

## Survey on fashion brands and retailers' approach to human rights due diligence in Myanmar

Business & Human Rights Resource Centre (BHRRC) is collecting information on fashion brands and retailers' approaches to heightened due diligence in Myanmar as a sourcing country.

This survey provides you with the opportunity to detail your approach to human rights due diligence beyond any responses you have made to BHRRC's Myanmar Allegation [Tracker](#). Your answers will be analysed for our upcoming report on how brands have adapted operational strategies in Myanmar after the military takeover as well as their impacts on garment workers.

Please feel free to provide any supporting information on your practices in any of the questions below (including tick box questions).

The survey will take 15 minutes and will be open to the 27th April 2023.

We thank you for your time and cooperation!

### Part I: General information

1. Company name: Primark
2. Your name:
3. Your role:
4. Your department:

### Part II: Operation history in Myanmar

5. **When did your company start sourcing from Myanmar?** In 2012
6. **Do you still source from Myanmar, as of the 6th April 2023?**

- Yes
- Yes, but we have announced that we plan to stop sourcing from Myanmar\*
- No, we have now left and no longer have any ongoing production in Myanmar

\*We announced our decision to work towards a responsible exit from Myanmar in September 2022 and stopped placing orders at the end of October 2022.

### Part III: Heightened human rights due diligence approach in Myanmar

This section will explore your approach and practices to human rights due diligence in the high-risk context of Myanmar.

7. **Which of the below mechanisms do you currently utilise in the context of Myanmar?\***

	Yes	No	Not sure
Human rights due diligence guidelines in conflict-affected contexts like Myanmar	X		
Public disclosure of an up-to-date list of direct and indirect suppliers in Myanmar	X		
Requirement for suppliers to undertake a human rights self-assessment questionnaire (SAQ)		X	
Supplier code of conduct that includes human rights	X		
Your company has its own field office in Myanmar	X		

	Yes	No	Not sure
Regular field visits/inspection to your suppliers in Myanmar	X		
Requirement that third-party audit to be undertaken across your Myanmar suppliers		X	
Requirement that ethical audits by our own team is undertaken across all supplier factories in Myanmar prior to order placement	X		
Requirement that all supplier factories in Myanmar are assessed as part of our own structural safety programme	X		
Involvement of the Factories and General Labour Laws Inspection Department	X		
Institution of remediation and grievance mechanisms at each supplier site	X		
Training for suppliers on human rights	X		

*\*Please feel free to add any further comments*

In addition to the above, compliance with our supplier [Code of Conduct](#) – a condition of doing business with Primark – is monitored by our team of 130 experts based across our major sourcing markets. This includes a team based in Yangon, which we’ve more than doubled in size as we work through our responsible exit – this enables us to visit the remaining factories we work with more regularly, giving us greater visibility and allowing us to engage with stakeholders in an ever more meaningful way. All ethical trade audits are conducted by this team, who then also support and oversee any required remediation.

**8. How often do you undertake field visits/inspection to your suppliers in Myanmar? Please tick as many as apply.**

- Annually
- Regularly (more than once per year)
- In case of reported allegations
- Never
- Not sure

**Please feel free to provide any further information on how you undertake field visits/inspection to your suppliers in Myanmar:**

Compliance with our supplier [Code of Conduct](#) – a condition of doing business with Primark – is monitored by our team of 130 experts based across our major sourcing markets. This includes a team based in Yangon, which we’ve more than doubled in size as we work through our responsible exit – this enables us to visit the remaining factories we work with more regularly, giving us greater visibility and allowing us to engage with stakeholders in an ever more meaningful way. All ethical trade audits are conducted by this team, who then also support and oversee any required remediation.

In addition, between audits we undertake regular coaching and training visits to the factories. These visits take place every two weeks due to the need for heightened due diligence in Myanmar today, and encompass everything from training and coaching on key issues such as a range of topics such as

**Commented [AA1]:** @Bhrrc – added in a couple of rows (highlighted in yellow) to reflect the extent of our due diligence in the country

working conditions, pay, health and safety in order to, where possible, mitigate the risks of noncompliance with our Code.

**9. How often do you have a third-party factory audit in Myanmar? Please tick as many as apply.**

- Annually
- Regularly (more than once per year)
- In case of reported allegations
- Never
- Not sure

***Please feel free to provide any further information on third-party auditing in Myanmar:***

We have invested heavily in our own Ethical Trade team, based in Yangon, which has more than doubled in size since we made our decision to responsibly exit Myanmar. Globally, Primark-approved factories are audited at least once a year, and this policy has always applied in Myanmar. Our audit programme is ongoing and supplier factories are audited by our own team, but our larger team size gives us the ability to visit all sites every two weeks to progress remediation and to support capacity building programmes.

