Material Categorisation

What is this?
Our material categorisation framework is designed to guide product teams at H&M Group to take better sourcing decisions.

How does it work?
Using this framework allows us to compare materials within a material family, for example paper or cotton or leather. Materials in each family are categorised into four groups - A, B, C and D. Those in group A-C are our preferred materials while materials in group D include conventional, virgin materials.

Our aim is to increasingly move towards the highest category and continually raise the bar in our requirements. Materials that fall in the higher categories, i.e. A and B need to be certified by credible third parties. For materials where third-party certifications do not yet exist, we establish alternative schemes to ensure responsible sourcing. For recycled materials, we have two different approaches – the fully certified supply chain and GRS certified manufacturers using chemical tracers to verify the recycled content.

The material categorisation is guided by our animal welfare and material ethics policy as well as Textile Exchange’s Preferred Fiber & Materials Matrix methodology. We evaluate the environmental impact of each material using third-party lifecycle assessment (LCA) data. This includes LCAs for individual materials as well as external material benchmarks based on LCA data, such as the Material Sustainability Index (MSI) by Sustainable Apparel Coalition (SAC). Using these third-party assessments helps to create industry alignment and makes it easy for customers and stakeholders to compare and understand how we are doing.

The categories
The highest category, A, includes recycled fibres as well as natural or regenerated fibres made from agricultural residues. Regenerative organic farming that prioritises soil health also falls into this category.
Category B includes organic fibres as well as synthetic fibres or plastics made with biobased certified feedstocks. Recycled polyester from PET bottles also falls into this category because although it’s recycled, textile to textile recycling is preferred to truly close the loop. In terms of manmade cellulosic fibres, this category includes FSC certified feedstock that uses less hazardous solvents in a closed loop production process.

Category C includes materials and fibres that have less impact compared to the conventional option, for example bast fibres that are farmed more responsibly, require relatively little water to cultivate, grow fast and usually don’t need pesticides. Synthetic fibres and plastics made with biobased feedstock and certified with a mass-balance approach fall into this category. Manmade cellulosic fibres that use FSC certified feedstock in a production process that meets the emissions limits set in EU BREF on production of polymers.

Finally, as previously explained, the lowest category (D) includes conventional, virgin materials.

Regularly reviewed

We recognise that working with materials is an ongoing process that requires a progressive approach and that materials need to be evaluated regularly to make sure we take into consideration the latest science, best practices and knowledge. This benchmark will be updated whenever there is new information or data.

<table>
<thead>
<tr>
<th>FIBER/MATERIAL</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>COTTON</td>
<td>RECYCLED COTTON - GRS/RCS</td>
<td>ORGANIC COTTON - OCS, GOTS</td>
<td>BETTER COTTON, Better cotton initiative, BCI</td>
<td>CONVENTIONAL COTTON</td>
</tr>
<tr>
<td>MAN MADE CELLULOSIC FIBRES</td>
<td>NEXT GENERATION FIBERS (RECYCLED CELLULOSICS, AGRICULTURAL RESIDUES) - GRS/RCS, RSB</td>
<td>LYOCELL - FSC CERTIFIED FEEDSTOCK</td>
<td>MODAL - FSC CERTIFIED FEEDSTOCK VISCOSE - FSC CERTIFIED FEEDSTOCK</td>
<td>CONVENTIONAL MAN-MADE CELLULOSIC FIBRES</td>
</tr>
<tr>
<td>BAST &amp; OTHER NATURAL FIBERS</td>
<td>RECYCLED FIBRES, GRS/RSC AGRICULTURAL RESIDUES, RSB</td>
<td>ORGANIC LINEN - OCS, GOTS</td>
<td>LINEN HEMP</td>
<td>CONVENTIONAL VIRGIN PAPER</td>
</tr>
<tr>
<td>PAPER</td>
<td>RECYCLED PAPER - FSC, GRS/RCS AGRICULTURAL RESIDUES - RSB</td>
<td>PAPER - FSC</td>
<td></td>
<td>CONVENTIONAL VIRGIN PAPER</td>
</tr>
<tr>
<td>WOOD</td>
<td>RECYCLED WOOD - FSC, GRS/RCS</td>
<td>WOOD - FSC</td>
<td></td>
<td>CONVENTIONAL VIRGIN PAPER</td>
</tr>
<tr>
<td>POLYESTER</td>
<td>RECYCLED POLYESTER - Textile to Textile, GRS/RCS</td>
<td>RECYCLED POLYESTER FROM PET BOTTLE - GRS/RCS</td>
<td>BIOBASED FEEDSTOCK - ISCC</td>
<td>CONVENTIONAL VIRGIN POLYESTER</td>
</tr>
<tr>
<td>ACRYLIC</td>
<td>POST-CONSUMER RECYCLED - GRS/RCS</td>
<td></td>
<td></td>
<td>CONVENTIONAL VIRGIN ACRYLIC</td>
</tr>
<tr>
<td>POLYAMIDE</td>
<td>POST-CONSUMER RECYCLED - GRS/RCS</td>
<td>BIOBASED FEEDSTOCK - RSB</td>
<td>PRE-CONSUMER RECYCLED - GRS/RCS OR BIOBASED FEEDSTOCK - ICSS</td>
<td>CONVENTIONAL VIRGIN POLYAMIDE</td>
</tr>
</tbody>
</table>
### ELASTANE
- POST-CONSUMER RECYCLED - GRS/RCS
- PRE-CONSUMER RECYCLED - IN COMBINATION WITH BIOBASED FEEDSTOCK, GRS/RCS, ISCC
- PRE-CONSUMER RECYCLED - GRS/RCS OR BIOBASED FEEDSTOCK, - ICSC

