

Fashion's Fair Share: Bangladesh Buyers' Climate Opportunity

The emissions savings potential from brand ambition in the
Just Energy Transition



Fashion's Fair Share: Bangladesh Buyers' Climate Opportunity

New analysis reveals the potential impact of just 15 influential global fashion brands taking action to deliver a Just Energy Transition for Bangladesh.

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Executive Summary

Bangladesh sits at the centre of the global fashion industry as the world's third-largest apparel exporter and the 9th most climate-vulnerable country.¹ At a time when ocean temperatures are reaching new extremes and the industry's global emissions continue to rise², action by national and international stakeholders to phase out fossil fuels while protecting workers has never been more urgent.

The challenges are significant. Renewable energy still accounts for less than 5% of power from the national grid³, making grid-level decarbonization a key factor limiting the impact of industrial electrification. Bangladesh's heavy reliance on imported fossil fuels⁴ has resulted in deep exposure to an energy crisis drastically worsened by geopolitical tensions. Unreliable electricity supply and persistent gas shortages have

¹ "Bangladesh loses its second position to Vietnam" Textile Focus, (2026). Available at:

<https://textilefocus.com/bangladesh-loses-its-2nd-position-to-vietnam-the-third-place-is-a-warning-not-a-statistic>

² "Taking Stock of Progress Against the Roadmap to Net Zero 2026" Apparel Impact Institute, (2026). Available at: <https://apparelimpact.org/wp-content/uploads/2026/09/Taking-Stock-2026.pdf>

³ "Power and Energy" US International Trade Administration, (2026). Available at: <https://www.trade.gov/country-commercial-guides/bangladesh-power-and-energy>

⁴ "Conflict in the Middle East is compounding the cost of Bangladesh's delayed energy transition" Zero Carbon Analytics, (2026). Available at: <https://zerocarbon-analytics.org/energy/conflict-in-the-middle-east-is-compounding-the-cost-of-bangladesh-delayed-energy-transition/>

put the garment industry's manufacturing operations and workers at risk and squeezed costs further, with reports of unemployment impacting 9500 workers from 80 factories since the beginning of the year.⁵

In February 2026, Stand.earth, Oxfam in Bangladesh and the Bangladesh Center for Workers Solidarity released the [***Fair Share for the Future: Fashion Brand Roadmap for a Just Energy Transition***](#). The Roadmap identified concrete actions that fashion brands can and must take to support and enable a fair and rapid decarbonization through financing, policy engagement, fair purchasing practices and support for climate adaptation.

This new analysis now reveals the potential impact of a small but influential group of global fashion brands taking action to deliver these key actions to reduce climate-harming emissions. Export data was used to identify the top 15 global fashion brands sourcing from Bangladesh by weight, calculating their cumulative and individual purchasing power in the fashion manufacturing hub. Researchers then calculated the potential emissions savings opportunity for this cohort of brands from taking ambitious action to support the energy transition at a grid and industry level. The results are striking.

These 15 companies alone, which include global giants such as H&M Group, Inditex (Zara), Primark and Walmart, purchase more than a quarter (26%) of all garment and textile exports from Bangladesh. They are key actors in Bangladesh's apparel and textile sector, and some of the biggest industrial exporters of any sector. These companies hold significant responsibility - and opportunity - to support their supply chain partners to decarbonize, and can be important actors in meeting national climate and energy goals.

Furthermore, detailed analysis of customs and sourcing data revealed that if just the top 15 sourcing brands acted rapidly to fund and enable a transition to renewable energy, they could reduce Bangladesh's national emissions by as much as 1.26 million tonnes of CO₂ annually by 2040. Bangladesh has set an unconditional GHG reduction target of 6.39% by 2035⁶; as the nation's largest export industry and one of its biggest emitters, the fashion sector must play a central role in meeting that target.

Cumulative emissions savings from the top 15 sourcing brands alone could reach approximately 8.59 million tonnes of CO₂ by 2040 – the equivalent of eliminating emissions from more than 3 million North American homes for a year.⁷

Yet, drawing on a new assessment of brand commitments and progress towards the Just Energy Transition, this analysis also finds that brands sourcing the largest volumes from the country are not yet acting in alignment with meeting this ambitious target. The report closes with a comparison of brands' readiness to

⁵ "Over 9000 garment workers lose jobs as fuel shortage squeezes businesses facing order decline" Business and Human Rights Resource Center, (2026-06-25). Available at: <https://www.business-humanrights.org/en/latest-news/bangladesh-over-9000-garment-workers-lose-jobs-as-fuel-shortage-squeezes-businesses-facing-order-declines/>

⁶ "Bangladesh's Third Nationally Determined Contribution" UNFCCC, (2025). Available at: <https://unfccc.int/sites/default/files/2025-09/Bangladesh%20Third%20Nationally%20Determined%20Contribution%20%28NDC%203.0%29.pdf>

⁷ 'Greenhouse Gas Equivalencies Calculator', National Resources Canada (NRCAN). Available at: <https://oee.nrcan.gc.ca/corporate/statistics/neud/dpa/calculator/ghg-calculator.cfm>

lead a climate and energy transition, alongside key recommendations for brands to fulfill their promise of climate leadership on the way to a just transition.

Key Findings

1. **15 brands account for over one-quarter (26.3%) of Bangladesh's apparel exports**, giving these companies an outsized opportunity - and responsibility - to catalyze a just energy transition across Bangladesh's garment industry and energy systems.

The top three brands by weight sourcing from the region were Inditex (4.2%), H&M Group (4.1%) and Primark (2.72%). Together, these three brands accounted for over 11% of Bangladesh garment exports in 2025, amounting to over 367 million kg of apparel.

2. **Cumulative emissions savings from ambitious action to support an energy transition by these 15 brands could amount to 8.59 MtCO₂ by 2040**, the equivalent of the annual emissions of Jamaica in 2024, or manufacturing more than 650 million conventional cotton t-shirts.

In the ambitious scenario, the annual emissions savings by these 15 brands could reach 1.26 million tonnes in 2040, driving real progress towards corporate climate commitments.

