



GRI INDEX

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GRI Index

We are committed to transparent sustainability reporting and want to provide information in a way that is most valuable to our diverse stakeholders. [Our Conscious Actions Sustainability Report 2015](#) has been prepared in accordance with the [GRI G4 guidelines](#). We have included additional materials indicators from the [Apparel and Footwear Sector Supplement](#). We also report against the UN Global Compact principles and [UN Guiding Principles Reporting Framework](#).

GENERAL STANDARD DISCLOSURE

1. STRATEGY AND ANALYSIS

Standard Disclosure	Location of disclosure	External assurance	UNGC Principle(s)	Note
G4-1 Statement from the most senior decision-maker of the organization	CONSCIOUS ACTIONS Sustainability Report 2015 page 3-6	-		
G4-2 Description of key impacts, risks, and opportunities	CONSCIOUS ACTIONS Sustainability Report 2015 page 9-10 Risks & uncertainties	-		

2. ORGANISATIONAL PROFILE

Standard Disclosure	Location of disclosure	External assurance	UNGC Principle(s)	Note
G4-3 Name of the organization	CONSCIOUS ACTIONS Sustainability Report 2015 page 125			

G4-4	Primary brands, products, and/or services	CONSCIOUS ACTIONS Sustainability Report 2015 page 125	
G4-5	Location of organization's headquarters	Contact details	
G4-6	Number of countries where the organization operates, and names of countries with either significant operations or that are specifically relevant to the sustainability issues covered in the report	CONSCIOUS ACTIONS Sustainability Report 2015 pages 9-10 H&M Annual Report 2015 pages 54, 81	
G4-7	Nature of ownership and legal form	H&M Annual Report 2015 pages 90	
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	CONSCIOUS ACTIONS Sustainability Report 2015 page 9-10 H&M Worldwide	
G4-9	Scale of the reporting organization	H&M Annual Report 2015 page 10-11, 54	We do not report on the quantity of products or services provided due to competitive confidentiality.
G4-10	Total number of employees by employment contract and gender, total number of permanent employees by employment type and gender, total workforce by employees and supervised workers and by gender, the total workforce by region and gender, whether a substantial number of	H&M Annual Report 2015 page 45, 95-96	Employment contract by gender: contract total: 80% permanent / 20% temporary (female: 79% permanent / 21% temporary), same as 2014 and 2013.

the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors, any significant variations in employment numbers (such as seasonal variation)

Employment type: 46% full-time, 54% part-time (2014: 45% full-time, 55% part-time; 2013: 44% full-time, 56% part-time). No substantial part of our work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. Seasonal variations in the number of employees can occur for example during the holiday season. Additional data is currently unavailable. We are currently evaluating if the requested information can be retrieved through our existing reporting systems. We are further developing our data systems and to be able to report on in the future.

G4-11 Percentage of total employees covered by collective bargaining agreements

[CONSCIOUS ACTIONS Sustainability Report 2015 page 64](#)

Principles 1,2,3

2014: 53%, updates for 2015 are currently unfortunately unavailable but we do not expect major changes. During 2015, 284 collective bargaining agreements applied to the H&M Group.

G4-12	Describe the organization's supply chain	CONSCIOUS ACTIONS Sustainability Report 2015 pages 9-10, 30-43 hm.com/supplychain			
G4-13	Significant changes regarding the organization's size, structure, ownership, or its supply chain		No significant changes beyond regular expansion in existing and new markets.	G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organization Quality and Safety
G4-15	List externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	hm.com/policies hm.com/memberships			
G4-16	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic	hm.com/memberships			

3. IDENTIFIED MATERIAL ASPECTS

Standard Disclosure	Location of disclosure	External assurance	UNGC Principle (s)	Note
G4-17	List all entities included in the organization's consolidated financial statement. Report whether any entity is not covered in the report	H&M Annual Report 2015 pages 102-103 CONSCIOUS ACTIONS Sustainability Report 2015 pages 125	Yes	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .

		CONSCIOUS ACTIONS Sustainability Report 2015 pages 125-128		
G14-19	List all material aspects identified in the process for defining report content	CONSCIOUS ACTIONS Sustainability Report 2015 page 127-128	Yes	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4-20	For each material Aspect, report the Aspect Boundary within the organization	hm.com/gri	Yes	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4-21	For each material Aspect, report the Aspect Boundary outside the organization	hm.com/gri	Yes	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4-22	Effect of any restatements of information provided in previous reports, and the reason for such restatements		Yes	No restatements applied. Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	CONSCIOUS ACTIONS Sustainability Report 2015 page 125	Yes	No significant changes in scope or aspect boundary. However, some new material aspect have been added and priorities have been adjusted according to stakeholder feedback. Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .

