

# Primark

**TICKER**  
LON:ABF

**MARKET CAPITALIZATION**  
US\$24 billion

**HEADQUARTERS**  
United Kingdom

**DISCLOSURES**  
UK Modern Slavery Act: Yes

**TARGETS**  
Yes

California Transparency in Supply Chains Act: Not applicable

## OVERALL RANKING

**5 out of 37**

([2018 Rank](#): 4 out of 43)

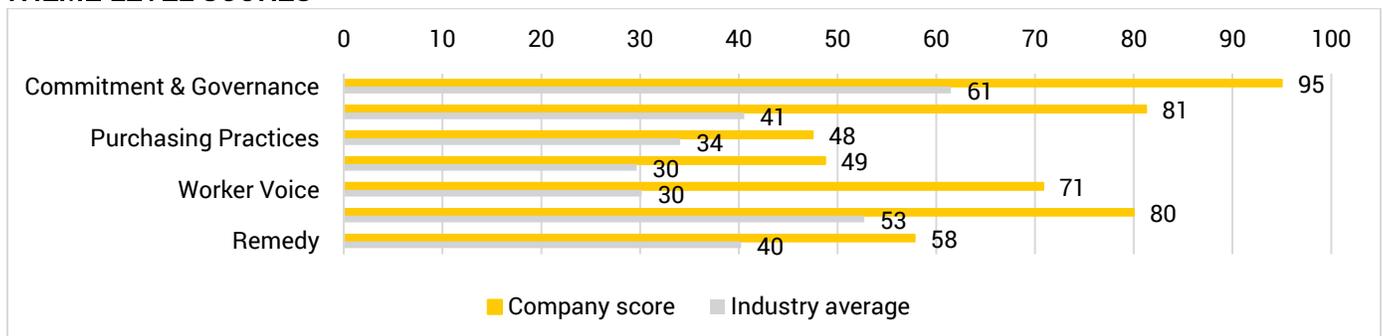
## OVERALL SCORE

**69 out of 100**

## SUMMARY

Primark, one of the UK's largest clothing retailers,<sup>1</sup> ranks 5<sup>th</sup> out of 37 companies, disclosing more information on its forced labor policies and practices than its peers across all themes. Compared to 2018, Primark has improved by strengthening its migrant worker policies and disclosing examples of remediation of violations, establishing committees to support worker-manager communication, engaging with supply chain workers on their labor rights, and disclosing data on supply chain grievances. Primark receives the highest score on the theme of Commitment & Governance. However, as the company has not improved across themes, its rank has decreased by one place. Primark discloses limited steps taken to address the risks of alleged Uyghur forced labor, namely, that it has engaged with representatives of rightsholders as well as of several governments and that it has banned all sourcing and production from the region. However, it does not disclose details on how it ensures this, nor steps taken to address the risks across its supply chain tiers (e.g., in relation to wool or viscose sourcing). KnowTheChain identified three additional forced labor allegations in Primark's supply chains. In one case, Primark reportedly helped ensure that workers were repaid US\$1.7 million of recruitment fees and that 1600 passports were returned to workers. However, it does not disclose remedy outcomes for workers in the remaining cases or engagement with rightsholders in any case. Primark has an opportunity to improve on the themes of Purchasing Practices, Recruitment, and Remedy.

## THEME-LEVEL SCORES



**KEY DATA POINTS**
**SUPPLIER LIST**

Yes

**IMPROVEMENTS OF FREEDOM OF ASSOCIATION**

No

**HIGH-RISK RAW MATERIALS<sup>2</sup>**

Cotton, viscose, and wool

**DATA ON PURCHASING PRACTICES**

Yes (One data point only)

**REMEDY FOR SUPPLY CHAIN WORKERS**

Yes

**HIGH-RISK SOURCING COUNTRIES**

China, India, and Vietnam

**LEADING PRACTICES**

**Purchasing Practices:** Primark reports that it uses off-season production to lengthen lead times and allow factories “to plan their production more effectively and provide stable employment in typical low seasons.” In response to Covid-19, Primark reports that it established a wage fund amounting to US\$32 million to advance payment to its suppliers in Bangladesh, Cambodia, India, Myanmar, Pakistan, Sri Lanka, and Vietnam to support them in their wage payments.