**10. Which stakeholders do you engage in your due diligence process? Please tick as many as apply.**

- Workers
- Trade unions in Myanmar
- Workplace Coordinating Committee (WCC)
- Global union federations (eg IndustriALL Global Union)
- Multi-stakeholder initiatives (MSIs)
- Civil society organisations
- SMART Myanmar
- MADE in Myanmar
- Other. Please specify: Suppliers, UK Government departments, other brands, the OECD, ILO, NGO partners

***Please detail how you engage with the above stakeholders:***

Our Ethical Trade model – with a central team, supported by experts on the ground in our sourcing markets – is designed in such a way that we are able to proactively engage and build strong relationships with both local and international partners and stakeholders. We've good relationships with the ETI, IndustriALL and other partners and have been in even closer contact with them since the start of the coup. This then frees up our local team in Yangon to focus on engaging with suppliers, factories, workers and local partners.

**11. Do you have a grievance mechanism that workers in Myanmar can access? Please tick as many as apply.**

- Yes, through our company's grievance mechanism
- Yes, through Myanmar's Dispute Resolution system
- Yes, through multi-stakeholder grievance mechanisms
- No
- Not sure
- Other. Please specify: Through factory-based grievance mechanisms and worker management committees, as well as our close relationship with trade unions and basic labour organisations

***Please provide further details on how the grievance mechanism (if any) is communicated with workers:***

We actively encourage the reporting of any issue and will investigate all grievances raised with us whatever the source, while protecting the confidentiality and wellbeing of the complainant throughout the process. 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. Trade unions and basic labour organisations continue to be a valuable source of information regarding working conditions in Primark-approved factories in Myanmar and we work closely with them to remediate any issues that arise.

Our more regular visits to supplier factories in Myanmar give us a detailed picture of working conditions across suppliers' factories. During these visits, we engage with both factory workers and management and actively raise awareness of grievance mechanisms on each occasion. Separate training is also provided to both parties to help inform workers on the ways in which to raise grievances, as well as to train management on the implementation of such mechanisms.

**12. How are you made aware of human rights concerns in your supply chain? Please tick as many as apply.**

- Through factory owners
- Through existing grievance mechanism
- Through civil society organisations
- Through trade unions
- Through Workplace Coordinating Committee (WCC)
- Other. **Please specify:** Our local Ethical Trade team based in Yangon, factory workers, unions, labour rights organisations and the Myanmar Centre for Responsible Business

**13. When an allegation is raised, what is your standard procedure to address the issue?**

We actively encourage the reporting of any issue and investigate every grievance brought to our attention about Primark-approved factories. As soon as we receive a grievance, all relevant information is immediately and confidentially escalated to a senior level within Primark to allow consideration of how best to investigate. Depending on the circumstances, the investigation will be conducted either by our own local teams or by a third party.

Every effort is taken to remain in contact with the workers concerned or their representatives, in complete confidence and preserving their identity. Where appropriate, we will share results of the investigation and updates on any required remediation as it progresses.

We expect our suppliers and their factories to participate in remediation plans and use our leverage to drive progress. Where required this may involve suspension of orders to focus attention on the matter at hand until the situation is resolved.

**14. Please feel free to provide any further information on how you undertake human rights due diligence that you would like us to know.**

As a responsible business, the rights of the workers in our supply chains is really important to us. Our Code of Conduct sets the ethical standards we hold our suppliers to – non-negotiable, ethical standards that we expect our suppliers to uphold in the factories they use for Primark production – and with which compliance is a key condition of doing business with us. The 13 clauses in our Code cover a range of issues including our zero-tolerance approach to child labour and bribery, workers’ rights to form a trade union and ensuring people don’t work excessive hours.

In addition, our Supply Chain Human Rights Policy sets out our approach to protect the human rights of the people who make our products, as well as those providing the goods and services to help us run our business. In this we align with the UN Guiding Principles on Business & Human Rights (UNGPs) and [OECD Due Diligence Guidance for Responsible Business Conduct](#).

We adopt a worker-centric, risk-based approach to due diligence which begins with abstract assessments of human rights risks in our sector before moving to more applied assessments of salient risks to workers in our supply chains. We prioritise those situations where salient risks are greatest, but with a large team and extensive programme we are able to focus on many issues at once. We use a variety of information sources for this work including desk-based research, close consultation with stakeholders and rights holders including trade unions and NGOs, and of course the close connections with suppliers and their factories and workers that is afforded by the workings of the 130 experts we employ throughout our global Ethical Trade team.

The work commissioned by the ETI in Myanmar followed the UNGPs by assessing the situation comprehensively, the result of which showed the need for heightened due diligence. The resulting report, published in September 2022, informed our decision to conduct a responsible exit from Myanmar, and we have worked closely with IndustriALL and IWFM to create the principles that guide us as we manage this complex process. As we work through this, the safety of the workers in our suppliers’ factories remains front of mind and we have doubled the size of our local team in Myanmar, enabling us to visit the remaining factories we work with more regularly, giving us greater visibility.

