

Supply Chain Human Rights Policy

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Supporting statement from Paul Marchant, Primark CEO

At Primark, 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 respect human rights. That's a responsibility we take very seriously.

Operating more than 400 stores across 14 countries, our scale means we have the opportunity to make a positive difference.

The relationship we have with our suppliers is key to achieving this. We are highly selective about who we work with and we aim to build longstanding and trusted relationships across our supply chain to enable us to work in partnership continually to improve how we operate and the impact we have. We want to use our position to lead by example to drive the change we'd like to see.

At the heart of this is our Primark Code of Conduct, the backbone of our Ethical Trade programme. Our suppliers commit to compliance with this Code as condition of working with us. They actively work with us to monitor and uphold the standards we expect – both of ourselves and those that work with us. It matters hugely to us that all workers in our supply chain feel safe at work and have their human and legal rights respected. And that as we continue to grow, the impact we have on sustainability, responsible sourcing and specifically human rights in our supply chain grows in tandem with us.

Because we don't own any of the factories that supply us, we know we need to work together with the rest of the industry to drive change – whether that is working to pursue a living wage for the workers who make our clothes, improving grievance procedures or working to improve transparency and traceability through the supply chain. Any opportunity we have to contribute to positive progress, whether that is continually reviewing our own policy, or influencing wider change at a national or global level, we welcome and support.



March 2022
Paul Marchant,
Primark CEO

Commitment to promoting human rights in our supply chains

As a global business, Primark takes very seriously its ongoing contribution to the United Nations 2030 Agenda for Sustainable Development, established in its framework of Sustainable Development Goals (SDGs).

Our approach to respecting and promoting human rights in our supply chain has a significant impact on this contribution. This policy sets out how we bring this contribution to life.

We care about the welfare of the many thousands of people across our supply chain who make the products we sell. We are committed to respect and promote the rights of these workers, no matter where they are.

We recognise we have both a responsibility and an opportunity to advance many aspects of sustainable development; in particular, but not limited to, SDG 8,

“To promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.”

As a minimum, we respect national law in the places where our products are made.

In certain circumstances we believe that we should aim to go beyond legal minimum requirements, recognising that states may not always fulfil their duty to protect individual workers' rights. Therefore, we draw on international frameworks to guide our approach further.

We are committed to enact the [United Nations \(UN\) Guiding Principles on Business and Human Rights](#), and in doing so, we are guided in particular by the [OECD Guidelines for Multinational Enterprises](#), the [Universal Declaration of Human Rights](#), and the [International Labour Organization's \(ILO\) Declaration on Fundamental Principles and Rights at Work](#).

It is the combination of these instruments that guides our work.

Scope and associated policies

This policy is focused on the people who make the products we sell, as well as those who work to provide the goods and services we use in the running of our own business.

We don't own the facilities where these people work.

Nevertheless, we take seriously our responsibility to respect their human rights and we take steps where we can, including using any leverage we might have, to address negative impacts and to help influence positive change.

Human rights due diligence

We adopt a risk-based, worker-centric approach to due diligence in our global supply chains. Our management systems are designed to identify, assess, and manage the key human rights risks and impacts of our supply chain based on the operational context, our leverage and our business relationships. We do this for two reasons. First, with the objective of avoiding where we can any negative impacts on human rights from our own operations.

We also seek to prevent or mitigate any negative impacts on human rights that are linked to us via our supply chain business relationships, even if our own actions have not directly contributed to those impacts.

We use a multi-channel approach in conducting our due diligence. This ranges from audits, research, and grassroots “feet-in-the-factory” work, through to corporate engagement in international fora.

Our priorities are informed by feedback or grievances raised by workers or their representatives, as well as by information from our global network of local and international stakeholders (trade unions, governments and civil society organisations) and from our membership of various multi-stakeholder initiatives.

A full list of our memberships and cross-industry alliances can be found on our website:

www.primark.com/en/primark-cares/partners

Ensuring workplace rights are protected is predominantly the responsibility of the businesses where workers are based, rather than third parties like us that purchase goods they produce at some point along the supply chain. Further, Primark's terms and conditions of trade make clear that our suppliers are responsible for ensuring compliance with the terms of the Primark Code of Conduct in their supply chain. However, we recognise that the strength of the relationship we enjoy with our supply chain partners can affect the degree to which that supplier respects workers' rights, and our ability to identify solutions where issues arise.

We understand the value of building trusted long-term relationships with our key suppliers. We have a global Ethical Trade team and Environmental Sustainability team of 130 local experts who are based on the ground in our major sourcing markets across the world and whose responsibility it is to build these relationships, in constant communication with our suppliers. Our supplier relationships are underpinned by the Primark [Code of Conduct](#) (drawn from the [Ethical Trading Initiative Base Code](#)) and guided by the [OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#). Our global Ethical Trade team supports our suppliers in their application of the Primark Code of Conduct across all the workplaces that supply us.

At the same time, we engage with workers or their representatives across our supply chains to understand risks and impact from the workers' perspective. Where we identify issues, we seek to leverage the strength of the relationship we have with our suppliers in order to find and implement solutions. We are committed to providing this team with the resources it requires to continue this activity as our business evolves.

We are highly selective about who we work with, choosing and approving every factory that makes finished goods for Primark before we place any orders.

