

GREEN INDUSTRY, GREY REALITIES

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Between LEED's factories and **Just Transition:**
pathways for the RMG sector in Bangladesh.



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Between LEED's factories and **Just Transition: pathways for the RMG sector in Bangladesh.**

Fair publishes this report in collaboration with the Bangladesh Center for Workers' Solidarity (BCWS) as part of the "Fashioning a Just Transition", a project dedicated to a just transition in the fashion industry, co-funded by the European Union and promoted by the Clean Clothes Campaign (CCC). CCC is a global network of more than 220 organisations operating in more than 45 countries and connecting actors across the garment and sportswear industry, linking home-based worker organisations, grassroots trade unions, women's groups, feminist organisations, activists, and other organisations in both garment-producing and consumer-market countries. We offer direct solidarity support to workers fighting labour rights violations, and we work together for a just transition in the industry. In Italy, it is represented by Campagna Abiti Puliti.

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EXECUTIVE SUMMARY

The research aims to assess the Ready-Made Garments (RMG) industry in Bangladesh from a Just Transition (JT) perspective. Such a perspective originated in trade union circles and is based on the attempt to **overcome the labour-ecology opposition** in a way that allows their interplay to **simultaneously foster environmental protection and quality employment**, within a general reduction of global and domestic inequalities.

Through a workers-oriented qualitative methodology, **the report evaluates how much of this strategy is detectable in LEED factories** from which source several well-known brands, including Benetton, Bestseller, Decathlon, Fruit of the Loom, GAP, H&M, Hugo Boss, Kiabi, M&S, NEXT, OVS, Zara, Walmart, Wrangler¹. Specifically, we posed three research questions:

1 *Are there eco-transition policies being implemented in the Bangladeshi Ready-Made Garment (RMG) sector?*

2 *Are they being effective, environmentally and/or socially? If so, what are their impacts on Leadership in Energy and Environmental Design (LEED) factories' working conditions and wages?*

3 *If they are not being effective, under which conditions could some forms of Just Transition help make eco-transition policies more successful, both socially and environmentally?*

¹ The complete list of brands sourcing from surveyed LEED factories is in Annex B.

The supplier relationships between the factories and brands were sourced from publicly available brand supplier lists and worker interviews.

T1. DATA ANALYSIS: ASSESSMENT SYNTHESIS MATRIX

ISSUES	KEY FINDINGS		ASSESSMENT	WORKERS' VOICES ²
Factory environment & architecture				
1	GREEN	Garden-like outdoor (flowers, trees)		"The outside environment of the factory is kept clean. There are plants and trees around the office, but the inside environment isn't as clean."  Sadia
2	CLEAN	Decently-maintained indoor (significantly better than the norm)		
3	BEAUTY	Pleasant to be looked at		
Gender				
1	MATERNITY BONUSES	Maternity leave is usually granted and paid		
2	CARE FACILITIES	Childcare facilities are available in some cases, yet are not always used		
3	GBVH	Verbal and mental abuses are recurrent		"When I tried to stand up for a woman who was touched inappropriately, supervisors accused me of taking sides - there's no space to speak the truth here."  Abdul
Wages				
1	LEVEL	Slightly above the minimum wage, yet inadequate for a decent living standard		
2	PAYMENT	Tend to be more timely than in non-LEED factories		
3	BONUSES	Present and mostly timely paid/granted		"LEED-certified factories are supposed to provide all legal benefits, but this factory does not."  Shima
Working conditions				
1	OVERTIME	a Structural and usually paid, yet... b ...there are cases where it is underpaid or unregistered		
2	PRODUCTION PACE	Rhythm is very intense and increases in connection with rising wages		
3	WORKING PRESSURE	Very intense and, in productive peaks, workers report many cases of mental and verbal abuse if they cannot meet targets		"Overtime isn't really optional for us. They will oppress us if needed, but they will make us do it."  Safiya
Worker's agency				
1	INFORMATION	Workers are not informed about the certification process and are unaware of what LEED means and implies		
2	CONSULTATION	Workers are usually not consulted by auditors; when that happens, it is in the presence of managers, hence in a setting perceived as unsafe		
3	PARTICIPATION	Worker's Committees tend to be controlled by the owners and generally deal with minor issues; workers lack confidence and are afraid of retaliation if they raise problems		"They tell us in advance what to say... we're told to say we don't work more than 2 hours of overtime, though we sometimes work until midnight."  Ruma
4	FREEDOM OF ASSOCIATION	There are no trade unions		
OEHS - Occupational & Environmental Health & Safety				
1	DUST	Ventilation/cooling and exhaust equipment are mostly deemed inadequate		"Cooling systems: ACs installed, but maintenance is inconsistent. Lint/dust from fabric causes discomfort - masks are required, but hard to work while wearing them."  Alisha
2	HEAT	In most cases, workers report heat stress and/or dust as major health-related issues		
3	LIVING ENVIRONMENT	Usually reported as dramatically poor		"It gets very difficult during hot weather - steam heat burns our face and eyes."  Arif

² Selected quotes from interviews with workers. All names have been changed to protect their anonymity

Our findings show a clear environmental improvement in the ornamental function of plants and flowers, as well as a cleaner and more pleasant working space. Moreover, they indicate a modest improvement in relation to gender issues and wage levels. **However, there are three areas of serious concern:** first, **working conditions tend to deteriorate** due to increased production pressure. Second, **workers' participation in transition efforts is absent**, and their knowledge remains underutilised. Third, **occupational and environmental health and safety worsen** as both dust and heat stress remain inadequately addressed.

Thus, market-driven environmental policies – such as LEED factories – are neither sufficient nor effective in achieving the goal of a fair and democratic fashion industry within planetary limits. To achieve this goal, i.e. **to embrace a veritable Just Transition in fashion, structural and systemic changes** (institutional, political, economic) **must be adopted** at both national and global levels.

The report proposes **examining three key moments of such profound transformation**. First, a **transformative** aspect of Just Transition: revealing post-growth future scenarios and fun-

damental solutions for overcoming the current economic model that condemns Bangladesh to remain a global supplier of cheap labour employed in low-value-added industries.

However, as desirable as this change undoubtedly is, textile and garment workers are still paying the highest price for a series of crises that they did not cause. For this reason, the second dimension is a **protective** Just Transition, which focuses on the immediate, workplace-related experience of workers to enable them to cope with the dramatic impacts of capital-driven global warming, which hit the poorest countries hardest.

At the same time, to prepare the conditions for structural socio-economic transformations, the dimension of **proactive** Just Transition must be put in place, aimed primarily at restoring the primacy of politics over economics and at rebalancing the power asymmetry between capital and labour that currently governs global value chains and prevents genuine social dialogue based on participatory, equitable and democratic processes.

In terms of recommendations, according to the proposed incremental dimensions, a **robust Just Transition framework should provide legal and**

policy responses including effective laws and enforceable brand agreements that ensure: i. to eradicate and prevent all forms of gender-based violence and harassment (GBVH), ii. to prevent and mitigate occupational health and safety (OHS) risks related to heat stress and other diseases linked to the climate crisis, iii. all workers earn a living wage to lift them out of poverty (and as a primary measure of adaptation that allows workers to choose safer accommodation, healthy food, and invest in ventilation, insulation or cooling to adapt to the climate crisis), iv. The full enjoyment of fundamental enabling workers' rights, such as Freedom of Association (FoA) and Collective Bargaining (CB), is a prerequisite for workers' participation in company transformation processes. Policymakers and industry, at all levels, play an essential role in removing the root causes that prevent a worker-centred transition toward a fashion industry within planetary boundaries and in promoting an advanced, binding legal framework to oblige brands and suppliers to account for negative externalities and to redistribute the value produced by garment workers through much higher wages and more efficient social protection schemes.



BACKGROUND INFORMATION: WHAT ARE LEED FACTORIES

The LEED (Leadership in Energy and Environmental Design) certification is now recognised as one of the most widespread global standards for assessing the ecological sustainability of buildings. Introduced as a pilot programme in 1998 and officially launched in 2000 by the U.S. Green Building Council (USGBC), LEED has played a decisive role in promoting a culture of environmentally friendly design and in structuring a shared technical language at the international level. The system evaluates the ecological performance of buildings in terms of energy efficiency, resource management, indoor environmental quality, and the reduction of overall noxious impact, through a points-based mechanism that allows for certification at different levels: Certified, Silver, Gold, and Platinum.

Certification is obtained through an independent review that verifies the project's compliance with requirements, including, among others, carbon, energy, water, waste, transportation, and health. Born in the United States, LEED quickly gained traction globally, with certified projects in more than 180 countries. Over the years, LEED has become not only a technical framework but also a tool for market differentiation, institutional credibility, and international reputation in both the public and private sectors.

One emblematic case of international adoption is Bangladesh, which has emerged as a global leader in the number of LEED-certified factories, particularly in the RMG sector. As of early 2024, the country hosts 18 of the world's top 20 green factories.

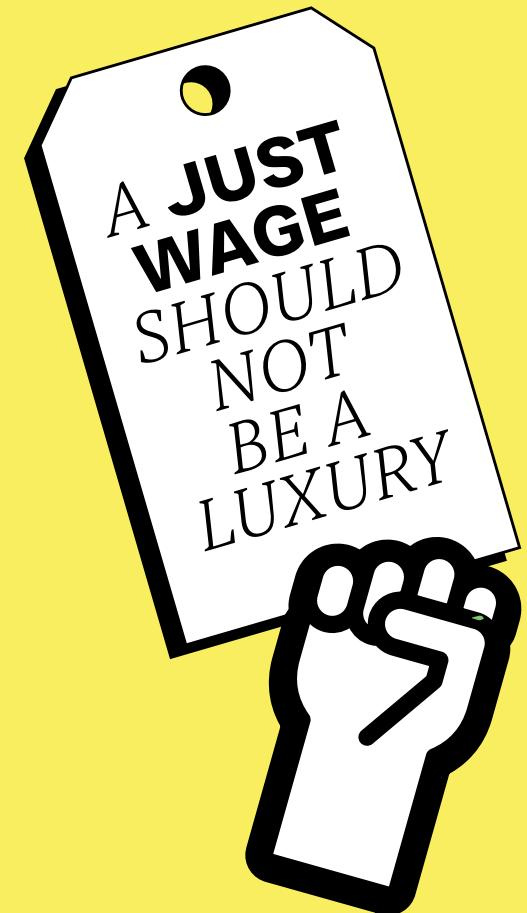
This achievement reflects a coordinated effort by international buyers, factory owners, development organisations, and governmental agencies. The drive for certification has been motivated by various factors: the reputational urgency following industrial disasters such as the Rana Plaza collapse, pressure from global brands demanding ESG compliance, and the desire to enhance energy efficiency and competitiveness in export markets.

Despite this progress, several studies have pointed out that LEED certification does not always equate to comprehensive environmental sustainability. The rating system often focuses on design intentions and projected efficiency rather than actual operational performance. LEED does not mandate the exclusive use of renewable energy sources and does

not systematically require post-occupancy energy monitoring. This means that some factories may attain certification based on initial design specifications while continuing to operate in ways that are not fully sustainable. Additionally, critics have noted the risk that certification is used primarily as a branding strategy, without necessarily integrating environmental and social justice into the everyday practices of factory management.

Over the years, LEED has evolved through various versions: from LEED v2.0 and v3 (LEED 2009), to

LEED v4 and the more recent v4.1, which introduced more flexible criteria and promoted the use of real performance data. LEED v5, launched in 2025, focuses on decarbonisation, climate resilience, social equity, and transparent impact measurement. A substantial reorganisation of credits is anticipated, with greater emphasis on actual performance and continuous monitoring, thus addressing longstanding critiques about the gap between design and operational sustainability.



1 FROM GREEN ECONOMY TO JUST TRANSITION:

a brief historical reconstruction

1.1 FROM **MARKET-DRIVEN GREEN ECONOMY...**

*The political significance of the ecological crisis dates back to the 1960s, exemplified by Rachel Carson's seminal book, *Silent Spring* (1962).*

However, it expanded worldwide scale through the wave of social unrest that began in 1968 and continued throughout the 1970s.

Institutional reactions to such unprecedented challenges were quick – the first UN conference on ecological issues was held in Stockholm in 1972³. Nonetheless, they did not manage to overcome the either-or paradigm *vis-à-vis* the economy-environment dilemma: either economic growth was privileged, in which case environmental protection was sacrificed; or, conversely, environmental protection prevailed, in which case economic growth was harmed.

Environmentalism, as a distinctive political culture that supports the primacy of ecological concerns, emerged in this context, notably in the 1980s.

The true turning point, however, was the 1992 UN Conference on Environment and Development, held in Rio de Janeiro and better known as *The Earth Summit*, where the new geopolitical scenario (the Soviet Union had collapsed shortly prior and Francis Fukuyama's *The End of History* [1991] encapsulated the general political mood of the period) allowed for the emergence of a new discursive formation – that of the *Green Economy*. Such a concept is best understood as an acceleration, or *deepen-*

ing – of *Sustainable Development*, whose coinage is still UN-related, and whose 1987 'classical' definition reads "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".⁴

While Sustainable Development represented a broad political challenge – the overcoming of the either-or link between compound growth and healthy ecosystems – Green Economy immediately proposed a mutual relationship between profit-seeking and biospheric stability. In summary, the core idea was this: There is no reason to assume ecological harm as an obstacle to accumulation (and thus a crisis of capitalism); on the contrary, if properly assessed, environmental nuisances can be transformed into business opportunities (hence, a crisis for capitalism).

The climate-related interpretation of such elective affinity is instructive, as it became the model for all environmental policy arenas: global warming is a market failure resulting from the failure to account for so-called 'negative externalities'. The only way

to address this is to create unprecedented markets aimed at pricing and trading different types of 'nature-commodity', such as forests' capacity to absorb CO₂. These are not wild trips to a Platonic realm of abstract theory: such flexible mechanisms for financialising the atmosphere, established by the Kyoto Protocol in 1997 and relaunched by the 2015 Paris Agreement, are still the main economic policy tool deployed by the United Nations Framework Convention on Climate Change. The message is clear: "give a price to nature – the problem will be solved!".

Such a message – and the institutional imagination it inspires – can be defined as a *market-driven Green Economy*. Its key elements are: 1. direct assumption of noxiousness as an issue which old – "brown" – markets caused, but that only new – "green" – markets can solve; 2. unlike Sustainable Development, which essentially called for a negotiated balance among compound growth, inter-generational justice and social equity, these new markets *deepen* the profit imperative as the sole driver of eco-compatible accumulation. Since the

3 <https://www.un.org/en/conferences/environment/stockholm1972>

4 See the so-called Brundtland Report, officially titled 'Our Common Future, from One Earth to One World' <http://www.un-documents.net/ocf-ov.htm#1.2>

beginning, **the promise of this strategy for an eco-friendly reconfiguration of productive systems has been ambitious and explicit: applied to climate change, for example, the ‘invisible hand’ of the market would be capable of reducing greenhouse gas emissions and, concurrently, of guaranteeing high profit rates.**

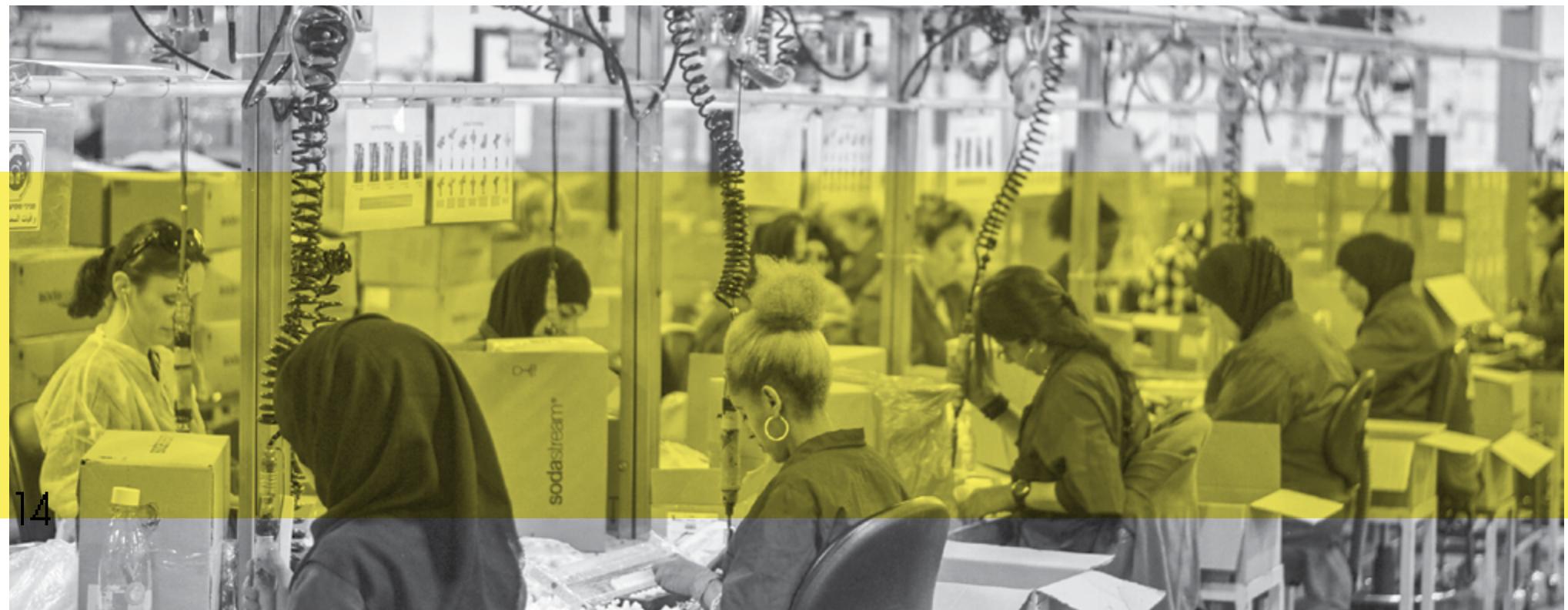
No doubt, a quarter-century is a timespan long enough to evaluate the effectiveness of public policies and business models, especially in the case of

the ecological crisis, where the criterion of urgency is more important than in other fields. **The question, thus, is: have emissions declined?**

All sources agree: no, emissions have not declined. Actually, they have been increasing globally, both in absolute and in relative terms.

Rivers of ink have been spilt debating the reasons for such a *debacle*. Here are some hypotheses: excessive ‘generosity’ in quota allocation, imperfect information, ubiquitous corruption, design flaws,

and regulatory shortcomings. Nevertheless, the result – which is what truly counts – is crystal clear: placing the market as the pivot of economic and climate policy does not lead to a decline in carbon emissions, but to their further increase. The same can be said for other areas of eco-policy, beyond global warming. Hence, the conclusion is inevitable: the *failure* of the market-driven Green Economy is unmistakable.



1.2 ...TO LABOUR-SENSITIVE JUST TRANSITION

Against the backdrop of such historical failure, the notion of Just Transition needs to be critically assessed. However, before doing so, two warnings must be issued. The first issue is the marginalisation of the labour movement. In fact, the market-driven Green Economy could smoothly combine environmental protection and economic growth only if organised labour, with its role in combating inequalities, is pushed into the background – or, worse, cast as a backwards-looking actor resisting change to defend ecologically unsustainable jobs. The subject of the Green Economy is self-entrepreneurship: daring, enlightened, smart. *Its* innovative drive, in fact, stems from an indifference to the constraints imposed by intermediate bodies (primarily unions) and the ‘time-wasting’ procedural complexity of institutional mediation (particularly democratic practices). This generates a tendency – second warning – to assume that the causes of labour issues and those of environmentalism are hopelessly at odds. The underlying idea is that the job blackmail – “your health/ecology or your wage!” – is crucial to the fate of industry.

However, a brief social history of *labour-sensitive Just Transition* is sufficient to negate such an idea. Furthermore, presented in three interrelated steps, such a historical account allows us to interpret the failure of the market-driven *Green Economy* and to imagine alternative, more equitable pathways to transform productive systems in line with sustainability principles.

1. The idea of Just Transition emerged in the 1960s and 1970s from radical trade unions’ circles as a distinctive political solution to the ecological crisis. That period marked a key moment in the convergence of union-related and environmental demands. The evocative phrase ‘working-class environmentalism’ effectively designates the constitution of a partisan knowledge initially focused on the workplace, then extended well beyond it.

Thus, the conflicts against industrial hazards were the first to critique the so-called ‘monetisation of risk’, that is, the notion that wage increases and more generous benefits could compensate for

exposure to toxic substances and other work-related hazards. Instead, increasing ecological awareness led workers to regard their health and safety as incommensurable to ‘bread and butter’ bargaining.

2. The outcomes of such radical change were mixed. On the one hand, it managed to centre ecological issues within the global political agenda. On the other hand, it failed because this central position could not be controlled through broader democratic processes, due to the political setbacks of social movements that had formed alliances between trade unions and environmental advocates. Instead of a working-class power over the qualitative composition of production (such as what is to be manufactured, how, how much, for whom, by whom, etc., including environmental protection), what occurred was capital’s violent reaction: fragmentation of labour, retrenchment of the welfare state, accelerated financialisation, as well as – ecologically-speaking – the *market-driven Green Economy* we have just outlined. It was in this context that the term Just Transition was

coined – it is attributed to Tony Mazzocchi, one of the protagonists of the workers' struggles of the 1970s. His project, presented in the early 1990s, was to promote a 'Superfund for workers', dedicated to the workforce that would be made "redundant" by Sustainable Development. **Given the force relations at that conjuncture, Just Transition was no longer a broad vision for an eco-socialist future but rather an attempt to protect the working class, to prevent it from bearing all the costs of sustainability. In concrete terms, the 'Superfund for workers' entailed pre-retirement schemes and re-training or re-skilling mechanisms.** As such, Just

Transition became progressively institutionalised. Especially in the early 2010s, various institutions – among others, the United Nations Environment Programme, International Labour Organisation, and International Organisation of Employers – adopted the formula. Eventually, *this Just Transition* – shaped as a subordinated *market-driven Green Economy* – found its way into the 'Preamble' of the 2015 Paris Agreement.

