

**Corporate Human Rights Benchmark
2023 Company Scorecard**

Company name Hennes & Mauritz (H&M)
Sector Apparel (supply chain only)
Overall score 36.0 out of 100

Theme score	Out of	For theme
2.7	10	A. Governance and Policy Commitments
12.8	25	B. Embedding Respect and Human Rights Due Diligence
5.5	20	C. Remedies and Grievance Mechanisms
11.6	25	D. Performance: Company Human Rights Practices
3.4	20	E. Performance: Responses to Serious Allegations

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 2022 Methodology document for the sector concerned. 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 Policy Commitments (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"> Met: General HRs commitment: The Company's Human Rights Policy states: 'at H&M Group, we are committed to operating with respect to human rights across our value chain – in our own operations, across our supply chains and in the communities where we operate'. [Human Rights Policy, 17/11/2020: hmgroup.com] <p>Score 2</p> <ul style="list-style-type: none"> Not Met: Commitment to UNGPs: In its Human Rights Policy, the Company states: 'Our approach to human rights is based on the UN Guiding Principles on Business and Human Rights and informed by the OECD Guidelines for Multinational Enterprises'. However 'based on' is not considered a formal commitment following CHRB wording criteria. [Human Rights Policy, 17/11/2020: hmgroup.com] Not Met: Commitment to OECD MNE Guidelines: In its Human Rights Policy, the Company states: 'Our approach to human rights is based on the UN Guiding Principles on Business and Human Rights and informed by the OECD Guidelines for Multinational Enterprises'. However 'informed by' is not considered a formal commitment following CHRB wording criteria. [Human Rights Policy, 17/11/2020: hmgroup.com]
A.1.2.a	Commitment to respect the human rights of workers: ILO Declaration on	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"> Met: Commitment to ILO core principles: The Company's website affirms: 'H&M Group's commitment reflects those human rights defined in the International Bill of Human Rights and the International Labour Organization's Declaration on

Indicator Code	Indicator name	Score (out of 2)	Explanation
	Fundamental Principles and Rights at Work		<p>Fundamental Principles and Rights at Work.' Although general website content is not a suitable source for public policy commitment according to CHRB criteria, see below specific commitment to each ILO core area contained in different policy documents. [Website: Our Approach to respecting Human Rights, N/A: hmgroupp.com]</p> <ul style="list-style-type: none"> • Met: Explicitly lists all four ILO core principles: The Company has in motion its 'H&M's Policy on Child Labour' where is referenced the 'ILO Conventions 138 and 182, ILO recommendation 146 and 190' and prohibits child labour in the Company's value chain. And its Global Non-discrimination and Non-harassment Policy ('Within the H&M Group we have a zero tolerance for discrimination, harassment, or any other improper conduct in our workplaces'). Moreover, the Company's Global Labour Relations Principles declares: 'H&M group is committed to respect the principles of freedom of association and the right to collective bargaining consistent with applicable local law and practice. Where local law and practice restricts these rights, H&M group will work to facilitate employee engagement in the spirit of these principles.' Finally, the Company's Migrant Workers Guidelines states: 'As stated in H&M Group's Sustainability Commitment, forced, bonded, prison or exploitation of labour is not accepted'. [H&M'S Policy on Child Labour, 01/10/2014: hmgroupp.com] & [Website: Sustainability Commitment, N/A: hmgroupp.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expects suppliers to commit to ILO core principles: The Document Sustainability Commitment H&M Business Partner states: 'Our Specifications reflect our commitment to promote adherence to internationally agreed standards, including the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights.' [Sustainability Commitment H&M Business Partner, 01/2016: hmgroupp.com] • Met: Explicitly lists all four ILO core principles for suppliers: H&M's Sustainability Commitment for Business Partner discloses the following requirements: '(1B.) There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement on the grounds of [...] (1F.) 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 [...] (1G.) Child labor is not accepted. No persons shall be employed at an age younger than 15 (or 14 where ILO Convention 138 makes an exception) or younger than the legal age for employment if this is higher than 15. All legal limitations regarding employment of persons below the age of 18 shall be followed. They should be protected from any hazardous work, night shift and any kind of work that might hamper their development or impose any physical harm [...] (1H.) Forced, bonded, prison or illegal labour is not accepted. [...]' [Sustainability Commitment H&M Business Partner, 01/2016: hmgroupp.com]
A.1.2.b	Commitment to respect the human rights of workers: Health and safety and working hours	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"> • Met: Commitment to respect H&S of workers: The H&M Global Health and Safety Policy states: At the H&M Group people are our most important assets and key to success. Therefore we commit to create and maintain healthy, safe and sustainable working environments throughout our operations. We strive to build a strong health and safety culture by taking preventative measures to minimize exposures to risks and accidents. We encourage all employees to take responsibility in their daily work to protect themselves, colleagues, customers and third parties. The company's intention is to ensure compliance with this policy, by having appropriate procedures and guidelines for resolution.' [Global Health and Safety Policy, 11/2015: hmgroupp.com] • Not Met: Commitment to ILO working hours standards or 48 hour regular work week: The Company provided the Sustainability Commitment for Business Partners, which states that: 'working hours and rest time shall comply with national law, the relevant ILO Conventions [referring to ILO Conventions 001, 014, 030, 106], or the applicable collective agreements, whichever affords the greater protection for workers, and shall be defined in contracts. A reliable system for registering working hours, including overtime, of all workers must be maintained. To secure that overtime is not requested on a regular basis, an effective process to measure, plan and monitor production capacity and outputs is in place.' However, this evidence refers to the requirements that the Company makes to its suppliers and not to the

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			<p>Company's own commitment to its own operations. [Sustainability Commitment H&M Business Partner, 2022: hmgroupp.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expects suppliers to commit to H&S of workers: H&M's Sustainability Commitment states: 'Workplace safety and the health & safety of employees must be a priority at all times and a safe and hygienic working environment shall be provided.' Subsequently, the Company mentioned minimum requirements regarding with. [Sustainability Commitment H&M Business Partner, 01/2016: hmgroupp.com] • Met: Expects suppliers to commit to ILO working hours standards or 48 hour regular work week: H&M's Sustainability Commitment states: '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'. [Sustainability Commitment H&M Business Partner, 01/2016: hmgroupp.com]
A.1.3.AP	Commitment to respect human rights particularly relevant to the sector – vulnerable groups (AP)	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"> • Met: Commitment to women's rights: The Company's website discloses: 'H&M Group has signed the Women's Empowerment Principles, which support the advancement of women's economic empowerment'. The Company has provided comments to CHRB regarding this subindicator, but it was already awarded. [Website: Gender Equality in our Supply Chain, N/A: hmgroupp.com] & [Human Rights Policy, 17/11/2020: hmgroupp.com] • Met: Expects suppliers to respect these rights: The 'Migrant Workers Fair Recruitment and Treatment Guidelines' states that: 'H&M Group has developed this addendum to the Sustainability Commitment to clarify requirements and expectations on our Business Partners with regards to protecting the human rights, safety, dignity and fundamental freedoms of all migrant workers, regardless of their migratory status'. [Sustainability Commitment H&M Business Partner, 2022: hmgroupp.com] & [Migrant Workers Fair Recruitment and Treatment Guidelines, N/A: hmgroupp.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Commitment refers to CEDAW/Women's Empowerment Principles: See above [Website: Gender Equality in our Supply Chain, N/A: hmgroupp.com] • Not Met: Expects suppliers to respect these rights: The 'Migrant Workers Fair Recruitment and Treatment Guidelines' including comprehensive requirements in relation to migrant workers. However, this subindicator looks for an explicit requirement to commit to the WEP's, or the CEDAW, or The Convention on the Rights of the Child or of the Children's Rights and Business Principles or the Convention on the Protection of the Rights of All Migrant Workers and Members of their Families. [Human Rights Policy, 17/11/2020: hmgroupp.com]
A.1.4	Commitment to remedy	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"> • Not Met: Commitment to remedy adverse HRs impacts: The Company declares on its website that: 'We recognise our responsibility to provide for remedy when impacts are connected to our activities, as well as our role in exercising influence through our business relationships and building leverage with others for issues further up our supply chains where we don't have direct business relationships.' However, general website content is not considered a suitable source for policy statements under CHRB's revised approach. The Human Rights policy states that 'We conduct human rights due diligence to identify risks to people, work to prevent, mitigate and remediate them, and account for how we address these impacts'. 'work to' remediate is not considered a formal commitment to remediate according to CHRB wording criteria. [Human Rights Policy, 17/11/2020: hmgroupp.com] & [Website: Our Approach to respecting Human Rights, N/A: hmgroupp.com] • Met: Expects suppliers to make this commitment: The Sustainability Commitment for business partners states that 'Business Partners are expected to have a system in place to manage grievances related to human rights, labour rights and environmental impact, and to engage in appropriate remediation of any harms to people or the environment which they have caused, contributed to or to which they are directly linked, in close dialogue with those affected'. [Sustainability Commitment H&M Business Partner, 2022: hmgroupp.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commitment to collaborate with judicial or non-judicial mechanisms • Not Met: Commitment to work with suppliers on remedy
A.1.5	Commitment to respect the rights of human rights defenders	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"> • Not Met: Zero tolerance of threats/attacks on HRDs: The Human Rights policy states that 'we also recognise the important of civic freedoms and human rights defenders to bring attention to issues across our value chain. Advocating for civic freedoms can be an important uses of leverage to help protect human rights defenders and for topics of shared concern, such as labour rights or environmental rights, we may actively support the work of human rights defenders'. This subindicator, however, looks for a commitment to not threaten or intimidate these defenders. The Company pointed out to different parts of the policy in its comments to CHRB, however, evidence was not material. [Human Rights Policy, 17/11/2020: hmgroup.com] • Met: Expects suppliers to make this commitment: The Company's website discloses: 'Our requirements on our suppliers and business partners include the establishment of operational-level grievance mechanisms. We also recognise the importance of human rights defenders, including union representatives, in bringing attention to issues. We expect our suppliers and business partners to not hinder the work of human rights defenders or retaliate against anyone who comes forward with an issue.' Also, The Company's Sustainability Commitment to Business Partners states: 'Civil rights are respected, and human rights and environmental defenders are not abused. H&M Group recognises the important role of human rights and environmental defenders and for topics of shared concern, we may actively support their work. We expect our Business Partners to follow the policy of non-interference and to respect the lawful activities of human rights and environmental defenders, and the right to freedom of expression, freedom of association, and peaceful assembly.' [Sustainability Commitment H&M Business Partner, 2022: hmgroup.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commitment to working with HRDs to create safe and enabling environment: H&M Human Rights Policy declares: 'we also recognise the importance of civic freedoms and human rights defenders to bring attention to issues across our value chain. Advocating for civic freedoms can be an important use of leverage to help protect human rights defenders and for topics of shared concern, such as labour rights or environmental rights, we may actively support the work of human rights defenders. However, no further details found, including a direct commitment to work with them in creating safe and enabling environments at different levels. [Human Rights Policy, 17/11/2020: hmgroup.com] & [Global Framework Agreement with IndustriALL and Industriefacket Metall, 09/2015: hm-industriall_gfa_agreed_version_09-09-2015.pdf (industriall-union.org)]

