessment in order to drive continuous improvement in the programme's impact. Primark is also strengthening its approach to social impact measurement through working with experts like 60dB and Tandem.

# OUR PEOPLE



# PROMOTING WELLBEING AND INCLUSION FOR ALL OUR COLLEAGUES

**We're an international company and that is reflected in our people and culture. We have 72,000 colleagues, made up of over 188 nationalities and covering a range of ages up to 75 although 41% of our colleagues are under 24 years of age. Of our senior roles, 46% are filled by women, helping to create workplaces that are ambitious, engaging and inclusive.**

We're embedding our people at the heart of our business strategy and making sure they are listened to, supported, engaged and considered in all key decisions. Taking care of our people is not just something we aim for – it is an integral part of our ongoing success.

## Leadership and teamwork

One of the ways we take care of our people is by supporting and developing our leaders. We offer three leadership programmes that set the standards for leadership across all sections of the business.

- Lead Our Amazing was launched in 2018 to develop senior leaders within our business. Since launch, over 170 colleagues have completed the training.
- Lead Our Amazing Stores was rolled out in 2018 to store managers in 11 countries. Much of the content is aligned with the senior leadership programme. This programme is delivered in local languages and has been completed by 537 colleagues since its launch.

- Build Our Amazing was launched in 2021 for people in Primark who influence colleagues and leaders. Elements of the content is aligned with the Lead Our Amazing programmes. This is a blended learning programme of eLearning and workshops. Over 420 colleagues have taken part in the programme, and another 86 colleagues started it recently.

These programmes are delivered over three two-day modules supported by 360-degree feedback, Action Learning Groups and online tools to reinforce learnings. They have evolved over time and are 'lived and breathed' by our store managers. The leadership skills imparted through these programmes helped us to manage the unexpected closure of our stores during COVID-19.

Teamwork is central to our culture, and working together and collaboration are qualities we look for in our colleagues. When we open new stores in new countries, we operate a model where established colleagues coach and mentor new hires through their training.

## Attracting and developing our talent

People are at the heart of what we do at Primark, so we strive to provide a working environment that supports colleagues to perform at their best. We also offer a suite of compelling benefits to attract talented and passionate people. Our global assessment process ensures that candidates across locations are treated equally.

Once new hires join us, we offer an extensive induction programme that is tailored according to the role. For example, our retail assistant induction programme ensures we provide the same training wherever someone may start. For senior colleagues, we offer a head office induction, so new hires understand who we are and what we stand for through sessions with the Primark Leadership Team.

Learning and development is a priority for us. We're proud of how many of our colleagues have worked their way up to enjoy fulfilling careers at Primark. The average tenure length for our retail colleagues is 4.6 years, highlighting that our culture rewards hard work and people are encouraged to stay and progress in the business. In Retail, we have established career paths to show a retail assistant how they can become a store manager. One of our most high-profile examples is Kevin Tulip, President of Primark US, who has been with Primark for 20 years, and started as a retail assistant when he was 16 years old. Stephen Regan, who is Group Director of Sales and Operations and sits on the Primark Leadership Team, also began his career as a Primark store manager. Olivia Kelly, now our Group Commercial Director, began her Primark career as a trainee manager in 1994 and became a store manager in 2006. Over these years, Olivia has supported the growth of the business in several new markets including the UK and Spain. Over the last year, there were 1,971 promotions in the business.



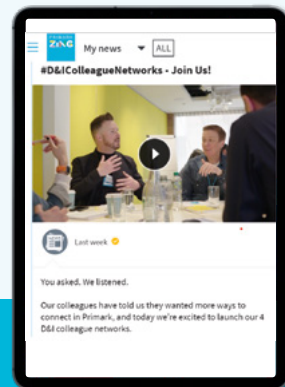
**“WHEN I WALKED INTO PRIMARK TO BEGIN MY FIRST SHIFT AS A PART-TIME RETAIL ASSISTANT, I NEVER IMAGINED THAT AFTER 20 YEARS AND MANY DIFFERENT ROLES, I'D BE PRESIDENT OF ONE OF OUR FASTEST GROWING MARKETS. PRIMARK INVESTED IN MY DEVELOPMENT AND IT'S THAT DEDICATION TO OUR PEOPLE THAT HAS KEPT ME COMMITTED TO THIS BRAND.”**

Kevin Tulip, President, Primark US

Promoting wellbeing and inclusion for all our colleagues continued

**Promoting two-way communication**

Creating and maintaining an engaged and passionate workforce is about more than communicating clearly, although that is hugely important. It is about enabling conversations where everybody is empowered to voice their opinions, share ideas and contribute to decisions and strategy. The Primark Way of Communicating is a structured communications framework that is used to engage with all our 72,000 colleagues. It covers three channels: face-to-face (team meetings and huddles), traditional (notice boards and posters) and digital (Zing, our colleague mobile app). This framework is currently being enhanced to include more focus on the digital channel.



