

Examining Corporate Social Responsibility Reporting and Accountability

A Case Study of H&M's Practices in Fast Fashion

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Abstract

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Examining Corporate Social Responsibility Reporting and Accountability A Case Study of H&M's Practices in Fast Fashion		
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<p>The aim of this thesis is to critically evaluate CSR reporting and responsibility in the fast fashion sector, focusing on H&M as a case study. As a major player in the fast fashion industry, H&M's sustainability practices and transparency in CSR reporting are analysed by comparing its official CSR disclosures with external assessments and independent studies. The study is based on the growing importance of CSR in global business practices, particularly in sectors with significant environmental and social impacts, such as fast fashion.</p> <p>The study employs a qualitative approach, focusing on content analysis of H&M's CSR reports, media articles, and third-party reviews. The theoretical framework is based on Corporate Social Responsibility theory, Stakeholder Theory, and CSR directives. These frameworks guide the assessment of how well H&M's practices reflect transparency, accuracy, and alignment with its stated sustainability objectives.</p> <p>The study concludes with a summary of the qualitative research findings and a discussion of the research questions. The results provide a critical assessment of H&M's CSR practices, offering insight into the transparency of the company's sustainability initiatives and the alignment of its stated commitments. Furthermore, the results underscore discrepancies between H&M's claims and external evaluations.</p>		
Keywords		
Corporate Social Responsibility, Transparency, Greenwashing, Fast Fashion		

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1 Introduction

1.1 Research Background

The importance of Corporate Social Responsibility (CSR) in global business has been increasingly recognized in recent decades. Initially focused on the US, the CSR debate has gradually expanded globally. Corporate Social Responsibility is now a fundamental business practice, requiring companies to integrate social and environmental considerations into their business strategies. It has become an essential part of how multinational companies assess and report on their sustainability impacts and reflects a response to the different legal, social, and ethical standards that apply in the various countries in which they operate. (Tamvada, 2020)

CSR reporting is crucial for organizational transparency, which in turn increases trust among stakeholders. Effective CSR reporting is influenced by corporate governance structures and the regulatory environment. Companies with strong corporate governance and diverse management are more likely to have transparent CSR practices. Stakeholder pressure encourages companies to be more open about their sustainability efforts. Transparency in CSR enhances the relationship between investors and companies, highlighting the growing importance of CSR as an expression of corporate openness. (Bouten et al., 2011)

CSR reporting is a key tool to ensure that organizations are accountable to their stakeholders. However, real accountability goes beyond just reporting. It involves a deep commitment by the organization to its values, setting measurable objectives, and clear targets for progress. Stakeholders can then verify whether the organization's words align with its actions and measurable outcomes. When an organization clearly presents its commitments, actions, and results, CSR reporting becomes more than just a formality. It shows the organization's genuine dedication to meeting its social and environmental responsibilities. (Bouten et al., 2011)

Corporate Social Responsibility (CSR) plays an important role in the fashion industry, especially in the fast fashion sector, which has a significant impact on social conditions and environmental health through supply chain practices. The case company H&M is a multinational Swedish fashion and design company with a large retail network, underlining its strong position in the global fast fashion industry. H&M has made efforts to become more

sustainable, although there is still much work to be done, especially in terms of sustainable supply chain operations. (Shen, 2014)

The recent approval by the Committee of Permanent Representatives of the Governments of the EU Member States (Coreper) is an important step for sustainable business development in the EU. The new directive, which is awaiting final approval by the European Parliament, will create new responsibilities for large companies. These companies will have to reduce the negative impacts of their activities and large networks. This law will greatly affect how companies with connections to Europe, such as H&M, handle their sustainability efforts and report on their social and environmental responsibilities. (Ministry of Economic Affairs and Employment, 2023)

1.2 Thesis Objectives, Research Questions and Limitations

This thesis aims to critically evaluate corporate social responsibility reporting and related accountability in the fast fashion industry through an in-depth analysis of H&M, a well-known fast fashion retailer. The study assesses H&M's transparency and compliance with its environmental and social commitments by comparing its CSR reporting with the results of objective external evaluations. The results aim to help consumers assess the company's honesty and reliability in its corporate responsibility claims.

When creating the main research questions for the thesis, it's important to craft questions that inspire curiosity and lead to a deep investigation of the topic. Good research questions should be practical, clear, and relevant. As Mligo (2016) explains, well-crafted questions help guide the research in a meaningful and effective way.

The main research question of this study is:

- Is H&M transparent in its CSR reporting?

The sub-question for the research is:

- Does research confirm H&M's CSR claims?

In research, limitations are factors beyond the researcher's control that could affect the results of the study. These limitations may lead to uncertainties and impact the extent to which the findings can be applied in a broader context. Acknowledging these limitations in a study is crucial, as it informs readers about potential weaknesses (Theofanidis & Fountouki, 2019). Therefore, the study is limited to H&M and does not necessarily reflect the CSR

reporting and accountability of the entire fast fashion industry. The research relies on available CSR reports from H&M and objective external evaluations, which may not cover all aspects of the company's CSR practices or may lack detail in certain areas. Additionally, the research methods chosen to assess transparency and compliance may have their own limitations, which could influence the depth of analysis.

1.3 Theoretical Framework

This thesis employs a multi-theoretical framework to examine Corporate Social Responsibility (CSR) reporting and accountability in the fast fashion industry, with a particular focus on H&M. The theories presented provide a perspective through which H&M's practices are analyzed and explained.

CSR is the central theory of this study, offering a foundation for understanding H&M's roles and responsibilities within society. This theory helps evaluate how H&M manages its impact on the economy, the environment, and society at large.

According to stakeholder theory, a company should consider the needs and interests of all the people affected by its activities, not just its shareholders. This study aims to explore how H&M engages with its stakeholders and communicates its commitment to CSR.

Moreover, Corporate Social Responsibility (CSR) directives are part of the framework. These directives help evaluate whether H&M's CSR reporting is complete, accurate, and follows international standards.

Each theory is examined for its relevance to CSR reporting and accountability, particularly within the fast fashion sector, forming the basis for a detailed review of H&M's disclosures and performance.

1.4 Research Methodology and Data Collection

The research uses a deductive approach. This approach is an inferential process where the research starts with a general theory or hypothesis and then moves to observe and analyse specific cases to determine if the theory is accurate (Proudfoot, 2022). In this study, CSR reporting and accountability in the fast fashion industry are examined by starting with established theories and standards of CSR and then testing their application and relevance to H&M's reported practices.

In contrast, the inductive approach to research leans toward qualitative methods. The main aim is to develop theories, models, or generalizations based on findings from the data. This approach is flexible and adapts to the data being collected. In inductive research, detailed data is collected through methods such as interviews or case studies. The goal is to understand participants' perspectives and build theoretical understanding from the ground up (Liu, 2016). Figure 1 explains the structure of the research approaches.