A.2 Board Level Accountability (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	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"> • Not Met: Board level responsibility for HRs: The Company's Human Rights Policy states: 'Our Board of Directors has adopted this Human Rights Policy on behalf of H&M Group. The responsibility for implementation is delegated to senior operational executives that report to our CEO. The Head of Sustainability and Head of Corporate Governance oversee the overall implementation and report on progress and impact to the Board of Directors and the leadership team on a regular basis'. However, no details were found on whether there's a Board level committee in charge of overseeing human rights commitments implementation. During the engagement phase, the Company has provided comments to CHRB regarding this indicator. However, evidence referred to senior managerial level. No evidence found of Board of Director's person or committee in charge of overseeing human rights. [Human Rights Policy, 17/11/2020: hmgroup.com] & [Annual and Sustainability Report 2022, 23/03/2023: hmgroup.com] • Not Met: Describes HRs expertise of Board member <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Board member/CEO signal importance of HRs in their communications
A.2.2	Board responsibility	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"> • Not Met: Process to review HRs strategy at board level • Not Met: Example of HRs issues/trends discussed in last reporting period: The Company has provided comments to CHRB in relation to this indicator, including

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			that the Modern Slavery statement was approved by the Board. However, this subindicator looks for evidence where the Company describes how the Board of Directors or a Board Committee specifically discussed topic(s) related to human rights. [HM Group Modern Slavery Statement 2022, 29/03/2023: hmgroupp.com] Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Describes how affected stakeholders / HRs experts inform board discussions
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: At least one board member incentive linked to HRs commitments • Not Met: Incentive scheme linked to key HRs risks beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not Met: Performance criteria linked to HRs made public • Not Met: Review of other board incentives for coherence with HRs policies
A.2.4	Business model strategy and risks	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Board process to review business model and strategy for HRs risks • Not Met: Describes frequency and triggers for reviewing business model Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Example of actions resulting from reviews

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	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Score of 1 on A.1.2.a • Met: Senior responsibility for HRs implementation and decision making: The Company's Human Rights Policy states: 'Our Board of Directors has adopted this Human Rights Policy on behalf of H&M Group. The responsibility for implementation is delegated to senior operational executives that report to our CEO. The Head of Sustainability and Head of Corporate Governance oversee the overall implementation and report on progress and impact to the Board of Directors and the leadership team on a regular basis'. [Human Rights Policy, 17/11/2020: hmgroupp.com] Score 2 <ul style="list-style-type: none"> • Met: Describes day-to-day responsibility for implementing HRs commitments: H&M 2021 Sustainability Report describes the Company's Global Sustainability Department: 'Business functions and brands are supported by a team of 31 experts and five managers in our global Sustainability Department, in order to achieve the best possible impact [...] Every quarter, Sustainability Department teams report progress against the sustainability KPIs, key challenges, learnings and activities to facilitate visibility of impacts, achievements and challenges across functions, brands and markets. In total, 224 people across the group have sustainability as their core task...' [Annual and Sustainability Report 2021, 2022: hmgroupp.com] • Met: Day-to-day resources and expertise allocation in own operations: See above. The Company indicates that 224 people across the group have sustainability as their core task and that functions and brands are supported by 31 experts and five managers. Sustainability includes human rights. [Annual and Sustainability Report 2021, 2022: hmgroupp.com] • Met: Resources and expertise allocation in supply chain: Regarding its 'Supply Chain Management' the Company in its 2021 sustainability report shares: 'We monitor compliance and measure performance using our Sustainable Impact Partnership Programme (SIPP). We use SIPP to support suppliers in raising environmental and social performance while encouraging them to take ownership of their sustainability agenda'. The Company has shared the following comments with CHRB regarding this indicator, as stated in its sustainability report: 'A total of 346 people across the group have sustainability as their core task, and we continue to integrate sustainability into wider roles across H&M Group'. The Company has clarified that evidence used in previous subindicators also covers supply chains. [Annual and Sustainability Report 2021, 2022: hmgroupp.com] & [Annual and Sustainability Report 2022, 23/03/2023: hmgroupp.com]

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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"> • Not Met: Senior manager incentives linked to HRs commitments: On its website, the Company describes its 'short-term variable remuneration' as follows: Fulfilment of targets shall be measured over a period of one year. The short-term variable remuneration shall be based on fulfilment of targets in the following areas: the H&M group's total sales, the H&M group's total operating profit, fulfilment of the objectives in the various areas of the business plan, which include sustainability and assessment of leadership and compliance with values.' However, no evidence of specific performance criteria regarding Human Rights issues was found. [Website: Remuneration 2022, N/A: hmgroupp.com] • Not Met: Incentive scheme linked to key HRs risks beyond employee H&S <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Performance criteria linked to HRs made public • Not Met: Review of other senior management incentives for coherence with HRs policies
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"> • Met: HRs risks integrated as part of enterprise risk system: The Company's 2021 Annual Report about its sustainability risks (contained within operational risks within risk section of the report), states: 'The H&M group has a highly ambitious sustainability strategy which aims to lead the change towards a more sustainable fashion industry with both new business opportunities and risks. Climate change and its impacts has been identified as one of the company's most significant risks. Other main risks identified include shortage of natural resources, failure to uphold human rights early in the value chain, corruption, political and social instability in production and sourcing markets and changed consumption patterns and customer attitudes [...] Risks to people and human rights across our value chain are primarily linked to working conditions, inclusion, diversity, and impacts on communities connected to environmental degradation'. [Annual and Sustainability Report 2021, 2022: hmgroupp.com] • Met: Provides an example: The Company's latest sustainability report includes in its global risk analysis, 'risks & opportunities' related to the its Social Impact. In this regard, it communicates that it undertakes the following measures to mitigate the violation of human and labor rights in its value chain: 'We made more than 99% of our payments to suppliers on time. On average suppliers get paid in around 15 days after invoicing and delivery of goods. This is partly a result of a favorable factoring arrangement negotiated by H&M Group on behalf of our suppliers. We continued to itemize labor costs for our orders by dividing production costs into different costing blocks such as material, labor, and product treatments, like printing or washing. This costing calculation improves the visibility of labor costs and allows improved wages to be reflected in the prices we pay to our suppliers. More than 99% of our apparel orders are processed in this manner [...] We launched a new global inclusion and diversity (I&D) dashboard to track key indicators to help us identify relevant actions and set local targets to track our progress. Local initiatives may include training completion, gender pay assessments, talent acquisition processes, and increasing equitable representation within the workforce across gender, age, and nationality [...] We worked with suppliers to promote their ownership of gender equality objectives and strategies to help them define and implement their own approaches for greater female representation. We now score suppliers on three dimensions: ratio of women workers employed, ratio of women supervisors, and gender pay gap.' <p>[Annual and Sustainability Report 2022, 23/03/2023: hmgroupp.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Risk assesment by Audit Committee or independent third party
B.1.4.a	Communication /dissemination of policy commitment(s) to workers and external stakeholders	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"> • Met: Score of 1 on A.1.2.a • Not Met: Communicates HRs policies to all workers in own operations <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Communicates HRs policies to stakeholders: In its Sustainability Disclosure 2021, the Company states: 'we regularly engage with our stakeholders using a range of channels. These include webinars and calls, partnership meetings, surveys and consultations, training programmes, our stakeholder newsletter, and

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			regular updates during the Covid-19 crisis. Each year, we invite views on our sustainability performance and reporting via our anonymous stakeholder survey.' However, it is not clear how it communicates its policy commitments to affected stakeholders, including local communities and other groups. [Sustainability Disclosure 2021, 2022: hmgroupp.com] <ul style="list-style-type: none"> • Not Met: Example of how HRs policies are accessible for intended audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Meets ILO requirement for suppliers on A.1.2.a • Met: Requires suppliers to communicate HRs policies: H&M's Sustainability Disclosure 2021 states: 'our Sustainability Commitment outlines our expectations. This includes compliance with minimum requirements and international standards and the aspiration to go beyond compliance for lasting impacts. We require all suppliers and business partners to sign and adhere to our Sustainability Commitment and our Code of Ethics'. The Company's Sustainability Commitment declares: 'H&M also expects Business Partners to apply the requirements and approach outlined in this Commitment in their supply chains'. [Sustainability Disclosure 2021, 2022: hmgroupp.com] Score 2 <ul style="list-style-type: none"> • Met: Describes how HRs policies are contractual/binding for suppliers: H&M's Sustainability Disclosure 2021 states: 'our Sustainability Commitment outlines our expectations. This includes compliance with minimum requirements and international standards and the aspiration to go beyond compliance for lasting impacts. We require all suppliers and business partners to sign and adhere to our Sustainability Commitment and our Code of Ethics.' [Sustainability Disclosure 2021, 2022: hmgroupp.com] • Met: Requires suppliers to cascade contractual/binding HRs policies to its suppliers: The Company's Sustainability Commitment requires Company's Business Partner to sign among others the following commitment: 'As a Business Partner to H&M Group, we commit to complying with the requirements outlined in this Sustainability Commitment, and to implement them throughout our supply chain'. In addition 'Business Partners who subcontract or outsource any work in executing their business contract with H&M Group, shall be responsible for the implementation of this Sustainability Commitment by these third parties and their employees. The scope of these obligations includes any self-employed contractors and home-workers'. 'Business Partners are obliged to keep H&M Group informed of where production and services for H&M Group take place. The scope of this obligation includes sub-contracting and home-working to produce goods or services for H&M Group. It is the Business Partner's responsibility to demonstrate compliance with the requirements of this Sustainability Commitment by completing periodical self-assessments, reporting sustainability performance data, and submitting to announced and /or unannounced verifications by H&M Group or assessors representing organisations appointed by or agreed with H&M Group, in line with timelines communicated by H&M Group. Business Partners are also required to enable the same reporting and evaluation activities for their subcontractors and next-tier suppliers involved in the production of goods and services for H&M Group'. [Sustainability Commitment H&M Business Partner, 01/2016: hmgroupp.com]
B.1.5	Training on Human Rights	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Score of at least 1 on A.1.2.a • Met: Describes how workers are trained on HRs policy commitments: The Company's website states: 'awareness raising and sense-making of what it means to operate with respect to human rights is key to effective integration. We provide basic human-rights training across our business, tailoring content for different functions and roles. Training includes a basic introduction to human rights, an outline of our responsibilities in line with the UNGPs, and key aspects of effective implementation. In-depth training and workshops are targeted at key staff and cover specific topics such as forced labour and application of remedy logic. A similar approach is being applied to suppliers and business partners.' [Website: Our Approach to respecting Human Rights, N/A: hmgroupp.com] • Not Met: Trains relevant managers including procurement on HRs: H&M Group's Sustainability Disclosure 2021 shares: 'we delivered human rights trainings across our functions: –Together with Shift, we delivered deep dive trainings with colleagues responsible for ongoing human rights due diligence, including sessions on taking action, and remedy and grievance; our global Materials team received training on environmental and human rights due diligence and labour risks, to inform an ongoing risk review process related to our material strategies; the