3. This is not the end of the story, though. As the failure of the market-driven Green Economy becomes increasingly clear, the situation changes dramatically. **Memories of the struggles from**

half a century ago gain relevance today, and the question of strategic convergence between workplace disputes and climate and environmental mobilisations proves extremely timely. The 2019 massive climate strikes continue in political terms, precisely at this moment. From this point on, despite earlier subordination, the term began to circulate again in international trade union forums dedicated to climate agreements, becoming more central over time, and also attracting different interpretations. Thus, it seems reasonable to assume a sort of constitutive polysemy in Just Transition-related debates.

TO SUMMARIZE:



environmental interventions have long been guided by market logic, which has left little room for social or labour considerations.



Photo credit: Clean Clothes Campaign

Nowadays, however, a holistic and just approach to sustainability is gaining more prominence. It considers the capacity to live together to secure a future for humankind, which should involve more than just “simple” efforts to reduce emissions and other “exclusively” environmental measures. Currently, in the post-2019 context, a synchronic-analytical typology of Just Transition identifies three main strands: *protective*, *proactive* and *transformative*. We have already discussed the first dimension concerning the origin and initial institutionalisation of the terms: it relates to workers’ bodily experience of noxiousness. The second meaning is developed within trade unions affiliated with the ILO and represents the most widespread interpretation at the contemporary institutional level. In this version, ecological transition is seen as a desirable outcome, and building on the prospects of sustained green growth, trade unions aim to claim a greater role in re-establishing a sort of Keynesian connection with States and firms, advocating for Government investments to boost socio-economic development. Key elements include the language of decent jobs, the framework of social dialogue, and the inclusivity of workers through basic rights such as FoA. The third interpretation mainly

concerns trade unions actively involved in climate justice campaigns. It expresses a more confrontational view of the process of transforming productive systems in line with sustainability principles. It questions the assumption that a genuine ecological transition is actually occurring. Instead, it criticises approaches that are overly concerned with compatibility with green growth prospects (which are repeatedly raised but seldom – if ever – realised). In short, it promotes a strategy of struggle that frames ecological and climate issues in the broader context of societal transformation under labour leadership. Key elements include workers’ participation in decision-making (both process- and product-related) and multi-stakeholders’ negotiation.

However, it is important to emphasise that the three dimensions of Just Transition are not mutually exclusive. Rather, they can be seen as interconnected aspects of entangled moments in an incremental strategy aimed at restoring societal power balances so that, as Karen Bell has recently suggested, the ecological crisis can be addressed by reducing socio-economic inequalities, rather than worsening them.



2 LEED FACTORIES:

a journey through the “green” garment industry in Bangladesh

Bangladesh has undergone a remarkable transformation over the past three decades, establishing itself as a key player in the global Ready-Made Garments (RMG) industry. This change is often celebrated as a development success story – evidence that export-led industrialisation can lift a country out of poverty. However, **the growth of the RMG sector has been influenced by the interaction of donor-driven structural adjustment, neoliberal trade regimes, and the deliberate suppression of labour rights to attract foreign investment** (Rock, 2001; Hossain, 2012). The sector now employs over four million workers, the vast majority of whom

are women, producing for brands such as H&M, Zara, Levi's, and Walmart (BGMEA, 2023).

The meteoric rise of Bangladesh's garment industry began in the 1980s, driven by the Multi-Fibre Arrangement (MFA), cheap labour, and favourable trade regimes (Quddus & Rashid, 2000). The European Union's "Everything But Arms" initiative in 2001, which granted Bangladesh duty-free access to European markets, significantly boosted the industry's competitiveness (Islam, 2019). The phasing out of the MFA in 2005 was widely expected to harm Bangladesh's position in global markets. Contrary to expectations, however, the industry thrived: RMG

exports increased at an annual average rate of 19% from 1990 to 2005, then accelerated to about 21% annually until 2019 (World Bank, 2021).

By the 2010s, Bangladesh had become the world's second-largest garment exporter after China. Export values surged from around \$12 billion in 2010 to over \$34 billion in 2019 (WTO, 2020). **The Bangladeshi state positioned itself as a facilitator of capital, offering tax breaks, export incentives, and a compliant, low-wage labour force. Industrial policy has been shaped less by democratic consensus than by the needs of global buyers**, who operate through flexible sourcing and just-in-

time production (Anner, 2020). What is marketed as a “win-win” for development has, in fact, **reproduced a regime of racialised and gendered exploitation**: Bangladesh’s garment workers are valuable to the global economy precisely because they are cheap, docile, and disposable (Siddiqi, 2009; Labowitz & Baumann-Pauly, 2015).

One of the darkest moments in this industry’s history was the collapse of the Rana Plaza building in April 2013, which killed over 1,100 people and injured thousands. The tragedy exposed systemic neglect of worker safety and the exploitative logic underpinning fast fashion (Ahmed & Nathan, 2014). It also triggered global outrage and led to increased scrutiny of brand supply chains.

However, **worker resistance and organising efforts long predate Rana Plaza**. In the 1980s and 1990s, spontaneous strikes and grassroots unionisation emerged, often stifled by legal and bureaucratic constraints – especially in Export Processing Zones (EPZs), where union activity was heavily restricted (Zohir, 2001). In this context, feminist and labour-oriented NGOs played a crucial role by providing legal aid, educational programmes, and safe

spaces for women workers (Kabeer et al., 2013).

Over the decades, successive waves of worker mobilisation have focused on demands for fair wages, safer working conditions, and basic labour rights. Landmark moments include the 2006 minimum wage protests, 2010 demonstrations following fatal factory fires, the post-Tazreen protests in 2012, the hunger strikes by Toba Group workers in 2014, and recurring wage movements in 2016, 2019, and 2023 (Human Rights Watch, 2015; Clean Clothes Campaign, 2023). These actions – often met with police repression, mass arrests, and retaliation – compelled limited concessions from the government and the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

Labour protests, regardless of which party is in power, are treated as threats to national stability. Strikes are routinely met with tear gas, mass arrests, dismissals, and criminal charges. Trade unions face bureaucratic barriers to registration, while organisers are surveilled, harassed, or even forcibly disappeared (ILRF, 2019). **This violence is not incidental – it is embedded in the global supply chain model, where brands maintain**

plausible deniability while outsourcing risk and responsibility to factory owners and host states (Anner, 2020).

In response to global outcry following the Rana Plaza tragedy, **a groundbreaking initiative – the ‘Accord on Fire and Building Safety in Bangladesh’ – was launched**. The Accord is a **legally binding agreement** signed by brands, global and national unions and NGOs as witness signatories, including the Clean Clothes Campaign. The Accord ushered in major improvements in structural safety and inspection transparency (Donaghey & Reinecke, 2018). However, because it came into being right after the catastrophic Rana Plaza collapse, its scope is limited to safety (with increasing attention for health and freedom of association), excluding wages and social protections. The creation of the RMG Sustainability Council (RSC) in 2020 to replace the Accord’s operations in Bangladesh raised concerns about its increased industry influence and reduced worker participation (BCWS, 2021). The international Accord between brands and unions still holds brands accountable to the agreements made, and any health or safety-related

issue can be brought to its complaint mechanism, although concerns of interference by the BGMEA⁵ continue to be an issue.

Despite formal safety improvements, systemic issues persist. Brands continue cancelling orders without notice, leaving workers unpaid and jobless. Even LEED-certified “green” factories may have poor ventilation, unsafe temperatures, and crowded workspaces (Fair, 2025). Workers often stay silent about unsafe conditions due to fear of retaliation and lack of alternative livelihoods.

Today, the push for “green” factories has introduced a new layer of contradiction. Bangladesh now has 248 LEED-certified factories—the highest number globally (USGBC, 2024). As our research shows [see Chapter 3], while LEED emphasises ecological efficiency, it does not guarantee protections for workers’ health, heat resilience, or rest periods. **The RMG sector contributes approximately 15.4% of national CO₂ emissions, yet the transition to sustainability is guided more by brand Environmental, Social, and Governance (ESG) priorities**

than by worker-centred justice (Just Transition Bangladesh, 2022). A 2024 BRAC University and ETI report found limited awareness of Just Transition among industry stakeholders, highlighting the disconnect between environmental goals and labour rights (ETI & BRACU, 2024).

To conclude, it is fair to state that LEED certifications have so far nurtured a reputational economy for international brands, which have used it as a profitable commercial strategy (Ravi & Teitlebaum 2025). **From the perspective of RMG workers, however, LEED factories merely provide ornamental green buildings and vague social returns**, as mildly improving wage treatments are compensated by more intense productive rhythms – as we will detail in Chapter 3. In fact, evidence indicates the use of a commercial certification system based on audits is not primarily aimed at improving working conditions in the factories, but mainly at protecting brand reputation and ensuring suppliers’ access to the international market through GVCs (CCC, 2019).

Before proceeding, an additional point must be highlighted: **Bangladesh is one of the world’s most climate-vulnerable countries.** Rising heat temperatures, floods, and sea-level rise threaten both infrastructure and workers’ health (UNDP, 2023). Without significant investments in climate-resilient infrastructure and labour protections, the RMG sector faces a series of cascading crises.

⁵ In 2020, the implementation of the Accord in Bangladesh was taken over by the Ready-Made-Garment Sustainability Council (RSC), consisting of Accord signatory brands, unions, and factory owners. Since then labour rights advocates have voiced concerns about the growing influence of employers on the Accord operations in the country, including on the level of transparency exercised, the measures taken against factories that do not carry out the safety remediations as ordered after the inspections, and the complaint mechanism.

3 Just Transition IN BANGLADESHI LEED FACTORIES:

research questions and findings

3.1 WORKERS' VOICES

Before engaging with our own empirical work, however, let us recall that we are about to radically change our perspective: whereas in Chapter 1 we critically examined the history of the *market-driven Green Economy* and *labour-sensitive Just Transition* from a Northern perspective – embodied both in institutions such as the UN and progressive social actors such as trade unions and

NGOs – here we have shifted towards a Southern perspective, specifically focused on Bangladesh. This geopolitical tension needs to be methodologically considered and politically addressed. In his interview, **Dr. Golam Moazzem**, Research Director at the Centre for Policy Dialogue⁶ expresses it with remarkable precision. After having assessed the importance of the international register of *mitigation*

(i.e. the idea that climate policy should target the root cause of global warming, thus aiming at emissions reduction or, at the very least, climate neutrality), he states: ***"We want clean energy. We want to reduce greenhouse emissions. But this is more of a global demand. Brands must now uphold their commitments to reduce emissions, reduce chemical use, etc. The domestic priority, howev-***

6 <https://bilsbd.org/>

er, is adaptation, not mitigation, as we are not a big emitter. But for global players, the priority is mitigation, so we are seeing a global push for the reduction of fossil fuel, spread of electric vehicles, moves towards renewables. We [Bangladeshi institutions and firms] are reactive players, we are saying: 'okay, you need this, so I will do this'. Unfortunately, international adaptation is less of

a priority for the global North, less commercial, more resource intensive, and global funds are less available. You will see in COP 29, funds are more readily available for mitigation and a big reason for that is that they [Northern companies] can then sell their technologies or see their commercial interest. There isn't much interest in building sustainable homes for communities, raising

their land above sea level, etc. For Bangladesh, the priority is certainly different from that of global players: after all, Shatkhira is drowning, CHT⁷ is drowning...but in the end, I fear that the priorities of the global players will determine where the fund flows".

Against this analytical background, we have conducted empirical work in the Bangladeshi textile sector linked to fast fashion, with particular regard to LEED factories. The research questions are as follows:

- 1** *Are there eco-transition policies being implemented in the Bangladeshi RMG sector?*
- 2** *Are they being effective, environmentally and/or socially? If so, what are their impacts on LEED factories' working conditions and salaries?*
- 3** *If they are not being effective, under which conditions could some forms of JT (protective, proactive or transformative) help make eco-transition policies more successful, both socially and environmentally?*

⁷ Shatkhira is a district in southwestern Bangladesh and is part of Khulna Division. CHT is an extensively hilly area and home to a variety of tribal peoples in Bangladesh (Wikipedia)

The interpretive lenses through which we approach the three questions vary: the first is primarily assessed through experts' voices; the second and third are shaped by workers' and trade unionists' perspectives. Generally, however, all elaboration is based on the research team's self-reflexive analysis and upon interviews.

1 Are there eco-transition policies being implemented in the Bangladeshi RMG sector?

As a first preliminary point, it is important to acknowledge that both the national Government and the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) recognise the need to address environmental challenges, most notably climate change. As **Manirul Islam, Deputy Director of the Bangladesh Institute of Labour Studies**, states: *"There is now a global recognition that the clothing industry is responsible for carbon emissions. Now BGMEA and the Government have also committed internationally that we will bring down emissions".*

Such commitment, however, has not yet translated into policies. According to **Bareesh Hasan**

Chowdhury, Campaign and Policy Coordinator of Bangladesh Environmental Lawyers Association: *"Decarbonising development is a relatively new idea, and so it still requires a lot of work to mainstream it. When Bangladesh keeps talking about how vulnerable we are to the climate crisis, though, it should raise the question of rethinking our development agenda to the forefront. In Bangladesh, where environmental protection is not a priority for the Government nor for the private sector, there seems to be a cognitive dissonance between recognising the threat of the climate crisis and actually doing nothing about it".*

Furthermore, there is a specific ecology-related geopolitical tension to consider. Once again, the words of **Golam Moazzem** are revealing in this regard: *"In terms of hazardous chemical use, global brands are also committing to zero use of toxic chemicals by 2030 or so. But since brands do not work directly with textile mills in Bangladesh, they don't take the responsibility for the pollution that happens as a result. They are only interested in the front end. But if we are talking from an environmental perspective, they also need to take responsibility for pollution caused by textile factories".*

Finally, we should note that "green factories" represent a small minority of national industrial facilities. As **Salahuddin Shapon, General Secretary of IndustriALL Bangladesh Council**, states: *"While Bangladesh boasts over 230 green factories, including 7 - 8 of the world's top 10 (which is a commendable achievement), they represent a small fraction of the country's more than 4,000 factories". Facilities which are not 'green' "can be categorised into three tiers: A, B, and C, with A representing best practices and C representing the worst. The majority of workers are employed in categories B and C, with category A factories employing a maximum of 20 percent of the workforce".*

Overall, evidence indicates that eco-transition policies, despite being recognised as key and announced, are not being implemented systematically at the national level. Nonetheless, LEED factories – limited in numbers – are operational. Their impacts will be assessed below, from the perspectives of workers and trade unionists. We will adopt a workplace-based approach, as labour conditions are the focus of this research. However, virtually all interviews reported poor-to-severe environmental conditions in working-class communities where labourers live: some testimony is provided below.

2 Are they being effective, environmentally and/or socially? If so, what are their impacts on LEED factories' working conditions and salaries?

The interviews we collected tend to separate quite sharply the environmental and social impacts of LEED factories. As for the former, the large majority state that Green Factories are better than others. For example, **Nusrat**⁸ says: *"The outside of the factory is pleasant. There are trees, and the surroundings are nice. There's also filtered hot and cold water, and some green areas. This factory is supposed to be better as a LEED-certified facility. And yes, some things like water systems and outdoor space are nice"*.

Nevertheless, the function performed by caring for the environment is perceived as mostly *ornamental* and *brand-oriented*. As reported by **Yasmin**: *"The outside of [the factory] is consistently kept clean and visually appealing – likely in preparation for buyers' visits. This is where the commitment to environmental standards seems to begin and end"*.

Similarly, a strong contrast between the workplace and its surroundings is brought forward in this interview with **Fatima**: *"Only the outside looks somewhat clean. The environment is nice to look at from outside. Internally, policies are not properly followed [...] Work procedures and rules look good from the outside but are not followed in practice. This factory is 'green' in name only"*.

Hence, it seems the labour process is only partially transformed in line with sustainability principles, despite clear and ambitious commitments. Here is how **Ahmed** describes the activities of the Occupational Safety and Health team: *"There is a OHS Committee that listens to and addresses workers' concerns - whether it's a health issue or any other problem inside the factory. If someone is ill, they receive medicine or medical leave. To reduce the impact of global warming on health and safety, the company has taken several steps. Workers are given saline during heat waves, medicine for illness, and leave from the medical team if needed. The factory has also installed fans, exhausts, and water filters with chilled water"*. Such beneficial changes clearly improve daily working conditions,

primarily by granting access to health services and by introducing cosmetic measures that make the factory surroundings more pleasant to look at. However, this does not imply deeper changes in the levels of consultation and participation of workers, nor a correlative transformation in the production process: what is made and how it is made (e.g. materials and solvents) remains unchanged. Most importantly, all this does not make these factories a good and safe place to be for workers: they are still underpaid and exposed to excessive pressure. These concomitant dynamics affect their health, and labour relations (including abuse) in the factory are still the same, as many measures are superficial.

This situation is supported by a very large sample of interviews: social impacts are slightly better in LEED factories than in others, but they are far from being satisfactory. For example, **Ayesha** puts it as follows: *"Since wages have increased, the pressure to produce has gone up as well. Every day, the target keeps increasing. Although the factory environment has improved overall, things would be much better if the verbal abuse stopped and pressure for targets reduced"*.

⁸ All workers' names have been changed to protect their anonymity.

Because of the constant pressure, we don't have time to think about anything else". Thus, increases in **production targets eventually overcompensate wage raises, so that even if salaries are**

slightly above the legal minimum wage, they are still significantly below what workers need to live with dignity. To provide some context on the problematic nature of the legal minimum wage

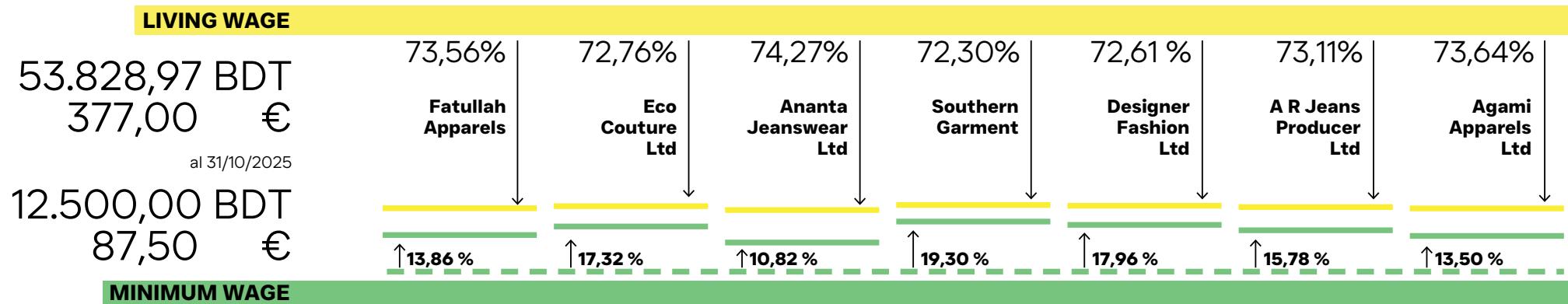
in Bangladesh, it is enough to say that it is slightly more than half of what unions demanded in 2023 as their minimum requirement, and only a third to one-fifth of the available living wage calculations.

T2 FACTORY WAGE DATA⁹

Factory	DEMOGRAPHIC			WAGES			CONTRACT & HOURS	
	Female %	Male %	Trade Union members	Average net salary without OT per month	Above Min Wage %	Gap to Living Wage %	Permanent contract %	Overtime hours x month
Fatullah Apparels	50,00	50,00	0	14.232,50 BDT	13,86	73,56	100	26,20
Eco Couture Ltd	26,67	73,33	0	14.665,19 BDT	17,32	72,76	100	53,75
Ananta Jeanswear Ltd.	77,78	22,22	0	13.852,22 BDT	10,82	74,27	100	65,38
Southern Garment	100,00	-	0	14.912,10 BDT	19,30	72,30	100	26,13
Designer Fashion Ltd.	90,00	10,00	0	14.745,00 BDT	17,96	72,61	100	21,50
A R Jeans Producer Ltd.	70,00	30,00	0	14.472,30 BDT	15,78	73,11	100	60,90
Agami Apparels Ltd.	100,00	-	0	14.187,00 BDT	13,50	73,64	100	49,50

Total workers surveyed: 86

⁹ Data based on pay slips collected during interviews.



Source <https://asia.floorwage.org/living-wage/> - https://www.ilr.cornell.edu/sites/default/files-d8/2025-02/cornell-gli-brief-bangladesh-february-2025_0.pdf

Another worker confirms: “*The factory is known as a green and compliant workplace, but workers associate ‘green’ mainly with cleanliness and trees, not environmental standards or certifications*”. Verbal abuse and mental stress linked to production pressure is a recurring issue in most interviews: “*They call us by all kinds of names: motherfucker, sisterfucker, son of a bitch, will give you a slap. And those who are more demure are targeted even more.*” Moreover, overtime to meet these targets is the norm and is not always fully reported on payslips and paid, as **Sharmin** says: “*It is an open secret. Everyone knows it, except for buyers and auditors.*”

The combined effect of high production targets, low wages and *de facto* compulsory overtime exacerbates the pressure, especially on female workers, resulting in an increase in gender-based harassment and violence. None of this is noticed by the brands and their auditors, who never talk to the workers, except in very controlled settings. As **Hasan**, quality control worker, explains: “*When buyers come to the factory, the owner and department people are present. The buyer takes pictures but does not allow any questions to be asked to workers. They stay on the floor for a maximum of five to seven minutes.*” In this context, giving up seems the only viable option, as **Mahir** says: “*Even*

as a PC member, I feel like I can’t do anything. Honestly, I wish I wasn’t on the committee. We’re just messengers for management”.

