

**Company Name** Hennes & Mauritz (H&M)  
**Industry** Apparel (Supply Chain only)  
**UNGP Core Score (\*)** 15.5 out of 26

Score	Out of	For indicators
<b>Governance and Policy Commitments</b>		
1	2	A.1.1 Commitment to respect human rights
1.5	2	A.1.2 Commitment to respect the human rights of workers
2	2	A.1.4 Commitment to engage with stakeholders
1	2	A.1.5 Commitment to remedy
<b>Embedding respect and Human Rights Due Diligence</b>		
Embedding respect		
2	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
1.5	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
2	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
1	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
1	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0.5	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
<b>Remedies and Grievance Mechanisms</b>		
1.5	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
0	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0.5	2	C.7 Remedying adverse impacts and incorporating lessons learned
<b>15.5</b>	<b>26</b>	

(\*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

## Detailed assessment

### Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: General HRs commitment: In its Human Rights Policy the Company states: 'H&amp;M is committed to respecting fundamental human rights in our operations, our value chain, and in the communities where we operate. We seek to avoid complicity in human rights abuses and to use our influence to promote the fulfilment of human rights.' [Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: UNGC principles 1 &amp; 2: The Company is signatory to the UN Global Compact [Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: UNGPs: In its Human Rights Policy the Company states: 'H&amp;M's approach to human rights is based on the UN Guiding Principles on Business and Human Rights and the recognition that while states have a duty to protect human rights, companies have a responsibility to respect the same.' In addition, in its Modern Slavery Statement it indicates: 'The H&amp;M group publicly commits to respecting human rights and recognises its responsibility to respect human rights as stated in the UN Guiding Principles on Business and Human Rights (UNGP) through our Human Rights Policy. However 'based on' and 'recognises its responsibility as stated in' are not considered a formal commitment following CHRB wording criteria. [Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Modern Slavery Statement FY 2018/19, 2020: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Not met: OECD: In its Human Rights Policy the Company states: 'H&amp;M's approach to its business operations is informed by the ILO International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, The Children's Rights and Business Principles, the OECD Guidelines for Multinational Enterprises [...]'. The statement does not show a direct and clear commitment. [Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
A.1.2	Commitment to respect the human rights of workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: ILO Core</li> <li>• Met: UNGC principles 3-6: The Company is a signatory to the UNGC [Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Explicitly list ALL four ILO for AP suppliers: In its Sustainability Commitment the Company included specific sections relative to ILO core. With respect freedom of association and collective bargaining, the Company indicates: 'All workers, without exception or distinction, have the right to join or form a trade union of their own choosing and to bargain collectively. Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace. Where the right to freedom of association and collective bargaining is restricted under national law, the employer encourages and does not hinder the development of parallel means for independent and free association and bargaining.' [Sustainability Commitment, 01/2016: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Explicit commitment to All four ILO Core: The Company has an agreement signed with the Union Network International where it states that it is part of the Company's Corporate Policy to support and respect the fundamental human rights of freedom of association and collective bargaining, ban on Child and Forced Labour and all types of discrimination in all H&amp;M workplaces. The Company has a Policy on Child Labour, a Global Non Discrimination and Non-Harassment Policy, and Global Labour Relations Policy (addressing Freedom of association and the right to collective bargaining). On its Sustainability Commitment it addresses the Forced Labour issue. In addition, with regards freedom of association and collective bargaining, the Company states in its Global Labour Relations Policy: 'In instances where the country falls short of our responsibility towards our Global Human Rights</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>policy and the core labour standards defined by the ILO, H&amp;M group will contribute to improve labour standards and promote the development of basic human rights by cooperating with multinational employer associations and globally recognized trade unions' [Sustainability Commitment, 01/2016: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Policy on Child Labour, 01/10/2014: <a href="http://hmgroupp.com">hmgroupp.com</a>]</p> <ul style="list-style-type: none"> <li>• Met: Respect H&amp;S of workers: In 'the H&amp;M way' document the Company states: 'Health and safety at work. We want to maintain pleasant and sustainable working environments throughout our operations. This includes ensuring that you as an employee have a safe workplace. H&amp;M takes preventative measures to ensure the long-term safety and good health of our employees. We encourage our employees to report accidents or unsafe working conditions to their manager.' [The H&amp;M Way, N/A: <a href="http://about.hm.com">about.hm.com</a>]</li> <li>• Met: H&amp;S applies to AP suppliers: In its Sustainability Commitment the Company indicates: 'Workplace safety and the health &amp; safety of employees must be a priority at all times and a safe and hygienic working environment shall be provided.' In addition the Code states minimum requirements. [Sustainability Commitment, 01/2016: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Not met: working hours for workers: In its Code of Ethics - Employees, which apply to its workers, there is no reference to respect the ILO conventions on labour standards on working hours, but only some guidelines with respect 'recording your time accurately'. No further reference on working hours for the Company's own employees. [Code of Ethics – Business Partner Commitment, 01/2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Working hours for AP suppliers: In its Sustainability Commitment the Company indicates: 'Working hours in a week, as well as overtime hours, shall comply with national law, ILO Conventions or collective agreement, whichever affords the greater protection for workers, and be defined in contracts. In any event, employees shall not on a regular basis be required to work in excess of 48 hours per week and should be provided with at least one day off for every 7 day period. The total hours in any 7 day period shall not exceed 60 hours. Overtime' [Sustainability Commitment, 01/2016: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
A.1.4	Commitment to engage with stakeholders	2	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Commits to stakeholder engagement</li> <li>• Met: Regular stakeholder engagement: On its website section 'Engaging Stakeholders' the Company indicates: 'Throughout the year, we have regular dialogues with different stakeholders such as customers, colleagues, communities, suppliers, industry peers, non-governmental organisations (NGOs), inter-governmental organisations (IGOs), policymakers and investors. We do this on a day-to-day basis, through regular roundtables on a global and local level, focusing on stakeholder reviews, strategy consultations, dedicated surveys and participation in several multi-stakeholder initiatives.' [Stakeholder engagement, N/A: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Commits to engage stakeholders in design</li> <li>• Met: Regular stakeholder design engagement: In its Sustainability Report 2018 the Company indicates: 'To ensure our list of salient human rights issues remains relevant, we will review these issues annually. The full process, including input from external stakeholders, will be conducted approximately every three years, or more frequently if necessary.' In addition, in its Sustainability Report 2019, it states: 'We reviewed and updated our salient human rights issues with internal and external stakeholders.' [Sustainability Report 2018, 03/2019: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> </ul>