3. **Among the 15 biggest buyers, H&M Group shows the greatest alignment with key tenets of a Just Energy Transition for Bangladesh**, including financing and supplier support, with action more closely matching the scale of its sourcing influence.

Overall, however, the assessment found serious gaps in almost all of the brands' actions, transparency, and commitments, and a significant need for action. **Brands that showed the largest gaps in their approaches included Kontoor Brands (Lee, Wrangler, Helly Hansen), Walmart, New Yorker, Gildan Activewear, LPP and Pepco**, although the need for significant action was noted across the board.

- a. **Missing renewable energy targets:** Only 2 of 15 brands - Inditex and H&M Group - have a 100% renewable electricity target which includes the supply chain. Only H&M Group has a full commitment to transition its energy and electricity demand to renewables.
- b. **Limited supplier financing initiatives:** Only 4 brands publicly disclose participation in supplier financing initiatives such as the Apparel Impact Institute's Future Supplier Initiative (Bestseller, Gap Inc, H&M Group, Marks & Spencer). None displayed strong evidence of grant-based or debt-free financing.
- c. **Lack of readiness on climate adaptation:** No brand was found to have concrete public climate adaptation policies in place for its manufacturing base. Only Next has a publicly disclosed Supplier Code of Practice for protocols and management of heat stress.
- d. **Policy engagement remains limited:** Just three companies demonstrated evidence of directly engaging with local policymakers and advocating for better infrastructure that could spur the energy transition (H&M Group, Bestseller, Inditex).

Introduction: A Critical Inflection Point in Bangladesh's Climate Transition

The Bangladesh garment sector is facing a critical inflection point due to the compounding impacts of deep exposure to the global energy crisis from war in the Middle East, sharply rising global temperatures, and incoming European manufacturing regulations. Bangladesh is one of four countries, alongside Cambodia, Pakistan and Vietnam, vital for fashion production that risks losing a combined \$65 billion in export earnings and 1 million potential jobs from extreme heat and flooding by 2030.⁸

Bangladesh's garment sector is the most significant consumer of industrial energy demand, consuming around 30% of industrial energy⁹ or around 8% of the national total electricity consumption.¹⁰ A drastic shift towards electrification and clean heat sources for the sector is required, given the industry's reliance on gas primarily for captive energy generation, dyeing, washing and finishing processes¹¹, leaving the sector deeply impacted by fuel price volatility and shortages.

Even as it has to adapt to these rapidly changing conditions, the sector faces further upheaval as Bangladesh moves towards graduating from the Least Developed Countries designation, increasing import tariffs and putting further pressure on export prices and manufacturing margins.

It is clear that Bangladesh and its most influential industry must act rapidly to meet globally mandated climate and energy-related targets while supporting workers and communities. The brands that continue to source and profit from it are essential partners in that Just Energy Transition.

Fashion's Fair Share: What the data tells us about brands' essential role

Through extensive consultations, Fair Share for the Future: Fashion Brand Roadmap for a Just Energy Transition identified a series of key recommendations shared by manufacturers, workers and other industry stakeholders for greater and more consistent action by international brands to move the needle on advancing a Just Energy Transition.

In this new analysis, export data was used to identify the top 15 global fashion brands sourcing from Bangladesh by weight, calculating their cumulative and individual purchasing power in the fashion manufacturing hub. Researchers then modelled two pathways for Bangladesh's energy transition – one ambitious and one conservative – and calculated the potential emissions savings opportunity of this cohort

⁸ "Higher ground? Fashion's climate breakdown" ILLR Global Labor Institute, (2024). Available at:

<https://www.ilr.cornell.edu/global-labor-institute/higher-ground-fashions-climate-breakdown>

⁹ "The renewable energy imperative in Bangladesh: An apparel industry perspective" Light Castle Partners, (2024). Available at:

<https://lightcastlepartners.com/insights/2024/02/renewable-energy-in-apparel-industry/>

¹⁰ "Powering the Future: Enhancing Energy Efficiency in the RMG Sector with Competitor Insights" Light Castle Partners, (2024).

Available at: <https://lightcastlepartners.com/insights/2024/11/energy-efficiency-rmg-sector/>

¹¹ "International Development Association project appraisal document on a proposed guarantee in the amount of US\$350 million to the People's Republic of Bangladesh for an Energy Sector Security Enhancement Project" World Bank, (2025). Available at:

<https://documents1.worldbank.org/curated/en/099053025124541369/pdf/BOSIB-27ad3d5e-5b68-41e4-940e-7b6bce61b63b.pdf>

of brands taking meaningful action to support the energy transition, both at a grid and industry level. The results were striking.

The data from 15 brands illustrates the dominance these companies exert over production in the region. However, examination of publicly disclosed data shows that they are not yet acting in concert to support stakeholders across the supply chain in meeting climate targets. Consideration of climate adaptation needs and policies remains nascent, despite ever-worsening conditions. This must change.

The Energy Crisi-Tunity

A high national fossil fuel dependency - 43% gas, 26.9% coal and 19.5% oil¹² - has resulted in extreme exposure to the energy crisis triggered by geopolitical conflicts in the Middle East. Recent analysis shows that Bangladesh's annual fossil fuel import bill could rise by USD 4.8 billion, a 40% increase from 2025 levels and 1.1% of GDP, if oil, gas and coal prices remain high.¹³



Firsthand accounts present a clear picture of the challenges factories face in light of the US-Iran war. One manufacturer in Dhaka recounted that his company's orders have dropped by a fifth since the war started.¹⁴ Another account, from the director of Arrival Fashion Limited, which exports \$40 million of product annually, outlined the increase in operating costs to run generators, as well as rising costs for petroleum-based sewing thread and polybags.¹⁵ Others have commented on the sharp rise in the cost of international freight rates from China, increasing from \$1,600 before the outbreak of the conflict to \$2,600 afterwards.¹⁶ An owner of an SME factory in Gazipur noted that due to gas shortages, his factory is running on a single shift to cover fuel and utility costs.¹⁷ This has severe ramifications for Bangladesh's garment

