

**Company Name** Hennes & Mauritz  
**Industry** Apparel (Supply Chain only)  
**Overall Score (\*)** 50.6 out of 100

Theme Score	Out of	For Theme
4.5	10	A. Governance and Policies
17.0	25	B. Embedding Respect and Human Rights Due Diligence
2.1	15	C. Remedies and Grievance Mechanisms
11.7	20	D. Performance: Company Human Rights Practices
10.3	20	E. Performance: Responses to Serious Allegations
5.0	10	F. Transparency

(\*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also 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 2019 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

### A. Governance and Policies (10% of Total)

#### A.1 Policy Commitments (5% of Total)

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="https://www.hm.com/sustainability">sustainability.hm.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="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: UNGPs: In its Human Rights Policy (and the annual report) 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.'. However 'based on' is not considered a formal commitment following CHRB wording criteria. [Human Rights Policy, 2012: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a> &amp; Annual Report 2018, 2019: <a href="https://www.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="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
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="https://www.hm.com/sustainability">sustainability.hm.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, 2016: <a href="https://www.hm.com/sustainability">sustainability.hm.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 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, 2016: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a> &amp; Policy on Child Labour: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> <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: <a href="https://www.hm.com/about">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, 2016: <a href="https://www.hm.com/sustainability">sustainability.hm.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, Jan 2019: <a href="https://www.hm.com/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, 2016: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> </ul>
A.1.3.AP	Commitment to respect human rights particularly relevant to the industry (AP)	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: Women's Rights: In its Human Rights Policy the Company indicates: ' we also look to children's and women's rights as outlined in the United Nations Convention on the Rights of the Child and the United Nations Convention on the Elimination of Discrimination against Women.' [Human Rights Policy, 2012: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> <li>• Met: Children's Rights: See above [Human Rights Policy, 2012: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> <li>• Met: Expecting suppliers to respect these rights: In its Sustainability Commitment for Business Partners the Company indicates: 'Our approach is based on upholding</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>ILO Conventions 138 and 182, ILO Recommendations 146 and 190, United Nations Convention on the Rights of the Child, The Children's Rights and Business Principles'. [Sustainability Commitment, 2016: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: CEDAW/Women's Empowerment Principles: See above. Also, the Company clarifies in the sustainability report that it is signatory to the Women's Empowerment Principles'. [Human Rights Policy, 2012: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a> &amp; Sustainability Report 2018, Mar 2019: <a href="https://www.hmgroup.com">hmgroupp.com</a>]</li> <li>• Met: Child Rights Convention/Business principles: See above [Human Rights Policy, 2012: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> <li>• Met: Respecting the right to water: In its Human Rights Policy the Company states: 'We also focus on women's rights and the right to water, as these are areas of specific importance to our industry.' In addition, on its 'Position Statement on the Human Right to Water and Sanitation' document the Company indicates: 'We are committed to ensuring that water is used responsibly throughout the company's value chain. H&amp;M does this to minimize risks in our operations, to protect the environment and to secure the availability of water for people.' [Human Rights Policy, 2012: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a> &amp; H&amp;M Position Paper – Human Right to Water and Sanitation: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> <li>• Met: Expecting suppliers to respect these rights: In its Sustainability Commitment for Business Partners the Company indicates: 'The enterprise conducts all operations in full compliance with all applicable laws and regulations on water conservation and water quality, including maintaining valid permits. Facilities with internal wet processing shall measure water withdrawals and wastewater discharge by flow meters and facilities with full internal treatment<sup>2</sup> of wastewater must adhere to legal requirements or the BSR Wastewater Standard<sup>3</sup>, whichever is stricter.' [Sustainability Commitment, 2016: <a href="https://www.hm.com/sustainability">sustainability.hm.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:</p> <p>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, Jul 2019: <a href="https://www.hmgroup.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.' [Sustainability Report 2018, Mar 2019: <a href="https://www.hmgroup.com">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:</p> <p>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="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Not obstructing access to other remedies</li> <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), CHRB could not find information about collaborations in initiatives that provide access to remedy. [Modern Slavery Statement 2017-2018, Jan 2019: <a href="https://www.hmgroup.com">hmgroupp.com</a> &amp; Sustainability Report 2018, Mar 2019: <a href="https://www.hmgroup.com">hmgroupp.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <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="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> </ul>
A.1.6	Commitment to respect the rights of human rights defenders	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: Zero tolerance attacks on HRs Defenders (HRDs)</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Expects AP suppliers to reflect company HRD commitments</li> </ul>

## A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	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: CEO or Board approves policy: The Human Rights Policy is not signed by any Board member or the CEO. The Company's modern slavery statement, is signed and approved by all members of the Board of Directors and includes the Company's human rights commitments including the formal human rights policy. [Human Rights Policy, 2012: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a> &amp; Modern Slavery Statement 2017-2018, Jan 2019: <a href="https://www.hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Board level responsibility for HRs</li> <li>• Not met: Speeches/letters by Board members or CEO</li> </ul>
A.2.2	Board discussions	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: Board/Committee review of salient HRs: In its Corporate Governance Report 2018 the Company indicates: 'The group's integrated sustainability work is very important and is discussed regularly by the board. Every six months, the head of sustainability provides an update on the group's sustainability work with reference to key indicators and targets, such as compliance with the Code of Conduct, sustainable materials, climate impact, anti-corruption, etc.' As seen in the Sustainability reports include human-right related indicators and targets. [Corporate Governance Report 2018, Feb 2019: <a href="https://www.hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Examples or trends re HR discussion</li> <li>• Not met: Both examples and process</li> </ul>
A.2.3	Incentives and performance management	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: Incentives for at least one board member</li> <li>• Not met: At least one key AP HR risk, beyond employee H&amp;S</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>