A.1.5	Commitment to remedy	1	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to remedy: In its Sustainability Report 2015 the Company states: 'We recognise our responsibility to provide for remedy when adverse human rights impacts is connected to our activities'. In its Human Rights Policy the Company states: 'H&amp;M is committed to respecting fundamental human rights in our operations, our value chain, and in the communities where we operate. We seek to avoid complicity in human rights abuses and to use our influence to promote the fulfilment of human rights. [...] We aim to identify, assess, and manage the human rights impacts of our business activities based on the operational context, our leverage and business relationships.' [Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Not obstructing access to other remedies</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Not met: Collaborating with other remedy initiatives: Although the Company participates in different initiatives where it works and collaborate with its suppliers to improve its human rights performance and that it has a framework agreement to work with IndustriALL (collective bargaining), no evidence found about collaborations in initiatives that provide access to remedy. [Modern Slavery Statement FY 2018/19, 2020: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> <li>• Not met: Work with AP suppliers to remedy impacts: The Company indicates that it works with suppliers and business partners to ensure human rights are respected in the supply chain. It indicates that actions are 'guided and carried out through dialogue and collaboration with relevant stakeholders with support from our audit and remediation programme and our community investment policy'. However, no evidence found of a commitment to collaborate with business relationships to remedy adverse impacts through the business relationship's own mechanisms or through collaborating with them on the development of third party non-judicial remedies. [Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>

## Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Commits to ILO core conventions: See indicator A.1.2. The Company is signatory to the UN Global Compact.</li> <li>• Met: Senior responsibility for HR: The Company summarizes the responsibilities of the Head of Sustainability: 'Reports directly to CEO; Quarterly: reviews KPIs performance, key challenges, learnings and activities with CEO and CFO; Twice yearly: reports performance against key sustainability indicators to board of directors; Responsible (with Executive Management Team) for H&amp;M Group's sustainability work; Works with the whole sustainability team to implement sustainability vision and strategy'. Sustainability indicators include human rights. [Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Day-to-day responsibility: It also describes its Global Sustainability Department: 'Around 40 experts; Sets strategies, targets, goals, policies and follow-up procedures; Quarterly: strategy leads report progress against sustainability KPIs, key challenges, learnings and activities to head of sustainability'. [Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> <li>• Met: Day-to-day responsibility for AP in supply chain: The Company indicates: 'Throughout the company, more than 240 people work with sustainability as their core task. [...] Around 80 managers work strategically to embed sustainability; Drive implementation of strategy in production markets, brands, functions, retail markets and the H&amp;M Group head office; Work with our suppliers to assess performance against our Sustainability Commitment and support improvements through capacity-building programmes and activities'. [Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> </ul>
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Identifying risks in own operations: In its Sustainability Report 2019, the Company indicates: 'We identify and manage any human rights risks in our operations and supply chain [...] We systematically conduct due diligence to identify, address and report on human rights-related risks or impacts during relevant assessment processes — including risk management processes, internal audits, business partner assessments, stakeholder engagement, grievance handling and internal trainings'. In addition, in its Sustainability Report 2018, it states: 'Each assessment process contains a clear component that enables us to identify, address and report on any risks or impacts that relate to human rights'. [Sustainability Report 2018, 03/2019: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> <li>• Met: Identifying risks in AP suppliers: As indicated above, the Company states: 'We identify and manage any human rights risks in our operations and supply chain' [Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Ongoing global risk identification: The Company states that 'our human rights due diligence is an ongoing process that monitors the practice of and respect for human rights throughout H&amp;M group'. [Sustainability Report 2018, 03/2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: In consultation with stakeholders: As indicated above: 'We systematically conduct due diligence to identify, address and report on human rights-related risks or impacts during relevant assessment processes — including [...] stakeholder engagement'. [Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> <li>• Not met: In consultation with HR experts: Externally, consultations were held with experts, organisations, academia and local stakeholders'. However, no further details found in this nor new reports/documents on which experts are consulted or the work carried out. [Sustainability Report 2017, 04/2018: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> <li>• Met: Triggered by new circumstances: In addition, it states in its MSA 2018/2019: 'In 2015, the H&amp;M group implemented a comprehensive process involving both internal and external stakeholders in order to identify our salient human rights issues and since then (in 2016, 2017 and 2019) we have conducted annual reviews to determine their enduring relevance.' In addition, in its Sustainability Report 2018, it indicates: 'The full process, including input from external stakeholders, will be conducted approximately every three years, or more frequently if necessary. [...] the most recent review took place in 2017, and resulted in slightly adjusted definitions on, for example Child Labour changed to Child Rights.' [Sustainability Report 2018, 03/2019: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Modern Slavery Statement FY 2018/19, 2020: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Salient risk assessment (and context): The Company states in its Sustainability Report 2019: 'Our salient human rights issues are linked to those with the most potential for severe negative impact in our operations and supply chain. These include issues fundamental for fair and inclusive jobs, such as a living wage, health and safety, freedom of association and collective bargaining. They also include human rights issues that require increased attention in a more digitalised world, for example non-discrimination.' In addition, in its Sustainability Report 2018, it indicates: 'We started the process by defining who we impact through our business activities along our value chain. We paid special attention to those who are potentially more vulnerable and hence are more at risk, such as migrant workers, women and children. This mapping process resulted in a list of both potential and actual human rights impacts. From this list, we identified salient impacts by applying two criteria: the severity of the potential impact and the likelihood of occurrence.' 'We have identified a living wage, freedom of association and collective bargaining as human rights issues that are most important to address in securing fair jobs for all. Not only are they important rights by themselves, but they also enable the establishing of other rights.' [Sustainability Report 2018, 03/2019: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> <li>• Met: Public disclosure of salient risks: See above. Also, update on salient issues 2019. [Salient Issues 2019, N/A: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirements under score 1 met</li> </ul>