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>International Organization for Migration provided training on forced labour to 41 colleagues and 298 supplier factories, with a total of 517 participants'. It is not clear, however, if trainings include procurement function. The Company has provided comments to CHRB regarding this indicator. However, the comment provided was not backed up by sources (source provided didn't contain the content of the coment)</p> <p>[Sustainability Disclosure 2021, 2022: hmgroup.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2.a • Not Met: Meets both requirements under score 1 • Met: Trains suppliers to meet HRs commitments: H&M's Modern Slavery Statement discloses: all business partners are continuously trained in or kept informed about our commitments and policies and their content [...] All new suppliers must sign our Sustainability Commitment that sets out our expectations and they are trained on the content as part of the onboarding process'. [Modern Slavery Statement 2021, 03/2022: hmgroup.com] • Not Met: Discloses % suppliers trained
B.1.6	Monitoring and corrective actions	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"> • Met: Score of at least 1 on A.1.2.a • Not Met: Monitors implementation of HRs policy commitments across global ops and supply chain: H&M Group's Sustainability Disclosure 2021 shares: 'we monitor compliance and measure performance using our Sustainable Impact Partnership Programme (SIPP). We use SIPP to support suppliers in raising environmental and social performance while encouraging them to take ownership of their sustainability agenda. SIPP includes: [1.-]Minimum requirements. Assessments for new suppliers and ongoing follow-up checks; [2.-]Self-assessment and validation. Self-assessment through tools including the Sustainable Apparel Coalition's (SAC) Higg Facility Environmental Module (FEM) and Higg Facility Social and Labor Module (FSLM), verified by a third party; [3.-]Capacity building. Identifying priority areas and setting goals for improvements. Actioned through targeted support or wider topic-based programmes; [4.-]Grievance mechanisms and worker voice. Ensuring effective opportunities for workers to report concerns and have their voices heard; [5.-]Dealing with incidents. Recording and investigating potential incidents. Following up confirmed non-compliance cases with a letter of concern and corrective action plan.' Additionally, the Company's 2021 Annual Report discloses: 'within the production organisation additional control and monitoring activities are brought together in the internal Routine Handbook for Production. These routines are related to how H&M ensures that the company does business in an ethical and transparent way. Most of these are monitored on a monthly basis at regional level and every other month at global level'. The Sustainable Disclosure states that 'our annual People Engagement Pulses survey enables colleagues to share views on how it is to work at H&M Group and give ideas for improvement. Based on the results, managers and their teams work together to set action plans'. In regard with this survey, the H&M Group: Our Way document, discloses: 'Another example of how we value employee engagement is the voluntary online employee survey People Engagement Pulses (PEP), conducted yearly and allowing colleagues globally to voice their opinion and provide feedback. PEP covers areas such as our culture, I&D and overall employee satisfaction. The outcome is intended to create a basis for discussion and actions for individuals, teams and our business to develop and grow'. It is not clear, however, whether this survey includes human rights. No further evidence found on whether and how the Company monitors compliance with human rights within its own operations. [Sustainability Disclosure 2021, 2022: hmgroup.com] & [Annual and Sustainability Report 2021, 2022: hmgroup.com] • Met: Discloses % of supply chain monitored: The Company, in its Sustainability Disclosures shares, that [by October 2021] '100% of tier 1 supplier factories implemented SIPP. We reached our goal of 100% of tier 2 dyeing and printing factories implementing SIPP'. [Sustainability Disclosure 2021, 2022: hmgroup.com] • Not Met: Describes how workers are involved in monitoring <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2.a • Not Met: Describes corrective actions process • Met: Discloses findings and number of correction action processes: According to H&M Group's Sustainability Disclosure, until Q3 2021, 32 letters of concern were issued to suppliers for non-compliance with minimum requirements Issues found are related mainly to the use of undeclared units, transparency, access to water, and environmental matter. Two letters of concern are related to health and safety issues, two more are related to wage issues, and other two are related to freedom

Indicator Code	Indicator name	Score (out of 2)	Explanation
			of association and collective bargaining issues. [Sustainability Disclosure 2021, 2022: hmgroupp.com]
B.1.7	Engaging and terminating 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"> • Met: HRs performance affects selection suppliers: The Company's Modern Slavery Statement discloses: 'new suppliers of commercial goods must meet our minimum requirements, which we assess prior to production'. On its website, the Company adds: 'when we take on a new supplier, due diligence helps us assess if they meet our environmental and social sustainability requirements [...] When evaluating a new supplier, we share these minimum requirements early in the process to create a common understanding and ambition from the start. These requirements span issues such as working conditions, environmental practices and corruption. In terms of wage payments, we also review public information to check if any disputes have been registered. In some cases, we will reassess a supplier if they carry out actions to raise standards and meet our requirements within a given period of time' [Modern Slavery Statement 2021, 03/2022: hmgroupp.com] & [Website: Due Diligence, N/A: hmgroupp.com] • Met: HRs performance affects continuation supplier relationships: The Company's website states: 'if a supplier violates our minimum requirements, we have the right to pause business until the issue has been remedied. In some cases, we may need to cease the business relationship. If we take this decision, we abide by ACT's Responsible Exit Policy.' [Website: Due Diligence, N/A: hmgroupp.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes positive HRs incentives for business relationships: H&M Group's Sustainability Disclosures states: 'we integrated sustainability KPIs into our Sustainability Index (SI)- the set of internal metrics we use to gauge overall supplier sustainability performance. We evaluate suppliers annually using industry tools and Group specific performance data on social and environmental impacts. High performing suppliers are rewarded with increased business opportunities, incentivising them to improve [...] We reward suppliers for increasing their ratio of female supervisors through our supplier relationship management system. This year this incentivised our suppliers in Bangladesh to increase the ratio of female supervisors from 6% to 10%.' Moreover, the Company's 2021 annual Report declares: 'Our Sustainability Index, which is part of how the company recognises and rewards high performing suppliers with better business prospects, includes consideration of suppliers' SIPP results and performance data.' [Sustainability Disclosure 2021, 2022: hmgroupp.com] & [Annual and Sustainability Report 2021, 2022: hmgroupp.com] • Met: Works with suppliers to meet HRs requirements: The Company's website discloses: 'we work with our suppliers to identify areas where H&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.' [Website: Sustainable Impact Partnership Program, N/A: hmgroupp.com]
B.1.8	Approach to engagement with affected stakeholders	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"> • Met: Discloses stakeholders whose HRs may be affected: The Company's website declares: 'throughout the [Human Rights Due Diligence] process, we engage with rights holders (colleagues, workers in our supply chain, customers, and communities) or their relevant representatives such as unions or NGOs, to receive valuable input. We continuously invite stakeholders to provide feedback on our efforts so we can further improve our strategies and programmes'. Additionally, the Company discloses an annual Stakeholder Engagement Report, in which it discloses how it engages with different categories of stakeholders (customers, colleagues, communities, business partners, supply chain employees and their representatives, and others). [Website: Our Approach to respecting Human Rights, N/A: hmgroupp.com] & [Stakeholder Engagement 2021, 03/2022: hmgroupp.com] • Met: Provides two examples of engagement with stakeholders: Through its Stakeholder Engagement Report, the Company discloses that has in place an annual anonymous stakeholder survey for communities, policy makers, industry peers, academia and investors and anonymous worker surveys for supply chain employees and their representatives. The Company also states that 'our annual People Engagement Pulses survey enables colleagues to share views on how it is to work at H&M Group and give ideas for improvement. Based on the results, managers and their teams work together to set action plans.' In regard with this

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>survey, the H&M Group: Our Way document, discloses: 'Another example of how we value employee engagement is the voluntary online employee survey People Engagement Pulses (PEP), conducted yearly and allowing colleagues globally to voice their opinion and provide feedback. PEP covers areas such as our culture, I&D and overall employee satisfaction. The outcome is intended to create a basis for discussion and actions for individuals, teams and our business to develop and grow.' [Stakeholder Engagement 2021, 03/2022: hmgroup.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Analysis of stakeholder views on company's HRs issues • Not Met: Describes how stakeholders views influenced company's HRs approach: The 2022 Sustainability Disclosure reports: 'We're improving our approach to preventing, detecting and handling cases of gender-based violence and sexual harassment (GBVH) in our supply chain. Together with Jane Pillinger (Ph.D), a global expert on gender equality and gender-based violence at work, we conducted trainings and workshops for our employees with social sustainability roles in our production supply chain — to raise awareness and provide supporting tools for suppliers to prevent GBVH and handle grievances [...] Building on the training of H&M Group colleagues, we are creating a guideline together with IndustriAll and Jane Pillinger to help suppliers detect, prevent and manage GBVH cases. This will be rolled out to suppliers during 2023'. However, Score 2 of this indicator looks for evidence of recopilation of views of affected stakeholders and how those views influenced the Company's strategy or approach. Alternatively, it could be accepted case studies if there's more than one case. [H&M Group Sustainability Disclosure 2022, 23/03/2023: hmgroup.com]