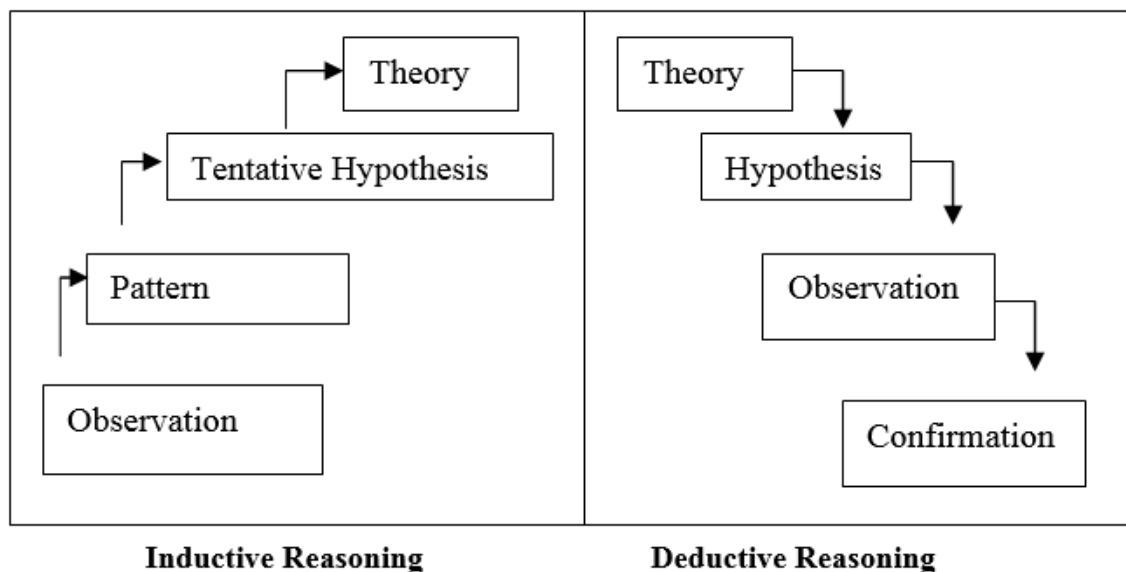


Figure 1. Deductive and Inductive Reasoning (Trochim and Donnelly, 2006)

There are two typical methods: quantitative and qualitative. Quantitative research is characterized by the structured collection and analysis of numerical data. This method is used to identify patterns and determine relationships between variables through statistical analysis to test hypotheses. The main tools of quantitative methods include surveys, experiments, and observational studies. These tools provide clear, measurable data. (Jamieson et al., 2022)

On the other hand, qualitative research focuses on collecting and analysing non-numerical data. It emphasizes an in-depth understanding of phenomena within their context. This research method aims to study people's behaviour, experiences, and social phenomena (Hennink & Kaiser, 2022). Table 1 explains the differences between qualitative and quantitative methods.

Qualitative methods	Quantitative methods
Emphasis on understanding	Emphasis on testing and verification
Focus on understanding from respondent's point of view	Focus on facts and reasons
Interpretation and rational approach	Logical and critical approach
Observations and measurements in natural settings	Controlled measurement
Subjective and closeness to data	Objective and distant from data
Explorative orientation	Hypothetical-deductive and focus on hypothesis testing
Process oriented	Result oriented
Holistic perspective	Particularistic and analytical
Generalization by comparison of properties and contexts of individual organism	Generalization by population membership

Table 1. Research methods (adapted from Ghauri et al. 2020)

In this thesis, H&M's experiences, and behaviours in relation to CSR initiatives will be explored using a qualitative research method to understand the context and depth of H&M's CSR practices. Content analysis of CSR reports and media articles will be employed to explore stakeholder perceptions of CSR, including those of customers, employees, and investors. This methodology will provide insights into the impact of H&M's CSR practices and help to understand the social phenomena related to CSR in the fast fashion sector.

The two types of data used in research are primary and secondary. Primary data is original information collected directly by the researcher to address research questions. This data is unique to the study and has not been previously processed (Mazhar et al., 2021). In contrast, secondary data refers to data that has been collected by someone else. Secondary data has already been collected and is readily available from other sources. In this thesis, secondary data is used. It involves sourcing existing information from credible publications, databases, journals, relevant academic books, and online sources. Additionally, the researcher uses the CSR related content from the official website of H&M. The data is publicly available, as H&M is a stock exchange-listed entity. Therefore, special permission to use the CSR report information is not required.

1.5 Thesis Structure

This thesis is divided into six chapters. **Chapter 1: Introduction** provides the background of the research, outlines the objectives of the thesis, the research questions it aims to answer, and the limitations. Additionally, it introduces the key concepts and methods used in the research and concludes with an overview of the thesis structure.

Chapter 2: Corporate Social Responsibility (CSR) explains what CSR means and why it is important for businesses today, especially in the fast fashion industry. Moreover, it discusses the reporting directives and how these affect businesses' CSR reporting.

Chapter 3: Stakeholder Theory introduces the idea that businesses should consider the needs of everyone affected by their actions, not just their shareholders. This chapter shows how stakeholder theory is connected to CSR and discusses global requirements for reporting on CSR.

Chapter 4: The Fast Fashion Industry explains what fast fashion is and discusses the environmental and social problems linked to this business model. Additionally, it explores how CSR is implemented in the fast fashion industry, highlighting both the challenges and potential for improvement.

Chapter 5: Empirical Research and Data Analysis presents a case study on H&M, analyzing its CSR reporting and sustainability claims. It compares H&M's reports with independent assessments, focusing on key areas such as reducing emissions, creating a circular economy, and labor practices. Additionally, the chapter describes the methods used to gather and analyze data.

The **Results** section, included within **Chapter 5**, summarizes the findings of the empirical research. It presents the key insights gained from analyzing H&M's sustainability efforts, as well as any discrepancies between the company's claims and external evaluations.

Chapter 6: Conclusion presents the key findings, addressing H&M's transparency in CSR reporting and the alignment of its claims with independent research. It discusses study limitations and offers recommendations for future research in the fast fashion industry.

Chapter 7: Summary reviews H&M's CSR transparency and the challenges posed by its fast fashion model, highlighting the study's insights on CSR accountability in the fashion sector.



