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The 'sins' of greenwashing

A content analysis of greenwashing's role in the fast fashion industry

Keywords: Fast fashion, Sustainable fashion, Greenwashing, Supply chain management, Fast fashion business model, Environmental Exploitation, H&M, CSR

Abstract

This dissertation analyses the role of greenwashing in the fast fashion industry in order to develop existing discussions of environmental exploitation and sustainability. It will use content analysis to examine qualitative texts and the global fast fashion company Hennes & Mauritz AB (H&M) will serve as the thesis' case study. The theories of supply chain management and corporate social responsibility (CSR) will be used as the former provides an understanding of how the fast fashion business model works and why the supply chain is environmentally exploitative, whereas the latter will provide a point of view of companies' responsibility to sustainability and the importance of transparency. It will analyse and compare two H&M sustainability reports from 2013 and 2019, as well as analyse H&M's CSR Policy and a 'Frequently asked questions' section on the company website, with particular attention to the supply chain and the clothing collection *H&M Conscious*. Ten different greenwashing 'sins' and four levels of greenwashing 'sins' will be applied to this analysis to discover whether H&M's business practices and supply chain management can be considered as greenwashing, and thereby provide a better understanding of what greenwashing is, how greenwashing is used in fast fashion as well as the business model fast fashion is based on. It will also touch upon how time may have changed the topic or if it was kept the same. This study will contribute to the fields of business, marketing, international relations and global political economy (GPE), as it will connect greenwashing to a global fast fashion company and a global issue, that is climate change and environmental exploitation.

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1. Introduction and Background to the Research Problem

1.1 Fast fashion and its environmental exploitation

Fast fashion is considered to be fun, stylish, affordable and easily available, though many are aware of the bad sweatshop conditions, but not of its pollution. The fast fashion industry is one of the most environmentally exploiting industries in the world, and employs about 26.5 million people globally.¹ In 2018, five of the world's fifty-five wealthiest people were owners of fashion companies and compared to 1980, shoppers now purchase five times more clothing, and globally 80 billion clothes are bought every year.² Compared to the 1990s, fashion brands produce double the amount of clothing with production increasing by 2% each year.³ Since the 1980s it has grown from what used to be a 500 million dollar trade, to a 2.4 trillion dollar a year global trade.⁴ The Fashion Pact, an international coalition of textile companies who are committed to making the industry more sustainable, believes the industry will have a growth rate at 7% until 2024, despite the COVID-19 pandemic.⁵ The textile and culture academics Pal and Gander argue that the fashion industry uses enormous amounts of water, chemicals in dyes and waste from unsold garments or landfill deposits, becoming one of the highest environmental polluting industries in the world.⁶ According to fashion journalist and author Dana Thomas, there are three victims of fast fashion: the labour in developing countries, human rights in these countries, and the Earth.⁷ Fast fashion brands produce about twenty collections every year⁸ and Thomas argues none of these are

¹ Elisa Wagner and Cecilia Mark-Herbert, 'Relationship Marketing in Green Fashion—A Case Study of hessnatur' in *Green Fashion. Environmental Footprints and Eco-design of Products and Processes* vol. 2, ed. Subramanian Senthilkannan Muthu and Miguel Angel Gardetti (Springer Science+Business Media Singapore 2016), 21.

² Dana Thomas, *Fashionapolis: the price of fast fashion and the future of clothes* (London: Head of Zeus Ltd, 2019), 3.

³ Kirsi Niinimäki et al., 'The environmental price of fast fashion', *Nature Reviews: Earth & Environment* vol. 1, (2020): 189.

⁴ Thomas (2019), 5.

⁵ The Fashion Pact, 'First Steps to Transform Our Industry', *The Fashion Pact*, <https://thefashionpact.org/wp-content/uploads/2020/10/038906e111abca13dce4c77d419e4f21.pdf> (2020), accessed March 1st 2021, 11.

⁶ Rudrajeet Pal and Jonathan Gander, 'Modelling environmental value: An examination of sustainable business models within the fashion industry', *Journal of Cleaner Production* 184 (2018): 251.

⁷ Thomas (2019), 7.

⁸ Jennifer Craik, *Fashion: the key concepts* (Oxford and New York: Berg, 2009), 207.

sustainable.⁹ According to fashion sustainability scholars Kozlowski, Searcy and Bardecki, sustainability is one of the problems facing fast fashion today, due to the complex environmental consequences and social effects, both when it comes to production and consumption.¹⁰ The Fashion Pact explains that due to the fashion value chain, it is a complex issue for a single fashion company to manage. Therefore, more brands have taken sustainable initiatives, by defining their sustainability goals, increasing an improved traceability for their products and investing in consumer education. Non-governmental organisations (NGOs) have assisted in developing and promoting these manufacturing methods and new circularity methods.¹¹ Sustainable fashion is synonymous to eco-fashion, slow fashion, green fashion and ethical fashion, and has recently become a main focus for long-term growth and environmental impact.¹² Kumar et al., who are scholars in management and civil engineering, claim that sustainability has nowadays become a requirement for companies, and not an option.¹³ The sustainability marketing strategy has changed in order to keep a constant competitive advantage, which is the main goal.¹⁴

1.2 Greenwashing

When you hear a company boast about how environmentally friendly it is, hold the applause. Under super-competitive capitalism – what I’ve termed ‘supercapitalism’ – it’s naive to think corporations can or will sacrifice profits and shareholder returns in order to fight global warming. Firms that go green to improve their public relations, or cut their costs, or anticipate regulations are being smart, nor virtuous.¹⁵

⁹ Thomas (2019), 4.

¹⁰ Anika Kozlowski and, Cory Searcy and, Michael Bardecki, ‘Innovation for a Sustainable Fashion Industry: A Design Focused Approach Toward the Development of New Business Models’ in *Green Fashion. Environmental Footprints and Eco-design of Products and Processes* vol. 2, ed. Subramanian Senthilkannan Muthu and Miguel Angel Gardetti (Springer Science+Business Media Singapore 2016), 151.

¹¹ The Fashion Pact, ‘First Steps to Transform Our Industry’, *The Fashion Pact*, <https://thefashionpact.org/wp-content/uploads/2020/10/038906e111abca13dce4c77d419e4f21.pdf> (2020), accessed March 1st 2021, 11.

¹² Asimananda Khandual and Swikruti Pradhan, ‘Fashion Brands and Consumers Approach Towards Sustainable Fashion’ in *Fast fashion, fashion brands and sustainable consumption*, ed. Subramian Senthilkannan Muthu (Springer: Springer Nature Singapore Pte Ltd, 2019), 37-38.

¹³ Vinod Kumar et al., ‘Evolution of sustainability as marketing strategy: Beginning of new era’, *Procedia - Social and Behavioral Sciences*, 37 (2012): 484.

¹⁴ *Ibid.*, 487.

¹⁵ Thomas (2019), 193.

The quote above is by economist Robert Reich criticising companies' sustainable practices claiming it is for the environment, when it is for the company's financial profits. Increased attention towards consumers' environmental and social impact of their clothing consumption has resulted in an increased demand for more ethical alternatives, thus, creating a business for more sustainable products.¹⁶ A Nielsen Media Research study concluded that 66% of global consumers are more willing to pay more for products that are better for the environment, as they perceive firms as socially responsible for this pollution.¹⁷ Consumers believe that by making ethical choices, they can encourage and support companies to be sustainable, but due to limited product information, availability and fair-trade alternatives, it is difficult to support ethical brands.¹⁸ If a company has a bad reputation regarding fair trade, it affects the likelihood of customers buying their products.¹⁹ This is where the concept of greenwashing comes in. It was first used in 1986 by Jay Westerveld, when visiting a hotel that asked its guests to reuse their towels for water conservation, without doing any other environmental practises. The business scholars de Freitas Netto et al. describe it as a phenomenon that includes poor environmental performance and a positive communication about it.²⁰ Greenwashing is perceived as a deliberate corporate action that misleads consumers, and when this phenomenon occurs the element of accusation is important once this misleading claim is detected.²¹ The freelance writer Sharlene Gandhi describes it as a method that uses 'climate crisis as a means of marketing without any fundamental change to business'.²² The business associate professor Majláth's quantitative study concludes that greenwashing can negatively influence advertisement evaluation.²³

¹⁶ Deirdre Shaw et al., 'Fashion victim: the impact of fair trade concerns on clothing choice', *Journal of Strategic Marketing* 14:4 (2007): 428.

¹⁷ Sebastião Vieira de Freitas Netto et al., 'Concepts and forms of greenwashing: a systematic review', *Environmental Sciences Europe* 32:19 (2020): 1.

¹⁸ Shaw et al. (2007), 430.

¹⁹ Ibid., 436.

²⁰ de Freitas Netto et al. (2020), 2.

²¹ Ibid., 10.

²² Sharlene Gandhi, 'How fast fashion is greenwashing', *Sense & Sustainability: fresh perspectives on sustainable development*, December 3rd 2019 (accessed March 10th 2021).

²³ Melina Majláth, 'The effect of greenwashing information and ad evaluation', *European Journal of Sustainable Development* 6, 3 (2017): 92.