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Action Plans to mitigate risks</li> <li>• Not met: Including in AP supply chain</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Example of Actions decided: The Company reports about its 'Fair Living Wage Strategy': 'Our strategy sets out clear goals and actions for four target groups: governments, factory owners, brands and, most crucially, factory employees.' One of its actions decided was the formation of ACT (Action, Collaboration and Transformation): 'The formation of ACT represents a significant milestone on the journey to fair wages. ACT is a ground-breaking coalition of 22 global brands, including H&amp;M group, and IndustriAll Global Union. The group's mission is to transform the garment, textile and footwear industry and achieve living wages for workers through collective bargaining at industry level. One particularly game-changing component in ACT's approach is to include brands' purchasing practices in the equation. While local employers and trade unions should negotiate wage levels and working conditions with each other, brands can contribute with a commitment to responsible purchasing practices.' In addition, in its Sustainability Report, the Company discloses information about the progress made in 2019 in its Forced Labour strategy: 'Our new Migrant Workers Fair Recruitment and Treatment Guidelines highlight key requirements around fee payments and contracts, freedom of movement, dignity and respect, as well as prohibiting business partners (including suppliers and labour agencies) from withholding employee documents such as passports.—We launched a new partnership with the International Organization for Migration (IOM) to take a country-by-country approach to targeting and reducing risks of forced labour for migrant workers.' [Sustainability Report 2018, 03/2019: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: System to check if Actions are effective: The Company reports the section 'Learning &amp; Future Focus' following its Progress in a specific program or line of action. For instance in its 'Fair jobs in our production supply chain - Workplace dialogue', the Company indicates: 'We've made progress implementing workplace dialogue programmes across our supply chain in recent years, and we want to build on what we've learned. We are evaluating the work done so far, and in 2020 will focus on maintaining high quality representation and systems that support ongoing dialogue'. With respect 'Compensation &amp; benefits' it reports: 'The Ethical Trading Initiative (ETI) performed a third-party evaluation of our Fair Living Wage Strategy in 2018 and concluded that the strategy demonstrated leadership on a difficult issue and can deliver wage growth over time. We therefore plan to keep the components of our current approach to improving wages'. And finally, about its 'Supply Chain Management', it indicates: 'Now that we've undertaken a few iterations of the SIPP annual cycle, we are gaining the insight into supplier performance that we need to continue refocusing resources beyond compliance, and towards continuous improvement. We also see that SIPP strengthens the links between results and supplier incentivisation'. However, no details found describing the system put in place to check the effectiveness of its actions related to all its salient human rights issues. [Sustainability Performance Report 2019, 04/2020: <a href="http://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: Lessons learnt from checking effectiveness: The Company presents different examples of lessons learnt while tracking the effectiveness of its actions related to salient human rights issues, such as the following addressing Fair Living Wage: 'During 2017, we developed wage management system guidelines based on the learnings made so far and in close consultation with a variety of stakeholders. This will guide the work with our business partners going forward and has also been shared with industry partners. In agreement with a broad range of our stakeholders, we see industry-wide collective bargaining as the best way to define and further drive minimum wages across the industry. ACT is instrumental in the work towards this and its collective effort has resulted in substantial progress in several key markets.' In addition, in its Sustainability Report 2018/2019, the Company indicates: 'The Ethical Trading Initiative (ETI) performed a third-party evaluation of our Fair Living Wage Strategy in 2018 and concluded that the strategy demonstrated leadership on a difficult issue and can deliver wage growth over time. We therefore plan to keep the components of our current approach to improving wages through: workplace dialogue, improved wage management systems, industry-level collective bargaining agreements and improved purchasing practices. We need a deeper understanding of local cultural, economic and legal circumstances that might influence our approach, so we plan to develop market specific wage strategies and focus on developing partnerships with relevant national stakeholders'. [Sustainability Report 2017, 04/2018: <a href="https://sustainability.hm.com">sustainability.hm.com</a> &amp; Sustainability Performance Report 2019, 04/2020: <a href="https://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Comms plan re identifying risks: See indicator B.2.1. The Company carries out a global risk identification and assessment process that includes both its own operations and business partners, and describes at least some features of the process.</li> <li>• Met: Comms plan re assessing risks: See indicator B.2.2</li> <li>• Not met: Comms plan re action plans for risks: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2</li> <li>• Not met: Comms plan re reviewing action plans: In order to be awarded this indicator, the Company has to achieve a full score in B.2.3</li> <li>• Met: Including AP suppliers: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2/B.2.3/B.2.4 and at least 1,5 points in B.2.1</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Responding to affected stakeholders concerns: The Company reports about how it managed the case where 'workers at one supplier's factory in Myanmar held a strike in relation to working conditions and wages' in 2018: 'In liaison with H&amp;M Group, the NMC proposed a meeting between BLO representatives and factory management. [...] The discussions helped to identify a lack of routines and procedures for overtime requests from the company to the workers in a lawful and respectful manner — for example not giving notification to workers in good time and on a voluntary basis. The agreement resulted in new procedures and routines for overtime requests, as well as a plan to engage BLO executives in future production planning processes.' [Sustainability Performance Report 2019, 04/2020: <a href="https://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a>]</li> <li>• Not met: Ensuring affected stakeholders can access communications</li> </ul>

## Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Channel accessible to all workers: The Company indicates: 'All workplaces within H&amp;M Group have a local grievance procedure based on local legislation and our global Grievance policy. If a grievance can't be settled through the local procedure, any employee can turn to a global point of contact for further support.' In its Global Grievance Policy the Company states: 'Each workplace within the H&amp;M Group has a local grievance procedure that is based on local legislation and this global policy. Every employee should be informed about this procedure and know how to report a grievance'. [Sustainability Performance Report 2019, 04/2020: <a href="https://sustainabilityreport.hmgroupp.com">sustainabilityreport.hmgroupp.com</a> &amp; Global Grievance Policy, 07/2015: <a href="https://hmgroupp.com">hmgroupp.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Number grievances filed, addressed or resolved</li> <li>• Not met: Channel is available in all appropriate languages</li> <li>• Met: Expect AP supplier to have equivalent grievance systems: In its Sustainability Commitment for Business Partners the Company states: 'There is a grievance mechanism in place enabling employees to put forward complaints without risk of retaliation' [Sustainability Commitment, 01/2016: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Opens own system to AP supplier workers: 'If a grievance cannot be settled through the local procedure, any employee can turn to the global point-of-contact for further support: <a href="mailto:globalgrievance@hm.com">globalgrievance@hm.com</a>.' [Global Grievance Policy, 07/2015: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Grievance mechanism for community: Grievance mechanisms disclosed by the Company are addressed exclusively to employees as it is stated on its website section 'Whistle blowing' and on its Global Grievance Policy. [Whistle blowing, N/A: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Describes accessibility and local languages</li> <li>• Not met: Expects AP supplier to have community grievance systems</li> <li>• Not met: AP supplier communities use global system</li> </ul>