**Our colleague mobile app Zing highlighting the launch of our Colleague Networks.**

The COVID-19 pandemic saw us striving to improve the ways we communicate, not only to stay in touch and keep people informed but to drive engagement too. Adapting our communications to be less formal allowed us to be more reflective of cultural diversity and nuances across our workforce.

Our new colleague mobile app, Zing, gives colleagues the opportunity to share insights and connect with other colleagues in other markets. It was launched last year and has now been rolled out in nine markets, with 21,783 colleagues onboarded in total. We will continue to roll it out in more markets next year. Retail stores have their own dedicated channel to make it easy for teams to find the information they need. The mobile app is also a great place for teams to update on their work.

**Championing diversity and inclusion**

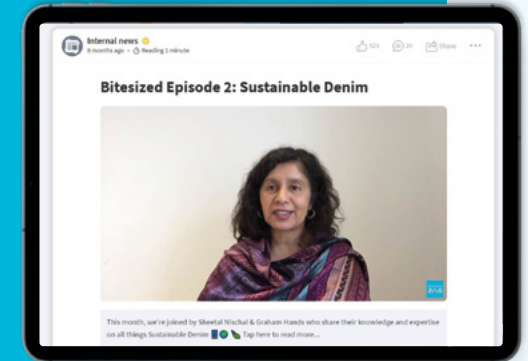
It's important that all our people are treated with dignity and respect, which means listening to our colleagues and learning what's important to each person. Our workforce is a diverse collection of individuals, all with their own stories, viewpoints, ideas and insights. It makes us a stronger, more adaptive and resilient business. We are also careful to understand local variations and comply with relevant legislation in each market.

This year, we've set up our Colleague Networks, which focus on neurodiversity and disability, cultural diversity, gender and life stages, and LGBTQIA+. These networks not only create safe spaces for people to share their lived experiences, but they also harness our understanding to enhance our products, evolve our processes and strengthen our strategies. Gathering input from diverse perspectives has led to some innovative product developments, including period pants and our menopause and breast cancer ranges.

This year we hired our Head of Diversity and Inclusion and have kickstarted our Diversity and Inclusion strategy, with the ambition to embed it further in the business over the coming months – we will provide more details on this as it evolves. Our Diversity and Inclusion team works closely with business teams in other markets to help create an inclusive environment where colleagues and customers feel like they belong. This focus extends into our supply chain, where its connection with Primark Cares is brought to life.

**Embedding Primark Cares among our colleagues**

Education programmes have been an important part of embedding Primark Cares. We want to make sure all our colleagues at Primark can tell the Primark Cares story and be proud of what we're doing. We also need to explain how Primark Cares impacts the work of each department. It's covered in our induction programme for all colleagues (retail and head office), and is integrated throughout the organisation.



**Sheetal Nischal, Environmental Sustainability Project Manager, talking about the PSCP on our colleague mobile app, Zing**

Sharing updates around Primark Cares and the Ethical Trade and Environmental Sustainability team programme is encouraged through our internal communication platform Zing. This year, we launched a new initiative Primark Cares Bitesized, where the team can share programme updates. It is some of the most subscribed content on the channel. We have also launched the first modules of our Primark Cares training programme on our digital learning platform. These are primarily focused on training for our product teams but we are also developing high level content for all office colleagues. We will continue to work hard to bring Primark Cares to life for our colleagues in stores and this remains a key priority.

Promoting wellbeing and inclusion for all our colleagues continued



**Colleague wellbeing**

Our Spark wellbeing programme enables our colleagues to be their best self and find balance in both work and life. Launched this year to 70,000 colleagues<sup>1</sup>, it focuses on three areas – mind, body and life – acknowledging that the three areas can overlap and impact each other.

**Mind**

We recognise that mental health is a crucial part of wellbeing, so we invest in programmes to raise awareness of the importance of mental health and provide practical support. As well as marking key dates on the calendar such as Mental Health Awareness in May and World Mental Health Day in October, we aim to encourage good mental health all year round through key initiatives including:

- Mental Wellbeing training and a Mental Health First Responder programme to help our colleagues protect themselves and others; and
- our 'Let's Talk' programme designed to give every colleague access to an Employee Assistance Programme with free, confidential counselling service for mental health, legal or financial issues.

**Body**

Our Body pillar focuses on staying active, sleeping well and fuelling the body. We offer access to an onsite gym and fitness classes in our office headquarters in Dublin and Reading, as well as an array of fitness initiatives and access to online events and recordings to all other colleagues globally.

