



Press release

Progress on transparency still too slow among world's largest fashion brands, according to the latest Fashion Transparency Index

- **Call for major fashion brands to disclose living wage roadmap and results**
- **Secrecy surrounds impact of COVID-19 on fashion supply chain workers**
- **Italian fashion brand OVS tops global benchmark on transparency**

London 7th July 2021... Progress on transparency in the fashion supply chain is still too slow among 250 of the world's largest fashion brands, according to the latest **Fashion Transparency Index** released today.

The Index from Fashion Revolution, a global fashion activism movement, campaigning for greater transparency in fashion industry supply chains, is now in its sixth year. The Fashion Transparency Index analyses and ranks 250 of the world's largest fashion brands and retailers based on their public disclosure of human rights and environmental policies, practices, and impacts, in their operations and supply chains.

This year's Index reveals slow progress in crucial areas:

- The majority of major fashion brands (99%) do not disclose the number of workers in their supply chain that are being paid a living wage.
- 96% do not publish a roadmap on how they plan to achieve a living wage for all workers in their supply chain.
- Most carbon emissions occur at processing and raw material levels and while 62% of big brands publish their carbon footprint in their own facilities, only 26% disclose this information at processing and manufacturing level and only 17% do so at raw material level.
- Over a quarter (27%) of major brands now disclose some of their processing facilities (e.g., spinning mills, dye-houses and laundries) - up from 24% last year.

Fashion Revolution's co-founder and Global Operations Director Carry Somers is clear about the purpose of the Index: *"The Fashion Transparency Index is not designed to give*

consumers the low-down on where to shop. We launched the index in 2016 to help the public hold brands and retailers to account for their actions within their supply chain.”

“We want the public to use this information to charge their activism and not their credit card,” she concludes.

Other key findings from Fashion Revolution’s Index 2021:

Major fashion brands’ COVID-19 order cancellations leave millions of garment workers jobless without recourse while the fashion industry continues to profit

The Fashion Transparency Index findings reveal that very few big brands, just 3%, are publicly disclosing the number of workers in their supply chains laid-off due to COVID-19, which leaves Fashion Revolution with an *‘incomplete picture’* of the negative socio-economic impact workers have faced throughout the pandemic. Additionally, less than a fifth (18%) of major brands disclose the percentage of their complete or partial order cancellations, making it difficult to assess the full impact of the pandemic across fashion supply chains.

Major brands also delayed payments to their suppliers, and our research finds that fewer than 10% of brands publish a policy to pay suppliers within 60 days, meaning that clothes are often worn by consumers before brands have paid the factories that made them.

Fashion Revolution’s Global Policy Director and report author, Sarah Ditty commenting on the Index findings said: *“The findings of this year’s Index serve to remind us that the majority of big brands still do not disclose information on what they are doing to pay living wages to workers across their supply chains. Brands have continued to profit throughout the pandemic whilst garment workers have endured the devastating impacts of their cancelled orders including unpaid wages, food insecurity, employment instability and poverty.”*

Major fashion brands benefit from positive PR supporting social justice but fall short when disclosing racial and ethnic data

Whilst many brands are vocal in their support for racial justice movements in the digital space, particularly on social media, this year’s Index included new indicators which questioned major brands on whether they publish their actions on the *‘promotion of racial equality’* within their business. The findings show only 12% of brands publish relevant information.

The findings indicate that these brands are not being transparent, by withholding information on the racial and ethnic data of employment and pay differences in their own operations and supply chains, many of which are in the Global South and Far East and employ predominantly women of colour, brands can continue to benefit from the public portrayal of solidarity for social causes, including gender, racial and ethnic equality, whilst not actually providing evidence on how they are addressing inequalities in their own operations and supply chains.

Major fashion brands disclose very little information about their efforts to address overproduction, plastic use, and waste despite the urgency of the climate crisis

The Index highlights that major brands are not disclosing enough environmental data, despite the urgency of the climate crisis. Just 14% disclose the overall quantity of products made annually, making it difficult to understand the scale of overproduction globally.

Almost one third of major brands (32%) describe having permanent clothing take-back schemes in place, yet only 22% disclose what happens to the clothes received through these schemes, which typically involves unwanted clothing being resold overseas rather than recycled into new textiles and clothing. More than one third of big brands (36%) have published their progress towards reducing the use of virgin plastics for packaging, but only 18% do so for textiles deriving from virgin fossil fuels, which consumers are less likely to recognise as plastic.

Despite progress made on transparency, better legislation is required to hold major fashion brands to account for their impacts on people and the planet

Transparency is vital for holding brands accountable for their human rights and environmental impacts across their supply chains. However, being transparent and ranking highly in the Fashion Transparency Index does not necessarily mean that a brand is ethical and or sustainable. *“The Fashion Transparency Index has driven change by helping normalise supply chain transparency and through working with other platforms and partners enabling the research to be used to hold brands to account and to call for better laws.”* explains **Fashion Revolution’s Global Policy Director and report author, Sarah Ditty.**

In order to hold brands to account, the Index highlights the need for legislation that requires transparency from brands on human rights and environmental issues. While legislation has improved major brands' level of transparency, better enforcement is needed to ensure truly impactful change. The research makes the case for stronger and better enforced legislation to prevent human rights and environmental abuses, for fashion industry workers as well as requiring companies to monitor and report the outcomes of their efforts. When brands fail, the legislation should ensure meaningful sanctions and reparations for harms done.