4. STAKEHOLDER ENGAGEMENT

Standard Disclosure	Location of disclosure	External assurance	UNGC Principle (s)	Note
G4-24	List of stakeholder groups engaged by the organization hm.com/stakeholderengagement	Yes		Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4-25	Basis for identification and selection of stakeholders with whom to engage hm.com/stakeholderengagement	Yes		When selecting stakeholders to engage with we primarily focus on those most closely affected along our value chain and their representatives as well as those stakeholders that hold relevant expertise and input in order to achieve our operational goals. Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group hm.com/stakeholderengagement	Yes		Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .

G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	CONSCIOUS ACTIONS Sustainability Report 2015 pages 125-126 hm.com/stakeholderengagement	Yes	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
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5. REPORT PROFILE

	Standard Disclosure	Location of disclosure	External assurance	UNGC Principle(s)	Note
G4-28	Reporting period (e.g., fiscal/calendar year) for information provided	CONSCIOUS ACTIONS Sustainability Report 2015 page 125			
G4-29	Date of most recent previous report (if any)				Our latest previous report was published on April 9 2015.
G4-30	Reporting cycle (annual, biennial, etc.)	CONSCIOUS ACTIONS Sustainability Report 2015 page 125			
G4-31	Contact point for questions regarding the report or its contents	CONSCIOUS ACTIONS Sustainability Report 2015 page 130			
G4-32	Report the "in accordance" option and GRI content index for chosen option	CONSCIOUS ACTIONS Sustainability Report 2015 page 125 hm.com/gri			
G4-33	Policy and current practice with regard to seeking external assurance for the report	CONSCIOUS ACTIONS Sustainability Report 2015 pages 123-124 H&M Annual Report 2015 pages 72, 105			

6. GOVERNANCE

	Standard Disclosure	Location of disclosure	External assurance	UNGC Principle(s)	Note
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G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	CONSCIOUS ACTIONS Sustainability Report 2015 pages 11 H&M Annual Report 2015 pages 58-71	-
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7. ETHICS AND INTEGRITY

Standard Disclosure	Location of disclosure	External assurance	UNGC Principle(s)	Note
G4-56	Describe the organization's values, principles, standards and norms of behavior such as code of conducts and code of ethics.			-
	hm.com/policies The H&M Way			

SPECIFIC STANDARD DISCLOSURE

ECONOMIC

Standard Disclosure	Location of disclosure	External assurance	UNGC Principle (s)	Sustainable development goal(s)	Note
Aspect: economic performance (Impact boundaries inside the organisation)					
G4-EC1	Direct economic value generated and distributed			SDG8	We report our direct economic value generated and distributed on group level as well as for the parent company. H&M pays taxes and other fees according to local laws and regulations in the countries in which we operate. We follow the OECD guidelines on transfer pricing as the basis for how profits should be distributed and taxed in international companies. Separate reporting at country, regional or market levels may be provided locally to concerned stakeholders depending on respective standards.
	H&M Annual Report 2015 pages 76, 80 (tax), 79 (Dividend policy & Proposed distribution of earnings), 80 (Group Income statement), 82 (Group balance sheet), 94 (Salaries, other remuneration and social security costs) CONSCIOUS ACTIONS Sustainability Report 2015 page 113 (Community investments)				

[Risks & uncertainties](#)

G4-
EC3 Coverage of the
organization's
defined benefit
plan obligations

[H&M Annual Report
2015 page 105](#)

G4-
EC4 Financial
assistance
received from
government

No significant financial assistance
received from governments has
been reported.

G4 -
DMA

[H&M Annual Report
2015 pages 12-13](#)

Aspect: Indirect Economic Impacts (Impact boundaries inside and outside the organisation)

G4-
EC8 Significant
indirect economic
impacts, including
the extent of
impacts

[CONSCIOUS ACTIONS
Sustainability Report
2015 pages 9-10, 112-
122](#)

SDG 3, 4, 6,
8

G4 -
DMA

[CONSCIOUS ACTIONS
Sustainability Report
2015 pages 27, 115, 118](#)

ENVIRONMENTAL

	Standard Disclosure	Location of disclosure	External assurance	UNGC Principle (s)	Sustainable development goal(s)	Note
Aspect: Materials (Impact boundaries inside and outside the organisation)						
G4 - EN1	Materials used by weight or volume	CONSCIOUS ACTIONS Sustainability Report 2015 pages 17-18, 93	Yes	Principle 8	SDG12	Based on our materiality assessment and additional stakeholder feedback we regard the indicator in it's focus on weight and volumes as not applicable. Instead, as requested by many of our stakeholders and for ensuring greater comparability over time, we report on the percentage of sustainably sourced materials both for our cotton as well as total (product) material use. Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124.
G4 - EN2	Percentage of materials used that are recycled input materials	CONSCIOUS ACTIONS Sustainability Report 2015 pages 18, 93			SDG 12	
AF18	Programs to replace organic-based adhesives and primers with water-based adhesives and primers	CONSCIOUS ACTIONS Sustainability Report 2015 pages 19-20		Principles 7, 8, 9	SDG 12	Apparel and Footwear Sector Specific Performance indicator
AF19	Practices to source safer alternative substances to those on the restricted substances list, including description of associated management systems	CONSCIOUS ACTIONS Sustainability Report 2015 pages 109-110 hm.com/chemicals		Principles 7, 8, 9	SDG 12	Apparel and Footwear Sector Specific Performance indicator
AF20	List of environmentally preferable materials used in apparel and footwear products	hm.com/consciousmaterials		Principles 7, 8, 9	SDG 12	Apparel and Footwear Sector Specific Performance indicator
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 16, 89-91		Principle 8		
Aspect: Energy (Impact boundaries inside and outside the organisation)						
G4 - EN3	Energy consumption within the organisation	CONSCIOUS ACTIONS Sustainability Report 2015 page 82	Yes	Principle 8	SDG 7, 13	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124.

