

SQUEEZED DRY - COMPANY STATEMENTS

This document presents the responses and statements given by companies regarding the Report '[Squeezed Dry – Pricing Pressure in the Global Fashion Industry](#)', 2026.

BESTSELLER

“Given the short deadline, we have not had the opportunity to thoroughly review and analyse the data and findings in detail. Based on an initial read, however, there are several assumptions and conclusions that we do not fully recognise, as we believe some important perspectives and contextual factors may not have been sufficiently reflected. When assessing price developments over time, it is important to consider holistically shifts in product mix and composition, efficiency improvements, currency fluctuations and other market factors.

BESTSELLER have supported and advocated for higher wages in the industry, and this remains a priority for us, along with investments and focus on improving social and labour standards, wage management systems and developing and supporting other social support structures in the region such as the Employment Industry Scheme.

That said, given the limited time available, we are unfortunately not in a position to engage further with the report or its conclusions at this stage.”

FAST RETAILING

“Our sourcing prices are determined in line with Fast Retailing’s Responsible Purchasing Policy, based on long-term business relationships and stable order volumes, and take into account multiple factors such as product specifications, wages, raw material costs, transportation methods, and tariffs in close discussion with our production partners. In addition, as an accredited member of the Fair Labor Association, we are working on purchasing practices in accordance with internationally recognized frameworks. We believe that fair purchasing practices should not be assessed solely based on price levels, but should be considered holistically, including purchasing terms and overall engagement with production partners.”

H&M GROUP

“The figures you shared in the attached document do not match those in our internal systems.

The trend in our purchasing prices in Bangladesh account for the consumer price index inflation for Bangladesh.

Some additional clarifications:

- In line with our purchasing practices commitments as a member of ACT, we ring-fence the labor cost in our price negotiations.
- As mentioned in this [Reuters](#) article, we are shifting our sourcing strategy towards proximity markets, which has affected sourcing of value-add products. Many of the cotton t-shirts sourced from Bangladesh now are basic styles due to this strategic shift.”

INDITEX

“The information and analysis presented for Inditex are incomplete and do not reflect the reality of our sourcing from the market. The methodology does not adequately assess the evolution of purchasing prices, as it does not account for changes in product orders from one year to the next, such as product mix, finishing processes, garment characteristics and sizing. Crucially, the analysis does not factor in the evolution of cotton prices -which decreased significantly during the period- or the dollar/taka currency effect.”

LPP

“We would like to emphasize that our sourcing practices are based on a comprehensive evaluation of multiple factors, not solely on price. These include product specifications, quality requirements, supplier capabilities, long-term partnerships, order volumes, and operational efficiency.

Regarding the observed nominal decrease in our average sourcing prices for cotton T-shirts from Bangladesh between 2021 and 2025, this development should be seen in the context of:

- significant optimization of product construction and material usage,
- consolidation of supplier base and increased production efficiencies,
- strategic volume allocation enabling better cost structures,
- and normalization the past cost peaks (e.g. raw materials and energy in 2022).

It is important to underline that lower unit prices do not directly translate into reduced supplier margins or wages. In many cases, cost efficiencies and scale allow suppliers to maintain or even improve profitability while offering competitive pricing.

We fully recognize our responsibility to promote responsible purchasing practices and remain committed to supporting sustainable working conditions in our supply chain through long-term partnerships with strategic suppliers and continuous monitoring of compliance standards.”

PRIMARK

“We’ve long supported fairer wages and better working conditions in our supply chain through our own programmes in our sourcing markets and partnerships. As a founding member of ACT, we recognise the role of responsible purchasing practices in enabling fair wage payments. We work with trusted suppliers that often make products for multiple brands. What matters to us is transparency, accountability, and continuous improvement. Our scale allows us to offer affordable products, but we do not believe low prices should come at the expense of workers’ rights.

Sourcing prices vary by product type, materials, style, and order size, with larger orders often allowing suppliers to plan production more efficiently. We track wage developments in our sourcing countries and work with suppliers to support agreed wage increases.

In Bangladesh, all factories producing for Primark were required to implement the new minimum wage from December 2023, and we worked with suppliers to adjust prices on orders placed prior to the increase if needed. Bangladesh remains a key sourcing market for Primark, and we are committed to supporting worker rights and labour standards locally.

In every market we source from, we insist on strict operating standards, which follow international human rights principles, set out in our [Supplier Code of Conduct](#). Wage compliance is monitored through regular audits, spot checks and direct worker engagement, supported by ongoing supplier training delivered by both local Primark teams and external partners.

Worker voice is essential. All factories working with us are expected to have effective grievance mechanisms in place. In addition, our independent [Tell Us](#) grievance mechanism is available globally, including in Bangladesh. We also support the independent Amader Kotha grievance mechanism and the Bangladesh Interim Dispute Resolution Mechanism.

More information on our approach can be found [here](#) and [here](#).”