

# H&M GROUP

## GRI Content Index\*

\*All GRI disclosures below refer to GRI Standard 2017

	IMPACT BOUNDARY	DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION OF DISCLOSURE	EXTERNAL ASSURANCE	NOTE
GRI 102: General Disclosures 2017		102-1	Name of the organization	4		
		102-2	Activities, brands, products, and services	4		Annual Report pages 13, 18-29
		102-3	Location of headquarters	See note		Stockholm
		102-4	Location of operations	5, 65		Annual Report pages 30-31, 35, 47
		102-5	Ownership and legal form	4, 20		
		102-6	Markets served	See note		Annual Report pages 13, 47
		102-7	Scale of the organization	4,5		Annual Report pages 13, 46
		102-8	Information on employees and other workers	See note		Annual Report pages 36-37, 51, 54-63
		102-9	Supply chain	5		See also our value chain map: <a href="http://sustainability.hm.com">sustainability.hm.com</a>
		102-10	Significant changes to the organization and its supply chain	See note		No significant changes in the supply chain.
		102-11	Precautionary principle or approach	See note		We apply the precautionary principle in our environmental work and have adopted a preventative approach with the substitution of hazardous chemicals.
		102-12	External initiatives	23, 30, 32, 62-64, 78, 96		
		102-13	Membership of associations	96		
		102-14	Statement from senior decision-maker	6		
		102-15	Key impacts, risks, and opportunities	5, 10-12, 75-80		Annual Report pages 30-35, 41-44
		102-16	Values, principles, standards, and norms of behaviour	75		

		102-17	Mechanisms for advice and concerns about ethics	90-91, 97-98		
		102-18	Governance structure	14		Also see Corporate Governance report in the Annual Report, pages 50-63
		102-22	Composition of the highest governance body and its committees	See note		Annual Report pages 51, 56-63
		102-23	Chair of the highest governance body	See note		Annual Report pages 51, 56-63
		102-24	Nominating and selecting the highest governance body	See note		Also see Corporate Governance report in the Annual Report, pages 50-63
		102-32	Highest governance body's role in sustainability reporting	See note		Reviewed by all the relevant members of the executive management team and CEO
		102-40	List of stakeholder groups	89, 94-95	Yes	
		102-41	Collective bargaining agreements	See note		Hm.com/suppliercompliance
		102-42	Identifying and selecting stakeholders	89	Yes	
		102-43	Approach to stakeholder engagement	89, 94-95	Yes	
		102-44	Key topics and concerns raised	94-95	Yes	
		102-45	Entities included in the consolidated financial statements	88		Entities concerned are stated in the Annual Report.
		102-46	Defining report content and topic Boundaries	88-89, 91	Yes	
		102-47	List of material topics	90, 92	Yes	
		102-48	Restatements of information	75		
		102-49	Changes in reporting	89		
		102-50	Reporting period	88		
		102-51	Date of most recent report	88		
		102-52	Reporting cycle	88		
		102-53	Contact point for questions regarding the report	99		

		102-54	Claims of reporting in accordance with the GRI Standards	88-89		
		102-55	GRI content index	See note		sustainability.hm.com
		102-56	External assurance	See note		EY also assures our Annual Report and has assured our Sustainability report since 1 December 2011 - 30 November 2012..
ECONOMIC						
GRI 103: Economic Performance 2017	Inside the organisation	103-1/2/3	Management Approach 201			Annual Report pages 46-49, 54-63
		201-1	Sales growth and profitability on an annual basis (in local currencies)			Annual Report pages 46-49
GRI 205: Anti-corruption 2017	Inside and outside the organisation	103-1/2/3	Management Approach, 205 -1/2/3	79-83		
		205-1	Operations assessed for risks related to corruption	81		
		205-2	Communication and training about anti-corruption policies and procedures	79,81		
		205-3	Confirmed incidents of corruption and actions taken	80,84		
ENVIRONMENT						
GRI 301: Materials 2017	Inside and outside the organisation	103-1/2/3	Management Approach 301	27-46		
		301-1	Materials used by weight or volume	36		As requested by many of our stakeholders and for comparability reasons, we report our use of more sustainable cotton in percent and not by weight or volume.
		301-2	Recycled input materials used	35		
		Own Indicator	Tonnes of garment collected from customers	45		
		Own Indicator	Animal welfare	85		
GRI 302: Energy 2017	Inside the organisation	103-1/2/3	Management Approach 302	28, 47-52		
		302-1	Energy consumption within the organization	49	Yes	