## B. Embedding Respect and Human Rights Due Diligence (25% of Total)

### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

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</li> <li>• Met: Senior responsibility for HR: In its Sustainability Report 2017 the Company indicates: 'Reporting directly to our CEO, our Head of Sustainability is responsible for the implementation of our sustainability vision and strategy together with the Executive Management Team. Twice a year, our CEO, CFO and Head of Sustainability review the progress made and report performance (against key sustainability indicators) to our Board of Directors.' Sustainability indicators include human rights. [Sustainability Report 2018, Mar 2019: <a href="https://www.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>• Met: Day-to-day responsibility: In its Sustainability Report 2017 the Company indicates: 'Our global sustainability department consists of more than 30 experts responsible for setting strategies, targets, goals, policies and follow-up procedures to ensure that our sustainability work is carried out systematically.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Day-to-day responsibility for AP in supply chain: In its Sustainability Report 2017 the Company indicates: 'In our 20 production markets, we employ more than 150 people working specifically in sustainability. These colleagues work directly with our business partners to assess their performance against our Sustainability Commitment and support them in making improvements through capacity building programmes and activities.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
B.1.2	Incentives and performance management	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: Senior manager incentives for human rights: In its Sustainability Report 2018, the Company indicates: 'We want all our colleagues to contribute to our sustainability work and we reward them for doing so. This involves implementing and measuring sustainability goals at different levels and across functions within H&amp;M group. Crucially, this includes goals set at an executive level. We include sustainability goals in our overall management evaluation process and we regularly follow up on function specific goals. We encourage colleagues to contribute to change in the workplace and in their communities through a range of strategies and activities.' However, no further information found describing the factors included in the incentive mechanism, and whether these factors include specific human rights issues. [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Not met: At least one key AP HR risk, beyond employee H&amp;S</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Performance criteria made public</li> </ul>
B.1.3	Integration with enterprise risk management	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: HR risks is integrated as part of enterprise risk system: In its Annual Report 2018, the Company identifies its operational, financial and sustainability risks. Among its Sustainability Risks, the Company states: 'Key risks addressed include the growing scarcity of natural resources, climate change and its consequences, reputational risk, corruption, potential political and societal instability in the sourcing markets as well as specific or local salient human rights issues identified in line with the UN Guiding Principles for Business and Human Rights.' Furthermore its Human Rights Policy the Company states: 'we use tools for human rights risk and impacts assessments to identify actual and potential human rights issues. Actions to manage and address human rights risks and impacts 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.' [Annual Report 2018, 2019: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Human Rights Policy, 2012: <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: Audit Ctte or independent risk assessment</li> </ul>
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	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: Commits to ILO core conventions: See indicator A.1.2</li> <li>• Met: Communicates its policy to all workers in own operations: In its last Modern Slavery Statement, the Company indicates: 'H&amp;M group employees are continuously trained in our policies, including those related to human rights, and our company values. Specific e-learning courses on sustainability-related themes are also available to our employees via a web based platform. In addition, training courses are customised for different roles and functions. In-depth training in the UN Guiding Principles on Business and Human Rights, human rights due diligence, and the implementation of our Human Rights Policy is customised for key roles and functions within the group.' In addition, in its Sustainability Report 2017 the Company indicates: '[...], all training covers a basic introduction to human rights, outline our responsibilities as per the UNGPs, explains how we work with human rights due diligence and how we address situations that may have a human rights impact. We prioritise training for key positions and roles, such as sustainability managers in our production markets, country managers in our sales markets, and relevant business functions such as sustainability, HR and legal.' As seen, training covers all employees generally, which can be assumed as policy communication. [Modern Slavery Statement 2017-2018, Jan 2019: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Sustainability Report 2017, Apr 2018: <a href="http://sustainability.hm.com">sustainability.hm.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: Commits to all 4 ILO core conventions: See indicator A.1.2</li> <li>• Not met: Communication of policy commitments to stakeholder</li> <li>• Not met: How policy commitments are made accessible to audience</li> </ul>
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	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: Commits to all 4 ILO core conventions for suppliers</li> <li>• Met: Requiring AP suppliers to communicate policy down the chain: The Company requests its business partners to sign and commit to comply with its Sustainability Commitment for H&amp;M business partners policy in order to enter into business. Its Sustainability Commitment also applies for its suppliers. And according to this document 'H&amp;M also expects Business partners to apply the requirements and approach outlined in this Commitment in their supply chains'. [Sustainability Commitment, 2016: <a href="https://www.hm.com/sustainability">sustainability.hm.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: How HR commitments made binding/contractual: In its Sustainability Report 2018 the Company states: 'In order to be an H&amp;M group business partner, all new (and existing) business partners must sign and comply with our policies. Two of our most crucial policies are our Code of Ethics and our Sustainability Commitment.' [Sustainability Report 2018, Mar 2019: <a href="https://www.hmgroupp.com">hmgroupp.com</a>]</li> <li>• Not met: Including on AP suppliers: Although the Company expects that its suppliers apply the requirements and approach outline in its Sustainability Commitment, it is not clear if this includes binding or contractual commitments. [Sustainability Commitment, 2016: <a href="https://www.sustainability.hm.com">sustainability.hm.com</a>]</li> </ul>
B.1.5	Training on 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: Scores at least 1 on A.1.2</li> <li>• Met: Trains all workers on HR policy commitments: In its Modern Slavery Statement, it indicates that: 'H&amp;M group employees are continuously trained in our policies, including those related to human rights, and our company values. Specific e-learning courses on sustainability-related themes are also available to our employees via a web-based platform. In addition, training courses are customised for different roles and functions. In-depth training in the UN Guiding Principles on Business and Human Rights, human rights due diligence, and the implementation of our Human Rights Policy is customised for key roles and functions within the group.' In addition, in the Sustainability Report 2017 the Company indicates: '[...], all training covers a basic introduction to human rights, outline our responsibilities as per the UNGPs, explains how we work with human rights due diligence and how we address situations that may have a human rights impact. We prioritise training for key positions and roles, such as sustainability managers in our production markets, country managers in our sales markets, and relevant business functions such as sustainability, HR and legal.' [Modern Slavery Statement 2017-2018, Jan 2019: <a href="https://www.hmgroupp.com">hmgroupp.com</a> &amp; Sustainability Report 2017, Apr 2018: <a href="https://www.sustainability.hm.com">sustainability.hm.com</a>]</li> <li>• Not met: Trains relevant AP managers including procurement: Although the Company states that it prioritises 'training for key positions and roles, such as sustainability managers in our production markets, country managers in our sales markets, and relevant business functions such as sustainability, HR and legal.', it is not clear if it includes training managers and workers in procurement. [Sustainability Report 2017, Apr 2018: <a href="https://www.sustainability.hm.com">sustainability.hm.com</a> &amp; Sustainability Report 2018, Mar 2019: <a href="https://www.hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Score of 2 on A.1.2</li> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.1.6	Monitoring and corrective actions	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: Scores at least 1 on A.1.2</li> <li>• Met: Monitoring implementation of HR policy commitments: In its Sustainability Report 2018 in a section named 'Policies within our own operations', the Company states: 'In 2018, our goal for the global store audit was 90% compliance. We completed 9,715 store audits and achieved 85% compliance, where the safety area result of the global store audit was 87% compliance across all stores and brands. In 2019 we're aiming to be 90% with the e-learning security-awareness training.' [Sustainability Report 2018, Mar 2019: <a href="https://www.hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Monitoring AP suppliers: In its Sustainability Report 2018 the Company indicates: 'SIPP is our Sustainable Impact Partnership Programme, and it applies to our suppliers. We use SIPP to assess levels of compliance with the Sustainability Commitment and to further measure our suppliers' performance over time and drive constant improvements beyond compliance. SIPP consists of five major</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>components: minimum requirements verification, self-assessment, validation, capacity building and case handling.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</p> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Score of 2 on A.1.2</li> <li>• Met: Describes corrective action process: In addition, the Company reports: 'If we have a confirmed case of non-compliance towards our minimum requirements by a supplier, we send a Letter of Concern, and further action depends on the number and kind of violation. We require a corrective action plan to be submitted by the relevant supplier, which we must approve before any further business is conducted. At this stage, we evaluate if the supplier involved is the right type of partner for H&amp;M group. If we decide it is not, we phase them out and cease conducting business with them. [...] As a result of expanding our scope, we have seen an increase in the number of violations. All these cases have been resolved according to our standards and policies, with a total of 108 Letters of Concern sent. We had 0 terminations of business relations with our factories.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Not met: Example of corrective action</li> <li>• Met: Discloses % of AP supply chain monitored: In its Modern Slavery Statement 2017-2018, the Company reports: 'Currently, our audit and monitoring programme covers 100% of first tier manufacturing units, including processing units, as well as second-tier component suppliers of fabric and yarn corresponding to approximately 65 % of our total production volume.' [Modern Slavery Statement 2017-2018, Jan 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
B.1.7	Engaging business relationships	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: HR affects AP selection of suppliers: In its Sustainability Report 2018 the Company states: 'Before starting any working relationship with a supplier, we conduct an "entry level minimum requirement verification". All suppliers must pass the verification to begin working with us.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: HR affects on-going AP supplier relationships: In its Sustainability Report 2018 the Company indicates: 'SIPP is our Sustainable Impact Partnership Programme, and it applies to our suppliers. We use SIPP to assess levels of compliance with the Sustainability Commitment and to further measure our suppliers' performance over time and drive constant improvements beyond compliance. SIPP consists of five major components: minimum requirements verification, self-assessment, validation, capacity building and case handling. [...] We encourage our suppliers to set their own goals, priorities and focus areas. We reward those who set ambitious goals and maintain good performance, which incentivises our suppliers to improve their sustainability performance. These rewards include long-term business commitments and growth opportunities.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirement under score 1 met</li> <li>• Met: Working with AP suppliers to improve performance: H&amp;M approach to improve its suppliers performance is based on 'Capacity Building'. In its Sustainability Report 2018 the Company describe this approach: 'We use the validated assessments of our suppliers' sustainability performance to identify their strengths and weaknesses. We use this information to ask our suppliers to set their goals and act to strengthen their capacity to better manage their sustainability performance. We work with our partners to identify areas where H&amp;M group can best provide support through capacity-building workshops, training and management systems analysis. We also build connections between our suppliers and other functions at our production offices, such as our merchandising and quality departments. We use these connections to encourage our suppliers to develop their own strategies and solutions to challenges, as well as providing incentives to shift impacts from negative to positive.' As an example: 'Our industrial relations and workplace dialogue programmes reached 594 factories in 2018 (2017: 458, 2016: 290, 2015: 132). Our 2018 programmes included factories in China, Bangladesh, Cambodia, India, Indonesia, Turkey, Ethiopia, Myanmar, Pakistan and Vietnam. In total, we reached 840,000 workers. Factories producing 73% of our product volume implemented democratically-elected worker representation.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
B.1.8	Approach to engagement with potentially	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: Stakeholder process or systems: The Company has identified many stakeholders that can potentially be affected by its operations including customers,</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
	affected stakeholders		<p>communities, colleagues, suppliers and their employees, policy-makers and NGOs. In its Sustainability Report 2017 the Company present a resume of its 'Engaging with our Stakeholders' work where all its Stakeholders are listed and the actions taken to engage with each one of them on key issues such as labour rights and supply chain working conditions, particularly wages for supply chain workers. No more recent evidence found. [Sustainability Report 2017, Apr 2018: <a href="http://sustainability.hm.com">sustainability.hm.com</a> &amp; Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</p> <ul style="list-style-type: none"> <li>• Met: Frequency and triggers for engagement: On its website section 'Engaging Stakeholders' the Company states: '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 (trigger) on a global and local level, focusing on stakeholder reviews, strategy consultations, dedicated surveys and participation in several multi-stakeholder initiatives.' In addition, in its Sustainability Report the Company discloses information about the stakeholder survey from 2017: 'In spring 2017, we launched our updated sustainability strategy, developed in close cooperation with several external and internal key stakeholders, partners and experts. In connection to this, we arranged a large-scale stakeholder meeting inviting over 300 representatives from our stakeholder communities to a full day of workshops and discussions, including feedback on our report and the focus areas chosen in our strategy. In 2017 we conducted our first stakeholder survey developed with Business for Social Responsibility (BSR). The survey assesses both the quality of our stakeholder engagement work, as well as feedback on our strategy and performance towards it. [Stakeholder engagement, Jul 2019: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Workers in AP SC engaged: See above [Sustainability Report 2017, Apr 2018: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> <li>• Not met: Communities in the AP SC engaged [Sustainability Report 2017, Apr 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: Analysis of stakeholder views and company's actions on them</li> </ul>