**Life**

Our Life pillar focuses on life stages, work/life balance and financial wellbeing. We recognise the many and varied demands placed on people as they enter new life stages, and it is important to us that our colleagues are supported at each stage. This year, we introduced a range of family and life stage supports for our colleagues in the UK and Ireland, including:

- our fertility policy provides five days of additional paid leave for those undergoing treatment;
- our pregnancy loss policy provides 10 days of additional paid leave;
- a new surrogacy policy to mirror our adoption policy;
- parenting webinars; and
- informative guides on menopause, and encouraging managers and colleagues to share their journeys internally to raise awareness.

Our benefits package includes a competitive range of financial wellbeing benefits that are tailored to the local market and role.

We encourage all colleagues to discover their Spark by offering them new ways to look after their wellbeing, recognising that every journey is as unique as they are.

1. Figure based on the number of colleagues at time of launch in February 2022.



# SUPPORTING AND **EMPOWERING** WOMEN, FOR WHATEVER LIFE BRINGS

**Affordable products for those who have experienced breast cancer and undergone breast surgery.**

Breast cancer is the most common cancer in the UK, with one in seven UK women diagnosed with breast cancer in their lifetime and nearly 56,000 cases of breast cancer annually.<sup>1</sup>

Feedback from customers indicated that it can be challenging for those who have experienced breast cancer or who have undergone breast surgery to find appealing, affordable and supporting sportswear and underwear.

Recognising the importance of bringing in real-world experience of breast cancer and breast surgery in the product development stage, Primark worked closely with the Irish Cancer Society to establish focus groups to trial and test the products.

The 22-piece collection focused on comfort and style and was designed to allow for ease of dressing post-surgery, including post-surgery bras and a range of products including lingerie, jersey tees and sweats. The range features a selection of products made with recycled cotton, or cotton from our PSCP, and recycled polyester as part of the Primark Cares label.

A major focus of this product launch was to raise awareness of the importance of detection and self-examination and the campaign featured four women who have all experienced breast cancer. Primark also worked with the Irish Cancer Society to create bespoke educational illustrations with instructions for self-examination, which were displayed in-store and on Primark's own online channels during the month of October to encourage customers to check their breasts regularly and create awareness around breast cancer.

As part of this campaign, Primark committed to donate a total global donation of €290,000 (£250,000) to local charities supporting breast cancer research across the 14 markets where we operate.

1. Cancer Research UK: <https://www.cancerresearchuk.org/health-professional/cancer-statistics/statistics-by-cancer-type/breast-cancer>



# APPENDIX



# INDEPENDENT ASSURANCE STATEMENT TO THE DIRECTORS OF PRIMARK LIMITED

## Scope

We have been engaged by Primark Limited ("Primark") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on Primark Limited's presentation of selected performance data (listed below in Table 1), and statements (together the "Subject Matter") for the year ended 31<sup>st</sup> July 2022 in Primark's Sustainability and Ethics Progress Report 2021/2022 (referred to as "the Report").

The 'Subject Matter' includes the following selected performance data, which are also marked with a Δ symbol in the Report, regarding the Health, Safety and Environmental (HSE) performance of Primark Limited.

The selected statements within the Report that are included within the Subject Matter are included in Appendix 1 of our Assurance Statement.

Other than as described in the preceding paragraphs, which set out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

In preparing the Subject Matter, Primark Limited applied the Associated British Foods' Health, Safety and Environment ("HSE") KPI's Data Reporting Guidance, that is summarised in the 'Methodologies' sections within the ESG Insights documents (the "Criteria").

## Primark's responsibilities

Primark's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

## EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000') Revised, and the terms of reference for this engagement as agreed with Associated British Foods on behalf of Primark Limited in the addendum dated 9<sup>th</sup> November 2022. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

## Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

A limited assurance engagement in accordance with ISAE3000 (revised) in particular does not contemplate testing internal controls, assessing control risk or other procedures ordinarily performed during a reasonable assurance engagement (e.g., assessing fraud risk; testing company's records by obtaining sufficient appropriate evidence through inspection, observation, confirmation, or the review of source documents).

