

Engaging with our stakeholders

CUSTOMERS	COLLEAGUES	COMMUNITIES	BUSINESS PARTNERS	SUPPLY CHAIN EMPLOYEES AND THEIR REPRESENTATIVES	INDUSTRY PEERS	POLICYMAKERS	NGOs, IGOs, ACTIVISTS, CIVIL RIGHTS DEFENDERS AND OTHER EXPERTS	ACADEMIA AND SCIENCE	INVESTORS
<p>As a customer-centric company, understanding, meeting and exceeding the needs and demands of all our customers is at the core of everything we do.</p>	<p>Our more than 150 000 colleagues are key to our success. We want all of them to feel proud of working for H&M Group. Coming from all over the world, we share and work along the same values.</p>	<p>We want to help the communities and people around us to grow and develop, be it the local communities our stores and offices are located in, our value chain, or the demographic communities that represent our customers, colleagues and everyone else we are here to serve.</p>	<p>Our some 600 manufacturing suppliers remain a core stakeholder for us. Stable and long-term relations and responsible purchasing practices are key to mutual growth. As our business is growing and we are developing new business models and partnerships, we are also increasingly engaging with other partners, such as service providers in, for example, handling of rental models, new forms of last mile deliveries, other brands and retail platforms which requires new forms of interaction when it comes to sustainability requirements and shared opportunities. Additionally, we engage with a broad range of other business partners, including for example, landlords, producers of non-commercial goods or service providers such as cleaning services.</p>	<p>Our suppliers employ over 1.3 million people, most of them women in emerging markets. This provides a great opportunity to improve the livelihood for their families and communities. Making sure they have a voice systematically, fair wages, healthy and safe workplaces and are protected from discrimination and harassment are key elements to our strategy.</p>	<p>Many challenges are best addressed collectively. We work with industry peers and even companies operating in other sectors to define industry standards and common strategies towards shared challenges and opportunities.</p>	<p>H&M Group, our value chain and our customers are subject to rules set by policymakers. Maintaining dialogue with them helps us to stay informed about, and sometimes to help shape and progress the legal and regulatory context in a responsible manner. Our focus is on enabling effective measures to support the transition to a circular and climate positive economy.</p>	<p>NGOs are often expert advisers on standards and practices throughout our value chain. We rely on their expertise and independence to ensure that we meet the most up-to-date standards and to make us aware of any concerns. With many, we work in close collaboration and formal partnerships.</p>	<p>We strive to follow a science-based approach as part of our sustainability strategy. Innovation is key to addressing some of our industry's greatest challenges and opportunities. Therefore, engaging with academia and science is vital to our continued strategy development and to meeting our ambitious goals.</p>	<p>H&M Group is a publicly listed company. As such, we are accountable to our investors. We prioritize our most important investors in a direct dialogue wherever possible and integrate feedback we receive in our strategies and to inform our sustainability reporting, striving for the greatest possible transparency.</p>