## B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	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: Identifying risks in own operations: In its Sustainability Report 2018: 'Our human rights due diligence is an ongoing process that monitors the practice of and respect for human rights throughout H&amp;M group. We conduct this due diligence systematically during relevant assessment processes including, for example, risk management processes, business partner due diligence, stakeholder engagement, grievance handling and all internal training. 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.' The sustainability report 2017 indicates that 'We look at our key long-term sustainability needs and we conduct in-depth assessments to enable identification of both opportunities and risks. This type of identification involves regular in-depth checks of our own operations and our business partners' operations. We continuously work to ensure human rights are an integral part of all relevant processes. Our human rights due diligence processes act to identify risks and impacts and adequately address them.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Identifying risks in AP suppliers: See above [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Ongoing global risk identification: See above [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: In consultation with stakeholders: See above [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: In consultation with HR experts: Externally, consultations were held with experts, organisations, academia and local stakeholders.' [Sustainability Report 2017, Apr 2018: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>Met: Triggered by new circumstances: In addition, it states: 'We conducted a thorough process to identify our salient human rights issues in 2015. [...] 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. [...] 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, Mar 2019: <a href="http://hmgrou.com">hmgrou.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): Its Sustainability Report 2018 : 'Salient human rights issues are the human rights at risk of the most severe negative impact because of our operations and supply chain. This process supplements our materiality analysis in the area of human rights, with an understanding of risk to people. [...] 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, Mar 2019: <a href="http://hmgrou.com">hmgrou.com</a>]</li> <li>Met: Public disclosure of salient risks: Update on salient issues 2017. [Updated Salient Human Rights Issues 2017, 2018: <a href="http://sustainability.hm.com">sustainability.hm.com</a> &amp; Sustainability Report 2018, Mar 2019: <a href="http://hmgrou.com">hmgrou.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> <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.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgrou.com">hmgrou.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 asked the Ethical Trading Initiative (ETI) to review its RoadMap to Fair Living Wage: 'There is evidence that this approach could deliver an impact on wages levels over time. However, we believe that as the Roadmap moves ahead, it will be important to monitor the impact on real wage levels, separately to minimum wage increases, and in terms of workers purchasing power, accounting for inflation, in a robust and independent way. H&amp;M group's systemic approach to addressing garment workers' wages is commendable, and the overall concept of its FLWR is both coherent and relevant.' However, CHRB could not find further evidence about the Company having a system to check the effectiveness of its global plan to face its salient human rights issues. [Review of H&amp;M group's Roadmap to Fair Living Wage, Dec 2018: <a href="http://ethicaltrade.org">ethicaltrade.org</a> &amp; Sustainability Report 2018, Mar 2019: <a href="http://hmgrou.com">hmgrou.com</a>]</li> <li>Met: Lessons learnt from checking effectiveness: The Company presents different examples of actions made to respond 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</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			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.' [Sustainability Report 2017, Apr 2018: <a href="http://sustainability.hm.com">sustainability.hm.com</a> ] Score 2 • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Met: Comms plan re identifying risks: The Company has communicated in its sustainability report how it has a system to identify human rights risks and impacts including own operations and supply chain (see b.2.1) [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a> ] • Met: Comms plan re assessing risks: The Company has communicated in its sustainability report how it has a system to assess which are its human rights issues, including a disclosure of these (see b.2.2) [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a> ] • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including AP suppliers Score 2 • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