G4 - EN4	Energy consumption outside the organisation	CONSCIOUS ACTIONS Sustainability Report 2015 page 84			SDG 7, 13	
G4 - EN5	Energy intensity	CONSCIOUS ACTIONS Sustainability Report 2015 page 82	Yes	Principle 8	SDG 7, 13	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 pages 123-124 .
AF21:	Amount of energy consumed and percentage of the energy that is from renewable sources	CONSCIOUS ACTIONS Sustainability Report 2015 pages 80, 82	Yes	Principles 7, 8, 9	SDG 7, 13	Apparel and Footwear Sector Specific Performance indicator. Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 79 (inside the organisation), 83 (outside the organisation) Risks & uncertainties		Principles 7, 8, 9		

Aspect: Water (Impact boundaries outside the organisation)

G4 - EN8	Total water withdrawal by source	CONSCIOUS ACTIONS Sustainability Report 2015 pages 99, 105, 107		Principle 8	SDG 6	87% of water impacts across our value chain occur at the raw material stage. We do currently not have withdrawal data available for this part of our value chain, but work to reduce water impacts through our material choices and by investing directly in training of raw material producers. Water withdrawal data is available for water intense manufacturing suppliers' operations in the two most significant river basins.
G4 - EN9	Water sources significantly affected by withdrawal of water	CONSCIOUS ACTIONS Sustainability Report 2015 pages 103, 107		Principle 8	SDG 6	87% of water impacts across our value chain occur at the raw material stage. We do currently not have withdrawal data available for this part of our value chain, but work to reduce water impacts through our material choices and by investing directly in training of raw material producers. Water sources provided are the two river basins most significantly affected by water intense manufacturing suppliers.

G4 - EN10	Percentage and total volume of water recycled and reused	CONSCIOUS ACTIONS Sustainability Report 2015 pages 105, 107			SDG 6	87% of water impacts across our value chain occur at the raw material stage. We do currently not have withdrawal data available for this part of our value chain, but work to reduce water impacts through our material choices and by investing directly in training of raw material producers. Water recycling and reusage rates are available for water intense manufacturing suppliers' operations in the two most significant river basins.
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G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 99-100			Principle 7, 8, 9	
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Aspect: Emissions (Impact boundaries inside and outside the organisation)

G4 - EN15	Direct greenhouse gas emissions by weight (Scope 1)	CONSCIOUS ACTIONS Sustainability Report 2015 pages 81-82	Yes	Principle 8	SDG 13	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4 - EN16	Energy indirect greenhouse gas emissions (Scope 2)	CONSCIOUS ACTIONS Sustainability Report 2015 page 81	Yes	Principle 8	SDG 13	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4 - EN17	Other indirect greenhouse gas emissions (Scope 3)	CONSCIOUS ACTIONS Sustainability Report 2015 page 84	Yes	Principle 8	SDG 13	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 79 (inside the organisation), 83 (outside the organisation)			Principles 7, 8, 9	

Aspect: Effluents and Waste (Impact boundaries outside the organisation)

G4 - EN22	Total water discharge by quality and destination	CONSCIOUS ACTIONS Sustainability Report 2015 page 102			SDG 6	
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 99-100, 103, 104, 106			Principle 8	

Aspect: Product and services (Impact boundaries inside the organisation)

G4 - EN27	Extend of Impact mitigation of environmental impacts of products and services	CONSCIOUS ACTIONS Sustainability Report 2015 pages 17-20, 24-25, 89-90	Principles 7, 8, 9	SDG 12
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G4 - DMA	CONSCIOUS ACTIONS Sustainability Report 2015 pages 16, 24, 89-90	Principles 7, 8, 9
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Aspect: Supplier Environmental Assessments (Impact boundaries inside and outside the organisation)

G4 - EN32	Percentage of new suppliers that were screened using environmental criteria	CONSCIOUS ACTIONS Sustainability Report 2015 page 37	SDG 6, 7, 12, 13
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AF14	Incidents of non-compliance with Code of Conduct	CONSCIOUS ACTIONS Sustainability Report 2015 page 43 ; www.hm.com/suppliercomplianceindetail	Yes	Principles 1-6	SDG 6, 7, 12, 13	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
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G4 - DMA	CONSCIOUS ACTIONS Sustainability Report 2015 pages 30-31	Principles 7-9
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SOCIAL: LABOR PRACTICES AND DECENT WORK

