# Governance of Respect for Human Rights

## Policy commitment

### A1 What does the company say publicly about its commitment to respect human rights?
- **SD:** 4, 7, 40, 61, 63-64, 67, 77
- **Notes:** See also our [Human Rights Policy](#).

### A1.1 How has the public commitment been developed?
- **SD:** 61, 63-64
- **Notes:** In December 2012, H&M Group adopted its Human Rights Policy. This policy is based on the UNGPs, the Universal Declaration of Human Rights (including the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) and other international standards and guidelines. The policy is approved by H&M Group’s CEO and throughout its development, stakeholders (both internal and external) were consulted and had the opportunity to give input to the content. In 2020, H&M Group finalised its revised Human Rights Policy, following a policy review initiated in 2016.

### A1.2 Whose human rights does the public commitment address?
- **SD:** 15, 61, 63
- **Notes:** See also our [Human Rights Policy](#).

### A1.3 How is the public commitment disseminated?
- **SD:** 63-64, 79-80, 82
- **Notes:** See also our [Sustainability Commitment](#).

## Embedding respect

### A2 How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?
- **SD:** 61, 63-64
- **Notes:** See also our [Human Rights Policy](#), [Salient Human Rights Issues](#), and [Sustainability Commitment](#).

### A2.1 How is day-to-day responsibility for human rights performance organized within the company, and why?
- **ASR:** 87-88
- **Notes:** See also our [Human Rights Policy](#).

### A2.2 What kinds of human rights issues are discussed by senior management and by the Board, and why?
- **ASR:** 62-64, 87-88
- **SD:** 69
- **Notes:** See our [Human Rights Policy](#) and [Modern Slavery Statement](#).

### 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?
- **ASR:** 87-88
- **SD:** 15, 63-64, 79-80
- **Notes:** See also our [Human Rights Policy](#) and [Modern Slavery Statement](#).
### A2.4 How does the company make clear in its business relationships the importance it places on respect for human rights?

**ASR:** 87-90  
**SD:** 61, 63-64, 82-85  

See also our Human Rights Policy and Modern Slavery Statement.

### 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?

**SD:** 47, 64, 80, 85  

See also our Human Rights Policy and Modern Slavery Statement.

### 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.

**SD:** 63  

See also our Salient Human Rights Issues.

#### B2 Determination of salient issues: Describe how the salient human rights issues were determined, including any input from stakeholders.

**SD:** 15-16, 63  

See also our Salient Human Rights Issues.

#### B3 Choice of focal geographies: If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.

See note  

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: see our Salient Human Rights Issues.

#### 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.

**SD:** 63-64  

H&M Group’s salient issues remain the same in 2022, although we work towards an increasingly granular view through applied risk analysis across geographies and different part of our value chain.

The Covid-19 pandemic continued into 2022, but by this point the management of associated health risk had increasingly become part of normal operations.

The trend of political instability and challenges to democracy continue, calling for special consideration in due diligence. During the year, the war in Ukraine affected our operations in Ukraine, Belarus and Russia, and we saw an increase influx of refugees into other parts of Europe.

Due to various overlaying factors, the growth of the global economy has slowed and inflation has increased in many markets where we have business activities. This has effects on economic performance as well as on real wage development.
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? SD: 7, 63-65, 77, 82

C1.1 How does the company make clear the relevance and significance of such policies to those who need to implement them? ASR: 87-90 SD: 63-65, 70-71

Stakeholder engagement

C2 What is the company’s approach to engagement with stakeholders in relation to each salient human rights issue? ASR: 87-90 SD: 15, 35-37, 61, 63-71, 77-85

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? ASR: 87-90 SD: 15, 61, 63-64

C2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why? ASR: 87-90 SD: 15, 35-37, 61, 63-71, 77-85

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? SD: 15, 35-37, 61, 63-71, 77-85

Assessing impacts

C3 How does the company identify any changes in the nature of each salient human rights issue over time? ASR: 88-89 SD: 63-64

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? SD: 20-21, 35-37, 61, 63-85

C3.2 During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they? ASR: 98-102 SD: 35-37, 61, 63-71, 77-85
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<thead>
<tr>
<th>Indicator</th>
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<td><strong>Integrating findings and taking action</strong></td>
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<tr>
<td>C4</td>
<td>How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?</td>
<td>ASR: 87-89 SD: 63-64, 83</td>
<td>See also our <a href="#">Salient Human Rights Issues</a></td>
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<td>C4.1</td>
<td>How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions?</td>
<td>ASR: 87-89 SD: 63-64, 83</td>
<td>See also our <a href="#">Salient Human Rights Issues</a></td>
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<td>C4.2</td>
<td>When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?</td>
<td>ASR: 87-89 SD: 63-64</td>
<td>See also our <a href="#">Salient Human Rights Issues</a></td>
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<td>C4.3</td>
<td>During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?</td>
<td>ASR: 91-93, 99-102 SD: 35-37, 61, 63-71, 77-85</td>
<td>See also our <a href="#">Modern Slavery Statement</a> and our <a href="#">Salient Human Rights Issues</a></td>
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<td><strong>Tracking performance</strong></td>
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<td>C5</td>
<td>How does the company know if its efforts to address each salient human rights issue are effective in practice?</td>
<td>ASR: 89-90, 92, 100, 102 SD: 20-21, 35-37, 61, 63-85</td>
<td>See also our <a href="#">Modern Slavery Statement</a></td>
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<td>C5.1</td>
<td>What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?</td>
<td>ASR: 91-93, 99-102 SD: 35-37, 63-85</td>
<td>See also our <a href="#">Modern Slavery Statement</a></td>
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<td>NOTES</td>
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<td><strong>Remediation</strong></td>
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| 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? | ASR: 89, 101-102  
SD: 63-70, 82-85 |
| C6.1 | Through what means can the company receive complaints or concerns related to each salient issue? | ASR: 89, 101-102  
SD: 63-70, 82-85  
See also our Global Grievance Policy |
| C6.2 | How does the company know if people feel able and empowered to raise complaints or concerns? | ASR: 89, 101-102  
SD: 68-70  
See also our Global Grievance Policy |
| C6.3 | How does the company process complaints and assess the effectiveness of outcomes? | ASR: 89, 101-102  
SD: 63-70, 82, 84-85  
See also our Global Grievance Policy |
| 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? | ASR: 101-102  
SD: 69 |
| 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? | ASR: 89, 101-102  
SD: 69, 85 |