



JOINT STATEMENT BY H&M GROUP AND INDUSTRIALL GLOBAL UNION

H&M Group and IndustriALL reinforce their longstanding cooperation in order to support to the recovery of the Global Garment Industry through the Covid-19 crisis

H&M Group (hereinafter, H&M) and IndustriALL Global Union (hereinafter, IndustriALL), have issued a joint statement to re-affirm their commitments to work together to support the economic and social recovery of the global garment industry through Covid-19 crisis along with global and national relevant stakeholders. This builds on the long-standing partnership through a global framework agreement (hereinafter, GFA) first signed in 2015 and last renewed in 2016 between H&M, the global leader in garment sector, and IndustriALL, the representative of fifty million mining, energy and manufacturing workers globally, including those in the garment industry.

The advent of the COVID-19 pandemic in recent months has been an unprecedented challenge for humanity. It has required the various stakeholders - businesses, trade unions, governments, multilateral organizations, etc. - to assume their roles to protect lives, social protection systems and business resilience to the new reality while seeking to support businesses and health, safety, employment and income of workers.

Since the beginning of the crisis, H&M and IndustriALL have acted in different forms, both bilaterally and in multi-stakeholder initiatives. This cooperation has been integral in supporting the supply chain and sector through this period. During this period IndustriALL Global and H&M have had a close cooperation both on global as well on national level, not at least within the National Monitoring Committees established in six supplying countries.

H&M and IndustriALL has been active participants of the multi-stakeholder initiative of the International Labour Organization (hereinafter, the ILO) "Call to Action in the Global Garment Industry" (hereinafter, the CtA).

The pandemic has put enormous pressure on the whole global garment industry. Most suppliers have taken the appropriate measure to mitigate the impact on their workforce and have not used the pandemic as an opportunity to violate workers' fundamental rights. Unfortunately, it is noted that some suppliers have not followed their commitments when it comes to respecting workers' rights and have taken the opportunity to violate workers' rights by harassing unions and their members, not fulfilling their obligations regarding proper and fair rules in the event of temporary lay-offs/redundancies and re-employment. IndustriALL and H&M fully agree that this is un-acceptable and that initiatives will be developed to prevent similar behaviours in the future. IndustriALL and H&M also will make efforts and will actively use its possible leverage with suppliers and unions to remedy violations of workers' rights involving an unlawful layoffs / redundancies, closure and denial of trade union rights.

In order to minimize the impacts of the global Covid-19 pandemic, and strengthen the cooperation beyond, H&M and IndustriALL Global Union publicly reaffirm and strengthen their commitments to work together with the suppliers through the following actions:

- To continue to strengthen the enabling environment for the respect of freedom of association and collective bargaining rights along H&M's supply chain in an effective way so that workers' rights to join a union as their free choice is in place and the respect of the right of collective bargaining that ensures conditions for collective bargaining agreements;
- To promote social dialogue with information, consultation and negotiation at all levels as the main way to solve conflicts as both parties understand that social dialogue constitutes the most valuable mechanism for the promotion of mature industrial relations;
- To require H&M Groups all direct suppliers and their subcontractors producing commercial merchandise/ready made goods sold through-out H&M Groups retail organization to implement all the necessary special protective measures and provide all necessary protective equipment. Both organizations agree to work along with national and international organizations (i.e. ILO) on specific guidelines as suppliers resume normal operations. This shall be monitored by the six NMC's and where there is no NMC, this shall be monitored by IndustriALL affiliates and H&M local representatives.
- To continue to develop H&M's responsible purchasing practices by integrating measures that respond to and seek to mitigate the impact of COVID-19, in a way that all suppliers promote the implementation of socially responsible practices. Both organizations will work together under the ACT initiative on living wages to embed these good practices through the garment and footwear sector and promote industry-wide collective bargaining.
- To reaffirm the commitments made since the beginning of the pandemic for stable payment terms that support suppliers' cash flow and thus provide job stability and predictability for workers; H&M will strictly fulfil all its payment terms and will continue to strengthen the predictability of orders, and work for reducing monthly fluctuations in order placement.
- To work together with the aim of fostering conditions that allow suppliers to honor payments to workers and to preserve the level of employment and income of workers among suppliers; both organizations will cooperate to disseminate information about this initiative in order to support stakeholders in the industry, particularly to workers;
- To work pro-actively with suppliers and unions to rectify and reverse the effects of unfair and unlawful actions by any of the relevant social partners in H&M Groups supply chain that violate the foregoing rights".
- To work jointly with governments and business organizations in H&M's sourcing markets to promote their engagement under the CtA and any other similar initiative that helps enhance the above commitments.

Both H&M and IndustriALL, through this joint statement, express their commitment to contribute to the economic recovery of garment industry and the security of workers and employers in H&M Group and the global garment supply chain, according to their respective roles. Furthermore, both organizations call on other international and national stakeholders to commit to this goal thereby contributing to the global economic and social recovery.

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