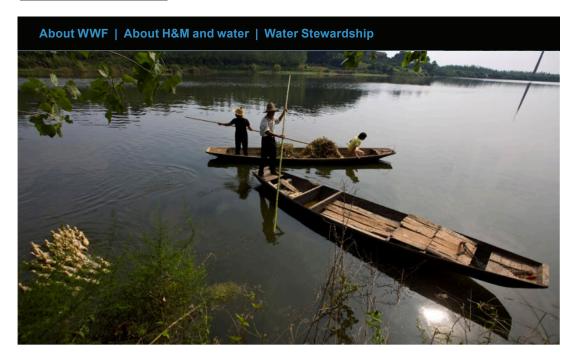
# PARTNERSHIP NEWS

June 2015



Dear reader,

Since our last update, a lot has happened in the H&M and WWF partnership work with Water Stewardship. In this newsletter, we share some of those exciting things, such as the highlights from H&Ms latest sustainability report and the latest progress from our sites in China and Bangladesh. We will also look ahead and invite you to an exciting workshop during World Water Week in August.

If you have thoughts, feedback or ideas on what you would like us to cover regarding Water Stewardship or the partnership, please email <u>Erika</u>.

Enjoy the reading! H&M & WWF

# Industrial Park pilot project started in China

Text by: Charlotta Järnmark, Conservation Officer Water Stewardship, WWF Sweden.

WWF and the Changzhou High-tech Zone Textile Industrial Park (Changzhou IP) have joined forces in Water Stewardship to promote and demonstrate new water management practices in the Changzhou IP. The ambition is to create a multi-stakeholder platform to deal with water related risks more efficiently, optimize the water management and spread the word to surrounding industrial areas. H&M will play an advisory part and as the project evolves, create connections with the industry. With the goal to enhance awareness on water management, H&M will also work to include H&M suppliers in the project.

On April 30, the Changzhou IP water management project was officially launched.



Photo: WWF China Add

#### An important milestone

Deputy Town Mayor Mr. Yan Jianyu and WWF Director Dr Ren Wenwei shaking hands after signing the Xixiashu town "Joint Statement".

"Water management innovation at park level is an important milestone," said Dr. Ren Wenwei, WWF Director.

Since 2011, WWF has promoted water management innovation in the Yangtze River basin area within the following five priority sectors; food and beverage industry, textile industry, agriculture, light industry and electronic information industry.

By encouraging different stakeholders, like industry leading enterprises, to participate in water resources management on a collective level, WWF can more efficiently deal with water related risks to optimize water management for the aquatic environment.

"The power of an enterprise or a handful of companies is limited, but in collective action, water management of an entire park has a larger cluster effect and more wide influence. Regardless of whether it is about economic or environmental effects or if it is to optimize the role of the surrounding water environment, it will be evident" said Dr. Ren Wenwei, Director of the Yangtze River program at WWF.

#### Water management policies to mitigate water risks

During the past two decades, the industrial parks have become a major carrier of industrial development, and the risks to the ecological environment of river basins have generated attention. In 2010, China Environment Federation survey showed that all eighteen industrial parks had issues related to water pollution. With the introduction of the most stringent water management policies and "Water Pollution Prevention Plan of Action" (also called "water ten"), the green transformation of the industrial parks is now becoming imminent



Inside the Changzhou Industrial Park Photo: Charlotta Järnmark, WWF Sweden

#### A multi-stakeholder project to improve water conditions

At present, the Changzhou industrial park hosts more than 300 companies, including 24 textile enterprises.

The new agreement states that WWF will work together with Changzhou IP to optimize and improve water quality, water drainage, water management and other innovative actions in the park. They will also work together with H&M to create a multi-stakeholder dialogue platform to expand the influence of the project.

"H&M and WWF global water partnership program creates an innovative approach to put Water Stewardship in action with experts, government, universities, companies and other key stakeholders in China. The ceremony marks one of the key milestones of this project, and many more collective actions are on the way," said Joyce Tsoi, Environmental Program Responsible at H&M in China.

The stakeholders taking part include both private and public players, such as enterprises working to improve their water management, China Textile Industry, Association, Jiangsu Province Development and Reform Commission and the Office of Taihu Lake in Jiangsu Province. The ambition is to impact other industrial parks surrounding the river basin and gradually establish the values of development and innovation into a basin with sustainable water management. If successful, the pilot will also serve as a model for implementation in other water stressed areas around the world with the vision to develop cutting-edge water stewardship strategies and better water management for people and environment.

