

# Clean Clothes Campaign

International Office 

Amsterdam, 21 March 2018

## Response to the “Review of H&M group’s Roadmap to Fair Living Wage” by ETI (2018)

### Introduction

In 2013, H&M published its ‘Roadmap towards a fair living wage’, in which the fast fashion retailer laid out several goals for the years to follow. They included a commitment for 850,000 workers to be paid a living wage by 2018.

In the wake of public scrutiny over H&M’s failure to meet that commitment, Ethical Trading Initiative (ETI) was asked by H&M – one of ETI’s dues paying members, along with Asos, C&A, Inditex and others – to perform an evaluation of the brand’s progress over the past five years (2014-2018). In December 2018, this evaluation was published as the “Review of H&M group’s Roadmap to fair Living Wage” (hereafter: the Review).

Clean Clothes Campaign International office (hereafter: CCC) was one of the stakeholders that ETI contacted in its research phase. Some of our assessments of H&M’s living wage work are reflected in the Review, and we agree with most of ETI’s recommendations. However, we were surprised to note that some essential information is not highlighted strongly enough or is completely missing from the Review. We believe that including this information would have led to additional findings and recommendations.

This paper lays out key shortcomings of the Review that are strongly intertwined with the shortcomings of H&M’s roadmap itself, and even more so with the way H&M approached its implementation.

## Summary of findings

As we explain in more detail in the rest of this paper, we found the following key shortcomings in the Review:

1. Instead of the original roadmap documents, ETI presented an edited version in the Review, thus omitting several specific goals that H&M did not meet, including the commitment for 850,000 workers to be paid a living wage by 2018.
2. ETI blames the lack of progress on “clumsy communication”, but as a multi-billion dollar company H&M has sufficient resources to ensure that their communication is clear and consistent. There are other reasons to believe that what is interpreted as “clumsiness” was, in fact, intentional.
3. Instead of evaluating whether H&M has made meaningful progress on wages, the Review praises H&M for simply *trying*, without acknowledging that actual progress would require changes to the way H&M operates its supply chain.
4. ETI allows H&M to evade responsibility for ensuring that human rights, including the right to a living wage, are respected in its supply chain, thereby ignoring the UN Guiding Principles for Business and Human Rights.
5. Despite acknowledging that the mechanism of freely elected worker representatives has serious downsides, ETI does not critically assess H&M’s use of this mechanism as an indicator in its living wage work.

## Detailed findings

### **1. Omission of important targets and commitments**

The roadmap that ETI included in the Review is not the original roadmap as it was published by H&M back in 2013 (see Annex 1). Instead, the Review presents a still from a video that shows only a part of the roadmap (see Annex 2).

It is unclear why the original, complete roadmap was not used: because H&M has taken it offline, or because ETI and H&M thought that only a handful of the original goals were worth considering. Regardless of the context, some important targets and commitments are missing in the Review based on the edited version of the roadmap, namely:

- H&M’s commitment to “secure that we pay a price which enables our suppliers to pay their textile workers a fair living wage and reduce overtime”;
- The specific commitment that 850,000 workers would be paid a living wage through improved pay structures by 2018;
- The commitment to engage in a process with production countries’ governments to identify a living wage level, set a legal minimum wage accordingly and review wages thereafter;
- H&M’s vision that all workers employed by its commercial goods suppliers should earn a living wage.

Moreover, the goals that ETI lists as having been defined by H&M in 2013 differ from the ones that H&M reported at the time. The Review lists these three goals (contrast them with Table 1 below):

1. By 2014, develop a roadmap addressing H&M’s purchasing practices to improve existing price method and improve purchasing plans.
2. By 2014, implement and evaluate in three model factories the Fair Wage Method, and by 2018 all H&M’s strategic suppliers should have well-functioning pay structures.
3. In 2013, launch an industrial relations project in Cambodia, and in 2014 expand H&M group’s existing social dialogue project in Bangladesh to cover 15% of suppliers’ factories and by 2018, 100%.