### WOOL & ANIMAL HAIR
- RECYCLED WOOL & ANIMAL HAIR - GRS/RCS
- RESPONSIBLE & REGENERATIVE WOOL
- RESPONSIBLE WOOL - RWS
- THE GOOD CASHMERE STD - GCS
- RESPONSIBLE MOHAIR STD - RMS

### DOWN
- RECYCLED DOWN - GRS/RCS
- RESPONSIBLE DOWN - RDS

### SILK
- RECYCLED SILK - GRS/RCS
- ORGANIC SILK - GOTS

### LEATHER
- POST-CONSUMER RECYCLED - GRS/RCS (TOTAL CHROMIUM CONTENT <500PPM)
- RESPONSIBLY AND REGENERATIVELY SOURCED LEATHER ORIGINATING FROM KNOWN FARMS THROUGH TRACEABILITY PROJECTS
- PRE-CONSUMER RECYCLED - GRS/RCS (WASTE FROM OUR OWN SUPPLY CHAIN)

### PLANT BASED ALTERNATIVES TO PU/TPU
- COATING: BIOBASED COATING >90%
- BIOBASED CONTENT >55% - RSB
- POST-CONSUMER RECYCLED >50% - GRS/RCS
- FILLER: BIOBASED CONTENT >10%, RSB
- BACKING: RECYCLED, GRS/RCS ORGANIC, GOTS/OCS BIOBASED FEEDSTOCK, RSB

### RUBBER
- RECYCLED RUBBER - GRS/RCS
- RECYCLED THERMOPLASTIC RUBBER (TPR) - GRS/RCS
- NATURAL RUBBER - FSC OR BIOBASED FEEDSTOCK - RSB, ISCC

### PLASTICS
- POST-CONSUMER RECYCLED - GRS/RCS
- POLYETHYLENE TEREPTHALATE (PET)
- POLYMETHYLACRYLATE (PMMA)
- THERMOPLASTIC POLYURETHANE (TPU)
- POLYETHYLENE (PE)
- POLYPROPYLENE (PP)
- POLYCYCLOHEXYLIDIMETHYLENE TEREPTHALATE GLYCOL (PCTG)
- POLYETHYLENE TEREPTHALATE GLYCOL (PETG)

### METAL
- RECYCLED METAL - GRS/RCS or SCS

### GLASS
- RECYCLED GLASS - GRS/RCS

### Glossary of abbreviations
FSC
Forest Stewardship Council

GOTS
Global Organic Textiles Standard

GRS/RCS
Recycled Claim Standard/Global Recycled Standard

ISCC
International Sustainability and Carbon Certification

OCS
Organic Content Standard

RDS
Responsible Down Standard

RMS
The Responsible Mohair Standard

RSB
Roundtable on Sustainable Biomaterials

RWS
Responsible Wool Standard

SCS
SCS Global Services