Standard Disclosure	Location of disclosure	External assurance	UNGC Principle (s)	Sustainable development goal(s)	Note
Aspect: Employment (Impact boundaries inside and outside the organisation)					
G4 - LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation				Benefits are subject to a variety of national or local standards or for example collective bargaining agreements. The most significant benefit provided on Group level is the H&M incentive program, which applies to part-time employees in equal terms as to full-time employees. To benefit from the program, a five year minimum employment period applies, unless local rules require otherwise.
G4 - DMA					
	CONSCIOUS ACTIONS Sustainability Report 2015 page 62				
	CONSCIOUS ACTIONS Sustainability Report 2015 page 62		Principles 1-6		
Aspect: Labor/Management Relations (Impact boundaries inside and outside the organisation)					
G4 - LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective bargaining agreements			SDG 8	Minimum notice periods for operational changes are subject to a variety of national or local standards or for example collective bargaining agreements, currently 284 different ones globally for the H&M Group. We currently do not aggregate this information on Group level. We are currently evaluating our data systems to see if this data can be retrieved and reported in the future.
G4 - DMA					
	CONSCIOUS ACTIONS Sustainability Report 2015 page 62				
Aspect: Occupational Health & Safety (Impact boundaries inside and outside the organisation)					
G4 - LA5	Percentage of total workforce represented in formal joint-worker health and safety committees that help monitor and advice on occupational health and safety programs.			SDG 3	Health & safety committees or other forms of management-employees health & safety collaboration are subject to a variety of national or local standards or for example collective bargaining agreements. We currently do not aggregate this information on Group level. We are currently evaluating our data systems to see if this data can be retrieved and report this data in the future.

G4 - Health and safety [CONSCIOUS ACTIONS Sustainability](#) SDG 3
 LA8 topics covered in [Report 2015 pages 39, 52, 54-56, 62-65](#);
 formal agreements [Global framework agreement with UNI](#)
 with trade unions. [Global Union](#)

G4 - [CONSCIOUS ACTIONS Sustainability](#)
 DMA [Report 2015 pages 30, 31, 39, 51, 62](#);
hm.com/codeofconduct

Training and Education (Impact boundaries inside and outside the organisation)

G4 - Average hours of [CONSCIOUS ACTIONS Sustainability](#) SDG 4
 LA9 training per year [Report 2015 page 26](#)
 per employee by
 gender, and by
 employment
 category
 As we are currently implementing a new learning management system, related data is currently not available. We hope to be able to report it again, with improved quality from 2016 onwards.

G4 - Percentage of SDG 4
 LA11 employees
 receiving regular
 performance and
 career
 development
 reviews, by gender
 Our policy is that all employees should receive such reviews annually. Our data systems do currently not allow globally aggregated data. We are currently evaluating our data systems to see if this data can be retrieved and in this case hope to report on it in the future.

G4 - hm.com/training
 DMA
[CONSCIOUS ACTIONS](#)
[Sustainability Report 2015 pages 26, 31, 38, 41, 54, 55, 56, 60, 62, 106, 110, 115 \(outside the organisation\), 60-63, 65, 69, 106 \(inside the organisation\)](#)

Aspect: Diversity and Equal Opportunity (Impact boundaries inside the organisation)

G4 - Composition of [CONSCIOUS ACTIONS Sustainability](#) Principles SDG 5, 10
 LA governance bodies [Report 2015 page 71](#) 1, 6
 12 and breakdown of
 employees per
 employee category
 according to
 gender, age group,
 minority group
 membership, and
 other indicators of
 diversity

G4 - [CONSCIOUS ACTIONS Sustainability](#)
 DMA [Report 2015 page 70](#)

Aspect: Supplier Assessment for Labor Practices (Impact boundaries inside and outside the organisation)

G4 - LA14	Percentage of new suppliers that were screened using labor practices criteria	CONSCIOUS ACTIONS Sustainability Report 2015 page 35		Principles 1, 6	SDG 8	
AF14	Incidents of non-compliance with Code of Conduct	CONSCIOUS ACTIONS Sustainability Report 2015 page 43 ; hm.com/suppliercomplianceindetail	Yes	Principles 1-6	SDG 8	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 30-32				

Aspect: Labour Practices Grievance Mechanisms (Impact boundaries inside and outside the organisation)

G4 - LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	CONSCIOUS ACTIONS Sustainability Report 2015 page 38 (outside the organisation) , 63 (inside the organisation)		Principles 1-6	SDG 8	We apply an open door policy and have a complaint procedure in place that is communicated to our employees globally. As additional national or local standards apply, such grievances are normally handled on this level and data is currently not aggregated globally on Group level. We are currently in the process of developing a global grievance and complaint register and aim to conduct first data analysis during 2016. In our supply chain, we monitor the existence and functionality of grievance systems among our supplier factories.
G4 - DMA		The H&M Way (inside the organisation) hm.com/monitoring (outside the organisation)		Principles 1-6		