C.7	Remedying adverse impacts and incorporating lessons learned	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Describes how remedy has been provided: In 2015 the Company signed the Global Framework Agreement (GFA), to ensure the respect of collective bargaining right in its supply chain: 'H&amp;M confirms under this GFA its commitment to and respect for human and trade union rights in the workplace, including the right to organize and to negotiate collective agreements. H&amp;M will actively use all its possible leverage to ensure that its direct suppliers and their subcontractors producing merchandise/ready made goods sold throughout H&amp;M group's retail operations respect human and trade union rights in the workplace. By this GFA, H&amp;M recognizes IndustriALL as its legitimate partner for discussions regarding human and trade union rights in the workplace. H&amp;M may also interact with IndustriALL affiliated trade unions and use its good offices to facilitate an improvement in such rights and conditions among its suppliers. For their part, under this GFA IndustriALL and IF Metal confirm their commitment to work with all unions represented at H&amp;M's direct suppliers and their subcontractors producing merchandise/ready made goods sold throughout H&amp;M group's retail operations, with the objective of increasing trade union capacity to ensure implementation of this GFA within a framework of well-functioning industrial relations.' However, no evidence found of specific remedy for specific victims in a specific case where people has suffered adverse impacts by the Company or its operations. [Global Framework Agreement (GFA), 09/2015: <a href="http://industrialall-union.org">industrialall-union.org</a>]</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Changes introduced to stop repetition: The Company describes in its 'Modern Slavery Statement - Financial Year 2017/2018' its ongoing efforts to prevent cases of forced labour in spinning mills in Southern India, particularly Tamil Nadu: 'Since 2013, we have been involved in an ETI initiative addressing exploitative labour practices in Tamil Nadu, India – especially targeting the Spinning Mill Industry; Since 2016, we have been involved in the Amsterdam Coalition, an initiative between major global brands and retailers which is supported by the OECD and which aims to contribute to the prevention and mitigation of harmful impacts on workers in spinning mills in South India, particularly in Tamil Nadu; Our monitoring programme covers our most important second-tier suppliers (fabric and yarn suppliers-to-our-suppliers) who are involved in making about 65% of the production volume for the H&amp;M group. [...] the Tamil Nadu Multi- Stakeholder (TNMS) programme [...] has 3 components: 1) a worker peer group programme (WPGP) in which training related to health and safety and workers' rights and responsibilities is conducted for mill workers and management; 2) a community outreach programme aimed at educating and raising awareness within communities in which recruitment takes place; 3) a policy and legislative reform effort to tackle policy gaps at industry level. Additionally, as a pilot, we have enrolled some spinning mills in South India in our wage management system programme (WMS).' [Modern Slavery Statement 2017-2018, 01/2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>



## Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> <li>• Headline: Report finds female migrant workers are subjected to conditions of modern slavery in factories supplying to many brands</li> <li>• Area: Forced Labour - restriction of movement</li> <li>• Story: On February 28, 2018, the Business &amp; Human Rights Resource Centre website reported that according to a study conducted by the India Committee of the Netherlands, Clean Clothes Campaign and Garment Labour Union, that looks into the living conditions in Bangalore garment factory hostels and the particular challenges migrant workers face. It is found that five out of the eleven ILO (International Labour Organization) indicators for forced labour exists in the Bangalore garment industry: abuse of vulnerability, deception as a result of false promises (wages etc.), restriction of movement in the hostel, intimidation and threats, and abusive working and living conditions. The report identifies two companies, Company 1 &amp; Company 3, as supplying a number of major fashion brands, including H&amp;M. Connected to these companies are 'hostels', living quarters for workers located nearby the factory they work at. Women who lived at these hostels complained that their movement was restricted by the factory employees and hostel authorities. At Company 1 the women were escorted from the factory back to the hostel in the afternoon and were banned from leaving the hostel during weekday evenings. On Sunday's they were allowed to leave the hostel unaccompanied, however this was only between the hours of 4pm to 7pm. At Company 3, women were only allowed to leave the hostel for a total of 3 hours on Sunday, between 12pm and 7pm, on all other days they had to be back inside the hostel by 7pm. Additionally, hostel authorities would not allow the families of the women to enter the hostel when they came to visit, and the use of mobile phones was only permitted between 8.30pm - 9.30pm at night. While some of these aspects are also felt by the local workforce, they are more strongly experienced by migrant workers. According to the report, the factories studied produce for C&amp;A, Columbia, Decathlon, Gap, H&amp;M, PVH, Marks &amp; Spencer, Abercrombie &amp; Fitch, Benetton and Levi Strauss.</li> <li>• Sources: [Business &amp; Human Rights Resource Centre - 28/02/2018: <a href="https://business-humanrights.org">business-humanrights.org</a>][Clean Clothes Campaign - 26/01/2018: <a href="https://cleanclothes.org">cleanclothes.org</a>]</li> </ul>
E(1).1	The Company has responded publicly to the allegation	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public response available: The company has a publicly available response addressing the allegations raised by the ICN report. [H&amp;M response (BHRC), 19/02/2018: <a href="https://business-humanrights.org">business-humanrights.org</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Response goes into detail: The company response outlines the steps it has taken to improve the safety of female migrant workers within the supply chain and acknowledges a number of challenges that arise when working with worker hostels run by third parties. [H&amp;M response (BHRC), 19/02/2018: <a href="https://business-humanrights.org">business-humanrights.org</a>]</li> </ul>
E(1).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Company policies address the general issues raised: The Company has an agreement signed with the Union Network International where it states that it is part of the Company's Corporate Policy to support and respect the fundamental human rights of freedom of association and collective bargaining, ban on Child and Forced Labour and all types of discrimination in all H&amp;M workplaces. Additionally it also says "H&amp;M looks to those human rights defined in the Universal Declaration of Human Rights and its two corresponding covenants, The International Covenant on Civil and Political Rights and The International Covenant on Economic, Social and Cultural Rights." [Human Rights Policy, 2012: <a href="https://hmgroupp.com">hmgroupp.com</a> &amp; Sustainability Commitment, 01/2016: <a href="https://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Policies apply to the type of business relationships involved: The company, in its human rights policy, says engagement with its supply chain is manifested through the Sustainability Commitment and managed through applicable follow-up procedures. The Sustainability Commitment refers to "fundamental performance in line with internationally agreed standards, applicable UN and ILO Conventions as well as national legislation, and where there is discrepancy between requirements the one that offers the greatest protection for workers, the environment and animal welfare shall apply. Compliance with fundamental requirements is expected of all H&amp;M Business Partners." It goes on to state that "This Sustainability Commitment applies to the direct operations and subcontractors of Business Partners which have a contractual business relation with H&amp;M. H&amp;M may also engage with non-direct Business Partners in the supply</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>chain to voluntarily sign this Sustainability Commitment in order to work together for improved sustainability performance." [Sustainability Commitment, 01/2016: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Policies address the specific rights in question: The company in its Sustainability Commitment for Business Partners, identifies forced labor as unacceptable in its supply chain and further states that "The employee's freedom of movement is not restricted." [Sustainability Commitment, 01/2016: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