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

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying human rights risks and impacts	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Describes process of identifying risks in own operations: The H&M Group's 2021 Annual Report states: 'we carry out due diligence across our operations and value chain, paying special attention to vulnerable groups such as migrant workers and children – we do not accept forced labour or child labour. Any human rights risks in our value chain are identified and managed through the following steps: [1.-] Due diligence. Systematic use of due diligence to identify human rights risks and impacts and to prevent, mitigate and remedy on Business and Human Rights (UNGPs)'. As indicated below, in 2019 consulted with 'Shift' for reviewing the process for salient issue identification developed in 2015. It states that consults with internal and external stakeholders on a yearly basis to review relevant human rights issues. [Annual and Sustainability Report 2021, 2022: hmgroup.com] • Met: Describes process for identifying risks in business relationships: The Company's UNGP Index 2021 declares: 'our human rights due diligence is risk-based and applies across our operations, supply chains and communities. We regularly review our actual or potential human rights risk and focus on priority risks.' And on its website the Company states: 'we conduct human-rights risk assessments across our value chain to identify risk to people, including but not limited to, new markets, suppliers and materials. As a global business, with a retail and production presence in over 80 markets it is not effective nor impactful to apply the same approach everywhere. That's why we apply a risk-based approach to our due diligence. We target high-risk regions, functions or processes that require the closest attention. We also seek to extend our reach by focusing on supplier ownership and partnership. This means cascading responsibilities and building leverage via our business partners to capture and address potential and actual human rights issues throughout our supply chain'. [UN Guiding Principles Index 2021, 03/2022: hmgroup.com] & [Website: Our Approach to respecting Human Rights, N/A: hmgroup.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes global risk identification system incl. stakeholder consultation: The Company's Modern Slavery Statement, discloses: 'human rights due diligence is an ongoing process of identifying risk and impact to people, addressing — meaning prevention, mitigation and/or remediation of identified risks — and accounting for how we respect human rights in practice'. Additionally, in its Salient Human Rights risks 2021 document the Company shares: 'in 2015, the H&M group implemented a comprehensive process involving both internal and external stakeholders in order to identify our salient human rights issues. External dynamics and internal business development change a company's risk profile over time [...] In 2019, we therefore consulted our partner Shift for a "light-touch" review including bi-lateral calls with external expert stakeholders. The conclusion was a re-confirmation of the issues identified in 2015 and a recommendation for a continued granularity in our applied risk analysis in terms of geography, part of value chain and affected groups.' In addition, the Company indicates on its website that 'every year we review our salient human rights issues with internal and external stakeholders to ensure their relevance and to prioritise efforts and engagement'. As described in previous indicator, The Company's website declares: 'throughout the [Human Rights Due Diligence] process, we engage with rights holders (colleagues, workers in our supply chain, customers, and communities) or their relevant representatives such as unions or NGOs, to receive valuable input'. [Modern Slavery Statement 2021, 03/2022: hmgroup.com] & [Salient Human Rights Issues 2021, 03/2022: hmgroup.com] • Met: Describes how risk identification system is triggered by new circumstances: The Company's Modern Slavery Statement discloses: 'processes to provide oversight of the risk picture across our value chain include: [...] New market sustainability risk assessment. All potential new retail and production markets are assessed before deciding whether to set up operations and to inform relevant functions and action. The sustainability risk assessment includes both an environmental and a social perspective. For high-risk markets, stakeholders (global, and local when possible) are consulted and involved in reviewing the findings, providing additional input, and helping guide our actions to address critical issues'. [Modern Slavery Statement 2021, 03/2022: hmgroup.com] • Not Met: Describes risks identified in relation to new circumstances
B.2.2	Assessing 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"> • Met: Describes assessment process and discloses salient HRs risks: The Company's 2021 Salient Human Rights Issues Report discloses: 'annual review to provide oversight of the risk picture across our value chain includes: [1.-] Risk assessment in production markets. All the major production markets have established heat maps of human rights related issues based on severity and likelihood, to inform where extra attention is needed. This process is key in informing our country strategies and goal setting process. [2.-] Risk assessment by business functions. Business functions assess their sustainability risks, including risks to human rights, on a regular basis to ensure the existence and adequacy of prevention and mitigation plans. [3.-] Risk assessment of materials. Risk analysis is done for new materials and on a regular basis for our biggest materials. As raw material production often takes place several steps upstream in our supply chain, our main strategies to prevent and mitigate risk are through engagement in certification schemes, as well as through standards or various industry collaborations.' Within the document, the Company discloses its salient human rights issues: access to clean water, child labour, discrimination and harassment, freedom of association and collective bargaining, health and safety, land rights, living wages and social security. The Company clarifies that 'due to the nature of our business, and against these insights, we concentrate our efforts in our own operations and supply chains with a focus on labour rights'. [Salient Human Rights Issues 2021, 03/2022: hmgroup.com] • Met: Describes how process applies to supply chain: See above. The process covers the value chain. [Salient Human Rights Issues 2021, 03/2022: hmgroup.com] • Met: Public disclosure of results of HRs risk assessment: The Company's 2021 Sustainability Disclosure states: 'our human rights due diligence is risk-based and applies across our operations, supply chains and communities. We regularly review our actual or potential human rights risk and focus on priority risks: our salient human rights issues. We report on progress and data in relevant sections of this report — including water, fair jobs in our operations and supply chain, and inclusion & diversity. We pay special attention to vulnerable groups such as children and migrant workers.' Also, see the Salient Human Rights Issues 2021 Report, in which the Company discloses its salient human rights issues: access to

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>clean water, child labour, discrimination and harassment, freedom of association and collective bargaining, health and safety, land rights, living wages and social security. [Sustainability Disclosure 2021, 2022: hmgroupp.com] & [Salient Human Rights Issues 2021, 03/2022: hmgroupp.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Met: Meets all requirements under score 1 • Not Met: Describes how assessment involved affected stakeholders: The Company's Modern Slavery Statement discloses: 'all potential new retail and production markets are assessed before deciding whether to set up operations and to inform relevant functions and action. The sustainability risk assessment includes both an environmental and a social perspective. For high-risk markets, stakeholders (global, and local when possible) are consulted and involved in reviewing the findings, providing additional input, and helping guide our actions to address critical issues'. It is not clear, however, if thee include affected stakeholders. [Modern Slavery Statement 2021, 03/2022: hmgroupp.com]
B.2.3	Integrating and acting on human rights risks and impact assessments	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"> • Met: Describes system to prevent, mitigate and remediate HRs issues: While describing its Human Right Due Diligence process, the Company defines the second step of the procedure as follows: Take action to address the risks and impacts, and regarding with it, the Company discloses the 'components in [its] Sustainability Programme' that mitigates the Human Right Risk identified and assessed in the previous step. Those components are; specific policies and procedures, supply chain monitoring and management, audits and remediation, capacity building, initiatives and programmes (own and in collaboration with others), partnerships and public affairs, grievance mechanisms and incident management and remedy'. Additionally, in its Salient Human Rights Issues Report, the Company while listing the salient human rights risk identified, states 'Where in the value chain is an actual or potential harm more likely', whether in the Company's own operations or in its supply chain. After that, it provides a list of mitigating and preventing measures that the Company has in place for addressing these issues. [Modern Slavery Statement 2021, 03/2022: hmgroupp.com] & [HM Group Salient Human Rights Issues 2022, 2023: hmgroupp.com] • Met: Describes how global system applies to supply chain: The Modern slavery statement, in addition to the processes described above, breaks down risks & impacts by different processes, the ongoing efforts and the latest updates for the risks and impacts in each case. [Modern Slavery Statement 2021, 03/2022: hmgroupp.com] • Met: Example of actions decided on at least 1 salient HRs issue: In relation to its Wage Strategy (2020), the Company on its website states: 'having a well-established local presence where our clothes are made also means we can be hands-on in training workers about their rights, management about their responsibilities, and assist with the democratic election of worker representatives through trade unions or worker committees. The key components of our wage strategy are our programmes to set up wage-management systems in our suppliers' factories, strengthening factory-level industrial relations and following responsible purchasing practices. We also address systemic issues including wage-setting mechanisms, such as collective bargaining and statutory minimum wage at country level, as well as social protection systems. We also focus on efficiency programmes that support productivity gains and improvements at factories. Within our own operations we focus on good purchasing practices, which in turn enable suppliers to pay the actual cost of labour.' Please note that the Company defines living wages and social security as salient human rights issues. [Website: Wages, N/A: hmgroupp.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Meets all requirements under score 1 • Not Met: Describes how stakeholders involved in decisions about actions taken [Website: Wages, N/A: hmgroupp.com]
B.2.4	Tracking 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"> • Not Met: Describes system for evaluation effectiveness of actions: The Modern Slavery Statement declares that tracks the effectiveness of its due diligence process by reporting 'on goals and KPIs, and [reporting] according to the UNGP RF and additional standards Report according to law requirements like UK Modern Slavery Act etc.' However, no further details were found. [Modern Slavery Statement 2021, 03/2022: hmgroupp.com] • Met: Example of lessons learned from evaluation effectiveness of actions: On its website, the Company shares: 'we evaluate and assess our [wage] strategy and

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>activities regularly to make sure we're doing the right things and having a positive impact. Additionally, we continuously collaborate with external experts and researchers to identify what works well and what we should do better. For example, in 2020, three external wage experts — Greg Distelhorst and Jee-Eun Shin from the University of Toronto and Raymond Robertson from Texas A&M University — evaluated our previous strategy results and found that: the focus areas of our wage work (statutory minimum wages, factory wage systems, purchasing practices, workplace dialogue and collective bargaining agreements) reinforce each other and are all essential to achieve wage increases; suppliers enrolled in factory-level wage management systems and workplace dialogue programmes increased real-wages by an average of 2.8% more than suppliers not enrolled in these programmes. When these programmes are accompanied by a wage grid, which classifies jobs according to skill level, the total increase in real wages was on average 5% higher than suppliers not enrolled in these programmes [...] Presence of trade unions in factories positively affected wages by an average of 5.5%. Increasing efficiency by ten percentage points has proven to increase wages on average by 4.6%, strengthening our view that productivity is an enabler for higher wages. Instead of tracking progress based on factory enrolment in workplace dialogue and wage programmes, we're measuring the real effect on wages, and we've updated our internal key performance indicators accordingly. We'll continue to review these as we develop our strategy'. [Website: Wages, N/A: hmgroupp.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Involves stakeholders in evaluation effectiveness of actions
B.2.5	Communicating on human rights impacts	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"> • Not Met: Provides two examples of comms with stakeholders <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes challenges to effective comms and how it is working to address them

