



DAEWOO PROTOCOL

1. Establish a company policy that prohibits the use of Uzbek cotton and prohibits business with companies that are either invested in the cotton sector in Uzbekistan or using Uzbek cotton, including explicitly all companies of Daewoo International Corporation and the list of companies operating in Uzbekistan incorporated into the pdf document titled Uzbek_textile_companies_Eng.pdf;

H&M has a company policy to not use Uzbekistan cotton. We have established and implemented a mandatory commitment to all our suppliers and fabric mills where we have a relationship that they do not source cotton originating from Uzbekistan.

2. Implement the company policy on Uzbek cotton by incorporating language into vendor agreements and purchase orders that effectively prohibits suppliers from doing business with all companies of Daewoo International Corporation and the attached list of companies;

It is a prerequisite for approval of our suppliers to sign above commitment and through our IT system we ensure that this requirement is met.

3. Require suppliers, suppliers' subsidiaries and suppliers' affiliates to (a) establish a company policy that prohibits the use of Uzbek cotton and prohibits business with companies that are either invested in the cotton sector in Uzbekistan or using Uzbek cotton, including explicitly all companies of Daewoo International Corporation and the attached list of companies operating in Uzbekistan, and (b) implement the company policy on Uzbek cotton by incorporating language into vendor agreements and purchase orders that effectively prohibits their suppliers from doing business with all companies of Daewoo International Corporation and the attached list of companies;

Through the commitment suppliers have information responsibility to all employees, suppliers and subsidiaries to fulfill the commitment.

4. Remove all companies of Daewoo International Corporation and the attached list of companies from your company's supplier database. Lock suppliers out of your company's supplier database that have not signed the revised vendor agreement and fully complied with point 3;

All suppliers that do not sign our commitment will not be approved and this is valid for existing and new suppliers.

5. Verify compliance with the company policy by incorporating a Daewoo/Uzbek based company check into supplier social compliance audits; and

H&M reserve the right to do random check of the practical implementation

6. Release documentation of these steps to the cotton campaign.

The commitment has been forwarded to Cotton Campaign and we maintain an open dialogue with Cotton Campaign.