### C. Remedies and Grievance Mechanisms (15% of Total)

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	The individual elements of the assessment are met or not as follows: Score 1 • Met: Channel accessible to all workers: The Company indicates that it has 'a whistleblowing procedure in place so that potential breaches can be reported by H&M group employees confidentially without any risk of reprisal'. In its Global Grievance Policy the Company states: 'Each workplace within the H&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 Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a> & Global Grievance Policy: <a href="http://sustainability.hm.com">sustainability.hm.com</a> ] Score 2 • Not met: Number grievances filed, addressed or resolved • Not met: Channel is available in all appropriate languages • 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, 2016: <a href="http://sustainability.hm.com">sustainability.hm.com</a> ] • 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: <a href="http://sustainability.hm.com">sustainability.hm.com</a> ]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	The individual elements of the assessment are met or not as follows: Score 1 • 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: <a href="http://about.hm.com">about.hm.com</a> ] Score 2 • Not met: Describes accessibility and local languages • Not met: Expects AP supplier to have community grievance systems • Not met: AP supplier communities use global system
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Engages users to create or assess system • Not met: Description of how they do this Score 2 • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: AP suppliers consult users in creation or assessment

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Response timescales</li> <li>Not met: How complainants will be informed</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Escalation to senior/independent level</li> </ul>
C.5	Commitment to non-retaliation over complaints or concerns made	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Public statement prohibiting retaliation: In its Global Grievance Policy the Company states: 'Retaliation against an employee who, in good faith, reports a grievance or participates in the investigation of a grievance, will not be tolerated.' However, this commitment does not cover other stakeholders including those that represent them. [Global Grievance Policy: <a href="https://sustainability.hm.com">sustainability.hm.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Has not retaliated in practice</li> <li>Not met: Expects AP suppliers to prohibit retaliation</li> </ul>
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>Not met: Won't impede state based mechanisms</li> <li>Not met: Complainants not asked to waive rights</li> </ul> Score 2 <ul style="list-style-type: none"> <li>Not met: Will work with state based or non judicial mechanisms</li> <li>Not met: Example of issue resolved (if applicable)</li> </ul>
C.7	Remedying adverse impacts and incorporating lessons learned	0.5	The individual elements of the assessment are met or not as follows: Score 1 <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), Sep 2015: <a href="https://industrialunion.org">industrialunion.org</a>]</li> <li>Not met: Says how it would remedy key sector risks</li> </ul> Score 2 <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</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			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). <sup>1</sup> [Modern Slavery Statement 2017-2018, Jan 2019: <a href="http://hmgroupp.com">hmgroupp.com</a> ] <ul style="list-style-type: none"> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