2 Corporate Social Responsibility (CSR)

2.1 Definition of CSR

CSR is a strategy through which organisations seek to promote social, environmental, and economic well-being in the areas where they operate. CSR is seen as the responsibility of organisations for the impact of their decisions and actions on society and the environment. In addition, CSR includes ethical behaviour that is consistent with sustainable development and the promotion of community well-being. Furthermore, CSR aims to create sustainable benefits for business and society, thereby building trust between stakeholders. (Wirba, 2023)

CSR programmes are created through various initiatives covering areas such as education, finance, health, socio-cultural activities, infrastructure, and environmental protection. For example, CSR programmes can support local businesses and entrepreneurship to contribute to the well-being of the community. In health care, CSR can improve access to services, leading to a healthier population. In education, infrastructure can be improved to create more opportunities for the community. In addition, CSR addresses environmental issues and ensures that companies take steps to minimise pollution. It is important that CSR improves the links between organisations and society, although it sometimes faces challenges such as conflicts and unmet expectations. (Setiadi et al., 2024)

Corporate Social Responsibility (CSR) is an emerging business paradigm that goes beyond the traditional profit motive to include social welfare and environmental sustainability. The concept emphasises the proactive commitment of organizations to managing general and ethical impacts of their operations. This engagement is a key factor in promoting long-term business sustainability and aligning business objectives with global societal objectives, such as the UN Sustainable Development goals (SDGs). (Wirba, 2023)

Corporate social responsibility (CSR) has its roots in the charitable activities of the Industrial Revolution. CSR was practised by companies to mitigate the negative socio-economic effects of industrialisation. Over the decades, CSR has involved from being a mere charitable activity to a strategic imperative that covers a wide range of activities, including environmental management, social justice, and economic development. The complex nature of CSR has been addressed over the years in different theoretical frameworks and definitions. These frameworks help to understand the multiple aspects of CSR and its social, environmental, and economic impacts. Those frameworks for instance are Carroll's Pyramid of CSR, Triple Bottom Line, and Stakeholder Theory. (Wirba, 2023)

The European Commission defines CSR as a concept whereby companies integrate social and environmental concerns into their business operations and interactions with their stakeholders on a voluntary basis. This definition emphasizes the self-regulation of CSR, where companies go beyond compliance and take actions that promote social good. (Wirba, 2023). In comparison, the World Business Council for Sustainable Development (WBCSD) views CSR as the business contribution to sustainable economic development. Structured CSR practices can help companies manage their activities in a way that improves social and environmental conditions, thereby enhancing their competitiveness and contributing to the economic and social conditions of the communities in which they operate. (Wirba, 2023)

Corporate Social Responsibility (CSR) encompasses four fundamental obligations: economic, legal, ethical, and charitable. From an economic standpoint, companies are expected to generate profits. From a legal perspective, they must comply with community laws and regulations. From an ethical standpoint, they should act in a manner that promotes human welfare. Finally, from a charitable standpoint, they are encouraged to contribute to social projects. The current debate centres on the question of whether business leaders should prioritize shareholders or a broader range of stakeholders, including society, customers, suppliers, and employees. Freeman (1984) introduced the concept of stakeholder theory, which addresses the ethical and moral obligations of companies towards all stakeholders. (Bansal et al., 2023)

In contemporary society, individuals, civil society, international companies, and authorities are increasingly cognizant of the climate crisis. This heightened awareness fosters a collective willingness to act and promote sustainable behaviour. Sustainable transformations, however, cannot be realized without significant changes in corporate governance. Recognizing this imperative, the European Union (EU) proposed and adopted the Corporate Sustainability Reporting Directive (CSRD). This directive aims to enhance corporate transparency and accountability, marking a pivotal shift in non-financial reporting. (Bloem, Staudt and ter Steege, 2023)

2.2 Corporate Sustainability Reporting Directives

EU's Corporate Sustainability Reporting Directive (CSRD)

The CSRD emerged from the European Commission's commitment to review and improve non-financial reporting standards under Directive 2013/34/EU. Announced on December 11, 2019, as part of the European Green Deal, the CSRD aims to modernize and strengthen sustainable development reporting. It serves as a cornerstone of the EU's strategy to

achieve climate neutrality by 2050, addressing the increasing demand for reliable, comparable, and comprehensive sustainability data that is crucial for investors, policymakers, and the public. The CSRD came into force on January 5, 2023. It is applicable to a diverse range of entities, including large public interest organizations, listed companies, and small and medium-sized enterprises (SMEs) that meet the established criteria. At present, approximately 50,000 companies within the EU have adopted the directive. (Bloem, Staudt and ter Steege, 2023)

The primary objectives of the CSRD are to redirect capital flows towards sustainable investments, oversee the management of financial risks associated with climate change and other sustainability concerns, encourage transparency and long-term thinking in financial and economic activities, and ensure that comprehensive sustainability data is accessible to investors and civil society. (Bloem, Staudt and ter Steege, 2023)

The CSRD mandates companies to include detailed information on sustainable development in their annual reports. This information spans various sectors: environmental issues, including greenhouse gas emissions, use of natural resources, and impacts on biodiversity; social and labor issues, including working conditions, diversity, and human rights; and governance issues, including corporate governance and anti-corruption measures. (Bloem, Staudt and ter Steege, 2023)

The CSRD presents several challenges, including difficulties in data collection, increased assurance costs, and compliance with sector-specific standards. Conversely, the directive offers significant benefits, such as enhanced transparency, improved access to capital, and more effective risk management. (Bloem, Staudt and ter Steege, 2023)

The CSRD represents a significant advancement towards sustainable corporate governance. By improving transparency and accountability, it ensures that corporate activities align with the EU's broader sustainability goals, ultimately contributing to a more sustainable and inclusive economic system. (Bloem, Staudt and ter Steege, 2023)

Green Claims Directive (CSRD)

The EU's Green Claims Directive, introduced in March 2023, is an important new rule that controls how organizations make and share environmental claims. This is especially important for industries that have a large impact on the environment, like fashion, which produces huge amounts of greenhouse gases, uses large amounts of coal, releases microplastics into the ocean, and uses a lot of water and toxic chemicals. The Directive was created to address concerns about false or misleading environmental claims, known as

greenwashing. It sets clear rules to make sure that any environmental claims made by organizations are truthful, supported by evidence, and not misleading. (Obadia, 2023)

One of the main points of the Directive is that it bans both greenwashing and planned obsolescence. Greenwashing is when companies make vague or false environmental claims that trick people into thinking a product is eco-friendly. The Directive provides clear rules for making environmental claims, requiring organizations to back up their claims with real evidence of environmental benefits. Additionally, it stops companies from using sustainability labels unless they are checked by third parties or approved by public authorities, to prevent misleading consumers with unverified labels. (Obadia, 2023)