E(1).3	The Company has taken appropriate action	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Engages with affected stakeholders: Though the company engaged with the suppliers to ensure that women can leave and enter their hostels freely, there is no evidence that the company engaged with the women themselves or with similar type -(women in the same working and living conditions in the same region) [H&amp;M response (BHRRC), 19/02/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> <li>• Met: Encourages linked business to engage affected stakeholders: The company says "Since we are aware of and concerned by challenges connected to living conditions in the Bangalore garment factory hostels, and working conditions at factories, we will arrange a workshop in the beginning of 2018, together with Ethical Trade Initiative, where the trade unions GLU and GATWU also are invited, to discuss updated and improved hostel guide lines, how to prevent and address sexual harassment and the assimilation of interstate migrant workers." [H&amp;M response (BHRRC), 19/02/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> <li>• Not met: Provides remedies to affected stakeholders: The company says "Last year we had discussions with several suppliers and their hostels about the curfew restrictions for female workers during their Sunday off and can now see changes taking place. The women now have full freedom to leave hostels as they please during daytime on Sundays, but there will still be checks when coming and going for safety reasons." However this is not sufficient information to satisfy the requirement. [H&amp;M response (BHRRC), 19/02/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> <li>• Met: Has reviewed management systems to prevent recurrence: The company says "We are also aware of the vulnerability of textile workers living at hostels. This is the reason why we last year reached out to suppliers in India to reinforce our expectation that the 'Guidance for Migrant Women Workers in Hostels' is followed, developed by the brands group in India (BEWG) together with trade unions, NGO's and manufacturers. The guide aims at providing safe and healthy accommodation to migrant workers. H&amp;M inspects all hostels provided by our suppliers to make sure they meet expected standards." [H&amp;M response (BHRRC), 19/02/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Remedies are satisfactory to the victims: The company says that since the release of the report the women now have full free movement to leave hostels as they please on a Sunday, however there is no evidence provided that this is a satisfactory remedy for the victims, and the response also suggest that the weekday curfews are still in place, an issue that was raised explicitly in the report. This is not sufficient to receive a score [H&amp;M response (BHRRC), 19/02/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> <li>• Not met: Has improved systems and engaged affected stakeholders: Though the company has improved systems and it engaged with the suppliers to ensure that women can leave and enter their hostels freely, there is no evidence that the company engaged with the women themselves or with similar type -(women in the same working and living conditions in the same region) [H&amp;M response (BHRRC), 19/02/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> </ul>
E(2).0	Serious allegation No 2		<ul style="list-style-type: none"> <li>• <b>Headline:</b> Shahi Exports, a supplier of Hennes &amp; Mauritz, accused of unfair practices</li> <li>• <b>Area:</b> FoA &amp; CB</li> <li>• <b>Story:</b> In June 2018, Worker Rights Consortium (WRC), a US based labour rights monitoring organisation focused on protecting the rights of workers, reported allegations of violent anti-union activity at a Shahi Exports factory in Bangalore, India. WRC exposed its allegations in a 29 page report which included accusations that the mid-level professionals of Shahi Exports house were behind threats and misbehaviour targeting the workers who were demanding a salary increase. A WRC investigation found that in late March through mid-April 2018, the management of Shahi Exports engaged in a campaign of vicious repression and retaliation against workers exercising their fundamental labour rights. The repression and retaliation included physical beatings; death threats; gender, caste, and religion-based abuse; threats of mass termination; and the expulsion from the</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>factory of 15 worker activists. The violations occurred at Shahi's Unit 8 factor and were allegedly a deliberate effort by Shahi to repress the organisation of a union at the factory as well as prevent an increase in garment workers' wages, reported WRC. Initially, WRC called on Shahi to fire the managers involved, reinstate the workers and recognise the union. However, when Shahi denied the accusations targeting its managers and refused to fire them, the WRC urged Shahi's major international client including H&amp;M, Benetton, Abercrombie &amp; Fitch and Columbia Sportswear to press Shahi to fire the managers and apologise to the 15 workers.</p> <p>• Sources: [WRC Website - 20/6/2018: <a href="http://workersrights.org">workersrights.org</a>][The Guardian - 19/07/2018: <a href="http://theguardian.com">theguardian.com</a>][Apparel Resources - 25/06/2018: <a href="http://apparelresources.com">apparelresources.com</a>]</p>
E(2).1	The Company has responded publicly to the allegation	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public response available: Hennes &amp; Mauritz states "We are deeply concerned by the alleged abuse against workers at one of our suppliers. We have an ongoing dialogue with the legal worker representatives which are supported by IndustriALL Global Union, as well as the supplier." [WRC article on allegations against Shahi Export: <a href="http://workersrights.org">workersrights.org</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Response goes into detail: The company states that "Our teams in the countries concerned are starting the relevant investigations" regarding the Asia Floor Wage Alliance report, which details the Shahi Unit 8 allegations. Additionally, the company has addressed the specific requests by the Asia Floor Wage Alliance in a public response. [WRC article on allegations against Shahi Export: <a href="http://workersrights.org">workersrights.org</a>]</li> </ul>
E(2).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Company policies address the general issues raised: H&amp;M states that it "is committed to respecting fundamental human rights in our operations, our value chain, and in the communities where we operate. We seek to avoid complicity in human rights abuses and to use our influence to promote the fulfilment of human rights." Additionally, it states that "H&amp;M's approach to its business operations is informed by the ILO International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, The Children's Rights and Business Principles, the OECD Guidelines for Multinational Enterprises and the United Nations Global Compact, to which we are signatories." Finally, the company states "Our commitment to H&amp;M group's Global Human Rights Policy, the Global Framework Agreements, and the labour principle as defined by the ILO, particularly freedom of association and the right to collective bargaining is fundamental." [Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Global labour relations policy: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> <li>• Met: Policies apply to the type of business relationships involved: H&amp;M has a Global Framework Agreement (GFA) with IndustriALL Global Union and Industriefacket Metall to facilitate social relations in its supply chain. The GFA states that "...H&amp;M confirms... its commitment to and respect for human and trade union rights in the workplace, including the right to organize and to negotiate collective agreements. H&amp;M will actively use all its possible leverage to ensure that its direct suppliers and their subcontractors producing merchandise/ready made goods sold throughout H&amp;M group's retail operations respect human and trade union