

Primark

TICKER

LSE:ABF

MARKET CAPITALIZATION

US\$31 billion

HEADQUARTERS

United Kingdom

COMPLIANCE
UK Modern Slavery Act: [Disclosure available, but not compliant](#)
California Transparency in Supply Chains Act: [Not applicable](#)
COMMITMENTS
[Yes](#)
OVERALL RANKING

4 out of 43

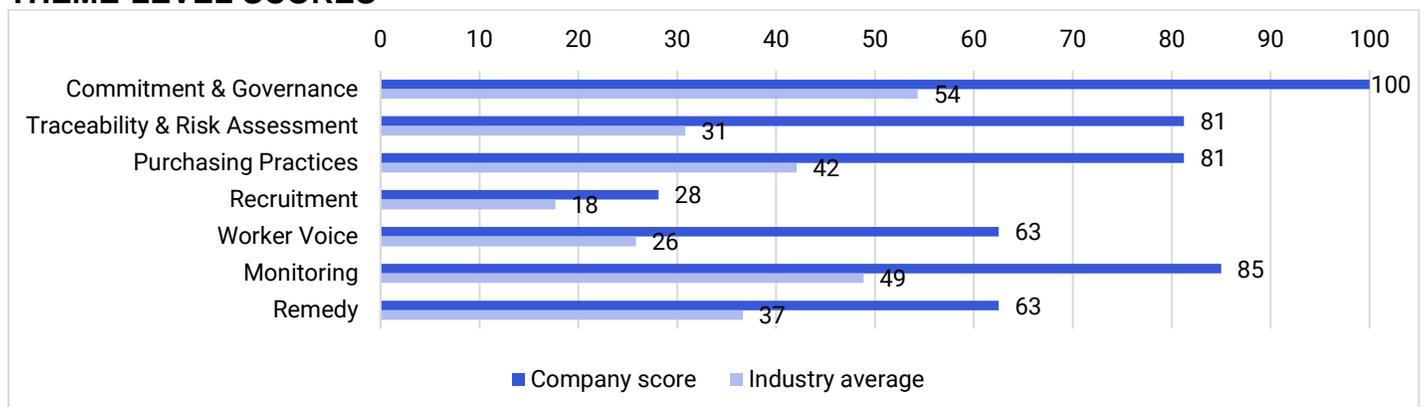
(2016: 5 out of 20)

OVERALL SCORE

72 out of 100

SUMMARY

Primark, a subsidiary retail group of Associated British Foods and the third-largest clothing retailer in the United Kingdom, ranks fourth out of 43 companies, disclosing more information on its forced labor policies and practices than its peers across all themes. Compared to 2016, the company improved its rank from fifth to fourth. Since 2016, the company has improved its performance and disclosure by launching a mandatory supplier training on modern slavery, disclosing a supplier list, providing several examples of remedy outcomes (which include the reimbursement of recruitment fees), and providing details of how it supports ethical recruitment. Further, the company discloses it engaged its suppliers' workers in different sourcing countries, included second-tier suppliers in its audits, and increased its disclosure on audit outcomes. Notably, Primark is among the companies achieving the highest score on the theme of Commitment & Governance. Additional steps the company could take to address forced labor risks in its supply chains include strengthening its disclosure and practices on the themes of Recruitment, Worker Voice, and Remedy.

THEME-LEVEL SCORES

 Research conducted through June 2018, or through August 2018 where companies provided additional disclosure or links. For more information, see the full dataset [here](#).

LEADING PRACTICES

Worker Voice: Primark discloses that it engaged workers in its supply chains in India, Myanmar, and China. The company notes that it is using a participatory tool called “Drawing the Line” to get feedback from workers in its supply chains, which “can be extremely useful in highlighting the key risks and indicators of forced labor in areas such as recruitment practices.” With the help of global and local NGOs, this tool was first implemented in India, and subsequently in Myanmar. With the support of an NGO facilitator, the tool is used to engage groups of 10-15 workers on their understanding of their workplace rights. Primark discloses that it started using a “worker voice app” for 7,000 workers at ten of its Chinese suppliers. The app “facilitates communication between workers and management, the provision of digital wage slips and production and wage data, offers 400 training courses for workers ... and an anonymous grievance mechanism.” Primark continued its worker-to-worker education program for inter-state migrants in Southern India who may not be aware of relevant local laws and their workplace rights. It discloses that the program has reached over 6,000 people so far.

Monitoring and Ethical Recruitment: Primark discloses that it worked with other retailers and the labor consultancy Impactt on a pilot of the Universal Payment Model in a supplier factory in Malaysia. Primark states that this led to the reimbursement of recruitment fees paid by migrant workers who were employed at the factory and that this was the first time that the model has been used in the garment sector. Further, the company discloses that it is reviewing its approach to recruitment practices and that, in 2017, it held a workshop with external experts to map its current approach and to identify strengths and areas for improvements, which the company will work on in 2018 (see [commitments](#)).

NOTABLE FINDINGS

Training: Primark discloses that 180 members of its commercial team were trained on the potential risk of modern slavery and made aware of the resources to help them make informed buying and sourcing decisions in 2017. The company states that its ethical trade teams, which are based in key sourcing regions, provide over 7,000 hours of support and training per year to help suppliers understand the company’s supplier code and its implementation. Additionally, Primark discloses that it launched a mandatory forced labor and trafficking training for suppliers. It states that 95% of its suppliers completed the training in 2017.

Traceability: Primark discloses a list which includes the names, addresses, range of number of workers, and the percentage of male and female workers for its first-tier suppliers. The company states that it conducted due diligence on the use of raw materials, including leather, and carried out inspections at spinning mills to verify the sourcing country of cotton bales. Primark discloses the “key sourcing countries” it has identified for cotton (Bangladesh, China, India, Pakistan, and Turkey) and leather (India and China).

Remedy: Primark discloses several examples of remedy provided to workers. In one case, the company discovered that two Romanian supply chain workers received deductions from their salary for recruitment fees, transportation, and accommodation. Primark states that it investigated the claims with the supplier and the labor provider. The company states that its team worked with the supplier and the sub-contractors. It discloses that it ensured that a policy and process regarding labor providers was implemented at its supplier and that full compensation was paid to the workers. Further, it discloses that, in a case of dismissal of three union members, it worked with other retailers, trade unions, NGOs, ILO Better Work, and suppliers to reinstate the three workers.

OPPORTUNITIES FOR IMPROVEMENT

Worker Voice: The company discloses that it has launched a “worker voice app” at four of its supplier factories in 2018. The company is encouraged to extend this app to other suppliers or ensure that another formal mechanism to report grievances to an impartial entity regarding labor conditions is available and communicated to its suppliers’ workers and relevant stakeholders, such as worker organizations or labor NGOs. The company may further consider how to increase its suppliers’ workers’ trust in the mechanism by involving workers or an independent third party in its design or performance.

Recruitment: The company may consider developing and disclosing a policy that requires direct employment in its supply chains and that requires employment recruitment agencies and, where relevant, employment agencies in its supply chains to uphold workers' fundamental rights and freedoms. The company is further encouraged to disclose information on the recruitment agencies used by its suppliers.

Remedy: The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of human trafficking and forced labor and disclosing details on this process, such as timeframes and engagement with affected stakeholders, responsible parties, or approval procedures. Further, the company is encouraged to disclose an example or a summary of its corrective action process in practice.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes.](#)