Table 1: Fair Living Wage goals listed by H&M in the 2013 Sustainability report<sup>i</sup>

Focus – Fair Living Wage		Deadline
Conscious action 2.13	Develop our purchasing practices further to support our suppliers in paying a fair living wage and reducing overtime	2015
Conscious action 2.14	Set up model factories and implement the Fair Wage Method	2014
Conscious action 2.15	Establish improved pay structures for paying fair living wages at all strategic suppliers	2018
Conscious action 2.16	Set advocacy plan to strategically engage governments on wage issues	2014
Conscious action 2.17	Define needs and update strategy for extended skill development programme for garment workers 2014	2014
Conscious action 2.18	Update our code of conduct	2014

## 2. More than a matter of “clumsy communication”

When H&M announced their living wage commitments in 2013, the company received a lot of positive media attention<sup>ii</sup> and praise from consumers. However, the company did not follow through on its promises, and it has come under substantial public scrutiny as a result.<sup>iii</sup>

As ETI itself mentions multiple times in the Review (pages 5, 6, 20-21, 36), H&M has been unclear about its precise goals and targets. Indeed, they have changed multiple times, as we show in more detail below. The Review attributes this to “clumsy communication”. In contrast, we interpret it as a blatant attempt by H&M to obfuscate original commitments and skirt responsibility.

Given that H&M is a multi-billion dollar company with vast communications resources at its disposal – and is certainly able to communicate clearly with a variety of stakeholders on a number of issues, including wage – the retailer should not be getting a free pass but should instead be held accountable for its commitments.

Below we offer some examples of the ways in which H&M has repeatedly changed the goalposts and attempted to obscure its own lack of progress.

Table 2: H&M’s reported progress on conscious action 2.15: Establish improved pay structures for paying fair living wages at all strategic suppliers

	2015	2016	2017	Original target for 2018 (set in 2013)	New target (set in 2016)	ETI’s Review based on H&M’s claims (2018)
no. of factory units of strategic suppliers	68	140	227	750	Unclear	500
% of product volume	unclear	29%	40%	60%	50%	67%
no. of workers reached	unclear	250,000	375,586	850,000	Unclear	635,000

In addition to the targets and indicators presented in Table 2, it is worth considering another aspect of H&M’s public communication on wages: **the Fair Wage Method**.

H&M introduced this concept in its 2013 Sustainability report.<sup>iv</sup> The report did not specify the meaning of this concept, but it referred to a website<sup>v</sup> that does not exist at the time of writing and to the website of the Fair Wage Network<sup>vi</sup>. H&M stated that the pay structures they referred to in their conscious action “...build on implementing the Fair Wage Method (FWM) developed by the Fair Wage Network. This defines twelve dimensions of wages that need to be in place to make a fair living wage”.<sup>vii</sup>

On their website, the Fair Wage Network defines the 12 dimensions which can be interpreted as conditions for a fair wage.<sup>viii</sup> Only when all 12 conditions are met can one speak of a ‘fair wage’. The actual value of what a living wage should be is just one of the 12 conditions.

H&M itself took until May 2018 – the year when this “conscious action” was supposed to be implemented – to clarify what they mean by the FWM and how it is supposed to be implemented. Sustainability reports that were published in 2014, 2015, 2016 and 2017 all failed to do so.

Yet, despite the lack of a clear description of the FWM and how H&M was implementing each of the 12 dimensions, H&M reported some results already for 2014. Indeed, H&M’s 2015 Sustainability report brings claims of progress: the FWM had been scaled up to 68 of H&M’s strategic suppliers<sup>ix</sup>. The aim for that year was to scale up to 60 strategic suppliers (H&M, 2014: 45). Note that it is not clear which of the 12 dimensions of a fair wage H&M refers to when they say the FWM is being implemented.

