

APPAREL AND ACCESSORIES

Luxury labels still slacking in transparency efforts

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Emenegildo Zegna is among the luxury brands that revealed its first-tier manufacturers for the first time. Image credit: Zegna

By SARAH RAMIREZ

Transparency is essential for the fashion industry to achieve true sustainability, but a new report shows that many brands are keeping their practices opaque.

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According to Fashion Revolution's [2021 Fashion Transparency Index](#), the COVID-19 pandemic has further increased inequalities across the industry's global supply chain. Overall, brands achieved an average score of 23 percent on the Index, despite growing promises to consumers about improving transparency and sustainability efforts.

The Index ranks 250 brands with an annual turnover of more than \$400 million across several fashion sectors. The focus is on measuring public disclosure, not impact, of policies, procedure and progress on human rights and environmental issues across the supply chain.

Transparency Index

At the start of the pandemic, many fashion brands and retailers canceled orders as a way to insulate themselves financially from the fallout. More than a year later, luxury groups including LVMH and Kering have returned to pre-pandemic sales growth.

Despite these strong sales, Fashion Revolution cites findings from the Center of Global Workers' Rights that show 75 percent of suppliers had to cut workers' hours because of buyer purchasing habits during the pandemic. Decisions like this from fashion brands have widespread repercussions among the most vulnerable in the industry.



Louis Vuitton supply chain office. Image credit: LVMH

No brand scored above 80 percent on the Index, though U.S. fashion brands Calvin Klein and Tommy Hilfiger, both owned by PVH Corp., scored 59 percent.

With a score of 56 percent, Italian fashion label Gucci was the highest-ranking true luxury brand.

Fendi, Balenciaga and Saint Laurent all scored 43 percent, closely followed by Bottega Veneta at 42 percent. Herms, Burberry, Hugo Boss and Zegna also performed better than the Index average of 23 percent.

Celine, Dior, Louis Vuitton and Marc Jacobs each scored 22 percent, while Chlo, Miu Miu, Prada and Moncler received scores of 18 percent. Michael Kors, Versace, Carolina Herrera, Bally, Armani, Tod's and Chanel all scored between 16 and 11 percent.

Luxury brands receiving scores below 10 percent include Valentino, Furla, Brunello Cucinelli, Marni, Longchamp and Dolce & Gabbana. U.S. fashion label Tom Ford was one of 20 brands to score 0 percent.

Luxury retailers Nordstrom, Saks Fifth Avenue and Bloomingdale's also appeared on the Index, ranking from strongest to weakest performance.

Brands were most transparent about their social and environmental policies and specific goals, with an average category of score of 53 percent. Governance disclosing who is accountable for sustainability policies and supply chain traceability trailed, at 31 and 19 percent, respectively.

For instance, while France's Herms scored 93 percent on policy and commitments, the house scored 23 percent on traceability for remaining relatively secret about its supply chain.

About a quarter of brands, 27 percent, disclose some of their processing facilities, such as spinning mills, dye houses and laundries. Eleven percent share some of their raw materials suppliers.

Meanwhile, 19 brands that appeared on the 2020 Index ([see story](#)) disclosed their first-tier manufacturers those that cut, sew and finish garments in the final stages of production for the first time, including Fendi, Gucci, Miu Miu, Prada and Zegna.



After being scrutinized for destroying overstock, Burberry has prioritized sustainability. Image credit: Burberry

Opacity remains, however, as only 99 percent of all brands disclose the number of workers in their supply chain that

receive a living wage. Additionally, 96 percent do not disclose a plan on how to achieve a living wage, at minimum, for all workers across their supply chains.

Amid the pandemic, only 3 percent disclosed the number of workers laid-off due to COVID-19 and less than one in five brands, 18 percent, shared the percentage of complete or partial order cancelations.

Regarding overproduction, only 14 percent of brands disclose the overall quantity of products made annually. Even fewer, 6 percent, disclose the quantity of goods destroyed each year, including Burberry.

Sustainable style

While most brands luxury and mass market alike still trail in public traceability efforts, more luxury labels are introducing traceable or recycled goods as consumer-facing ways to promote sustainability.

Last fall, U.S. leather goods house Mark Cross relaunched its men's collection with an emphasis on sustainability and supply chain transparency.

Each item has a built-in TrueTwins digital chip, which will be implemented in all Mark Cross collections going forward. Using a digital passport mobile application, owners can learn more about the production of their pieces ([see story](#)).

French fashion and leather goods house Longchamp recently introduced the first Le Pliage versions made with recycled materials in a nod to sustainable style, after countless interpretations.

Unlike the traditional Le Pliage styles, Le Pliage Green is made with recycled nylon canvas, primarily derived from recycled bottles and other plastic waste. Longchamp plans to only use canvas made from recycling by 2023 ([see story](#)).

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