¹² "Energy system of Bangladesh" IEA, (2025). Available at: <https://www.iea.org/countries/bangladesh>

¹³ "Conflict in the Middle East is compounding the cost of Bangladesh's delayed energy transition" Zero Carbon Analytics, (2026). <https://zerocarbon-analytics.org/energy/conflict-in-the-middle-east-is-compounding-the-cost-of-bangladesh-delayed-energy-transition/>

¹⁴ "Over 9000 garment workers lose jobs as fuel shortage squeezes businesses" Business and Human Rights Centre, (2026). Available at: <https://www.business-humanrights.org/en/latest-news/bangladesh-over-9000-garment-workers-lose-jobs-as-fuel-shortage-squeezes-businesses-facing-order-declines/>

¹⁵ "Iran war disruptions spark higher costs and lost income in Bangladesh" Associated Press, (2026). Available at: <https://apnews.com/article/bangladesh-iran-war-fuel-price-economy-722a6fa78dbd69691e61f0b327743fb5>

¹⁶ "Iran war fallout hits readymade garment industry hard" Financial Express, (2026). Available at: <https://thefinancialexpress.com.bd/home/iran-war-fallout-hits-readymade-garment-industry-hard>

¹⁷ "Iran war tightens squeeze on Bangladesh's garment engine" AA, (2026). Available at: <https://www.aa.com.tr/en/asia-pacific/iran-war-tightens-squeeze-on-bangladesh-s-garment-engine/3882126?>

workers. In June 2026, it was reported that thousands of garment workers lost their jobs as fuel shortages squeezed businesses amid order decline.¹⁸

How this crisis is met will be decisive. Fossil fuel shortages and prices sharpen alignment between climate and economic imperatives, and between national and sector priorities. The Government of Bangladesh has approved an ambitious national roadmap to reach 20% renewable energy generation by 2030 to achieve national climate goals and increase energy sovereignty,¹⁹ while stakeholders have highlighted the important potential of the solar industry to reduce price volatility and increase load stability.²⁰

The brands that source from Bangladesh have a clear interest in a successful - and rapid - transition to renewable electricity, and a clear window of alignment with national interests. Now is their opportunity to act collectively with the Government, manufacturers and other key stakeholders, to deliver the transition that the industry needs.

Finding One: 15 brands call the shots

According to consolidated customs data from January to December 2025, Bangladesh exported 3.33 billion kilograms of apparel and textile products, totalling a trade value of \$40.51 billion.²¹

Of that total, the data revealed that export volumes were largely concentrated among 15 influential fashion companies: Inditex (Zara), H&M Group, Primark, Polish retailers LPP SA and Pepco Group, Walmart, Kontoor Brands - makers of Helly Hansen, Wrangler and Lee – branded clothing manufacturer Gildan Activewear, Fast Retailing (UNIQLO), Marks and Spencer Group, C&A, The Gap Inc., Next, and European fast fashion brand New Yorker. **Together, these 15 brands exported 877,000 tonnes of clothing from Bangladesh in 2025 – roughly 5.8 million average t-shirts.**²²

These 15 brands contributed approximately 26% of all garment and textile exports in 2025, highlighting the dominance of a small number of global companies over manufacturing. **At the top, the impact is even more concentrated: just the top three brands - Inditex (4.2%), H&M Group (4.1%) and Primark (2.72%) accounted for over 11% of Bangladesh garment exports**, amounting to over 367 million kg of apparel and textiles.

¹⁸ “Over 9000 garment workers lose jobs as fuel shortage squeezes businesses facing order decline” Business and Human Rights Resource Center, (2026-06-25). Available at: <https://www.business-humanrights.org/en/latest-news/bangladesh-over-9000-garment-workers-lose-jobs-as-fuel-shortage-squeezes-businesses-facing-order-declines/>

¹⁹ “The Renewable Energy Policy 2025” Power Division - Ministry of Power, Energy and Mineral Resources, The People's Republic of Bangladesh, (2025). Available at: <https://objectstorage.ap-dcc-gazipur-1.oraclecloud15.com/n/axvibnqprylq/b/V2Ministry/o/office-powercell/2024/12/e090083ecd2142208d945bcb086334e0.pdf>

²⁰ “Bangladesh's energy crunch highlights the promise and limits of solar” Monga Bay, (2026). Available at: <https://news.mongabay.com/2026/05/bangladeshs-energy-crunch-highlights-the-promise-and-limits-of-solar/>

²¹ “Bangladesh Export Customs Data - January to December 2025” Data Vault, (2026)

²² Semba, T., et al. (2026). Carbon footprint of cotton, polyester, and blended T-shirts: A life cycle assessment considering wet processing differences. Cleaner and Responsible Consumption. Available at: <https://www.sciencedirect.com/science/article/pii/S2666784326000951>

Table 1 - Top fashion companies and parent groups sourcing from Bangladesh in 2025. Derived from Bangladesh Export Customs Data. Market capitalization data: <https://companiesmarketcap.com/>

Top fashion companies sourcing from Bangladesh	Market capitalization (USD)	Headquarter location	Net weight of products (tonnes)	Percentage of all exported garment and textile products
Inditex SA (Zara, Zara Home, Pull&Bear, Bershka, Lefties, Stradivarius, Oysho)	\$209.53 B	Spain	140,222	4.21%
H&M Group (H&M, COS, Weekday, & Other Stories)	\$29.27 B	Sweden	136,503	4.10%
Primark	Subsidiary of Associated British Foods	UK	90,773	2.72%
LPP SA	\$10.41 B	Poland	60,395	1.81%
Bestseller (Vero Moda, Selected)	Privately owned company	Denmark	50,076	1.50%
Pepco Group NV	\$6.30 B	UK	49,853	1.50%
Walmart	\$816.81 B	USA	49,186	1.48%
Kontoor Brands (Lee, Wrangler, Helly Hansen)	\$4.16 B	USA	45,103	1.35%
Gildan Activewear (Gildan, American Apparel, HandsBrands)	\$9.88 B	Canada	43,661	1.31%
Fast Retailing (UNIQLO, GU, J Brand)	\$137.64 B	Japan	39,906	1.20%
Marks & Spencer Group	\$10.92 B	UK	39,763	1.19%
Cofra Holding (C&A, C&A Modas)	Privately owned company	Switzerland	39,664	1.19%
Gap Inc (Gap, Old Navy, Athleta, Banana Republic)	\$7.25 B	USA	32,532	0.98%
Next plc (Next, Reiss, Joules, Cath Kidston, Lippy, FatFace)	\$23.98 B	UK	30,819	0.92%
New Yorker	Privately owned company	Germany	28,697	0.86%
Total			877,153	26.32%