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

**Table 1: List of selected KPIs within the assurance scope for detailed data testing**

Topic	KPI Name
<b>HSE Data sets</b>	
Environment	• Scope 1 emissions (tCO <sub>2</sub> e)
	• Scope 2 location-based emissions (tCO <sub>2</sub> e)
	• Scope 2 market-based emissions (tCO <sub>2</sub> e)
	• Scope 3 emissions (tCO <sub>2</sub> e)



**Independent Assurance Statement to the Directors of Primark Limited** continued

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

The procedures we performed were based on our professional judgement and included the steps outlined below:

1. Read the Primark Sustainability and Ethics Progress Report 2021/2022 to assess whether the presentation of the data and supporting narrative is consistent with our procedures and understanding of HSE performance obtained from our existing scope of work with Associated British Foods plc. The procedures performed included detailed testing on the Primark HSE data listed in Table 1 above, and carried out the following activities:
  - a. Reviewed a sample of the HSE data back to source evidence;
  - b. Applied analytical review procedures to assess the accuracy and completeness of HSE data in accordance with the Criteria.
2. Analysed supporting evidence for a sample of selected statements in the Primark Sustainability and Ethics Progress Report 2021/2022 to assess whether such statements are fairly stated considering the supporting evidence. Refer to Appendix 1 of this Assurance Statement for the statements subject to our assurance procedures.

We also performed such other procedures as we considered necessary in the circumstances.

**Conclusion**

**Conclusion on selected HSE performance data**

Based on our procedures performed and the evidence obtained, nothing has come to our attention that suggests that the selected HSE performance data, forming part of the Subject Matter, in the Report have not been prepared and presented fairly, in all material respects, in accordance with the Criteria.

**Conclusion on selected statements within the Report**

Based on our procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the selected statements (refer to Appendix 1), are not, in all material respects, fairly stated in line with the supporting evidence.

**Use of our Assurance Statement**

We permit the disclosure of the final issued Primark Assurance Statement, in full only, to be published in the Primark Sustainability and Ethics Progress Report 2021/2022. Where you include that Primark Assurance Statement in the Report, you will publish the whole of the Primark Assurance Statement as a single document without amendment or redaction in the form that we provide to you. We disclaim any assumption of responsibility for any reliance on the Primark Assurance Statement to any persons other than you, or for any purpose other than that for which they were prepared. The Primark Assurance Statement will contain language to that effect in respect of the Primark Assurance Statement.

We disclaim any assumption of responsibility for any reliance on this assurance report or its conclusions to any persons other than Primark, or for any purpose other than that for which it was prepared.

Accordingly, we accept no liability whatsoever, whether in contract, tort or otherwise, to any third party for any consequences of the use or misuse of this assurance report or its conclusions.

**Our Independence and Quality Control**

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Ernst & Young LLP, London**  
30 November 2022

Independent Assurance Statement to the Directors of Primark Limited continued

**Appendix 1: Selected statements within the Reports, forming part of the Subject Matter**

We list the selected statements, with the words underlined, that have been subject to the procedures described in the procedures performed within our Assurance Statement.

Where the statements selected contain quantitative information, our procedures performed were the review of supporting evidence to assess whether the statements are fairly stated. Our procedures did not assess the completeness and accuracy of the underlying data, to the degree that we assess the selected HSE performance data, forming the other part of our Subject Matter.

Page Number	Statement within the Primark Sustainability and Ethics Progress Report
11	Any potential new factories must go through a <u>rigorous onboarding process</u> , including an audit from our Ethical Trade team. No orders are placed in a supplier factory until an <u>approved audit takes place</u> .
11	Our regional teams also help to make us visible to workers in our supply chain. <u>They conduct regular monitoring visits and provide training on a range of topics such as working conditions, pay, health and safety</u> .
12	<u>We were one of the first signatories to the Accord on Fire and Building Safety in Bangladesh</u> which aims to improve the structural and electrical safety of factories in Bangladesh.
13	<u>We've already provided training on transparency and traceability for more than 450 garment suppliers</u> .
16	From the outset, <u>many Primark stores in each of our markets collected and donated clothing for those seeking refuge and essentials</u> . In Ireland we went a step further. <u>We partnered with the Department of Justice and Dublin Airport to create and distribute over 2,500 care packs of essential items such as underwear, socks, pyjamas and warm hoodies to families arriving into the country</u> . Our team of Primark volunteers were present at Dublin airport for over two weeks <u>welcoming families and personally distributing these care packs</u> .
16	We have a responsibility and an opportunity to give back to our colleagues and customers, making a positive difference to the lives of the people who build our brand and buy our products. <u>We support and partner with charities and intergovernmental organisations across our markets to deliver on this commitment</u> .
17	Through our long-term investment in training to encourage lower input costs and higher yields, <u>we are helping to increase profits from cotton for the PSCP farmers</u> . Under the PSCP, <u>we also provide training on life skills such as financial literacy, decision-making and health, including family planning and menstrual hygiene</u> . In addition, <u>women are also educated about women's rights</u> .
18	Given the complexity of the cotton supply chain, we wanted to go further <u>and we were one of the first high street retailers to partner with Oritain</u> , a specialist scientific verification firm. While TraceBale gives us better visibility over the journey of the cotton from the PSCP to ginners and spinners in our supply chain, Oritain uses forensic science techniques to confirm the origin of the PSCP cotton.
18	We are working closely with our local programme partners, CottonConnect and REEDS <u>to undertake assessments on the damage and the resulting support needed for the farmers and their communities</u> .
20	Primark has a unique business model which we have built and honed over the last 50 years – <u>we don't do any traditional advertising, we use very little air freight, and we keep our factory-to-store operations very simple</u> .