rights in the workplace." [Global labour relations policy: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Policies address the specific rights in question: H&amp;M has a Global Framework Agreement (GFA) with IndustriALL Global Union and Industriefacket Metall that covers direct suppliers and their subcontractors which states that "Every employee is treated with respect and dignity at all times. No employee shall be subject to humiliating or corporal punishment or subject to physical, sexual, psychological or verbal harassment or abuse. There is no discrimination in hiring, compensation, access to training, promotion, termination of contract or retirement on the grounds of gender or sexual orientation, race, colour, age, pregnancy, religion, political opinion, nationality, ethnic origin, migratory status, disease or disability. There is a grievance mechanism in place enabling employees to put forward complaints without risk of retaliation." Additionally, the company's own policy states that it has "zero tolerance for discrimination and harassment based on trade union membership and activities." [Global labour relations policy: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(2).3	The Company has taken appropriate action	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Engages with affected stakeholders: The company states that “We have an ongoing dialogue with the legal worker representatives which are supported by IndustriALL Global Union, as well as the supplier. We believe it is important that the legal parties resolve this dispute and we have since April handled this with priority and been facilitating the dialogue between them to find a solution.” [H&amp;M response (BHRRC), 19/02/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> <li>• Met: Encourages linked business to engage affected stakeholders: In reference to its Global Framework Agreement, H&amp;M states that “Apart from acting as a framework for local capacity building, this has also proved to be a has also proved to be a good platform to engage around dispute resolutions.” H&amp;M’s response to the allegation also states that the company is “extensively using our leverage” to find a solution. [Global Framework Agreement with IndustriALL and Industrifackett Metall, 09/2015: <a href="http://industrialunion.org">industrialunion.org</a>]</li> <li>• Not met: Provides remedies to affected stakeholders: There is no evidence that a remedy has been provided. The company states: “concerning the specific case related to Karnataka Garment Workers Union (KOOGU) Union dispute with one of the factory in India we are working with, I would like to assure you that our team on the ground is actively involved in playing a proactive role to find a solution. Since the beginning, in early March, we have been in contact with the management of the factory, the workers directly involved in the accidents and the trade unions. We are trying our best to facilitate the dialogue between the parties involved to get to a solution and I can assure you that we are extensively using all our leverages.” [H&amp;M response (BHRRC), 19/02/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> <li>• Not met: Has reviewed management systems to prevent recurrence: The company states that it applies “human rights due diligence and continuously conduct internal training to put our human rights policy into practice and to embed respect for human rights in everything we do.” However, the company has not committed to undertaking a review of its management systems specifically related to this allegation. [Sustainability Report 2017, 04/2018: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Remedies are satisfactory to the victims: There is no evidence that H&amp;M has provided remedy to the victims.</li> <li>• Not met: Has improved systems and engaged affected stakeholders: There is no evidence that H&amp;M has provided improved its systems</li> </ul>
E(3).0	Serious allegation No 3		<ul style="list-style-type: none"> <li>• Headline: SOMO report accuses large clothing brands such as H&amp;M, Gap, VF of having their clothes made in Bangladesh by suppliers where working hours exceed 60 hours a week.</li> <li>• Area: Working hours</li> <li>• Story: A 2017 report by the Centre for Research on Multinational Corporations (SOMO) has accused clothing brands such as H&amp;M, Gap and VF of having their clothes made in Bangladesh by suppliers where working hours exceed 60 hours a week. Working weeks exceeding 60 hours were reported at eight factories of companies supplying brands including: C&amp;A, H&amp;M, VF Corporation, Gap and Kmart. Some workers were reportedly being forced to do additional overtime, having to regularly work until midnight and being paid for additional hours separately in cash. Even when overtime payments were included in the wages, not one of the interviewed workers earned a living wage. The average total take-home salary was only a third of what would constitute a living wage.</li> <li>• Sources: [SOMO Report 'Branded childhood', January 2017 -: <a href="http://stopkinderarbeid.nl">stopkinderarbeid.nl</a>]</li> </ul>
E(3).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public response available: The company has responded in general to SOMO's draft report but did not refer to the violations in details [Somo Report Branded Childhood: <a href="http://stopkinderarbeid.nl">ttp://stopkinderarbeid.nl</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Response goes into detail</li> </ul>
E(3).2	The Company has appropriate policies in place	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Company policies address the general issues raised: The Company is a signatory to the UNGC and is 'committed to the guidelines developed' by it. In its Sustainability Commitment the Company included specific sections relative to ILO core. [Sustainability Commitment, 01/2016: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Policies apply to the type of business relationships involved: In its Sustainability Commitment the Company indicates: 'Working hours in a week, as</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>well as overtime hours, shall comply with national law, ILO Conventions or collective agreement, whichever affords the greater protection for workers, and be defined in contracts. In any event, employees shall not on a regular basis be required to work in excess of 48 hours per week and should be provided with at least one day off for every 7 day period. The total hours in any 7 day period shall not exceed 60 hours. Overtime' [Sustainability Commitment, 01/2016: <a href="http://hmgroupp.com">hmgroupp.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Policies address the specific rights in question: Although the Company states the following: 'Working hours in a week, as well as overtime hours, shall comply with national law, ILO Conventions or collective agreement, whichever affords the greater protection for workers, and be defined in contracts. In any event, employees shall not on a regular basis be required to work in excess of 48 hours per week and should be provided with at least one day off for every 7 day period. The total hours in any 7 day period shall not exceed 60 hours. Overtime shall be voluntary, not exceed 12 hours per week and shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.', it does not explicitly mention respect for minimum breaks. [Sustainability Commitment, 01/2016: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
E(3).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Engages with affected stakeholders</li> <li>• Not met: Provides remedies to affected stakeholders</li> <li>• Not met: Has reviewed management systems to prevent recurrence</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Remedies are satisfactory to the victims</li> <li>• Not met: Has improved systems and engaged affected stakeholders</li> </ul>