SOCIAL: HUMAN RIGHTS

	Standard Disclosure	Location of disclosure	External assurance	UNGC Principle (s)	Sustainable development goal(s)	Note
Aspect: Investments (Impact boundaries inside the organisation)						
G4 - HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening	CONSCIOUS ACTIONS Sustainability Report 2015 pages 35-36		Principles 1, 2, 3, 4, 5, 6	SDG 5, 8, 10	
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 page 30-32		Principles 1, 2, 3, 4, 5, 6		
Aspect: Non-discrimination (Impact boundaries inside and outside the organisation)						
G4 - HR3	Total number of incidents of discrimination and corrective actions taken	CONSCIOUS ACTIONS Sustainability Report 2015 pages 69 (inside the organisation), 38 (outside the organisation)		Principles 1, 6	SDG 5, 10	
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 66, 67, 70 (inside the organisation) hm.com/codeofconduct (outside the organisation)		Principles 1, 6		
Aspect: Freedom of Association and Collective Bargaining (Impact boundaries inside and outside the organisation)						
G4 - HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	CONSCIOUS ACTIONS Sustainability Report 2015 pages 64 (inside the organisation), 52, 54-56 (outside the organisation) sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html		Principles 1, 2, 3	SDG 8	
AF30	Percentage of workplaces where there is one or more	CONSCIOUS ACTIONS Sustainability Report 2015 pages 64 (inside the organisation), 52, 54-56 (outside the organisation)		Principles 1, 2, 3	SDG 8	Apparel and Footwear Sector Specific

	independent trade union(s), broken down by a) workplaces with collective bargaining agreement b) workplaces without a collective bargaining agreement	sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html			Performance indicator
AF30	Percentage of workplaces where, in the absence of a trade union, there are worker-management committees, broken down by country	CONSCIOUS ACTIONS Sustainability Report 2015 pages 64 (inside the organisation), 52, 54-56 (outside the organisation) sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html	Principles 1,2,3	SDG 8	Apparel and Footwear Sector Specific Performance indicator
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 51 (outside the organisation), 62 (inside the organisation) sustainability.hm.com/en/sustainability/commitments/be-ethical/fair-partner.html (inside the organisation)	Principles 1, 2, 3		

Aspect: Child Labour (Impact boundaries outside the organisation)

G4 - HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	CONSCIOUS ACTIONS Sustainability Report 2015 pages 27, 69	Principles 1, 2, 5	SDG 8	
AF12	Incidents of the use of child labor	sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html		SDG 8	
G4 - DMA		sustainability.hm.com/en/sustainability/commitments/choose-and-reward-responsible-partners/code-of-conduct/clear-stand-against-child-labour.html	Principles 1, 2, 5		

Aspect: Forced or Compulsory Labour (Impact boundaries outside the organisation)

G4 - HR6	Operations and suppliers identified as having	CONSCIOUS ACTIONS Sustainability Report 2015 page 41 (outside the organisation)	Principles 1, 2	SDG 8	
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significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor

G4 - DMA [CONSCIOUS ACTIONS Sustainability Report 2015 pages 30-31](https://sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html) Principles 1-6

Aspect: Assessments (Impact boundaries inside the organisation)

G4 - HR9 Total number and percentage of operations that have been subject to human rights reviews or Impact assessments [CONSCIOUS ACTIONS Sustainability Report 2015 pages 66-67, 69](https://sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html) Principles 1, 2, 3, 4, 5, 6 SDG 5, 8, 10

G4 - DMA [CONSCIOUS ACTIONS Sustainability Report 2015 pages 66-67](https://sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html)

Aspect: Supplier Human Rights Assessments (Impact boundaries inside and outside the organisation)

G4 - HR10 Percentage of new suppliers that were screened using human rights criteria [CONSCIOUS ACTIONS Sustainability Report 2015 page 35](https://sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html) Principles 1-6 SDG 5, 8, 10

AF14 Incidents of non-compliance with Code of Conduct sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html Yes Principles 1-6 SDG 5, 8, 10 Please find an independent assurance statement related to this indicator at [CONSCIOUS ACTIONS Sustainability Report 2015 pages 123-124.](https://sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html)

G4 - DMA [CONSCIOUS ACTIONS Sustainability Report 2015 pages 30-32](https://sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html) Principles 1-6

Aspect: Human Rights Grievance Mechanisms (Impact boundaries inside and outside the organisation)

