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**NEW RESEARCH SHOWS WORLD’S BIGGEST FASHION BRANDS DISCLOSE SHOCKINGLY LITTLE**

**ABOUT HOW THEY WORK WITH THEIR SUPPLIERS**

**COVID-19’S IMPACT ON GARMENT WORKERS DEMONSTRATES WHY THEY MUST PUBLISH MORE INFORMATION**

In the face of the accelerating pandemic and the economic catastrophe facing some of the most vulnerable workers in fashion supply chains, many of the world’s biggest fashion brands are evading responsibility and its associated costs in much the same way as they did following the Rana Plaza factory collapse in Bangladesh seven years ago. [New research from Fashion Revolution](https://www.fashionrevolution.org/about/transparency/) found that major brands and retailers disclose shockingly little about their purchasing practises, with just 6% of 250 major brands publishing a policy to pay their suppliers within 60 days and just 2% publishing the percentage of orders paid on time and according to agreed terms.

Since the outbreak of COVID-19, we have heard about the devastating impact of brands cancelling orders, including orders already in production, and changing payment terms, with many brands invoking the force majeure clause to free them of their contractual responsibility to pay suppliers.

Responsible purchasing practises go hand-in-hand with the ability of suppliers to pay workers’ wages, especially during this crisis. However, our research shows that only 11% of brands publish information about how labour costs are ring-fenced in price negotiations and just 15% publish a responsible exit strategy which details the progressive steps brands take when they stop working with a supplier, rather than taking a cut-and-run approach.

Since 2016, Fashion Revolution has been tracking the world’s largest fashion brands and retailers and has benchmarked their performance against five key areas: policy and commitments, governance, traceability, supplier assessment and remediation, and spotlight issues. The 220 indicators in the [Fashion Transparency Index 2020](https://www.fashionrevolution.org/about/transparency/) cover a wide range of social and environmental topics and reveal which brands are more transparent about their policies, practises and impacts across the supply chain.

The COVID-19 pandemic proves exactly why transparency in the fashion industry is so vital. If major brands and retailers publish information about how they do business with their suppliers, then they can be held to account in situations like this. By being transparent about their policies, practises and impacts, stakeholders can scrutinise areas where brands need to improve and customers can choose to spend their money with brands who are getting it right.

This crisis has brought to light the systemic problems within the industry and revealed just how fragile the system really is. For decades brands have chased ever cheaper production and factories operating on impossibly tight margins. Consequently, workers’ wages and workers’ rights have been squeezed. Millions of workers making clothes for some of the world’s most profitable companies have now lost their jobs or been temporarily suspended without receiving the pay they are entitled to by law and the vast majority have no savings to fall back on and no social protection. Poverty and hunger could potentially prove more of a threat to their lives than the virus.

Global Policy Director and report author Sarah Ditty says: This year’s Fashion Revolution Campaign, running from 20th to 26th April, will highlight what needs to happen to start to rebuild a fashion industry that values people and planet over growth and profit as we come out of the other side of this global crisis. “In the midst of the COVID-19 pandemic, the need for citizens to use their voices and power to ask #WhoMadeMyClothes and hold brands and retailers to account is more pressing than ever before,” explains Sarah Ditty.

In order to build a more responsible fashion industry as we come out of the other side of this global crisis, Fashion Revolution is calling upon brands and retailers to disclose more information about their purchasing practises, their pricing model and how they work with their suppliers. Purchasing practises have a direct impact on the ability of factories to pay their workers on time, even more so in unprecedented situations like this. Only 5% of brands disclose supplier feedback on the brands’ purchasing practices through a formal process such as the Better Buying platform, supplier summits, or internal surveys. This sort of formalised feedback is essential if brands are to build a truly collaborative partnership with their suppliers going forward.

“Brands may refer to these suppliers as ‘partners’ on the social responsibility pages of their website but when it comes down to the wire, one of those partners pays the price whilst the other does a runner. Many of these same brands make billions of dollars in profits every year and there is no doubt that they have both the resources and the ability, notwithstanding the moral imperative, to fulfil their obligations to their suppliers” explains Co-founder and Global Operations Director Carry Somers. “It is a question of priorities: the shareholders or the workers”.

Brands and retailers also need to do more to protect the most vulnerable workers in their supply chains. Homeworkers provide significant support to the global fashion industry, from the high street to top luxury brands, but as most of them aren’t in legally recognised employment, they are unable to access any support from brands or their government. Whilst 70% of brands publish a policy on authorising the use of subcontractors or homeworkers, only 24% disclose how they are putting these policies into action in their supply chains.

Migrant workers are also particularly vulnerable; not only may they have lost their income as a result of COVID-19, but potentially also their accommodation if tied to their work, or are otherwise isolated in crowded hostel rooms, hundreds of miles from their families. However, less than half the brands we researched (43%) publish information about the action they’re taking to support migrant workers within their supply chain.

“Ultimately responsible companies who are prioritising their staff, suppliers and supply chain workers over protecting shareholder profit will be the ones that will win once this crisis is over,” concludes Sarah Ditty.

Rebuilding a more sustainable fashion industry on the other side of this crisis will require governments, brands, retailers and citizens all taking action together. Fashion Revolution believes the first step is greater transparency in order to hold the industry to account for its actions and impacts and bring about the revolutionary change it so desperately needs.

For more information, visit [www.fashionrevolution.org/transparency](http://www.fashionrevolution.org/transparency)

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**Notes to Editors**

**About Fashion Revolution**

Fashion Revolution is the world’s largest fashion activism movement, formed after the Rana Plaza factory collapse in Bangladesh in 2013 which killed over 1,100 people. Fashion Revolution believes in 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. The annual Fashion Revolution Week takes place 20th - 26th April 2020.

**How brands were selected**

The 250 brands and retailers have been chosen on the basis of their annual turnover, over $400 million USD, and representing a spread of market segments including high street, luxury, sportswear, accessories, footwear and denim from across Europe, North America, South America, Asia and Africa.

We relied upon publicly available financial information to research brands and retailers. Some companies are privately held and do not publish financial records. This means that some very large brands are not on our radar. When several brands are owned by a large parent company and they do not disclose turnover by brand, we make an educated guess as to the biggest selling brand(s) in the group to include in our research. We have chosen to list brand names in this report rather than by parent company or group because consumers will be most familiar with brand names.

**About the methodology**

In the 2020 methodology, there are 220 indicators. Across 250 brands, this means we have researched and analysed 55,000 individual data points. The weighting of the scores is intended to emphasise increasing levels of detailed and granular disclosure. In other words, we reward disclosure that enables external stakeholders to meaningfully use that information to hold brands to account; for example, supplier lists, audit findings, wage data, etc.

Our researchers review each brand and pre-populate their questionnaires with evidence of the relevant public disclosure and award them preliminary points. At this time, brands are notified of their inclusion in this year’s Index and invited to participate. Brands that participated in the Fashion Transparency Index 2020 by completing our questionnaire have achieved an overall average score of 35% compared to 23% overall average among all 250 brands. Non-participating brands achieved an overall average score of 11%.  Every brand in the top 20% of scores in 2020 and all brands scoring above 40% participated in the Fashion Transparency Index this year. Brands who complete the questionnaire frequently take the opportunity to publish further information which, in turn, improves their transparency and increases their scores.

The Fashion Transparency Index is not a shopping guide and does not give an indication of whether particular brands are behaving ethically and sustainably. The purpose is to understand how much social and environmental information the world’s largest brands and retailers share, as well as drive greater transparency from these brands and use this information to hold them to account when needed.