

## MIGRANT WORKERS FAIR RECRUITMENT AND TREATMENT GUIDELINES.

### PRINCIPLES.

Because of the growing pace of economic globalization and other international phenomena, movement of people has increased all around the world and we have more migrant workers than ever before. While migration can bring new opportunities to those involved, people and countries, it can also be the source of new challenges and vulnerabilities.

In light of the conditions described above, 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.

As stated in H&M Group's [Sustainability Commitment](#), forced, bonded, prison or exploitation of labour is not accepted. The employer is responsible for payment of employment eligibility fees of contract and/or foreign workers, including recruitment fees and costs. Employees shall not be required to lodge deposits or identity papers with their employer or an agent and shall be free to leave the employment after reasonable notice. The employee's freedom of movement is not restricted. No part of wages is withheld.

Additionally, no workers, including migrant workers, should be subject to any "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."

As an aspirational practice, as stated in our Sustainability Commitment, we also recommend to our Business Partners to "actively work for diversity and an inclusive workplace and engage with local community and/or NGO's to understand how minorities and/or disadvantaged groups can be considered for employment and how barriers can be countered proactively."

These guidelines refer to:

- International migrant worker: a person who is engaged in remunerated activity in a country of which he/she is not a citizen, and whose employment could be temporary, provisional or unauthorized;
- Internal migrant worker: a person moving within his/her own country to pursue employment.

These guidelines are informed by below universal standards and principles:

- [ILO C087](#) - Freedom of Association and Protection of the Right to Organise Convention;
- [ILO C098](#) - Right to Organise and Collective Bargaining Convention;
- [ILO C096](#) - Fee-Charging Employment Agencies Convention;
- [ILO C097](#) - Migration for Employment Convention;
- [ILO C105](#) – Abolition of Forced Labour
- [ILO C143](#) - Migrant Workers
- [ILO C181](#) - Private Employment Agencies Convention
- [ILO C029](#) - Forced Labour Convention
- ILO [General Principles](#) and Operational Guidelines on Fair Recruitment and the Definition of Recruitment Fees and Related Costs
- [IOM IRIS Standard](#)
- [The Dhaka Principles](#)

The following principles are established:

1. No worker pays for their work or right to work (*as conditions might vary from market to market, we pledge to reach full implementation of this principle by 2025*);
2. Workers retain control of their identity documents and/or other valuable personal items and have full freedom of movement;
3. Substitution of contracts at any stage of recruitment and employment is prohibited;
4. No worker is discriminated against for his/her nationality, ethnic minority or religion.

## **GUIDELINES.**

These guidelines set our expectations on business partners to protect migrant workers' rights and are divided into two sections: recruitment and treatment.

### **A. RECRUITMENT**

The recruitment process must be:

- guided by a Migrant Workers' Recruitment policy;
- paid for by the employer;
- transparent and correct about contract conditions.

#### **1. Recruitment method.**

The employer may recruit migrant workers either directly or through public or private labor recruitment agencies. When recruiting international migrant workers, a labor recruiter (broker/agency) might be involved in both the sending country and the receiving country.

If the employer recruits migrants, it must:

- have a Migrant Workers' recruitment policy applicable to migrants, which clearly states its commitments (Annex 1);
- be able to prove that it has carried out a due diligence process (Annex 2).

#### **2. Recruitment fees and costs.**

All costs in relation to recruitment should be paid by the employers, with the exception of administrative costs, as listed in Annex 3 (vii).

#### **3. Working contracts.**

All migrant workers must have received, before leaving their country/region of origin and anyway before deployment, a written contract in a language that they understand or, if they are illiterate, they must have received an explanation of the conditions of work and salary or have had the contract read to them. The original of the contract must be given to the worker. The employer must have copies of the original contracts signed by the workers. Substitution of contracts in any stage of the recruitment is prohibited. No worker contract can include a clause that financially punishes the migrant for terminating a contract before the end date. All migrant workers should have a proper visa and/or work permit, as required by law.

### **B. TREATMENT.**

There must be no difference in treating migrant workers and other workers, with specific reference to:

- freedom of movement;
- working conditions;
- freedom of association;
- access to information.

#### **1. Freedom of movement.**

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 (Annex 4).

#### **2. Working conditions.**

Migrant workers must not be treated differently, including but not exclusively in regard to:

- minimum age;
- remuneration;
- hours of work;
- overtime and shifts arrangements;
- leave entitlements;
- work of young persons;
- discipline measures;
- notice for leaving and circumstances in which workers can terminate their employment without penalty, given reasonable notice;

- social security (including employment injury, maternity, sickness, invalidity, portability of pensions, death, unemployment and family responsibilities according to national laws or regulations which might set specific limitation).

### **3. Freedom of association.**

The employer must take a proactive approach to facilitate migrant workers' rights to freedom of association and specifically at least:

- access to Trade Unions representatives;
- access to Collective Bargaining;
- possibility to raise complaints or issues to the Workers Committee;
- possibility to access grievance mechanisms.

### **4. Access to information.**

Access to information regarding the above requirements, as well as health and safety, rules and regulations, etc. must be guaranteed, by using a language that can be understood by the migrants.

