



Primark is part of (ABF) Associated British Foods, and you can read about our performance in the ABF Corporate Responsibility Report by visiting the ABF website. We also provide detailed annual performance data, as below.

KPMG LLP has provided limited assurance over the collation of selected performance data for the years ended 31 December 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022 marked with symbols Δ , λ , Ω , ∂ , α , ∞ , μ , \wedge , ¥ , π , Σ and ϕ respectively. The full assurance statement for 2022 can be found in the “Annual Performance” section of the Primark Ethics Website. The Primark Supplier Code of Conduct <https://corporate.primark.com/en-gb/primark-cares/our-approach/our-supplier-code-of-conduct> is based on the Core Conventions and the Fundamental Principles and Rights at Work of the ILO, part of the UN, and is the backbone of the Ethical Trade and Environmental Sustainability Programme. It is a robust set of requirements that forms a key part of the terms and conditions of a supplier’s contract with us.

Every factory must commit to meeting it before we will work with them.

Audits are conducted by either Primark or one of our approved Third party audit companies and once approved, have regular follow up audits at least once a year.

In Vietnam and Cambodia we are partners of Better Work, an IFC (International Finance Corporation) and ILO (International Labour Organisation) programme which provides audits, remediation, and training for suppliers. Audits conducted by the ILO have been accepted in place of our own and are included in our performance figures.

We have an online supplier management system which allows us to analyse key trends and report in detail on supplier performance at country and departmental level. This information feeds into our training and capacity building strategy for suppliers.

Once audited, factories are rated by our internal Ethical Trade team. If they meet our minimum standards, we will approve them for production. Any factories with critical or zero tolerance issues would not be approved. We always make every attempt to audit every factory at least once a year, sometimes more, to check whether the standards in our code are being met. However, during 2022 Covid-19 was still impacting some operating regions within China and South East Asia. Auditing continued but on a reduced capacity. We have had to make certain decisions regarding the safety of our auditors and the factories’ employees, also observing restrictions on travel within the countries we operate in.

- 2022: 2360 audits conducted ϕ
- 2021: 2471 audits conducted Σ
- 2020: 1206 audits conducted β
- 2019: 3234 audits conducted π
- 2018: 3319 audits conducted ¥
- 2017: 3413 audits conducted \wedge
- 2016: 2994 audits conducted μ

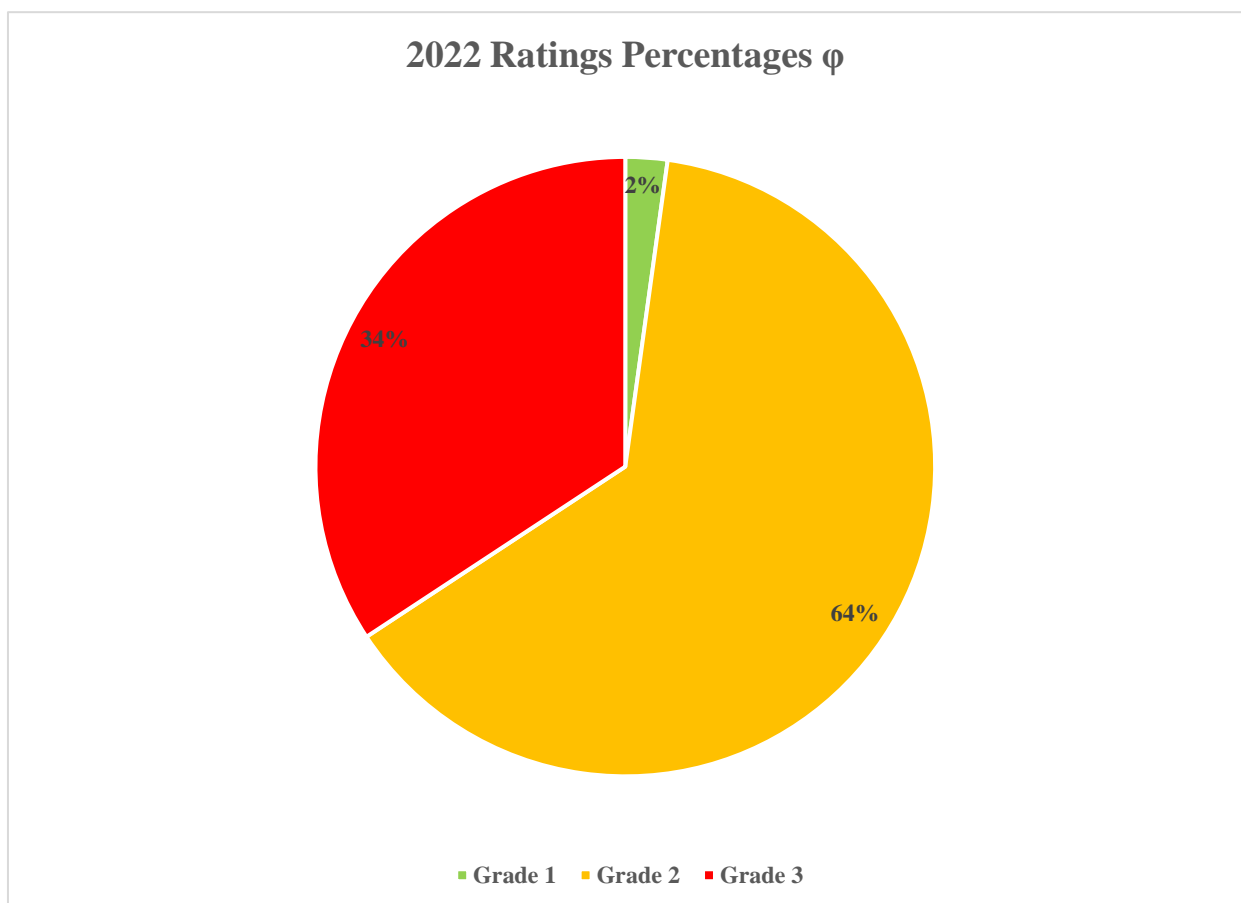
- 2015: 2629 audits conducted ∞
- 2014: 2412 audits conducted α
- 2013: 2058 audits conducted ∂
- 2012: 1825 audits conducted Ω
- 2011: 1727 audits conducted λ
- 2010: 1266 audits conducted Δ
- 2009: 1136 audits conducted