		302-3	Energy intensity	48	Yes	
		302-4	Reduction of energy consumption	49		
GRI 303: Water 2017	Inside and outside the organisation	103-1/2/3	Management Approach 303	40-42		
		303-1	Water withdrawal by source	41		
		303-2	Water sources significantly affected by withdrawal of water	41-42		
		303-3	Water recycled and reused	41-42		
GRI 305: Emissions 2017	Inside and outside the organisation	103-1/2/3	Management Approach 305	47-52		
		305-1	Direct (Scope 1) GHG emissions	48, 52	Yes	
		305-2	Energy indirect (Scope 2) GHG emissions	48, 52	Yes	
		305-3	Other indirect (Scope 3) GHG emissions	52	Yes	
		305-4	GHG emissions intensity	48		
		305-5	Reduction of GHG emissions	52		
GRI 306: Effluents and Waste 2017	Inside and outside the organisation	103-1/2/3	Management Approach 306	40-41, 46		
		Own Indicator	% of suppliers factories in full compliance with wastewater quality requirements (BSR)	41-42		
		Own Indicator	Recycling systems in stores	46		
GRI 307: Environmental Compliance 2017	Inside and outside the organisation	307-1	Non-compliance with environmental laws and regulations	See note		We have not identified any non-compliance with environmental laws and/or regulations. (Not a material topic)
GRI 308: Supplier Environmental Assessment 2017	Inside and outside the organisation	103-1/2/3	Management approach 308	21, 23-24, 28-29, 30-33, 40, 47-51		
		308-1	New suppliers that were screened using environmental criteria	83		

## SOCIAL

GRI 401: Employment 2017	Inside the organisation	103-1/2/3	Management approach 401, 402	54-58, 69-70		
		401-1	New employee hires and employee turnover	See note		Annual Report page 36
GRI 402: Labour/ Management Relations 2017	Outside the organisation	402-1	Number of Democratically-elected worker representation at suppliers in % of product volume.	55, 62		
GRI 403: Occupational Health and Safety 2017	Inside and outside the organisation	103-1/2/3	Management approach 403	55-57		
		403-1	Workers representation in formal joint management-worker health and safety committees	57		At H&M group we take occupational health and safety as a priority. This year we have emphasised this by organising a global health and safety week and launching a new Global Health & Safety Policy.
		Own Indicator	Percentage of supplier factories that underwent additional fire and building safety inspections under the Accord.	67		
GRI 404: Training and Education 2017	Inside and outside the organisation	103-1/2/3	Management approach 404	39, 55, 57, 62, 65, 66, 69, 74, 77-78, 80, 84		
		404-1	Average hours of training per year per employee	See note		At H&M group we approach training in various formats. The majority of our training happens in-store, working side by side with an experienced colleague. In addition, we offer e-learning and classroom training. These are registered in our Learning Management system that is available for all employees. In 2017, the average training hours per employee was XX hours annually, part time employees included. In our Learning Management system we do not track gender so a split on gender is not available.
		404-3	Percentage of employees receiving regular performance and career development reviews	See note		Our policy is that all employees should receive such reviews annually. Our data systems do currently not allow globally aggregated data. However, through our global employee survey, we asked whether our employees had received a dialogue talk (performance review). Of the over 120,000 employees who responded, 76 % answered yes and we saw no difference between gender or employment category.
GRI 405: Diversity and Equal Opportunity 2017	Inside and outside the organisation	103-1/2/3	Management approach 405, 406	54-57, 68-71		
		405-1	Diversity of governance bodies and employees	69		