C. Remedies and Grievance Mechanisms (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance mechanism(s) for 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"> • Met: Grievance mechanism accessible to all workers: The Company's Global Grievance Policy states: 'all employees in the H&M Group are entitled to a safe and fair working environment where everyone is treated with respect and in accordance with our social policies. The global grievance policy aims to ensure that all employees have access to an effective procedure for the handling of violation of our social policies that mainly refers to the human rights'. [Global Grievance Policy, 07/2015: hmgroupp.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Grievance mechanism available in appropriate languages and workers made aware: The Company's Global Grievance Policy 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'. No details were found, however, on how workers are actually being informed, as this statement comes from a policy from 2015. The Company has provided comments to CHRB regarding this indicator: However, evidence was not material, as current explanation lacks evidence of how workers are proactively made aware of the grievance mechanisms. [Global Grievance Policy, 07/2015: hmgroupp.com] • Met: Describes how workers in supply chain access grievance mechanism: The Company's website states: 'for our manufacturing supply chain, we follow up on the presence of effective operational-level grievance channels via our monitoring programs'. Also states 'our own employees, our business partners, plus employees working for suppliers in our value chain, can raise a grievance. Those received from production countries are often solved with our collaborating partners, such as unions. Tools such as our Global Framework Agreement with IndustriAll and IF Metal help to ensure peaceful resolution of grievances'. The Sustainability Commitment for business partners requires that 'There is a grievance mechanism in place enabling employees to put forward complaints without risk of retaliation'. [Website: Our Approach to respecting Human Rights, N/A: hmgroupp.com] & [Website: Due Diligence, N/A: hmgroupp.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Expects suppliers to convey expectation to their suppliers: The Sustainability Commitment for business partners requires that 'There is a grievance mechanism in place enabling employees to put forward complaints without risk of retaliation'. 'This Sustainability Commitment applies to the direct operations and subcontractors of Business Partners which have a contractual business relation with H&M'. [Sustainability Commitment H&M Business Partner, 01/2016: hmgroupp.com]
C.2	Grievance mechanism(s) for external individuals and communities	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"> • Met: Grievance mechanism accessible to all external individuals and communities: H&M Group's 2021 Annual Report discloses: 'we launched our new Ethics Portal for employees groupwide, and our confidential Speak Up Channel for all employees, business partners and third parties'. [Annual and Sustainability Report 2021, 2022: hmgroupp.com] & [H&M Group Speak Up, N/A: app.convercent.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Grievance mechanism available in appropriate languages and affected stakeholders made aware: Even though the Company's Speak Up Platform is available in a broad range of languages, no further information describing how the Company ensures stakeholder awareness was found. [H&M Group Speak Up, N/A: app.convercent.com] • Not Met: Describes how external individuals/communities access grievance mechanism: On its website, the Company discloses: 'in key production markets, and as part of our framework agreement with global union federation IndustriALL and IF Metall, we have established National Monitoring Committees (NMC) in collaboration with local union representatives to, amongst other things, receive grievances and support in resolving issues that have been escalated.' Nevertheless, this sub-indicator seeks evidence of how the Company ensures external individuals and communities of its entire supply chain have access to either; the Company's own grievance mechanisms or if the Company expect its suppliers to establish grievance mechanisms for them. No such evidence was found. [Website: Our Approach to respecting Human Rights, N/A: hmgroupp.com] • Not Met: Expects supplier to convey expectation to their suppliers
C.3	Users are involved in the design and performance of the mechanism(s)	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"> • Not Met: Describes how users engaged on design and performance • Not Met: Provides user engagement examples (at least two) on design and performance <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes how users engaged on improvement of mechanism • Not Met: Provides user engagement examples (at least two) on improvement
C.4	Procedures related to the mechanism(s) are equitable, publicly available and explained	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"> • Not Met: Describes procedure and timescales for managing complaints or concerns • Not Met: Describes technical, financial, advisory support to enable equal access <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe types of outcome to complainant through use of mechanism • Not Met: Describes escalation to senior levels / independent adjudicators
C.5	Prohibition of retaliation for raising complaints or concerns	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"> • Met: Public statement prohibiting retaliation against workers/stakeholders: The company's Global Grievance Policy states: 'retaliation against an employee who, in good faith, reports a grievance or participates in the investigation of a grievance, will not be tolerated.' Moreover, on its website, the Company declares: 'We do not tolerate retaliation against anyone who, in good faith, reports a grievance or participates in the investigation of a grievance in our own operations or across our supply chain'. [Global Grievance Policy, 07/2015: hmgroupp.com] & [Website: Our Approach to respecting Human Rights, N/A: hmgroupp.com] • Not Met: Describes practical measures to prevent retaliation: The company's Global Grievance Policy states: 'all information, both verbal and written, about a grievance process will be kept strictly confidential to the furthest extent possible, taking into consideration the sensitivity of the case and the privacy of everyone involved. Information will not be kept longer than necessary in order to resolve the grievance, unless longer retention is required due to local legislation [...] All reported grievances will be registered anonymously for statistical basis. This information will help us to continuously improve as an employer'. No details found,

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>however, on practical measures to prevent retaliation, as anonymity seems to refer to the statistical record. [Global Grievance Policy, 07/2015: hmgroupp.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Specifies no legal action, firing or violence • Met: Expects suppliers to prohibit retaliation against workers/stakeholders: On its website, the Company states: 'Our requirements on our suppliers and business partners include the establishment of operational-level grievance mechanisms. We also recognise the importance of human rights defenders, including union representatives, in bringing attention to issues. We expect our suppliers and business partners to not hinder the work of human rights defenders or retaliate against anyone who comes forward with an issue'. [Website: Our Approach to respecting Human Rights, N/A: hmgroupp.com]
C.6	Company involvement with state-based judicial and non-judicial grievance mechanisms	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"> • Not Met: Complainants not asked to waive legal rights • Not Met: Does not require confidentiality provisions <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Cooperates with state based non judicial mechanisms • Not Met: Example of issue resolved (if applicable)
C.7	Remedying adverse 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"> • Met: Describes approach taken to remedy adverse HRs impacts: The Company has the target of no cases of recruitment fees in its supply chain by 2025. It indicates that there were 39 cases in 2022. 'Most of the cases are in Turkey and relate to small, and legal, fees for medical documents that workers need to provide to their employer. We are working with our supplier to re-imburse these fees as part of our remediation process. If this has not already been done'. [HM Group Modern Slavery Statement 2022, 29/03/2023: hmgroupp.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes changes to systems, processes and practices to prevent future impacts • Not Met: Describes approach to monitoring/implementing agreed remedy • Not Met: Describes approach to learning from incidents if no adverse impacts identified
C.8	Communication on the effectiveness of grievance mechanism(s) and incorporating lessons learned	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Discloses number of grievances filed, addressed or resolved and outcomes achieved: The H&M Group's Modern Slavery Statement discloses that in FY 2021 the Company received one complaint through its National Monitoring Committees (NMCs) and zero complaints through its corporate Speak Up channel relating to forced labour.' Additionally, the Company's 2021 sustainability Disclosure shares that four issues (related to compensation and benefits, discrimination and harassment and freedom of association and collective bargaining) brought to its NMCs remain unresolved from 2020. Of the 42 issues that were raised to its NCMs in 2021 (in the same categories as 2020 and two new categories: forced labour and social security), 33 were resolved in 2021, and 13 remain unresolved into 2022. The NMCs consists of 'H&M Group representatives working on the ground alongside national-level trade union representatives affiliated with IndustriALL.'. The Company has 6 of them, in Bangladesh, Cambodia, India, Indonesia, Myanmar and Turkey covering more than 1 million workers. The Company discloses a table showing issues raised by topic, resolved and unresolved on 6 topics related to human rights. [Modern Slavery Statement 2021, 03/2022: hmgroupp.com] & [Sustainability Disclosure 2021, 2022: hmgroupp.com] • Not Met: Example of how lessons from mechanism improved HRs management system <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes process to evaluate mechanism and changes made as a result: The Company's 2022 Sustainability Disclosure reports: 'Together with Shift, we reviewed our existing grievance process, which enables all H&M Group colleagues to report breaches of our social policies or any other perceived misconduct. Following the review, we decided to integrate the process within our Speak Up channel [...] We ran an industrial relations impact survey with our tier 1 suppliers, to monitor workplace dialogue and evaluate grievance mechanisms, using the United Nations Global Reporting Framework [...]The results identified several possible areas for improvement: better documentation of processes, including grievances and outcomes, and better information about routines, responsibilities

Indicator Code	Indicator name	Score (out of 2)	Explanation
			and resources; increased inclusion of workers throughout disciplinary processes and grievance mechanism policies; and procedures that are grounded in human rights. These will shape our priorities for the coming years.' [H&M Group Sustainability Disclosure 2022, 23/03/2023: hmgroup.com] <ul style="list-style-type: none"> • Not Met: Describes procedures to address delays of outcomes agreed with stakeholders

D. Performance: Company Human Rights Practices (25% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.1.b	Living wage (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"> • Met: Requirements on living wage in supplier codes and contracts: The H&M Group's Sustainability Commitment requires the Company's suppliers that 'the wages and benefits paid for a standard working week meet, at a minimum, national legal level, industry level, or collective bargaining agreement, whichever is higher. In any event, 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 H&M Business Partner, 01/2016: hmgroup.com] • Met: Describes work with suppliers on living wage: The Company's 2021 Sustainability Disclosure states: 'we want to ensure all the workers in our supply chain are paid fairly and are covered by a strong social protection system. We work with suppliers to improve wage management systems and we partner with peers, experts and governments to improve wages at the industry and country level. Our Wage Strategy guides our approach to improving workers' livelihoods.' Additionally, on its website the Company shares: 'we're taking responsibility and driving change by; setting clear standards and expectations for every supplier that makes our products, as well as taking action if the standards are not met, which is clearly stated in our Sustainability Commitment; ensuring that our purchasing practices – the way we place our orders and the prices we pay – enable the payment of correct wages; helping suppliers implement effective wage management systems that classify jobs according to skill level and pay workers according to their competence; providing education, services and frameworks that empower workers to negotiate their own wages and supporting suppliers to improve working conditions'. [Sustainability Disclosure 2021, 2022: hmgroup.com] & [Website: Wages, N/A: hmgroup.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of scope of payment below living wage in supply chain • Met: Analysis of trends demonstrating progress: On its Website, the company provides information about the evolution of minimum wages and average wages of the Company's suppliers in its key markets; Indonesia, Bangladesh, Cambodia, Myanmar, Mainland China, Vietnam, Turkey, and Pakistan. [Website: Wages, N/A: hmgroup.com]
D.2.2	Aligning purchasing decisions with 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"> • Met: Describes practices to avoid price or short notice requirements that undermine HRs: On its website, the Company discloses: 'ACT sets out five commitments for responsible purchasing. We have signed up to all of them; [1.-] Purchasing prices include wages as itemised costs, [2.-] fair terms of payments, [3.-] better planning and forecasting, [4.-] undertake training on responsible sourcing and buying, [and 5.-] practice responsible exit strategies [...] We have standardised payment terms in line with industry practice. It also states that 'We reward responsible and high-performing suppliers by providing production plans well in advance. This allows factories to plan for, and better manage, peaks and troughs in demand. For the best performing suppliers, we plan our order capacity as long as three to five years ahead, which gives them the stability to invest in their facility and workforce'. In addition, What we pay suppliers for a garment is split into different cost blocks such as material, labour and product treatments, like printing or washing. To assess the labour cost, we use a costing tool that includes, for example, production time, efficiency and wages of workers. When wages increase, for example through an increase in local minimum wage levels, the labour cost is automatically adjusted in the tool. This detailed costing calculation improves the visibility of labour costs and enables us to separate different costs during price negotiations. Ring-fencing labour costs in this way allows improved wages to be reflected in the prices we pay to our suppliers'. [Website: Responsible Purchasing Practices, N/A: hmgroup.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Describes practices to pay suppliers in line with agreed timeframes: See above. In addition, H&M Group has negotiated a factoring agreement on behalf of all its suppliers that gives them faster access to invoice payments. Suppliers can opt to receive payment approximately three days after sending an invoice to H&M Group. Taking this into account, our suppliers on average get paid 15 days after they submit an invoice and hand over goods.' [Website: Responsible Purchasing Practices, N/A: hmgroup.com] • Met: Reviews own operations to mitigate negative impact of purchasing practices: On its 2021 Sustainability Disclosure, the Company informs: 'with our suppliers, we completed an industrywide self-assessment on purchasing practices, run by ACT. We averaged more than 4 out of 5 in most areas but performed lower on monitoring and evaluation of our purchasing practices — this means that suppliers are either not aware of our existing monitoring systems, or we need to strengthen and communicate what we do in this area. This will be a focus area for improving our purchasing practices in 2022'. The Company's website expands on this: 'To help develop and improve our practices, we ask our suppliers how they perceive us as a buyer in anonymous surveys. Last year, 98% of our suppliers said that we are a responsible buyer – and we are working hard to bring that number up to 100. We also complete ACT's industrywide self-assessment on purchasing practices with our suppliers. In 2021, we scored on average over four out of five in most areas. However, our score for monitoring and evaluating purchasing practices was lower. This means we need to strengthen how we communicate what we do in this area. We are committed to continuously improving our purchasing practices in all areas. As part of this drive, we are currently rolling out training on responsible purchasing practices to over 500 H&M employees'. It finally adds: 'Key questions to find out if you are a responsible buyer include: When will the supplier be paid for the goods produced? What will the price be and what parameters will the price be negotiated on? What is the process for forecasting and placing orders and how is this communicated with suppliers? What are the cancellation terms and how are they regulated in contracts?' [Sustainability Disclosure 2021, 2022: hmgroup.com] Score 2 • Met: Meets all requirements under score 1 • Not Met: Example of assessing and changing of purchasing practices: See above. It is not clear, however, whether it addressed and made changes following assessment. [Website: Responsible Purchasing Practices, N/A: hmgroup.com]
D.2.3	Mapping and disclosing 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"> • Met: Identifies direct and indirect suppliers including manufacturing sites: The Company's Modern Slavery Statement states: 'since 2013, we have published our Supplier List, which today includes both manufacturing and material production suppliers. For upstream suppliers of raw material we have good oversight of country of origin, which from a due diligence perspective enables us to identify risk hot-spots, and we collaborate with others to establish approaches to prevent, mitigate and remedy risk. Our long-term aim, however, is to have full traceability for all our products to meet evolving customer and regulatory needs.' [Modern Slavery Statement 2021, 03/2022: hmgroup.com] & [Supplier List Spreadsheet, 02/2023: hmgroup.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Discloses names and locations of significant parts of supply chain and how significance was defined: In its 2021 Sustainability Disclosure, the Company declares: 'our H&M Group supplier list disclosed information about 1,519 tier 1 supplier factories, covering 99% of relevant production volume, and 394 tier 2 supplier factories, covering 71% of relevant production volume.' Additionally, the Company's website discloses: 'our supplier list shares the details of our tier one suppliers and their manufacturing and processing factories accounting for 99% of the products we sell across our brands. As active participants of the Transparency Pledge we disclose details including the name, location, product type produced and number of workers employed by each supplier. The list also includes the names and locations of tier two mills involved in making the majority of our product volume (71%). These 394 mills provide our suppliers with fabrics and yarns, including spinning, tanneries and fabric dyeing and printing. We aim to disclose 100% of the fabric dyeing and printing locations involve in making our products by the end of 2022'. [Sustainability Disclosure 2021, 2022: hmgroup.com] & [Website: Supply Chain, N/A: hmgroup.com] • Not Met: Discloses direct or indirect suppliers involved in higher-risk activities