The Directive is based on the goals of the European Green Deal, which focuses on providing reliable, consistent, and verifiable environmental information to help consumers make informed and sustainable choices. EU Justice Commissioner Didier Reynders pointed out that many consumers struggle to figure out how to support climate change solutions because of unclear or misleading environmental claims. By requiring companies to back up their claims with solid evidence, the Directive aims to close this gap and give consumers clear, trustworthy information about the sustainability of the products they buy. (Obadia, 2023)

Under this Directive, organizations must follow basic rules when making environmental claims. They need to provide solid proof, such as life cycle assessments or certifications from third parties, to ensure their claims are based on reliable data. This regulation covers everything from product labels to marketing materials and websites. The aim is to make sure that organizations do not exaggerate their environmental efforts or mislead consumers about how sustainable their products or services really are. (Obadia, 2023)

The Directive addresses the problem of planned obsolescence, where products are intentionally designed to wear out quickly, forcing consumers to replace them frequently. This practice conflicts with sustainability principles by encouraging overconsumption and increasing waste. By regulating this behavior, the Directive aims to promote longer lasting and more environmentally responsible product designs. (Obadia, 2023)

In summary, the Green Claims Directive establishes a strong legal framework to eliminate greenwashing by ensuring that environmental claims are transparent, verifiable, and supported by evidence. It promotes greater accountability for organizations, protecting consumers from deceptive practices while aligning with the goals of the European Green Deal. By holding organizations to higher standards, the Directive is expected to encourage

more truthful and sustainable business practices, contributing to a greener and better-informed marketplace in the EU. (Obadia, 2023)

3 Stakeholder Theory

3.1 Stakeholder Theory Definition

The publication of stakeholder theory (ST) research has expanded significantly over the decades, especially since R. Edward Freeman's 1984 call for an explicit focus on stakeholders. This growth is due to the increasing recognition of the importance of stakeholders, especially in the context of the Internet, which has facilitated access and availability of information. (Mahajan et al., 2023)

Stakeholder theory can be defined as a framework that emphasizes the importance of considering the interests and impacts of all stakeholders affected by the organization's activities. According to this theory, organizations should not focus solely on maximizing shareholder value, but take into account the needs, aspirations, and requirements of different stakeholders, such as employees, customers, suppliers, communities, and the environment. Adopting a holistic approach to decision-making is a key factor in achieving long-term success and sustainability. (Mahajan et al., 2023)

The integration of stakeholder perspectives into strategic planning and action enables organizations to enhance their relationships with external stakeholders, enhance their reputation, and mitigate risks. This approach ensures that the organization is more reactive to external pressures and better prepared to deal with the challenges of today's complex business environment. Consequently, stakeholder theory provides a robust framework for the construction of resilient and sustainable organizations that reconcile economic performance with social and environmental responsibility. (Mahajan et al., 2023)

The practical applications of stakeholder theory extend across a wide range of fields, including business ethics, strategic management, marketing, and accounting. Future research directions include investigating the role of new technologies in stakeholder engagement, addressing sustainability challenges, and developing innovative strategies to maintain organizational legitimacy and performance. (Mahajan et al., 2023)

The adoption and development of stakeholder theory enables organizations to take a balanced approach that not only promotes economic performance but contributes to social well-being and environmental sustainability. This holistic perspective is essential for building sustainable organizations that can thrive in today's complex and interconnected world. (Mahajan et al., 2023)

3.2 Stakeholder Theory in CSR

The concept of corporate responsibility encompasses the influence of organisations on societal, environmental, and economic factors. An effective corporate responsibility programme offers benefits to all stakeholders and enhances the value of the company. Additionally, it ensures responsible conduct. (CIPD, 2024)

The fundamental principle of stakeholder theory is the recognition of the significance of the various groups whose interests are impacted by a company's actions. It is therefore recommended that companies adopt a more comprehensive approach to their activities, rather than focusing exclusively on the generation of profits. To achieve this, it would be beneficial for organisations to consider the well-being of all parties involved. The term 'stakeholder' is used to describe a range of groups with a vested interest in an organisation. These include customers, employees, suppliers, communities, governments and even the environment. (Nnadi and Mutyaba, 2023)

CSR is key to enabling organisations to consider the interests of different stakeholders, while managing the sensitive balance between economic success and social and environmental responsibility. Increasing environmental issues, such as resource depletion and climate change, have made it necessary for companies to integrate environmental factors into their CSR strategies. Companies are now expected to adopt sustainable practices such as reducing their carbon footprint, improving resource efficiency, and adopting ethical sourcing methods. These initiatives will not only help to reduce environmental impacts but will further strengthen a company's reputation and ensure its long-term sustainability. (Nsisong Louis Eyo-Udo et al., 2024)

In addition, CSR in the context of environmental sustainability highlights the importance of stakeholder theory in managing social issues. For example, the COVID-19 pandemic underlined the need for companies to adopt genuine and transparent CSR practices that ensure the safety and well-being of stakeholders. During this period, companies that prioritized their employees, customers, and communities, whether through health measures, financial support, or ethical procurement, gained a stronger reputation and built long-term trust. This demonstrates that CSR is not just about compliance or image management but a true strategy for long-term value creation. (Nsisong Louis Eyo-Udo et al., 2024)

Corporate Social Communication is the practice of communicating with stakeholders about a company's efforts in areas such as social, environmental, and ethical practices. The chal-

challenge for companies is to ensure that they meet the expectations of stakeholders and overcome the concerns of citizens and the media. Companies are seeking to tailor their messages to the needs and interests of different audiences. Effective communication is needed to enhance corporate reputation and build trust and engagement with stakeholders. (Dawkins, 2005)

Research points that stakeholder engagement in CSR communication differs between countries and sectors. Combining legitimacy theory and stakeholder theory, stakeholder behaviour on social media is highly context specific. For instance, in developing countries such as China and India, CSR communications by organizations in the financial sector drive by likes and retweets. In contrast, in developed countries such as France, CSR postings by organizations in certain industries may reduce engagement. These findings highlight the need for multinational companies to adopt strategies that respond to local conditions while maintaining global consistency. (Mu et al., 2023)

The importance of tailoring CSR communication not only to different countries but to specific sectors within those countries. This approach allows multinational companies to improve their social media strategies by considering how different stakeholders react to CSR content. By integrating stakeholder theory into CSR practices, organizations can increase legitimacy, enhance stakeholder engagement, and optimize their overall CSR performance. This approach contributes to long-term sustainability and success by ensuring that CSR efforts are effectively aligned with stakeholders in different contexts. (Mu et al., 2023)