When raising concerns about working conditions and harassment, nearly all workers express a complete lack of trust in internal, factory-level committees (e.g. participatory or anti-harassment committees) and fear of retaliation if they try to use them, as these committees are generally formed and run by the management and the owner.

As reported by **Nasir**, “*If any committee member speaks on behalf of workers, management re-*

PAY GARMENT WORKERS A

LIVING WAGE



A worker
should be able
to afford:



food



rent



healthcare



education



clothing



transportation



savings

A living wage is a
human right, for
all people, all
over the world



www.cleanclothes.org

moves them. That's why I don't want to be part of any committee. You can't speak up for workers here". Another female worker, Sultana, adds: *"Management doesn't take worker opinions into account when making decisions. They make these committees more to show buyers than to solve problems."*

Overall, the impacts of LEED factories are mostly decorative in terms of environmental impact and mildly improved in terms of social impact, yet still largely inadequate. This highlights a troubling revival of the 'monetisation of risk' paradigm, which is the opposite of what a labour-sensitive Just Transition advocates: recognising the priceless value of workers' health. Therefore, our conclusion is that LEED factories in Bangladesh exemplify a global South version of the market-led Green Economy. Consequently, aligning ecological and social goals is seen as desirable but remains unfulfilled. In fact, workers' experiences raise serious doubts about the feasibility of a sustainable strategy that does not involve, from the planning stage, the active participation of organised labour.

3

If they are not being effective, under which conditions could some forms of JT (protective, proactive or transformative) help make eco-transition policies more successful, both socially and environmentally?

This situation is aptly summarised by **Manirul Islam**: *"Just Transition is an old concept, but it is now increasingly being talked about. We have not found any evidence that it is taking place in Bangladesh. I say this because its first principle is that the process be participatory. But there are no examples that we know of where workers or workers' representatives were consulted prior to or during the transition process. It was and remains very top-down"*. Virtually all interviews support this lack of perspective in RMG industries: most workers were not even aware they were employed by LEED-certified factories! Again, in Manirul's words: *"The workers and their legislative representatives – the trade unions – have not been part of the RMG factories 'green' transition processes. Almost no LEED certified factories have workplace-based trade unions"*.

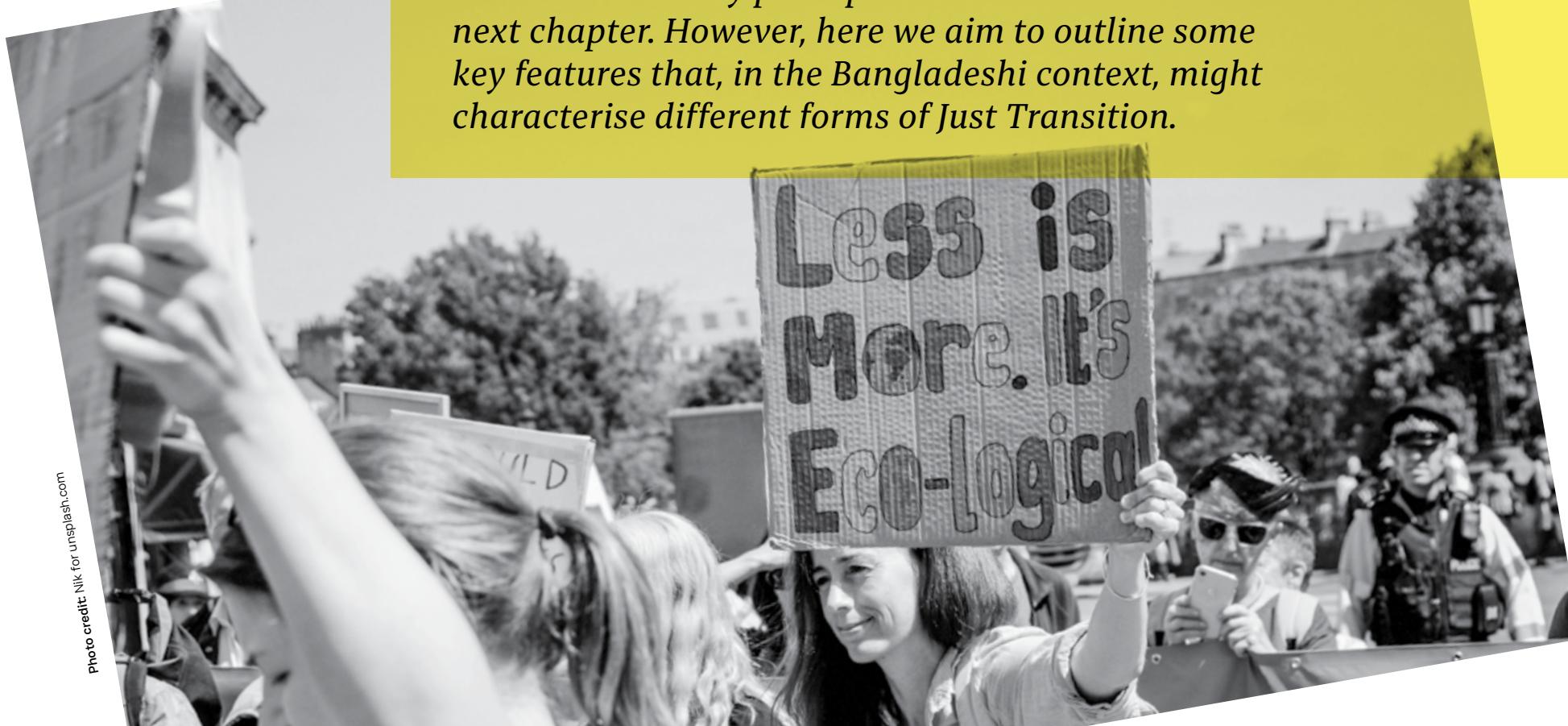
This brings us to the third research question, which shifts the analysis from the descriptive to the normative level: how could sustainability stop being mere rhetoric and become a reality for the fashion sector and textile workers? First, to meet the participation requirement, workers' knowledge should be prioritised. **Now, a more fundamental role for labour expertise is a traditional claim of trade unions. What makes it particularly relevant for our discussion is that the failure of the market-driven Green Economy (both globally and domestically) makes it evident that excluding the workforce perspective and marginalising labourers' subjectivity do not bring about improvements in ecological conditions. Quite the opposite, actually. Currently, however, workers' knowledge assumes the wasteful form of an unused resource.**

Actually, their very voice is quite simply unheard. Consider, for example, two recurrent issues: heat and dust. **Shima** declares: *"If you see the factory from the outside, or if you come for a visit, you will be impressed by it. It looks nice, like it's a garden. But what's the point if we can't work in peace? We told our supervisors many times about the issue [of extreme heat], but there has been no*

change. We even asked for curtains, if nothing else, to spare us from the direct sunlight, but to no avail". Similarly, **Reshma** recalls the collective experience in the factory in the following terms: *"All workers very passionately stated that this [dusty workplace] was their biggest health-related or environment-related concern. The building is air-conditioned, and the AC is on at all times. But there are not enough ventilation or exhaust fans to pull the dust out, as a result of which we fall sick very often. Workers are constantly coughing or sneezing, and we pointed that out. We have complained to the management on several occasions over the past six years, but no action has been taken, except they we been asked to wear masks. But the extent of the dust is so severe, masks can't protect us"*.

3.2 VARIETIES OF JUST TRANSITION

A roadmap for politically recognising, institutionally negotiating, and economically investing in workers' participation to alter productive structures in line with sustainability principles will be outlined in the next chapter. However, here we aim to outline some key features that, in the Bangladeshi context, might characterise different forms of Just Transition.



A **PROTECTIVE JT**
FOR BANGLADESH

This option restores the defensive stance of Tony Mazzocchi's 'Superfund' and presents workers' involvement as centred on their individual bodily experiences, which are recognised as the main driver of workplace restructuring. From this viewpoint, the incomparable value of labourers' health is protected by establishing institutional spaces where they can voice their needs and have them addressed. Where Green Economy-based LEED certification fell short, a **protective Just Transition** may prove effective if, for example, the International Accord expands its scope to monitor, prevent and mitigate heat stress in workplaces. In this case, a credible, legally binding roadmap to eradicate GBVH and ensure the payment of a living wage to all workers may be embraced by all actors with decision-making power.



B **PROACTIVE JT**
FOR BANGLADESH

This approach mobilises workers' knowledge not as the sum of individual experiences, but as a collective perspective on the labour process. As Stefania Barca argued, the factory is a peculiar ecosystem whose deepest understanding lies with the working class. Such detailed insight could be put to good use, from an ecological standpoint, by making it the cornerstone of labour process reconfiguration. Where Green Economy-inspired management failed, a **pro-active Just Transition** may succeed if, for example, social safety nets are established and rights such as FoA and CB can be fully enjoyed by workers.

C **TRANSFORMATIVE JT**
FOR BANGLADESH

This regulative ideal views workers' knowledge not only as a form of self-defence and an alternative organisational logic for the labour process but also as the conceptual foundation for sustainable production overall, extending well beyond individual workplaces. The goal here is to foster workers-led Eco-Design, specifically to embed labour ecological awareness into the very conception of future products. In other words, it involves creating a political space where the working class can legitimately influence the qualitative composition of production (what is to be manufactured, how, how much, for whom, by whom, etc.). Where the Green Economy-based strategy for renewing society through sustainability faded, a **transformative Just Transition** could find firm ground by disconnecting workers' well-being and national wealth from endless quantitative growth deeply embedded in the fast-fashion business model. Therefore, the goal is to adopt a new business model that ensures widespread prosperity within planetary boundaries.

4 TOWARDS AN EFFECTIVE JUST TRANSITION

4.1 JT PATHWAYS FOR RMG INDUSTRY

Research conducted in eight LEED factories of excellence (see Annex B), which include several well-known brands, such as Benetton, Bestseller, Decathlon, Fruit of the Loom, GAP, H&M, Hugo Boss, Kiabi, M&S, NEXT, OVS, Zara, Walmart, Wrangler¹⁰, highlighted the limitations of a market-driven approach to ecological transition without involving and empowering workers, as the table below clearly shows.

¹⁰ The complete list of brands sourcing from surveyed LEED factories is in Annex B.

The supplier relationships between the factories and brands were sourced from publicly available brand supplier lists and worker interviews.

T3 BRANDS WAGE COMMITMENT

	LIVING WAGE SCORE ¹	TRANSPARENCY SCORE ²	LIVING WAGE COMMITMENT	LIVING WAGE ACTION PLAN	FOA / CB DISCLOSURE ³	WAGE DATA DISCLOSURE ⁴
Fruit of the Loom	E	*****	✓	✗	✓	✗
Hugo Boss AG	E	*****	✓	✗	✗	✗
Marks & Spencer Group plc	E	*****	✗	✗	✗	✗
Bestseller AS	E	*****	✓	✗	✗	✗
OVS SpA	E	*****	✓	✓	✓	✗
H&M	E	*****	✓	✗	✓	✗
Tom Tailor	E	*****	✓	✗	✓	✗
Kmart Australia	E	*****	✓	✗	✓	✗
Walmart	E	*	✗	✗	✗	✗
Next PLC	E	*****	✓	✗	✗	✗
Target Australia	E	*****	✓	✗	✓	✗
Zalando SE	E	*****	✓	✗	✗	✗
Kiabi	E	**	✗	✗	✗	✗
Inditex	E	*	✓	✗	✗	✗
Lindex	E	*****	✗	✗	✓	✗

Source Fashion Checker - data based on the latest company statements.

1 E score

The brand does not provide credible evidence that it pays a living wage to any of its workers.

2 Transparency Score

- * The brand does not disclose any information about its suppliers.
- ** The brand discloses a full list of facilities including facility name and address.
- *** The brand discloses a full list of facilities including facility name, address, parent company and product/service type.
- **** The brand discloses a full list of facilities including facility name, address, parent company and product/service type in a machine readable format.
- ***** The brand discloses a full list of facilities including facility name, address, parent company and product/service type in a machine readable format AND discloses the lowest average wage at facility-level.

3 Wage Data Disclosure

The company discloses wage data at facility level for their supply chain facilities.

4 Freedom of Association (FoA) / Collective Bargaining (CB) Disclosure:

Brand reports publicly on the number or percentage of supplier facilities with democratically elected unions and that are covered by collective bargaining agreements.

The result is an improvement in the working environment, which, however, is accompanied in most cases by serious and persistent health and safety problems and by increased production targets that place heavy pressure on workers, making overtime constant and almost compulsory. Salaries above the legal minimum wage are usually paid regularly, but they still leave workers unable to afford low-cost housing in densely populated and highly polluted industrial areas. Consequently, they are inadequate to fully meet basic family needs. In other words, wage levels are insufficient to lift them out of working poverty.

The market-driven Green Economy observed in the case of LEED factories is therefore neither sufficient nor effective in achieving the goal of a fair and democratic fashion industry within planetary boundaries. To achieve this goal – i.e., to embrace an effective Just Transition in the fashion industry – structural and systemic changes (institutional, political, and economic) must be adopted at both the national and international levels. In other words, **a paradigm shift is needed** that challenges the ideology of infinite growth and increasing capital accumulation along global value

chains at the very heart of the fast fashion model (Public Eye, 2024), which has also fuelled the Bangladeshi economy, driving export-led growth for the international market without leaving any wealth or prosperity in the country for those who created it: the workers.

We will attempt to imagine, in concrete terms, what a **transformative JT** could entail in our next publication, which will **outline future post-growth scenarios and systemic solutions** for overcoming the current economic model that condemns Bangladesh to remain a global supplier of cheap labour employed in low-value-added industries. Without investing in policies capable of satisfying unmet social needs through investments in public goods and protection of common goods, Bangladesh will not be able to implement essential and effective adaptation and mitigation measures to tackle the current ecological and climate crisis that is hitting garment workers the hardest (Fair, to be published in 2026).

However, as desirable as said change undoubtedly is, it remains that textile and garment workers are now paying the highest price for a series of crises they did not cause. For this reason, in the immediate and



medium term, structural protective measures are needed to enable them to cope with the dramatic impacts of capital-driven global warming, which hit the poorest countries hardest. At the same time, to lay the groundwork for a profound socio-economic transformation, systemic **proactive measures** must be implemented, primarily focused on restoring politics' dominance over economics and rebalancing the power imbalance between capital and labour that presently influences global value chains and hinders genuine social dialogue based on participatory, equitable, and democratic processes.

4.2 RECOMMENDATIONS

The following are the main proposals to address the fundamental issues identified through the research. A more extensive and detailed version can be found in the Clean Clothes Campaign policy and position papers listed in the References section.

We are publishing this report at a time when the European Union (EU), through the Omnibus package, is dismantling the sustainability policies introduced in the previous legislative term in the name of competitiveness, including Directive 2024/1760 on corporate sustainability due diligence, Directive 2022/2464 on corporate sustainability reporting and Directive 2024/825 on empowering consumers for the green transition by improving protection against unfair practices. Under the guise of simplification, there is, in fact, a dangerous shift in perspective towards a

renewed season of deregulation and immunity for businesses, paid for by workers, communities, and the environment. In light of this, while the following recommendations address general policies and legislation, this report firmly opposes the Omnibus reform and calls on both brands and retailers, as well as on the EU and its governments, to support the sustainability legislation instead.

4.2.A **PROTECTIVE** STRUCTURAL MEASURES



Brands and retailers should:

1. **Support and sign** Enforceable Brand Agreements (**EBAs**) to bring systemic changes to the supply chain and ensure adequate levels of accountability and stakeholder engagement

In particular, **the International Accord for Health and Safety in the Textile and Garment Industry** signatory brands should use their influence within the programme to ensure explicit inclusion of heat and other climate related health and safety hazards into the Accord's inspections and mandated remediation. The publicly available inspection reports and Corrective Action Plans should include the findings and remedy required on heat stress and other climate related risks for Bangladesh, Pakistan and any other countries where the Accord expands to. Signatory brands should also ensure the Accord training and complaints mechanism in Bangladesh (and any other countries) can operate fully independently, and mitigate employers' undue influence in the mechanism. The training and complaints mechanisms also should have the resources required to enhance their efforts to ensure workers are aware of climate related risks and their rights, OSH committees are empowered to address heat, and other climate related risks, and complaints related to heat and climate related risks are remedied timely and in full.

GBVH and overtime, and other areas of concern, such as **non-payment of wages and union busting should be also included** fully within the Accord mandate and proactively addressed, recognizing that freedom of association is an enabling right that needs to be promoted for the Accord to operate as intended.

2. **Eliminate unfair commercial practices** (Unfair Trading Practices) and improve planning, pricing, lead times and payments to avoid repercussions on suppliers, which then generate pressure and negative consequences for workers, leading to forced overtime and GBVH, particularly and further exacerbated by heat stress.
3. Within their sphere of influence, implement all necessary measures to **ensure all workers in their supply chain receive living wages** through fair purchasing practices and due diligence policies that remove obstacles preventing suppliers from doing so.



Employers should:

1. **Monitor, prevent, and mitigate heat-related health and safety risks** in the workplace by providing adequate assistance and person-

al protective equipment to workers. Manage working hours and shifts to **minimise exposure to heat stress**, dust, and other work-related stress caused by high production targets. Regularly inspect ventilation systems or install them correctly.

2. Adopt structural measures to **eliminate and prevent all forms of violence** (verbal, psychological, physical) by strengthening the leadership of women workers in the workplace and their participation in internal Committees.
3. Ensure that **all** their workers **earn a living wage** within a standard working week, before any bonuses, productivity pay, in-kind benefits, or other supplemental pay components.



The Government of Bangladesh should:

1. **Introduce sector-specific, gender-sensitive regulations** that foster measures to monitor, **prevent and mitigate the risks of heat exposure** on workers in their workplaces by adopting ILO Convention No. 155 and 187 (as actually occurred on October 22, 2025, while this report is being published), and allocate resources to government departments to enforce them, including protection for workers if they refuse the work in case of high temperatures.
2. Ratify the ILO Convention No. 190 on Violence and Harassment at Workplace (as actually occurred on 22 October 2025, while this report is being published), and implement the ac-

companying Recommendation 206. **Strengthen existing laws on GBVH and enforce their implementation**, formulate comprehensive legislation on GBVH to prevent harassment in the workplace, further exacerbated by extreme heat. **Ensure that the minimum wage is set through a tripartite process, that genuine worker representation is ensured** in accordance with reliable international living wage standards, and that transparent, robust benchmarks are included in policies and agreements. **A living wage is a primary measure of adaptation** that allows workers to choose safer accommodation, healthy food, and invest in ventilation, insulation or cooling to adapt to the climate crisis. The Government should establish additional labour courts to resolve pending unfair labour practice (ULP) cases. **Access to justice for workers** must be guaranteed through the government mechanism.

3. To ensure meaningful workers' participation and stronger workplace democracy, the Government must **guarantee workers' right to freedom of association and collective bargaining**, extending beyond wage concerns to include occupational health and safety, climate adaptation and mitigation, and social protection. It is equally important to establish strong safeguards to **protect union leaders and members from retaliation** when they raise concerns related to climate impacts, workplace safety, or labour rights violations. These protections would empower workers to voice their needs, contribute to sustainable workplace solutions, and foster a culture of accountability and shared responsibility among employers, workers and the State.

4.2.B PROACTIVE SYSTEMIC MEASURES.



Brands and retailers should:

1. **Fully implement meaningful due diligence practices** in accordance with international standards throughout their value chain and publicly endorse sustainability legislation both in the European Union and globally.
2. **Support and sign The Severance Guarantee Fund Agreement**, designed to accumulate funds for social protection to cover severance pay for workers in case of production crises and extreme events related to climate change, especially when these are not provided for by the government and employers.
3. **Ensure that workers and their factories can form and join trade unions** of their choice without fear of retaliation and intimidation. Ensure that suppliers refrain from unfair labour practices (such as illegal terminations, harassment or the formation of management-dominated committees/unions), and that workers are aware of their freedom of association rights through regular training and communication. **Ensure suppliers' respect for workers' right to collective bargaining**. FoA and CB are fundamental enabling rights necessary to create a level playing field to: i. empower workers to achieve sustainable improvements, ii. lay the foundations for a participatory process to democratise workplaces and undertake a transformative Just Transition.



Employers should:

1. Create a **positive environment in which workers can form and join trade unions** of their choice without fear of retaliation or intimidation.
2. Create an environment where **collective bargaining can take place freely and effectively**. This includes providing access to business information, ensuring that management is available and willing to negotiate in good faith, and avoiding any actions that could undermine the negotiation process.
3. **Involve workers and their unions in company disaster management preparedness plans**, to ensure that they are not left vulnerable during climate-related crises. Paid leave or flexible work arrangements during extreme weather alerts must be guaranteed, so workers can prioritise their health and safety without the fear of losing wages or jobs.



The Government of Bangladesh should:

1. **Introduce regulations** requiring employers to adjust targets, working hours and shifts when supply chains are disrupted by high temperatures and extreme climate shocks. Promote the development of negotiated OHS protocols that trigger protective measures to prevent heat-stress-related harm to workers' health.
2. **Protect workers' income during the transition.** Adhere to ILO Social Security Conventions (e.g. ILO Convention No.102) and establish a fund for workers' protection through mandatory social security contributions paid by both employees and employers, covering social protection in cases of sickness, work stoppage, or job losses due to:
 - *extreme events linked to climate crises or,*
 - *reduction of production targets, either related to the impact of extreme events in factories or to the necessary shift toward eco-transition policies in the RMG to build a Sustainable and Circular Textiles industry, progressively phasing out the fast-fashion business model.*
3. The government should **integrate workers and their unions into national disaster preparedness** and early warning systems for heatwaves, floods, and cyclones, ensuring that workers are not left vulnerable during climate-related crises. Furthermore, it should mandate paid leave or flexible work arrangements during extreme weather alerts, so that workers can prioritise their health and safety without the fear of losing wages or jobs. Such measures would not only protect lives but also strengthen overall resilience by involving workers as active partners in disaster risk reduction and response.
4. The government should **establish a National Observatory on Climate and Labour** to monitor heat-related illnesses, productivity losses, workplace injuries, and worker fatalities, creating a solid evidence base for preventive measures. Simultaneously, it should ensure public reporting and transparency from employers and enforcement agencies regarding compliance, penalties, and remedial actions - enhancing accountability and fostering trust in labour and climate protections.