Independent Assurance Statement to the Directors of Primark Limited continued

Page Number	Statement within the Primark Sustainability and Ethics Progress Report
22	When we joined the partnership in 2021, we worked with the most relevant parts of our supply chain – for example, our manufacturers, waste handlers and recyclers – and were able to gain valuable insights about waste infrastructure in Bangladesh. <u>To date we have worked with three suppliers and are already seeing improvements such as:</u> <ul style="list-style-type: none"> <li>• <u>better waste management practices;</u></li> <li>• <u>improved waste segregation;</u></li> <li>• <u>more effective waste storage to avoid contamination;</u></li> <li>• <u>more accurate record keeping about waste generation and composition;</u></li> <li>• <u>full traceability of waste through the Reverse Resources platform; and</u></li> <li>• <u>full transparency so factories can identify which recyclers process their waste.</u></li> </ul>
23	The Primark Cares label has a strict list of approved materials and protocols regarding minimum content levels and blending rules. We have been working to increase the minimum content levels of recycled and more sustainably sourced materials in our Primark Cares ranges. Our minimum content standards vary depending on material type, in line with, or surpassing, industry standards. <u>All product under Primark Cares must be signed off against these protocols by our Product Sustainability team.</u>
23	<u>All man-made cellulosic fibres under our Primark Cares label, such as viscose, are sourced from responsibly managed forests and are processed more responsibly.</u>
24	We launched our second Primark x Recover™ collection in July 2022 <u>and became first high-street retailer to use Recover’s unique RColorBlend fibre at an international scale.</u>
27	<u>Our energy management system is certified to the ISO 50001 standard in stores, offices and distribution centres across all of the markets where we trade.</u> The certification requires that we demonstrate continuous improvement in energy efficiency, so it helps to ensure this remains a focus for us.
27	We have also recently entered into a new electricity supply agreement in the UK where 100% of our electricity will be supported by <u>Renewable Energy Guarantees of Origin</u> , providing full transparency about the proportion of electricity sourced from renewable generation.
28	<u>We provide comprehensive training to our colleagues so they all know how to manage waste appropriately.</u>
29	Alongside this, we carefully consider the environmental and ethical credentials of our recycling partners: <u>our recycling partner has helped divert 100% of our textile takeback store donations from landfill.</u>
29	We make regular donation of our unsold items and buying samples from the UK and ROI to Newlife, a charity supporting disabled and terminally ill children across the UK. We also make <u>regular donations of unsold clothing from the US to our charity partner Delivering Good.</u>
29	Importantly, we know that improving biodiversity will be a long-term endeavour. Results may take several years to emerge, <u>so putting a robust framework in place will be the first step to help us set a baseline with which we can measure the impact of our PSCP over the years to come.</u>

Independent Assurance Statement to the Directors of Primark Limited continued

Page Number	Statement within the Primark Sustainability and Ethics Progress Report
31	<u>We are long-standing members of the Zero Discharge of Hazardous Chemicals.(ZDHC) Foundation since 2015</u> and, as a board member, are helping to steer the direction of sustainable chemical management across the industry.
31	We support the development of animal welfare standards and certifications, <u>and our new Policy requires that our suppliers comply with these industry standards in the sourcing of Primark products.</u>
37	Since December 2015, <u>we have supported six initiatives for female workers in our supply chain factories with skills development.</u>
37	Our largest skills programme currently is Sudokkho, which supports factories to introduce an efficient in-house training system for both new and existing sewing operators, most of whom are women. <u>They receive quality technical training which improves their productivity and can often open-up opportunities for promotion.</u>
37	GBVH remains a risk for women working in the garment industry and an issue we have focused for a number of years through our local programmes. <u>Since 2019, we have supported four initiatives across 27 supplier factories in this space.</u>
45	<u>The 22-piece collection</u> focused on comfort and style and was designed to allow for ease of dressing post-surgery, including post-surgery bras and a range of products including lingerie, jersey tees and sweats. <u>The range features a selection of products made with recycled cotton, or cotton from our PSCP, and recycled polyester as part of the Primark Cares label.</u>