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

Note that the following data relates to site ratings, not individual audit ratings. Where a factory has had more than one audit in the year, the latest audit result is used.

In summary, the ratings are:

- Grade 1: Good systems in place to ensure ethical compliance, limited number of minor issues
- Grade 2: Evidence of some good systems in place, however, not achieved full ethical compliance
- Grade 3: Ethical compliance not met, with significant and numerous issues



The most frequent non-compliances identified during audits fall under the category of Working Conditions ϕ . These can range from poor chemical labelling and storage of materials to lack of machine guards or Fire Safety. Living Wages and Working Hours, including excessive overtime, remain challenges for us. We aim to reduce their occurrence through greater focus on the implementation of proper management systems and efficiency measures. This includes remediation teams in each region working closely with the factories and suppliers in our supply chain.

Data Point	Reporting Criteria
<p>Number of audits conducted</p>	<p><i>Number of audits conducted in factories against Primark’s Supplier Code of Conduct during the calendar year.</i></p> <p><i>Note: a single factory may be audited more than once during this time.</i></p> <p><i>Note: 43 factories in Cambodia and Vietnam have been audited by the ILO (International Labour Organisation) on behalf of Primark. This also includes 6 incomplete audits where we were unable to gather all relevant information during the factory audits. In these cases, we perform additional follow up audits.</i></p> <p><i>The data includes Tier 1 and a selection of Tier 2 factories. Primark defines Tier 1 as the main manufacturing process, including but not limited to, cutting, sewing, trim attachment & thread trimming, quality assurance and packing.</i></p> <p><i>Primark defines Tier 2 as specific manufacturing operations that the main factory is not capable of doing in their own facility, such as printing, embellishment/ embroidery, dyeing and washing.</i></p> <p><i>The calculation of number of audits was updated in 2022 to exclude Desk Based Audits in the total number.</i></p>
<p>Most frequent non-compliances identified</p>	<p><i>Most frequent category of non-compliances identified following factory audits during the calendar year. Primark’s Supplier Code of Conduct includes thirteen categories of non-compliances.</i></p> <p><i>In addition to the above, we also rate our factories against an additional category called ‘Primark Requirements’ which outlines our own audit process requirements and against which the factories are also expected to comply.</i></p>

<p>Ratings for all sites audited</p>	<p><i>The overall factory grading is based on Primark’s rating matrix which is aligned to the Primark Supplier Code of Conduct. In some cases, however, there may be regional variances which are taken into consideration by management who will apply their judgement when deciding the final factory grading. For example, there may be instances where local legislative requirements differ from the Primark Supplier Code of Conduct and therefore also need to be taken into consideration. In these cases, management will review the regional variances through an internal review process. This process will record the justification and rationale for all ratings that are as a result of the regional variance.</i></p> <p><i>Even though legislative differences may be in place which differ to the Primark Supplier Code of Conduct, Primark continue to operate with these suppliers where it is our view that in doing so, we are doing more good than harm and it is in the interest of the local community for such contracts to continue to be awarded”.</i></p> <p>.</p> <p><i>Percentage of factories at grade 1, 2 and 3 following a Primark Supplier Code of Conduct audit during the calendar year. Where a factory has had more than one audit in the year, the latest audit result is used. In summary, the ratings are:</i></p> <ul style="list-style-type: none"> <i>• Grade 1: Good systems in place to ensure ethical compliance, limited number of minor issues</i> <i>• Grade 2: Evidence of some good systems in place, however, not achieved full ethical compliance</i> <i>• Grade 3: Ethical compliance not met, with significant and numerous issues</i> <p><i>Our in-country ethical teams continue to discuss/brief/train on Primark’s Supplier Code of Conduct and audit requirements with potential new suppliers/factories before an initial audit is carried out. Should a supplier’s factory not pass this first audit, a nominal fee is required before any subsequent audits can be carried out. This means that suppliers are more aware of the standards we expect in the factories which we source from, so are better prepared for the audit process. This fee goes into funding technical assessments for training and upskilling our existing suppliers.</i></p>
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