This reveals the important opportunity brands have as buyers to support supplier investment decisions, financing availability, factory upgrades and retrofitting that can catalyze wider change across the industry. With significant purchasing power, brands can use their influence to advocate for policy reform that can enhance infrastructure for renewable energy adoption and electrification, as well as support the removal of policy barriers related to tariffs on renewable energy infrastructure and energy-efficient machinery.

Finding Two: 15 brands, 8.59 million tonnes CO₂: the emissions-saving opportunity within reach

Alignment with National Priorities

In June 2025, the Bangladesh government approved a new Renewable Energy Policy that set higher targets of 20% and 30% electricity generation from renewables by 2030 and 2040.²³ Bangladesh's NDC 3.0 identifies power generation and energy use in manufacturing as two major sources of projected emissions, targeting emission reductions of 28.6% and 25% respectively by 2035.²⁴

The garment sector is the most significant consumer of industrial energy demand, consuming around 30% of industrial energy or around 8% of the national total.²⁵ As such, the garment and textile sector is explicitly identified as a cornerstone of the NDC's industrial decarbonization pathway.²⁶

In addition to grid decarbonization, an urgent shift away from on-site fossil fuel generation for heat and towards electrification and clean heat sources for the sector will be essential to meet NDC targets, given the industry's reliance on fossil fuels - primarily gas - for captive energy generation, dyeing, washing and finishing processes.²⁷ Factory-level research conducted by Mapped in Bangladesh across 878 export-oriented RMG factories in Gazipur and Narayanganj, from 2023 to 2024, found that around 35.5% of energy consumption was still supplied through captive generation, while renewable energy accounted for just 3%.²⁸

The national and industry-level targets set by the Government of Bangladesh are ambitious, and will require cooperation, engagement and investment from all key industry stakeholders. As influential buyers, brands can and must play a critical role in steering the sector towards meeting this target.

The Brand Opportunity

Supporting the energy transition in Bangladesh comes with significant emissions savings opportunities for the brands with the biggest stake. Given their dominance in the Bangladesh export market, Stand.earth calculated the potential impact on these 15 brands' individual manufacturing emissions to be had from funding and enabling a progressive national energy transition.

²³ The Renewable Energy Policy 2025" Power Division - Ministry of Power, Energy and Mineral Resources, The People's Republic of Bangladesh, (2025). Available at: <https://objectstorage.ap-dcc-gazipur-1.oraclecloud15.com/n/axvibnqprylg/b/V2Ministry/o/office-powercell/2024/12/e090083ecd2142208d945bcb086334e0.pdf>

²⁴ Ibid.

²⁵ The renewable energy imperative in Bangladesh: An apparel industry perspective" Light Castle Partners, (2024). Available at: <https://lightcastlepartners.com/insights/2024/02/renewable-energy-in-apparel-industry/#~:text=Bangladesh%E2%80%99s%20seond%20largest%20demand%20for,drives%20the%20profit%20margin%20down>

²⁶ Ibid.

²⁷ "International Development Association project appraisal document on a proposed guarantee in the amount of US\$350 million to the People's Republic of Bangladesh for an Energy Sector Security Enhancement Project" World Bank, (2025). Available at: <https://documents1.worldbank.org/curated/en/099053025124541369/pdf/BOSIB-27ad3d5e-5b68-41e4-940e-7b6bce61b63b.pdf>

²⁸ "Only 3% RMG factories use renewable energy: Study" Financial Express, (2026). Available at: <https://thefinancialexpress.com.bd/trade/only-3pc-rmg-factories-use-renewable-energy-study>

To quantify the emissions-saving opportunity of this shift, Stand.earth built two projections based on Bangladesh's Third Nationally Determined Contribution (NDC 3.0)²⁹, and found that with active engagement, funding and support for manufacturers, 15 major brands have the opportunity to collectively reduce their manufacturing emissions from Bangladesh by over 1.26 MtCO₂e annually by 2040. This represents a cumulative saving of 8.59 million tonnes by 2040, or the equivalent of manufacturing (or not manufacturing) more than 650 million conventional cotton t-shirts.³⁰

The projections compared emissions pathways based on ambitious action and engagement from fashion brands in reducing fossil-fuel reliance in the garment industry and supporting grid decarbonization using data and reporting from Government sources to identify the potential emissions savings of this cohort of key brands, and calculated the cumulative savings opportunities in carbon dioxide over the time period of 2026 to 2040.