The European Union should:

1. **Follow up and strengthen the EU Strategy for Sustainable and Circular Textiles**, further reinforced by the EP Resolution adopted in June 2023, and halt the ongoing reform attempts that will undermine the impact of new legislative initiatives. Instead, the EU should work to:
2. Protect and implement Directive 2024/1760 on corporate sustainability due diligence, approved on 24 April 2024, and entered into force on 25 July 2024. **Discard the Omnibus sustainability simplification package I** and promote due diligence legislation at the European level.
3. **Adopt the Green Claims Directive** on the substantiation and communication of explicit environmental claims.
4. **Introduce a new directive prohibiting unfair commercial practices** in the textile and clothing sector, taking inspiration from the 2019 Directive on unfair commercial practices in the agricultural and food supply chain.



FASHIONING A
JUST TRANSITION
REPORT
BANGLADESH

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ANNEX

- A** METHODOLOGY
- B** LEED FACTORIES
- C** BRANDS GREEN POLICIES

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A METHODOLOGY

This research used a qualitative approach to explore the lived experiences of garment workers employed in Bangladesh's LEED-certified or so-called green factories. Conducted between October 2024 and May 2025 in factories located in Savar, Gazipur, and Narayanganj, the study critically analysed how discourses of sustainability intersect with labour discipline, corporate image management, gender, and bodily autonomy.

We chose such an approach to broaden workers' voices. We achieved this through a twofold strategy. On one hand (Chapter 1), we reconstructed both the academic and trade union debates on Just Transition, openly adopting a labour-based perspective. This is a political choice rooted in the need to evaluate the impact of thirty years of policies inspired by the green economy. Because of this, our reconstruction initially rearticulates the scientific literature from this period, which is listed

in the references. Conversely, we have allocated as much space as possible to workers' direct quotes. This is an equally political choice that aims to counterbalance the tendency to exclude from debates over the link between ecology and labour the very subjectivity of the people who work.

The central aim was to go beyond factory audits and certifications to centre the voices and embodied knowledge of workers—particularly women—who sustain the garment industry under in-

creasingly surveilled and productivity-pressured conditions.

Although we openly aimed to prioritise workers' voices in our reflection, we actively sought to contact selected firms to gather their perspectives and consider them carefully. We sent an initial official request for interviews on January 14 and 16: only one firm responded, but then did not reply when we proposed dates for the conversation. We issued a second official request on March 28:

none of the selected firms replied. The fact sheets on the green policies of the brands sourcing from the eight LEED factories analysed in the

report were compiled using publicly available information from their websites and media sources. The report was submitted to the brands prior to

publication. Furthermore, we aimed to provide elements for national and regional contextualisation beyond an extensive review of scientific litera-

ture. Therefore, we interviewed seven experts in the field of the interaction between labour and environmental dynamics.

A1 RESEARCH TOOLS AND PROCESS

Two complementary qualitative tools were used:

FGDS

FOCUS GROUP DISCUSSIONS

- Conducted in separate or majority-female groups to explore shared experiences, collective grievances, and peer dynamics related to menstruation, bathroom access, speed-up, and surveillance.

IDIS

INDIVIDUAL IN-DEPTH INTERVIEWS

- Allowed for deeper personal reflection on topics such as harassment, wage anxiety, reproductive health, and care burdens that are often underreported in group settings.

All interviews were conducted in Bangla using a semi-structured guide, with verbal informed consent and assurances of anonymity and voluntary participation.

Participants were recruited through informal networks, snowball referrals, field rapport, and, in some cases, in collaboration with trade unions active in the area.

Local union organisers and labour leaders occasionally facilitated introductions to trusted workers, especially in factories where researchers

had limited prior access or rapport. This approach helped ensure diversity in the sample—including women who might not otherwise have come forward—as well as ethical safeguards rooted in community accountability.

A2 RESEARCH SITES AND PARTICIPANTS

A2.1 PARTICIPANT ORIGIN SITE

Data was collected from eight factories across three industrial zones:

Factory	Location	FGDs	FGD Participants	IDIs	Total
Fatullah Apparels	Narayanganj	1	10	10	20
Designer Fashion Ltd.	Narayanganj	1	12	9	21
Ananta Jeanswear Ltd.	Savar	1	12	10	22
A R Jeans Producer Ltd.	Gazipur	0	0	8	8
Eco Couture Ltd.	Savar	1	14	9	24
Cutting Edge Industries Ltd.	Gazipur	1	10	0	10
Southern Garments Ltd.	Narayanganj	1	10	8	18
Agami Apparels Ltd.	Savar	0	0	10	10
TOTAL		6	68	64	132

A2.2 PARTICIPANT DEMOGRAPHICS

TOTAL PARTICIPANTS **132**

WOMEN **96** 73%

MEN **36** 27%

A2.3 GENDER AND AGE DISTRIBUTION

Subset of 52 participants where age was recorded

Age Bracket	Female	Male
16-20	4	1
21-25	6	4
26-30	6	3
31-35	2	1
36-40	1	2
41-45	0	0

- Most female participants (16-30) were in their prime working years and juggling unpaid reproductive labour.
- Male workers were slightly older and were more often line supervisors or senior workers.

B LEED FACTORIES

FACTORIES NAME	TYPE	BRAND ¹¹	LEED CERTIFICATION	TRADE UNION	ACCORD LISTED ¹²	ALLIANCE LISTED ¹³
A R Jeans Producer Ltd	Woven Garment	DKNY • Providence • LPP (CROPP, Sinsay) • Wrangler • ZALANDO ¹⁴	Platinum	no	✓	no
Designer Fashion Ltd	Woven Garment	Bestseller (NAME IT) ¹⁵ • INDITEX (PULL&BEAR, LEFTIES) • Decathlon • Lojas Renner • OVS	Platinum	no	✓	no
Southern Garments Ltd.	Knit Garment	NEXT • Kmart Australia • Target Australia	Gold	no	✓	✓
Eco Couture Ltd	Knit Garment	Hugo Boss • Marks & Spencer • NEXT	Gold	no	✓	no
Fatullah Apparels Ltd	Knit Garment	Fruit of the Loom • Threadz	Platinum	no	✓	no
Cutting Edge Industries Ltd	Woven Garment	Bestseller • Benetton • OVS	Gold	no	✓	✓
Agami Apparels Ltd	Woven Garment	Bestseller • Kiabi • Lindex • Varner • INDITEX (Zara) • NEXT • TINKU • Wrangler	Gold	no	✓	no
Ananta Jeanswear Ltd	Woven Garment	H&M • GAP • Tom Tailor • Kmart Australia • WALMART	Platinum	no	✓	✓

11 The supplier relationships between the factories and brands were sourced from publicly available brand supplier lists and worker interviews. For further info on firms see mappedinbangladesh.org

12 International Accord

13 Alliance for Bangladesh Worker Safety

14 Until August 2025

15 Until mid-2025

O T H E R C E R T I F I C A T I O N S

16 Nordic Ecolabel

49

C BRANDS GREEN POLICIES

We hereby publish the fact sheets on the green policies of the brands sourcing from the eight LEED factories analysed in the report that responded to our request for review. These fact sheets were compiled using publicly available information and organised according to a consistent, comparable scheme. Revenues in local currency were converted into euros as of 23 December 2025 (OANDA).

Revenue 2024
938 million euros

C1 BENETTON

C1.1 VISION AND POSITIONING

Integrated Sustainability Reporting: Since 2024, Benetton Group does not publish an annual integrated report itself, but it provides the information requested for the parent company's annual report.

Source 2023 Benetton Group Sustainability portal www.benettongroup.com/en/sustainability/

Supply-Chain Risk Monitoring: The company continuously analyses and monitors environmental and social risks in its supply chain.

Source Benetton Group Sustainability – Risk Analysis & Policy www.benettongroup.com/en/sustainability/company-approach/risk-analysis-and-policy/

Supplier Code of Conduct: Benetton enforces a strict Code of Conduct for all suppliers and employees, outlining ethical, environmental and social requirements.

Source Benetton Group Sustainability https://www.benettongroup.com/en/sustainability/people/supply-chain/ https://www.benettongroup.com/site/assets/files/1134/ok-code-of-conduct-english.pdf

Transparency in Sourcing: Benetton publishes its supplier list, underscoring its commitment to open supply-chain practices.

Source Benetton Group Sustainability https://www.benettongroup.com/en/sustainability/circularity/management-of-the-supply-chain/traceability/

C1.2 FOUR STRATEGIC PILLARS

Sustainable Materials: Benetton has been a member of the Better Cotton Initiative until October 2024. In addition to the RDS (Responsible Down Standard), starting from 2024, Benetton is also OCS (Organic Content Standard) and RCS (Recycled Claim Standard) certified, and it started a co-branding with Lenzing.

Source www.benettongroup.com/en/sustainability/circularity/product/certifications

Chemical Management (Detox): Benetton participates in the Greenpeace Detox campaign and, as member of ZDHC, adopts all guidelines to eliminate toxic chemicals from its production processes. Benetton's Detox Program aims to phase out harmful substances in all supply tiers.

Source https://www.benettongroup.com/en/sustainability/nature/water/detox/

Climate & Energy Efficiency: The Group is committed to reducing greenhouse gas emissions through science-based targets. Its goals include 100% renewable energy use at its facilities and significant energy savings from measures such as LED lighting.

Source benettongroup.com/en/sustainability/nature/combatting-climate-change/science-based-target-initiative
(See also Climate Objectives below)

Sustainable Logistics: Benetton focuses on lower-impact logistics by favouring intermodal transport to reduce emissions, and optimising pallet loads to minimise truck shipments. These steps help shrink the company's transport footprint.

C1.3 CLIMATE OBJECTIVES

100% Renewable Energy: Benetton's corporate campus and all direct Italian retail stores are powered entirely by certified renewable energy.

Source Benetton Group Sustainability – Energy
benettongroup.com/en/sustainability/nature/combating-climate-change/campus-stores/

Energy Efficiency (LED Lighting): In the course of 2024, Benetton Group continued replacing lighting systems with high-efficiency, long-lasting LED products and began replacing certain air conditioning systems with modern heat pump technologies.

Source Benetton Group Sustainability – Energy
benettongroup.com/en/sustainability/nature/combating-climate-change/campus-stores/

Greenhouse Gas Reduction Target: Benetton has committed to a science-based target to reduce its total carbon emissions by 2030. This pledge follows guidelines of the Science Based Targets initiative, aiming for deep cuts across Scopes 1-3.

Source benettongroup.com/en/sustainability/nature/combating-climate-change/science-based-target-initiative

C1.4 CIRCULARITY STRATEGY

Eco-Friendly Packaging: All packaging has been redesigned to minimise waste. Benetton eliminated plastic lamination and it uses FSC-certified paper and recycled content for shopping and e-commerce shipping materials.

Source Benetton Group Sustainability – Sustainable Packaging
benettongroup.com/en/sustainability/nature/combating-climate-change/logistics

C1.5 CIRCULAR BUSINESS MODELS

Product Longevity and Repair: While Benetton's strategy emphasises product durability, it also provides consumers with guidance on garment care. The company's "Wear. Care. Repair." guide educates customers on how to repair and maintain clothes to extend use.

C1.6 PACKAGING AND LOGISTICS

Sustainable Transport: Benetton uses intermodal shipping for long-haul freight, significantly cutting emissions. It also optimises load planning (fewer pallets and fuller trucks) to reduce the number of trips.

Eco-Friendly Packaging: All packaging has been redesigned to minimise waste. Benetton eliminated plastic lamination and it uses FSC-certified paper and recycled content for shopping and e-commerce shipping materials.

Source Benetton Group Sustainability – Sustainable Packaging
<https://www.benettongroup.com/en/sustainability/nature/combating-climate-change/logistics>

C1.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

Supplier Ethical Standards: Benetton enforces a strict Supplier Code of Conduct that covers human rights and labour conditions. It has been a member of Cascale (formerly Sustainable Apparel Coalition (SAC)) since 2017, working with industry peers to improve social and environmental performance in the supply chain.

Source <https://www.benettongroup.com/en/sustainability/people/supply-chain/>
<https://www.benettongroup.com/site/assets/files/1134/ok-code-of-conduct-english.pdf>

Chemical and Safety Standards: In addition to the Detox Program, the company maintains its Restricted Substances List (RSL) to eliminate hazardous chemicals (Greenpeace Detox) and adheres to rigorous safety and health standards.

Source <https://www.benettongroup.com/en/sustainability/nature/water/detox/>

Gender Diversity: Benetton actively promotes gender equality and inclusion in its workforce.

Employee Engagement: Internal programmes like the “Verde Campus” promote environmental best practices among employees. The company also engages workers in sustainability training and wellness initiatives.

Source <https://www.benettongroup.com/en/sustainability/nature/combating-climate-change/campus-stores/>

C2 BESTSELLER

Revenue 2024

5.096 million euros / 38.074 million DKK

C2.1 VISION AND POSITIONING

BESTSELLER frames sustainability under **Fashion FWD**, focusing on climate action, efficient resource use, and human rights, with near-term goals to 2025 and rolling target resets.

Source Strategy hub: <https://bestseller.com/sustainability>

C2.2 FIVE STRATEGIC PILLARS

Net Zero and Energy (Climate): SBTi-approved near-term targets (Scope 1-2 -50% by 2030 vs 2018; Scope 3 -30% by 2030 for purchased goods and services plus transport). RE100 participation; EU electricity matched via a 207 MW Danish solar PPA (HEARTLAND/Kassø).

Source <https://bestseller.com/sustainability/climate/sciencebasedtargets>
 News explainer: <https://bestseller.com/news/one-validated-step-closer-to-climate-positive>

Preferred Materials and Products: Ongoing shift to certified/branded materials (e.g., certified/recycled inputs) with public tracking in annual/strategy pages.

Source <https://bestseller.com/sustainability/resource-use>

Circularity and Design: Group **Circular Design Guide (2023)** to embed durability, mono-materiality, and recyclability from the outset.

Packaging and Waste: Policies to phase out single-use virgin plastics and ensure **100% reusable/recyclable/compostable** consum-

er-facing packaging by **2025**; paper policy for fibre-safe sourcing.

Source Plastic policy (2025); https://bestseller.com/media/ia2h2eccq/policy-plastic-packaging_2025.pdf
 Paper policy (2025); https://bestseller.com/media/itipclwc/policy-paper-based-packaging_2025.pdf

People and Human Rights: Supplier **Code of Conduct**, annual **Supply Chain Due Diligence Report** (2025), and long-standing signatory to the **International Accord** on worker safety.

Source CoC: https://bestseller.com/media/00ilm0t/bestseller-code-of-conduct-v6-dec-2018_eng.pdf
 Due Diligence 2025: <https://bestseller.com/media/4h5ha3xj/supply-chain-due-diligence-report-2025.pdf>
 Accord renewal news:
<https://bestseller.com/news/bestseller-signs-historic-renewal-of-international-accord-agreement-for-worker-safety>

C2.3 CLIMATE OBJECTIVES

SBTi near-term targets (approved 2021): Scope 1-2: -50% by 2030 (vs 2018); Scope 3 (PG&S + transport): -30% by 2030 (vs 2018).

Source Target page: <https://bestseller.com/sustainability/climate/sciencebasedtargets>
 Approval news: <https://bestseller.com/news/one-validated-step-closer-to-climate-positive>

Progress snapshots: Renewable electricity for owned/operated buildings was reached in late 2021; **Scope 1-2 down -85% vs baseline** driven by renewables; **Scope 3 2023/24 -1.4 Mt CO₂e, -17% YoY** but **+8% vs 2018** baseline. (Figures as reported in the SBTs page/annual disclosures.)

Source <https://bestseller.com/sustainability/climate/sciencebasedtargets>

Logistics decarbonisation: Long-term **Maersk ECO Delivery** bio-fuel agreement for most sea freight; **37,000 tCO₂e avoided since 2021**; continued trials incl. bio-methanol vessels.

Source <https://bestseller.com/news/biofuel-ocean-transport-has-positive-impact-on-bestseller-s-climate-footprint>
<https://bestseller.com/news/bestseller-secures-low-emission-ocean-transport-through-new-partnership-with-maersk>
<https://bestseller.com/our-company/logistics>

C2.4 CIRCULAR STRATEGY

BESTSELLER pursues circularity across design → use → reuse/repair → end-of-life:

Circular design standards to enable recyclability/mono-materiality and durability (Circular Design Guide).

Upstream recycling pilots (e.g., SWITCH2CE / Bangladesh): scaling traceable recycling of post-industrial textile waste with suppliers to reduce virgin inputs and enable just, local circular systems.

Source <https://bestseller.com/news/unlocking-bangladesh-circular-apparel-industry>

Materials innovation and textile-to-textile polyester investments to increase recycled feedstock availability.

Source Resource-use/innovation hub: <https://bestseller.com/sustainability/resource-use>
 Investment note (2025): <https://bestseller.com/news/bestseller-backs-recycled-polyester-technology-with-new-investment>

C2.5 CIRCULAR BUSINESS MODELS

Group commitment to **test and implement circular business models** in selected key markets with partners (resale/repair/recycling ecosystems detailed in circular/resource-use pages and brand pilots).

Source <https://bestseller.com/sustainability/resource-use> (Brand-level recommerce is evolving and market-specific rather than a uniform group platform)

C2.6 PACKAGING AND LOGISTICS

Packaging targets (by 2025): Phase out single-use virgin plastic where possible and make all **consumer-facing packaging 100% reusable/recyclable/compostable**; paper policy supports circular fibre sourcing.

Source Plastic policy (2025): https://bestseller.com/media/ia2h2ecq/policy-plastic-packaging_2025.pdf
 Paper policy (2025): https://bestseller.com/media/1tipclwc/policy-paper-based-packaging_2025.pdf

Execution examples: Transition to **certified recycled polybags** and design for high-quality recycling; 2024 report notes **all plastic packaging materials (incl. clips) from recycled sources**.

Source 2021 Sustainability Report:
https://bestseller.com/media/ftedww3y/bestseller-sustainability-report-2021_updated-april-2023.pdf
 2023/24 Annual Report snippet:
https://bestseller.com/media/xy4jukys/bestseller-annual-report_2023-2024_3.pdf

Low-carbon freight: Group-wide Maersk ECO Delivery biofuel (incl. ISCC-certified HVO) as default for ocean transport; ongoing pilots with **bio-methanol** ships.

Source <https://bestseller.com/news/bestseller-secures-low-emission-ocean-transport-through-new-partnership-with-maersk>
<https://bestseller.com/news/bestseller-proudly-joins-a-pioneering-voyage>

C2.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

Policies and governance: Supplier **Code of Conduct** (ILO/UN standards), **Supply Chain Due Diligence Report (2025)** outlining risk assessments, monitoring, remediation and grievance mechanisms.

Source CoC: https://bestseller.com/media/00ilm0t/bestseller-code-of-conduct-v6-dec-2018_eng.pdf
Due Diligence 2025: <https://bestseller.com/media/4h5ha3xj/supply-chain-due-diligence-report-2025.pdf>

Factory safety: International Accord signatory since inception; 2024 renewal reaffirmed multi-stakeholder commitment to inspections, remediation and training.

Source Accord renewal: <https://bestseller.com/news/bestseller-signs-historic-renewal-of-international-accord-agreement-for-worker-safety>
Signatories list: <https://internationalaccord.org/signatories/>

Revenue 2024
16,200 millions euros

C3 DECATHLON

C3.1 VISION AND POSITIONING

Decathlon is one of the main global players in sports retail, with an integrated model that covers the entire value chain: product ideation and design, industrialisation, sourcing, logistics, in-store and online distribution. Its portfolio is focused almost exclusively on own brands and on sports equipment, apparel and footwear for a wide variety of disciplines.

At the end of 2024, Decathlon has 1,817 stores and 72 warehouses/logistics platforms, with a commercial presence in 55 countries/regions and an industrial base in 45 production countries. The group employs 101,128 “teammates” of 87 nationalities, with a gender split of 53.4% men and 46.6% women. Net sales in 2024 amount to EUR 16.2 billion (excluding VAT).

Sustainability is presented as a central strategic pillar: Decathlon aims to make sports practice more sustainable by significantly reducing its greenhouse gas emissions, promoting the circular economy in its offering and taking on stringent commitments in terms of human rights along the entire supply chain.

C3.2 FIVE STRATEGIC PILLARS

The 2023–2026 company project is structured around five strategic pillars, including:

- Sustainability – integrating climate, environmental and social objectives into the business model.
- Value Chain – transforming the value chain (design, sourcing, production, logistics) to make it more resilient and lower impact.

The “Sustainability” pillar is broken down into four environmental priorities, including:

- Fight against climate change (absolute emissions reduction and alignment with 1.5°C targets).
- Pollution and use of water resources (effluent control, chemical management, alignment with ZDHC standards).
- Biodiversity (reducing pressures on ecosystems along the value chain).
- Resources and circular economy (ecodesign, circular models, product recycling and management of operational waste).

Within this framework, Net Zero and energy/climate is not an isolated topic, but permeates the way Decathlon:

- designs products (ecodesign, “preferred” materials, durability and repairability),
- organises the supply chain (local production, eTCO – environmental Total Cost of Ownership),
- structures circular business models,
- defines relationships with suppliers and partners (climate commitments, audits, joint decarbonisation projects).