G4 - HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	CONSCIOUS ACTIONS Sustainability Report 2015 page 38 (outside the organisation), 63 (inside the organisation)	Principles 1-6	SDG 5, 8, 10	We apply an open door policy and have a complaint procedure in place that is communicated to our employees globally. As additional national or local standards apply, such grievances are normally handled on this level and data is currently not aggregated globally on Group level. We are currently in the process of developing a global grievance and complaint register and aim to have this in place by the end of 2016. In our supply chain, we monitor the existence and functionality of grievance systems among our supplier factories.
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 30-32, 62, 66-67	Principles 1-6		
G4 - DMA		The H&M Way (inside the organisation)		SDG 3, 4, 6, 8	
G4 - DMA		hm.com/monitoring (outside the organisation)	Principles 1-6		

SOCIAL: SOCIETY

	Standard Disclosure	Location of disclosure	External assurance	UNGC Principle (s)	Sustainable development goal(s)	Note
Aspect: Local Communities (Impact boundaries inside and outside the organisation)						
G4 - SO1	Percentage of operations with implemented local community engagement, Impact assessments and development programs	CONSCIOUS ACTIONS Sustainability Report 2015 page 116			SDG 3, 4, 6, 8	During 2014, we have developed a new community development strategy, we will also provide guidelines for all our markets for local community engagement programs and Impact assessments. All our markets are now required to implement this strategy in their operations.
AF 33	Priorities in community investment strategy.	CONSCIOUS ACTIONS Sustainability Report 2015 pages 114, 117			SDG 3, 4, 6, 8	Apparel and Footwear Sector Specific Performance indicator
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 114, 117				
Aspect: Anti-Corruption (Impact boundaries inside and outside the organisation)						
G4 - SO3	Percentage and total number of operations assessed for risks related to corruption and the significant risks identified	CONSCIOUS ACTIONS Sustainability Report 2015 page 61	-	Principle 10	SDG 16	
G4 - SO4	Communication and training on anti-corruption policies and procedures	CONSCIOUS ACTIONS Sustainability Report 2015 page 61	-	Principle 10	SDG 16	
G4 - SO5	Confirmed incidents of corruption and actions taken	CONSCIOUS ACTIONS Sustainability Report 2015 page 61	Yes	Principle 10	SDG 16	Please find an independent assurance statement related to this indicator at CONSCIOUS ACTIONS Sustainability Report 2015 page 123-124 .
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 page 60		Principle 10		
Aspect: Public Policy (Impact boundaries inside the organisation)						
G4 - SO6	Total value of political contributions by country and recipient/benefit	The H&M Way			SDG 10	H&M does not provide direct financial contributions to individual politicians or political parties.
G4 - DMA		The H&M Way				

SOCIAL: PRODUCT RESPONSIBILITY

Standard Disclosure	Location of disclosure	External assurance	UNGC Principle (s)	Sustainable development goal(s)	Note	
Aspect: Customer Health and Safety (Impact boundaries inside the organisation)						
G4 - PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvements	hm.com/chemicals	-	Principle 8	SDG 3, 12	100% of our products are assessed for health and safety improvements for example in regards to chemical safety.
G4 - DMA		hm.com/chemicals	-			
Aspect: Product- and service labeling (Impact boundaries inside the organisation)						
G4 - PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	Material Ethics Policy CONSCIOUS ACTIONS Sustainability Report 2015 pages 24-25, 111	-	Principle 8		All of our products are labelled with the legally required information about material composition. Additionally, we provide voluntary information about the country of origin, care instructions and through the clevercare label aim to inspire to conscious garment care.
G4 - DMA		Material Ethics Policy CONSCIOUS ACTIONS Sustainability Report 2015 page 14	-			
Aspect: Marketing Communications (Impact boundaries inside the organisation)						
G4 - PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	CONSCIOUS ACTIONS Sustainability Report 2015 page 74				There have been no incidences of non-compliance registered.
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 page 73				
Aspect: Customer Privacy (Impact boundaries inside the organisation)						

G4 - PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	CONSCIOUS ACTIONS Sustainability Report 2015 page 69	-	Our privacy policy and the H&M Way commit us to protecting our customer's and employee's privacy. Any complaints that might arise are handled by the responsible departments, for example, our customer service centers. We do currently not aggregate this data on global level for the H&M Group. We are currently evaluation related data systems and hope that we will be able to provide this data in the future.
G4 - DMA		CONSCIOUS ACTIONS Sustainability Report 2015 pages 66, 69	-	