The ‘indicator for success’ that had been introduced by the company in its 2014 Sustainability report seems to have changed a year later. In 2014 H&M stated that workers’ attitudes towards the pay system in place in their factory is important. In 2015 this indicator was replaced by assessing workers’ perception of their wages (H&M, 2015: 48). Surveys that ought to assess this indicator were reportedly done by the Fair Labour Association (FLA).

H&M’s 2016 Sustainability report stated that the FWM had been implemented in 140 factories<sup>x</sup>, which is slightly less than the 146 suppliers the company had aimed for according to their 2015 Sustainability report.

In September 2018, H&M claimed to have reached its target, because 500 factories – representing 67% of its product volume and 635,000 workers – are implementing improved wage management systems. Which of the FWM’s 12 dimensions H&M is referring to remains unclear.<sup>xi</sup>

A key problematic aspect of ETI’s Review is that it adopts H&M’s claims about its achievements without publicly addressing questions such as:

- Why did H&M keep introducing, changing and removing indicators?
- What do some of the key indicators entail in concrete terms?
- How do those indicators contribute to the goal of realizing living wages in the supply chain?
- How are worker surveys undertaken in the Wage Management System process?
- What is the status of the implementation and adoption of all elements of the Wage Management System at the current 500 suppliers?

By ignoring issues such as these, ETI and H&M are both focusing on successes – such as the suppliers’ satisfaction with H&M as a business partner – that have little or nothing to do with what was described in the original roadmap and with actual wage improvements for workers.

### **3. Trying should not be seen as good enough**

There is clear evidence that garment brands’ purchasing practices negatively impact workers’ wages. This happens through:

- the extremely low prices they pay to their suppliers;
- the unrealistic production targets and reducing the number of workers per line;
- constantly pitting suppliers and countries against one another in search of the lowest possible price, and with that creating a fear among governments and employers: of capital flight if wages increase.

ETI does acknowledge that there are worrisome processes ongoing in H&M’s supply chain and that they are the underlying causes of poverty wages. Moreover, the Review rightly, if very briefly, refers to some of the effects that brands’ purchasing practices have on workers: they are unable to make ends meet (page 5) and live in poverty despite being part of the supply chain of a highly profitable multi-billion dollar company.

However, the Review does not scrutinize whether H&M has made any substantial changes to the way it operates its supply chain; and instead of evaluating whether the company has actually achieved meaningful progress on wages, the Review praises H&M for simply *trying* to achieve progress on wages, without acknowledging that it is impossible to do so without altering supply chain practices.

Whereas we agree that it is hard to trace the net result of H&M’s efforts, as the Review repeatedly points out, it is important to acknowledge H&M’s public admission that none of the workers in its supply chain are earning a living wage. That is a clear sign that trying is not good enough, and it should weigh heavily in an evaluation of progress on the commitment to deliver a living wage.

### **4. Lack of engagement on living wage as a human right**

The Review accepts that “H&M did not set out to determine specific wage levels” (page 3). Despite endorsing the right to living wages for all textile workers<sup>xii</sup>, H&M says that it does not want to impose specific wage levels on its suppliers because that would not have a lasting effect on workers’ wages.

H&M mentions two reasons for not engaging in a process of determining a living wage level:<sup>xiii</sup> increased inequality between workers who are and those who are not employed at H&M supplier factories, or those who work on an H&M’s order and those who do not; and the inability to determine a fair wage level for

workers. We find these arguments unconvincing. Instead of justifying the failure to deliver a living wage, they demonstrate the fact that H&M is not willing to undertake a thorough assessment of workers' needs, and is refusing to acknowledge its own role in the setting of workers' wages in its supply chain.

By shifting the responsibility to the weaker parties in the supply chain, and accepting H&M's arguments, respectively, H&M and ETI ignore the UN Guiding Principles for Business and Human Rights. They state that, "The responsibility to respect human rights is a global standard of expected conduct for all business enterprises wherever they operate. It exists independently of States' abilities and/or willingness to fulfil their own human rights obligations, and does not diminish those obligations. And it exists over and above compliance with national laws and regulations protecting human rights".<sup>xiv</sup>

This means that where states fail to ensure workers are being paid a living wage – a human right according to the UN – companies are not allowed to take commercial advantage of that, and must instead themselves take effective measures to ensure that human rights are respected.

