

Update on salient issues 2017

ISSUE	DEFINITION	WHERE IN THE VALUE CHAIN VIOLATIONS ARE MORE LIKELY	UPDATE 2017
FAIR LIVING WAGE	A wage level covering workers and their families' basic needs and that provides some discretionary income.	Mainly in the supply chain.	Fair living wage (see pg 63).
HEALTH & SAFETY	Facilities and working conditions that ensure the wellbeing and safety of workers, employees and customers.	In the supply chain and internal operations.	Supply chain management (see pg 59-67, 74-78). Bangladesh Accord (see pg 67). Health and safety (see pg 57, 67, 80-84).
FORCED LABOUR	All work or services which are exacted from any person under the menace of any penalty and for which the said person has not offered himself/herself voluntarily (ILO Convention 29).	Potential risk in the supply chain, often linked to particular raw materials and specific processes but also a potential risk connected to internal operations, for example in connection to staff outsourcing.	Sustainability commitment/SIPP risk assessment (see pg 82-84). <u>Modern slavery</u> .
DISCRIMINATION AND HARASSMENT	In hiring and/or in the workplace, discrimination: unfair or humiliating treatment on the grounds of gender, sexual orientation, race, colour, age, pregnancy, marital or social status, religion, political opinion, nationality, ethnic origin, disease or disability. Harassment; humiliating or corporal punishment or subject to physical, sexual, psychological or verbal harassment or abuse.	A risk throughout the value chain and heightened risk for vulnerable groups, such as women and migrant workers.	Internal policies, updates (see pg 80). Supply chain management (see pg 59-67, 74-78).
CHILDREN'S RIGHTS	The rights of children as per the UN Convention on the Rights of the Child (UNCRC), which sets out the civil, political, economic, social, health and cultural rights of children. Child labour is defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to their physical and mental development (UN CRC, CRBP, ILO Conventions).	Children are directly and indirectly impacted by business activities throughout the value chain. Child labour is a potential risk in the supply chain, but more prominent upstream the value chain.	Mica strategy update (see pg 66). Myanmar collaboration CCRCRSR (see pg 66). Better Cotton Initiative (see pg 36). <u>Modern slavery</u> .
FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING	A person's right to join, and/or form, organisations of his/her own choosing and to bargain collectively (ILO Convention 87, 98, 135, 154).	Mainly in the supply chain but also relevant for own operations.	Industrial relations production (see pg 60). Employee relations (see pg 57).
SOCIAL SECURITY	Social security involves access to health care and income security, particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a main income earner.	Mainly an obligation belonging to the responsibility of the State as defined by the UN Guiding Principles, but relevant especially in supply chain countries and some retail markets where a lack of legal frameworks or institutional capacity sufficiently addressing this issue is common.	Advocacy (see pg 62). Cambodia, fixed duration contracts (see pg 67). Turkey, Syrian refugees (see pg 67). <u>Modern slavery</u> .
WORKING HOURS	Working hours that comply with national law, ILO Conventions or collective agreement, whichever affords the greater protection of the worker. Connected to the worker's right to health and family life.	Mainly in the supply chain countries.	Sustainability commitment/SIPP (see pg 82-85). Fair living wage (see pg 63).
ACCESS TO WATER	Safe water and enough supply, accessible and affordable for personal and domestic use.	Communities in the value chain in both production and retail markets.	Water strategy (see pg 40). Chemical management (see pg 39)
LAND RIGHTS	Land is an issue that directly impacts the enjoyment of a number of human rights as land is a source of livelihood, central to economic rights and also often tied to social and cultural rights. How land is used is also a related issue. Disputes over land can be a cause of conflict and sometimes involve illegal displacement of people.	Potential risk in the supply chain linked to raw materials and locations of industrial and commercial facilities.	Proactively protecting land rights (see pg 81 in <u>H&M group Sustainability Report 2016</u>).