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HOW WE ENGAGE

<ul style="list-style-type: none"> - Customer service in various channels. - Transparent product rating/feedback tools. - Social media. - Customer research (incl. surveys, focus groups, online community). - Consumer media, PR and marketing. 	<ul style="list-style-type: none"> - Our values. - Global anonymous employee survey. - We have an open-door policy, encouraging constant feedback. - Regular individual performance reviews & dialogue talks. - Our day-to-day leadership and teamwork. - Training & development programs. - Internal communication channels. - Workplace representation and/or union representation in many markets. - European Works Council (EWC). - Inclusion & diversity forum. - Dialogue facilitated through our global framework agreement with Union Network International (UNI). - Whistleblowing channels. 	<ul style="list-style-type: none"> - Through community (investment) partners. - Interactions with local authorities. - Through NGO interaction (local & global.) - Interactions with IGOs and governments. - Community impact analysis and strategies. - MyStore programme. - Annual anonymous stakeholder survey. 	<ul style="list-style-type: none"> - Close relations and constant dialogue with our business partners through our local presence with offices in all major production locations. - Anonymous supplier surveys. - Supplier Relations Management system. - Individual meetings, performance reviews and joint capacity planning. - SIPP supplier assessment programme. - Training modules and capacity building. - Multistakeholder Initiatives such as Sustainable Apparel Coalition (SAC), Better Work or the International Accord 	<ul style="list-style-type: none"> - Anonymous worker surveys. - Global Framework Agreement with IndustriAll Global Union. - Regular direct dialogue with local trade unions through our local offices in our production markets, including via National Monitoring Councils. - Social dialogue training and projects in various markets. - Interviews with workers in supplier factories as part of our SIPP verification programme. - MoUs with the International Labour Organisation (ILO), the Swedish trade union IF Metall, IndustriALL (ACT) and the Swedish development agency Sida. - Annual anonymous stakeholder survey. 	<ul style="list-style-type: none"> - Multi-stakeholder initiatives such as the Sustainable Apparel Coalition (SAC), Fashion Pact, UNFCCC, Global Fashion Agenda or ACT. - Various regional and local initiatives such as Sector Roundtables. - Different forms of pre-competitive collaboration. - Individual meetings and dialogues. - External meetings or conferences. - Specific events such as thematic webinars or events. - Annual anonymous stakeholder survey. 	<ul style="list-style-type: none"> - Individual meetings and dialogues. - External meetings or conferences. - Participation in EU consultation processes or projects, for example PEF (product environmental footprint) technical secretariate. - Through multistakeholder initiatives. - Specific events such as our 2019 "Change Makers Lab". - Annual anonymous stakeholder survey. 	<ul style="list-style-type: none"> - Formal partnerships. - Implementation partnerships. - Direct dialogue on global or local level. - Through multistakeholder initiatives. - Input to strategy developments. - External meetings and conferences. - Webinars. - External meetings and conferences. - Annual anonymous stakeholder survey. 	<ul style="list-style-type: none"> - Direct dialogue on global or local level. - Through multi-stakeholder initiatives. - Input to strategy developments. - External meetings and conferences. - Specific events such as our 2019 "Change Makers Lab". - Annual anonymous stakeholder survey. 	<ul style="list-style-type: none"> - Annual General Meeting - Annual reports (financial and sustainability), quarterly reports and related press and telephone conferences. - Individual meetings and calls. - External meetings and conferences. - Webinars - Annual anonymous stakeholder survey.
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KEY ISSUES RAISED									
- Product quality and durability	- Job security, growth and development	- Community investments	- Long term relationships	- Job opportunities and security	- Industry wide social and environmental challenges, such as supply chain working conditions, wages, biodiversity loss or climate change	- Supply chain due diligence	- Innovation for a circular economy	- Social and economic development contribution & social impacts	- Sales development
- Product affordability	- Equal opportunities, inclusion & diversity	- Current and future employment, skill development and contributions to growth and development	- Responsible purchasing practises	- Health and Safety	- Best practice in pre-competitive matters	- Taxonomy	- Climate impacts and innovations	- Climate impacts and innovations	- Long term profitability
- Product design	- Compensation and benefits	- Environmental and social impacts	- Capacity building and mutual skills transfer	- Fair wages & working conditions	- Legal and regulatory requirements and opportunities to jointly influence policy decisions (ie to advance regulatory efforts to meet the Paris Agreement)	- Product safety and quality standards	- Material innovations	- Circular Innovation	- Expansion
- Relationship management, service, shopping experience and customer journey	- Training and career progression	- Community support (i.e. disaster relief or garment donations)	- Compliance with our requirements	- Responsible purchasing practises	- Establishing industry-wide solutions for impact measurements and making these transparent to customers	- Non financial reporting	-Biodiversity	- Responsible consumption and circular business models	- Sustainable business model
- Transparency on where products are made, as well as social and environmental footprints	- Community engagement	- Impact transparency and engagement in strategy development	- Workplace dialogue, industrial relations and collective bargaining	- Industrial relations systems and Freedom of Association		- Product labelling, claims and transparency	- Microfibres and microplastics	- Water and chemicals management	- Risk and opportunity management
		-		- Non discrimination and equal opportunities		- Strengthening legal frameworks to support transition to circular and climate positive supply chains and business models	- Wages and freedom of association in the supply chain	- Microfibres and microplastics	- Innovation management
							- Equality	- Biodiversity	