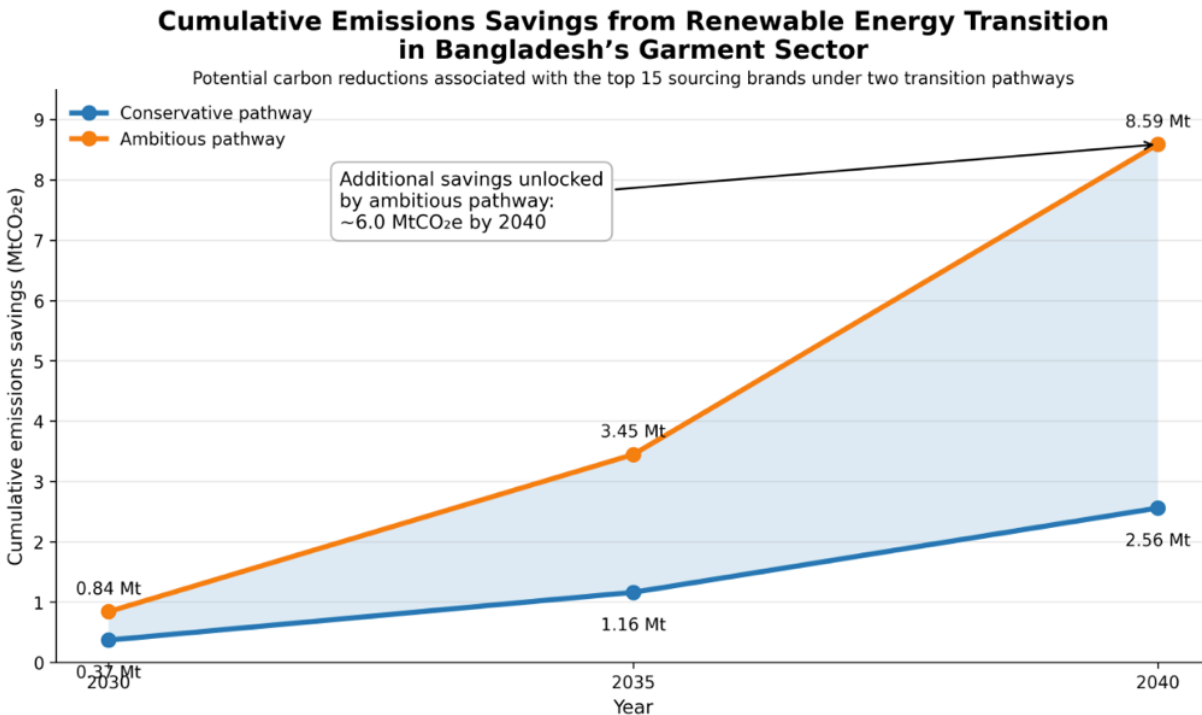
Table 2 - Ambitious decarbonization pathway and emissions savings from top 15 brands.

Year	Electrification rate	Grid renewable rate	Saving from top 15 brands (tCO ₂)	Cumulative saving from top 15 brands (tCO ₂)
2030	32.34%	14.35%	280,433	841,767
2035	46.71%	25.00%	704,308	3,446,851
2040	60.00%	35.65%	1,257,128	8,591,767

Under the ambitious scenario, brands are assumed to be providing adequate funding, supporting technology transfer and prioritizing achieving a high level of industrial electrification, while supporting the Government's ambitious grid renewable target of 25% by 2035.

²⁹ "Bangladesh Third Nationally Determined Contribution" UNFCCC, (2025). Available at: <https://unfccc.int/sites/default/files/2025-09/Bangladesh%20Third%20Nationally%20Determined%20Contribution%20%28NDC%203.0%29.pdf>

³⁰ Semba, T., et al. (2026). Carbon footprint of cotton, polyester, and blended T-shirts: A life cycle assessment considering wet processing differences. Cleaner and Responsible Consumption. Available at: <https://www.sciencedirect.com/science/article/pii/S2666784326000951>



The ambitious pathway could deliver 8.59 MtCO₂ of cumulative savings by 2040 across the top 15 brands' share of production, 6.03 MtCO₂ more than under the conservative pathway. Brands cannot afford to be passengers in the journey to meet their climate goals.

For the full approach that informed both scenarios, electrification and renewable energy rates, please see the [Methodology](#).

Finding Three: Brands far from ready to advance a Just Energy Transition in Bangladesh

An initial assessment was made of the top 15 companies sourcing from Bangladesh's alignment with a Just Energy Transition, and the key gaps that need to be overcome. The evaluation revealed a critical gap between stated corporate climate ambition and the level of support and investment allocated to equip the country's garment sector and manufacturers with the tools, training and capital to support a Just Energy Transition.

Among the 15 most influential brands, H&M Group shows the greatest alignment with key tenets of a Just Energy Transition for Bangladesh, including financing and supplier support, with action more closely matching the scale of its sourcing influence.

Overall, however, the assessment found serious gaps in almost all of the brands' actions, transparency, and commitments, and a significant need for collective action. Brands that showed the largest gaps in their approaches included Kontoor Brands (Lee, Wrangler, Helly Hansen), New Yorker, Gildan Activewear, LPP and Pepco Group, although the need for significant action was noted across the board.

Some key trends among the cohort of Bangladesh's biggest buyers included:

Renewable electricity commitments rarely extend to supply chains.

While 10 of the 15 companies have committed to sourcing 100% renewable electricity for their own operations, only two have extended equivalent targets to their supply chains. H&M Group aims to achieve its 100% target of renewable electricity across Tiers 1 – 3 by 2030³¹, while Inditex has set a 100% renewable electricity target for its supply chain and manufacturing process by 2040, with an interim target of 50% by 2030.³²

Financing mechanisms for decarbonization still fall short.

Brand financing for decarbonization is a paramount tenet of enabling a Just Energy Transition. Yet there is limited evidence among these brands of supplier financing or disclosure of the total amount invested. Only four companies (Bestseller, Gap Inc., H&M Group, Marks & Spencer) publicly disclose participating in collective financing programs, such as the Apparel Impact Institute's Future Supplier Initiative.

Access to fair, debt-free financing for decarbonization projects for manufacturers remains largely absent across Bangladesh's top sourcing brands. No strong public evidence of direct, grant-based support for adaptation and mitigation measures was identified. This remains one of the most significant gaps against the recommendations Stand.earth set out in [Fair Share for the Future](#).

Financial mechanisms capable of spurring international cooperation on funding, technology transfer, plus factory-level investment for infrastructure and capacity building will be essential for achieving ambitious emissions savings.

Slow start on climate adaptation.

A handful of these brands have started to scratch the surface in creating safeguards for workers against extreme heat and wider climate-related disruptions.