# GLOSSARY

<b>Aii</b>	Apparel Impact Institute. A collaboration of brands, manufacturers and industry associations that have come together to select, fund and scale high-impact projects to improve the sustainability outcomes of the apparel and footwear industry.
<b>Action, Collaboration, Transformation (ACT)</b>	Set up in 2014, Action, Collaboration, Transformation (ACT) is an initiative between international retailers and trade unions that aims to raise wages for workers across the garment industry. The initiative is establishing a global framework for the sector to achieve living wages for workers in key sourcing markets through industry-wide collective bargaining supported by responsible purchasing practices. Primark is a founding member of ACT.
<b>AWS</b>	Alliance for Water Stewardship. A global membership collaboration comprising businesses, NGOs and the public sector.
<b>CARE International</b>	Global confederation working to fight poverty and social injustice in the world, with a specific focus on the empowerment of women and girls.
<b>CbD</b>	Clean by Design. An approach to green supply chain efficiency which brings together multinational apparel retailers and fashion brands to improve upon environmental impacts in their factories across the globe.
<b>CDP</b>	Carbon Disclosure Project is a not-for-profit that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.
<b>Circularity</b>	Principle of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems.
<b>Code of Conduct</b>	Our Code of Conduct which sets out the standards we expect of our suppliers and partners.
<b>ETI</b>	Ethical Trading Initiative. A leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights across the globe.
<b>Fashion Industry Charter for Climate Action by the United Nations Framework Convention on Climate Change (UNFCCC)</b>	<p>The Fashion Industry Charter for Climate Action goes beyond previous industry-wide commitments. Work under the Fashion Industry Charter for Climate Action is guided by its mission to drive the fashion industry to net zero greenhouse gas emissions no later than 2050 in line with keeping global warming below 1.5 degrees.</p> <p>The signatories and supporting organisations of the Charter will work collaboratively to deliver on the commitments enshrined in the document. This will be done through Working Groups, which will bring together relevant stakeholders, experts and initiatives in the fashion and broader textile sector.</p> <p>The Fashion Industry Charter for Climate Action, with its Working Groups, will identify and amplify best practices, strengthen existing efforts, identify and address gaps, facilitate and strengthen collaboration among relevant stakeholders, join resources and share tools to enable the sector to achieve its climate targets.</p> <p>The Industry Charter specifies the following overarching areas of work to be further developed by specific Working Groups:</p> <ul style="list-style-type: none"> <li>• Decarbonisation pathway and GHG emission reductions</li> <li>• Raw material</li> <li>• Manufacturing/Energy</li> <li>• Logistics</li> <li>• Policy engagement</li> <li>• Leveraging existing tools and initiatives</li> <li>• Promoting broader climate action</li> <li>• Brand/Retailer Owned or Operated Emissions</li> </ul>

Glossary continued

<b>Freedom of association</b>	This is the right for people to come together with other individuals to collectively express, promote, pursue and/or defend their common interests.
<b>FSC</b>	Forest Stewardship Council. An International, non-governmental organisation dedicated to promoting responsible management of the world's forests.
<b>GBVH</b>	Gender-based violence and harassment.
<b>GHG emissions</b>	Emissions of the seven greenhouse gases covered by the Kyoto Protocol – carbon dioxide (CO <sub>2</sub> ), methane (CH <sub>4</sub> ), nitrous oxide (N <sub>2</sub> O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF <sub>6</sub> ) and nitrogen trifluoride (NF <sub>3</sub> ).
<b>GHG emissions (Scope 1)</b>	Direct GHG emissions from owned or controlled sources. For example, the use of non-renewable fuels such as natural gas in boilers, as well as fugitive emissions.
<b>GHG emissions (Scope 2)</b>	Indirect GHG emissions associated with the purchase of electricity, steam, or cooling.
<b>GHG emissions (Scope 3)</b>	<p>GHG emissions which are the result of activities from assets not owned or controlled by Primark, but that Primark indirectly impacts in our value chain.</p> <p>The following categories of the GHG Protocol Corporate Value Chain (Scope 3) Standard are included:</p> <p>Upstream emissions</p> <ul style="list-style-type: none"> <li>• Category 1: Purchased goods and services</li> <li>• Category 2: Capital goods</li> <li>• Category 3: Fuel and energy-related activities</li> <li>• Category 4: Upstream transportation and distribution.</li> <li>• Category 5: Waste generated in operations</li> <li>• Category 6: Business travel</li> </ul> <p>Downstream emissions</p> <ul style="list-style-type: none"> <li>• Category 11: Use of sold products</li> <li>• Category 12: End-of-life treatment of sold products</li> </ul>
<b>Global living wage</b>	We use the definition of a global living wage provided by the Global Living Wage Coalition. A living wage is the remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health, transportation, clothing and other essential needs including provision for unexpected events.