Instead of doing so, and ensuring that the 1.6 million workers in their supply chain can live decent lives without further delay, H&M is trying to evade responsibility and is indirectly saying that it is better to leave those workers and their families trapped in poverty. Clearly, this is not something we can accept, and we expect ETI to also be more critical on this point.

In-company inequality should be avoided, of course, but this can be done by making sure that all workers at a supplier factory benefit equally, and not just those that happen to work on the H&M order. In terms of inequality between companies: some workers will earn more than others, yes – but that is also the case under the status quo scenario.

Another thing stands out when one looks at H&M's original roadmap and the various follow-up documents. Under the header "Governments" in the original roadmap (see Annex 1) H&M clearly referred to working towards closing the gap between current statutory minimum wages and wages at a living wage level by engaging with local governments in a process that would identify a living wage level. Yet, this element was not included in the 2013 Sustainability report nor in the subsequent ones, and the Review does not address this matter at all.

## **5. Worker committees are not a relevant indicator nor a substitute for union representation**

The Review adopts H&M's claim that, "594 factories (representing 73% of its product volume) are implementing freely elected worker committees, reaching 840,000 workers" (page 4). The Review also refers to H&M's claim that these committees are in place in 100% of its suppliers in Bangladesh (page 26) without looking at these numbers more closely, and without questioning their validity as an indicator of success in an evaluation of H&M's living wage work. Yet, in Bangladesh, where H&M is the largest buyer, these worker committees are not allowed to negotiate on wages. In that light, presenting this as an achievement in relation to H&M's living wage commitments is clearly misplaced to begin with.

The Review does point out that there are serious downsides to this form of worker representation in comparison with effective formal union representation, and it states that, "while social dialogue can improve relations between workers and managers, effective formal trade union representation will be likely to have a more direct impact on changing wage systems in factories" (page 26).

The Review does not expand on this, but one of the most important reasons why workers committees are essentially not the same as unions and therefore do not have the same leverage is because worker committees often include factory management, or are influenced by the management in other ways. For instance, the relevant section of the labour law in Bangladesh was recently improved, but it is still severely criticized by

International Labor Organization and international trade unions because of the role employers are allowed to play in the election process. Furthermore, there is public evidence, for example from Human Rights Watch,<sup>xv</sup> that worker participation committees in Bangladesh have been used to thwart unions.

It has been well known, beyond Bangladesh, that worker committees can be used to undermine formal organizing, and that allowing workers to freely elect their representatives, while in itself positive, is no guarantee of these committees functioning as intended.<sup>xvi</sup> Global union federations in particular have frequently warned against such ‘parallel means’. Workers should be allowed and able to organize themselves, free of any interference of factory management.

ETI has also acknowledged this<sup>xvii</sup>, referring to the alarming trend of increasing repression against union leaders in some of H&M’s most prominent production countries like Bangladesh, Cambodia and Turkey. Yet, the Review does not clearly recommend that H&M should make sure the repression ends and there is genuine freedom of association, instead of investing in an alternative and weaker form of worker representation.

The Review looks at research into workplace dialogue programmes at H&M supplier factories in Cambodia and Bangladesh (page 26), noting that while there are some cases where workers’ awareness of their rights has grown, “there is no evidence to suggest that awareness has grown in all H&M group production countries”.

The Review presents some cases where workplace social dialogue programmes focused on supporting trade unions (such as Global Framework Agreements) have led to more space for organizing, but it does not present any evidence linking such progress to the establishment of freely elected worker committees.

ETI recommends for H&M to “measure the effectiveness of its broader workplace dialogue programme in order to understand its impact over time on factory working conditions and benefits, and how this supports improvement on wages and other pressing labour rights issues”.