- Next PLC was the only brand found to have publicly shared Heat Stress Guidance as part of its Code of Practice for suppliers, covering access to water and ventilation, regular breaks and PPE.³³
- H&M Group shared via consultation that it has developed a Health and Safety Guideline on extreme heat in collaboration with the ILO, IndustriALL, and Better Work, which is not yet public.
- Primark reports that its social audits include heat stress in the evaluation of factories. This includes a risk assessment, reviews to check that heat stress mitigation advice has been followed and that health checks are conducted for individuals most at risk.³⁴

But, concrete climate adaptation policies that ring-fence funding for protections against climate-related disruptions remain limited. None of the 15 brands assessed were found to have a comprehensive climate

³¹ "Climate Transition Plan" H&M Group, (2024). Available at:

<https://hmgroup.com/wp-content/uploads/2024/03/Climate-Transition-Plan.pdf>

³² "Inditex Climate Transition Plan" Inditex, (2024). Available at:

<https://www.inditex.com/itxcomweb/api/media/450e8c9d-3266-4ffe-abb0-62fe206a188c/Inditex+Climate+Transition+Plan.pdf?t=1710345903031>

³³ "Heat Stress Guidance - November 2024" Next, (2024). Available at: <https://supplier.next.co.uk>

³⁴ "People - worker wellbeing" Primark, (n.d.). Available at: <https://sr.primark.com/people#wellbeing>

adaptation policy for their Bangladesh supply chain that combines both factory-level climate vulnerability assessments with worker protections and dedicated financial support for adaptation and income protection. Research from the Business and Human Rights Centre similarly found that only M&S demonstrated some evidence of financial support to maintain worker wages during climate-related factory closures by providing a contribution to the ILO Employment Injury Scheme as a mechanism.³⁵

Advocacy to remove policy barriers remains limited

Manufacturers in Bangladesh face pressure from a mismatch between global regulations and domestic support. Policies enabling access to renewables in the region have been developed but are yet to be effectively implemented.

Feedback from consultations with suppliers on the ground has emphasized the need to secure an enabling regulatory framework that sets out clear rules on private power procurement, grid access and long-term contracts. But, policy engagement and evidence of direct contact with policymakers in Bangladesh are limited among the top 15 sourcing brands.

Despite the scale of purchasing influence, only a handful of companies publicly disclosed evidence of advocacy efforts to spur a Just Energy Transition:

- Bestseller and H&M Group signed a letter of intent to co-invest in developing a wind farm alongside Global Fashion Agenda and Copenhagen Infrastructure Partners.³⁶
- H&M Group signed an MoU to launch a first pilot with IFC and a local company, following the approval of the CPPA framework in 2025³⁷, and previously supported the National Solar Roadmap 2041 and Power System Master Plan (PSMP) (2016) in Bangladesh.³⁸
- Inditex has demonstrated collaboration with the Bangladesh Peer Action Group for coal phase-out.³⁹

³⁵ "Who pays for fashion's green transition?" Business and Human Rights Centre, (2026). Available at: <https://www.business-humanrights.org/en/latest-news/the-cost-of-transition-bangladeshs-suppliers-and-workers-in-fashions-green-rush/>

³⁶ "Bestseller to invest \$100m in renewable energy in Bangladesh" Bestseller, (2023). Available at: <https://bestseller.com/news/bestseller-to-invest-usd-100m-in-renewable-energy-in-bangladesh>

³⁷ "Climate" H&M Group, (n.d). Available at: <https://hmgroup.com/sustainability/circularity-and-climate/climate/>

³⁸ "H&M Group - CDP Response 2023 Climate Change" H&M Group, (2023). Available at: <https://hmgroup.com/wp-content/uploads/2023/09/HM-Group-CDP-response-Climate-change-2023.pdf>

³⁹ "2023 Annual Report" Inditex, (2024). Available at: https://static.inditex.com/annual_report_2023/en/Environment.pdf

Conclusions and Next Steps: Joining the ‘Fashion’s Fair Share’ Movement

No single brand can deliver a Just Energy Transition. However, concerted action by a critical mass of leading fashion companies would represent a meaningful shift to rebalance power, responsibility and investment across global supply chains to accelerate a Just Energy Transition in Bangladesh and other key manufacturing hubs.

The recent energy crisis has shown just how vulnerable the sector is to volatile fossil fuel prices and unreliable energy supply. With factories and workers exposed to rising costs, production disruption and a sharp uptick in job losses, the impetus to shift towards cleaner fuel sources has grown stronger.

We know the scale of the opportunity is measurable. Collaborative engagement by brands on critical areas of just transition including fair financing, responsible purchasing practices, enshrining worker protections through climate adaptation policies, alongside joint advocacy to support grid level decarbonization, can help unlock an ambitious pathway.

If these 15 top buyers act swiftly to fund and enable the transition, they will contribute significantly to both a national and sector-level decarbonization, while catalyzing a wider shift. If they do not, barriers that are slowing the transition to clean energy will be slower to fall.

As one of its largest exporters and most significant emitters, the fashion industry’s influence is enormous. But, so is the industry’s opportunity to play a central role in helping the country meet national decarbonization targets, alongside supporting the resilience of the livelihoods of the people that make up Bangladesh’s garment supply chain in this critical climate decade.

The Fashion’s Fair Share initiative calls on fashion brands sourcing from Bangladesh to commit to the recommendations and actions that will actively enable a Just Energy Transition for Bangladesh, as identified in the Fair Share for the Future report.

Stand.earth encourages brands to commit to a shared set of actions over the next 18 months that will transform these recommendations into measurable progress. For more information, email fashionscorecard@stand.earth.

Explore the top 15 sourcing brands' commitments, progress and priority actions at [Stand.earth/Fashion](https://stand.earth/Fashion).

Three Brand Profiles

To view brand profiles for the full cohort of 15 brands, visit stand.earth/fashion.

H&M Group



H&M Group demonstrates some clear support for a Just Energy Transition, with ambitious supply-chain climate targets, growing renewable electricity use and established financing mechanisms to support supplier decarbonization. Its direct engagement with policymakers in Bangladesh also indicates a more developed approach than many peers. However, gaps remain around debt-free financial support and concrete climate adaptation policies for suppliers and workers.