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.4.b	Prohibition of child labour: Age verification and corrective actions (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"> • Met: Requirements on child labour in supplier codes and contracts: In its Policy on Child Labour, the Company discloses: Business partners are required to have systems in place to ensure that child labor is not employed directly by the business partner or by any partner/sub-contractor. If child labor is confirmed in a business partner's operations (directly or via partner/sub-contractor), we request the business partner to ensure that measures are taken in the best interest of the child. In cooperation with the child's family, employer and other relevant parties, the business partner is required to seek a satisfactory solution, taking into consideration the child's age, social situation, education etc. The solution should always aim to improve, not worsen, the child's situation and shall be maintained for the child until the child reaches legal age of working. Any cost related to the solution need to be covered by the business partner and the business partner is also required to compensate the child's family for lost income – as a minimum the prevailing minimum wage. H&M reserves the right to seize cooperation with business partners that violate this policy.' Also, see Sustainability Commitment. [H&M'S Policy on Child Labour, 01/10/2014: hmgroup.com] & [Sustainability Commitment H&M Business Partner, 01/2016: hmgroup.com] • Not Met: Describes work with suppliers on eliminating child labour: The Company has provided comments to CHRB regarding this subindicator, including Policy on child labour. However, this subindicator looks for evidence of proactive work carried out with suppliers to eliminate child labour and improve working conditions for young workers where relevant. [H&M'S Policy on Child Labour, 01/10/2014: hmgroup.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of scope of child labour in supply chain: The Company indicates that 'We identified no cases of child labour in our tier 1 supply chain in 2022'. However, it is not clear, from public sources, whether it is assessing the scope of the issue including beyond tier 1. [H&M Group Sustainability Disclosure 2022, 23/03/2023: hmgroup.com] • Not Met: Analysis of trends demonstrating progress
D.2.5.b	Prohibition of forced labour: Recruitment fees and costs (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"> • Met: Requirements on debt/fees in supplier codes and contracts: The H&M Group's Sustainability Commitment requires the Company's business partners, the following: 'forced, bonded, prison or illegal labour is not accepted. If contracted labor is hired, the employer is responsible for payment of employment eligibility fees of contract and/or foreign workers, including recruitment fees.' [Sustainability Commitment H&M Business Partner, 01/2016: hmgroup.com] • Met: Describes work with suppliers on debt/fees for job seekers/workers: The Company's Modern Slavery Statement discloses: 'in 2019, the H&M group formed a partnership with the International Organization for Migration (IOM) and announced our goal of no recruitment fees in our supply chain by 2025 [...] We have since worked with IOM to develop our Migrant Workers Fair Recruitment and Treatment Guidelines and we are developing strategies and roadmaps in each of our production countries to ensure we reach our goal [...] In 2021, IOM conducted trainings to raise awareness about the vulnerability of migrant workers and how to promote their rights and secure safe recruitment. More than 40 of our own colleagues in key roles and over 500 senior management from 300 supplier manufacturing factories joined the training, from seven different countries'. [Modern Slavery Statement 2021, 03/2022: hmgroup.com] & [Migrant Workers Fair Recruitment and Treatment Guidelines, N/A: hmgroup.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Assessment scope of payment of recruitment fees in supply chain: The Company's Modern Slavery Statement discloses the number of cases of recruitment fees ('cases when workers have paid all, or part of, any fee connected to recruitment and where the worker did not immediately get reimbursed') within supplier manufacturing units. In 2022, the Company identified 39 cases which represents an increase of 3% compared to the cases identified in 2021. [HM Group Modern Slavery Statement 2022, 29/03/2023: hmgroup.com] • Not Met: Analysis of trends demonstrating progress: The Company provided feedback to CHRB regarding this indicator, but the supporting document is still not public.

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.5.d	Prohibition of forced labour: Wage practices (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"> • Met: Requirements on paying in full and on time in supplier codes and contracts: The Company's Sustainability Commitment states: 'all wages shall be paid on a regular basis and in full, and the particulars of the wage for a pay period must be provided in written and understandable form. All fringe benefits required by law or contract are provided. Deduction from wages as a disciplinary measure shall not be permitted. The employee shall be granted and correctly compensated for any type of paid leave to which they are legally entitled'. [Sustainability Commitment H&M Business Partner, 01/2016: hmgroup.com] • Not Met: Describes work with suppliers on paying workers regularly, in full and on time <p>Score 2</p> <ul style="list-style-type: none"> • Met: Assessment scope of failure to pay workers in full and on time in supply chain: The Company's 2022 Modern Slavery Statement discloses that in 2022 identified 261 non-conformities related to wage practices. About this KPI the Company clarifies: 'This is a new KPI for 2022. It includes a combination of non-conformities related to correct legal payment for normal and overtime hours, received in a timely and regular manner. The total figure represents individual findings rather than the number of production units, as a single production unit may have several findings.' [HM Group Modern Slavery Statement 2022, 29/03/2023: hmgroup.com] • Not Met: Analysis of trends demonstrating progress: The Company provided feedback to CHRB regarding this indicator, but the supporting document is still not public.
D.2.5.f	Prohibition of forced labour: Restrictions on workers (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"> • Met: Requirements on free movement in supplier codes and contracts: The Company's Sustainability Commitment 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.' Additionally, the Company's Migrant Workers Guidelines state: 'The following practices related to freedom of movement are prohibited; confiscation of identification documents (for instance passports and birth certificates) and valuable possession. If safekeeping is provided, it must be voluntary, initiated by the worker and it must be possible for the workers to access the valuables within 24 hours; withholding of deposits, wages or other compulsory saving schemes; if dormitories are provided, the use of dormitories must not be compulsory for migrants, and the access should not be restricted at any time. The employer must have a dormitory policy.' [Sustainability Commitment H&M Business Partner, 01/2016: hmgroup.com] & [Migrant Workers Fair Recruitment and Treatment Guidelines, N/A: hmgroup.com] • Not Met: Describes working with suppliers on free movement of workers: The Company's Modern Slavery Statement discloses: 'in 2019, the H&M group formed a partnership with the International Organization for Migration (IOM) and announced our goal of no recruitment fees in our supply chain by 2025 [...] We have since worked with IOM to develop our Migrant Workers Fair Recruitment and Treatment Guidelines and we are developing strategies and roadmaps in each of our production countries to ensure we reach our goal [...] In 2021, IOM conducted trainings to raise awareness about the vulnerability of migrant workers and how to promote their rights and secure safe recruitment. More than 40 of our own colleagues in key roles and over 500 senior management from 300 supplier manufacturing factories joined the training, from seven different countries'. However, no details were found on whether and how these cover freedom of movement, as explicit details refer only to recruitment fees. The Company has provided the following comment to CHRB regarding this subindicator, however, no further details found including proactive work conducted with suppliers in the topic of freedom of movement. [Modern Slavery Statement 2021, 03/2022: hmgroup.com] & [Sustainability Commitment H&M Business Partner, 2022: hmgroup.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of scope of restriction of movement in supply chain: The Company has provided comments to CHRB regarding this indicator. However, no details found on the number of people affected by this issue. [HM Group Modern Slavery Statement 2022, 29/03/2023: hmgroup.com] • Met: Analysis of trends demonstrating progress: The Company reports on the number of non-conformities related to restriction of movement, which were 3 in 2021 and 11 in 2022.