Given that ETI acknowledges the lack of evidence and the limits of freely elected worker committees, we were negatively surprised to note that the Review does not challenge the notion of there being a direct link between H&M ‘reaching’ 840,000 workers in this manner, and increasing the space for trade unions to form and (eventually) reach wage increases.

## **Conclusion**

This paper has raised a series of issues with H&M’s living wage work that ETI’s Review did not cover sufficiently, or not at all. The resulting shortcomings of the Review include: using an edited version of H&M’s roadmap that does not contain several relevant commitments specified in the original documents; letting H&M get away with a failure in delivering on those commitments by attributing the situation to “clumsy communication”; praising H&M for simply trying, without addressing structural supply chain issues that H&M has not tackled; and accepting the mechanism of worker committees as a credible indicator of progress in the area of living wage despite ETI’s own criticism of that mechanism.

Contrary to ETI’s assessment, we consider the way that H&M has been communicating about its living wage work to be an attempt to obfuscate original commitments and skirt responsibility. We documented some specific examples in “Lost and found: H&M’s living wage roadmap”, available on the website of the #TurnAroundHM campaign.<sup>xviii</sup> Furthermore, we find a number of indicators that H&M has presented as relevant for the pursuit of a living wage – and ETI adopted in the Review – to have little or nothing to do with what was described in the original roadmap and with actual wage improvements for workers.

There are strong reasons to be critical of H&M's roadmap and the lack of progress on delivering actual wage improvements. Yet, the Review does not pursue those avenues, not even on issues that ETI has expressed similar views on as we hold at the CCC. Instead, the Review offers excuses for why the pace of progress has been so slow, and why workers at H&M supplier factories are still far from earning living wages.<sup>xix</sup>

One can argue about whether or not alternative strategies would be likely to produce better results. Regardless of where one stands on this point, however, it is an undeniable fact that H&M has so far failed to guarantee respect for a core human right that is also included in H&M's own base code of conduct. That is a massive and urgent problem that the Review did not address, thereby giving H&M further room for handling this issue as a public relations exercise. For example, H&M's press release in September 2018 that also announced the ETI evaluation was titled "H&M Group reaches close to a million workers with its Fair Living Wage Strategy",<sup>xx</sup> despite the fact that this so-called strategy has not led to a single worker actually making a living wage.

We have repeatedly called on H&M to take concrete steps toward a living wage actually being paid to workers, namely:

- Publish a detailed road map on wage increases, with time-bound, measurable wage level increase targets and time-bound actions in the field of purchasing practices.
- Invest in long term, sustainable relationships with factories.
- Invest in measurable and transparent changes in real wages of workers in the H&M supply chain.

We have also repeatedly called for transparency, as this is another area where H&M strayed off course it chartered in 2013. Instead of getting ever more nontransparent, as it is currently the case, H&M needs to publish the following:

- Information on the living wage pilot projects carried out as part of H&M's commitment, including concrete factory information, wage level and development through time at each factory, and lessons learned.
- Definition of a "fair living wage" as well as information on the proposed methodology to calculate a "fair wage" and to make sure that it is actually paid.
- Based on the above definition, minimum acceptable wage levels – in concrete terms – for all H&M's production countries.
- Detailed information about efforts made within existing living wage initiatives such as ACT.
- A cost breakdown of the pricing structure, specifying how labour costs are calculated at present and how that is different from before H&M's living wage commitment was made, including information on how much more H&M is paying to suppliers to ensure that FOB-prices are high enough to pay all workers the "fair wage". (Note: FOB stands for "free on board", which is a price that includes all costs up to placing the garments aboard a ship an overseas vessel.)

We urge ETI to take these points on board in all future work with H&M and other garment brands.

# Annex 1. Original roadmap as published by H&M in 2013

## H&M's roadmap towards a fair living wage in the textile industry

H&M has developed a roadmap based on our vision that a fair living wage covering workers basic needs should be paid by our commercial goods suppliers. It should be enabled through our purchasing practices, and based on a skilled workforce that have their wages negotiated and annually reviewed, involving democratically elected trade unions or worker representatives.