## D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.1.b	Living wage (in the supply chain)	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Living wage in supplier code or contracts: Its Sustainability Commitment for Business Partners includes a section about 'Fair living wage' where it states: 'a fair living wage should always be enough to meet the basic needs of employees and their families, and provide some discretionary income.' [Sustainability Commitment, 2016: <a href="http://sustainability.hm.com">sustainability.hm.com</a> &amp; Wages, Dec 2018: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Improving living wage practices of suppliers: The Company reports about goals and results of its 'Fair Living Wage Strategy'. In relation to factory management goal: 'We exceeded the goal. 73% of our product volume is made in factories that have democratically-elected worker representatives in place. This covers 594 factories and about 840,000 workers. [...] 100% of our tier 1 supplier factories in Bangladesh had democratically- elected worker representation by December 2017'. In relation to factory employees: 'We exceeded the goal. 67% of our product volume is made in factories that are implementing improved Wage Management Systems. This covers 500 factories and about 635,000 workers.' In addition, the Company developed a 'scientific pricing method' that takes garment workers' wages out of the equation: 'if wages increase as a result of a collective bargaining agreement, our method ensures the money needed to pay for these wages is accounted for'. [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Both requirements under score 1 met</li> <li>• Met: Provide analysis of trends demonstrating progress: As indicated above, the Company reports about targets and results of its Fair living wage strategy. [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; Wages, Dec 2018: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
D.2.2	Aligning purchasing decisions with human rights	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Avoids business model pressure on HRs: The Company discloses information about its Purchasing Practices: 'A brand's purchasing practices are an important contributor to achieving fair living wages. We developed a purchasing practice guide as part of our 2013 roadmap. It helps ensure best possible capacity planning, timely payments and much more. Thanks to these measures, 93% of our suppliers regard H&amp;M group as a fair business partner.' As described in indicator D.2.1, the Company works on developing a 'scientific pricing method'. [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Met: Positive incentives to respect human rights: In its Sustainability Report 2018 the Company indicates: 'We reward those who set ambitious goals and maintain good performance, which incentivises our suppliers to improve their sustainability performance. These rewards include long-term business commitments and growth opportunities.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Both requirements under score 1 met</li> </ul>
D.2.3	Mapping and disclosing the supply chain	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Identifies suppliers back to product source: The Company has a 'Suppliers List' web page where it discloses information about suppliers and their location. Furthermore, in its Sustainability Report 2017 the Company states: 'Our supplier list includes the details of tier 1 factories for 98.5% of our products and tier 2 factories for 60% of our products.' [Supplier list: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Discloses significant parts of supply chain and why: See above [Supplier list: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.4.b	Prohibition on child labour: Age verification and corrective actions (in the supply chain)	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: Child Labour rules in codes or contracts: The Company has a Policy on Child Labour where it states that 'Child labour is not accepted', it is also included in its Sustainability Commitment for Business Partners: 'Necessary measures shall be taken to prevent that no one under the legal age of employment is recruited. The employer shall develop, or participate in, and contribute to policies and programs which provide transitional arrangements for any child found to be performing work in the workplace to enable her or him to attend and remain in quality education until no longer a child. The best interest of the child should always be applied in consultation with the child's parents and/or guardian and the child it concerns in a way conducive to the child's age and healthy development.' [Policy on Child Labour: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> <li>Met: How working with suppliers on child labour: In its Sustainability Report 2018 the Company indicates: 'In 2018, we engaged 10 of our factories in a project to prevent child labour and protect young workers. The project aims to train factory management and raise awareness among workers on the prevention and remediation of child labour. We have now covered all our supplier factories, in total 45 in Myanmar over the course of our work with CCR CSR.' [Sustainability Report 2018, Mar 2019: <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> <li>Not met: Provide analysis of trends demonstrating progress</li> </ul>
D.2.5.b	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	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: Debt and fees rules in codes or contracts: The Sustainability Commitment for Business Partners includes a section addressed to 'Forced, bonded, prison and illegal labour' where the Company states: 'Forced, bonded, prison or illegal labour is not accepted. If contracted labour is hired, the employer is responsible for payment of employment eligibility fees of contract and/or foreign workers, including recruitment fees. 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.' [Sustainability Commitment, 2016: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> <li>Not met: How working with suppliers on debt &amp; fees</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.5.d	Prohibition on forced labour: Restrictions on workers (in the supply chain)	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: Free movement rules in codes or contracts: 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.' [Sustainability Commitment, 2016: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> <li>Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Both requirements under score 1 met</li> <li>Not met: Provide analysis of trends in progress made</li> </ul>
D.2.6.b	Freedom of association and collective bargaining (in the supply chain)	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: FoA &amp; CB rules in codes or contracts: In its Sustainability Commitment for Business Partners 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, 2016: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> <li>• Met: How working with suppliers on FoA and CB: In its Sustainability Report 2018: 'H&amp;M group has a production office (PO) team in almost every country in which our products are made. Each PO team is responsible for working with our various industrial relations programmes to facilitate stronger relationships between local factory employees and factory management. For example, they implement our workplace dialogue programmes with workers and management to raise awareness of rights and obligations, including the importance of freedom of association and collective bargaining. PO teams can also provide worker and management training around the democratic election of workers' representatives in the factories.' In addition, on its website 'IndustriALL', the Company discloses information about its Global Framework Agreement: 'H&amp;M group has a Global Framework Agreement with IndustriALL where we work directly with suppliers to strengthen labour standards, including freedom of association and the factory employees' ability to negotiate about rights and obligations collectively through trade unions. We are also working together within National Monitoring Committees – which consist of trade union representatives as well as H&amp;M group staff present in the production countries – to help resolve conflicts between the workers and their employer that can arise at factories. The goal is to ensure that conflicts are resolved peacefully and in good faith through established processes.' [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a> &amp; IndustriALL, Jul 2019: <a href="http://about.hm.com">about.hm.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Both requirements under score 1 met</li> <li>• Not met: Provide analysis of trends in progress made: However it continued the industrial relations and workplace dialogue programmes' reaching 594 factories. It indicates that 'factories producing 73% of our product volume implemented democratically-elected worker representation'. However, no details found on trends progress in relation to the issue. [Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> </ul>
D.2.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	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: Sets out clear Health and Safety requirements: In its Sustainability Commitment for Business Partners the Company sets out Health and Safety requirements, including guidelines in a number of topics related to unsafe exposure to hazards, accommodation, building safety, etc. [Sustainability Commitment, 2016: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> <li>• Not met: Injury rate disclosures</li> <li>• Not met: Lost days or near miss disclosures</li> <li>• Not met: Fatalities disclosures</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: How working with suppliers on H&amp;S: In its Sustainability Report 2017 there is a reference to a new Global Health &amp; Safety Policy (2017) which 'will help establish a strong health and safety culture across our operations', but CHRB could not find this Policy. No more recent evidence found in latest report. [Sustainability Report 2017, Apr 2018: <a href="http://sustainability.hm.com">sustainability.hm.com</a> &amp; Sustainability Report 2018, Mar 2019: <a href="http://hmgroupp.com">hmgroupp.com</a>]</li> <li>• Not met: Provide analysis of trends in progress made</li> </ul>
D.2.8.b	Women's rights (in the supply chain)	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: Women's rights in codes or contracts</li> <li>• Not met: How working with suppliers on women's rights</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> <li>• Not met: Provide analysis of trends in progress made</li> </ul>
D.2.9.b	Working hours (in the supply chain)	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: Working hours in codes or contracts: 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, 2016: <a href="http://sustainability.hm.com">sustainability.hm.com</a>]</li> <li>• Not met: How working with suppliers on working hours</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> <li>• Not met: Provide analysis of trends in progress made</li> </ul>