C3.3 CLIMATE OBJECTIVES

Targets and status.

OBJECTIVES FRAMEWORK (2021 BASELINE)

Decathlon has adopted a decarbonisation trajectory aligned with the 1.5°C target, with goals covering the entire value chain (Scopes 1, 2 and 3) relative to the 2021 baseline year:

- 20% absolute emissions by 2026.
- 42% absolute emissions by 2030.
- 90% absolute emissions by 2050, with neutralisation of the remaining 10% to reach Net Zero.

These targets cover all activities: offices, stores, logistics, production and use of products.

2024 PROGRESS STATUS

In 2024, Decathlon's greenhouse gas emissions amount to 8.17 million tonnes of CO₂e, equivalent to:

- 6.91 kg CO₂e per product sold;
- 0.52 kg CO₂e per euro of sales.

Compared to 2021, this corresponds to a 13.2% reduction in absolute emissions and a 2.8% decrease compared to 2023, indicating an improving trajectory, but with further ground to cover to reach the -20% target by 2026.

DECARBONISATION OF OPERATIONS

- electrification of consumption, energy efficiency in stores and warehouses,
- increase in the share of renewable energy: in 2024, 85.2% of the electricity used in company-owned stores and warehouses comes from renewable sources.

Lower-impact products: reduction in the quantities of material used, choice of recycled or renewable materials, design for longer life.

Circular models: growth in sales from circular activities (second life, rental, repair), which in 2024 account for 3.15% of sales, up from 2.87% in 2023.

ENGAGEMENT OF SUPPLIERS AND THE ECOSYSTEM:

Projects with industrial partners to reduce process emissions, definition of climate targets and transition plans in line with Net Zero requirements. Decathlon also obtains an “A” rating from CDP Climate (for the third time), confirming the robustness of its climate management system and the transparency of its reporting.

C3.4 CIRCULARITY STRATEGY

DESIGN → USE → END-OF-LIFE

The “Resources and Circular Economy” strategy is built on the idea that most of the impact is decided at the design stage and that the product life cycle must be managed from design to end-of-life.

DESIGN (ECODESIGN)

Decathlon has defined an ecodesign approach based on four key principles:

- Reducing the amount of material used (optimisation of cutting layouts, “Minimal Waste Design”, reduction of waste).
- Choosing “preferred” materials: recycled, renewable or with a lower environmental footprint.
- Increasing durability and repairability, particularly for technical products subject to heavy wear.
- Facilitating recycling by simplifying composition (mono-materials or recyclable combinations) and reducing accessories that are difficult to separate.

TARGETS AND 2024 PERFORMANCE

Objective: 100% of sales generated by products benefitting from an ecodesign approach by 2026.

2024 status: 48.5% of sales comes from ecodesign products, in continuous growth compared to previous years.

The product recycling component is still in a scaling-up phase and is treated as a structural complement to ecodesign and circular models (resale, rental, repair).

C3.5 CIRCULAR BUSINESS MODELS

RESALE/REPAIR/RENTAL

Circular business models are a central part of the strategy to reduce impact and to make sport accessible. In 2024, taken together, second life, rental and repair generate 3.15% of the group’s sales (2.87% in 2023).

RESALE / SECOND LIFE

Second life is based on the collection, reconditioning and resale of Decathlon products (used or tested). In 2024, 1.35 million “second life” items were sold, equal to 0.76% of total sales.

RENTAL

Short-term rental (e.g. skiing, camping, cycling) is active in 21 countries, with revenue of EUR 17.9 million in 2024.

The model is designed to:

- enable access to products with high intensity of use but sporadic usage,
- reduce the need for individual purchases of technical and expensive equipment,
- increase the utilisation rate of assets and reduce demand for new products.

REPAIR

In 2024, Decathlon carried out 3,042,090 repairs, on a product range that is 17.5% repairable (target of 30% repairable products by 2026).

The repair network is structured in over 1,700 workshops (in-store or regional hubs) and covers many categories: bikes, outdoor equipment, sports electronics, etc.

Repairs are integrated with the offer of Decathlon-specific spare parts, closely linked to ecodesign choices.

In summary, circular models are not presented as “pilot projects” but as structural components of the business, aimed at controlling sales growth in terms of material and climate impact.

C3.6 PACKAGING AND LOGISTICS

PACKAGING

The management of packaging and operational waste is considered a driver of the climate strategy and an integral part of the “Resources and Circular Economy” section.

On packaging, Decathlon acts mainly on three fronts:

ORIGIN OF FIBRES AND CERTIFICATIONS:

- in 2024, around 95% of the paper-pulp packaging used (boxes, cartons, etc.) comes from responsibly managed and certified forests (FSC or PEFC);
- the company has reached its 2025 target of 95% certified fibres ahead of time and now aims to increase the share coming from selected mills.

REDUCTION OF PACKAGING:

- optimisation of parcel volume,

- rationalisation of plastic films and unnecessary materials,
- combined use with production localisation strategies to limit transport and handling.

RECYCLABILITY

- preference for mono-material or easily separable materials,
- reduction of mixed components that are difficult to recycle.
- operational waste and logistics

For waste from retail/logistics activities (excluding post-consumer waste), Decathlon has set itself the objective of recovering 100% of operational waste by 2026 (recycling or energy recovery).

In 2024, around 101,000 tonnes of operational waste were generated, 64.8% of which was recycled.

C3.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

SOURCING AND TRANSPARENCY.

Social responsibility is structured around two main axes: teammates (Decathlon staff) and human rights in production (supply chain).

A Human Rights Policy (March 2024) has been published, covering working conditions, diversity, equity, inclusion and data protection, aligned with UDHR, ILO and OECD.

On the pay front, Decathlon has set an explicit objective:

- to guarantee a “living wage” for 100% of retail employees by 2027, in collaboration with WageIndicator and BSR, with wage-gap analyses to define remediation plans from 2025.

HUMAN RIGHTS IN PRODUCTION, SOURCING & TRANSPARENCY

Decathlon states that it respects the UDHR, ILO Conventions and the UN Guiding Principles on Business and Human Rights along the entire supply chain, integrating these references into the Supplier Code of Conduct and the internal audit system.

SOCIAL AND ENVIRONMENTAL AUDIT SYSTEM

The Supplier Code of Conduct covers 12 key chapters (child labour, forced labour, freedom of association, working hours, remuneration, health and safety, chemical management, living environment, HR management, social responsibility).

Checks are carried out using an internal grid with ratings from A to E; suppliers are required to achieve a minimum score of C (advanced level), with mandatory corrective action plans in the case of D or suspension of production for E.

2024 PRODUCTION PERFORMANCE

842 internal social audits were carried out in 2024 (on 1,272 Rank 1 and Rank 2 production sites audited), with 92.8% of Rank 1 sites rated A, B or C, exceeding the 2026 target of 90%. 149 environmental audits in production and 91.7% of Rank 1 and Rank 2 sites rated A, B or C on environmental performance, again above the 2026 target of 90%.

LIVING WAGE AND FIGHT AGAINST FORCED LABOUR

Decathlon has extended work on living wage to strategic suppliers: in 2024, 100 partner sites in 11 countries measured the gap between actual wages and the “living wage”, with training for buyers and local focal points and pilot projects in Vietnam, India and Bangladesh to evolve pay systems.

In parallel, specific actions are in place against forced labour and unethical recruitment, with guidelines on dormitories and recruitment of migrant workers, assessment tools (forced labour grid, DiginexAPPRISE, Lumen) and full alignment with modern slavery and Duty of Vigilance regulations.

Source <https://sustainability.decathlon.com/decathlon-annual-sustainable-development-reports>

Revenue 2024

21,736.40 million euros / 236,035 million SEK**C4 H&M****C4.1 VISION AND POSITIONING**

H&M Group is one of the world's leading fashion and design companies, with a family of brands (including H&M, COS, Weekday, Cheap Monday, Monki, ARKET, & Other Stories, Singular Society) that offers fashion, beauty and home products to customers worldwide. Its business idea remains "to offer fashion and quality at the best price in a sustainable way", combining design, affordability and accessibility.

The Group's long-term direction is to grow its business decoupled from resource use while minimising negative impacts on people and the planet.

C4.2 FIVE STRATEGIC PILLARS

H&M Group's sustainability strategy is structured around five key impact areas that also function as its strategic pillars for climate and energy transition:

CLIMATE

- Science-based climate targets aligned with a 1.5°C pathway, including a Group-wide net-zero target for 2040 and an approved near-term target to reduce absolute scope 1, 2 and 3 emissions by 56% by 2030 (2019 baseline).

- A climate transition plan focusing on decarbonising the value chain, scaling renewable energy and improving energy efficiency in its own operations and the supply chain.

WATER, CHEMICALS AND POLLUTION

- Reduce absolute freshwater consumption by 30 percent by 2030, against a 2022 baseline, supported by water roadmaps for key suppliers
- Chemical roadmap to improve safe chemical management, including tracing of input chemicals, using best available chemicals, Zero Discharge of Hazardous Chemicals (ZDHC) commitments and robust wastewater treatment requirements
- In 2024, **19.6%** of process water used in tier-1 and tier-2 textile and processing factories was recycled, and overall water use in these factories was reduced by **9.5%** compared with 2022, supporting targets of -10% by 2025 and -30% by 2030.

LAND-USE AND BIODIVERSITY

- Avoid contributing to biodiversity loss and land-use changes, reducing impact by increasing the recycled content of our products and using greater amounts of certified materials (eg responsible wool, wood from FSC certified forests). Regenerative agriculture and conservation projects help to restore natural habitats.

RAW MATERIALS AND RESOURCE USE

- Decoupling growth from resource use by shifting towards recycled and “more sustainably sourced” materials, designing products and packaging for circularity, scaling circular business models, and preventing and minimising waste and optimising assortment planning.

PEOPLE (SOCIAL IMPACT AND HUMAN RIGHTS)

- Respecting human rights across the value chain, with human-rights due diligence based on the UN Guiding Principles and OECD Guidelines, and a focus on salient risks such as wages, freedom of association, discrimination, health and safety and social protection.

C4.3 CLIMATE OBJECTIVES – TARGETS AND STATUS

SCIENCE-BASED CLIMATE TARGETS

- H&M Group’s near-term and net-zero climate targets are validated by the Science Based Targets initiative (SBTi). The Group commits to reduce absolute scope 1, 2 and 3 GHG emissions by **56% by 2030** from a 2019 baseline, and to reach **net-zero by 2040** with at least a 90% reduction in absolute scope 1,2 and 3 GHG emissions and neutralisation of residual emissions through permanent carbon removals.

KEY SUPPORTING TARGETS (SELECTED)

- Phase-out of on-site coal in the supply chain by **2026** (tier 1, 2, selected 3).
- 100% renewable electricity in H&M Group’s own operations by **2030**, with at least 50% sourced through long-term Power Pur-

chase Agreements (PPAs).

- 100% renewable electricity in the garment manufacturing (tier-1, 2, selected 3) supply chain by **2030**.
- Continuous reduction of energy intensity in own operations (e.g. energy use per m² and opening hours in stores).

STATUS 2024

- By 2024, H&M Group achieved a **41% reduction in scope 1 and 2 emissions** and around **24% reduction in scope 3 emissions** compared with 2019, keeping the Group broadly on track for its 2030 target despite a slight year-on-year increase in scope 3 emissions versus 2023.
- 96%** of the electricity used in H&M Group’s own operations came from renewable sources in 2024, supported by a growing portfolio of PPAs.
- Emissions from purchased goods and services remain the largest part of H&M’s footprint; decarbonisation efforts focus on energy efficiency, fuel switching, renewable electricity and lower-impact materials in the supply chain.

C4.4 RESOURCE USE AND CIRCULARITY STRATEGY

H&M Group's resource use and circularity strategy aims to decouple growth from resource use and build a circular textile system across the full product life cycle:

MATERIALS

- Increased share of recycled or sustainably sourced materials in commercial products and packaging
- In 2024, **89%** of the materials used in garments and accessories were either recycled or “more sustainably sourced”, and **29.5%** were recycled materials – an increase versus previous years.

DESIGN

- Products are increasingly designed for durability, repairability and recyclability, using design guidelines aligned with circular-economy principles.
- The Group is working with industry alliances and standard-setting initiatives to develop circular-design criteria and digital product information to support future recycling systems.

EXTENDING CUSTOMER USE

- Circular design is complemented by business initiatives (see section 5) that extend product life through resale, repair and rental.
- H&M's quality and fit work aims to ensure garments withstand prolonged use, improving customer value while reducing environmental impact per wear.

- H&M Group runs a large in-store garment-collecting programme: in 2024, it collected **17,100 tonnes** of textiles across 21 markets (excluding franchises). 66% of collected items were directed to **reuse**, 24% to **recycling**, and 10% to other forms of disposal (prioritising incineration with energy recovery when no higher-value option exists). Note: The share of garments redirected to each end destination is based on an average for each sorting facility, excluding garments collected in Japan and Mainland China.
- Through Looper Textile Co. and other recycling partnerships, H&M invests in fibre-to-fibre recycling, sorting and other technologies to increase the share of materials that can re-enter production cycles.

CIRCULAR BUSINESS MODELS

- H&M Group is scaling **resale** primarily through its majority-owned platform **Sellpy**, alongside brand-specific offers such as H&M Pre-Loved, COS Resell and ARKET Archive.
- In 2024, resale-based business models represented around **0.6%** of H&M Group's net sales, more than double their share compared with 2022, and are identified as a significant climate-related business opportunity in scenario analyses.
- Rental** pilots are tested in specific markets and brands, supporting learning on customer demand and operational models for shared use.

PACKAGING

- H&M Group's packaging strategy focuses on reducing volumes, increasing circularity of materials and improving recyclability across the value chain.

TARGETS AND PROGRESS

- Target to reduce the volume of plastic packaging by **25% by 2025** compared with 2018 and to ensure **100% of packaging materials are recycled or more sustainably sourced by 2030**.
- By 2024, **84%** of all packaging materials used by H&M Group came from recycled or more sustainably sourced materials, up from 73% in 2022 and 79% in 2023, showing steady progress towards the 2030 target.
- The Group aims to design **all plastic packaging for reuse or recycling by 2025**, in line with circular-economy principles and evolving regulatory requirements.

KEY ACTIONS

- Systematic packaging **risk assessments** across brands and markets to identify hotspots and opportunities to reduce, reuse or redesign packaging.
- Phasing out unnecessary plastic packaging and light-weighting existing solutions, with a strong focus on **polybags** and e-commerce packaging.
- Increasing the use of mono-materials, recycled content and FSC-certified paper and cardboard to enhance recyclability and reduce environmental impact.

C4.5 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES SOURCING AND TRANSPARENCY

H&M Group engages millions of people across its value chain and has a

formal commitment to respect human rights in line with international standards that address different people groups (own employees, workers in the value chain, affected communities, consumers).

HUMAN-RIGHTS DUE DILIGENCE AND GOVERNANCE

- The Group has a human rights due diligence (HRDD) process to identify, prevent, mitigate, track and account for actual and potential adverse impacts across its own operations, supply chain and other business relationships.
- Its approach is based on the UN Guiding Principles on Business and Human Rights, OECD Guidelines, the International Bill of Human Rights and core ILO conventions, and is embedded in a Responsible Business Conduct (RBC) policy and a comprehensive human rights policy that applies to all entities and business partners.
- H&M regularly conducts a **salience assessment** to identify and prioritise human rights risks (e.g. health and safety, forced labour, child labour, discrimination, wages, social protection and freedom of association) and links them to its impact-materiality assessment.

WORKERS IN THE VALUE CHAIN – LABOUR PRACTICES

- H&M does not own factories; instead, it works with over **1,600 production units** at tier-1 and 2 suppliers in more than 40 markets, employing more than **1.4 million workers**. The Group's focus is on tier-1, and increasingly, tier-2 and tier-3 suppliers.
- Governance: For suppliers of commercial and non-commercial goods, use a system of risk-based audits and a sustainable impact partnership programme (SIPP) to ensure all suppliers meet minimum require-

ments, monitor compliance and performance and enhance capacity.

- **Activities are structured around four key areas:**

- **Labour rights and Access to remedy** – strengthening industrial relations, workplace dialogue and enabling remedy, through factory programmes, collaboration with trade unions, assessing grievance mechanisms and managing incidents; in 2024, over **600 factories** were assessed on labour rights and grievance systems and 164,818 workers responded to worker surveys, with 96% of participating workers stating they knew how to use grievance channels. In 2024, 39% of tier 1 factories had trade union representation.
- **Compensation and Benefits (including Social Protection)** – implementation of wage-management systems at supplier level, responsible purchasing practices, and advocacy for improved wage-setting mechanisms and social-protection systems; includes a binding agreement with IndustriALL in Cambodia to support collectively bargained wages and better working conditions.
- **Health, Safety and Well-being** – robust health and safety standards, collaboration with ILO Better Work and the International/ Pakistan ACCORDs, and specific guidelines reviewed with trade unions; H&M aims for zero fatalities and zero accidents in its value chain.
- **Gender Equality** – in 2024 61% of workers in supplier factories are women, 65% of worker representatives in tier 1 factories are women; H&M's gender-equality strategy focuses on health and safety, career development, wages and representation, with spe-

cific programmes and training addressing gender-based violence and harassment (GBVH).

GLOBAL FRAMEWORK AGREEMENT & SOCIAL DIALOGUE

- H&M Group renewed its **Global Framework Agreement (GFA)** with IndustriALL Global Union and IF Metall, including stronger supply-chain due diligence commitments, an updated governance structure and a shared budget to reinforce industrial relations and facilitate trade-union access to factories in cases of alleged violations.
- The GFA is implemented through **National Monitoring Committees (NMCs)** in key production countries (e.g. Bangladesh, Cambodia, India, Indonesia, Türkiye), which serve as joint platforms for addressing grievances and promoting freedom of association. NMCs consist of IndustriALL Global Union-affiliated unions and colleagues from H&M Group production offices and serve as additional grievance mechanisms where workers can raise concerns directly with H&M Group staff and where conflicts that could not be resolved at the factory level can be elevated. In 2024, over 1million workers were covered by NMCs.

SOURCING AND TRANSPARENCY

- H&M Group publishes detailed lists of production factories and key wage data for major sourcing markets on its website, aligning with evolving regulatory requirements on due diligence and supply-chain transparency.
- The Group reports under multiple modern slavery and supply chain transparency laws (e.g. the UK and Australian Modern Slavery Acts, the German Supply Chain Act, the Canadian and the Californian Transparency Acts, and the Norwegian Transparency Act).

Source HM-Group-Sustainability-progress-report-2024

Revenue 2024
4,307 million euros

C5 HUGO BOSS

C5.1 VISION AND POSITIONING

“We feel responsible for protecting our planet... sustainability plays an important part in our CLAIM 5 strategy.”

Source <https://group.hugoboss.com/en/sustainability>

As a globally engaged business, we have a special responsibility. We know that our activities have an impact on the planet. It is our aim to keep this as low as possible to ensure a bold and better future for the current and future generations.

C5.2 FIVE STRATEGIC PILLARS

Increase Circularity: raise the share of circular products.

Drive Digitisation and Data Analytics: use digital tools to reduce waste.

Leverage Nature-Positive Materials: source natural materials from regenerative agriculture or closed-loop recycling.

Fight Microplastics: phase out polyester and polyamide.

Push Zero Emissions:
reduce emissions throughout the value chain.

Source <https://group.hugoboss.com/en/sustainability>

C5.3 CLIMATE STRATEGY

Net-zero across the value chain by **2050**.

≥ 50 % reduction in Scope 1-3 emissions by 2030 (baseline 2019).

Phase-out of coal by 2030 as part of the UN Fashion Industry Charter for Climate Action commitment.

100 % renewable electricity by 2030 (73 % achieved in 2024) in own operations.

Environmental management certified to **ISO 14001** and energy management to **ISO 50001**; internal **GREENBUDGET** programme, plus PV at multiple of sites, and LED rollout in > 90 % of stores.

Source <https://group.hugoboss.com/en/sustainability/planet/climate-protection>

C5.4 CIRCULARITY STRATEGY

80 % of garments circular by 2030; 33 % reached by end-2024.

Circular products must use renewable or recycled materials, be recyclable, and be designed for longevity.

Circular design guidelines developed with circular fashion, yearly **circular design trainings**.

Source <https://group.hugoboss.com/en/sustainability/product/circularity-strategy>

C5.5 CIRCULAR BUSINESS MODELS

Resale offer in collaboration with Sellpy: free Sellpy trade-in kits are offered by HUGO BOSS to everybody interested in participating.

Repair services (for members of HUGO BOSS loyalty program for free) Online tutorials (e.g., “Plug a Hole”, “Sew on a Button”) guide customers to maintain and repair garments.

Source <https://group.hugoboss.com/en/sustainability>

C5.6 PACKAGING AND LOGISTICS

30% reduction in single-use plastic per product by 2030 (baseline 2023).

Packaging uses **FSC-certified paper and recycled plastic**; plastic lamination has been removed from shopping bags; reusable garment bags are used.

37% of cardboard packaging is reused in German hubs (670 t in 2024); transport hangers contain over **90% recycled material**.

Optimised transports through efficient route planning and consolidation of shipments; preference given to the most CO2-efficient means of transportation such as ship; air freight limited to urgent shipments.

Source <https://group.hugoboss.com/en/sustainability/planet/packaging-and-logistics>

C5.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

Human-rights due diligence covering tier 1 and tier 2, guided by the Group Human Rights Statement, Code of Conduct, and Supplier Code of Conduct.

Grievance mechanisms: global Speak Up channel (including toll-free hotlines), independent ombudsperson.

Source <https://group.hugoboss.com/en/sustainability/people/human-rights-working-conditions>

Supplier social compliance: 93 % of tier 1 production from factories in the top two compliance tiers; **100 % target by 2025**.