Bangladesh sourcing volume: 2nd out of 15 brands

136.5 million kg exported from Bangladesh in 2025 - 4.1% of all exports

Climate ambition:

- 56% absolute Scope 3 GHG reduction by 2030.⁴⁰
- Net zero target by 2040.⁴¹
- 100% renewable electricity target across Tier 1–3 suppliers by 2030.⁴²

Evidence of action:

- 48% of total electricity consumption in H&M Group's textile supply chain was matched with renewables in 2025, based on 1,127,954 MWh of electricity consumption.⁴³
- Active participation in collective financing programs such as Future Supplier Initiative and has its own program, the Green Fashion Initiative, focused on financing with favourable terms. Through the GFI, it has financed 24 projects.⁴⁴
- Directly engaged with policymakers in Bangladesh on issues such as the National Solar Roadmap, offshore wind energy projects and Power System Master Plan and has signed an MoU to launch a first pilot with IFC and a local company, following the approval of the CPPA framework in 2025.⁴⁵

Key gaps to address:

- Direct debt-free financial support for supplier decarbonization and concrete climate adaptation policies

⁴⁰ "Climate" H&M Group, (n.d.). Available at: <https://hmgroup.com/sustainability/circularity-and-climate/climate/>

⁴¹ Ibid.

⁴² "H&M Group Annual Sustainability Report 2025" H&M Group, (2026). Available at:

<https://hmgroup.com/wp-content/uploads/2026/03/HM-Group-Annual-and-sustainability-report-2025.pdf>

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ "H&M Group, Pran Group and IFC sign Memorandum of Understanding to advance the agenda of renewable electricity in Bangladesh RMG industry" Textile Focus, (2025). Available at:

<https://textilefocus.com/hm-group-pran-group-and-ifc-sign-memorandum-of-understanding-to-advance-the-agenda-of-renewable-electricity-in-bangladesh-rmg-industry/>

Gap Inc.

G A P

OLD NAVY



ATHLETA

BANANA REPUBLIC

Gap Inc. demonstrates moderate support for a Just Energy Transition, with evidence of supplier decarbonization initiatives, participation in collective financing mechanisms like the Future Supplier Initiative and policy advocacy in key manufacturing markets. However, its current approach is constrained by a relatively weak Scope 3 target, a renewable electricity commitment that does not yet extend across its supplier base, and the absence of a dedicated Climate Transition Plan setting out clear milestones for supplier financing, decarbonization and climate adaptation.

Bangladesh sourcing volume: 13th out of 15 brands

32.5 million kg exported from Bangladesh in 2025 - 0.98% of all exports

Climate ambition:

- Net zero target by 2050.⁴⁶
- 100% renewable electricity target for own operations only.⁴⁷

Evidence of action:

- Active participation in collective financing programs such as Future Supplier Initiative.⁴⁸
- Utilized virtual power purchase agreements (VPPAs) for renewable electricity procurement across its owned and operated facilities.⁴⁹
- Demonstrated advocacy efforts by engaging with governments in manufacturing hubs, like Vietnam, to call for actions to simplify and expand access to renewable energy.⁵⁰
- Partnered with the Apparel Impact Institute Clean by Design program to drive energy efficiency and eliminate coal use across its supply chain.⁵¹

Key gaps to address:

- Increase the ambition of Scope 3 emissions reduction target (currently 30% by 2030 from a 2017 baseline).
- Establish a target for 100% renewable electricity across the supplier base and a clear implementation roadmap.
- Publish a dedicated Climate Transition Plan outlining supplier decarbonization, financing and climate adaptation measures with clear milestones.

⁴⁶ "Environmental policies" Gap Inc., (n.d.). Available at:

<https://www.gapinc.com/en-us/impact/policies-and-disclosures/environmental-policies>

⁴⁷ Ibid.

⁴⁸ "Gap, H&M and other commit to decarbonize fashion industry supply chain" ESG Dive, (2024). Available at:

<https://www.esgdive.com/news/gap-hm-others-commit-to-decarbonize-fashion-industry-supply-chain/719147/>

⁴⁹ "Gap Inc. signs renewable energy agreement with Enel" Gap Inc. (2019). Available at:

<https://www.gapinc.com/es-us/articles/2019/08/gap-inc-signs-renewable-energy-agreement-with-enel>

⁵⁰ "Gap Inc. 2021 ESG report" Gap Inc., (2022). Available at:

<https://gapinc-prod-a6bndyfubmc5d9ey.z03.azurefd.net/gapmedia/gapcorporatesite/media/images/values/sustainability/documents/2021/gap-inc-2021-esg-report.pdf>

⁵¹ "Case study: Gap Inc. exceeds energy efficiency goals with supplier participation" Apparel Impact Institute (2022). Available at: <https://apparelimpact.org/resources/case-study-gap-inc-exceeding-energy-efficiency-goals-with-supplier-participation/>



Next demonstrates some readiness to support a Just Energy Transition, particularly through engagement with initiatives in Bangladesh and acknowledgement of the issues facing workers through its public Heat Stress Guidance for suppliers. However, its climate ambition remains limited by an intensity-based Scope 3 target, the absence of a renewable electricity target across its supply chain and little public evidence of supplier financing or wider decarbonization progress.

Bangladesh sourcing volume: 14th out of 15 brands
30.8 million kg exported from Bangladesh in 2025 - 0.92% of all exports

Climate ambition:

- 100% renewable electricity target for own operations only.⁵²
- Intensity target for Scope 3 emissions reduction – 40% by 2030 against a 2019/20 baseline per £1m sales.⁵³
- Engaging with Just Transition through the Apparel & Textile Transformation Initiative (ATTI) in Bangladesh and working with Ethical Trade Initiative on promoting the Just Transition in the region.⁵⁴

Evidence of action:

- Next publicly shares Heat Stress Guidance as part of its Code of Practice for suppliers, covering access to water and ventilation, regular breaks and PPE.