Indicator Code	Indicator name	Score (out of 2)	Explanation
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"> • Met: Requirements on FoA/CB in suppliers codes and contracts: The Company's Business Partner Sustainability Commitment states: '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 H&M Business Partner, 01/2016: hmgroupp.com] • Met: Describes work with suppliers on FoA/CB: The Company's 2021 Sustainability Disclosure reports: 'through our membership of ACT, we engaged with ongoing work to establish industrywide CBAs [Collective Bargaining Agreements] as a tool for enabling a sustainable rise in wages and benefits over time. Activities in 2021 included a study of options for CBAs from a legal perspective in Cambodia and Bangladesh, and developing tools to encourage better freedom of association across brands and suppliers in all ACT priority markets'. [Sustainability Disclosure 2021, 2022: hmgroupp.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of scope of restriction of FoA/CB in supply chain: The Company pointed out the following evidence to CHRB regarding this indicator: '42% of our tier 1 supplier factories have trade union representation (37% in 2021) and 34% have collective bargaining agreements in place (27% in 2021), despite the challenges faced by unions.' However, this sub-indicator seeks the number of those affected by restrictions to freedom of association or collective bargaining in the Company's supply chain instead of the percentage of factories with trade union representation and collective bargaining agreement. [H&M Group Sustainability Disclosure 2022, 23/03/2023: hmgroupp.com] • Met: Analysis of trends demonstrating progress: The Company's 2022 Sustainability Disclosure reports: '42% of our tier 1 supplier factories have trade union representation (37% in 2021) and 34% have collective bargaining agreements in place (27% in 2021), despite the challenges faced by unions.' The data for both KPIs are displayed for the years 2020, 2021, and 2022, and the figures for both indicators have increased year by year. [H&M Group Sustainability Disclosure 2022, 23/03/2023: hmgroupp.com]
D.2.7.b	Health and safety: Fatalities, lost days, injury, occupational disease 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"> • Met: Requirements on H&S in supplier codes and contracts: The Company's Business Partners Sustainability Commitment states: 'workplace safety and the health & safety of employees must be a priority at all times and a safe and hygienic working environment shall be provided. At a minimum, this means; [...] No unsafe buildings; no unsafe exposure to hazardous machines, equipment and/or substances; fire Safety shall be maintained through adequate equipment and facility conditions, regular firefighting training and evacuation drills and prevention of fire hazards; there is access to clean drinking water and toilet facilities. Adequate ventilation and temperature is provided; accommodation/Housing, when provided, must be separated from the workplace and is subject to all above fundamental requirements concerning health and safety; prevention of accidents and injury to health arising out of, associated with, or occurring in the course of work and employees receive regular and recorded health and safety training; [and] reasonably accommodate the needs of pregnant workers.' [Sustainability Commitment H&M Business Partner, 01/2016: hmgroupp.com] • Not Met: Discloses injury rate or lost days in supply chain in last reporting period • Not Met: Discloses fatalities for workers in supply chain in last reporting period • Not Met: Discloses occupational disease rate in supply chain in last reporting period

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Describes work with suppliers of H&S: The Company's website shares: 'in August 2021, a new agreement called the International Accord for Health and Safety in the Textile and Garment Industry was signed between H&M Group, trade unions and other brands. The agreement, which is a continuation of the previous legally binding commitments will take effect on 1 September 2021. The new agreement will ensure H&M Group's joint efforts for a safe work environment in the Bangladesh garment industry'. The sustainability disclosure also indicates that 'Following implementation in Bangladesh, we undertook a feasibility study to assess expansion into additional markets and have identified a number of countries where the scheme could be extended. IN early 2023, we signed the new Pakistan Accord, which has an initial term of three years'. The Company also indicates that it collaborates with Better Work: 'We collaborate on in-country programmes in Bangladesh, Cambodia (Better Factories Cambodia), Indonesia, Pakistan and Vietnam. These programmes include assessments, training, advocacy and research in order to change policies, attitudes and behaviour'. [Website: Working Conditions, N/A: hmgrou.com] & [Sustainability Disclosure 2022, 03/2023: hmgrou.com] • Not Met: Assessment of scope of H&S issues in supply chain • Not Met: Analysis of trends demonstrating progress
D.2.8.b	Women's rights (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"> • Not Met: Requirements on women's rights in contracts/codes with suppliers: The H&M Group's Business Partner Sustainability Commitment states: '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 or retirement on the grounds of gender or sexual orientation, race, color, age, pregnancy, marital status, religion, political opinion, nationality, ethnic origin, caste, disease or disability [...] Workplace safety and the health & safety of employees must be a priority at all times and a safe and hygienic working environment shall be provided. At a minimum, this means; [...] reasonably accommodate the needs of pregnant workers'. However, no details found on requirements to explicitly introduce measures to ensure equal opportunities throughout all levels of employment and eliminate health and safety concerns that are particularly prevalent among women workers. [Sustainability Commitment H&M Business Partner, 01/2016: hmgrou.com] • Met: Describes work with suppliers on women's rights: The Company has in place a Gender Equality Strategy, and on its website, the Company discloses it: 'How we work: our supply chain focuses on four areas to have the most significant impact: health and safety, career and development, wages and representation. We work on three levels to make sure change is lasting: worker empowerment, factory management systems and industry transformation.' Regarding the Health and Safety focus area the Company shares: 'This is the very foundation of our gender equality work. We expect factories to set up and run health and safety committees. We also help factories strengthen grievance systems, so more women feel comfortable reporting workplace issues, such as sexual harassment. Alongside these initiatives, many factories we work with are enrolled in training courses and external collaborations to raise awareness of and prevent sexual harassment and other gender-related issues'. [Website: Gender Equality in our Supply Chain, N/A: hmgrou.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of scope of unsafe working conditions/discrimination against women in supply chain: The Company has provided comments to CHRB regarding this subindicator. However, evidence was not material. [H&M Group Sustainability Disclosure 2022, 23/03/2023: hmgrou.com] • Not Met: Analysis of trends demonstrating progress: The Company reports percentage of female workers, supervisors and worker representatives. For the last three years. However, this subindicator looks for evidence of trends in relation to cases of unsafe working conditions or discrimination against women in the supply chain. [H&M Group Sustainability Disclosure 2022, 23/03/2023: hmgrou.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.2.9.b	Working hours (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"> • Met: Requirements on working hours in codes/contracts with suppliers: The H&M Group's Business Partners Sustainability Commitment states: '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.' [Sustainability Commitment H&M Business Partner, 01/2016: hmgroupp.com] • Not Met: Describes work with suppliers on working hours <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of scope of excessive working hours in supply chain • Not Met: Analysis of trends demonstrating progress

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"> • Area: Forced labour, discrimination • Headline: Target and H&M among Companies sourcing from forced labour camps in China • Story: On July 15, 2019, Yahoo reported that an investigation by the ABC's Four Corners program unveiled evidence of detained members of the Uyghur minority group being forced into factory labour in China. The investigation named Target, and H&M among companies as sourcing cotton for their products from the troubled Xinjiang province. The program reportedly featured the cases of several women who say they have been forced to work in textile factories. According to China scholar Adrian Zenz, these women's stories of forced labour are not isolated cases. In fact, government documents reveal plans for "re-education" through labour and satellite photos have shown what looks like large warehouses close to detention camps in Xinjiang. Shocking footage leaked in November 2018 showed the prison-like conditions in the province of Xinjiang where many Uyghurs are detained, and the increasing surveillance of the minority group by authorities in Beijing. In early 2017, the Communist Party began a new incarceration campaign, rounding up, detaining and forcibly indoctrinating Uyghurs and other Muslim minority ethnic groups in the far-western region. Islam has effectively been outlawed in the far-western region, with people routinely labelled as extremists and imprisoned for practicing their religion. A UN committee describes the province as resembling a "mass internment camp", with estimates more than 1 million Uyghurs have been sent to prison or re-education camps. Many of those not detained have had their passports seized and live under constant surveillance. Business Insider has previously reported in February that China's 'Belt and Road Initiative' may be a cause of the escalating oppression. <p>On March 1st., 2020, the Australian Strategic Policy Institute (ASPI) released a report that named Hennes & Mauritz among 83 other companies benefiting from the use of potentially abuse labour transfer programs. According to the report, more than 80,000 Uighur residents and former detainees from the north-western region of Xinjiang, China have been transferred to factories, implicating global supply chains. It is alleged that Muslim minorities are thought to be working in forced labour conditions across the country. The ASPI report said that workers live in segregated dormitories, are required to study Mandarin and undergo ideological training. The workers were transferred out of Xinjiang between 2017 and 2019, claiming that people are being effectively "bought" and "sold" by local governments and commercial brokers. ASPI used open-source public documents, satellite imagery, and media reports and identified 27 factories in nine Chinese provinces that have used labourers. According to the ASPI's research, the companies named in the report are directly or indirectly benefiting from the use of Uyghur workers outside Xinjiang through potentially abusive labour transfer programs as recently as 2019. ASPI researchers stated: "This report exposes a new phase in China's social re-engineering campaign targeting minority citizens, revealing new evidence that some factories across China are using forced Uighur labour under a state-sponsored labour transfer scheme that is tainting the global supply chain".</p> <p>[BBC, 13/11/2019, "Xinjiang cotton sparks concern over 'forced labour' claims": bbc.co.uk] [ABC, 17/07/2019, "Cotton On and Target investigate suppliers after forced labour of Uyghurs exposed in China's Xinjiang": abc.net.au] [Wall Street Journal, 16/05/2019, "Western Companies Get Tangled in China's Muslim Clampdown": wsj.com] [Australian Strategic Policy Institute, 01/03/2020, "Uyghurs for sale": ad-aspi.s3.ap-southeast-2.amazonaws.com]</p>
E(1).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"> • Met: Public response: H&M said it does not have "a direct or indirect business relationship" with any garment manufacturer in the Xinjiang region. "We have an indirect business relationship with Huafu's spinning unit in Shanyu, which is not located in the Xinjiang region, and according to our data, the vast majority of the yarn used for our garment manufacturing comes from this spinning unit," a spokesperson for H&M said. "Since we have an indirect business relationship with the yarn supplier Huafu, we also asked for access to their spinning facilities in Aksu. Our investigations showed no evidence of forced labour." [BBC, 13/11/2019: bbc.co.uk]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Detailed response: The company responded in general terms and did not explain in detail the articulation of its supply chain and its links to factories in the Xinjiang region.
E(1).2	The company has investigated and taken appropriate action	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Engaged with stakeholders: There is no evidence suggesting the company has engaged with the affected stakeholders. • Not Met: Identified cause: The company said it had conducted “an inquiry at all the garment manufacturing factories we work with in China aiming to ensure that they are not employing workers [...] through what is reported on as labour transfer programmes or employment schemes where forced labour is an increased risk.” However, the company does not report clear results of the investigation or explain the causes of the allegation linking it to forced labour in the Xinjiang region. [Hong Kong Free Press, 16/09/2020, "H&M cuts ties with Chinese supplier over accusations of 'forced labour'": hongkongfp.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Identified and implemented improvements: H&M said it ended its relationship with a Chinese yarn producer over accusations of “forced labour” involving ethnic and religious minorities from China’s Xinjiang province. The company specified that it didn’t work with any garment factories in the region and that it would no longer source cotton from Xinjiang, which is China’s largest cotton growing area. “While there are no indications for forced labour in the Shanyu mill, we have decided to, until we get more clarity around allegations of forced labour, phase out our indirect business relationship with Huafu Fashion Co, regardless of unit and province, within the next 12 months,” the company stated. [Hong Kong Free Press, 16/09/2020: hongkongfp.com] • Not Met: Stakeholder input to steps taken
E(1).3	The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies)	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"> • Not Met: Provided remedy: There is no evidence suggesting that the company provided remedy to the affected stakeholders. • Not Met: Evidence for lack of Impact or link: The company reiterated that it does not work with any garment manufacturing factories in Xinjiang, nor did it source any products from the region and that its investigations showed no evidence of forced labour. However, H&M confirmed it had an indirect business link to Huafu Fashion Co and did not provide sufficient evidence to prove the it is not linked to the impact and decided to cut ties with Chinese suppliers. <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Remedy satisfactory to stakeholders • Not Met: Remedy delivered • Not Met: Independent remedy process used
E(2).0	Serious allegation No 2		<ul style="list-style-type: none"> • Area: Discrimination • Headline: H&M among other brands called on to sign an agreement to end gender-based violence in the supply chain • Story: On February 11, 2021, Ecotextile News reported that more than 90 organisations from around the world, including worker unions and women’s empowerment groups, have joined India’s Tamil Nadu Textile and Common Labour Union (TTCU) as it called on garment brands to sign a binding agreement to end gender-based violence, after TTCU member was allegedly raped and murdered by her supervisor at H&M’s supplier Natchi Apparels site, owned by Eastman Exports Global, which reportedly also supplies PVH Corp, and Gap. <p>On February 1, the Global Labor Justice reported that Eastman Exports Global had sent a mob of 50 men to threaten and coerce the family of a garment worker who was allegedly murdered by her supervisor in January after facing sexual harassment in the factory where she worked. The employee was found dead on January 5, after being reported missing on January 1. According to co-workers, several other women workers have also come forward to say that the supervisor has a record of sexually harassing women in the factory.</p> <p>According to police reports, the supervisor has reportedly confessed and been charged with her abduction and murder. [The Guardian, 01/02/2021, "Worker at H&M supply factory was killed after months of harassment, claims family": theguardian.com] [Just In Style, 05/02/2021, "H&M Responds to Gender-Based Violence at a Facility That Makes</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Its Clothing": instyle.com] [Business of Fashion, 10/03/2021, "Workers at H&M India Supplier Allege Widespread Sexual Abuse": businessoffashion.com] [Business and Human Rights Resource Centre, 08/02/2021, "India: Garment worker allegedly raped & murdered by supervisor at H&M supplier Natchi Apparels after months of sexual abuse & harassment; Incl. H&M's response": business-humanrights.org
E(2).1	The Company has responded publicly to the allegation	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Public response: H&M has been cited by several media sources commenting on the allegations of gender based violence in its supply chain in India since they emerged in 2021. [Business & Human Rights Resource Centre, 08/02/2021, "H&M's response re. Natchi Apparels": business-humanrights.org] [The Guardian, 09/03/2021, "Female workers at H&M supplier in India allege widespread sexual violence": theguardian.com] Score 2 <ul style="list-style-type: none"> Met: Detailed response: In March 2021, H&M was cited by media stating, "H&M Group is taking this situation incredibly seriously, and we recognise that we have responsibility to ensure workers are safe throughout our supply chain[...] The allegations put forward regarding this supplier factory and the conditions described by the workers are completely unacceptable." During the onset of the allegations, the company announced that it launched an independent investigation into the working conditions at Natchi Apparels. [Business & Human Rights Resource Centre, 08/02/2021: business-humanrights.org] [The Guardian, 09/03/2021: theguardian.com]
E(2).2	The company has investigated and 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"> Met: Engaged with stakeholders: In its response to questions sent by the Business & Human Rights Resource Centre (BHRRRC), H&M stated that it is "in close contact with the local trade union to ensure that any actions taken from our side are in the best interest of the workers." The company added that it had plans to collaborate with other brands. Not Met: Identified cause Score 2 <ul style="list-style-type: none"> Met: Identified and implemented improvements: The Company has signed on to the Dindigul Agreement to End Gender-Based Violence and Harassment in April 2022 and encouraged other fashion brands to follow suit. Under this agreement, which was worked on in coordination with TTCU, the signatories are required to support and enforce the TTCU-Eastman Exports agreement[...] If Eastman Exports violates its commitments, brand signatories are obligated to impose business consequences on Eastman Exports until Eastman comes into compliance. [Gender equality in our supply chain, N/A: hmgroupp.com] Met: Stakeholder input to steps taken: In its statement released to the BHRRRC, H&M shared that "the trade union has explicitly asked us not to terminate the business relationship with the supplier in question, and instead actively work to strengthen the workplace safety. We are therefore in close contact with the supplier and have set some immediate and urgent actions that we expect them to complete in order to demonstrate how they can guarantee a workplace free from harassment." The company subsequently then signed on to the Dindigul Agreement to End Gender-Based Violence and Harassment in April 2022 and encouraged other fashion brands to follow suit. Under this agreement, which was worked on in coordination with TTCU, the signatories are required "to support and enforce the TTCU-Eastman Exports agreement[...] If Eastman Exports violates its commitments, brand signatories are obligated to impose business consequences on Eastman Exports until Eastman comes into compliance." [Justice for Jeysare, 01/04/2022, "Landmark Dindigul Agreement to Eliminate Gender-Based Violence and Harassment at Eastman Exports Natchi Apparels with the Support of Global Allies": justiceforjeysare.com] [Business & Human Rights Resource Centre, 08/02/2021, "H&M's response re. Natchi Apparels": business-humanrights.org]
E(2).3	The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Provided remedy: Although H&M signed on to the Dindigul Agreement in 2021, there has been fragmentary information on whether the company or Natchi Apparels provided direct remedy or remuneration/indemnification for the physical and mental harm experience by its supply chain workers in the past. Not Met: Evidence for lack of impact or link Score 2 <ul style="list-style-type: none"> Not Met: Remedy satisfactory to stakeholders Not Met: Remedy delivered Not Met: Independent remedy process used