This leads to problems for customers who will find it difficult to identify true environmental claims, and what companies to trust.²⁴ Green marketing scholars Strähle and Hauk argue that companies' final aim will always be to make profit. Companies do not have an interest in informing its customers about its negative environmental effects, as this might result in the consumer rethinking their consumption behaviour. Instead, it is better to keep a sustainable image. Companies tend to position themselves in a more sustainable way because they gain a better image from the customers, and thus, make profit. This means that companies do not produce more sustainably than other companies, the difference is that they make the customer believe they do.²⁵ The journalist Mehar Mehar claims greenwashing is a deception of fast fashion, and customers must question if businesses care about sustainability.²⁶ The journalist Elena Grinta from BeIntelligent.eu, a digital magazine who discusses how companies deal with sustainable development, argues that many fast fashion companies misuse terms like 'eco-friendly' and greenwashing is unfortunately a by-product of companies who spend more time and money to advertise a 'green-ness' instead of reducing their environmental impact.²⁷ Gandhi argues that fast fashion is one of the main reasons for the distillation of the term 'sustainability' and how it is synonymous with 'eco-friendly', arguing it is impossible to have ecological sustainability without paying attention towards economic, social and cultural sustainability as well as human health. Fast fashion only discusses sustainability fitting its agenda, resulting in further environmental damage.²⁸

2. Research question

Greenwashing and environmental exploitation both have a negative reputation, so I wish to explore the relationship between the two by investigating the role greenwashing plays in the fast fashion industry, and if it is part of the business model fast fashion is based on. The thesis will discuss how greenwashing contributes to the fast fashion industry's complexity,

²⁴ de Freitas Netto et al. (2020), 2.

²⁵ Jochen Strähle and Katharina Hauk, 'Impact on sustainability: production versus consumption', *Green Fashion Retail*, ed. Jochen Strähle (Springer Series in Fashion Business, Springer Science+Business Media Singapore 2017), 66.

²⁶ Mehar Mehar, 'The deception of greenwashing in fast fashion', *Down to Earth*, February 16th 2021 (accessed March 10th 2021).

²⁷ Elena Grinta, 'Fast fashion greenwashing', *BeIntelligent.eu*, April 27th 2020 (accessed March 10th 2021).

²⁸ Gandhi (2019).

by analysing the paradox of fast fashion companies claiming to care for sustainability, while encouraging customers to purchase their products, resulting in a consumption that still exploits the environment. The Fashion Pact argues there is significant difference between fashion companies and how they deal with sustainable practices, and since H&M has signed The Fashion Pact, and been accused of greenwashing and also praised for their work towards sustainable fashion; H&M will serve as this dissertation's case study, and debate whether their actions can be considered greenwashing.

My research question is;

What role does the different kinds of greenwashing play in today's fast fashion industry?

There are two answers I wish to find out with my research. Firstly, my thesis aims to explore the different definitions of greenwashing in fast fashion and apply these to a known fast fashion brand, and secondly; provide a discussion of whether greenwashing has become a part of the contemporary fast fashion's business model.

2.1 Purpose of research and contribution to the field

This dissertation will contribute to the research of fast fashion, particularly in discussions about environmental sustainability and greenwashing. While former fast fashion industry research has contributed to a wider understanding of sweatshop labour and power imbalances, there is not as much research done on environmental effects nor greenwashing. Environmental pollution caused by fast fashion has both a global and local effect, and due to the large size of the fashion industry, its globalisation and the large distances, it has become a highly relevant topic. This is why it is important to study in the fields of International Relations, as environmental exploitation and climate change are relevant topics, and fast fashion is severely affecting both. Before fast fashion was easily affordable and accessible, people made their own clothes, but today, individuals are dependent on other companies to make clothes for them. Buying clothes and being sustainable leads to a dilemma, as the fast fashion industry is severely polluting the world but many do not have any other choice but buying clothes from this industry. Since it has become more common for individuals to prefer sustainable clothing, it has also made it more common for companies to sell

sustainable products. As mentioned previously, this has also made it more difficult to know whether companies actually care, or only engage in greenwashing. Moreover, since this thesis will primarily focus on discussions regarding the business model and supply chain management, it will also be useful in the fields of marketing, business management, retail and GPE. Greenwashing is not a common topic in GPE or in IR, and this thesis will bring it more attention, and see what role it plays in the powerful industry of fast fashion.

2.2 Previous research

The fashion scholar Jennifer Craik lists different approaches to fashion studies, such as history, consumer culture, gender-related studies, and within IR, fashion is usually part of discussions of labour conditions and effects of outsourcing.²⁹ Her textbook does not contain discussions of the environmental impact, except for admitting that environmental concerns have caused a debate regarding sustainable methods, despite nothing has changed in the manufacturing processes.³⁰ According to Wagner and Mark-Herbert, there has been more interest in the fast fashion industry since 2014 from customers, shareholders, NGOs, trade unions, public authorities and international organisations, particularly when it comes to environmental and social issues. However, disastrous accidents still occur in sweatshops; injuring and killing workers, as well as environmental disasters; large use of raw materials, textile waste and release of toxic chemicals.³¹ The full environmental impact is debated, contributing to the complexity of fast fashion. In Khandual and Pradhan's study, it is claimed the fast fashion industry is the second most environmentally damaging industry in the world, as 1.5 million tonnes of clothing is thrown to landfills yearly³² whereas Niinimäki et al. on the other hand, claim that more than 92 million tonnes of textiles end up in landfills every year³³, and finally Thomas argues that a total of 2.1 billion tons of clothes are thrown away annually, with 5.8 million tons of this coming from the EU.³⁴ These numbers are

²⁹ Craik (2009), 116-117.

³⁰ Ibid., 211.

³¹ Wagner and Mark-Herbert (2016), 22.

³² Khandual and Pradhan (2019), 38.

³³ Niinimäki et al. (2020), 189.

³⁴ Thomas (2019), 8.

extremely far apart from one another, even though all sources only differ one year, showing how evident our lack of knowledge within this area is, and suggests it is calculated differently. The environmental health scholars Bick et al. argue that the environmental and human health concerns of fast fashion are mostly missing from scientific research, discussions and literature, particularly when it comes to global environmental justice.³⁵ The lack of research exists in discussions of sustainable fashion as well, and in CSR research according to Wagner and Mark-Herbert.³⁶ Mehar argues that because a clear definition of sustainability does not exist, companies can use terms like ‘eco-friendly’ without any legal importance, resulting in lack of accountability. She argues that lack of empirical data and government-funded studies on fashion impact contribute to this. Since greenwashing is relatively new, there is not only academic absence, but also an absence in public awareness and education regarding the damages fast fashion is responsible for.³⁷ Kumar et al. agree there is a lack of research and variety of sustainable businesses, and companies are nowadays required to keep sustainability as part of their business practices for the sake of the future and for their own competitive advantage.³⁸ Majláth suggests that further research is necessary to understand how greenwashing information in ads can affect products. According to her, greenwashing causes the same amount of negative reactions from environmentally concerned people and people who are not as environmentally concerned.³⁹ de Freitas Netto et al. explain there is no generally accepted definition of greenwashing due to its multidiscipline, despite being discussed in fields of business, marketing, social sciences, environmental law and even production engineering.⁴⁰ Finally, Mistra Future Fashion, a research programme aimed towards sustainable fashion, states that future research is needed to develop better systems, and reduce the use of current resources.⁴¹

³⁵ Rachel Bick and, Erika Halsey and, Christine C. Ekenga, ‘The global environmental injustice of fast fashion’, *Environmental Health*, BioMed Central, (2018): 3.

³⁶ Wagner, Mark-Herbert (2016), 30.

³⁷ Mehar (2021).

³⁸ Kumar et al. (2012), 482-485.

³⁹ Majláth (2017), 103.

⁴⁰ de Freitas Netto et al. (2020), 10.

⁴¹ Nicholas Morley et al., preface to ‘Sustainable fashion research agenda -future directions arising from the Mistra Future Fashion research programme’ (Mistra Future Fashion report 2019:17, RISE AB: 2019).

3. Theory

Greenwashing is more of a concept, or a marketing strategy, rather than a theory, but can be discussed alongside theories of fast fashion's business model and supply chain management, as well as Corporate Social Responsibility (CSR), to provide a better understanding of how fast fashion companies operate, and what responsibility they may take for sustainability.

3.1 The business model and supply chain management

The business model of fast fashion is what defines it; the industry uses cheap labour derived from developing countries to quickly produce affordable and trendy apparels sold during a short period of time before being replaced by a new trend. Textile scholars Buzzo and Abreu think the fast fashion business model can be defined with three elements. Firstly, quick response, secondly, frequent change of trends; and these two elements allow fast fashion's operation, and thirdly, fashion designs at inexpensive prices representing how it can create business value.⁴² Thomas notes that the fashion business model has been working the same way for 250 years, describing it as a 'creative thievery, indifference for others, corruption, pollution'.⁴³ Bick et al. argue that since the fast fashion business model became the norm for global fashion brands, demand for inexpensive clothing in big quantities have increased, causing both environmental and social degradation within all of the supply chain's steps.⁴⁴ Across Sweden, Denmark, Finland and Norway between 13 and 16 kilograms of textiles are bought per person annually as a result of this model.⁴⁵ Fashion scholars Barnes and Lea-Greenwood analyse fast fashion's business model by exploring supply chain management. Supply chain management theory is one factor to the success of fast fashion. Having an effective management of the supply chain is key to retail success, considering it is the supply chains that compete rather than companies, which is why it has become more common for companies to partner with other companies to improve the performance of the customer value delivery system. By collaborating, companies can work out mutually

⁴² Aline Buzzo and Maria José Abreu, 'Fast fashion, fashion brands and sustainable consumption' in *Fast fashion, fashion brands and sustainable consumption*, ed. Subramian Senthilkannan Muthu (Springer: Springer Nature Singapore Pte Ltd, 2019), 3-4.