Source <https://group.hugoboss.com/en/sustainability/product/production-suppliers>

Living wage commitment across own sites and supply chain; suppliers must respect freedom of association.

Source <https://group.hugoboss.com/en/sustainability/people/human-rights-working-conditions/fair-compensation>

Capacity building training on Occupational Health Safety, gender equality, chemical management, etc., with partners such as ZDHC and Leather Working Group.

Source [production-suppliers link above](#)

Employee engagement and diversity: 21,300 employees worldwide; employee-satisfaction score 69 % (target 75 %); 27% women in first management level (target >40% by 2025); **44 % women in middle management** (target > 50 % by 2025); inclusion metric agreement 74 % (target 79 % by 2030); equity index agreement 80% (target 85% by 2030).

Source <https://group.hugoboss.com/en/sustainability/people/development-diversity-health>

External validation: Fair Labor Association accreditation maintained (latest assessment: 2024).

Source <https://www.fairlabor.org/reports/hugo-boss-2024-post-accreditation-report/>

Revenue 2024
38,632 million euros

C6 INDITEX

C6.1 VISION AND POSITIONING

Inditex positions itself as a fashion platform committed to transforming the industry through science-aligned decarbonisation, circularity, safer chemistry, and robust social standards. Its public roadmap centres on two headline goals: by **2030**, to use only **lower-impact textile fibres** (next-gen, recycled, or from organic/re-generative farming) and by **2040**, to reach **net-zero** across its value chain by reducing its carbon footprint at least 90% vs 2018 and neutralising the residual 10%.

Source <https://www.inditex.com/itxcomweb/es/en/sustainability>
https://static.inditex.com/annual_report_2023/en/Environment.pdf

Inditex reports with reference to GRI and publishes a detailed Climate Transition Plan aligned with SBTi guidance for 2030/2040 milestones.

Source Climate Plan PDF: <https://www.inditex.com/itxcomweb/api/media/450e8c9d-3266-4ffe-abb0-62fe206a188c/Inditex%2BClimate%2BTransition%2BPlan.pdf>
GRI Index 2024: <https://www.inditex.com/itxcomweb/api/media/8a869ea9-26b2-49ad-b634-eac5de2eac04/GRIContentIndex.pdf>

C6.2 FIVE STRATEGIC PILLARS

Net Zero and Energy. Net-zero by **2040** ($\geq 90\%$ footprint reduction vs 2018). Own facilities have used **100% renewable electricity since 2022 (HQ, logistics centres, factories, owned stores.)**

Source <https://www.inditex.com/itxcomweb/es/en/sustainability>
https://static.inditex.com/annual_report_2023/en/Environment.pdf

Preferred Materials (2030). **100%** of textile products made with **lower-impact materials** by 2030; parallel commitment to protect/restore/regenerate **5 million hectares for biodiversity**.

Source https://static.inditex.com/annual_report_2023/en/Environment.pdf
“New Commitments” PDF: <https://www.inditex.com/itxcomweb/api/media/cdcf54dd-4c9b-4ee9-92ab-f55d28d65901/Inditex%2BNew%2BSustainability%2BCommitments.pdf>

Circularity at Scale. Design for durability and recyclability; scale recommerce/repair/donation via **Zara Pre-Owned** (launched 2022; **16 European markets** in 2023; expansion to the **US** by late 2024).

Source Strategy 2023: https://static.inditex.com/annual_report_2023/en/Strategy.pdf
FY2023 results:
<https://www.inditex.com/itxcomweb/es/en/press/news-detail/10da31b6-0c12-43e4-9e33-103766d27821/fy2023-results>
Service info: <https://www.zara.com/uk/en/preowned-about-mkt5795.html>

Safer Chemistry and Water. Roll-out of **ZDHC Roadmap to Zero** across the supply chain; **Green to Wear** environmental standard; **PFAS-free** manufacturing guidance.

Source Overview: <https://www.inditex.com/itxcomweb/es/en/sustainability>
GTW 2.1 PDF: <https://www.inditex.com/itxcomweb/api/media/9af42004-8584-4681-917f-eca403026167/GTW%202.1%20English%202023.pdf>
PFAS guidance PDF: <https://www.inditex.com/itxcomweb/api/media/5b480a53-9437-4420-956e-e3c05372ac77/PFAS-free%2BManufacturing%2BGuidance.pdf>

Supply Chain Transformation and Biodiversity. Partnerships and innovation to decarbonise and modernise manufacturing (**Sustainability Innovation Hub**; startup collaborations) and projects to protect ecosystems.

Source https://static.inditex.com/annual_report_2023/en/Environment.pdf

C6.3 CLIMATE OBJECTIVES

Net-zero value chain by 2040, achieved by ≥90% footprint reduction vs 2018 and neutralisation of residual 10%.

Source https://static.inditex.com/annual_report_2023/en/Environment.pdf
<https://www.inditex.com/itxcomweb/es/en/sustainability>

2030 milestone package: updated SBT-aligned targets spanning Scopes 1-3 with levers across materials, manufacturing, logistics, product use/end-of-life.

Source Climate Plan: <https://www.inditex.com/itxcomweb/api/media/450e8c9d-3266-4ffe-abb0-62fe206a188c/Inditex%2BClimate%2BTransition%2BPlan.pdf>
New Commitments: <https://www.inditex.com/itxcomweb/api/media/cdcf54dd-4c9b-4ee9-92ab-f55d28d65901/Inditex%2BNew%2BSustainability%2BCommitments.pdf>

Own operations decarbonisation: 100% renewable electricity since 2022; additional VPPA and self-generation pipeline.

Source https://static.inditex.com/annual_report_2023/en/Environment.pdf
https://static.inditex.com/annual_report_2023/en/Strategy.pdf

Logistics transparency: 2024 transport emissions rose due to Red Sea disruptions (greater air freight); reduction levers include route optimisation, alternative fuels, container efficiency.

Source Reuters: <https://www.reuters.com/business/retail-consumer/zara-owner-inditexs-transport-emissions-jump-2024-2025-03-14/> Climate Plan PDF above

C6.4 CIRCULARITY STRATEGY

Inditex pursues circularity across **design → use → reuse/repair → end-of-life**. It invests in next-gen recycling (e.g., collaborations with **BASF, Ambercycle, CIRC**) and applies circular design criteria; it also targets **100% lower-impact materials by 2030**.

Source Products 2022 PDF: https://static.inditex.com/annual_report_2022/pdf/PRODUCTS.pdf
Strategy 2023 PDF: https://static.inditex.com/annual_report_2023/en/Strategy.pdf
Overview: <https://www.inditex.com/itxcomweb/es/en/sustainability>

On the “use” side, **Zara Pre-Owned** enables repairs, peer-to-peer resale and donations; in-store garment-collection boxes support re-use/recycling with NGOs.

Source <https://www.zara.com/uk/en/preowned-about-mkt5795.html>
<https://www.inditex.com/itxcomweb/es/en/sustainability>

C6.5 CIRCULAR BUSINESS MODELS

Resale/Pre-Owned. Integrated recommerce for Zara customers (quality-checked items; plastic-free shipping for pre-owned) – in **16 European markets** and expanded to the **US** by late 2024.

Source FY2023 results: <https://www.inditex.com/itxcomweb/es/en/press/news-detail/10da31b6-0c12-43e4-9e33-103766d27821/fy2023-results>
H2024 results: <https://www.inditex.com/itxcomweb/api/media/2e2b8f82-90ca-4278-af1d-b202e97481ba/1H2024%2BResults.pdf>
Service info: <https://www.zara.com/uk/en/preowned-about-mkt5795.html>

Repair and Care. Online booking for repairs/alterations via Zara Pre-Owned; donation channel as an alternative to resale.

Source <https://www.zara.com/uk/en/preowned-about-mkt5795.html>

Material Circularity and Packaging Loops. “**Green to Pack**”/box-reuse systems; online orders shipped in **recycled cardboard** with closed-loop reuse/recycling.

Source https://static.inditex.com/annual_report_2016/en/our-priorities/recycling-and-efficient-use-of-resources/efficient-shipping-green-to-pack.php
https://static.inditex.com/annual_report_2017/assets/pdf/c64_en.pdf

C6.6 PACKAGING AND LOGISTICS

Plastics phase-out. Plastic shopping bags eliminated in **2020; 95%** of single-use plastic that could end up in customers' hands eliminated by **2023; bag-charging** policy with proceeds for environmental initiatives.

Source <https://www.inditex.com/itxcomweb/es/en/sustainability>

Reused and recycled packaging. Boxes reused multiple times before recycling; recycled cardboard used to make new Zara online boxes; pilot for customers to **receive orders in reused boxes**.

Source https://static.inditex.com/annual_report_2016/en/our-priorities/recycling-and-efficient-use-of-resources/efficient-shipping-green-to-pack.php
https://static.inditex.com/annual_report_2017/assets/pdf/c64_en.pdf
https://static.inditex.com/annual_report_2023/en/Environment.pdf

Greener logistics. Long-term shift to lower-emission modes and fuels; efficiency via route optimisation and container occupancy; candid disclosure of temporary deviations.

Source Reuters link above; Climate Plan PDF above

C6.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

Human rights due diligence and standards. The “**Workers at the Centre**” strategy drives worker engagement, safe and discrimination-free workplaces, health protection, and the conditions needed to achieve **living wages**; policies and supplier standards are published.

Source Overview: <https://www.inditex.com/itxcomweb/es/en/sustainability>
Supply chain management overview PDF: https://www.inditex.com/itxcomweb/api/media/2f896a99-1b0f-4757-8242-3256e1701cee/Supply_chain_management_transform_sector.pdf
“Workers at the Centre 2023” PDF: <https://www.inditex.com/itxcomweb/api/media/9a-6f7a1e-8f5e-49bb-ac24-4fd2e70a6ed2/Workers%2Bat%2Bthe%2Bcentre%2B2023.pdf>

Living wage pathways. Participation in **ACT (Action, Collaboration, Transformation)** on industry-level collective bargaining; longstanding **Global Framework Agreement** with **IndustriALL Global Union**.

Source <https://www.inditex.com/itxcomweb/es/en/press/frequent-questions>
<https://www.industriall-union.org/signing-on-for-workers-rights>
<https://www.industriall-union.org/inditex-gfa-working-towards-a-national-trade-union-network-in-vietnam>

Factory safety. Signatory to the **International Accord for Health and Safety** (Bangladesh and Pakistan programmes), with public factory disclosure.

Source <https://internationalaccord.org/>
Signatories: <https://internationalaccord.org/signatories/>
Factory lists: <https://internationalaccord.org/factory-disclosure-bangladesh/>

C7 LINDEX (LINDEX GROUP)

Revenue 2024
940.1 million euros

C7.1 VISION AND POSITIONING

Lindex frames its sustainability ambition as “making a difference for future generations,” now reported at the **group level** under **CSRD** in the Lindex Group Annual Report (since FY2024). The group highlights progress and challenges, and consolidates Lindex brand actions within the divisional reporting.

Source Sustainability reports hub:
<https://about.lindex.com/sustainability/reports-policies-and-commitments/sustainability-reports/>
 Lindex Group Annual Report 2024 (ENG PDF): https://www.lindexgroup.com/wp-content/uploads/sites/5/2025/03/Lindex_Group_AR2024_ENG.pdf
 Release: <https://news.cision.com/lindex-group-oyj/r/lindex-group-s-annual-report-and-remuneration-report-for-2024-have-been-published%2Cc4116409>

C7.2 FIVE STRATEGIC PILLARS

Net Zero & Energy (Climate). The Group **Climate Transition Plan** sets a **near-term target to reduce absolute emissions by 42% from a 2022 base year by 2030**, following an SBTi commitment made in 2021.

Source Climate Transition Plan PDF:
<https://about.lindex.com/files/documents/lindex-climate-transition-plan-2023.pdf>

Preferred Materials and Products. Materials work is coupled with a packaging roadmap; internal circular-material criteria guide choices across paper/plastic and textiles, with implementation tracked in annual sustainability reports. The Group has specific targets related both

to “More sustainable/preferred materials” as well as to the uptake of “Recycled fibers”. They are also forming strategic partnerships with recyclers and cotton farmers to enable the transition of their targets.

Source Lindex_Group_AR_2024_ENG_2.pdf
 Sustainability report 2023 PDF:
<https://about.lindex.com/files/documents/Lindex-sustainability-report-2023.pdf>

Circularity at Scale. Take-back in stores, **second-hand pilots and pop-ups**, and—since **Jan 2025**—a **customer-to-customer (C2C) platform** to buy/sell pre-used Lindex garments. The Group also set a specific target related to CBM as part of their climate transition plan and business strategy. Progress are reported under E5 “By 2030, circular business models and services such as recommerce, rental, or repair services will comprise 5% of Lindex division’s total revenue”.

Source Lindex_Group_AR_2024_ENG_2.pdf
 Circular fashion page: <https://about.lindex.com/sustainability/how-we-work/circular-fashion/>
 C2C announcement: <https://about.lindex.com/press/news-and-press-releases/2025/lindex-makes-it-easier-for-its-customers-to-give-clothes-new-life/>
 Second-hand pilot 2021: <https://about.lindex.com/press/news-and-press-releases/2021/lindex-takes-circular-step--launches-second-hand/>
 Pop-up 2022: <https://about.lindex.com/press/news-and-press-releases/2022/lindex-opens-pop-up-store-for-secondhand/>

Safer Chemistry and Forest-safe Packaging. Commitments to **CanopyStyle/Pack4Good** and a **circular material strategy for packaging by 2025**; focus on eliminating risky forest sources and improving recyclability.

Source Lindex_Group_AR_2024_ENG_2.pdf

CanopyStyle/Pack4Good page:

<https://about.lindex.com/sustainability/reports-policies-and-commitments/commitments/canopystyle/>

People and Human Rights. Updated **Code of Conduct (2025)** and **Human Rights Policy (2024)**; the 2024 **Human Rights Report** details salient risks and due diligence actions across the textile supply chain.

Source Policies: <https://about.lindex.com/sustainability/reports-policies-and-commitments/policies/>

Reports: <https://about.lindex.com/sustainability/reports-policies-and-commitments/sustainability-reports/>

C7.3 CLIMATE OBJECTIVES

2030 Target: -42% absolute GHG reduction vs 2022 (near-term), underpinned by a climate roadmap of operational and supply-chain measures; SBTi commitment recorded in 2021.

Source Climate Transition Plan PDF:

<https://about.lindex.com/files/documents/lindex-climate-transition-plan-2023.pdf>

Reporting and Assurance: From FY2024, sustainability is included in the **Group Annual Report** with **limited assurance** on the Sustainability Statement.

Source Lindex Group “Reports and publications” page:

<https://www.lindexgroup.com/en/investors/reports-and-publications/csr-reports/>

Standards Context: Targets are framed against **SBTi** criteria (Corporate Net-Zero/standards references).

Source SBTi standards: <https://sciencebasedtargets.org/net-zero>

Dashboard: <https://sciencebasedtargets.org/target-dashboard>

C7.4 CIRCULARITY STRATEGY

Circularity spans **design** → **use** → **reuse/repair** → **end-of-life**: 10 circular design principles to enhance longevity and circularity in design, in-store take-back, curated **second-hand** formats (incl. baby pop-ups), and the **C2C platform** to extend lifetime and lower impacts. External case studies describe Lindex's aim to integrate resale into its core business, even allowing **cannibalisation** of primary sales to scale reuse.

Source Circular fashion page: <https://about.lindex.com/sustainability/how-we-work/circular-fashion/>

Pop-up 2022: <https://about.lindex.com/press/news-and-press-releases/2022/lindex-opens-pop-up-store-for-secondhand/>

C2C 2025: <https://about.lindex.com/press/news-and-press-releases/2025/lindex-makes-it-easier-for-its-customers-to-give-clothes-new-life/>

Circular Toolbox case study: <https://www.thecirculartoolbox.com/case/lindex>

C7.5 CIRCULAR BUSINESS MODELS

C2C resale (first-party): Lindex launched a C2C platform in January 2025 for peer-to-peer buying/selling of used Lindex garments.

Source Press: <https://about.lindex.com/press/news-and-press-releases/2025/lindex-makes-it-easier-for-its-customers-to-give-clothes-new-life/>

In-store take-back and curated second-hand: Ongoing collection and selected **second-hand** experiences expanded to stores in Sweden, Norway and Finland (pilot 2021; pop-ups 2022) to test and scale reuse. The Group made multiple testing also for Rental and wardrobe services (style me).

Source Pilot: <https://about.lindex.com/press/news-and-press-releases/2021/lindex-takes-circular-step-launches-second-hand/>

Pop-up: <https://about.lindex.com/press/news-and-press-releases/2022/lindex-opens-pop-up-store-for-secondhand/>

C7.6 PACKAGING AND LOGISTICS

Packaging Targets: by 2025, all paper and plastic packaging will follow Lindex's circular material strategy (reports track progress; include all major packaging flows). **Pack4Good's** commitment supports the use of forest-safe pulp inputs.

Source Sustainability report 2023 PDF:

<https://about.lindex.com/files/documents/Lindex-sustainability-report-2023.pdf>
Earlier reports: <https://about.lindex.com/files/documents/Lindex-sustainability-report-2022.pdf>
Canopy/Pack4Good: <https://about.lindex.com/sustainability/reports-policies-and-commitments/commitments/canopystyle/>

Logistics: Transport, packaging and materials efficiencies are monitored via the sustainability report; transportation related targets and emissions and a detailed action plan are disclosed

Source Sustainability report 2023 PDF

<https://about.lindex.com/files/documents/Lindex-sustainability-report-2023.pdf>
Lindex_Group_AR_2024_ENG_2.pdf
[lindex-climate-transition-plan-2023.pdf](https://about.lindex.com/files/documents/lindex-climate-transition-plan-2023.pdf)

C7.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

Policies and standards: **Code of Conduct** sets expectations on **no forced/child labour, freedom of association**, H&S, wages/hours, and environmental compliance for partners; the **Human Rights Policy (2024)** and **Human Rights Report (2024)** outline salient risks, due diligence and remediation across tiers.

Source Code of Conduct and Policies:

<https://about.lindex.com/sustainability/reports-policies-and-commitments/policies/>
Human Rights Policy PDF:
<https://about.lindex.com/files/documents/lindex-human-rights-policy-2024.pdf>

Human Rights Report 2024 PDF:

<https://about.lindex.com/files/documents/lindex-human-rights-report-2024.pdf>

Implementation frameworks: Lindex is member of Ethical trading initiative UK, Sedex and use SMETA methodology to conduct regular audits. Lindex Group aims to go beyond audits by implementing various capacity-building initiatives, including self-assessments.

Source [lindex-human-rights-report-2024.pdf](https://about.lindex.com/files/documents/lindex-human-rights-report-2024.pdf)

Revenue 2024

15,806.30 million euros / 13,816.8 million GBP

C8.1 VISION AND POSITIONING

Marks & Spencer frames sustainability through **Plan A**, with the ambition to become a **net-zero business across its entire value chain by 2040** and to reshape the company for sustainable, profitable growth.

Source <https://corporate.marksandspencer.com/sustainability>

<https://corporate.marksandspencer.com/sustainability/plan-a-our-planet>

M&S publishes annual **ESG reporting** and supplier guidance aligned with science-based targets and supply chain data improvements.

Source https://corporate.marksandspencer.com/sites/marksandspencer/files/2024-06/ESG_Report_2024.pdf
Latest hub: <https://corporate.marksandspencer.com/sustainability/reports-quick-reads>

C8.2 FIVE STRATEGIC PILLARS

Net Zero and Energy – Net zero by **2040** across Scope 1–3; supplier asks include setting SBTi-aligned 2040 roadmaps.

Source <https://corporate.marksandspencer.com/sustainability/plan-a-our-planet>
https://corporate.marksandspencer.com/sites/marksandspencer/files/2024-06/ESG_Report_2024.pdf

Preferred Materials and Products – In Fashion, Home & Beauty, strategy has focused on converting key raw materials (such as cotton, polyester and man-made cellulosic fibres) into more sustainable alternatives.

Source https://corporate.marksandspencer.com/sites/marksandspencer/files/2024-06/ESG_Report_2024.pdf

C8 MARKS & SPENCER (M&S)

Circularity and Waste – Expansion of reuse/recycling via **Another Life** (formerly “Shwopping”) with Oxfam and trials for “unwearables” to recycling pathways.

Source <https://www.oxfam.org.uk/donate/donate-to-our-shops/marks-and-spencer-and-oxfam-another-life/>
News: <https://www.theguardian.com/business/2024/apr/22/m-and-s-and-oxfam-trial-postal-donation-bags-for-unwearable-clothes>

Packaging and Plastics – Targets include **100% recyclable packaging by 2025** and removing **1 billion plastic units by 2027 across Foods and Fashion, Home and Beauty**.

Source <https://corporate.marksandspencer.com/sustainability/plan-a-our-planet/plastics-and-packaging>

People and Human Rights – Contractual **Global Sourcing Principles**, a **Human Rights Policy**, and detailed **Modern Slavery Statements** underpin due diligence and grievance channels.

Source <https://corporate.marksandspencer.com/sustainability/human-rights-our-supply-chain>
[https://corporate.marksandspencer.com/sites/marksandspencer/files/156PA_Global%20Sourcing%20Principles%20Jan2023_R2.pdf](https://corporate.marksandspencer.com/sites/marksandspencer/files/marks-spencer/human-rights-and-our-supply/156PA_Global%20Sourcing%20Principles%20Jan2023_R2.pdf)
https://corporate.marksandspencer.com/sites/marksandspencer/files/2025-05/Modern_Slavery_Statement_2025.pdf

C8.3 CLIMATE OBJECTIVES

Net zero by 2040 (Scopes 1–3). The Plan A roadmap focuses on supplier engagement, primary data, and category-level decarbonisation.