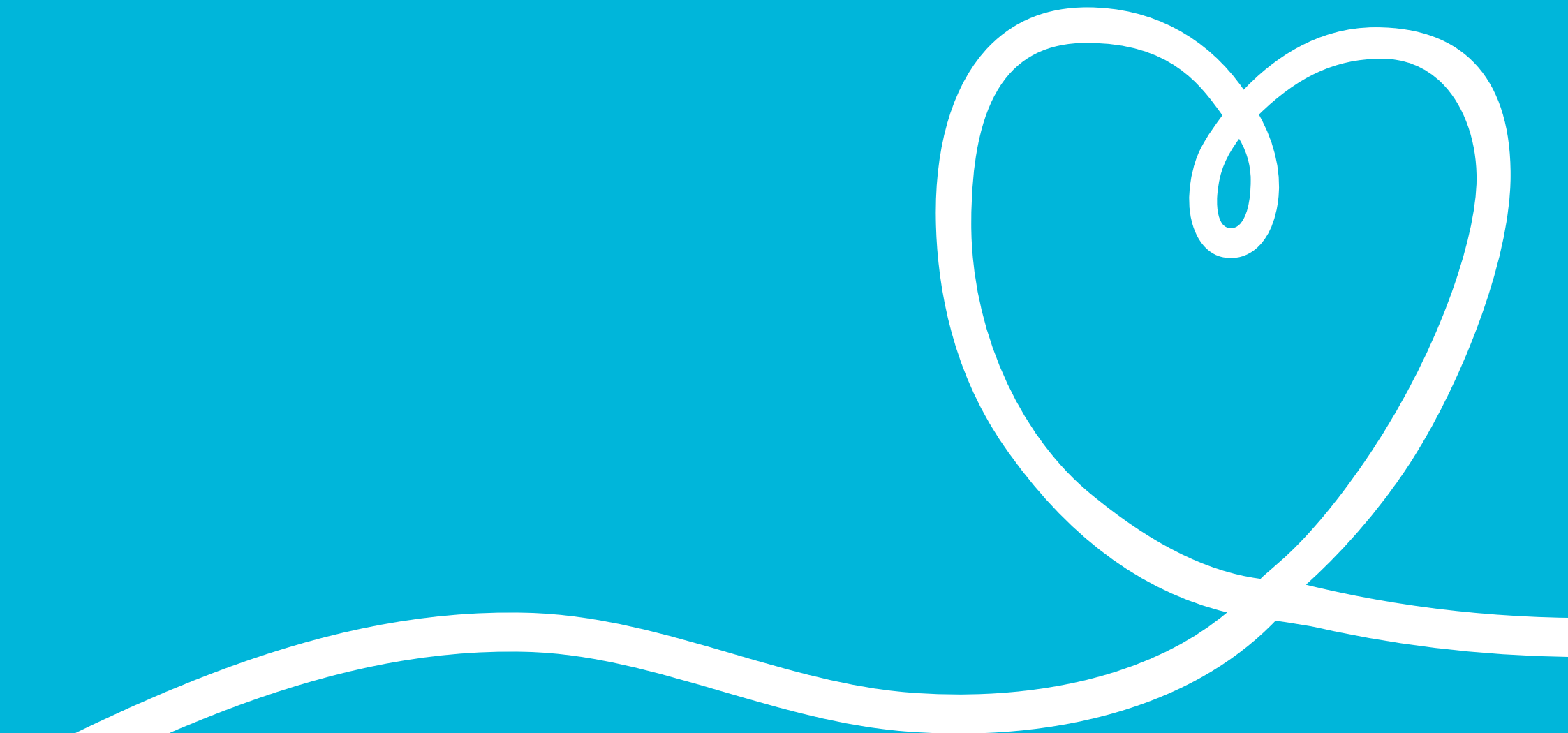
Glossary continued

<b>Our Global Sourcing Map</b>	<p>We do not own any factories and every factory which manufactures product for us has to commit to meeting internationally recognised standard, before the first order is placed and throughout the time they work with us.</p> <p>The factories featured on our Global Sourcing Map (GSM) are Primark’s suppliers’ production sites which represent almost of Primark products for 94% sale in our stores. A factory is detailed on the GSM only after it has produced products for Primark for a year and has become an established supplier. During the first year, a factory has to demonstrate that it can consistently work to Primark’s ethical standards, as well as meet our commercial requirements in areas such as quality and timely delivery.</p> <p>Each factory entry includes the site address, the number of workers and gender split. We will review and update the information on the GSM once a year, although we may choose to remove a factory between formal updates if we are no longer using a particular factory as a supplier. <a href="https://globalsourcingmap.primark.com/">https://globalsourcingmap.primark.com/</a></p>
<b>GLWC</b>	<p>Global Living Wage Coalition. The GLWC is engaged in both research and action on living wage, with the ambition of ensuring a living wage for all.</p>
<b>Greenhouse Gases (GHG)</b>	<p>The atmospheric gases responsible for causing global warming and climate change. The major GHGs are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O). Less prevalent – but very powerful – greenhouse gases are hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF<sub>6</sub>).</p>
<b>IFC</b>	<p>International Finance Corporation. A member of the World Bank Group, advancing economic development and improving the lives of people by encouraging the growth of the private sector in developing countries.</p>
<b>ILO</b>	<p>International Labour Organization. It brings together governments, employers and workers of 187 Member States, to set labour standards, develop policies and devise programmes promoting decent work for all women and men.</p>
<b>LGBTQIA+</b>	<p>Lesbian, Gay, Bisexual, Transgender, Queer (or Questioning), Intersex, Asexual and more.</p>
<b>Mono-material</b>	<p>A mono-material refers to a product composed of a single material or fibre. This makes the recycling process much easier, as it reduces the amount of energy required to split or separate various materials.</p>
<b>More sustainably sourced materials</b>	<p>Materials in which efforts are made to help reduce environmental impact. For more information on the fibres used in our Primark Cares clothes, please visit our <a href="#">fibres glossary here</a>.</p>
<b>Next Generation Solutions</b>	<p>This is a commitment led by environmental non-profit Canopy towards more sustainable and lower carbon alternatives to raw materials.</p>
<b>Recyclable by design</b>	<p>Decisions made in the design and development stage in the manufacture of a product that make it easier to recycle at the end of its life. This could include components that can be dismantled or removed, or using a mono-material instead of a blended fabric to enable recycling.</p>