## E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> <li>• <b>Headline:</b> Report finds female migrant workers are subjected to conditions of modern slavery in factories supplying to many brands</li> <li>• <b>Area:</b> Forced Labour - restriction of movement</li> <li>• <b>Story:</b> 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>• <b>Sources:</b> [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>• <b>Met:</b> Public response available: The company has a publicly available response addressing the allegations raised by the ICN report. [H&amp;M response (BHRR), 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>• <b>Met:</b> 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 (BHRR), 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>• <b>Met:</b> 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://sustainability.hm.com">sustainability.hm.com</a> &amp; Sustainability Commitment, 2016: <a href="https://sustainability.hm.com">sustainability.hm.com</a>]</li> <li>• <b>Met:</b> 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</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>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 chain to voluntarily sign this Sustainability Commitment in order to work together for improved sustainability performance." [Sustainability Commitment, 2016: <a href="http://sustainability.hm.com">sustainability.hm.com</a> &amp; Human Rights Policy, 2012: <a href="http://sustainability.hm.com">sustainability.hm.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, 2016: <a href="http://sustainability.hm.com">sustainability.hm.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 (BHRC), 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 (BHRC), 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 (BHRC), 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 (BHRC), 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 (BHRC), 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 (BHRC), 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>• Headline: Shahi Exports, a supplier of Hennes &amp; Mauritz, accused of unfair practices</li> <li>• Area: FoA &amp; CB</li> <li>• Story: 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</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>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 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> <ul style="list-style-type: none"> <li>• 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>]</li> </ul>
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."</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.</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://sustainability.hm.com">sustainability.hm.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."</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: 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.”</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, Sept 2015: <a href="http://industrial-union.org">industrial-union.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 (BHRRRC), 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, Apr 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: H&amp;M is under fire for contracting with factories that allegedly violated child-labour laws.</li> <li>• Area: Child labour in the supply chain</li> <li>• Story: In 2016 a book ('Modeslavar' or 'Fashion Slaves') written by two Swedish writers described how two factories in Myanmar had workers as young as 14 working for more than 12 hours a day making clothes. The two authors met with 15-year-old girls who said they were made to work 12-hour days for the lowest minimum wage in the world (about \$3 a day). Their hours are in breach of Myanmar's laws, as well as the rules set by the International Labour Organization, which sets the minimum age at 14 in countries "where the economy and educational facilities are insufficiently developed."</li> <li>• Sources: [H&amp;M factories in Myanmar employed 14-year-old workers -The Guardian - 21/08/2016 -: <a href="http://theguardian.com">theguardian.com</a>][Business and human rights -: <a href="http://humanrightsinbusiness.eu">humanrightsinbusiness.eu</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: Score 1</p> <ul style="list-style-type: none"> <li>• Met: Public response available: The company has acknowledged the issue and stated: "It is of utmost importance to us that our products are made under good working conditions and with consideration to safety, health and the environment. We have therefore taken action regarding two suppliers in Myanmar which have had problems with ID-cards and overtime. Any overtime must be in accordance with legislation as well as our own demands, this is particularly important when it comes to the age group 14-18. If a supplier doesn't live up to our standards or national legislation we in accordance with our routines demand that the supplier immediately establishes an action plan, which has been done also in this case. One of the measures concerning the two suppliers in question is improved recruitment routines, which has resulted in improved handling of ID-cards". However, it said in a statement: " When 14 to 18-year-olds are working it is therefore not a case of child labour, according to international labour laws. ILO instead stresses the importance of not excluding this age group from work in Myanmar. H&amp;M does of course not tolerate child labour in any form."</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <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	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</li> <li>• Met: Policies apply to the type of business relationships involved</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Policies address the specific rights in question: The Company is a signatory to the UNGC and is 'committed to the guidelines developed' by it. The Company has made public an agreement signed between H&amp;M and the Union Network International where it states that it is part of the Company's corporate policy to ban child labour and all types of discrimination in all H&amp;M's workplaces. This commitment extends to its suppliers and their subcontractors.</li> </ul> The Company states the following steps in relation to suppliers: 'Ordinary working hours must not exceed the legal limit and shall never exceed 48 hour per week. Overtime hours must not exceed the numbers allowed by the law of the country. If such limits do not exist, overtime work should not exceed 12 hours per week. In addition, the Company looks 'to children's and women's rights as outlined in the United Nations Convention on the Rights of the Child and the United Nations Convention on the Elimination of Discrimination against Women.' In addition, the Company states in its Business Partners' Sustainability commitment the following: 'Our approach is based on upholding ILO Conventions 138 and 182, ILO Recommendations 146 and 190, United Nations Convention on the Rights of the Child, The Children's Rights and Business Principles'
E(3).3	The Company has taken appropriate action	0.5	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: The company in its response provided a link to the website of The Center for Child Rights and Corporate Social Responsibility (CCR CSR) of which H&amp;M is a 'partner', which details a story about remediation given to two girls in Myanmar who were discovered working in two factories during an audit, however there is no reference to H&amp;M, nor any evidence of the company attempting engage the affected workers.</li> <li>• Not met: Encourages linked business to engage affected stakeholders: In its original response to the Guardian, H&amp;M said it had taken action with both factories over ID-cards and overtime after being made aware that a group of 14- to 17-year-olds had been working long hours since 2013. However this is not sufficient evidence of encouraging those factories to engage with the affected workers.</li> <li>• Not met: Provides remedies to affected stakeholders: There is no evidence that remedy has been provided by the company to the affected workers by the company or its supplier factories.</li> <li>• Met: Has reviewed management systems to prevent recurrence: H&amp;M said: "It is of utmost importance to us that our products are made under good working conditions and with consideration to safety, health and the environment. We have therefore taken action regarding two suppliers in Myanmar which have had problems with ID-cards and overtime. Any overtime must be in accordance with legislation as well as our own demands, this is particularly important when it comes to the age group 14-18. If a supplier doesn't live up to our standards or national legislation we in accordance with our routines demand that the supplier immediately establishes an action plan, which has been done also in this case. One of the measures concerning the two suppliers in question is improved recruitment routines, which has resulted in improved handling of ID-cards."</li> </ul> However, it also said in a statement: "When 14-to-18-year-olds are working it is therefore not a case of child labour, according to international labour laws. ILO instead stresses the importance of not excluding this age group from work in Myanmar. H&M does of course not tolerate child labour in any form." Score 2 <ul style="list-style-type: none"> <li>• Not met: Remedies are satisfactory to the victims: There is no evidence that remedy has been provided by the company to the affected workers or by its supplier factories.</li> <li>• Not met: Has improved systems and engaged affected stakeholders: The company has not provided evidence that it has improved its systems or engaged with the affected stakeholders involved in the allegation.</li> </ul>