# H&M released its 13th Sustainability Report

Text by: Lena Enocson Almroth, Communication & Press, H&M

On April 9th, H&M released the Conscious Actions Sustainability Report 2014. The progress made shows that H&M is at the forefront of sustainability. Some of the highlights are the expansion of the public supplier factory list, the ambition to only use renewable electricity and the increase of the amount of products made of recycled cotton from collected garments.



Photo: H&M

This is the 13th report published by H&M, outlining the progress of over more than 80 important Conscious Actions covering every stage of H&M's products lifecycle - all the way from the cotton field to giving clothes that you no longer need a new life. Amongst these are several ambitious goals, including:

### H&M expands its public supplier list to include 2nd tier suppliers

H&M has now taken yet another major step for increased transparency across the entire value chain; the most important mills that provide our suppliers with fabrics and yarns have been added to the public supplier list. The fact that transparency and mutual trust with suppliers is crucial and the starting point for all change, makes H&M convinced that this will promote transparency and drive further positive change in the textile industry.

### Renewable electricity

Tackling climate change is one of the major challenges of our time. H&M wants to lead the way by only using renewable energy in their operations, wherever possible, already by the end of 2015; meaning about 80% of all electricity. Today, the same number is 27%. By doing this, H&M will reduce its climate impacts - way below what climate science tells us to do.

#### Increasing the amount of products made from collected garments

Since last year, H&M has more than doubled the amount of collected garments within the garment collective initiative. In total, more than 13,000 tonnes of textiles have been collected. By the end of 2015, the goal is to increase the number of products made with at least 20 percent recycled fabric to 1,2 million pieces.

#### Panel discussion and Conscious Collection launch

The Sustainability report was presented by Anna Gedda, Head of Sustainability and the launch event took place in London. Guests were also given a presentation of the Conscious Exclusive Collection, that was launched the following week. A panel discussion followed, titled "Towards making fashion sustainable and sustainability fashionable". The external members of the panel that joined H&M spokespeople were worker's rights alliance ETI, Ethical Trade Initiative and civil society organisation Solidaridad.

- The entire report and a summary of its highlights are available to read and download at <a href="https://mx.com/consciousactions2014">https://mx.com/consciousactions2014</a>.
- Watch the presentation from London here.
- Check out our <u>2014 Conscious Actions Highlights film on Youtube here</u>.

# Trip to Bangladesh strengthens collaboration around water issues

- "This is an exciting time to work on water in Bangladesh"

Text by Laila Petrie, Corporate Relations Manager, WWF International and Shariful Hoque, Environment Sustainability Manager, H&M in Bangladesh

In March, H&M and WWF met with key Bangladesh government actors and water stakeholders to present their new study on water governance. The report was well received and has opened up opportunities for exciting further collaborations. The hope is that the report recommendations will serve as basis for a national plan to strengthen water governance mechanisms.



Meeting in Dhaka, Photo: Laila Petrie, WWF International

The findings of the WWF and H&M analysis of water governance in Bangladesh were presented by WWF to a group of high-level government actors and other interested parties in March, at the second meeting of the 2030 Water Resources Group (WRG) in Dhaka.

The findings were well received, with news coverage and positive comments and interest from the Minister of Water Resources and other government officials. Based on the positive response, WRG and WWF will now explore options for joint action on governance issues as part of the WRG convening process in Bangladesh. The process is designed to bring together key national stakeholders from all sectors to create shared solutions to water challenges, and is therefore a natural home for this important dialogue.

H&M and WWF will also engage directly on report findings with key government departments and local stakeholders. The hope is that the report recommendations will form the basis for a national action plan to strengthen water governance mechanisms.



Fishing boat, Bangladesh Photo: David Woodfall, WWF UK

"It has been very important to focus on the challenges around water governance and how stakeholders can work together to tackle them. The approach has helped us to engage with relevant actors in the government, which we foresee as the start of a long journey towards a sustainable water future for Bangladesh", said Shariful Hoque, Environmental Sustainability Manager at H&M in Bangladesh.

As part of the trip, WWF and H&M also met with PPRC, a local economic research group engaged to carry out the second research piece for Bangladesh - an economic risk analysis of future water scenarios.