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(3).0	Serious allegation No 3		<ul style="list-style-type: none"> • Area: FoA/CB; Working Hours; Forced Labour; Right to Security of Persons • Headline: Lidl, H&M, and other fashion brands accused of human rights and labour abuses in their supply chain in Myanmar • Story: A study by NGO Business & Human Rights Resource Centre has revealed alleged systematic and widespread human rights and labour abuse in the supply chain of global fashion brands since the military coup in Myanmar. Allegedly, brands and retailers, including Adidas, Fast Retailing, and Primark, have ignored abusive practices in factories, such as sexual harassment, gender-based violence, wage theft, unjust work rates, forced overtime, and anti-union activities. The study has also mentioned specific cases of sexual harassment, physical, and verbal abuse of female workers by factory managers and supervisors, including punching in the chest and head, being yelled at, and kicking. Inditex's Zara and Bershka, Bestseller Fashion Group, Lidl, and H&M, were among the companies implicated in most abuse allegations. The alleged abuses were committed by factory suppliers or the military in connivance with the suppliers. The NGO claimed that efforts by brands such as Inditex and Mango, which cut ties with their suppliers following abuse allegations, had been inadequate and called for brands to leverage their efforts to ensure workers' safety. [SCMP, 26/07/2022, "Fashion brands from Zara to H&M urged to make 'responsible exit' from Myanmar": scmp.com] [Business & Human Rights Resource Centre, 26/07/2022, "Resistance, harassment and intimidation: Garment worker abuse under Myanmar's military rule": business-humanrights.org] [The Guardian, 22/05/2022, "Murder, rape and abuse in Asia's factories: the true price of fast fashion": theguardian.com]
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"> • Met: Public response: Since 2021, H&M has continuously been providing the Business & Human Rights Resource Centre (BHRRRC) with updates the situation of its supplier's workforce in Myanmar. <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Detailed response: In July 2021, H&M responded to the Business & Human Rights Resource Centre (BHRRRC) and stated, "We are of course deeply concerned about the situation in Myanmar and we continuously conduct thorough due diligence[...] While we have resumed placing orders, we refrain from taking a decision on our long-term presence in the country and will continue to closely monitor developments." In March 2023, the company provided the BHRRRC with an update and shared that they "were able to react immediately to seek a solution" to the cases raised by the BHRRRC and are in the process of resolving one outstanding issue without further elaborating which specific allegation this was. [Business & Human Rights Resource Centre, 15/07/2021, "H&M's response": business-humanrights.org] [Business & Human Rights Resource Centre, 01/03/2023, "H&M's response to allegations of abuses in Myanmar garment factories - March 2023 Update": business-humanrights.org]
E(3).2	The company has investigated and 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"> • Met: Engaged with stakeholders: In its first statement to the BHRRRC in July 2021, the company shared that they "were in close contact with a broad range of stakeholders, including UN agencies, human rights experts as well as trade unions. [It has] also been in dialogue with trade unions and other brands through the ACT platform." [Business & Human Rights Resource Centre, 15/07/2021, "H&M's response": business-humanrights.org] • Not Met: Identified cause <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Identified and implemented improvements • Met: Stakeholder input to steps taken: In its first statement to the BHRRRC in July 2021, the company shared that they had decided to start placing new orders with suppliers in Myanmar because they wanted to "to avoid the imminent risk of [its] suppliers having to close their factories which would inevitably result in unemployment for tens of thousands of garment workers". Prior to making this decision the company was in close contact with several stakeholders including trade unions and shared that "[a]lthough [it is] acutely aware [that] any advice on this complex matter involves a delicate balancing-act of different considerations, [it] came to the conclusion that a preferred way forward does involve international companies staying and continuing doing business." [Business & Human Rights Resource Centre, 15/07/2021: business-humanrights.org]

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E(3).3	The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies)	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"> • Not Met: Provided remedy: In the March 2023 and January 2023 update it sent to the BHRRC, the company shared that they "were able to react immediately to seek a solution" to the cases raised by the BHRRC. H&M did this in "close cooperation" with local trade unions and suppliers. However, no further information on how the cases were resolved was found. [Business & Human Rights Resource Centre, 01/03/2023: business-humanrights.org] [Business & Human Rights Resource Centre, 19/01/2023, "H&M's response to allegations of abuses in Myanmar garment factories - February Update": business-humanrights.org] • Not Met: Evidence for lack of Impact or link <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Remedy satisfactory to stakeholders • Not Met: Remedy delivered • Not Met: Independent remedy process used
E(4).0	Serious allegation No 4		<ul style="list-style-type: none"> • Area: FoA/CB; Discrimination • Headline: Acarsoy Tekstil face protests for its alleged anti-union and discriminatory activities in Turkey • Story: Acarsoy Tekstil's female workers have protested against reported dismissal of four women after they unionized against work pressure, mobbing, and sexual harassment. Allegedly, despite constituting 70% of employees, female workers face inhumane conditions, health and safety risks, and get lower wages than men. According to protestors, Inditex's subsidiaries Zara, H&M, and others that source their products from Acarsoy Tekstil ignore the protest. [Bağımsız İletişim Ağı, 21/07/2022, "Feminist Revolt Against Poverty calls for action for Acarsoy": m.bianet.org] [SES, Equality, Justice Women Platform, 18/08/2022, "Celebrities in Turkey Gave Support For The Cause of Women's Workers": esitlikadaletkadin.org]
E(4).1	The Company has responded publicly to the allegation	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"> • Not Met: Public response: No public response by the Company was found. <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Detailed response
E(4).2	The company has investigated and 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"> • Not Met: Engaged with stakeholders: The Company provided feedback for this indicator. However, it was not material for the assessment. • Not Met: Identified cause <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Identified and implemented improvements • Not Met: Stakeholder input to steps taken
E(4).3	The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies)	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"> • Not Met: Provided remedy • Not Met: Evidence for lack of Impact or link <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Remedy satisfactory to stakeholders • Not Met: Remedy delivered • Not Met: Independent remedy process used

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