Source <https://corporate.marksandspencer.com/sustainability/plan-a-our-planet>
https://corporate.marksandspencer.com/sites/marksandspencer/files/2024-06/ESG_Report_2024

Supplier asks and SBTs. M&S identifies **six key asks** for suppliers, including setting a **science-based 2040 net-zero target** and road-map (ESG 2024, p. "Six key asks").

Source https://corporate.marksandspencer.com/sites/marksandspencer/files/2024-06/ESG_Report_2024.pdf

Innovation funding. Plan A Accelerator Fund backs collaborative decarbonisation pilots to help meet 2040 goals

Source <https://corporate.marksandspencer.com/media/press-releases/ms-innovating-its-way-net-zero-through-new-plan-partnership-funding>

C8.4 CIRCULARITY STRATEGY

M&S addresses circularity across the product lifecycle, ensuring products are made well and to last, while also supporting customers to extend the life of their products through repair. The long-running take-back with Oxfam has evolved into **Another Life**, focusing on the Four Rs: rewear, repair, resale and recycle. In 2025, a pre-loved **M&S store on eBay** was launched, powered by Reskinned (with 15% of proceeds going to Oxfam).

Source <https://www.oxfam.org.uk/donate/donate-to-our-shops/marks-and-spencer-and-oxfam-another-life/>
<https://www.theguardian.com/business/2024/apr/22/m-and-s-and-oxfam-trial-postal-donation-bags-for-unwearable-clothes>
<https://www.theguardian.com/business/2025/aug/26/marks-spencer-to-open-second-hand-clothing-store-on-ebay>

C8.5 CIRCULAR BUSINESS MODELS

Resale / Pre-loved. Launch of a **pre-loved M&S eBay store** in 2025; **Reskinned** handles repair/refurbishment; Oxfam receives **15%** of profits; unsellable items are recycled/repurposed. At the same time, M&S launched an online takeback service, powered by Reskinned.

Source News & summaries: <https://www.theguardian.com/business/2025/aug/26/marks-spencer-to-open-secondhand-clothing-store-on-ebay>
<https://www.textiletoday.com.bd/ms-partners-with-ebay-to-launch-pre-loved-clothing-recycling-scheme>
 Popular press: <https://www.thesun.co.uk/money/36434488/shoppers-paid-clothes-second-hand-shake-up/>

Recycling. Another Life continues in-store drop-off. In 2024, M&S was part of a project which trialled **postal bags** for customers to send in their non-rewearable textiles.

Source <https://www.oxfam.org.uk/donate/donate-to-our-shops/marks-and-spencer-and-oxfam-another-life/>
<https://www.theguardian.com/business/2024/apr/22/m-and-s-and-oxfam-trial-postal-donation-bags-for-unwearable-clothes>

Repair. In 2024, M&S launched its repair proposition with partner SOJO: M&S launches clothing repair service to give quality clothes 'another life' through Plan A

Reuse. In November, M&S became the first UK scaling partner of Circulose - a next-generation fibre made of 100% textile waste, reducing reliance on virgin fibres and accelerating the shift to circular design at scale.

Source <https://corporate.marksandspencer.com/newsroom/press-releases/ms-becomes-first-uk-brand-join-circulose-scaling-partner-scale-circular>

C8.6 PACKAGING AND LOGISTICS

Plastics and recyclability targets. 100% recyclable packaging by 2025 and 1 billion plastic units removed by 2027 across Food and Fashion, Home & Beauty.

Source ESG 2025; plastics hub <https://corporate.marksandspencer.com/sites/marksandspencer/files/2025-05/Marks-and-Spencer-Group-plc-ESG-Report-2025.pdf>
<https://corporate.marksandspencer.com/sustainability/plan-a-our-planet/plastics-and-packaging>

Progress examples. Paper flow-wrap on **garlic baguettes** removed **5.5 million** plastic units (first UK retailer to switch on this line)

Source <https://corporate.marksandspencer.com/media/press-releases/ms-takes-another-step-towards-removing-1-billion-units-plastic-it-becomes>

Removal of plastic hooks across fashion, beauty and home.

Source <https://corporate.marksandspencer.com/newsroom/press-releases/ms-removes-over-5-million-units-plastic-its-mens-essentials-range>

C8.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

Policies and standards. Contractual **Global Sourcing Principles**, a Group **Human Rights Policy**, and a public **Code of Conduct** set minimum standards on labour rights (FoA/CB), H&S, wages/benefits, and non-discrimination.

Source https://corporate.marksandspencer.com/sites/marksandspencer/files/marks-spencer/human-rights-and-our-supply/156PA_Global%20Sourcing%20Principles%20Jan2023_R2.pdf
<https://corporate.marksandspencer.com/sites/marksandspencer/files/2025-03/Code%20of%20Conduct/Human%20Rights%20Policy.pdf>
<https://corporate.marksandspencer.com/about-us/corporate-governance/policies>

Due diligence and remediation. M&S publishes detailed **Modern Slavery Statements** each year and embeds due diligence guidance for suppliers, including **no recruitment fees** for workers.

Source https://corporate.marksandspencer.com/sites/marksandspencer/files/2024-06/Modern_Slavery_Statement_2024.pdf
2025 statement: https://corporate.marksandspencer.com/sites/marksandspencer/files/2025-05/Modern_Slavery_Statement_2025.pdf
Guidance for Food suppliers: <https://corporate.marksandspencer.com/sites/marksandspencer/files/marks-spencer/human-rights-and-our-supply/human-rights-due-diligence-and-remedy-guidance-1-new.pdf>

Transparency and benchmarks. External assessments (e.g., **WBA/CHRB scorecards**) reference M&S's binding supplier standards and FoA/CB requirements in the GSP.

Source <https://assets.worldbenchmarkingalliance.org/app/uploads/2022/11/MarksSpencer-CHRB-scorecard-2022.pdf>
<https://assets.worldbenchmarkingalliance.org/app/uploads/2023/11/M%26S-CHRB-scorecard-2023.pdf>

C9 NEXT

C9.1 VISION AND POSITIONING

NEXT frames sustainability within its Corporate Responsibility (CR) programme, now structured around five priority focuses: Protecting Workers in our Supply Chain; Responsible Sourcing and Circularity; Tackling Climate Change; Making NEXT a Great Place to Work; Supporting our Communities. The Corporate Responsibility Report to January 2025 is the central non-financial disclosure, informed by a 2024 Double Materiality Assessment and used to steer its net-zero transition plan, UN Guiding Principles implementation and alignment with nine priority UN SDGs.

Source Corporate Responsibility Report 2024/25 – Introduction, About This Report, Our Approach: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>
CR hub: <https://www.nextplc.co.uk/corporate-responsibility/corporate-responsibility-reports/2025>

C9.2 FIVE STRATEGIC PILLARS

Net Zero and Energy – SBTi-approved near-term targets for Scopes 1–3 (–55% absolute Scope 1–2 by 2030 vs 2016/17; –40% Scope 3 per £1m sales by 2030 vs 2019/20) are embedded in the “Tackling Climate Change” focus. As of 2024/25 NEXT reports a 47% reduction in absolute Scope 1–2 emissions vs 2016/17, a 29% reduction in Scope 3 emissions per £1m sales vs 2019/20, 96% of electricity from renewable sources and 35% of the company car and van fleet electrified, supported by LED roll-out, Active Energy Management and a new 15-year sleeved PPA.

Revenue 2024
6,999.05 million euros / 6,118.1 million GBP

Source CR 2024/25 – 2024/25 Progress Against Goals; Tackling Climate Change: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>

Preferred Materials and Product – Under “Responsible Sourcing and Circularity” NEXT aims to source 100% of its main raw materials through known, responsible and/or certified routes for NEXT brand by 2030. 2024/25 progress shows 65% of main raw materials meeting this ambition; for specific fibres: cotton 73%, polyester 50%, leather 96% from LWG-audited tanneries, timber 93% from responsible sources, MMCF 57% from preferred branded sources and wool 21% meeting responsible criteria.

Source CR 2024/25 – 2024/25 Progress Against Goals, Responsible Sourcing and Circularity: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>

Circularity at Scale – Circularity is framed as a growing focus, aiming to design long-lasting products, minimise waste and pollution and keep materials in use for longer. NEXT reports diverting 97% of operational waste from landfill and continuing to reduce packaging, while embedding circular principles in product and packaging design and participating in sector initiatives such as WRAP Textiles 2030 and the Durability Research Project.

Source CR 2024/25 – Our Approach to Corporate Responsibility; Responsible Sourcing and Circularity Partnering for Change: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>

Safer Chemistry and Water – Chemical and water management are handled via Group Restricted Substances Standards (RSS/RSL), a Group Chemical Policy and strategic engagement with the Zero Discharge of Hazardous Chemicals (ZDHC) Foundation. By 2024/25 NEXT reports 637 core textile wet processors engaged with ZDHC, representing 87% of products sold, alongside memberships in Textile Exchange and The Microfibre Consortium to address broader fibre and microfibre impacts.

Source CR 2024/25 – Responsible Sourcing and Circularities; collaborations: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>
RSL and Chemical Policy: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/documents/about-us/chemical-policy-23-7-25.pdf>

People and Human Rights – The Protecting Workers in our Supply Chain focus builds on NEXT's Code of Practice (COP), human rights commitments and Modern Slavery programme. A global in-house COP team of 53 managers, ethical specialists and auditors works in key sourcing locations, using risk-based audits, country risk analysis and UNGP-aligned salient risk assessments to manage issues such as working hours, wages, harassment, modern slavery and freedom of association.

Source CR 2024/25 – Protecting Workers in our Supply Chain; Code of Practice and Human Rights pages: <https://www.nextplc.co.uk/corporate-responsibility>

C9.3 CLIMATE OBJECTIVES

SBTi-approved near-term targets. NEXT's SBTi-validated targets commit the Group to reducing absolute Scope 1–2 emissions by 55% by 2030 from a 2016/17 baseline and Scope 3 emissions by 40% per £1m sales by 2030 from a 2019/20 baseline, in line with a 1.5°C pathway for Scopes 1–2. As at 2024/25, progress stands at -47% Scope 1–2, -29% Scope 3 per £1m sales, 96% renewable electricity and 35% of company cars and van fleet electrified, with at least 97% of operational waste diverted from landfill.

Source CR 2024/25 – 2024/25 Progress Against Goals; Tackling Climate Change: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>

Roadmaps and progress. The Tackling Climate Change section describes a “whole value chain” approach to climate risk and mitigation, combining operational efficiency (estate-wide LED installation, Active Energy Management, solar roll-out, energy optimisation in selected stores) with supply-chain collaborations (Cascale, Textile Exchange, ZDHC). A new 15-year sleeved Power Purchase Agreement (PPA) adds c.26 GWh of renewable electricity per year, supporting progress towards 100% renewable electricity by 2030 and feeding into a net zero transition plan aligned with wider UK retail decarbonisation roadmaps.

Source CR 2024/25 – Tackling Climate Change: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>

C9.4 CIRCULARITY STRATEGY

NEXT's circularity strategy sits within Responsible Sourcing and Circularity and covers the full value chain: design → use → reuse/repair → end-of-life. The CR 2024/25 report emphasises designing long-lasting products, minimising waste and pollution, and keeping materials in use through improved durability, repair, reuse and recycling routes. NEXT continues to reduce packaging where possible and, after an initial unsuccessful trial, is again attempting to use recycled flexible plastics collected from customers to produce linings for NEXT courier sacks, which already contain at least 30% recycled content. Participation in WRAP's Textiles 2030 Durability Research Project supports sector-wide methods to monitor and benchmark material durability, while operational waste management ensures 97% diversion from landfill.

Source CR 2024/25 – Responsible Sourcing and Circularity; Partnering for Change: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>
 Clothing reuse and recycling guidance: <https://zendesk.next.co.uk/hc/en-gb/articles/4407489951761-Clothing-Reuse-Recycling>

C9.5 CIRCULAR BUSINESS MODELS

In-store and customer programmes. NEXT combines product design and customer programmes to support resale, repair and reuse. The Clothing Reuse & Recycling offer (online guidance and in-store routes) is complemented by circular initiatives highlighted in CR 2024/25, such as the launch of pre-loved designer handbag resale and repair via the Seasons website and The Handbag Clinic partner-

ship, allowing customers to revitalise and extend product life while generating revenue without relying on virgin materials.

Source CR 2024/25 – Responsible Sourcing and Circularity; Clothing reuse & recycling: <https://zendesk.next.co.uk/hc/en-gb/articles/4407489951761-Clothing-Reuse-Recycling>

Materials sourcing for circularity. The 2030 raw-materials ambition (100% of main raw materials via responsible/certified routes) is positioned as an enabler for circular feedstocks and lower-impact inputs over time. Circular business models also extend to partner brands: for example, FatFace's Foundation charity outlet shop keeps end-of-life products out of landfill and donates 100% of profits to charities, while its partnership with Thrift+ and provision of repair tips and videos encourage reuse and repair.

Source CR 2024/25 – Responsible Sourcing and Circularity; Partnering for Change: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>

C9.6 PACKAGING AND LOGISTICS

NEXT is committed to improving packaging sustainability by refining targets for better recyclability and reduced environmental impact. This includes analysing materials, exploring innovative designs, and assessing recycling infrastructure. NEXT aligns with the WRAP UK Plastics Pact to support collaborative action on plastic waste. Additionally, NEXT uses the OPRL labelling system to help offer clear recycling guidance to customers, along with a flexible plastic recycling take-back programme in our stores. By setting measurable goals, NEXT aims to make meaningful progress towards a circular economy. 602 tonnes of hangers collected from stores for recycling and reuse in 2024/25.

Operational notes. Logistics decarbonisation is addressed mainly through estate energy efficiency and fleet initiatives. CR 2024/25 reports completion of LED installation across all 455 NEXT UK stores (with replacement of first-generation LEDs at end-of-life by higher-efficiency models), roll-out of Active Energy Management at Head Office and in trial retail stores, additional solar capacity on warehouse roofs (c.1.2 M kWh per annum), and expansion of the electric fleet, contributing to the 35% electrification figure for company cars and vans. These measures support the broader net-zero strategy, although detailed transport-emissions breakdowns remain less granular than for some peers. (CR 2024/25 – Tackling Climate).

Source Change: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>

C9.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

Code of Practice (ethical trading). NEXT's Code of Practice sets contractual expectations on no forced labour, freedom of association, health and safety, working hours and wages for suppliers across five tiers of the supply chain. The in-house COP team (53 staff) operates mainly in sourcing countries, using country risk analysis, risk-based audit plans and frequent site engagement to safeguard workers. In 2024/25, the COP team carried out 2,402 audits (95% unannounced), extended the COP approach to FatFace and Joules, and developed specific risk analyses for Nepal, Jordan and the UK.

Source Code of Practice: <https://www.nextplc.co.uk/corporate-responsibility/code-of-practice>
CR 2024/25 – Protecting Workers in our Supply Chain: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>

Human Rights and Modern Slavery. NEXT implements the UN Guiding Principles on Business and Human Rights and publishes an annual Modern Slavery Transparency Statement. The 2024/25 CR report sets out a salient risk framework covering issues such as wage levels, working hours, harassment and discrimination, children's rights and modern slavery. During 2024/25, NEXT identified 37 modern slavery-related risk cases in COP audits; by year-end, 11 had been remediated, 16 had ongoing remediation plans, and 10 led to disengagement. Grievance mechanisms and worker-voice channels – including the TIMBY app – have been rolled out beyond initial pilots in Pakistan, India and Myanmar to the UAE, Morocco, Turkey, Sri Lanka and Cambodia, with further expansion planned.

Source Human Rights and Modern Slavery pages:
<https://www.nextplc.co.uk/corporate-responsibility/human-rights>
<https://www.nextplc.co.uk/corporate-responsibility/modern-slavery-transparency-statement>
CR 2024/25 – Protecting Workers: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>

Chemical safety in products. Group RSL/RSS and the Chemical Policy govern hazardous substances in products and manufacturing, with implementation supported by strategic memberships in ZDHC – Roadmap to Zero, Textile Exchange, Leather Working Group and The Microfibre Consortium. As of 2024/25, 637 core textile wet processors, representing 87% of NEXT brand products sold, are engaged with ZDHC programmes, complementing fibre-level Responsible Sourcing targets and animal welfare policies.

Source CR 2024/25 – Responsible Sourcing and Circularity; Partnering for Change: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/about-next/corporate-responsibility-report-2025.pdf>
RSL and Chemical Policy: <https://www.nextplc.co.uk/~/media/Files/N/next-plc-v4/documents/about-us/chemical-policy-23-7-25.pdf>

C10 OVS

Revenue 2024
1,631.4 million euros

C10.1 VISION AND POSITIONING

OVS is improving product quality and style while simultaneously reducing its environmental impact through decarbonisation efforts, increased use of recycled materials, and energy optimisation in stores. OVS is expanding into new segments (such as a sustainable sportswear line) by innovating with low-impact materials. The company is committed to set a circular business model – designing longer-lasting garments and providing recycling and reuse services to customers. OVS's dedication to transparency and responsibility is evidenced by its first-place ranking in the Fashion Transparency Index for three consecutive years. Looking ahead, OVS plans to pilot new sustainable business models in synergy with its tech hub in southern Italy to drive circular-economy innovation, support organic cotton cultivation in Italy and advance textile recycling initiatives.

C10.2 FIVE STRATEGIC PILLARS

Design for Circularity – Promote low-impact materials and circular production models.

Being Fair and Transparent – Strengthen supplier collaboration and ensure complete supply-chain transparency.

Design a Better Work – Foster sustainable working conditions and inclusivity for all employees and workers in the supply chain.

Making Fashion a Better Choice – Educate and empower customers to make conscious purchases, while improving product traceability.

Science-Based Decarbonisation – Achieve a 46.2% reduction in greenhouse gas emissions by 2030 (from a 2019 baseline) through energy efficiency and renewable energy, as validated by the Science Based Targets initiative.

Source OVS Sustainability Strategy 2024-2026

C10.3 CLIMATE OBJECTIVES

Mid-Term GHG Reduction: Cut absolute CO₂ emissions by 46.2% by 2030 (vs. 2019), a target officially approved by the Science Based Targets initiative.

Progress to Date: In 2024, OVS reduced Scope 3 emissions by 22% compared to 2019, achieved through a better-materials mix and optimised transport (e.g. minimising air freight).

Renewable Energy: Install photovoltaic systems covering 40% of OVS's energy needs and continue investing in renewable electricity to reach 100% renewable power by 2030.

Energy Efficiency: Ongoing energy-efficiency programmes (e.g. LED lighting, efficient heating/cooling in stores) contribute to long-term climate goals.

Source OVS Decarbonization Plan ovscorporate.it

C10.4 CIRCULARITY STRATEGY

*OVS has embedded circularity into its core operations through a dedicated **Circular Operating System design programme** launched in 2023. This strategy aims to minimise waste and keep products in use for longer:*

Ecodesign: Garments are developed to be durable and easily recyclable from the start. The company set a goal to **extend product lifespan**, ensuring fashion pieces remain in circulation and out of landfills longer.

Pre-consumer Waste Management: OVS refurbishes unsold products at an industrial scale, achieving a 60% refurbishment rate of unsold items, so that they can be reintroduced for sale rather than discarded.

Post-consumer Textile Collection: The company runs take-back programs for used clothing, giving garments a “second life” through resale or recycling into new fibres.

Circular Benchmarking: In 2023, **90% of OVS's products** met the company's sustainability criteria (e.g. made with circular or low-impact materials and processes) without compromising style or quality. OVS is now setting a new target on traceability and durability of the garment collection.

Source OVS Circularity Initiatives

C10.5 CIRCULAR BUSINESS MODELS

OVS is actively developing new business models that support circular economy principles:

Recycling and reuse services: The brand offers garment collection and recycling programmes in its stores, enabling customers to return used clothes for reuse or material recycling. These services help extend the life of clothing and reduce textile waste.

Refurbishment of products: Every year, about 60% of unsold or returned items are refurbished and brought back into the sales cycle.

Product durability focus: OVS is introducing a “durability index” to measure and improve the longevity of its garments. By enhancing product quality and repairability, the company encourages customers to use products longer, aligning fashion with sustainability.

Innovation and partnerships: A new OVS Innovation & Sustainability hub is being established (with a 30 million euro advanced logistics facility in Puglia) to incubate circular solutions and digital innovations.

Future models: OVS's strategic roadmap includes experimenting with emerging sustainable business models—for example, clothing rental, subscription, or resale platforms—to decouple growth from further resource use.

Source OVS Circular Business Initiatives

C10.6 PACKAGING AND LOGISTICS

Plastic-free packaging goal: Plastic packaging has been replaced with recycled or renewable materials, such as FSC-certified paper or recycled plastic, to drastically cut down plastic waste.

Optimised transport: OVS's logistics strategy minimises the use of high-carbon transport modes. The company has actively prioritised air freight over more carbon-efficient shipping methods (sea and rail), helping achieve a 10% cut in CO₂ emissions related to inbound materials transport (2019–2023). Optimising routes and consolidating shipments are part of OVS's effort to lower the carbon footprint of product distribution.

Energy-efficient logistics: OVS is investing in greener logistics infrastructure—including the new Puglia facility—and upgrading its fleet and warehouses for better energy efficiency. Renewable energy installations and energy-saving technologies in warehouses help reduce emissions from product storage and delivery.

Source OVS Packaging and Logistics Initiatives ovscorporate.it

C10.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

Supply chain transparency and continuous monitoring: OVS requires all manufacturing partners to adhere to a strict Code of Conduct aligned with International Labour Organization standards. Moreover, 100% of tier-1 factories (accounting for all OVS production) are now registered on the **Worldly** platform (formerly Higg Index), where their environmental and social performance is monitored and verified.