4 Fast Fashion Industry

4.1 Definition of Fast Fashion

Fast fashion is the wider market for fashion. It involves the rapid production of apparel, following the latest fashion trends and offering them to customers at affordable prices. This sector thrives on the rapid production of designs from the catwalk to retail stores. This allows consumers to wear trendy designs as soon as they become popular. The fast fashion industry is thriving because it can meet the demands of consumers who want to keep up with the latest fashion trends. By transforming high fashion designs into accessible, cost-effective alternatives, fast fashion brands are able to meet new consumer demands and the constant updating of wardrobes. (Anisah et al., 2024)

The fast fashion model takes full advantage of the consumer's fashion orientation. It highlights the sensitivity and desire of individuals to the latest fashion trends. This orientation is linked to concerns about how others will react to clothing choices and the willingness to adopt new styles quickly. Fast fashion brands effectively capitalise on this mindset by offering the latest styles at a small fraction of the price of traditional fast fashion, allowing for regular shopping and the addition of new items to the wardrobe. (Anisah et al., 2024)

In addition, the production of fast fashion emphasizes an efficient supply chain. It enables a rapid transition from design to production and delivery. Therefore, brands can not only react quickly to emerging trends but maintain a stable flow of new clothing. This keeps consumers interested. The attraction of fast fashion is based on strategic marketing and promotion, including collaboration with celebrities and influencers, which strengthens brand loyalty and encourages impulsive buying behavior. (Anisah et al., 2024)

Unfortunately, the rapid production and consumption of fast fashion raises significant environmental and ethical concerns. Manufacturing is often criticized for its impact on environmental pollution, waste generation and unsustainable practices. The short life cycle of products and the emphasis on redundancy lead to an increase in textile waste and the depletion of natural resources. Production is under pressure to produce quickly and cheaply. This can lead to labour abuse in developing countries, where most production takes place. (Anisah et al., 2024)

Despite the challenges, fast fashion still dominates the global market. As consumers are now more aware of sustainable behavior, the demand for responsible deals in the sector is growing. Fast fashion brands have started to explore more sustainable options, such as using sustainable and friendly materials and launching recycling programmes. Balancing

the demand for fast and affordable fashion with sustainable and ethical practices is crucial for the future of the industry. (Anisah et al., 2024)

4.2 CSR in Fast Fashion Industry

Organizations social responsibility (CSR) has become crucial for fast fashion industry as brands are having significant impact on environment and social responsibility. Fast fashion is known for its trendy and reasonable pricing, additionally for its fast production of clothing. It has revolutionized fashion industry but sets challenges for sustainability and ethical convention. (Surjit et al., 2024)

Fast fashion is popular with young people, which want to keep up with latest trends. That leads to continuous huge clothing production. Fast fashion satisfies its consumers demand it leads to significant environment harms. The field strongly depends on widescale production process. Those add excess energy producing, use of water, and exhaustion of natural resources. Additionally, quick turnover rate encourages consumers for dispensable spending habits, where the clothes are drowned away after short use. This aggravates waste issues. (Surjit et al., 2024)

Moreover, fast fashion often leads to workers bad working conditions especially in developing countries where most of the production is done. Workers often have long workdays, low salary, and dangerous working environments. Therefore, it enables fast fashion to have quick production schedules. These factors are highlighting the need of fast fashion brands to absorb more responsible practices to mitigate negative impacts on society and environment. (Surjit et al., 2024)

To respond for these challenges many fast fashion brands are starting to execute CSR actions and consider their environmental and social responsibilities. These CSR motions usually concentrate on improvement of working conditions, reducing environment impact, increasing transparency for supply chain management. Fashion brands such as H&M is committed to more sustainable manufacturing process such as using recyclable materials and reducing use of water and energy. Moreover, these companies are aiming to process their ethical working practices to making sure fare salaries and safe working environments for their employees and suppliers. (Surjit et al., 2024)

CSR actions in fast fashion includes aim to get consumers involved in sustainability. Brands are encouraging customers to recycle old clothes and offer incentives for returning secondhand clothing which can be used again and recycle. These actions are helping to

reduce waste and progress the culture of sustainability in the eyes of customers. (Surjit et al., 2024)

In addition, fast fashion organizations are doing collaborations with non-profit organizations and other stakeholders to promote its CSR objectives. These partnerships often focus on environmental protection, workers' rights, and community empowerment. Through such partnerships, fast fashion brands can increase their impact and promote broader social goals. (Surjit et al., 2024)

In summary, fast fashion poses many environmental and social challenges. By taking CSR into account, organizations can make a step towards more responsible and ethical behavior. Prioritizing CSR can influence the negative business models of fast fashion brands, improve their reputation, and meet growing business demands. As customer demand grows, the role of CSR in the fast fashion sector will become more important, balancing profitability with social and environmental concerns. (Surjit et al., 2024)

5 Empirical research and Data Analysis

5.1 Data Collection

This empirical study will examine H&M's sustainability efforts and compare them to external assessments and criticisms. The objective of the study is to evaluate the extent to which H&M's sustainability initiatives align with their stated objectives and ethical responsibilities. Key areas of focus will include emissions reduction, circular economy business models, social responsibility, and labor practices, while addressing criticisms related to greenwashing and ethical shortcomings.

The main data used in this study will come from H&M's sustainability reports, which explain the company's environmental impact, how it treats its workers, and its progress toward the Sustainable Development Goals (SDGs). Additional information will be gathered from other sources, such as reviews and critiques from authors like Robertson (2024) and Feria (2023).

These additional sources will provide a broader view and help critically examine H&M's claims, offering a better understanding of how the company's sustainability practices are perceived by others, as discussed later in this section.

This study aims to highlight both H&M's progress, including advancements in emissions reduction and improvements in supply chain transparency, as well as the ongoing challenges, such as criticisms of the fast fashion model and allegations of labor rights violations.

5.2 Data Analysis

The data collected for this empirical study will be analysed using a structured approach, focusing on qualitative aspects of H&M's sustainability efforts.

The primary methodology will involve content analysis of H&M's sustainability reports. The data will be categorized into core topics, such as emissions reduction, circular business models, social responsibility, and labor practices. Each of these areas will be examined to assess H&M's progress towards achieving the Sustainable Development Goals (SDGs).

Once the data from H&M's reports has been categorized and analysed, it will be compared with external assessments and evaluations. The comparative analysis is expected to highlight discrepancies or similarities between H&M's reported performance and the findings of third parties such as Robertson (2024) and Feria (2023). By comparing H&M's self-reported

data with these external assessments, the study will critically assess the validity of H&M's claims and explore potential greenwashing or ethical concerns.

The qualitative analysis will focus on H&M's sustainability reports, examining how the company discusses its environmental efforts, such as emission reductions, water use, and progress toward a circular economy. These claims will be compared with external evaluations from independent researchers and media reports, like those by Robertson (2024) and Feria (2023), to assess H&M's performance against its stated goals.