H&M will continuously measure the workers own perception of receiving a wage covering their basic needs, which will be used as a guide in our work. The holistic approach covering H&M as well as factory owners, factory employees and governments takes the wage issue to the next level within the fashion industry, encouraging others to do the same.

### Factory owners

H&M will support factory owners to develop pay structures that enables a fair living wage, ensure correct compensation and overtime within legal limits. This will be explored by implementing the Fair Wage Method in our role model factories, from which we will source 100% of the products during five years.

• By 2014, we will implement the Fair Wage Method in three model factories (one in Cambodia and two in Bangladesh) with a first evaluation already next summer, with the aim to be scaled up.

• H&M's strategic suppliers should have pay structures in place to pay a fair living wage by 2018. By then, this will reach around 850.000 textile workers. Our strategic suppliers are currently 750 factory units producing around 60 % of our products.

### H&M

H&M will further improve our purchasing practices to ensure it enables our suppliers to pay their textile workers for the true cost of labor. Starting 2014 we will:

- Improve our purchasing plans to reduce our suppliers' production peaks and enable them to better prepare the right capacity in their factories.
- Update our Code of Conduct to better reflect our roadmap and goals.
- Develop our price method to ensure the true cost of labor. By doing this we secure that we pay a price which enables our suppliers to pay their textile workers a fair living wage and reduce overtime.

### Vision

A Fair Living Wage, covering workers basic needs, should be paid by all our commercial goods suppliers

### Factory employees

H&M will support textile workers at our supplier factories to have access to education, skill enhancement and ensuring they are employed at a level matching their skills. They should also be able to bargain collectively through elected representatives.

- Starting now, we will run vocational training, a Center of Excellence, together with SIDA and the ILO to meet this need. We will train 5,000 students by 2016 and secure that they start at a wage level reflecting their skills and that they are aware of their own rights and responsibilities.
- We've started a skill development training and will secure employment for 100 supervisors through our Production Management Program in Cambodia.

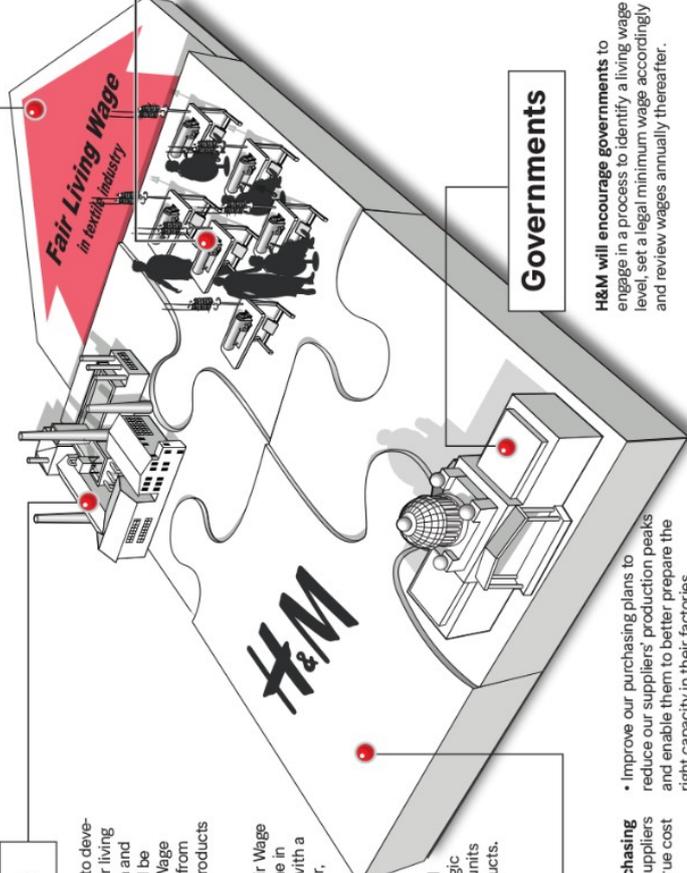
### Governments

H&M will encourage governments to engage in a process to identify a living wage level, set a legal minimum wage accordingly and review wages annually thereafter.