E(4).0	Serious allegation No 4		<ul style="list-style-type: none"> <li>• Headline: Workers at suppliers for H&amp;M, Zara and Gap were allegedly abused.</li> <li>• Area: Excessive overtime in supply chain</li> <li>• Story: A report published in 2016 by Students and Scholars Against Corporate Misbehavior (SACOM) alleged that workers at suppliers for Gap, H&amp;M and Zara were forced to work excessive hours to meet unreasonably tight delivery</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>schedules. SACOM conducted undercover investigations inside four factories belonging to suppliers of GAP, H&amp;M, and Zara in China. SACOM claimed to have found a considerable disparity between the brands' supplier factory CSR policies and the reality in their Chinese suppliers' factories.</p> <p>SACOM also claimed that while the brands required their supplier factories to pay wages which can meet workers' basic financial needs, its investigation found wages were meagre. The investigation also uncovered that workers in some factories were exposed to toxic chemicals, cotton dust and other hazardous dusts without protective gear, and that worker representation in collective bargaining situations was poor.</p> <ul style="list-style-type: none"> <li>• Sources: [SACOM Website - 19/07/2016: <a href="http://sacom.hk">sacom.hk</a>][Business &amp; Human Rights Resources Center - 18/07/2016: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> </ul>
E(4).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</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Response goes into detail: The Company indicated it "has been addressing these issues for years and has put great effort in the sourcing countries to improve working conditions and strengthen workers' rights. There are still challenges, but we can see that the work we do makes a difference. In China, we have a team of around 40 people dedicated to driving our sustainability programs together with other business functions in the country and our global sustainability organisation. Thanks to our strong local presence we are well aware of the challenges raised in the report, including issues with transparency. We believe in long- term relationships with our business partners and we believe in supporting them to handle challenges common to the industry. Transparency is a fundamental requirement in all our business relationships. Our team frequently visit the factories, also on an unannounced basis, and regularly conduct interviews with the workers.</li> </ul> <p>We agree that improvement in workers' ability to negotiate and collective bargaining is key to drive sustainable improvements in the industry, which is why we have initiated several programs to support functional worker representation in our suppliers' factories (democratically elected workers participating committees or trade unions) in China in order to strengthen workers right to collective bargaining and wage negotiations. H&amp;M is since 2013 running a Social Dialogue project in China supporting our Fair Living Wage Strategy. The goal is that all our strategic suppliers should have democratically elected workers representatives in place.</p> <p>The issue of overtime is one of the most common challenges throughout the textile industry and H&amp;M has raised and addressed the issue for many years. We are taking measures aiming to help factories reduce overtime such as constantly improving our purchasing planning tools to reduce production peaks and thereby help our suppliers to better plan their capacity and reduce over time.</p> <p>The employees in the textile industry must be able to earn a fair living wage. In 2013 we launched our Fair Living Wage Strategy, which is an important contribution to the work towards fairer pay in the textile industry. Our strategy initially focuses on the suppliers we work with, but long-term we want to see change throughout the industry; all employees at textile factories, regardless of who is the buyer, should earn a fair living wage. Transparent wage setting, where the workers should be able to understand how the wages are calculated, is an important aspect of this work. During 2015 the Fair Wage Method was rolled out at strategic suppliers (i.e.. the ones we buy most from) in China. We expect to see the first results during this year which is also when the project will be scaled up further".?</p> <p>The company sent a detailed report to the Business &amp; Human Rights Resource Center where it clarifies it position on the case.</p>
E(4).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</li> <li>• Met: Policies apply to the type of business relationships involved</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Policies address the specific rights in question: The Company has a full policy on working hours for suppliers.</li> </ul> <p>The Company updated its Code of Conduct for suppliers and business partners in February 2016 and replaced it with its Sustainability Commitment. Signing the</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Sustainability Commitment is mandatory for any supplier or business partner before entering a business relationship with the Company. With regards to working hours, the Commitment states: '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 seven day period. The total hours in any seven 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.'
E(4).3	The Company has taken appropriate action	0.5	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</li> <li>• Not met: Encourages linked business to engage affected stakeholders</li> <li>• Not met: Provides remedies to affected stakeholders</li> <li>• Met: Has reviewed management systems to prevent recurrence: The company has voluntarily taken specific corrective actions. H&amp;M has indicated that: "In China, we have a team of around 40 people dedicated to driving our sustainability programs together with other business functions in the country and our global sustainability organisation. (...) Our team frequently visit the factories, also on an unannounced basis, and regularly conduct interviews with the workers. We agree that improvement in workers' ability to negotiate and collective bargaining is key to drive sustainable improvements in the industry, which is why we have initiated several programs to support functional worker representation in our suppliers' factories (democratically elected workers participating committees or trade unions) in China in order to strengthen workers right to collective bargaining and wage negotiations. H&amp;M is since 2013 running a Social Dialogue project in China supporting our Fair Living Wage Strategy. The goal is that all our strategic suppliers should have democratically elected workers representatives in place". H&amp;M also reports: "We have therefore taken action regarding two suppliers in Myanmar which have had problems with ID-cards and overtime".</li> </ul> Score 2 <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</li> </ul>
E(5).0	Serious allegation No 5		<ul style="list-style-type: none"> <li>• <b>Headline:</b> H&amp;M accused of violations of international labor standards and discrimination against pregnant women</li> <li>• <b>Area:</b> Discrimination</li> <li>• <b>Story:</b> In 2016 a report by the Asia Floor Wage Alliance surveying 251 garment workers in Cambodia and India at factories supplying Hennes &amp; Mauritz alleged violations of international labour rights and discrimination against pregnant women. It claimed pregnant women were fired or pushed to quit their job because of their pregnancy. Moreover, their bosses refuse to renew their contracts, prompting them to seek abortions on the black market. According to the report, other violations include sexual harassment, unsafe working conditions and unhealthy work schedules. In addition, many employees have temporary contracts and are threatened with dismissal if they attempted to unionise or raise a grievance. The report was picked up by the online media, including Broadly, a website and digital video channel devoted to women.</li> <li>• <b>Sources:</b> [Broadly Vice, 24/05/2016 -: <a href="http://broadly.vice.com">broadly.vice.com</a>][Asia Floor Wage report -: <a href="http://asia.floorwage.org">asia.floorwage.org</a>]</li> </ul>