## **Annex 1. Recruitment policy applicable to migrants.**

The recruitment policy states that the employer regulations:

- prohibit forced labor and human trafficking, and all forms of exploitation, deception and coercion in the recruitment, hiring and treatment of migrant workers
- clearly indicate that no fees are charged to workers for job placement services, with a possible exception only for administrative costs, as listed in Annex 3 (vii)
- prohibit the confiscation or withholding of worker passports or other valuable documents, if it is not strictly necessary for the immigration procedures
- prohibit the collection of deposits, security payments or bonds at the time of recruitment or employment
- prohibit contract substitution or the amendment of original contract provisions with those that are less favorable to the worker
- ensure that no unreasonable restrictions are levied to limit migrant workers' freedom of movement and personal freedom in the recruitment and employment process
- commit to inform the migrant workers, in a language that they understand, about:
  - their rights and responsibilities on the job as well as those of their employer
  - contractual and other legal obligations
  - terms and conditions of employment
  - living conditions
- provide for a fully transparent system for wage payment, including when labor recruiters (broker/agencies) are in charge of it.

## **Annex 2. Due diligence process.**

It is recommended to use IRIS certified labour agency when available.

In all cases, the employer, before entering into a contract with a labour agency, must control and keep evidence of the following:

- the agency can be either a public entity or a private entity
- the agency has a policy in place that shows the commitment to work with ethical standards, address grievances and be compliant with the origin and destination country laws
- if it is a private entity must be a legally created company, licensed or certified by the Government
- agencies should deliver – prior to departure and upon arrival – to workers orientation and training on:
  - their rights and responsibilities on the job as well as those of their employer
  - terms and conditions of employment
  - living conditions

As a result of the due diligence, the minimum contents of the contract between the employer and the labour agency are:

- prohibition of forced labor and human trafficking and of all forms of exploitation, deception and coercion in the recruitment, hiring and management of migrant workers
- services provided by the labor agency
- detailed list of fees and costs covered by the employer and labor agency
- recruitment fees are not paid by workers
- sanctions for labour agency non-compliance with contract terms relating to labor and human rights
- agency licensing and accreditation information
- licensing, accreditation or registration information for any sub-contractor or sub-agent used by the labour agency

The employer maintains:

- copy of the signed contract between the labor recruiter and employer
- copy of the labor agency license(s)/ certification (s) to operate in the country where workers are recruited and where they are placed with the employer
- copy of each sub-contractor's or sub-agent's license or registration to operate in each jurisdiction from which they recruit workers
- copies of the contracts signed between the labor recruiter and its sub-contractors and sub-agent

Even in case of using an agency, the employer remains ultimately responsible for the recruitment process and must ensure that the recruitment process is at least compliant with the national laws or international standards, whatever is higher.

**Annex 3. Definition of recruitment fees** (as set by ILO [General Principles](#) and Operational Guidelines on Fair Recruitment and the Definition of Recruitment Fees and Related Costs).

Recruitment fees are:

- (a) payments for recruitment services offered by labour agencies, whether public or private, in matching offers of and applications for employment;
- (b) payments made in the case of recruitment of workers with a view to employing them to perform work for a third party;
- (c) payments made in the case of direct recruitment by the employer; or
- (d) payments required to recover recruitment fees from workers.

In the recruitment fees are also included related costs:

- (i) Medical Costs: payments for medical examinations, tests or vaccinations
- (ii) Insurance Costs: costs to insure the lives, health and safety of workers, including enrollment in migrant welfare funds
- (iii) Costs for skills and qualification tests: costs to verify workers' language proficiency and level of skills and qualifications, as well as for location-specific credentialing, certification or licensing
- (iv) Costs for training and orientation: expenses for required trainings, including on-site job orientation and pre-departure or post-arrival orientation of newly recruited workers
- (v) Equipment Costs: costs for tools, uniforms, safety gear and other equipment needed to perform assigned work safely and effectively
- (vi) Travel and Lodging Costs: expenses incurred for travel, lodging and subsistence within or across national borders in the recruitment process, including for training, interviews, consular appointments, relocation, and return or repatriation
- (vii) Administrative costs: application and service fees that are required for the sole purpose of fulfilling the recruitment process. These could include fees for representation and services aimed at preparing, obtaining or legalizing workers' employment contracts, identity documents, passports, visas, background checks, security and exit clearances, banking services, and work and residence permits.

#### **Annex 4: Dormitory policy.**

Employers are encouraged to support workers to obtain housing through autonomous private agencies, public housing schemes, or cooperatives.

When hostel/ dormitory /accommodation are provided as part of the employment contract, the space offered should be adequate for accommodation and provide a suitable, clean and safe living environment for workers.

Freedom of movement and association should be recognized at all times. If a cost is charged, it should be a reasonable proportion of the workers income. Hostels and dormitories must be registered with the appropriate Government body, as required by law.

Minimum standards are as follow:

- structural safety and prevention for fire accident must be in place, according to at least the same standards of the workplace
- separate facilities provided by gender
- adequate living room, as a minimum 20-35 sq ft per worker, or the amount required by local law, whichever is more stringent
- comfortable mattress with pillow, bed cover and blanket provided to each worker
- adequate lighting during day and night
- adequate supply of safe drinkable water
- adequate sanitary facilities, as a minimum one toilet, one wash basin and one tub or shower per 6 workers
- adequate furniture for each worker to secure his/her belongings, such as a ventilated clothes locker
- cooking area, common dining rooms, canteens separated from the sleeping areas
- laundry facilities
- access to telephone or other communication systems at a reasonable price

Premises should be managed and supervised by a supervisor/warden and inspected frequently to ensure decency, cleanliness and sufficient maintenance. The results of inspections should be registered and made available for review.

A committee composed of workers, a representative of the management, supervisor/warden (and representatives from external organization/NGO, if possible) is to meet regularly to address concerns and improvement plans. The meeting minutes should be recorded and made available for review.

When a worker's contract of employment is terminated, the worker should be entitled to a reasonable period of time to vacate the premises, in accordance with the law.

Reference:

[Workers' Housing Recommendation](#), R115 - Workers' Housing Recommendation, 1961 (No. 115)