⁴³ Thomas (2019), 23.

⁴⁴ Bick et al. (2018), 3.

⁴⁵ Niinimäki et al. (2020), 189.

profitable strategies, since fast fashion tends to be full of long, complex and inflexible pipelines, affecting the demands from the customers and the modern fashion industry.⁴⁶ This is evident in H&M, who collaborates frequently with other brands, such as Lee, which was their first collaboration of 2021, and advertised for their sustainable material.⁴⁷ Craik continues that the industry can be viewed as a classic supply chain from the production of natural materials to the textile manufacturing, then the retail and finally, consumption of these finished products.⁴⁸ Essentially, a supply chain involves the processes and actors that transform raw material into a consumer product through production, distribution and consumption.⁴⁹ In the fast fashion supply chain there are a few more steps, specifically four subsystems. The manufacturing of the clothing is based on a creative manufacturing system that designs different apparels based on customer preferences. The managerial system controls the various stages of sourcing, manufacturing, clothes distribution and the communication that deals with the intendant advertisement. The manufacturers and wholesalers are important parts of this managerial system as well. The former is in control of production and materials purchases, whereas the latter is responsible for authorising the manufacturing.⁵⁰ The fashion supply chain particularly deals with the conversions of natural fibres and chemicals used in fabrics, and with the retail suppliers, the manufacturing and the marketing. The main issues for the supply chain are coordination, costs, product quality, reliability and timing.⁵¹ This makes the supply chain management complex. It is also in the supply chain where one can point out the environmental effects of fast fashion. Binet et al. report that the current supply chain model's environmental consequences are becoming increasingly worse, and its overproduction leads to overconsumption.⁵² Mistra Future Fashion argues the environmental impact during the production stage accounts for 80% of

⁴⁶ Liz Barnes and Gaynor Lea-Greenwood, *Fast Fashion*, Volume 10, Issue 3 (Bradford: Emerald Publishing Limited, 2006). ProQuest Ebook Central, 262.

⁴⁷ H&M, 'Lee x H&M', H&M (accessed March 9, 2021).

⁴⁸ Craik (2009), 206.

⁴⁹ Ibid., 337.

⁵⁰ Ibid., 206-207.

⁵¹ Ibid., 337.

⁵² Faustine Binet et al., 'Fast Fashion and Sustainable Consumption' in *Fast fashion, fashion brands and sustainable consumption*, ed. Subramian Senthilkannan Muthu (Springer: Springer Nature Singapore Pte Ltd, 2019) 8.

the textile's climate impact and 92% of the toxicity impact. A large amount of water and energy is used during this step, and the energy to process this water is often from fossil energy. While garments are produced, it also risks shedding from micro-plastics.⁵³ Barnes and Lea-Greenwood explain that the supply chain's difficulties are often due to large geographical distances, particularly between sourcing and selling markets, as well as operational distances between representatives of the supply chain and import-export procedures.⁵⁴ According to Mehar, fast fashion's current supply chain barely tackles sustainability, and claims fast fashion can never be sustainable. Customers are deceived by brands thinking they are sustainable, which only fuels the business model fast fashion is based on. This is evident in big brands, since they produce huge marketing budgets to promote eco-friendly collections. Nevertheless, initiating an agenda to promote sustainability in the general business model will not work as it cannot deal with the larger issues, such as textile waste and climate change. This business model is dependent on an exploitative supply chain that cannot be sustainable.⁵⁵ Mistra Future Fashion believes a new business model is the only way the fashion industry can be environmentally friendly, by utilising its resources sustainably and eliminating waste, which would be possible with new policies that can develop a new market and business model.⁵⁶

3.2 Corporate Social Responsibility (CSR)

Finally, a popular practice for companies is Corporate Social Responsibility (CSR), which is useful when discussing claims of greenwashing and companies' overall practices towards sustainability, as well as the responsibility the company has. Strähle and Matthaei define CSR as:

⁵³ Mistra Future Fashion, 'The outlook report 2011-2019: Mistra Future Fashion final program report' (Mistra Future Fashion report 2019:25 RISE AB), 14-15.

⁵⁴ Barnes and Lea-Greenwood (2006), 260.

⁵⁵ Mehar Mehar, 'The deception of greenwashing in fast fashion', *Down to Earth*, February 16th 2021 (accessed March 10th 2021).

⁵⁶ Mistra Future Fashion (2019), 5.

A strategic model that unities ethics and economic sustainability, that is oriented towards the environment, the people and the society as well as the present systems, resulting in a lower environmental and social impairment [...]⁵⁷

The environmental researchers Li et al. explain that CSR means that brands combine environmental and social problems in their business operations and their interactions with its stakeholders, and do so voluntarily.⁵⁸ Companies should become more environmentally sustainable and socially responsible for three reasons: ‘the economic, environmental and social performance, or people, planet and profit’.⁵⁹ Strategies within CSR usually deal with making a product last longer by implementing certain recycling measures that preserve the textile better to reduce waste,⁶⁰ which is what H&M is doing with their garment collection, and will be discussed further. Li et al. categorise five dimensions of CSR, which are; 1) environmental, 2) social, 3) economic, 4) stakeholder and finally, 5) voluntariness.⁶¹ Companies that have CSR are guided towards a cleaner and more ethical business practice⁶² and is nowadays a requirement to have for many businesses. Environmental pollution and labour exploitation from the fast fashion industry have resulted in more suspicious consumers and stake-holders, and thus, leading to fashion companies developing their own CSR strategies. The outcome of this is fast fashion brands exploring new consumption modes and new value chain models, so the companies themselves can choose to what extent they will proceed with sustainable development measures.⁶³ Global fast fashion brands like H&M have also noticed that their company is directly affected by the CSR performance of suppliers and manufacturers in order to keep a good reputation, so having a strong CSR keeps a good company image. It also improves competition between different businesses.

⁵⁷ Jochen Strähle and Franziska Sophie Matthaehi, ‘The Value Chain of a Branded Second Hand Store—Possible Activities to Be Integrated by a Conventional Fashion Brand’ in *Green Fashion Retail*, ed. Jochen Strähle (Springer Series in Fashion Business, Springer Science+Business Media Singapore 2017), 175.

⁵⁸ Yongjian Li et al., ‘Governance of sustainable supply chains in the fast fashion industry’, *European Management Journal* 32 (2014): 825.

⁵⁹ de Freitas Netto et al. (2020), 2.

⁶⁰ Strähle and Matthaehi (2017), 175.

⁶¹ Li et al. (2017), 825.

⁶² Thomas (2019) 194.

⁶³ Strähle and Matthaehi (2017), 181.

Companies who engage in CSR can have a positive, negative or mixed relationship. They should strive for a positive relationship which is when a company is considered to present a larger proportion of actions where they take social responsibility. These actions should contribute to an improvement of the company's financial performance, because customers would rather pay extra for a company who deals with sustainable practices, as proved by The Nielsen study. A negative relationship can result if companies do not receive any benefits despite dealing with CSR practices, but happens rarely. The mixed relationship occurs when an improved social behaviour promotes financial performance, while reducing minimal revenue of social performance. If a company presents transparent and honest information publicly, they can change the perception of its social responsibility held by consumers and stakeholders.⁶⁴ Companies are motivated by published environmental policy statements resulting in increased market share and improved stakeholder relations when these statements inspire retailers' public perceptions into being more interested in sustainability.⁶⁵ CSR goals must be emphasised and further developed to lead to complete satisfaction among communities, customers and stakeholders. By integrating transparency with socially responsible values into the fashion company's supply chain, a company can be considered sustainable.⁶⁶ A company should present its sustainable actions, and it must be true and objective, which include the negative aspects and what efforts that have not resulted well, as this is the principle of transparency. Niinimäki explains that transparency should not be the only positive marketing message offered, otherwise it can turn into greenwashing instead.⁶⁷ Since 2010, investors, consumers, governments and companies have been more interested in presenting companies' information about companies' environmental performance and environmentally friendly products. Some companies who invest in green marketing use CSR as part of their advertisements to be considered eco-friendly.⁶⁸ Wagner and Mark-Hebert further add that communication plays an important role in CSR; as it

⁶⁴ Li et al. (2017), 825.

⁶⁵ Jochen Strähle and Viola Müller, 'Key aspects of sustainability in fashion retail', *Green Fashion Retail*, ed. Jochen Strähle (Springer Series in Fashion Business, Springer Science+Business Media Singapore 2017), 19.