**Part IV: Business decision in Myanmar**

**15. We understand that the decision as to whether to remain or to discontinue sourcing from Myanmar is complex. Please provide any information on how your company has reached its current business decision in Myanmar.**

As a responsible business, our first priority is the safety and wellbeing of the people who make our clothes and products. We are also conscious of the workers whose livelihoods rely on employment at our suppliers' factories.

The situation in Myanmar is extremely concerning and very complex, with international stakeholders – including governments and unions – holding differing views as to the best course of action for the garment sector. Throughout our presence in Myanmar, we have leveraged the strength of our ethical audit programme, longstanding relationships and partnerships on the ground to monitor for compliance with our Code of Conduct, facilitated by our own team in Yangon. However, given the unpredictability of the environment, we determined that any decision regarding the future of our business in the country would be further guided by the Ethical Trade Initiative (ETI)'s independent, evidence-based assessment on human rights and responsible business conduct within the country.

The ETI report makes for very difficult reading and shows there has been a significant deterioration in the situation in Myanmar. This poses significant challenges to our ability to ensure the standards we require to protect the safety and rights of the people who make our clothes and products.

In light of this, we believed our only option is to begin working towards a responsible exit from the country. In what remains a highly complex, dynamic and unpredictable situation, we are managing this exit in close collaboration with our partners and stakeholders in Myanmar and internationally, following the UN Guiding Principles on Business and Human Rights.

While we work towards a responsible exit from the country, we continue to expect and monitor for compliance with our supplier Code of Conduct under what are very challenging and complex circumstances. We have increased the size of our Ethical Trade team in Myanmar, who conduct the due diligence required throughout this period, enabling us to visit those factories we are still working with more regularly. We continue to investigate any allegations raised, and, where appropriate our local team will work to facilitate remediation.

#### **Part V: Responsible exit from Myanmar**

*We are asking brands to answer this section if you have either already stopped sourcing from Myanmar, or have announced that you will stop sourcing from Myanmar in the future. **If you plan to continue sourcing from Myanmar, please skip this section.***

- 16. Final order placement and final shipment dates (Anticipated if you are planning your exit):** We announced in September 2022 that our plan for a responsible exit, which we have shared with IndustriALL, our suppliers and their factories, would take approximately a year. We ceased placing orders in October 2022 and our final orders will ship before the end of the year.
- 17. Total number of workers being laid off in all suppliers (Anticipated if you are planning your exit):** We don't own any of the factories we source from, in Myanmar or elsewhere – these are supplier factories that are shared with other brands and businesses – and so any speculation about how many people could be laid off would be conjecture. More information on how we are supporting workers below.

18. **How long in advance have you let your suppliers know about the exit before stopping your orders?:** We consulted with suppliers on our decision to responsibly exit Myanmar and formally communicated our decision to exit in September 2022, at the time the decision was taken.

19. **Which stakeholders do you engage in your decision and preparation of the exit? Please tick as many as apply.**

- Workers
- Trade unions in Myanmar
- Workplace Coordinating Committee (WCC)
- Global union federations (eg IndustriALL Global Union)
- Multi-stakeholder initiatives (MSIs)
- Civil society organisations
- SMART Myanmar
- MADE in Myanmar
- Other. Please specify:** Project partners and the ILO

20. **How do/did you mitigate the impacts of the exit on workers? Please tick as many as apply.**

- Maintain open lines of communication with relevant supply chain partners
- Require suppliers to report their plans for terminations in advance to review these in line with your Codes of Conduct
- Seek evidence of payment of workers at the end of the exit plans, including all severance and benefits payable for those affected
- Other. Please specify:

We don't own any of the factories we source from, in Myanmar or elsewhere – these are supplier factories that are shared with other brands and businesses. However, the interests of those workers are front of mind as we work towards a responsible exit. In consultation with IndustriALL and the Industrial Workers Federation of Myanmar (IWF), we have developed an appropriate framework to govern our withdrawal.

In the interim, in response to the findings of the ETI Report we have heightened our due diligence on the ground – we've more than doubled our Ethical Trade team on the ground, which enables us to visit each supplier factory even more regularly and gives us greater oversight over the conditions. In the case of any redundancies, our team on the ground will work with factories and workers to ensure all adequate pay, severance and any benefits due are paid in a timely manner.

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Thank you for your continued engagement with BHRRC on our work in Myanmar!

Please contact Hanh Nguyen - Senior Labour Rights Researcher at [nguyen@business-humanrights.org](mailto:nguyen@business-humanrights.org) and Natalie Swan - Head of Labour Rights Programme at [swan@business-humanrights.org](mailto:swan@business-humanrights.org) if you have any questions following this survey.