- We will continue to interact with governments and public agencies to advocate for annual wage revision and enforce labour legislation protecting the freedom of association. We will encourage others to do the same.

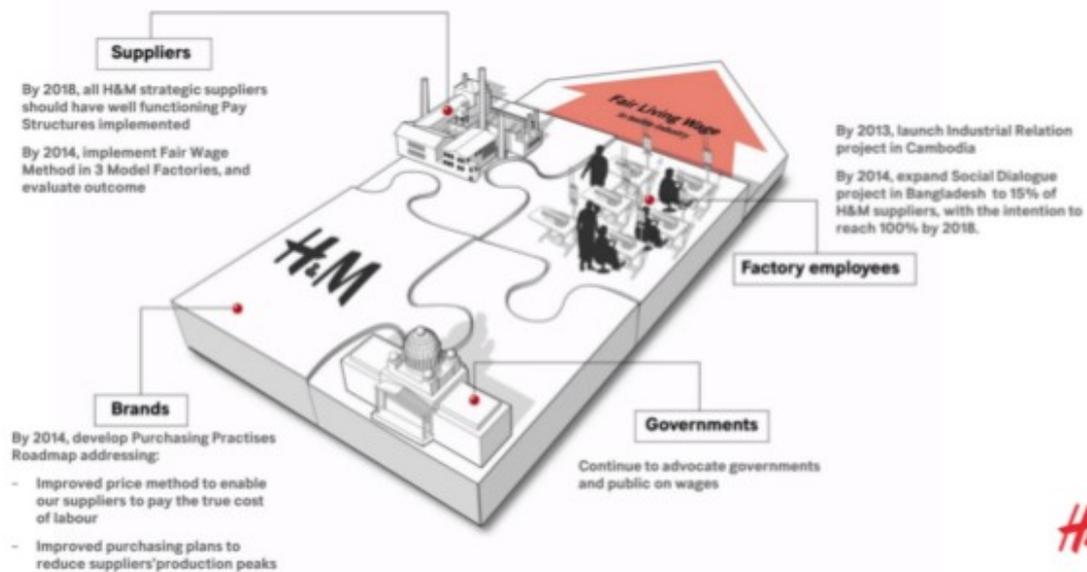
- We are implementing an industrial relation project in Cambodia in cooperation with Swedish trade union IF Metall, SIDA and ILO. The aim is to strengthen the structures for industrial relations in the country and increase collective bargaining.

- By 2014, we will expand our existing social dialogue project so that 15% of H&M's suppliers are trained in social dialogue and have freely elected Workers Participants Committees, with the intention to reach 100% by 2018.



## Annex 2. Edited roadmap used by ETI in the Review

### H&M ROADMAP ON WAGES IN SUPPLY CHAIN



Source: Screenshot from video of Helena Helmersson's 2013 launch speech in Berlin.<sup>1</sup>