⁶⁶ *Ibid.*, 11.

⁶⁷ Kirsi Niinimäki, 'Ethical foundations in sustainable fashion', *Textiles and Clothing Sustainability 1:3* (2015): 7.

⁶⁸ de Freitas Netto et al. (2020), 1-2.

highlights a particular message, or even a bond, for both an organisation and its stakeholders.⁶⁹ According to a study by sustainability researchers Choi et al., fashion brands with strong CSR activities are considered to be more trustworthy and honest by consumers, and the paper continues that having a garment collection scheme is an effective marketing technique that gathers this trust.⁷⁰ This will be further discussed, as this dissertation's case study will explore H&M and the brand's recycling programme. In a way, greenwashing becomes the opposite of what CSR stands for, because companies should be transparent about the responsibility they take, although the difference between CSR and greenwashing can sometimes be unclear.

4. Research method and data collection

4.1 The different 'sins' of greenwashing

As previously mentioned, there are multiple definitions of greenwashing, and Strähle and Müller present 'the seven sins of greenwashing', which is essentially a list of seven different types of greenwashing claims that companies can be accused of. The name is not explained by the academics, nor by Urban Laboratories who is the referenced source, but presumably the name is taken from the 'seven deadly sins' from the vices in Christianity. The name 'sin' highlights the significance of the immoral or illegal wrongdoing of brands who engage in greenwashing, causing a certain uneasy tension due to the severity of the word. The 'sins' listed below can be used for discussions of labour exploitation and environmental pollution, but this thesis will put more attention towards the latter. Strähle and Müller discuss these 'sins' in relation to fast fashion.

- 1) The first one is 'the sin of the hidden trade-off', where a product is only perceived as being green because it is narrowly based on a defined set of attributes.⁷¹ This could for example be energy corporations who advertise about the pros of new energy sources,

⁶⁹ Wagner and Mark-Herbert (2016), 29-30.

⁷⁰ Strähle and Matthaei (2017), 193.

⁷¹ Strähle and Müller (2017), 18.

while drilling into unexplored places to source oil, damaging the natural environment during this process, but disguising the hidden trade-off.⁷²

- 2) ‘The sin of no proof’ which tends to be quite common in environmental claims.⁷³ If a corporation adds unverified statistics or percentages without evidence, like a URL that leads to more information, the claim is seen as no proof.⁷⁴
- 3) ‘The sin of vagueness’ when a product claims something that seems ambiguous.⁷⁵ It could be too broad or unclear, something that could be misunderstood by the consumer by the products’ lack of clarity. Examples of these are ‘environmentally friendly’, ‘eco-conscious’, ‘non-toxic’ (since everything can potentially become toxic in certain measurements), ‘eco-friendly’ and ‘green’ claims that are not elaborated enough.⁷⁶
- 4) ‘The sin of worshipping false labels’ which happens when a company gives the impression of a third-party endorsement in, for example, an image, despite its non-existence.⁷⁷ The false impression misleads customers into thinking a product is legitimately ‘green’ and has gone through an environmentally friendly process. Words such as ‘eco-safe’ and ‘eco-preferred’ are common in these cases.⁷⁸
- 5) ‘The sin of irrelevance’ when a product claims to be something that it is already legally acquired to be.⁷⁹ These claims are not necessary nor helpful, and occur for example, when certain chemicals are illegal due to their toxicity.⁸⁰
- 6) The sixth kind is the ‘sin of lesser of two evils’ when a product uses descriptions that present it as green, even though the overall product is mostly polluting.⁸¹ The product

⁷² de Freitas Netto et al. (2020), 8.

⁷³ Strähle and Müller (2017), 18.

⁷⁴ de Freitas Netto et al. (2020), 8.

⁷⁵ Strähle and Müller (2017), 18.

⁷⁶ de Freitas Netto et al. (2020), 9.

⁷⁷ Strähle and Müller (2017), 18.

⁷⁸ de Freitas Netto et al. (2020), 9.

⁷⁹ Strähle and Müller (2017), 18.

⁸⁰ de Freitas Netto et al. (2020), 9.

⁸¹ Strähle and Müller (2017), 18.

could still exploit the environment, but distracts the consumer by arguing it is less polluting than most products in its fitting category.⁸²

- 7) The final ‘sin’ is the ‘sin of fibbing’ when a product uses stamps, symbols or labels that are not authorised and actually completely false.⁸³ Customers cannot judge the legitimacy of many products due to these, as they can be false or simply misunderstood by the consumers.⁸⁴ In some cases, the consumer may not even be aware of what sustainable fashion is, allowing companies to react with greenwashing, making it possible for companies to present themselves as sustainable, without actually producing their products sustainably. Because of this lack of knowledge, it makes it easier for brands to keep a positive company image, rather than the necessary sustainable behaviour.⁸⁵

These ‘sins’ also work outside of fast fashion, which is why de Freitas Netto et al. take on a general view and present greenwashing examples that are not related to fast fashion. The paper introduces six more greenwashing accusations referring to Scanlan’s discussion of the oil gas industry and hydraulic fracking. These can also refer to sweatshops and environmental exploitation. Since this thesis will focus on the latter, it will only list those that relate to environmental discussions and can be used in this research.

- 8) The eighth ‘sin’ is ‘the sin of false hopes’. The oil gas industry’s communication on hydraulic fracking will continue polluting the planet, as some fossil gas critics believe ecological modernisation is impossible and will always be environmentally damaging.
- 13) The thirteenth ‘sin’ is ‘the sin of profits over people and the environment’ which is the worst kind of greenwashing, according to Scanlan, when financial profits are always the main goal without consideration of the environment and people.⁸⁶

⁸² de Freitas Netto et al. (2020), 9.

⁸³ Strähle and Müller (2017), 18.

⁸⁴ Ibid., 18-19.

⁸⁵ Strähle and Hauk (2017), 66.

⁸⁶ de Freitas Netto et al. (2020), 9.

The other ‘sins’ are: ‘the sin of fear mongering’ where company claims are forged to create insecurity for not ‘buying in’ on an organisation's practice. Scanlan’s example is of seising instability opportunities from wars in Afghanistan by shifting the fear scale. The tenth ‘sin is of broken promises’ which occurs when companies promise communities in poverty with economic developments, despite evidence showing otherwise and these communities are left without any financial assistance. The eleventh is ‘the sin is of injustice’ that occurs when environmental communication does not indicate to certain communities, for example those communicates affected by hydraulic fracking, and instead focuses on a portion of the population who may benefit from fracking without experiencing the consequences of it.⁸⁷ Since these are better suited for labour discussions, they will not be further explored in this thesis. Lastly, the twelfth ‘sin of hazardous consequences’, when customers are distracted from dangers others may experience, and the reality of inequality is concealed.⁸⁸ This can be viewed from an environmental aspect, and will be briefly acknowledged.

Finally, Contreas-Pacheco and Claasen present five firm-levels of greenwashing, essentially another list of five different kinds of greenwashing. Since one of them is quite similar to the former sins, and because three of these are slightly different and are particularly relatable for this investigation, it will only list these:

- 1) The first level is ‘dirty business’, which is when a company is generally unsustainable even though they advertise for sustainable practices that are not good representatives for the business nor society.
- 2) The second one is ‘ad bluster’ which occurs when advertisement is used to remove any attention about sustainable problems. These advertisements tend to overstate the actual achievements the company has accomplished and provide programmes that do not refer to the most serious environmental issues.
- 3) The final level is ‘fuzzy reporting’, when sustainability reports are used as a means of customer communication, for the reason to spin the truth or to provide a positive impression in terms of CSR practices.⁸⁹ Contreas-Pacheco and Classen explain that

⁸⁷ Ibid., 9.

⁸⁸ Ibid., 9.

⁸⁹ Ibid., 9-10.

sustainability reports are part of a research trend in academia. Sustainability reports are usually made to communicate and provide specific details surrounding the company's incidents during a specific time period. Not all of them are able to reveal these details, resulting in hiding the truth through different ways of deceit. The paper argues that greenwashing is presented through this official sustainability reports' manipulation. Sustainability reports are supposed to be used as tools of transparency but argued to be interpreted as a means of a company's self-presentation and impression management to make sure that different stakeholders approve of the company's public behaviours.⁹⁰

The other two levels are: 'the political spin', when companies influence governments to acquire certain benefits that still exploits the environment, but are more justifiable due to for example, paying large amounts of tax and employing lots of people. The other one is: 'it's the law, stupid' which is when companies have sustainability commitments that are legally required.⁹¹ Both of these can be applied to environmental claims. The former will be more difficult to discuss as my study will be based on what is stated in the reports, which do not list tax payments, nor H&M's corporation with governmental matters, and thereby will not be discussed in this thesis. The last one is similar to the fifth 'sin of irrelevance' and can therefore be briefly explored, but most attention will be put towards Strähle and Müller.