Safe factories & worker protection: OVS plays a proactive role in

improving workplace safety in the countries where it sources. The company is a signatory to the Accord on Fire and Building Safety and has renewed its commitment to the expanded Accord that will include Pakistan in 2024. OVS also co-finances the **Employment Injury Scheme (EIS)** with the International Labour Organization, an insurance fund that guarantees compensation for garment workers in Bangladesh in the event of workplace accidents. These efforts reflect OVS's broader commitment to safeguarding worker wellbeing in high-risk sourcing regions.

Worker representation and wages: OVS advocates for fair labour practices and empowerment of workers in its supply chain. The company set goals to ensure democratic worker representation, targeting **50%** of production volume from suppliers with elected worker representation bodies by 2025, and 100% by 2030. OVS supports the right to collective bargaining and has publicly condemned any repression of trade union activities. It also promotes progress toward a **living wage**: while OVS doesn't set wages, it includes provisions in supplier contracts to accommodate fair pay. It has openly supported minimum-wage increases in countries like Bangladesh.

Capacity building and wellbeing: Through partnerships and pilot programmes, OVS invests in improving conditions at the factory level. In 2023, an energy efficiency initiative funded by OVS helped suppliers identify and implement energy-saving measures, yielding both environmental and financial benefits. The company also worked closely with a key supplier (Sirajgonj Fashion Ltd. in Bangladesh) on a comprehensive worker wellbeing programme, which led to reduced absenteeism, compliance with wage requirements, improved safety practices, and the establishment of worker training programmes.

Source OVS Social Responsibility Initiatives

Revenue 2024
588 million euros

C11 TOM TAILOR

C11.1 VISION AND POSITIONING

Tom Tailor frames sustainability under the “**BE PART**” programme (planet, people, progress), reporting via a Sustainability hub and CSRD-style pilot reports. A dedicated Sustainability and Corporate Responsibility team reports to the CEO and coordinates BE PART initiatives and EU-regulatory alignment.

Source Sustainability hub: <https://company.tom-tailor.com/en/sustainability/sustainability-report>
 CSRD Pilot Report 2023: https://company.tom-tailor.com/fileadmin/user_upload/csrpilot_report_tom_tailor_final_0624.pdf

C11.2 FIVE STRATEGIC PILLARS

Net Zero and Energy (Climate). **SBTi-approved near-term (+FLAG) target;** group communications confirm validated targets under BE PART.

Source Announcement page: <https://company.tom-tailor.com/en/sustainability/be-part-of-less>
 LinkedIn note: https://www.linkedin.com/posts/tomtailor_our-latest-accomplishment-shows-that-its-activity-7158832859883954177-ib5B

Preferred Materials and Products. The **BE PART** label marks products made with lower-impact materials under external certifications (consumer glossary/guide).

Source Glossary: <https://www.tom-tailor.eu/sustainability-bepart>

Circularity and Take-back. **BE PART** of the loop offers easy **garment take-back in stores and free postal returns**, sorting for **Re-wear / Reuse / Recycle** with partner **TEXAID**.

Source Programme page: <https://company.tom-tailor.com/en/sustainability/be-part-of-loop>
 2023 Highlight Report (details): https://company.tom-tailor.com/fileadmin/user_upload/2023_be_part_highlight_report_final_eng-compressed.pdf

Packaging and Waste. Switch to **100% recycled and recyclable poly-bags** inbound; **≥80% recycled content** for e-commerce bags; **cartons 100% recycled paper**; ongoing reduction tests and consolidation.

Source CSRD Pilot 2023: https://company.tom-tailor.com/fileadmin/user_upload/csrpilot_report_tom_tailor_final_0624.pdf
 Sustainability Report 2022: https://company.tom-tailor.com/fileadmin/user_upload/tom_tailor_sustainability_report_2022_final_0623.pdf

People and Human Rights. Supplier requirements are anchored in the **amfori BSCI, Social Compliance Manual**, and a public **Human Rights Policy/Strategy**; LkSG procedures and whistleblowing guidelines are published.

Source BE PART of fair: [https://company.tom-tailor.com/en/sustainability/be-part-of-fair_Human_Rights_Policy_\(EN\)](https://company.tom-tailor.com/en/sustainability/be-part-of-fair_Human_Rights_Policy_(EN)): https://company.tom-tailor.com/fileadmin/user_upload/policy_statement_on_tom_tailor_s_human_rights_strategy_-_english_translation.pdf
 Social Compliance Manual: https://company.tom-tailor.com/fileadmin/user_upload/social_compliance_manual_v.2.3.pdf

C11.3 CLIMATE OBJECTIVES

Near-term targets (SBTi-approved): -50% absolute Scope 1-2 by 2030 vs 2019; -30% absolute Scope 3 by 2030 vs 2019 (SBTi +FLAG).

Source 2023 BE PART Highlight Report: https://company.tom-tailor.com/fileadmin/user_upload/2023_be_part_highlight_report_final_eng-compressed.pdf
BE PART of less page: <https://company.tom-tailor.com/en/sustainability/be-part-of-less>

Governance and disclosure: Climate and broader ESG progress are summarised in **Highlight Reports** and expanded in **CSRD Pilot** documentation.

Source Reports hub: <https://company.tom-tailor.com/en/sustainability/sustainability-report>
CSRD Pilot 2023: https://company.tom-tailor.com/fileadmin/user_upload/csrpilot_report_tom_tailor_final_0624.pdf

C11.4 CIRCULARITY STRATEGY

Circularity spans **design** → **use** → **take-back** → **Rewear/Reuse/Recycle**. **BE PART of the loop** enables customers to drop off or mail back garments; **TEXAID** sorts items for second-hand, repurposing, or recycling to keep materials in circulation.

Source Programme page: <https://company.tom-tailor.com/en/sustainability/be-part-of-loop>
2023 Highlight Report excerpt (Rewear/Reuse/Recycle): https://company.tom-tailor.com/fileadmin/user_upload/2023_be_part_highlight_report_final_eng-compressed.pdf

C11.5 CIRCULAR BUSINESS MODELS

First-party take-back: In-store and postal **collection infrastructure** launched to scale consumer returns and circular flows.

Source LinkedIn launch post: https://www.linkedin.com/posts/tomtailor_weve-just-launched-be-part-of-the-loop-activity-7186008692868231168-q7an

Supply-chain transparency tooling: Tom Tailor uses **Retraced** to map and onboard tier-1 and tier-2 suppliers for traceability and disclosure.

Source Case study: <https://www.retraced.com/blogs/customer-stories/tom-tailor>

C11.6 PACKAGING AND LOGISTICS

Packaging: **100% recycled polybags (inbound/outbound); e-commerce bags ≥80% recycled; cartons 100% recycled;** consolidation of sampling/prototype bags to cut single-use plastics.

Source CSRD Pilot 2023: https://company.tom-tailor.com/fileadmin/user_upload/csrpilot_report_tom_tailor_final_0624.pdf
Sustainability Report 2022: https://company.tom-tailor.com/fileadmin/user_upload/tom_tailor_sustainability_report_2022_final_0623.pdf

Transport footprint: Reports include **mode-split and footprint** snapshots (e.g., 2023 carbon by transportation), with continued work on efficiency and supplier engagement.

Source 2023 Highlight Report (transport chart): https://company.tom-tailor.com/fileadmin/user_upload/2023_be_part_highlight_report_final_eng-compressed.pdf

C11.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

Policies and enforcement: Commitment to **amfori BSCI** and **amfori BEPI**; suppliers sign the **Code of Ethics**, adhere to BSCI and Tom Tailor's **Social Compliance Manual**; public **whistleblowing** and **LkSG** procedures.

Source BE PART of fair: <https://company.tom-tailor.com/en/sustainability/be-part-of-fair>
BE PART Lexicon (amfori BEPI/BSCI): <https://www.tom-tailor.eu/sustainability-bepart/glossary>
Human Rights Policy (EN): https://company.tom-tailor.com/fileadmin/user_upload/policy_statement_on_tom_tailor_s_human_rights_strategy_-_english_translation.pdf

Grievance and transparency: Public guidelines for reporting compliance allegations; historical social-compliance procedures outline audit expectations and escalation.

Source BE PART of fair (guidelines links): <https://company.tom-tailor.com/en/sustainability/be-part-of-fair>
Social Compliance Manual PDF:
https://company.tom-tailor.com/fileadmin/user_upload/social_compliance_manual_v.2.3.pdf

External views (context): Third-party raters currently assess Tom Tailor's disclosure/performance as "**Not good enough**"— a useful external benchmark to track improvement.

Source Good On You profile: <https://directory.goodonyou.eco/brand/tom-tailor>

Revenue 2024
959,375 million euros / 11.4 billion NOK

C12 **VARNER**

C12.1 VISION AND POSITIONING

Varner AS is a Norwegian, family-owned fashion group founded in 1962 and today one of the largest fashion retailers in the Nordic region, operating multi-brand apparel and footwear concepts such as Cubus, Dressmann, Bik Bok, Carlings, Volt, Junkyard, Beyond Medals and Levi's franchise stores. In 2024, the group employed about 9,106 people and operated approximately 1,113 stores across Norway, Sweden, Finland and Iceland, complemented by e-commerce reaching more than eight markets and a revenue of NOK 11.4 billion.

Varner's overarching sustainability narrative is framed as "Nordic Spirit, Global Impact" and articulated around three strategic pillars – "Fair for All", "Circular & Climate Conscious", and "Engage the Consumer" – which are integrated into corporate governance, brand strategy and day-to-day retail operations.

Varner is an omnichannel retailer with physical stores as the core, with a focus on climate action, responsible sourcing, and human rights due diligence efforts in line with the Norwegian Transparency Act.

Sustainability information is communicated through a dedicated web hub and detailed annual sustainability reporting aligned with international standards and frameworks.

Source Corporate website: <https://varner.com/en/>
 Sustainability hub: <https://varner.com/en/sustainability/>

C12.2 FIVE STRATEGIC PILLARS

Climate Varner's climate strategy is built on the Greenhouse Gas Protocol and near-term science-based targets, with 2019 as base year. The group has committed to reduce absolute Scope 1 and 2 emissions by 50% by 2030 and Scope 3 emissions per million NOK of revenue by 55% by 2030. In 2024, total emissions amounted to 346,646 tCO₂ e (Scope 1: 217 t; Scope 2: 29,040 t; Scope 3: 317,389 t), with Scope 3 representing over 90% of the footprint. Key levers include increased energy efficiency in own operations (approx. 36% reduction in energy consumption in stores versus 2019, partly due to store footprint optimisation and -18% lower kWh per m²), a shift to renewable energy, and supplier and transport engagement for value-chain decarbonisation. Varner does not use carbon offsetting for progress against its climate targets, focusing instead on actual emission reductions.

Source Climate strategy: varner.com/en/sustainability/environment/

Preferred Materials and Product The group is transitioning from conventional to preferred fibres, in line with Textile Exchange's Climate+ strategy. In 2024, 84% of the fibre volume for Varner's own brands came from preferred fibres, and 85% of polyester used was recycled. Cotton accounted for around 60% of total fibre use, predominantly sourced as Better Cotton, certified organic (GOTS/OCS), Fairtrade and recycled, with explicit bans on sourcing cotton from

Uzbekistan, Turkmenistan and China's Xinjiang region. Varner is certified to key fibre and material standards (OCS, GRS, RCS, GOTS, Responsible Down Standard, Responsible Wool Standard) and in 2024 reached "Level 3 – Scaling" in Textile Exchange's Material Change Index, reflecting an integrated and well-resourced materials strategy. Product traceability has progressed to 63% of produced pieces and styles containing traceable fibres. The TextileGenesis™ platform helped gain greater traceability and visibility of the supply chain, enabling to trace 18% of all products.

Source Materials & fibres: <https://varner.com/en/sustainability/materials/>
 Chemicals management: varner.com/en/sustainability/environment/

Circularity and Design. Varner's approach to circularity, as described in the Sustainability Report 2024, focuses on practical, measurable steps across materials, product design, waste reduction, and environmental management. Varner's 2030 goals include 100% of textiles made with preferred fibres (2024 status: 84%), 100% certified and traceable animal fibres, and all products fully traceable with transparent supply chains.

Packaging and Waste. Packaging work is guided by the Canopy Pack4Good commitment and a 2030 goal of 100% preferred product packaging. By 2024, 100% of paper labels and tags were FSC-certified (including 27% FSC-recycled content), 95% of woven labels were made with recycled materials, and all paper shopping bags were FSC-certified. 100% of plastic shopping bags were made from post-consumer recycled plastic.

People and Human Rights. "Fair for All" is Varner's human rights and labour pillar. The company is covered by the Norwegian Transparency Act and implements a risk-based human rights due dili-

gence (HRDD) framework aligned with OECD Guidelines, OECD sectoral guidance, UN Guiding Principles on Business and Human Rights, and ILO standards. In 2024, Varner worked with 113 approved direct suppliers and 228 tier 1 factories (plus approved tier 2 factories), representing around 302,901 workers in the supply chain. Key actions include robust supplier qualification and auditing, remediation and capacity-building, structured grievance channels, and extensive worker interviews and training on many issues included gender.

C12.3 CLIMATE OBJECTIVES

Varner has committed to near-term science-based targets consistent with a 1.5°C pathway, Varner's commitment is informed by science-based methodology, consistent way below 2°C pathway using 2019 as the baseline year.

The core objectives are:

- 50% absolute reduction in Scope 1 and 2 emissions by 2030 (from 2019 levels).
- 55% reduction in Scope 3 emissions per million NOK annual revenue by 2030 (from 2019 levels).

Progress as of 2024:

- Total emissions: 346,646 tCO₂e (Scope 1: 217 t; Scope 2: 29,040 t; Scope 3: 317,389 t).
- Absolute Scope 1 and 2 emissions have increased by 20.64% versus 2019, driven partly by improved data coverage, while an energy-efficiency programme has reduced energy use in stores by -36% since 2019.

- Scope 3 emissions per million NOK revenue improved by -5% compared with 2019, though absolute Scope 3 emissions increased by 1.57% over the same period.

Varner emphasises reduction at source through preferred fibres, process efficiency, transport optimisation and renewable energy, and explicitly does not rely on offsets in its reduction accounting.

C12.4 CIRCULARITY STRATEGY

Varner's circularity strategy spans the entire product lifecycle:

- Design: durability, safe and preferred materials, reduced trims.
- Use phase: care guidance
- End-of-life: donations, supported by long-standing partnerships (e.g. Fretex)

Strategic goals include achieving 100% preferred fibres by 2025 (status 2024: 84%), 100% certified and traceable animal fibres, 100% preferred product packaging, and 100% of unsold and unsellable products going into channels for reuse, recycling, upcycling or repurposing (status 2024: 99.49%).

Varner is also piloting textile-to-textile recycling solutions: in 2024, it developed a product containing 20% recycled cotton sourced from its own production waste, as part of the goal that 30% of textile waste from tier 1 facilities will go into recycling or repurposing by 2030.

C12.5 CIRCULAR BUSINESS MODELS

- Outlet in Vänersborg for certain web returns
- Take-back schemes for used textiles in stores, feeding into partner-managed reuse and recycling streams.
- Recycling pilot for production waste and exploration of textile-to-textile solutions with supply-chain partners.

Varner does not yet operate a single group-wide recommerce platform, and pilots are documented in its sustainability reporting.

C12.6 PACKAGING AND LOGISTICS

PACKAGING

- 2030 goal: 100% preferred product packaging.
- 2024 status: 100% of paper labels and tags are FSC-certified (27% FSC-recycled); 95% of woven labels are made from recycled materials; all paper shopping bags are FSC-certified; all plastic shopping bags are made from post-consumer recycled plastic.

Varner is mapping packaging materials via a central material library and working to reduce overall packaging volumes while shifting towards recycled, FSC-certified and alternative feedstock materials.

LOGISTICS

Logistics-related emissions fall under Scope 3 and are addressed through:

- Collaboration with transport partners to improve efficiency, consolidate shipments and favour lower-emission modes of transport.
- Integration of logistics data into the climate roadmap tool to connect operational measures with emission reductions.

C12.7 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

Varner has built a comprehensive HRDD framework for its supply chain, structured around prevention, mitigation, remediation and stakeholder engagement. Key elements include:

- Supplier Code of Conduct integrated into the Varner Supplier Manual, being a part of the supplier contract, covering labour standards, human rights, environmental requirements, chemical management, product safety and access to grievance channels; revised annually (latest revision July 2025).
- Structured supplier qualification, factory approval and monitoring (113 approved direct suppliers; 228 tier 1 and approved tier 2 factories; approx. 302,901 workers in the supply chain as per 2024).
- Six production offices in key sourcing countries with specialised CSR staff conducting factory visits, due diligence assessments and follow-up, including on unauthorised subcontracting.
- HRDD is aligned with the Norwegian Transparency Act, OECD Guidelines, UNGPs, and core ILO conventions, with annual public reporting on salient risks, grievances and remediation.
- Worker-centred programmes, including systematic worker interviews (3,223 workers interviewed in 2024) and training on many issues included gender, for 3,444 workers in tier 1 factories.

Source <https://varner.com/en/sustainability/>
2024 Sustainability report: <https://varner.com/globalassets/sustainability/sustainability/sustainability-report/varner-sustainability-report-2024-med-res-compressed.pdf>

Revenue 2024
1,538.36 million euros / 1,806 million USD

C13 WRANGLER

C13.1 VISION AND POSITIONING

As part of Kontoor Brands, Wrangler's sustainability is aligned with **Kontoor Brands**' focus on innovation, design and sustainable performance. Across all of its brands, Kontoor emphasises operating with the highest standards of ethics and transparency while sourcing products and materials from companies that share its values. Kontoor has **science-based climate targets** and publishes annual sustainability reporting; Wrangler adds brand-level initiatives focused on using more preferred materials and product circularity.

Source Kontoor hub: <https://www.kontoorbrands.com/sustainability>
 Reporting hub: <https://www.kontoorbrands.com/sustainability/sustainability-report>
 Wrangler "We Care": <https://www.wrangler.com/we-care.html>

C13.2 FOUR STRATEGIC PILLARS

Preferred Materials and Products. Wrangler commits to products that last, with programmes around Preferred Materials and lower-impact processes highlighted in brand materials and Kontoor's reports.

Source <https://www.wrangler.com/we-care.html>

Circularity and Water/Energy Efficiency. Through the Indigood™ Program, Wrangler challenges textile mills to adopt freshwater saving technologies and partners them with third-party experts and independent auditors to drive change and validate water savings. Mills

that meet a 90% or higher freshwater savings over their prior water usage levels, using 2018-2019 usage levels as the baseline, achieve the Indigood™ honor.

Source <https://www.kontoorbrands.com/sustainability/indigood>

Safer Chemistry. Kontoor maintains a **Restricted Substances** framework and facility/audit guidelines under its Policies & Standards.

Source Policies and Standards page: <https://www.kontoorbrands.com/sustainability/policies-standards>
Chemical Standard including RSL and chemical management
https://d1io3yog0oux5.cloudfront.net/_4c4f4ee43eedc2f0aeac3ebce1eceab/kontoor-brands/files/docs/Kontoor_Chemical_Standard.pdf

People and Human Rights. Kontoor sets expectations through its **Code of Business Conduct, Terms of Engagement & Global Compliance Principles, and Modern Slavery/CA Supply Chains Act** statements.

Source <https://www.kontoorbrands.com/sustainability/policies-standards>
 20250205 - LW UK - UK Modern Slavery Act Statement.docx.pdf
<https://www.kontoorbrands.com/ca-supply-chains-act>

C13.3 CLIMATE OBJECTIVES

2030: Reduce **Scope 1-2 by 46.2%** and **key Scope 3 by 46.2%** from the 2019 base year, per Kontoor's SBT-aligned goals

Source <https://www.kontoorbrands.com/sustainability/goals>
<https://www.kontoorbrands.com/sustainability/planet>

C13.4 PACKAGING AND LOGISTICS

Kontoor reports **waste reduction and operational efficiency** at the group level; Wrangler's public pages do not set brand-specific packaging or logistics decarbonisation targets beyond group goals.

Source Reporting hub: <https://www.kontoorbrands.com/sustainability/sustainability-report>
Environment/Planet pages: <https://www.kontoorbrands.com/sustainability/planet>

- Canada Forced/Child Labour Act Statement:
<https://www.kontoorbrands.com/forced-labour-child-labour-act>
- CA Supply Chains Act Statement:
<https://www.kontoorbrands.com/ca-supply-chains-act>

C13.5 SOCIAL RESPONSIBILITY AND LABOUR PRACTICES

People & Human Rights. Kontoor sets expectations through its **Code of Business Conduct, Terms of Engagement & Global Compliance Principles.**

Source <https://www.kontoorbrands.com/sustainability/policies-standards>

Policies and enforcement. Group **Code of Business Conduct, Terms of Engagement and Global Compliance Principles, Facility Guidelines and Factory Audit Procedures** govern supplier expectations and monitoring.

Source Policies & Standards index: <https://www.kontoorbrands.com/sustainability/policies-standards>
Terms of Engagement: https://d1io3yog0oux5.cloudfront.net/kontoorbrands/files/pages/kontoorbrands/db/725/description/Kontoor_Brands_Terms_of_Engagement_and_Global_Compliance_Principles_-Dec_14_2022.pdf

Modern Slavery / Forced Labour. Kontoor publishes a CA Supply Chains Act (California) statement, Forced/Child Labour Act (Canada) statement, and a UK Slavery Act (UK) statement, together with any required disclosures, as required by applicable law.

- UK Slavery Act Statement: <20250205 - LW UK - UK Modern Slavery Act Statement.docx.pdf>

Brand operations. Kontoor also uses its owned facilities for production. These facilities have programmes in place to build supplier capacity on social and environmental practices.

Source Wrangler "Responsibly-made" <https://www.wrangler.com/we-care.html>

DESIGN AND LAYOUT

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