E(4).0	Serious allegation No 4		<ul style="list-style-type: none"> <li>• Headline: Target and H&amp;M among Companies sourcing from forced labour camps in China</li> <li>• Area: Forced labour, discrimination</li> <li>• Story: On July 15, 2019, Yahoo reported that an investigation by the ABC's Four Corners program unveiled evidence of detained members of the Uyghur minority group being forced into factory labor in China. The investigation named Target, and H&amp;M among companies as sourcing cotton for their products from the troubled Xinjiang province. The program reportedly featured the cases of several women who say they have been forced to work in textile factories. According to China scholar Adrian Zenz, these women's stories of forced labor are not isolated cases. In fact, government documents reveal plans for "re-education" through labor and satellite photos have shown what looks like large warehouses close to detention camps in Xinjiang. Shocking footage leaked in November 2018 showed the prison-like conditions in the province of Xinjiang where many Uyghurs are detained, and the increasing surveillance of the minority group by authorities in Beijing. In early 2017, the Communist Party began a new incarceration campaign, rounding up, detaining and forcibly indoctrinating Uyghurs and other Muslim minority ethnic groups in the far-western region. Islam has effectively been outlawed in the far-western region, with people routinely labeled as extremists and imprisoned for practicing their religion. A UN committee describes the province as resembling a "mass internment camp", with estimates more than 1 million Uyghurs have been sent to prison or re-education camps. Many of those not detained have had their passports seized and live under constant surveillance. Business Insider has previously reported in February that China's 'Belt and Road Initiative' may be a cause of the escalating oppression.</li> <li>• Sources: [BBC - 13/11/2019: <a href="http://bbc.co.uk">bbc.co.uk</a>][ABC - 17/07/2019: <a href="http://abc.net.au">abc.net.au</a>][Business Insider Australia - 15/07/2019: <a href="http://businessinsider.com.au">businessinsider.com.au</a>][WSJ - 16/05/2019: <a href="http://wsj.com">wsj.com</a>]</li> </ul>
E(4).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public response available: Hennes &amp; Mauritz AB has provided a limited response to the allegations. [H&amp;M Response re. Forced labour in factories in Xinjiang, China 26 July 2019, 26/07/2019: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Response goes into detail: Hennes &amp; Mauritz AB has only offered vague statements on the case, stating: "H&amp;M Group does not accept forced labor being used anywhere in our value chain, including cotton cultivation. A part of the cotton produced in China comes from the Xinjiang region. We have for a long time worked with Better Cotton Initiative, BCI to secure a sustainable production of cotton globally. We work with suppliers in all production markets in the same way,</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			ensuring that they all sign our Sustainability Commitment and follow national law. We have due diligence processes in place to ensure we identify and address any risk of forced labor. We are investigating all production facilities to get the full picture, based on the information that is shared with us." [H&M Response re. Forced labour in factories in Xinjiang, China 26 July 2019, 26/07/2019: <a href="https://www.business-humanrights.org">business-humanrights.org</a> ]
E(4).2	The Company has appropriate policies in place	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Company policies address the general issues raised: Hennes &amp; Mauritz AB states it seeks to implement the human rights defined in the Universal Declaration of Human Rights and its two corresponding covenants, The International Covenant on Civil and Political Rights and The International Covenant on Economic, Social and Cultural Rights, into all aspects of business operations. [Human Rights Policy, 2012: <a href="https://www.hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Policies apply to the type of business relationships involved: Hennes &amp; Mauritz AB states that "H&amp;M Group is committed to respecting fundamental human rights in our operations, our value chain, and in the communities where we operate." Additionally, the company states that "H&amp;M Group works with suppliers and business partners to ensure that human rights are respected in the supply chain, based on our business relationships, leverage and operational context." [Human Rights Policy, 2012: <a href="https://www.hmgroupp.com">hmgroupp.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Policies address the specific rights in question: The Sustainability Commitment for Business Partners includes a section addressed to 'Forced, bonded, prison and illegal labour' where the Company states: 'Employees shall not be required to lodge "deposits" or identity papers with their employer and shall be free to leave their employment after reasonable notice. The employee's freedom of movement is not restricted. No part of wages is withheld.' In addition, the Company developed an addendum to the Sustainability Commitment to 'clarify requirements and expectations on our Business Partners with regards to protecting the human rights, safety, dignity and fundamental freedoms of all migrant workers [...]'. These guidelines include the 'Workers retain control of their identity documents and/or other valuable personal items and have full freedom of movement' principle. [Sustainability Commitment, 01/2016: <a href="https://www.hmgroupp.com">hmgroupp.com</a> &amp; Migrant workers Recruitment and treatment guidelines, N/A: <a href="https://www.hmgroupp.com">hmgroupp.com</a>]</li> </ul>
E(4).3	The Company has taken appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Engages with affected stakeholders: Hennes &amp; Mauritz AB has only provided a vague statement on the allegation. [H&amp;M Response re. Forced labour in factories in Xinjiang, China 26 July 2019, 26/07/2019: <a href="https://www.business-humanrights.org">business-humanrights.org</a>]</li> <li>• Not met: Encourages linked business to engage affected stakeholders: Although the company states that it engages with suppliers through the implementation of its Sustainability Commitment, there is no evidence that it has specifically encouraged linked businesses to engage with this allegation. [H&amp;M Response re. Forced labour in factories in Xinjiang, China 26 July 2019, 26/07/2019: <a href="https://www.business-humanrights.org">business-humanrights.org</a>]</li> <li>• Not met: Provides remedies to affected stakeholders: Hennes &amp; Mauritz AB has not issued any evidence that remedy was provided to the victims. [H&amp;M Response re. Forced labour in factories in Xinjiang, China 26 July 2019, 26/07/2019: <a href="https://www.business-humanrights.org">business-humanrights.org</a>]</li> <li>• Not met: Has reviewed management systems to prevent recurrence: There is no evidence that Hennes &amp; Mauritz AB has reviewed any of its managements systems in response to the allegation. [H&amp;M Response re. Forced labour in factories in Xinjiang, China 26 July 2019, 26/07/2019: <a href="https://www.business-humanrights.org">business-humanrights.org</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Has improved systems and engaged affected stakeholders: There is no evidence that Hennes &amp; Mauritz AG has improved and of its systems or engaged affected stakeholders.</li> </ul>
E(5).0	Serious allegation No 5		<ul style="list-style-type: none"> <li>• <b>Headline:</b> Investigation reveals 'numerous' labour abuses in garment factories linked to major brands</li> <li>• <b>Area:</b> Working Hours</li> <li>• <b>Story:</b> In late 2018, a special report on garment factories in Ethiopia highlighted verbal abuses, labour abuses, poor working conditions, unpaid or forced overtime, docked wages for minor infractions, and wages well below the living wage for textile workers. At one of the facilities, MAA Garment and Textiles, Kebire Enterprises Plc. (MAA) factory in the town of Mekelle, reports alleged used</li> </ul>



Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>excessive wage deductions for minor disciplinary transgressions, ignorance of rules and laws banning forced overtime, mandatory overtime for workers, and collapsing of workers due to overworking and other factors. Additionally, managers have compelled women workers to provide sexual favours in return for promotions. The MAA factory has produced goods for retailers such as H&amp;M and WalMart.</p> <ul style="list-style-type: none"> <li>• Sources: [Workers Rights Consortium - 31/12/2018: <a href="https://business-humanrights.org">business-humanrights.org</a>][Quartz Africa - 08/05/2019: <a href="https://qz.com">qz.com</a>][Reuters - 16/04/2019: <a href="https://reuters.com">reuters.com</a>]</li> </ul>
E(5).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public response available: The company stated that it takes allegations of labour standards seriously and that it will “continue to follow up with suppliers and implement our programs addressing working conditions and workers’ rights.”</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Response goes into detail</li> </ul>