- i H&M (2013) Conscious Actions Sustainability Report (page 22). Accessed through: [https://sustainability.hm.com/content/dam/hm/about/documents/en/CSR/reports/Conscious%20Actions%20Sustainability%20Report%202013\\_en.pdf](https://sustainability.hm.com/content/dam/hm/about/documents/en/CSR/reports/Conscious%20Actions%20Sustainability%20Report%202013_en.pdf), on 09-08-2018.
- ii For example: <https://www.theguardian.com/business/2013/nov/25/h-m-living-wage-textile-workers-bangladesh-cambodia>, <https://www.cbc.ca/news/business/h-m-vows-living-wage-for-factory-workers-by-2018-1.2439698>, <http://articles.latimes.com/2013/nov/25/home/la-fi-mo-hm-textile-workers-living-wage-20131125>, <https://www.wsj.com/articles/hampm-aims-to-pay-living-wage-for-garment-workers-1385395508>.
- iii One example is the #TurnAroundHM campaign launched in May 2018 (see [turnaroundhm.org](http://turnaroundhm.org)).
- iv H&M (2013) Conscious Actions Sustainability Report (page 34). Accessed through: [https://sustainability.hm.com/content/dam/hm/about/documents/en/CSR/reports/Conscious%20Actions%20Sustainability%20Report%202013\\_en.pdf](https://sustainability.hm.com/content/dam/hm/about/documents/en/CSR/reports/Conscious%20Actions%20Sustainability%20Report%202013_en.pdf) on 13-08-2018.
- v <http://about.hm.com/content/dam/hm/about/documents/masterlanguage/CSR/Others/HM-fair-living-wage-method.pdf>
- vi <http://www.fair-wage.com/>
- vii H&M (2013) Conscious Actions Sustainability Report (page 34). Accessed through: [https://sustainability.hm.com/content/dam/hm/about/documents/en/CSR/reports/Conscious%20Actions%20Sustainability%20Report%202013\\_en.pdf](https://sustainability.hm.com/content/dam/hm/about/documents/en/CSR/reports/Conscious%20Actions%20Sustainability%20Report%202013_en.pdf) on 13-08-2018.
- viii See <http://fair-wage.com/12-dimensions/>
- ix H&M (2015) Conscious Actions Sustainability Report (page 48). Accessed through: [https://sustainability.hm.com/content/dam/hm/about/documents/en/CSR/2015%20Sustainability%20report/HM\\_SustainabilityReport\\_2015\\_final\\_FullReport\\_en.pdf](https://sustainability.hm.com/content/dam/hm/about/documents/en/CSR/2015%20Sustainability%20report/HM_SustainabilityReport_2015_final_FullReport_en.pdf) on 13-08-2018.
- x H&M (2016) Sustainability Report (page 68). Accessed through: [https://sustainability.hm.com/content/dam/hm/about/documents/en/CSR/2016%20Sustainability%20report/HM\\_group\\_SustainabilityReport\\_2016\\_FullReport\\_en.pdf](https://sustainability.hm.com/content/dam/hm/about/documents/en/CSR/2016%20Sustainability%20report/HM_group_SustainabilityReport_2016_FullReport_en.pdf) on 13-08-2018.
- xi In an online post H&M wrote that “H&M group supports suppliers’ implementation of improved wage management systems through the Fair Wage Method and the Wage Management System Method,” but that does not clarify the issue we are raising. See <https://about.hm.com/en/media/news/general-news-2018/3057029.html>
- xii <https://about.hm.com/en/sustainability/sustainable-fashion/wages.html> accessed on 19-02-2019.
- xiii <http://news.trust.org/item/20181218125448-jutaq/>
- xiv United Nations (2011) *Guiding Principles on Business and Human Rights*. (p.13) Available at: [https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\\_EN.pdf](https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf)
- xv <https://www.hrw.org/news/2017/02/15/bangladesh-stop-persecuting-unions-garment-workers>
- xvi See *The UN Guiding Principles on Business and Human Rights and the human rights of workers to form or join trade unions and to bargain collectively*, available at <https://cleanclothes.org/resources/publications/2012-11-22-ituc-industrial-ccc.pdf/view>
- xvii See *Worker representation and freedom of association: its crucial importance in supply chains*, accessed at <https://www.ethicaltrade.org/blog/worker-representation-and-freedom-association-its-crucial-importance-supply-chains>
- xviii See <https://turnaroundhm.org/dossier>
- xix For example: “winning over supplier management was sometimes more of a challenge than expected” (p. 30); “the past two years had been difficult trading times, which made progress on purchasing practices harder” (p. 29); “[Regulatory] changes for trade unions in Cambodia prevented unions below a certain number of members from negotiating improvements with employers, which may have slowed the rate at which collective bargaining agreements were developed at a factory level.” (p.11)
- xx <https://about.hm.com/en/media/news/general-news-2018/3057029.html>