ADDITIONAL MATERIAL ASPECTS

	Standard Disclosure	Location of disclosure	External assurance	UNGC Principle (s)	Sustainable development goal(s)	Note
Aspect: Purchasing practices (Impact boundaries inside the organisation)						
own indicator	Supplier sustainability performance index (ICoC) weighed by order volume vs. available supplier capacities	CONSCIOUS ACTIONS Sustainability Report 2015 page 28	-	Principle 1,2,7	SDG 8	
own indicator	Number of strategic suppliers out of total number of suppliers and percentage of pieces ordered at strategic suppliers	CONSCIOUS ACTIONS Sustainability Report 2015 page 32	-	Principle 1,2,7		In order to sustain and incentivize good sustainability performance, we like to reward our suppliers with what they appreciate most – long-term business commitments and growth opportunities. Strategic suppliers are given this preferential treatment.
own indicator	Supplier satisfaction	CONSCIOUS ACTIONS Sustainability Report 2015 page 34	-			
AF17	Actions to identify and mitigate business practices that affect code Compliance	CONSCIOUS ACTIONS Sustainability Report 2015 page 34	-	Principle 1,2,7	SDG 8	Apparel and Footwear Sector Specific Performance indicator
DMA		CONSCIOUS ACTIONS Sustainability Report 2015 page 30-32	-	Principle 1,2,7		
Aspect: Fair Living Wages in supply chain (Impact boundaries outside the organisation)						
AF9	Incidents of non-compliance with legal requirements or collective bargaining agreements on wages	sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html	-		SDG 8	

DMA [CONSCIOUS ACTIONS Sustainability Report 2015](#) -
[page 44-50](#)

Aspect: Overtime in supply chain (Impact boundaries outside the organisation)

AF10 Incidents of non-compliance with overtime standards sustainability.hm.com/en/sustainability/downloads-resources/resources/supplier-compliance.html -

DMA [CONSCIOUS ACTIONS Sustainability Report 2015](#) -
[pages 30-32](#)

Aspect: Supply chain workers' health & safety (Impact boundaries outside the organisation)

own indicator Percentage of supplier factories that underwent additional fire and building safety inspections under the Accord on Building and Fire Safety in Bangladesh [CONSCIOUS ACTIONS Sustainability Report 2015](#) -
[page 39](#)

DMA [CONSCIOUS ACTIONS Sustainability Report 2015](#) -
[pages 30-32, 51](#)

Aspect: End of life solutions / Circular economy strategies (Impact boundaries inside the organisation)

own indicator Tons of garments collected from H&M customers [CONSCIOUS ACTIONS Sustainability Report 2015](#) - [page 92](#) SDG12

G4 - DMA [CONSCIOUS ACTIONS Sustainability Report 2015](#) -
[page 89-90](#)

Aspect: Sustainable customer behavioral change (Impact boundaries inside and outside the organisation)

own indicator Tons of garments collected from H&M customers [CONSCIOUS ACTIONS Sustainability Report 2015](#) - [page 92](#) SDG 12

G4 - DMA [CONSCIOUS ACTIONS Sustainability Report 2015](#) -
[page 89-90](#)

Aspect: Strategies to expand influence over entire value chain (Impact boundaries inside the organisation)

own indicator	Percentage of production volume for which 2nd tier suppliers (fabric and yarn mills) have been identified and integrated in auditing programme	CONSCIOUS ACTIONS Sustainability Report 2015 page 41	-	SDG 12	All activities downstream and upstream
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G4 - DMA	CONSCIOUS ACTIONS Sustainability Report 2015 pages 30-32	-
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Aspect: Supplier Capacity Building (Impact boundaries inside the organisation)

own indicator	Average number of sustainability activities (strategic vs. all factories)	CONSCIOUS ACTIONS Sustainability Report 2015 page 38	-	Principles 1-9	SDG 4
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G4 - DMA	CONSCIOUS ACTIONS Sustainability Report 2015 pages 30-32	-	Principles 1-9
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Aspect: Employee Satisfaction (Impact boundaries inside the organisation)

G4 - DMA	CONSCIOUS ACTIONS Sustainability Report 2015 page 63	-
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Aspect: Animal Welfare (Impact boundaries inside and outside the organisation)

G4 - DMA	CONSCIOUS ACTIONS Sustainability Report 2015 pages 20-23, 42	-
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Aspect: Uzbek Cotton (Impact boundaries outside the organisation)

G4 - DMA	CONSCIOUS ACTIONS Sustainability Report 2015 page 18	-	Principles 1,5	SDG 8
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Aspect: Sumangali Schemes (Impact boundaries outside the organisation)

G4 - DMA	CONSCIOUS ACTIONS Sustainability Report 2015 page 41	-	Principle 4	SDG 8
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Aspect: Responsible tax planning (Impact boundaries inside the organisation)

G4 -
DMAabout.hm.com/en/About/Corporate-Governance/Other/tax-policy.html

SDG 10

G4 -
DMA[CONSCIOUS ACTIONS Sustainability Report 2015 page 57](#)

UN GUIDING PRINCIPLES REPORTING FRAMEWORK INDEX

GOVERNANCE OF RESPECT FOR HUMAN RIGHTS

Policy Commitment

A1 What does the company say publicly about its commitment to respect human rights?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 27, 31-33, 51, 54, 66, 67](#)

A1.1 How has the public commitment been developed?

[CONSCIOUS ACTIONS Sustainability Report 2015 page 66-67](#);

In December 2012, H&M adopted its Human Rights Policy. This policy is based on the UNGPs as well as UDHR's - The international covenant on civil and political rights and The international covenant on economic, social and cultural rights as well as other international standards and guidelines. The policy is approved by H&M's CEO and throughout its development stakeholders, both internal and external, were consulted and had the opportunity to give input to the content.