4.2 Content analysis in qualitative research

Qualitative research allows researchers to put emphasis on words while keeping an interpretivist research design, and focus less on numbers⁹², as this dissertation will not be calculating the amount of environmental pollution caused by fast fashion, but briefly present different calculations made, and focus on textual content analysis. Boréus and Kohl describe content analysis as a method for textual analysis where the researcher systematically breaks down and categorises parts of texts to answer the research question.⁹³ Content analysis fits

⁹⁰ Orlando E. Contreras-Pacheco and Cyrlene Claasen, 'Fuzzy reporting as a way for a company to greenwash: perspectives from the Colombian reality', *Problems and Perspectives in Management* 15(2-3) (2017): 525.

⁹¹ de Freitas Netto et al. (2020), 10.

⁹² Alan Bryman, *Social Research Methods*, 5th Edition (Oxford: Oxford University Press 2016), 380.

⁹³ Kristina Boréus and Sebastian Kohl, 'Innehållsanalys', in *Textens mening och makt: metodbok i samhällsvetenskaplig text-och diskursanalys*, ed. Kristina Boréus and Göran Bergström (Lund: Studentlitteratur AB 2018), 50.

this research as it is a flexible approach that focuses on analyses of different texts. It differs from a general research method as it does not focus on the means of generating data, but instead highlights the importance of analysis.⁹⁴ It helps finding a pattern in larger materials or comparing different kinds of texts from different time periods in order to receive a wider outlook of the material as a whole. This method can find a theme in texts, compare the matter outside the texts, see consistency or if time has changed the matter, to study impartiality, and to investigate how something is being assessed or appraised.⁹⁵ It is the final type of content analysis this dissertation will focus on: how certain topics are assessed, due to the negativity greenwashing and environmental exploitation are usually associated with. Usually, the degree of attention a topic receives is only the background of what one wants to study, as I was interested in environmental exploitation of fast fashion, which provided the beginning of this investigation, and later focused more on greenwashing. Since most of this data is new, and greenwashing and environmental pollution both have a negative reputation, research often deals with critique of fast fashion companies' business practices. That is why it will be interesting to analyse why authors are so critical towards greenwashing, and companies get accused of greenwashing. The data collection for this thesis is qualitative, and Bryman argues content analysis is more common in quantitative analyses⁹⁶, but Drisko and Maschi explain qualitative content analysis is also possible. It is a recent approach that is still developing but is flexible as it can use both new data, existing text and materials, with its main focus on descriptive content.⁹⁷

4.3 H&M: a single case study

Boréus and Kohl point out that content analysis often deals with if a particular topic is assessed positively or negatively, and if there is a difference in these assessments depending on the source and how these sources describe the same topic.⁹⁸ H&M is a global fast fashion brand who has both been strongly criticised and praised by individuals and scholars for their

⁹⁴ Bryman (2016), 289.

⁹⁵ Boréus and Kohl (2018), 51-54.

⁹⁶ Bryman (2016), 308.

⁹⁷ James Drisko and Tina Maschi, *Content analysis* (New York: Oxford University Press, 2015), Oxford Scholarship Online, 119-120.

⁹⁸ Boréus and Kohl (2018), 51-54.

business practices, but the company themselves has shared a positive light of their business and their work towards sustainable fashion. Boréus and Kohl list different sources for content analysis and list the fifth one as web based sources and the sixth as websites where the user uploads information available for a larger audience.⁹⁹ This is the main focus for this thesis' content analysis. H&M publishes annual sustainability reports and currently there are reports between 2002 and 2020 available on their website. Half of the sustainability reports are about the environmental discussions regarding their supply chain, sustainability practices, being climate-smart, their business model and overall highlights of the year. The other half of the reports focus on sweatshop labour, diversity and equality. This dissertation will focus on the environmental aspects of the reports. The sustainability reports are between 80-100 pages long, which is why I decided to analyse two reports: 2013 and 2019. 2013 was chosen because this was the year *H&M Conscious* was launched along with their recycling programme, and the company's image of sustainability became more evident. 2019 was chosen because 2020 was affected by the COVID-pandemic and I wanted to have the possibility of comparing 2013 with 2019, to see if any of their *Conscious* actions were proven to be financially and socially successful. Strähle and Müller argue that published environmental policy statements are used as company motivation and can be used to inspire retailers.¹⁰⁰ Thus, these reports would be efficient primary sources. These reports give H&M the opportunity to become more transparent and allow consumers to understand its business practices further. Transparency was also emphasised by Strähle and Müller to be an important aspect of CSR, particularly when dealing with the supply chain. To follow up on Boréus and Kohl, I will break down the sustainability reports and particularly analyse two main topics; how H&M describes sustainability and environmental issues; and whether greenwashing is mentioned, or if H&M directly or indirectly defend themselves against greenwashing accusations. Within the first topic of sustainability, I wish to explore how H&M deals with environmental issues in their supply chain and how transparent they are with discussions regarding it. This must be discussed as authors such as Niinimäki and The Fashion Pact have blamed the supply chain and production as the most environmentally exploitative steps. It is also important what kind of responsibility and accountability H&M

⁹⁹ Ibid., 57.

¹⁰⁰ Strähle and Müller (2017), 19.

takes from this. The sustainability reports will thereby be linked to CSR, and how it is incorporated in the fast fashion business model that H&M follows. Since supply chain management is an important part of the business model, and thus fast fashion, I wish to see how transparent H&M is when describing its supply chain and the steps within it in these reports, and link this to CSR to see if the retailer incorporates socially responsible values with transparency. The discussion of sustainability and environmental issues can also be linked to H&M's *Conscious* actions and will therefore be researched when analysing these sustainability reports, and see how it changed between 2013 and 2019. This comparison will help investigate if the company became more environmentally concerned over time, and whether the company has actually taken on more sustainable business practices and become less environmentally exploitative. The fashion retailer also presents a 'Frequently Asked Questions' section on their Swedish company website, where customers have anonymously sent questions about H&M's sustainability practices, labour and climate. This FAQ was created to make H&M more transparent, according to the company itself, and will therefore add an interesting layer to the discussion of CSR, greenwashing and transparency. Two of these questions regarding climate and sustainability were chosen to be briefly discussed, in order to see whether these questions are answered or if there is more focus towards advertising, and less attention towards the actual question.

Considering there are many different types of greenwashing, I wish to apply the fitting 'sins' of greenwashing into the 2013 and 2019 sustainability reports, H&M *Conscious*, the CSR section and the FAQ. As some of the 'sins' were not related to this topic, and focus more on labour, they will not be analysed, and the focus will be put on the definitions that fit into environmental exploitation. These are 'the seven sins' by Strähle and Müller, the four levels by Contreas-Pacheco and Claasen, and two further 'sins' by de Freitas Netto et al. This would allow me to fully understand the different categories of greenwashing and investigate if and how well they fit into H&M's business practices and actions. The greenwashing 'sins' will be applied to where H&M's claims are regarded as suspicious or unclear and can be argued to be a sign of the company engaging in greenwashing activities. How many of these greenwashing 'sins' H&M is guilty of will finally be counted and explained why H&M is guilty of certain greenwashing 'sins'. The investigation will also be helpful to see if both of

the sustainability reports have the same greenwashing ‘sins’, or if they differ from one another. Both outcomes are equally interesting and will provide a deeper understanding of greenwashing in a fast fashion company. This comparison of the ‘sins’ in the sustainability reports will also show if the reports have changed over time or not. By analysing H&M, it will provide an answer to if greenwashing is part of the business model fast fashion is based on, since H&M uses the generic business model and supply chain management as many other global fast fashion brands. Finally, it will also provide a discussion of what role greenwashing plays in this industry.

5. The complexity of fast fashion

The upcoming section will explain why fast fashion’s business model and supply chain management becomes more complex when one goes into detail of every single step and the large geographical distances fast fashion travels. The debate regarding the numerous environmental effects contributes to this complexity. H&M will thereafter be explored, and why certain scholars and journalists have criticised the brand, whilst others have praised it. Since the empirical analysis will be on H&M and partly their supply chain management, it is important both are discussed.

5.1 The complexity of the supply chain and business model

Craik argues that every aspect of the fashion industry’s structure is complex, due to the many different strategies and calculations, and the dependence on consumer demand, even though she does not discuss the complexity of the debated environmental effects.¹⁰¹ The supply chain is becoming increasingly outsourced for providers and manufacturers globally, due to the search in finding cheaper, faster and more reliable operations, resulting in more coordination complications. Also, due to large mass-productions of the annual collections, it further complicates the planning and maintaining of these plans. The digital communication, the computer-based designs, the automated stocktaking, the just-in-time manufacturing, and other forms of communications and planning adds multiple steps in the industry structure.¹⁰² This fast production leads to overconsumption of fashion, resulting in a circle of more

¹⁰¹ Craik (2009), 212-213.