E(5).1	The Company has responded publicly to the allegation	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Public response available: As far as CHRB was able to ascertain, the Company has not responded publicly to the allegation.</li> </ul> Score 2 <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	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</li> <li>• Met: Policies apply to the type of business relationships involved</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Policies address the specific rights in question: The Company is a signatory to the UNGC and is 'committed to the guidelines developed' by it. The Company has made public an agreement signed between H&amp;M and the Union Network International where it states that it is part of the Company's corporate policy to ban child labour and all types of discrimination in all H&amp;M's workplaces. This commitment extends to its suppliers and their subcontractors.</li> </ul>
E(5).3	The Company has taken	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</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
	appropriate action		<ul style="list-style-type: none"> <li>• Not met: Encourages linked business to engage affected stakeholders</li> <li>• Not met: Provides remedies to affected stakeholders</li> <li>• Not met: Has reviewed management systems to prevent recurrence</li> </ul> Score 2 <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(6).0	Serious allegation No 6		<ul style="list-style-type: none"> <li>• <b>Headline:</b> H&amp;M factory catches fire in Bangladesh</li> <li>• <b>Area:</b> H&amp;S</li> <li>• <b>Story:</b> The Matrix Sweater Factory in Bangladesh, which supplies apparel for H&amp;M, caught fire on February 2, 2016, injuring four people. If the fire had begun one hour later, the factory would have been filled with more than 6,000 workers, and the risk of death would have been extreme, according to the Clean Clothes Campaign. The factory, on the eighth floor of a building in Gazipur, burned for almost four hours before it could be contained by firefighters. The same factory caught on fire on January 29th, 2016. The same factory was inspected in May of 2014 by a US-based Alliance for Bangladesh Worker Safety. The inspection found that the factory lacked adequate fire doors, sprinklers, fire alarms, and fire hoses, among other deficiencies.</li> </ul> <p>The February fire occurred just days after the Clean Clothes Campaign, the International Labor Rights Forum, the Maquila Solidarity Network and the Worker Rights Consortium released a report raising concerns about the long delays in safety renovations at supplier factories in Bangladesh.</p>
E(6).1	The Company has responded publicly to the allegation	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Public response available: H&amp;M responded to media articles about the fire, saying in a in an emailed statement to journalists that it was following an industry accord on improving safety standards closely, and was in “close dialogue with the suppliers and are following up on the work that remains to be done”.</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Response goes into detail</li> </ul>
E(6).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</li> <li>• Met: Policies apply to the type of business relationships involved</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Met: Policies address the specific rights in question: In 'the H&amp;M way' document, which has been prefaced by the CEO, the company states under 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.'</li> </ul> <p>In addition, the Company also includes a health and safety requirements in the supplier's code of ethics which includes building safety, fire safety, accidents and first aid and working environment.</p>
E(6).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</li> <li>• Not met: Encourages linked business to engage affected stakeholders</li> <li>• Not met: Provides remedies to affected stakeholders</li> <li>• Not met: Has reviewed management systems to prevent recurrence</li> </ul> Score 2 <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(7).0	Serious allegation No 7		<ul style="list-style-type: none"> <li>• <b>Headline:</b> 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>• <b>Area:</b> Working hours</li> <li>• <b>Story:</b> 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</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>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.</p> <ul style="list-style-type: none"> <li>Sources: [SOMO Report 'Branded childhood', January 2017 -: <a href="http://stopkinderarbeid.nl">stopkinderarbeid.nl</a>]</li> </ul>
E(7).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</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Not met: Response goes into detail</li> </ul>
E(7).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</li> <li>Met: Policies apply to the type of business relationships involved</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>Met: Policies address the specific rights in question: The Company is a signatory to the UNGC and is 'committed to the guidelines developed' by it. The Company states the following steps in relation to suppliers: 'Ordinary working hours must not exceed the legal limit and shall never exceed 48 hour per week. Overtime hours must not exceed the numbers allowed by the law of the country. If such limits do not exist, overtime work should not exceed 12 hours per week'.</li> </ul>
E(7).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(8).0	Serious allegation No 8		<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 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.</li> </ul> <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> <ul style="list-style-type: none"> <li>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>]</li> </ul>
E(8).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 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, June 2018: <a href="http://business-humanrights.org">business-humanrights.org</a>]</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> <li>Not met: Response goes into detail [Response to the report on gender based violence, June 2018: <a href="https://www.business-humanrights.org">business-humanrights.org</a>]</li> </ul>
E(8).2	The Company has appropriate policies in place	1	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: The Company's Human Rights Policy commits to non-discrimination. [Human Rights Policy, 2012: <a href="https://www.sustainability.hm.com">sustainability.hm.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="https://www.sustainability.hm.com">sustainability.hm.com</a>]</li> </ul> Score 2 <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(8).3	The Company has taken appropriate action	1.5	The individual elements of the assessment are met or not as follows: Score 1 <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, June 2018: <a href="https://www.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 mechanisms and dialogue in the factories, also working with external stakeholders." [Response to the report on gender based violence, June 2018: <a href="https://www.business-humanrights.org">business-humanrights.org</a>]</li> </ul> Score 2 <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, June 2018: <a href="https://www.business-humanrights.org">business-humanrights.org</a>]</li> </ul>

## F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	3 out of 4	Out of a total of 40 indicators assessed under sections A-D of the benchmark, Hennes & Mauritz made data public that met one or more elements of the methodology in 30 cases, leading to a disclosure score of 3 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> <li>Met: Company reports on GRI: The Company publishes a GRI index for 2018 [GRI Content Index 2018, Mar 2019: <a href="https://www.hmgroupp.com">hmgroupp.com</a>]</li> </ul>
F.3	Key, High Quality Disclosures	0 out of 4	Hennes & Mauritz met 0 of the 8 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> <li>Not met: Score 2 for A.2.2 : Board discussions</li> <li>Not met: Score 2 for B.1.6 : Monitoring and corrective actions</li> <li>Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers</li> <li>Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s)</li> </ul> Discussing challenges openly

Indicator Code	Indicator name	Score	Explanation
			<ul style="list-style-type: none"> <li>• Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts</li> <li>• Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned</li> </ul> Demonstrating a forward focus <ul style="list-style-type: none"> <li>• Not met: Score 2 for A.2.3 : Incentives and performance management</li> <li>• Not met: Score 2 for B.1.2 : Incentives and performance management</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 2019 Key Findings report and technical annex for more details of the research process.

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