E(5).2	The Company has appropriate policies in place	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: Company policies address the general issues raised: The company’s sustainability commitment and policies state that the company is committed to providing a healthy workplace for its own companies and brands, and expects its business partners to do the same. The company includes Fair Living Wage, benefits and working hours under its Sustainability Commitment. [Sustainability Commitment, N/A: <a href="https://sustainability.hm.com">sustainability.hm.com</a>]</li> <li>• Met: Policies apply to the type of business relationships involved: The company expects business partners to ‘apply the requirements and approach outlined in’ its Sustainability Commitment in their supply chains. [Sustainability Commitment, N/A: <a href="https://sustainability.hm.com">sustainability.hm.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Policies address the specific rights in question: As part of its healthy workplaces commitment, the company states that its working hours approach is based upon upholding ILO Conventions 001, 014, 106 and 030. H&amp;M outlines specific standards for working hours and overtime hours. It states that overtime shall be voluntary and not exceed 12 hours per week, and identifies specifics regarding compensation. The company’s aspirational goal for business partners states that employers have a sophisticated system to measure and monitor production so as to avoid overtime hours. [Sustainability Commitment, N/A: <a href="https://sustainability.hm.com">sustainability.hm.com</a>]</li> </ul>
E(5).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Not met: Engages with affected stakeholders: The company states that “We take seriously any allegations of violations of labour standards and will continue to follow up with suppliers and implement our programs addressing working conditions and workers’ rights.” It also states that the company is part of an ILO study to provide future wage adjustment recommendations to the government of Ethiopia. However, there is no evidence to suggest that the company has engaged with affected stakeholders. [H&amp;M’s response, 19/05/19: <a href="https://business-humanrights.org">business-humanrights.org</a>]</li> <li>• Not met: Encourages linked business to engage affected stakeholders: There is no evidence to suggest that the company has encouraged its suppliers to engage with affected stakeholders.</li> <li>• Not met: Provides remedies to affected stakeholders: There is no evidence to suggest that the company has provided remedies to affected stakeholders.</li> <li>• Not met: Has reviewed management systems to prevent recurrence: There is no evidence to suggest that the company has reviewed management systems to prevent recurrence.</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Remedies are satisfactory to the victims: There is no evidence to suggest that the company has provided remedies that are satisfactory to the victims.</li> <li>• Not met: Has improved systems and engaged affected stakeholders: There is no evidence to suggest that the company has improved systems and engaged affected stakeholders.</li> </ul>
E(6).0	Serious allegation No 6		<ul style="list-style-type: none"> <li>• Headline: Women in the supply chain of companies such as H&amp;M, Gap, and Wal-Mart exposed to alleged sex abuse and harassment</li> <li>• Area: Discrimination</li> <li>• Story: In May 2018, a global coalition of trade unions, worker rights and human rights organizations published reports on Gender Based Violence among supply</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>chains in Bangladesh, Cambodia, India, Indonesia, and Sri Lanka. It is based on interviews with more than 215 workers employed in 21 factories that supply to Gap, H&amp;M and Walmart. The reports revealed a range of human rights violations, focusing on women who work in supply chains.</p> <p>In Bangladesh, women employed in Gap, H&amp;M and Walmart supplier factories reported that it is common for supervisors and managers to pursue sexual relationships with women workers by offering benefits including salary increases, promotions, and better positions. In addition, there is the risk of sexual harassment from male mechanics tasked with fixing their machines. In Indonesia, women employed by a H&amp;M supplier factory report male mechanics demanding sexual favours in return for fixing their machines which they need to meet their work targets. Women working for a H&amp;M supplier factory In Sri Lanka report that they are particularly vulnerable to sexual harassment by their supervisors when they stand in line to clock-in and clock-out using biometric fingerprinting machines. Furthermore, the report states that there werer 4 cases of sexual violence, including rape, in Gap supplier factories in Cambodia. In addition, Workers from four H&amp;M supplier factories in Gurugram (Gurgaon), India reported that women are routinely fired from their jobs during their pregnancy. Permanent workers report being forced to take leaves without pay for the period of their pregnancy.</p> <p>• Sources: [FashionUnited, 01/06/18: <a href="http://fashionunited.uk">fashionunited.uk</a>][Global Labour Justice, 31/05/18: <a href="http://globallaborjustice.org">globallaborjustice.org</a>][Global Labour Justice, 17/05/16: <a href="http://globallaborjustice.org">globallaborjustice.org</a>]</p>
E(6).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public response available: The Company states: "Concerning the report regarding H&amp;M that Asia Floor Wage Alliance has recently published, we are deeply concerned by the disturbing findings and conclusions contained in it. Our teams in the countries concerned are starting the relevant investigations." [Response to the report on gender based violence, 06/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Response goes into detail [Response to the report on gender based violence, 06/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> </ul>
E(6).2	The Company has appropriate policies in place	1	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Met: Company policies address the general issues raised: The Company's Human Rights Policy commits to non-discrimination. [Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Policies apply to the type of business relationships involved: The policy also applies to the Company's business partners. [Human Rights Policy, 2012: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Policies address the specific rights in question: CHRB could not find the evidence of The Company's measures in place to prohibit harassment against women.</li> </ul>
E(6).3	The Company has taken appropriate action	1.5	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> <li>• Met: Engages with affected stakeholders: The Company states that "We also believe that workers committee and trade unions should be empowered to be able to bring up, discuss and help solve cases of harassment, and for this reason we are also addressing these cases through the Global Framework Agreement we have with IndustriALL. [...] concerning the specific case related to Karnataka Garment Workers Union (KOOGU) Union dispute with one of the factory in India we are working with, [...] we have been in contact with the management of the factory, the workers directly involved in the accidents and the trade unions. We are trying our best to facilitate the dialogue between the parties involved to get to a solution and I can assure you that we are extensively using all our leverages." [Response to the report on gender based violence, 06/2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> <li>• Not met: Provides remedies to affected stakeholders: CHRB did not find evidence of the Company providing remedies.</li> <li>• Met: Has reviewed management systems to prevent recurrence: The Company states that "Besides from requiring all suppliers to have an anti-abuse and harassment policy in place and following our thorough investigations on individual harassment cases, we are working to find more ways to address gender based violence in the workplace proactively, through more training, improved grievance</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>mechanisms and dialogue in the factories, also working with external stakeholders." [Response to the report on gender based violence, 06/2018: <a href="https://business-humanrights.org">business-humanrights.org</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Remedies are satisfactory to the victims</li> <li>• Met: Has improved systems and engaged affected stakeholders: The Company has been engaging with the affected stakeholders and reviewing system. [Response to the report on gender based violence, 06/2018: <a href="https://business-humanrights.org">business-humanrights.org</a>]</li> </ul>

## Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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