¹⁰² Ibid., 207.

demand for unsustainable fashion, and a larger effect on unsustainable production.¹⁰³ Fashion is also designed, manufactured and retailed in different places, with almost non-existent tariffs, and the industry is structured through internal power relations and cost imbalances. There is a dynamic between supply and demand from the consumers, also called the 'push' and 'pull' factors, as the products are pushed into the market for consumers, and the customers decide the trends.¹⁰⁴ Fast fashion is also argued to be complex by Ninimäki et al. because its supply chain is defined by disintegration and global distribution of successive processes. It goes from agricultural industries to receive natural fibres, to chemicals, to manufacture, logistics and finally retail, before a consumer brings the product home. When these industries moved production to sweatshops in developing countries, it almost vanished in developed countries as companies preferred cheaper labour. This makes it difficult for consumers to know where the purchased clothes originate from. The paper further argues that every production step in the fast fashion chain has negative effects on the environment due to the use of water, materials, energy and particularly toxic chemicals that pose dangers to the environment, the labourers and the consumers. This is mostly noticeable in the countries hosting these sweatshops, but clothing waste can be found in landfills all-over the world. Production occurs in different countries, which results in an increase of the logistic steps between these processes. The manufacturing processes are frequently based in the Global South, whereas the design processes are frequently made in the main offices within the EU or USA. This creates a significant distance, making it difficult to prevent mistakes during production planning which can cause manufacturing waste before consumption has begun. Once the clothes are manufactured, they are shipped to central retail distribution centres, and then to smaller retailers where they are bought by consumers. Nowadays it is more common to transport them via air cargo, mostly due to the growth in online shopping. Air cargoes negatively affect the environment to a greater extent than boats do, and by moving 1% of the textile transportation from boats to air cargo could lead to a 35% increase in carbon emissions. In addition to this, the longer supply chains are, the larger international distance textiles travel, and once clothes are used or cannot be sold,

¹⁰³ Strähle and Hauk (2017), 66-67.

¹⁰⁴ Craik (2009), 208-210.

they are once again transported, usually to landfills or to developing countries, with only a small number being recycled.¹⁰⁵

5.2 The fashion company H&M

H&M, Hennes and Mauritz AB, opened its first stores in 1947 in Västerås, Sweden by the entrepreneur Erling Persson.¹⁰⁶ Since then H&M has grown to become one of the biggest fashion industries in the world, being popular for its various styles, quick-changing trends and affordable clothes for all genders and ages. The business has expanded to cosmetics, accessories, footwear, and even furniture, lamps, toys and other household products. According to economic development professor Anguelov, H&M is a retailer shaping the fashion industry.¹⁰⁷ Barnes and Lea-Greenwood explain H&M is known for using the strategy of frequently changing and renewing their products with trendy styles, catching attention from the media and mostly young women.¹⁰⁸ Majláth explains that it is a company which often updates its fashion, and this is the main idea of the business.¹⁰⁹ Strähle and Hauk argue that H&M satisfies the fast fashion business model, and is a reason for the company's increasing market share. This brand is also one of the global fast fashion companies with the strongest purchasing powers concerning production. The authors argue H&M is thereby able to dictate how production should go and what prices their products should have. The increasing demand from the consumers means the customers are supporting this behaviour.¹¹⁰ Nevertheless, its business practices have been accused of greenwashing on numerous occasions, despite their claims of sustainability. Some fast fashion brands still get accused of greenwashing when engaging in eco-friendly programmes while making profits, such as H&M.¹¹¹ Three years ago, Forbes was suspicious of H&M's

¹⁰⁵ Niinimäki et al. (2020), 190-191.

¹⁰⁶ H&M Group, 'The 40's & the 50's', H&M, publishing date unknown (accessed April 11th, 2021).

¹⁰⁷ Nikolay Anguelov, *The Dirty Side of the Garment Industry: Fast Fashion and Its Negative Impact on Environment and Society* (Boca Raton: Taylor & Francis Group, 2015), ProQuest Ebook Central (accessed March 10, 2021), 3.

¹⁰⁸ Barnes and Lea-Greenwood (2006), 260.

¹⁰⁹ Majláth (2017), 95.

¹¹⁰ Strähle and Hauk (2017), 66-67.

¹¹¹ Binet et al. (2019), 32.

sustainability claims, paying attention to a Danish documentary accusing H&M of burning 12 tonnes of unsold clothes. Bloomberg also accused H&M of burning clothes, and H&M defended themselves by explaining that burning clothes was their last option for clothes that could not be recycled or reused.¹¹² In 2017, H&M received attention from the Swedish news site SVT Nyheter, accusing the company of throwing and burning lots of unsold clothes that could still be worn, despite their reports not mentioning this.¹¹³ Li et al. claim that H&M uses green marketing to affect the choices of consumers and lead suppliers to strategic alliances.¹¹⁴ Binet et al. briefly discuss H&M's recycling programme, which was presented around the same time as *H&M Conscious* where vouchers were awarded for shopping if customers donated old clothes to H&M, which still leads to more consumerism as the vouchers could only be used in H&M stores.¹¹⁵ The donated garments would later be used to create new clothes that were sold by H&M again. It is explained that recycled fibres reduce raw materials consumption and lowers the use of chemicals, energy and water¹¹⁶ and is therefore, less environmentally exploitative. Grinta criticises this programme, arguing that even if the consumers are told that these recycled textile fibres make new clothes, only 0.7% are recycled according to the company's own 2019 sustainability report. This report was criticised by Norway's Consumer Authority, *Forbrukertilsynet*, a government-appointed consumer affairs advocate, who argued H&M was not clear enough of how this particular campaign is more sustainable compared to other clothes.¹¹⁷ The journalist Laura Robertson from *Good on You*, debates how ethical H&M actually is with these types of programmes, by discussing its labour, environmental and animal welfare. She argues that even though it is a step forward that H&M has set a goal of reducing its greenhouse gas emissions and using 100% recycled or sustainable textiles by 2030, and raising awareness of the importance of sustainability; these are simply just targets. Also, because H&M is based on a fast fashion

¹¹² Heather Farmbrough, 'H&M is pushing sustainability hard, but not everyone is convinced', *Forbes*, April 14th 2018 (accessed March 11th 2021).

¹¹³ Tobias Andersson Åkerblom, 'H&M bränner helt nya kläder i Sverige', *SVT Nyheter*, November 22nd 2017 (accessed March 11th 2021).

¹¹⁴ Li et al. (2014), 823.

¹¹⁵ Binet et al. (2019), 32.

¹¹⁶ H&M Group, 'Sustainability Performance Report 2019', (Stockholm, Ernst and Young AB, 2020), 40.

¹¹⁷ Grinta (2020).

business model, the environmental impact will always be questionable. She also presents suspicion towards the voucher system in the recycling programme, and H&M's claim to using renewable energy for part of its supply chain and eco-friendly textiles. The clothing manufacturing process uses mostly materials that are not eco-friendly, and uses dangerous chemicals from dyes, solvents and pesticides. The sweatshops are also responsible for serious carbon emissions, and lots of land and water resources. All of these environmentally exploiting practices make it difficult to believe how much H&M attempts to be sustainable.¹¹⁸ Even if H&M has started promoting sustainable clothing and the importance of recycling, only 7% of their textiles are recycled, 60% are re-worn secondhand, and between 5 and 10% of their clothes is recycled to fibres for the purpose of producing more clothes.¹¹⁹ Gandhi argues fast fashion is greenwashing, particularly by analysing H&M's sustainability innovation by producing clothes made out of fruit peelings that would otherwise have been thrown away. *H&M Conscious* featured products from Pinatex, which was made from pineapple leaves and orange peelings. They were joined by both organic silk and cotton, and recycled plastic. However, 480 pineapple leaves are needed to produce just one square meter of Pinatex clothes, which is about 16 pineapples, but only long leaf fibres are utilised, which means that not all of the pineapple leaves are used. In addition to this, because these clothes are joined by plastic, despite being recycled, plastics remove the chances of these clothes being biodegradable.¹²⁰ Grinta argues that H&M Group is committed to reducing dangerous chemicals from their manufacturing process by changing the suppliers of dyeing and printing, but it is still unclear if there are other steps in the supply chain that include use of toxic chemicals. This is another step that further complicates the fast fashion industry. Every step from production to manufacturing to consumption makes it difficult to be certain that just because hazardous chemicals are not used in manufacturing, does not mean they are not used in production.¹²¹

¹¹⁸ Laura Robertson 'How ethical is H&M?', *Good on You*, September 30th 2020 (accessed March 10th 2021).

¹¹⁹ Binet et al. (2019), 32.

¹²⁰ Gandhi (2019).

¹²¹ Grinta (2020).

So far, this dissertation has explored the negative reputation that comes with greenwashing, but some argue that it can be beneficial as well. Binet et al. think that greenwashing activities could be educational for present and future generations towards a new sustainable consumer trend that benefits the environment, while addressing economic and social issues, forcing large corporations to change.¹²² Perhaps this could also be the case of H&M. Despite H&M's greenwashing accusations, it has also been praised for awareness of sustainability. Grinta, who has accused H&M for greenwashing, still supports the high points H&M scored for their work towards sustainability.¹²³ In 2020, a study from the not-for-profit global movement Fashion Revolution that campaigns for better transparency in the fashion industry, reviewed 250 global fashion brands, and ranked them based on how much they disclose about their social and environmental policies, practices and impact, had H&M as the highest scoring company at 73% in 2020, 61% in 2019, 55% in 2018 and 48% in 2017.¹²⁴ Grinta notes that the issue is that research is used as a marketing campaign, and gives H&M a positive impact on its image through Fashion Revolution and with an effective PR strategy, but is not helping this transparency. She believes retailers, such as H&M should focus on how their plans towards sustainability should be about giving the consumers more, and not on how sustainability can improve the brand's reputation.¹²⁵ Li et al.'s case study approves of H&M as well, arguing that the company is tackling the sustainability problems in the supply chain while creating new business opportunities within it. The sustainability problems are most related to H&M core operations, and the company can therefore make a change by using environmentally friendly raw materials, responsible business partners and collaborating with stakeholders, NGOs and governments to solve these sustainability challenges. The paper further argues that these challenges cannot be solved by an individual company, which was agreed by The Fashion Pact, H&M can however share the best sustainable business practices and develop new methods taking sustainability further.¹²⁶

¹²² Binet et al. (2019), 38.