GRI 406: Non-discrimination 2017	Inside and outside the organisation	406-1	Incidents of discrimination and corrective actions taken	See note		Within our own operations local markets collect this data, however we do not have an aggregate data globally. Within our supply chain we collected data on an aggregated level in our supply compliance list: sustainability.hm.com
GRI 407: Freedom of Association and Collective Bargaining 2017	Inside and outside the organisation	103-1/2/3	Management approach 407, 408, 409	56-67, 92, 94-95		
		407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	56, 59-60		
GRI 408: Child Labour 2017	Outside the organisation	408-1	Operations and suppliers at significant risk for incidents of child labour	66, 91-92		See Modern Slavery Statement
GRI 409: Forced or Compulsory Labour 2017	Outside the organisation	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	66, 91-92		See Modern Slavery Statement
GRI 412: Diversity and Equal Opportunity 2017	Inside and outside the organisation	412-1	Operations that have been subject to human rights reviews or impact assessments	83, 91-92		
		412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	82-83		
GRI 413: Local Communities 2017	Inside and outside the organisation	103-1/2/3	MANAGEMENT APPROACH 413	See note		We have a community development strategy with clear guidelines, applicable for all markets. We continuously support and provide guidance to the markets and central functions throughout the implementation. We follow up and report on the implementation of the activities on an annual basis. All our retail markets have community investment activities running, based on their local context and priorities. We have put the impact measurement of our community investment activities on hold, while we evaluate how to best measure the social impact of our business and sustainability program overall. Total community investments are aimed at creating shared value and strengthening communities along our value chain, and donations and contributions by H&M group customers to various charitable causes.

▷		413-2	Operations with significant actual and potential negative impacts on local communities	See note		<p>Total community investments equals over USD 7.2 mln of which USD 5.7 mln are strategic investments, USD 1.1 mln are from contributions the customers, 0.4 mln are from other H&amp;M group contributions.</p> <p>Total community investments are aimed at creating shared value and strenghtening communities along our value chain, and donations and contributions by H&amp;M group customers to various charitable causes.</p> <p>Strategic investments Investments in strategic partnerships and donations aimed at creating shared value for us as a company, our customers and local communities.</p> <p>Customers Contributions by H&amp;M group customers to charitable causes, through for example cash register round up or other donations.</p>
GRI 414: Supplier Social Assessment 2017	Outside the organisation	103-1/2/3	Management approach 414	59-67, 76-78		
		414-1	New suppliers that were screened using social criteria	83-84		
		414-2	Negative social impacts in the supply chain and actions taken	See note		sustainability.hm.com
GRI 415: Public Policy 2017	Outside the organisation	415-1	Political contributions	See note		H&M group does not provide direct financial contributions to individual politicians or political parties. (Not a material topic)
GRI 416: Customer Health and Safety 2017	Outside the organisation	416-1	Assessment of the health and safety impacts of product and service categories	See note		100% of our products are assessed for health and safety improvements, for example in regards to chemical safety.
	IMPACT BOUNDARY	DISCLOSURE NUMBER	DISCLOSURE TITLE	LOCATION OF DISCLOSURE	EXTERNAL ASSURANCE	NOTE
GRI 417: Marketing and Labeling 2017	Inside the organisation	417-1	Requirements for product and service information and labeling	See note		All of our products are labelled with the legally required information about material composition. Additionally, we provide voluntary information about the country key origin, care instructions and through the Clevercare label aim to inspire to conscious garment care. (Not material topic)
		417-2	Incidents of non-compliance concerning product and service information and labeling	See note		There have been no incidents of non-compliance registered. (Not a material topic)