5.3 Case Company H&M

H&M (Hennes & Mauritz) is a multinational clothing retailer headquartered in Sweden, known for its fashion offerings. The company was established by Erling Persson in 1947 and is one of the world's largest fast fashion retailers, with a presence in over 70 countries. H&M has demonstrated its ability to offer fashionable, affordable clothing, effectively representing the principles of the fast fashion model. (Melia et al., 2024)

However, the fast fashion industry has a significant environmental impact. It is responsible for 20% of the world's water waste, with a single cotton T-shirt requiring 2,700 liters of water. Furthermore, 35% of the microplastics found in the oceans come from synthetic textiles, contributing to increased pollution. (von Jutrzenka and Tubić, 2024)

H&M aims to create a responsible image through its initiatives. Greenwashing refers to fast-fashion companies like H&M that pretend to be environmentally friendly while continuing to over-consume and harm the environment. This practice weakens real sustainability efforts and leaves consumers unsure of the authenticity of these initiatives. Although H&M claims to use recycled materials such as organic cotton and recycled polyester, many consumers are unaware that these materials may be fabrics that are mislabeled. Many "organic cotton" or recycled materials may be derived from a conventional production process or produced using harmful chemicals. (von Jutrzenka and Tubić, 2024)

In January 2020, Helena Helmersson became CEO of H&M. Under her leadership, H&M has worked to redefine its role in the fast fashion market with a focus on sustainability and ethical behavior. Helmersson is the company's first female CEO and has been an important part of H&M's transformation towards sustainability. H&M's sustainability efforts include a commitment to be climate positive by 2030 and to use only recycled or sustainably sourced materials by the same year. In addition, H&M has fostered supply chain transparency by sharing information on factory conditions to promote sustainability and better working practices. (Melia et al., 2024)

However, H&M is still using fabrics such as polyester and cotton in its production, which are heavily dependent on water and pesticides, causing pollution of water reserves and harm to biodiversity. (von Jutrzenka and Tubić, 2024)

H&M's model controls the different stages of production, from design and sourcing to manufacturing and delivery. This model allows H&M to react quickly to rapidly changing fashion trends, which is a key focus for fast fashion brands. H&M has wide supplier and subcontracting relationships, mainly in Asia, Europe, and North Africa. This supports the brand's ability to bring new fashion trends to market quickly and at competitive prices. (Melia et al., 2024)

However, production has significant environmental costs. The use of aggressive chemicals during the production process contributes to the release of microplastics from synthetic textiles. These synthetic textiles account for approximately 35% of the microplastics found in the oceans. (von Jutrzenka and Tubić, 2024)

H&M, like many other fast fashion brands, has been criticized for the environmental and social impacts of its business model. The brand has responded by implementing initiatives such as the "Close the Loop" program, which encourages customers to return unwanted clothing for recycling, and by developing collections that include more sustainable materials such as organic cotton and recycled polyester. (Melia et al., 2024)

Moreover, H&M is dedicated to ethical sourcing through a comprehensive Code of Conduct for its suppliers. This includes fair wages, non-discrimination, and the elimination of child labor. In addition, the company offers social dialogue in its supply chain, encouraging employee voice and cooperation between management and employees to enhance working conditions. (Melia et al., 2024)

Helmerson's vision includes addressing environmental and labor issues. She further aims to make H&M a leader in sustainable fashion by demonstrating that it is possible to responsibly manage a huge range of clothing while maintaining consumer access. This includes investing in innovation. For instance, H&M has made collaborations with other organizations such as the Ellen MacArthur Foundation, which advances the company's sustainable practices in the fast fashion industry. (Melia et al., 2024)

5.4 H&M's Sustainability Actions

The information in this section is gathered from H&M's sustainable disclosure report and focuses on areas such as emissions reduction, social responsibility, and circular business

models. It explores H&M's efforts to reduce carbon emissions by investing in renewable energy, improving supply chain conditions, and promoting collaboration and transparency. Additionally, it covers initiatives to manage water, protect biodiversity and minimise the environmental impact of production processes. Finally, it highlights H&M's drive towards circular business models and sustainable packaging strategies.

H&M's 2023 Sustainability Progress

In 2023, the H&M Group made significant advances towards its 2030 sustainability goals, despite global challenges. The company prioritized collaboration with industry colleagues, policymakers, and financial partners to develop scalable solutions for the fashion industry's sustainability issues.

A key initiative, the Green Fashion Initiative, focuses on reducing emissions across the supply chain. A notable achievement was the development of a collaborative financial instrument with DBS, Southeast Asia's largest bank, to help reduce carbon emissions in the apparel sector. Additionally, H&M co-invested in a large-scale wind farm in Bangladesh to promote renewable energy and support the country's energy transition.

H&M has already achieved a 22% reduction in Scope 3 emissions (excluding direct operating emissions) from its 2019 baseline, keeping the company on track to meet its 2030 target of a 56% reduction. Moreover, the company is testing science-based targets for nature and working on sustainable farming practices for key materials such as cotton and wool. Furthermore, H&M has reduced freshwater consumption by 14%, exceeding its 2025 target two years ahead of schedule.

Social Responsibility and Circularity

H&M's sustainability strategy focuses on social responsibility, aiming to improve conditions in the supply chain. The company works closely with suppliers to promote gender equality, open communication, and fair wages. A recent study on gender pay gaps showed that better wage management systems have helped reduce inequalities, highlighting H&M's dedication to social sustainability.

H&M Group is leading the way in making the fashion industry more sustainable and circular by integrating sustainability throughout its operations. The company's strategy is built on four key foundations:

- **Economic growth**
- **Resource efficiency:** Minimizing the use of limited natural resources.
- **Emission reduction:** Aiming for a 56% reduction in greenhouse gas emissions by 2030.
- **Sales growth:** Aiming to double revenue by 2030 while maintaining sustainability commitments.

To achieve these goals, H&M invests in innovation, recycled and sustainably sourced materials, and circular business models. The company is building a circular ecosystem by integrating recycling, retail, and sustainability into its operations, measuring success through both financial profit and positive environmental and social impact.

Transparency and Collaboration

H&M takes advances of its global reach to promote sustainable industry change, focusing on innovation, collaboration, and transparency. By investing in new materials, technologies, and business models, the company seeks to separate revenue from resource use and reduce its environmental impact. Additionally, H&M emphasizes transparent reporting and the ethical use of digital technologies to ensure responsible progress toward its Sustainable Development Goals (SDGs).