Glossary continued

<b>SBTi</b>	<p>The Science Based Targets initiative (SBTi):</p> <ul style="list-style-type: none"> <li>• Defines and promotes best practice in emissions reductions and net-zero targets in line with climate science.</li> <li>• Provides technical assistance and expert resources to companies who set science-based targets in line with the latest climate science.</li> <li>• Brings together a team of experts to provide companies with independent assessment and validation of targets.</li> <li>• The SBTi is the lead partner of the Business Ambition for 1.5°C campaign - an urgent call to action from a global coalition of UN agencies, business and industry leaders, mobilizing companies to set net-zero science-based targets in line with a 1.5°C future.</li> </ul>
<b>Self-Employed Women's Association (SEWA)</b>	<p>A trade union in India which promotes women's rights at work. Primark has worked with SEWA and CottonConnect since 2013 on the Primark Sustainable Cotton Programme. The project supports female cotton farmers to reduce their production costs, adopt more environmentally-friendly farming methods and ultimately increase their earnings.</p>
<b>Single-use plastics (SUPs)</b>	<p>Single-use plastics are products which are used once, or for a short period of time, before being thrown away.</p>
<b>TCFD</b>	<p>The Task Force on Climate-related Financial Disclosures. Created by the Financial Stability Board, the TCFD was developed to provide recommendations on the types of information that companies should disclose to support investors, lenders, and insurance underwriters in appropriately assessing and pricing a specific set of risks-related to climate change.</p>
<b>Tier one factory</b>	<p>Factories manufacturing finished goods.</p>
<b>Tier two factory</b>	<p>Factories which provide materials and services to tier one factories.</p>
<b>UNFCCC</b>	<p>United Nations Framework Convention on Climate Change. The United Nations Framework Convention on Climate Change has near universal membership (198 countries) and is the parent treaty of the 2015 Paris Agreement to keep the global average temperature rise this century as close as possible to 1.5 degrees Celsius above pre-industrial levels.</p>
<b>UNGPs</b>	<p>United Nations Guiding Principles on Business and Human Rights. These provide a framework for the measures nations and businesses should implement to protect and respect human rights.</p>
<b>UNICEF</b>	<p>United Nations Children's Fund. An agency of the United Nations responsible for providing humanitarian and developmental aid to children worldwide.</p>
<b>WRAP</b>	<p>Waste Resources Action Plan. A climate action NGO working around the globe to tackle the causes of the climate crisis and give the planet a sustainable future.</p>
<b>ZDHC</b>	<p>Zero Discharge of Hazardous Chemicals programme. The programme supports the application of sustainable chemistry and best practices in the textile, leather and footwear industries to protect consumers, workers and the environment.</p>





 <p>PRIMARK CARES</p>	<p><b>How Change Looks</b></p>
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[www.primark.com/primark-cares](http://www.primark.com/primark-cares)