GRI 418: Customer Privacy 2017	Outside the organisation	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	See note		H&M group is committed to protect our customers and employees privacy. We have a dedicated data privacy team in place that is working continuously with data privacy matters as well as a dedicated project to identify and implement the necessary changes in the organization due to the approaching EU General Data protection Regulation. (This includes an evaluation of our related data systems) In addition, our privacy notice sets out how personal data is processed and protected, for example, H&M group does not sell personal data to other.
GRI 419: Socioeconomic Compliance 2017	Outside the organisation	419-1	Non-compliance with laws and regulations in the social and economic area	See note		There have been no incidents of non-compliance registered. (Not a material topic)
APPAREL AND FOOTWEAR SECTOR SUPPLEMENT						
	Outside the organisation	AF1	Code of conduct content and coverage	81-84		
	Outside the organisation	AF2	Parties and personnel engaged in code of conduct compliance function.	14		
	Outside the organisation	AF3	Compliance audit process	81-84		
	Outside the organisation	AF4	Grievance mechanisms	77-78, 80, 84		
	Outside the organisation	AF5	Capacity building	84		
	Inside the organisation	AF6	Policies for supplier selection, management, and termination	77-84		
	Outside the organisation	AF7	Number and location of workplaces covered by the code of conduct	74, 80, 84		
	Outside the organisation	AF8	Number of audits conducted and percentage of workplaces audited	74, 80, 84		
	Outside the organisation	AF9	Incidents of non-compliance with legal requirements or collective bargaining agreements on wages	60-65		View supplier compliance at <a href="https://sustainability.hm.com">sustainability.hm.com</a> Data last reported for 2015. Since then, we have transitioned our supply chain performance measurement system towards our new SIPP method (s. 83 for more information), including the HIGG index, aiming to create more comparable data across the industry. We aim to report further updated data based on this new method with our 2018 reporting.



	Outside the organisation	AF10	Incidents of non-compliance with overtime standards	See note		View supplier compliance at sustainability.hm.com Data last reported for 2015. Since then, we have transitioned our supply chain performance measurement system towards our new SIPP method (s. 83 for more information), including the HIGG index, aiming to create more comparable data across the industry. We aim to report further updated data based on this new method with our 2018 reporting.
	Outside the organisation	AF11	Incidents of non-compliance with standards on pregnancy and maternity rights	See note		View supplier compliance at sustainability.hm.com Data last reported for 2015. Since then, we have transitioned our supply chain performance measurement system towards our new SIPP method (s. 83 for more information), including the HIGG index, aiming to create more comparable data across the industry. We aim to report further updated data based on this new method with our 2018 reporting.
	Outside the organisation.	AF12	Incidents of the use of child labour	See note		View supplier compliance at sustainability.hm.com Data last reported for 2015. Since then, we have transitioned our supply chain performance measurement system towards our new SIPP method (s. 83 for more information), including the HIGG index, aiming to create more comparable data across the industry. We aim to report further updated data based on this new method with our 2018 reporting.
	Outside the organisation	AF13	Incidents of non-compliance with standards on gender discrimination.	See note		View supplier compliance at sustainability.hm.com Data last reported for 2015. Since then, we have transitioned our supply chain performance measurement system towards our new SIPP method (s. 83 for more information), including the HIGG index, aiming to create more comparable data across the industry. We aim to report further updated data based on this new method with our 2018 reporting.
	Outside the organisation	AF14	Incidents of non-compliance with Code of Conduct.	80,84		
	Outside the organisation	AF15	Identify and mitigate business practices that affect code Compliance	79-84		
	Inside the organisation	AF19	Practices to source safer alternative substances list, including description of associated management systems	39-40, 85, 86		
	Outside the organisation	AF20	List of environmentally preferable materials used in apparel and footwear products	33-38		
	Inside and outside the organisation	AF21	Amount of energy consumed and percentage of the energy that is from renewable sources	48, 52	Yes	

	Inside and outside the organisation	AF26	Policy on working hours, incl. definition of overtime and actions to prevent excessive and forced overtime	66-67		
	Inside and outside the organisation	AF30	Percentage of workplace where in the absence of a trade union, there are worker management committees	60-65		
	Inside and outside the organisation	AF32	Actions to address gender discrimination and to provide opportunities for the advancement of women workers.	57, 60, 62, 64, 69,		