Key initiatives, such as the H&M Foundation Global Change Award and Looper Textile Co., support the company's efforts in promoting circular economy practices and driving innovation. Looper Textile Co is an independent joint venture formed last year with company Remondis, provides municipalities and retailers with practical solutions to extend the life of unwanted clothing through reuse and recycling. On the other hand, In June 2023, the H&M Foundation announced the winners of its seventh Global Change Award, a major competition for new ideas to improve the fashion industry. The goal is to find and support ideas that can reduce fashion's harm to the environment. This year, the H&M Foundation doubled the prize money and the number of winners to speed up positive changes in the industry.

Supply Chain Transparency and Traceability

Transparency and traceability are critical to H&M's sustainability strategy, enabling informed decision-making for customers and fostering industry-wide innovation. H&M ac-

tively collaborates with partners to improve data systems and supply chain traceability, using tools like the Higg Product Module and TextileGenesis™ platform to track the environmental and social impacts of its products.

Water Stewardship

As one of the most water-intensive industries, fashion faces significant challenges regarding water consumption and quality. H&M has reduced its total water consumption by 38% since 2017, approaching its 40% target. The company aims for a 30% reduction in freshwater use across its value chain by 2030 (based on a 2022 baseline), while improving wastewater treatment and enhancing governance in water-stressed regions. Collaborating with partners like WWF, H&M integrates innovations in water recycling and production efficiency, addressing the interconnected issues of water scarcity, climate change, and disaster resilience.

Biodiversity and Ecosystem Protection

H&M is committed to protecting biodiversity by preventing ecosystem degradation, investing in reforestation, and promoting regenerative agriculture. Following the Avoid, Reduce, Restore, Regenerate, transform (ARRRT) framework, the company supports initiatives such as the EU Corporate Sustainability Reporting Directive (CSRD) to standardize biodiversity reporting. H&M collaborates with partners like WWF and Business for Nature to address environmental impacts across its value chain, focusing on sustainable materials, circular business models, and improving traceability.

Reducing the Environmental Impact of Production Processes

H&M works to minimize the environmental impact of production processes such as dyeing, washing, and finishing, which are significant contributors to emissions, water use, and chemical consumption. The company is developing a long-term strategy to reduce these impacts by collecting supplier data and investing in innovative technologies like CO₂-based dyeing and recycling-based dyes. Collaboration with industry partners and initiatives like the Sustainable Apparel Coalition is essential for scaling these innovations and establishing industry-wide solutions.

Circular Business Models

H&M is advancing customer-facing circular business models to reduce reliance on virgin materials and decouple revenue from resource use. These models focus on repair, rental,

and resale services to extend product lifecycles and meet the growing demand for second-hand fashion. Despite the challenges of scaling circular models, H&M invests in innovations and infrastructure to improve processes and increase accessibility.

The company's circular approach emphasizes three key areas:

- **Use, Care & Repair:** Encouraging customers to prolong the life of their clothes.
- **Access:** Offering reuse and rental services.
- **Collect:** Facilitating garment collection for reuse or recycling.

Packaging Strategy

H&M recognizes packaging as a significant contributor to resource consumption and waste. In response, the company has developed a packaging strategy aligned with the Ellen MacArthur Foundation's principles of eliminating waste, circulating materials, and regenerating nature. H&M aims to reduce plastic packaging by 25% by 2025, ensure all packaging is recyclable or reusable, and source 100% of packaging materials from recycled or sustainable sources by 2030.

Human Rights and Supply Chain Workers

H&M's global operations affect millions of people, from employees to supply chain workers. The company is committed to safeguarding human rights and ensuring fair compensation, health, and safety throughout its supply chain. Key focus areas include:

- **Health, Safety & Wellbeing:** Ensuring safe working conditions for all workers.
- **Compensation & Social Protection:** Supporting fair wages through wage management systems and collective bargaining.
- **Labour Rights:** Empowering workers to engage in dialogue with employers, promoting gender equality, and ensuring freedom from discrimination.

H&M collaborates with partners like IndustriALL and the International Accord to drive long-term improvements in labor rights and working conditions.

Employee Wellbeing and Development

H&M recognizes its employees as key drivers of its success and is committed to creating fair, inclusive, and supportive workplaces. The company focuses on:

- **Health, Safety & Wellbeing:** Promoting employee wellbeing through close collaboration between employees, leaders, and representatives.
- **Professional & Personal Development:** Encouraging growth through learning opportunities and feedback.
- **Employee Relations & Engagement:** Supporting freedom of association and collective bargaining.
- **Compensation & Benefits:** Ensuring fair remuneration through the H&M Incentive Program (HIP).

5.5 Results

The research revealed that H&M has made progress in several areas of sustainability, including reducing emissions and improving water management. The company has initiated efforts like the "Green Fashion Initiative" and has invested in renewable energy, such as co-investing in a wind farm in Bangladesh. These actions have contributed to reductions in freshwater consumption and enhanced supply chain transparency, demonstrating H&M's commitment to mitigating environmental impacts. These efforts align with the company's ambitious 2030 sustainability goals, support a shift toward circular business models in the fast fashion industry, and indicate that its actions at least partly support commitments to corporate social responsibility (CSR).

Despite these efforts, H&M still faces major challenges and criticism, particularly regarding its fast fashion business model. This model promotes excessive production and consumption. Although H&M claims to be environmentally sustainable, it has been accused of misleading consumers about how environmentally friendly its operations truly are, a practice known as greenwashing. Independent studies by Robertson (2024) and Feria (2023) identified discrepancies between H&M's reported achievements and the actual environmental and social impacts, raising doubts about the company's commitment to corporate social responsibility (CSR).

H&M faces weaknesses in its environmental sustainability claims. Although the company has taken steps to lower its environmental impact by adopting renewable energy and setting targets to reduce greenhouse gas emissions, its fast fashion business model, which focuses on producing cheap, short-lasting clothes, undermines these efforts. This model generates

significant waste, with large quantities of clothing ending up in landfills. As Robertson (2024) argued, H&M's environmental sustainability rating has declined, indicating that its actions are not sufficient to counter the harmful effects of its business practices.