¹²³ Grinta (2020).

¹²⁴ Fashion Revolution, 'The Fashion Transparency Index 2020', *Fashion Revolution CIC 2020*, 21st of April 2020 (accessed March 10th, 2021).

¹²⁵ Grinta (2020).

¹²⁶ Li et al. (2014), 833.

6. Results & Analysis

This section will discuss H&M and how its business practices work towards environmental sustainability, and whether the company deals with greenwashing claims. It will present its CSR policy, its sustainability reports from 2013 and 2019, as well as the FAQ on the company website. The different greenwashing ‘sins’ will be applied to different claims and practices, particularly focusing on *H&M Conscious* and its supply chain and explain why there are signs of greenwashing.

6.1 H&M CSR Policy

While browsing H&M’s website, I was unable to find a CSR Policy in Sweden, or any other EU country, nor was I able to find an official H&M CSR policy, and could only find the CSR Policy on H&M India, as the Indian website had a section in their ‘Customer Service’ directed towards CSR. H&M’s CSR Policy is described as followed:

As a responsible Company, it has since its inception, participated in social activities which help in improving the quality of life of the communities in which it operates. Aligned with its overall sustainability vision, activities will be undertaken to address various needs in the communities in which it operates.¹²⁷

It has listed three focus areas that were decided in consultation with H&M’s CSR committee, that were chosen in order to create maximum value. This maximum value is not explained, but one can assume H&M means maximum value as the best possible outcome financially and socially to maintain a positive reputation. The company considers themselves to have responsibility, that they have used in social activities aimed for improving different communities in order to achieve sustainability. The first focus area is water and sanitation, and it is explained H&M would pay attention towards raising awareness of water conservation and hygiene, as well as provide access to water, specifically to India. Seeing this is published on India’s company website this is not surprising. The second focus is education and environment, reasoning this with ‘sustainability being at the heart of everything we do, the company would focus on projects and awareness around environment

¹²⁷ H&M, ‘H&M Retail India corporate social responsibility policy’, Corporate Social Responsibility (CSR Policy)’, publishing date unknown (accessed April 7th 2021).

education with special focus on reuse, reduction and recycling'.¹²⁸ H&M would also concentrate on different projects for education, without defining what kind of projects they are referring to. The last one is empowerment and livelihood, which aims to empower young people, specifically women and girls. H&M would also interact with stakeholders, NGO's and the Government, and is willing to take up other CSR activities that are important for society. Under their section 'Implementation of CSR activities' they explain that H&M may undertake other CSR activities that are appropriate from time to time. Through H&M personnel and partnerships, non-governmental organisations and Government, H&M would complete the CSR programmes. Before the short section of amendments, they summarise their CSR policy as being governed by the Board of Directors that constituted the CSR Committee in 2013, and 'monitors the CSR Policy of the Company from time to time' as well as the projects statuses that are reported periodically.¹²⁹ So, H&M has a CSR Policy, even though it is not available in every country's company website, and the most relevant one to this thesis is the second focus; education and environment. H&M claims to have participated in certain activities that aim to improve life and other communities, while making sure to educate others of the sustainable practice of reuse, reduce and recycle. These 'communities' are not listed in the CSR policy. Even though this policy does not make it clear exactly how they use this responsibility, the sustainability reports might.

6.2 H&M Conscious

H&M was one of the first fast fashion companies in the world to launch a sustainable fashion collection: *H&M Conscious*, in February 2013. This collection promised seven commitments: to provide fashion for conscious customers; choosing and rewarding responsible partners; being ethical and climate-smart; reduce, reuse and recycle; using natural resources responsibly and lastly; to strengthen communities.¹³⁰ This is quite similar to what was described in their CSR, as they have managed to combine their focus area of 'education and environment' with responsibility as a company and for H&M customers. *H&M Conscious* is advertised as being 'about making fashion and design accessible to

¹²⁸ Ibid.

¹²⁹ Ibid.

¹³⁰ H&M Group, 'Conscious Actions Sustainability Report 2013', (Stockholm: Ernst and Young AB, 2014), 5.

everyone in a sustainable way'.¹³¹ The British translation of *Conscious* is described on their company website as:

It can be super tricky to know whether you're making environmentally-friendly shopping choices. But we want to make it easier! So our aim is for all our products to be made from recycled or other sustainably sourced materials by 2030. This actually already applies to 57% of the materials that we use.¹³²

Conscious is also described as:

So, what do we count as Conscious? To qualify for a green hangtag, a product must contain at least 50% sustainable materials, such as organic cotton and recycled polyester — but many of our garments contain more than that. The only exception is recycled cotton, which can only make up 20% of a product due to quality restraints. We are, however, working with innovations to increase this share as soon as possible.¹³³

The company is correct that it is difficult for customers to make environmentally sustainable choices, particularly when it comes to fashion, and H&M argues they have made shopping easier thanks to this new sustainable collection. The wording in this paragraph makes it seem as if H&M is making the customer's consumption easier by offering a sustainable shopping choice. Still today, eight years after the collection's release, *Conscious* is only a small part of the large entirety of H&M's collections and products. If H&M truly has the aim to produce all of their products from sustainable sources, it is suspicious that only a small entity of their sales is part of the *H&M Conscious* collection, and the majority of the apparels are not. *H&M Conscious* fits into the 'sin of vagueness', the third 'sin' as presented by de Freitas Netto et al. and Strähle and Müller, and fits into one of the examples they provided, considering *Conscious* deals with words like 'eco-conscious' and 'green' and the

¹³¹ H&M Group (2020), 5.

¹³² H&M Group, 'Let's be conscious', H&M, publishing date unknown (accessed March 11th 2021). The Swedish H&M website advertises this collection as: 'Vi vet. Det kan vara supersvårt att veta om man gör miljövänliga shoppingval. Vi vill göra det enklare för dig! Så, vår ambition är att alla våra produkter ska tillverkas med återvunna eller andra hållbart framtagna material senast 2030. Det här gäller faktiskt redan 57% av de material vi använder.'

¹³³ H&M Group, 'Conscious products explained', H&M, publishing date unknown (accessed May 27th 2021). The Swedish H&M website describes this as: 'Så, vad menar vi med Conscious? För att ett plagg ska kvalificera sig för en grön märkning måste produkten innehålla minst 50% hållbara material, såsom ekologisk bomull och återvunnen polyester – men många av våra plagg innehåller mer än så. Det enda undantaget är återvunnen bomull, som endast kan utgöra 20% av en produkt på grund av kvalitetskraven. Vi arbetar dock med innovationer för att kunna öka andelen så snart som möjligt.'

font is written in a forestry green colour. Its *Conscious* concept further describes its products as being produced with ‘a little extra consideration of the planet’ and made from material that is at least 50% sustainable, with the exception of recycled cotton that can only make up 20% of a product, arguing that more recycled cotton would damage the quality. They instead hope that technological innovations will improve this range and make it more sustainable.¹³⁴ This final note is dependent on hope but does not present any measurements taken to make this possible which seems questionable. As Robertson previously mentioned, these are good targets, but whether they will be met is doubtful.¹³⁵ These innovations that H&M hopes to achieve are also mentioned in their sustainability reports. H&M’s target of being fully circular in 2030, arguing it is already at 57% in 2019¹³⁶ and the need to grow by 43% in seven years may seem plausible, but they fail to explain exactly what technological advancements are needed to achieve this. Even though H&M describes this campaign as sustainable because it is made out of recycled material or organic material, it is still a product aimed to sell and make profit. Considering the majority of H&M’s garments are made out of cotton, which cannot be recycled and reused completely, it seems like a vague concept. The requirement to make an item *Conscious* is if at least 50% of the product is made out of a more sustainable material. This also means that the other half of the product may not be sustainable, or whatever percentage that is made out of sustainable materials. The recycled fabrics are materials such as polyester, cotton, lyocell, and some of the clothes are made out of organic cotton and organic flax, that is not recycled, but organic. The *Conscious* line also arguably fits into the first ‘sin of hidden trade-off’ because the collection is considered sustainable because it is made out of recycled or organic material, but it is unclear how these clothes are recycled, what H&M specifically means by organic materials, and the number of apparels that are not sustainable. We previously discussed how production and manufacturing have severe environmental impact, yet it is not explained how these supply chain steps are made differently with *Conscious*. *Conscious* is not just a clothing collection, but also aims to educate and inspire customers about sustainability, and even offers a garment collection programme to recycle customers’ unwanted clothes. The

¹³⁴ Ibid.