Key gaps to address:

- Implement a supply chain renewable electricity target
- Limited disclosure on supplier decarbonization progress
- No evidence of financing support through its own or collective financing programs

⁵² "Next Corporate Responsibility Report 2026" Next plc, (2026). Available at: <https://www.nextplc.co.uk/~media/Files/N/next-plc-v4/documents/corporate-responsibility/corporate-responsibility-report-2026.pdf>

⁵³ Ibid.

⁵⁴ Ibid.

Methodology

i. Brand assessment

The report assessed the climate and energy-related commitments, transparency and actions of the 15 largest fashion companies sourcing from Bangladesh in 2025, identified through Bangladesh Export Customs Data.

The assessment was undertaken through desk research of publicly available information collected between June and July 2026, including corporate sustainability and annual reports, climate transition plans, company websites, press releases, policy statements, and CDP disclosure documents. The assessment is based solely on publicly available information. Where no public evidence could be identified, this should not necessarily be interpreted as evidence that action has not been undertaken. Company performance may change as new disclosures and reports are published.

Companies were assessed against the priority recommendations and demand set developed by Stand.earth for the Fair Share for the Future campaign, recommendations by the stakeholder consultation for the Fair Share for the Future: Fashion Brand Roadmap for a Just Energy Transition, which incorporated input from manufacturers, worker representatives, brands and independent experts. Criteria were based on the methodology developed for the 2025 Fossil-Free Fashion Scorecard, focusing on:

- Climate commitments and transparency
- Renewable energy and energy-efficient manufacturing
- Supplier decarbonization and financing
- Climate adaptation policies
- Policy engagement and advocacy

ii. Methodology for Bangladesh export calculations

The Stand.earth Research Group analyzed apparel and textile brand sourcing volumes for Bangladesh using consolidated customs export data for knitted and non-knitted apparel, clothing accessories, and textile products, covering January 1 to December 31, 2025. A master list of brands and parent companies was compiled and updated from Stand.earth Research Group's existing records and public sources such as company websites and reports, then cross-validated against a secondary dataset to check completeness and narrow potential gaps. A Python-based fuzzy matching pipeline was used to standardize inconsistent names against a curated dictionary, producing a harmonized naming convention for brands, parent companies, and suppliers. The cleaned data was then analyzed by shipment weight to rank the top 15 apparel and textile entities.

Limitations - Stand.earth Research Group recognizes certain limitations of the name standardization approach. Due to the fact that fuzzy matching depends on master brand list completeness and predefined similarity thresholds, some entities may be omitted or misgrouped due to spelling and formatting variations. While high-priority brands underwent manual review, the scale of the dataset (~52,000 names) precluded full

manual validation. Consequently, automated matching thresholds were set intentionally high to minimize false positives, yielding a conservative estimate of brand coverage.

iii. Methodology for Bangladesh emissions saving scenarios

The two scenarios presented in the report were based on Bangladesh's Third Nationally Determined Contribution (NDC 3.0). Conservative and ambitious scenarios were used to project electrification and renewable energy rates for Bangladesh's manufacturing sector through 2040.

The core equation⁵⁵ - To estimate the emissions avoided through renewable energy (RE) transition, the following formula was used:

$$\text{Annual GHG Savings} = EC \times ER \times RR \times GEF$$

Conservative pathway

Year	Electrification rate	RE rate	Annual saving from top 15 brands (tCO2)	Cumulative saving from top 15 brands (tCO2) from 2026 onwards
2030	24.01%	6.46%	102,336	370,068
2035	29.51%	9.22%	200,912	1,161,807
2040	35.00%	11.98%	337,110	2,559,765

Ambitious pathway

Year	Electrification rate	RE rate	Saving from top 15 brands (tCO2)	Cumulative saving from top 15 brands (tCO2)
2030	32.34%	14.35%	280,433	841,767
2035	46.71%	25.00%	704,308	3,446,851
2040	60.00%	35.65%	1,257,128	8,591,767

Key components of the model include energy consumption (EC), electrification rate (ER), renewable energy rate (RR), and the grid emission factor (GEF). Energy consumption for the apparel and textile sector is assumed to account for a constant 30% of total industrial energy consumption, forecast through 2040 using a linear regression model on historical IEA data. The 2023 baseline electrification rate was calculated from published industry electricity demand relative to total 2023 RMG energy consumption (IEA data), with subsequent years adjusted according to each transition scenario, while the renewable energy rate for future years is similarly modelled based on each scenario's growth trajectory. The GEF was determined by establishing a baseline for total electricity generation and energy mix (coal, oil, gas, and renewables) using historical IEA data and a linear forecasting model through 2040, applying a uniform grid emission factor and energy mix across all industrial sub-sectors, including apparel and textiles.

⁵⁵ EC: Total energy consumption of the apparel and textile sector; ER: Electrification rate (the ratio of electricity to total energy); RR: Renewable energy rate (the ratio of the electricity generation from renewable energy to total electricity generation); GEF: Grid emission factor

Assumptions - The analysis assumes Bangladesh customs data is sufficiently comprehensive and accurate for modelling; that apparel and textile energy consumption remains constant at 30% of total industrial demand through the forecast period; that the relative share of coal, oil, and natural gas in the non-renewable electricity mix stays consistent with the 2014–2023 average; and that a uniform national grid emission factor and energy mix applies across the apparel and textile sector.

Limitations - Due to limited transparency regarding the thermal and electrical split in Bangladesh, as well as the lack of clarity on Tier 1 vs. Tier 2 supplier outputs, the analysis of the apparel and textile industry's total energy consumption is presented as a single aggregate. This approach helps mitigate the uncertainties caused by these data gaps and ensures a more robust baseline for forecasting. The calculation focused exclusively on the on-grid renewable energy transition, as it represents the majority of newly commissioned capacity. While excluding off-grid renewables may omit a portion of the total carbon savings within the sector, the on-grid focus ensures a more verifiable and standardized projection.