Highest scoring brands in 2021

Italian brand **OVS** scored highest this year with 78% (an increase of 44% from 2020), followed by **H&M** at 68%, **Timberland** and **The North Face** at 66%, **C&A** and **Vans** at 65%, **Gildan** at 63%, **Esprit** and **United Colors of Benetton** at 60%, **Tommy Hilfiger**, **Calvin Klein** and **Van Heusen** at 59% and **Gucci**, **Target Australia** and **Kmart Australia** at 56%. Fashion Revolution is encouraged by increasing transparency among the leading brands but believes progress is too slow on key issues such as purchasing practices, living wages, overproduction, water use, and carbon emissions in the supply chain. No brand scored above 80% of the 250 possible points.

Lowest scoring brands in 2021

20 major brands score a 0% rating including, **Belle**, **Big Bazaar**, **Billabong**, **celio**, **Elie Tahari**, **Fashion Nova**, **Heilan Home**, **Jessica Simpson**, **KOOVS**, **Max Mara**, **Metersbonwe**, **Mexx**, **New Yorker**, **Quiksilver**, **Pepe Jeans**, **Roxy**, **Semir**, **Tom Ford**, **Tory Burch** and **Youngor**. A

number of big brands fell in the rankings with **Wrangler** declining by 24 percentage points from 2020 to 2021.

Fashion Transparency Index continues to encourage major brands to disclose vital data, pushing for greater transparency across supply chains

Overall, Fashion Revolution is encouraged that the Index is making an impact in the fashion industry - this year's report did find that more big brands than ever before, almost half (47%), are disclosing their first-tier manufacturers, up from 13% since the first edition of the Fashion Transparency Index in 2016. Furthermore, the most major brands since the Index began, 11%, are disclosing information about some of their raw material suppliers, up from 7% in 2020 and 0% in 2016.

Global Policy Director and report author **Sarah Ditty** believes that the global fashion industry has been turned upside down since the outbreak of COVID-19, and since then the industry has backslid on many human rights and environmental issues.

“This year's Fashion Transparency Index shows encouraging signs that some progress is being made on transparency, but there is a lot more that big brands need to be doing in this area. The world's largest brands and retailers disclose very little about their efforts to address important topics such as poor purchasing practices, living wages, racial and gender equality, overproduction and waste, water use and carbon emissions in the supply chain.”

“Big brands can and should do more to publicly address their social and environmental impacts.”

For more information, visit www.fashionrevolution.org/transparency

Notes to Editors

About Fashion Revolution

Non-profit organisation Fashion Revolution is the world's largest fashion activism movement, with teams in over 90 countries around the world. Founded in 2013 in the wake of the Rana Plaza factory collapse in Bangladesh, which killed over 1100 people, Fashion Revolution is working towards a global fashion industry that conserves and restores the environment and values people over growth and profit. In order to achieve this goal, the organisation conducts research that shines a light on the fashion industry's practices and impacts, highlights where brands and retailers are moving too slowly and incentivises and promotes transparency and accountability across the supply chain. Fashion Revolution strives to be action-oriented, and solution focused, helping everyone recognise that they have the power to make positive change.

How brands were selected

The Fashion Transparency Index reviews and ranks 250 of the biggest global fashion brands and retailers. Brands have been purposefully chosen on the basis of their annual turnover, over USD \$400 million, and represent a spread of market segments including high street,

luxury, sportswear, accessories, footwear and denim from across Europe, North America, South America, Asia and Africa. Brands are invited to participate in the research by filling out a questionnaire, but we review brands regardless of whether they participate based on their publicly available information.

The Fashion Transparency Index focuses on the biggest and most profitable brands and retailers because they have the most significant negative impacts on workers and the environment and therefore have the greatest responsibility to change.

Fashion Revolution believes that transparency is foundational to achieving systemic change in the global fashion industry, which is why we have been campaigning for it since 2014, and why we created this tool. Transparency underpins transformative change but unfortunately much of the fashion value chain remains opaque, while human and environmental exploitation thrives with impunity. Transparency is a first step; it is not radical, but it is necessary. Transparency is not to be confused with sustainability. However, without transparency, achieving a sustainable, accountable, and fair fashion industry will be impossible.

About the methodology

The Fashion Transparency Index is not a shopping guide and should not be used to discern what brands are ethical or sustainable. The Fashion Transparency Index has been created to understand how transparent the world's largest brands and retailers are when it comes to disclosing information on social and environmental issues. The Fashion Transparency Index therefore is a tool that citizens, NGOs, civil society and those who wish to lobby for change within the fashion industry can use to hold brands to account and push for faster change.

The Fashion Transparency Index reviews brands' public disclosure on human rights and environmental issues across 239 indicators in 5 key areas:

- Policies & Commitments
- Governance
- Supply Chain Traceability
- Know, Show & Fix
- Spotlight Issues, which this year are:
 - Decent work, covering COVID-19 response, living wages, purchasing practices, unionisation and collective bargaining
 - Gender and racial equality
 - Sustainable sourcing and materials
 - Overconsumption and business models
 - Waste and circularity

- Water and chemicals
- Climate change and biodiversity

This year's methodology reduced the weighting of points given to major brands on their policies and commitments and instead puts greater focus on how brands implement these policies and the outcomes of their efforts. This methodology was created in consultation with a wide range of industry stakeholders, including trade unions, labour advocates, environmental groups, supply chain experts and investors.

Thank you and we look forward to hearing from you about any queries you may have.

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