This research will analyse "business as usual" as well as improved water management scenarios in Bangladesh, and look at the possible implications for the country's economy. Both the governance and economic reports are scheduled for launch together in summer 2015, with the aim of drawing attention to the urgent need for decisive action on water in Bangladesh.

Finally, WWF also met with PaCT, a Bangladesh sustainable textile initiative exploring options for collective action on water. WWF and PaCT will explore ways to collaborate on collective action in Bangladesh, leveraging WWF's experiences in other priority basins around the world to create a demonstration project. This project will not only allow PaCT participants to move into the 'beyond the factory fence' phase of stewardship, but should also serve as a positive demonstration of collective action for other stakeholders working on water issues in Bangladesh.

"This is an exciting time to work on water in Bangladesh", said Laila Petrie from WWF International. "We now have a clear roadmap for change on water governance, and political and private sector interest in water issues is at an all-time high. Our collaborations with other actors are beginning in earnest and we hope to see the first tangible results in the near future".

# Sharing the Water Stewardship value at World Water Forum

By: Fan Peng, Communications Officer, and Qian Wang, Program Manager, at WWF China



Photo: WWF China

In April, it was time for the World Water Forum, one of the largest international water related conferences. This time, it was hosted in South Korea, attracting participants from organizations, governments and the United Nations. During the conference, WWF China hosted the side event "Water Stewardship: Share the Risk, Share the Value", where representatives from H&M , HSBC and Coca-Cola shared their experiences from working with Water Stewardship. A soft launch of the "Water Risk of Foreign-Invested Companies in China" project also took place.

#### A project calling for business to realize their risks

The new project "Water Risk of Foreign-Invested Companies in China", which was launched at the time of the World Water Forum, aims at calling for more companies to realize their water risks and to guide them to participate in Water Stewardship actions. Existing research data shows that in the past three decades, foreign-investment scale has increased nearly seventy times. 60% of foreign investment is placed in high water risk provinces, such as in the Jiangsu and Zhejiang province, which leads to even more serious challenges for the local fragile water environment.

Through using the <u>Water Risk Filter</u>, an online tool co-developed by WWF and DEG, the "Water Risk of Foreign-Invested Companies in China" project analyzes water risks related to company operations and

regional risks, including risks of water quality and quantity, regulatory risks and reputational risks. A preliminary assessment of the foreign-invested companies' pressure to water environment in China has also been conducted.

#### Business to lead the change

The vision of the Water Stewardship program is a private sector fully engaged in efforts to secure water for people and nature. By taking voluntary action to conserve freshwater ecosystems, and participating in constructive public policy dialogue to improve water resource management, corporations can take a leading position to make the change happen.

HSBC, Coca Cola and H&M are some of the international brands that have partnered with WWF to engage in Water Stewardship actions. At the WWF event during World Water Forum, representatives from each brand participated and shared learnings from their ongoing work with Water Stewardship, ranging from internal supplier standard improvements, wetland restoration, capacity building and awareness raising, co-management and collaboration with decision makers far outside the factory lines..

# Time to sign up for World Water Week!

In August, it is time for the annual World Water Week (WWW) in Stockholm, the conference focusing on global water issues arranged by Stockholm International Water Institute (SIWI). This year, H&M and WWF will arrange a joint workshop on the theme "Managing Water Risk Through Collaboration".

Solutions exist for how businesses can address and manage their water risks and there are good examples of corporations that are leading the way. The workshop "Managing Water Risk Through Collaboration" aims to share experiences, raise discussions and inspire others to join the work with water stewardship.



Read more and sign up for the World Water Week - early bird price until June 30.

## Need to know - Good to have

- The Australian farmer Deniz Pozzebon is part of Project Catalyst, a pioneering group that works with several stakeholders to promote more sustainable sugarcane production for a healthy Great Barrier Reef. Read his compelling story "We're all connected to water" at the Ecological Panda Blog.
- The blog "Sustainability = Smart Business", run by sustainability entrepreneur and King's College lecturer Toby Webb, reports on (un)sustainable business. In this blog post, he asks "5 questions to Stuart Orr, WWFs Head of Water Stewardship, on water risk, sustainability and opportunity".
- Interview with H&M's sustainability Director Anna Gedda in Swedish business paper Dagens Industri (in Swedish). Read it here.
- A chronicle in the Swedish daily Svenska Dagbladet about the water crisis in China (In Swedish). Read
  it here.



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