In the 2023 edition Fashion Transparency Index, H&M ranked third with a score of 64%. The report showed that 93% of brands scored below 50%, meaning most brands are not being transparent about important issues like living wages, unionization, sustainable materials, climate change, and circularity. The Fashion Transparency Index ranks major fashion brands based on how much information they share about their social and environmental practices. It encourages brands to be more open and hold them accountable for human rights and environmental problems in their supply chains. H&M has been transparent by regularly publishing details about its suppliers, policies, audit results, and how it addresses problems. However, some critics say its factory audits are not thorough enough. (Fashion Revolution)

Regarding labor practices and ethical concerns, an article examining H&M's sustainable and ethical actions highlighted that the company introduced a "fair living wage" program where it promised to pay all the workers fair wages by 2018. H&M has faced criticism for not fulfilling its promise to ensure garment workers are paid a fair "living wage" (Feria, 2023). Business & Human Rights Resource Centre has held Interviews with workers in factories in countries like Bulgaria, Turkey, India, and Cambodia revealed that many workers are still not earning enough to cover their basic needs. Some are forced to work extra hours beyond legal limits, which could be considered forced labor. Although H&M reported that its wage strategy has reached over 930,000 workers in 600 factories, wage levels should be set locally through negotiations between employers and workers, rather than by external brands. (Guilbert, 2018)

A report by Helsingin Sanomat revealed that a British NGO, Earthsight, found H&M used cotton linked to deforestation, land grabbing, and human rights abuses in Brazil, despite the cotton being certified as sustainable by the Better Cotton Initiative (BCI). This cotton was sourced from large farms in the Cerrado region and used in approximately 250 million products sold by H&M and Zara. Both companies are currently investigating these claims. The report raises concerns about greenwashing and questions the reliability of sustainability certifications. (HS, 2024)

Further complicating its sustainability claims, H&M is currently facing a civil lawsuit in the U.S. regarding the ambiguous environmental promises of its Conscious Choice collection. A report from Quartz revealed that one dress in this collection used 20% more water than

average, despite H&M's claim that it used 20% less. The Conscious Choice collection lacks third-party certification, allowing H&M to redefine its sustainability claims under public scrutiny. This absence of certification raises concerns in an industry where such certifications are readily available. Although H&M holds a high sustainability rating from MSCI, its ethical behavior remains a weak point, posing potential risks to its reputation and leading to litigation. (Landau, 2023)

Critics say that H&M's sustainability claims are often unclear. For example, the company promotes using "sustainable materials," but these materials might only make up a small part of the clothing, which can mislead customers about how environmentally friendly the product is. Additionally, the term "sustainable" is not well-defined, and many of H&M's products are still made from regular materials that are harmful to the environment. (Feria, 2023)

The results of this thesis suggest that while H&M is actively pursuing more sustainable practices, these efforts are insufficient to meet the high standards required for genuine corporate social responsibility and sustainability in the fashion industry. The company's fast fashion business model, which prioritizes rapid production and low-cost clothing, remains a significant barrier to achieving true environmental and social sustainability.

Although H&M had set ambitious targets, such as achieving net-zero emissions by 2040, progress has been minimal. In 2022, for example, the company saw little reduction in its greenhouse gas emissions, raising concerns about its true commitment to sustainability. Critics argue that without significant changes to its fast fashion model, H&M is unlikely to meet its sustainability goals. (Feria, 2023)

6 Conclusion

This thesis set out to investigate the transparency of H&M's corporate social responsibility (CSR) reporting and evaluate whether the company's claims about sustainability and ethical practices align with independent research findings. By analyzing H&M's CSR reports and comparing them with third-party assessments, this study highlighted both the strengths and limitations of H&M's CSR efforts within the fast fashion industry.

Additionally, the research explored external critiques of H&M's ethical practices, including accusations of greenwashing and poor labor conditions. Qualitative insights from independent sources shed light on the challenges H&M faces in balancing sustainability goals with its fast fashion business model. By combining H&M's internal reports with external evaluations, the study provided a comprehensive view of H&M's overall sustainability strategy.

Answer to the Main Research Question

- Is H&M transparent in its CSR reporting?

The study found that while H&M has made some progress in transparency, such as reporting on reducing emissions and improving supply chain transparency, its overall CSR efforts remain limited. While H&M provides information in certain areas, its fast fashion business model continues to conflict with its sustainability goals, indicating that more work is needed to achieve full transparency.

Answer to the Sub-question

- Does research confirm H&M's CSR claims?

The findings showed that independent research only partly confirms H&M's claims. While H&M has taken steps to improve its sustainability efforts, these are not fully supported by external research. Independent evaluations criticized H&M for practices such as greenwashing and concerns about labor conditions, suggesting that its CSR claims do not fully align with the reality of its operations.

Limitations of the Study

The study relied on a variety of data sources, including H&M's sustainability reports and independent evaluations. However, there were limitations, such as the reliance on publicly available information and the absence of primary data collection from H&M. This means that the findings were specific to H&M and may not reflect broader trends across the entire

fast fashion industry. Additionally, the accuracy of the conclusions depended on the reliability of the external reports used.

Recommendations for Future Research

Future research could benefit from analyzing the sustainability efforts of multiple fast fashion companies, allowing for a more comprehensive industry comparison. Long-term studies focusing on the impact of sustainability initiatives on corporate performance and consumer behavior would provide deeper insights. Furthermore, gathering primary data, such as conducting interviews or surveys with key stakeholders, would offer a more direct evaluation of CSR efforts.

Conclusion

Although H&M has taken positive steps toward transparency and sustainability, its fast fashion business model still undermines many of these efforts. Without significant changes to its business practices, H&M is unlikely to meet the standards required for genuine sustainability and ethical responsibility in the fashion industry. (Feria, 2023)

7 Summary

The purpose of this thesis was to see how open H&M is about its social responsibility efforts and to check if the company's claims about being sustainable and ethical match what independent research says. By looking at H&M's CSR reports and comparing them with evaluations from other sources, this study pointed out both the positive steps and the shortcomings of H&M's efforts in the fast fashion industry. The main goal was to find out if H&M's actions truly match its promises, especially considering the difficulties of its fast fashion business model.

Research Questions and Approach:

The thesis addressed two research questions:

Main Research Question: "Is H&M transparent in its CSR reporting?"

Sub-question: "Does research confirm H&M's CSR claims?"

To answer these questions, H&M's CSR reports were analysed and compared with assessments by independent researchers. This included a review of external criticisms of H&M's performance in areas such as emissions reduction, circular economy practices, labour standards and supply chain transparency. By comparing H&M's own claims with these external findings, the study provided a detailed picture of how H&M's sustainability claims stand up to third-party assessments.

Main Results:

The findings showed that H&M has made some visible efforts to be transparent in its CSR practices, like reporting on emissions and making its supply chain more open. However, there are still big challenges. The fast fashion model, which relies on producing large volumes of clothing quickly, makes it hard for H&M to fully meet its sustainability goals. Independent evaluations confirmed some of H&M's claims but highlighted issues, such as difficulties in keeping labor standards consistent and accusations of greenwashing, which raise questions about H&M's commitment to ethical practices.

Outcomes:

The study concludes that although H&M has taken steps toward sustainability and transparency, these efforts are limited by its fast fashion business model, which makes genuine CSR challenging to achieve. Without significant changes to its model, H&M's sustainability

efforts are unlikely to meet the standards required for true corporate social responsibility and ethical responsibility in the fashion industry.

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