A1.2 Whose human rights does the public commitment address?

sustainability.hm.com/en/sustainability/downloads-resources/policies/policies/human-rights-policy.html

A1.3 How is the public commitment disseminated?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 33, 61, 66-67, 69](#)

Embedding respect

A2 How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 6, 44, 49, 52, 66](#)

A2.1 How is day-to-day responsibility for human rights performance organized within the company, and why?

[CONSCIOUS ACTIONS Sustainability Report 2015 page 11](#)

A2.2 What kinds of human rights issues are discussed by senior management and by the Board, and why?

[CONSCIOUS ACTIONS Sustainability Report 2015 page 11](#)

A2.3 How are employees and contract workers made aware of the ways in which respect for human rights should inform their decisions and actions?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 26, 65, 69](#)

A2.4 How does the company make clear in its business relationships the importance it places on respect for human rights?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 27, 30-35, 41-44, 47, 54-56](#)

A2.5 What lessons has the company learned during the reporting period about achieving respect for human rights, and what has changed as a result? [CONSCIOUS ACTIONS Sustainability Report 2015 pages 13, 72, 132-133](#)

DEFINING THE FOCUS OF REPORTING

B1 Statement of salient issues: State the salient human rights issues associated with the company's activities and business relationships during the reporting period. [CONSCIOUS ACTIONS Sustainability Report 2015 pages 27, 30, 66-67, 128](#)

B2 Determination of salient issues: Describe how the salient human rights issues were determined, including any input from stakeholders. [CONSCIOUS ACTIONS Sustainability Report 2015 pages 66-67, 125 - 129](#)

B3 Choice of focal geographies: If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made. [CONSCIOUS ACTIONS Sustainability Report 2015 pages 25, 30, 39, 41, 69](#)

B4 Additional severe impacts: Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues, and explain how they have been addressed. [CONSCIOUS ACTIONS Sustainability Report 2015 page 39](#)

MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

Specific policies

C1 Does the company have any specific policies that address its salient human rights issues and, if so, what are they? [CONSCIOUS ACTIONS Sustainability Report 2015 pages 27, 44, 45, 54, 64, 66-67, 69, 71](#)

C1.1 How does the company make clear the relevance and significance of such policies to those who need to implement them? [CONSCIOUS ACTIONS Sustainability Report 2015 pages 26, 31-41, 48, 55, 61, 66-67, 69](#)

Stakeholder engagement

C2 How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so? [CONSCIOUS ACTIONS Sustainability Report 2015 pages 9-10, 12, 27, 34, 46, 49, 52, 53, 55, 64](#)

C2.1 How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so? [CONSCIOUS ACTIONS Sustainability Report 2015 page 12, 126-128](#)

C2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?

[CONSCIOUS ACTIONS Sustainability Report 2015 page 12, 33, 45, 51, 53, 126-129](#)

C2.3 During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 126-129](#)

Assessing impacts

C3 How does the company identify any changes in the nature of each salient human rights issue over time?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 126-129 \(27, 31, 32, 33, 36, 39-46, 48, 51, 54, 65-67, 69, 70, 71\)](#)

C3.1 During the reporting period, were there any notable trends or patterns in impacts related to a salient issue and, if so, what were they?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 43, 45, 61, 64, 65, 69, 71; \[hm.com/suppliercomplianceindetail\]\(http://hm.com/suppliercomplianceindetail\)](#)

C3.2 During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 39, 67](#)

Integrating findings and taking action

C4 How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 31, 32, 34, 35, 38, 45, 47, 54](#)

C4.1 How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 11, 69](#)

C4.2 When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 4, 11, 51, 54](#)

C4.3 During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 27, 31, 32, 34, 36, 38-42, 44-46, 48-50, 52-56, 65](#)

Tracking performance

C5 How does the company know if its efforts to address each salient human rights issue are effective in practice?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 43, 45, 65, 128; \[hm.com/suppliercomplianceindetail\]\(http://hm.com/suppliercomplianceindetail\)](#)

C5.1 What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 29, 31-33, 36-38, 41, 43, 45, 48, 56, 58, 59, 65, 76, 128](#)

Remediation

C6 How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient human rights issue?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 39, 60, 71](#)

C6.1 Through what means can the company receive complaints or concerns related to each salient issue?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 31, 63, 67, 70, 71](#)

C6.2 How does the company know if people feel able and empowered to raise complaints or concerns?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 31, 63, 67](#)

C6.3 How does the company process complaints and assess the effectiveness of outcomes?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 63](#)

C6.4 During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 67, 128-129](#)

C6.5 During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?

[CONSCIOUS ACTIONS Sustainability Report 2015 pages 35, 36, 38, 39, 66, 67, 71; \[hm.com/suppliercomplianceindetail\]\(http://hm.com/suppliercomplianceindetail\)](#)