Every supplier factory making Primark products commits to the standards set out in the [Primark Code of Conduct](#) as a condition of doing business with us. Before Primark places its first order, the Ethical Trade team engages with the factory to explain the standards required, after which a formal ethical audit of current factory conditions is conducted. Approval is dependent on acceptable audit results and is not guaranteed.

Once a facility is approved, we adopt an approach of positive engagement around issues relating to workers' rights, and we operate a balanced scorecard for supplier management which is heavily weighted towards compliance with the Code of Conduct.

We audit every Primark-approved facility at least once a year, unannounced, and suppliers are mandated only to

produce product within Primark-approved facilities.

We apply our Code of Conduct universally throughout our global supply chain. In certain situations, an ethical audit alone may not be sufficient to address known or likely risks. We therefore conduct country-level human rights due diligence assessments before we enter a new country, and on an ongoing basis. We apply enhanced due diligence processes tailored to the risks of each location and we may exclude certain geographies entirely on the basis of human rights risk.

One enhancement to our due diligence is the Primark Structural Integrity Programme. We implement this in source markets where our risk assessment of building standards indicates that additional due diligence is required to protect worker health and safety.

This Programme assesses factory buildings and requires additional remediation work to be done before we will give approval for Primark production.

Remedy

An important part of our supply chain due diligence is the provision of remedy for workers in our supply chain where issues arise with reference to our Code of Conduct.

The monitoring programme described above highlights issues that we respond to reactively. Proactively we also seek solutions to issues that we may not have found ourselves, but to which we have been alerted by workers or their representatives, industry initiatives or by other external stakeholders. Although responsibility for delivering this remedy predominantly lies with the supplier at the enterprise or factory level, we are committed to bringing our influence and expertise to bear to help prevent, mitigate, and rectify issues affecting the delivery of workers' rights.

We recognise that there are some issues, which are common across supply chains, that we are unable to change on our own. In these cases, we actively seek to collaborate with others in the industry.

We work across the industry with brands, trade unions, NGOs, government, and other relevant stakeholders to understand these problems and agree, together, how best to resolve them.

Worker Voice

Workers in global supply chains may struggle to get their voices heard, despite being closest to the issues that affect them. This is particularly the case where they are not adequately represented, for example via the presence of a democratically elected union.

If workers know their rights and are given the opportunity to raise their voice, they and their representatives are best placed to monitor their working conditions and provide solutions. Freedom of association and collective bargaining are critical in this respect and are therefore key provisions within the Primark Code of Conduct.

We work with trade unions and our supply chain partners in support of adequate workplace representation, so that workers' voices can be heard without fear of reprisal, and to help ensure that adverse human rights issues – whether affecting one person or many – are made known.

We actively encourage the reporting of any issue (in particular those covered by the Primark Code of Conduct) by affected persons and will investigate grievances raised with us in a timely manner while protecting the confidentiality and well-being of the complainant throughout the process. We prioritise social dialogue, and work with individual workers and trade unions at enterprise and international levels to inform our due diligence in the pursuit of the appropriate remediation of issues raised.

Many workers are unable to access the benefits afforded by formal structures of collective representation and effective workplace grievance mechanisms.

In such situations we support the active implementation of alternative mechanisms across our global supply chain that provide for workers' grievances to be raised and their issues addressed. It is important that these are seen as complementary to, not replacements of, or substitutes for, formal collective representation.

Operational-level grievance mechanisms operate at the factory or site level and are often the first entry point for a worker or community member to raise concerns.

implement operational-level grievance mechanisms. The relevant 'Grievance Procedure' section of this states:

Grievance Procedure

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

Within our ethical audit programme, we monitor how suppliers are meeting these requirements, and can provide support where required. We look at the management systems, processes, and policies, whether the access point is internal or external to the workplace, and who the provider is. The most appropriate type of mechanism will depend on the country and the local context. We are continuously reviewing our approach to grievance mechanisms with a view to ensuring effective grievance mechanisms are available within our supply chain.

The Primark Code of Conduct requires suppliers to

Governance

The Primark Supply Chain Human Rights policy is sponsored by the Primark Chief Executive, Paul Marchant, and is approved by the Board of Primark Limited. Critical risks relating to this Policy are discussed quarterly as appropriate by the Primark Risk Steering Committee. This is chaired by Primark's Legal Director who reports to the Primark Limited Board. Issues relating to business and human rights are frequently discussed at a fortnightly meeting of Primark's senior directors.

Primark's Ethical Trade teams are co-located with business units at Primark's headquarters in Dublin and in sourcing countries to embed them in business decisions and strategy development on one hand, as well as to keep them close to suppliers and workers on the other. Where grievances are raised by workers in our supply chain the Primark Ethical Trade team manages the flow of information to protect the identity of those raising their voice, as well as to channel activity towards remediation. Where necessary these issues are escalated to the level of Primark's directors.

This Policy and the programmes that underpin it are kept continually under review to monitor effectiveness with a view to assessing the need to adapt them as required to cover emerging issues. We encourage feedback to inform this review, and welcome comments forwarded to us.

Reporting

This Policy is published on our website alongside our annual Primark Modern Slavery statements (including information relating to grievances), the Primark Code of Conduct and other supporting policies, our relevant reports, our global sourcing map and the annual external assurance statement on our Ethical Trade programme. All of the above can be found by clicking [here](#)

The annual Primark Modern Slavery Statements can be found by clicking [here](#)