**Remedy:** Primark discloses examples of remedy outcomes for workers. It states that at one supplier in Turkey, it ensured that pregnant or breastfeeding women would continue to receive equal pay after their pay was reduced in line with Turkish national law. It states that in another case, two workers recruited from Romania reported that deductions were made from their salary for recruitment fees, transportation, and accommodation; the workers received full compensation. It discloses a further example from 2017 in which it was informed that three union members had been dismissed. It states that it worked with other retailers, trade unions, NGOs, ILO Better Work, and suppliers to reinstate the three workers.

**NOTABLE FINDINGS**

**Stakeholder Engagement:** Primark reports that its senior executives provided feedback to expert advisors in 2019 for the UK government’s independent review of the UK Modern Slavery Act. It discloses that it is working with a local Indian NGO, the Association for Stimulating Know-how (ASK), and Verité, a labor rights NGO and consultancy, on a “Fair Hiring Fair Labour programme” in southern India, which provides factories with toolkits for improving their recruitment and hiring processes. It notes that it has met with local stakeholders over the past year, including civil society groups and labor rights groups in sourcing countries to understand workers’ needs and provide remediation.

**Traceability & Risk Assessment:** Primark discloses a global sourcing map that includes the name and addresses of its suppliers, the number of workers, and the gender ratio per supplier—representing “over 95% of Primark products for sale.” It discloses that it conducts on-the-ground assessments of spinning mills in Bangladesh and India “to assess origin of cotton bales.” It reports that it carries out country risk assessments that include an analysis of forced labor risks. Primark also notes that it engages stakeholders to better understand the forced labor risks in its supply chains and that workers are a key part of its risk analysis. As such, it discloses that it has designed a participatory tool to obtain direct feedback from workers. It sets out the risks it has identified in the different tiers of its supply chains and the actions that it has taken in response to those risks.

**Worker Voice:** Primark reports that it implements programs to help workers understand and exercise their rights. It discloses that it works with an NGO based in India, to support the formation of “Worker Education Groups” and educate workers on their workplace rights. It discloses that it developed a program for factories in southern India in partnership with international NGO “Women Win,” which focuses on training women workers on topics including their rights, and that this program has also been introduced in Myanmar. It discloses that it works with the Ethical Training Initiative on a social dialogue program to strengthen worker participation in Bangladesh. It reports that it is a partner of the Better Work program in Cambodia, Indonesia, and Vietnam and establishes “factory-level committees to support worker-manager communication;” half of the committee members must be women. It requires suppliers to establish grievance mechanisms and states that workers can report grievances through a mechanism on its website. It further discloses data on the number of and types of grievances raised.

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### **OPPORTUNITIES FOR IMPROVEMENT**

**Purchasing Practices:** Primark is encouraged to disclose steps taken to address forced labor risks across the raw materials it is sourcing (beyond a commitment not to source cotton from Turkmenistan and Uzbekistan). It is encouraged to disclose further quantitative data points demonstrating that it has responsible purchasing practices in place, including planning and forecasting and costing that includes the cost of the Employer Pays Principle. The company is further encouraged to disclose the outcomes of its process for assessing the forced labor risks at potential suppliers and of its process for addressing the forced labor risks related to subcontracting.

**Recruitment:** Primark is encouraged to ensure that employment and/or recruitment agencies used in its supply chains are monitored. While it discloses a policy requiring that workers are provided with information on their employment conditions before entering into employment, it is encouraged to provide evidence that this policy is implemented in practice (e.g., by providing pre-departure orientation or training for migrant workers). It may further consider providing evidence that the steps taken to ensure that the rights of workers in vulnerable conditions are respected result in positive outcomes.

**Remedy:** Primark may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labor and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. Primark is encouraged to disclose outcomes for workers, engagement with rightsholders, and evidence that the remedies are satisfactory to the victims, including in cases of specific allegations.

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### **ENGAGED WITH KNOWTHECHAIN<sup>3</sup>**

Yes ([Provided Additional Disclosure](#)).

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<sup>1</sup> The Guardian (14 January 2021), “[We’ll be back, vows Primark after predicting £1bn sales hit.](#)”

<sup>2</sup> For further details on high-risk raw materials and sourcing countries, see [KnowTheChain’s 2021 Apparel and Footwear Benchmark Report](#).

<sup>3</sup> Research conducted through November 2020 or through February 2021, where companies provided additional disclosure or links. For more information, see the full dataset [here](#). For information on a company’s positive and negative human rights impact, see the [Business & Human Rights Resource Centre website](#).