¹³⁵ Robertson (2020).

¹³⁶ H&M Group (2020), 39.

focus on education about the environment is also considered to be part of their CSR policy, as mentioned prior. In the 2013 sustainability report, it is explained ‘H&M *Conscious* addresses impacts, opportunities and challenges where they occur along our entire value chain’.¹³⁷ This is further explained in the next section.

6.3 H&M Conscious Actions Sustainability Report 2013

This report was written by Åsa Lundvall and Charlotte Söderlund, both of them authorised public accountants and published on the 10th of April 2014. H&M’s CEO at the time was Karl-Johan Persson, who summarised this year as ‘another successful year for H&M’. The report is divided into three sections; an introduction that covers an interview with the CEO, a *H&M Conscious* explanation, key performance and the impact and challenges the value chain is facing, including how H&M is organised and what solutions they have come up with. The second part is about H&M’s commitments, ethical sustainability, using natural resources responsibly and a presentation of its partners and how it strengthens communities. The third and final section is about how they report, the auditor’s review report and the stakeholders’ reviews.

H&M launched a recycling programme in 2013 as one of their *Conscious* actions. In 2013 H&M collected 3047 tonnes of garments¹³⁸ and in 2017 this increased to 17,771 tonnes of collected textiles.¹³⁹ Hence, one can definitely see an increase in this recycling programme, where H&M customers could drop off clothes from any brands in any H&M store in the world.¹⁴⁰ It is advertised as ‘an easy solution to not let fashion go to waste, rewarding customers with discounts as thanks’,¹⁴¹ which was previously discussed by other authors too. This global textile collection programme’s main goal was to prevent textiles from being sent to landfills and save natural sources by closing the loop of clothes that are no longer

¹³⁷ H&M Group (2014), 7.

¹³⁸ Ibid., 6.

¹³⁹ H&M Group, ‘Sustainability Performance Report 2017’, (Stockholm, Ernst and Young AB 2018), 8.

¹⁴⁰ H&M Group (2014), 62.

¹⁴¹ Ibid., 62.

used or wanted and recycling them to new fashionable clothes.¹⁴² H&M argues ‘nothing goes to the landfill’¹⁴³, which seems contradictory, as Forbes, Bloomberg and SVT Nyheter all accused the company of burning clothes in 2017 and in 2018, just a few years after this report was published. Another contradiction is the claim that they ‘aim to send as little waste to landfills as possible’¹⁴⁴ which is both pointed towards their warehouses and the newly implanted recycling systems in H&M stores. This waste is not defined as unsold garments or clothes that cannot be used; however it is still a confession to the existence of waste, and that some garments actually do end up in landfills. The word ‘little’ can also be discussed, as Forbes claimed 12 tonnes of clothes had been burned, which is far from a little number. An additional contradiction is the recycling material, as the report states that only 15.8% of their cotton comes from a sustainable source¹⁴⁵ and only 20% of the cotton fabric received from used clothes can be recycled.¹⁴⁶ So, if the remaining 80% of cotton is not recycled, it would have to go to landfills if it can no longer be used. The sustainable cotton is supposedly made out of organic material, but what makes it organic and different from other cotton is not explained. The questions arising from the recycling programme seems to fit the second ‘sin of no proof’ as H&M does not explain what happens to all of the donated clothes, and their explanation to why 100% of the cotton cannot be recycled is because it will not be possible to maintain the same good quality, and what happens to the cotton that is not recycled. Even though *Conscious* sells clothes that have been partly recycled and can be sold again, H&M is not transparent nor clear enough on how the recycling process goes, and why the majority of the purchasable clothes are not even part of this *Conscious* action.

Next, I wish to discuss supply chain management. H&M explains that a sustainable supply chain management starts with the company itself and describes its supply chain management missions as:

¹⁴² Ibid., 17.

¹⁴³ Ibid., 62.

¹⁴⁴ Ibid., 63.

¹⁴⁵ Ibid., 6.

¹⁴⁶ Ibid., 15.

We have developed advanced systems for managing our supply chain and supporting its sustainability performance. And we work to improve it further every day. For example, to make sure that we choose the right partners from the start and that we know exactly where and under what conditions production takes place. Throughout a partnership, we need to enable, promote and reward constant improvement. We are aware of the limitations and challenges in standard audit procedures, and faked records or undeclared subcontracting do, unfortunately, occur in our industry. We do not accept any such practices and work systematically to prevent this.¹⁴⁷

There are certain issues with this paragraph. The first suspicion is that these ‘advanced systems’ are not described in detail, and the reader has no idea what systems are being discussed, and how they support the brand’s sustainability performance. Due to lack of clarity, it fits into the ‘sin of vagueness’ because the ‘advanced systems’ must be explained further and the paragraph must be more transparent. Secondly, the responsibility of being sustainable that should be H&M’s, is pointed towards ‘partnership’ with sweatshops where production begins, and the company admits ‘faked records or undeclared subcontracting’ occur in this industry, blaming the entire fast fashion industry for these misfortunes. H&M is probably not alone in witnessing casualties in their supply chain, as many other fast fashion companies use a similar business model, but instead of H&M taking responsibility for this, they blame the industry as a whole. It is then claimed that these practices are not accepted, when H&M has been criticised numerous times for similar issues. Furthermore, by stating ‘right partners’ it can be interpreted as H&M is dependent on partnership in order to be more sustainable. As mentioned prior, The Fashion Pact and Li et al. expressed approval of fashion brands working together for sustainability, as it is impossible for just one company to deal with in order to make a difference. However, with this wording, it seems as if H&M is using ‘right partners’ as a defence, in case ‘wrong partners’ are chosen with terrible results, H&M can instead blame this partnership, and not take accountability for any potential mistakes. Another sign of H&M struggling to take responsibility for environmental issues is by putting the environmental responsibility on its consumers, referring to this as ‘team up with the customers’.¹⁴⁸ H&M continues that not only does it inspire its customers to make conscious shopping choices, but the retailer can also help customers care for their clothes and make them last longer with less effect on water and climate. The company

¹⁴⁷ Ibid., 24.

¹⁴⁸ Ibid., 19.

further argues that when textiles are washed at home, they are also responsible for 26% of the climate impact, and therefore customers are partially responsible for a sustainable fashion future as well.¹⁴⁹ Even though it is correct that taking environmental responsibility is not only important for companies, but for individuals as well, H&M is turning the responsibility towards customers and making sure they take care of the garments. Moreover, if washing machines and overall care is responsible for 26% of the climate impact, it would still mean that 74% of the climate impact still occurs before a customer buys these garments. This is the *Conscious* actions H&M should actually take responsibility for, not switch the responsibility to those who wish to become more sustainable and must rely on a fashion company to do so.

The supply chain is also referred to as a ‘value chain’ where seven steps are listed: design, raw materials, fabric production, garment production, transport, sales and lastly, use. The amount of influence as well as water and climate impact are listed in percentages. Most of the climate impact is seen in fabric production at 36% and use at 26%. Design is responsible for 0% climate impact, raw materials is at 12%, garment production is at 6%, transport 6% and sales is at 10%. Raw materials are most responsible for the water impact at 87%, whereas the other steps are significantly less. Design, sales and transport are at 0%, garment production at 1%, use 8%, and fabric production is at 6%.¹⁵⁰ This value chain statistic is interesting due to the calculation of impact, description of chemicals, and how their business is advertised. A definition of what exactly counts as a climate and water impact is not stated, allowing any interpretation from the reader. First of all, the second most serious climate impact is because of the way customers use their products, and once again, H&M aims to ‘inspire our customers towards conscious garment care and make it easy for them to not let fashion end up in landfills’,¹⁵¹ leaving the responsibility to the customers. H&M mentions ‘washing’ as the representative of this percentage – which has previously been mentioned once – and yet the ‘use’ section’s water impact is only at 8%, despite the claim that washing clothes has huge effects on the environment. It also seems highly unlikely that transport is

¹⁴⁹ Ibid., 19.

¹⁵⁰ Ibid., 7-8.

¹⁵¹ Ibid., 8.

only responsible for 6% of the climate impact, when Niinimäki et al. claimed it has an enormous impact on the environment. H&M also does not list what kind of transport they use, and only shows a photograph of a cargo ship. Even though cargo ships are not as environmentally polluting as air cargos, it still has a polluting effect. It is also explained ‘by using the right modes of transport, we can reduce the impact further’¹⁵² but what is meant by ‘right’ is not explained, and it is still unclear what kind of transportation is used. Design, sales and transport do not have any effect on water impact at all, which also seems unlikely, and except for raw materials and fabric production, the responsibility to be sustainable lies within the consumers. ‘Fabric production’ presents concerns of water, chemicals, working conditions and greenhouse emissions. Instead of detailing the chemicals used, which should be important in discussions regarding climate, H&M takes this opportunity to explain they are working with two organisations and aim to integrate fabric and yarn mills. The concerns here are also listed in the ‘raw materials’ stage, but what chemicals H&M uses is still not listed. The report claims ‘no chemical pesticides or fertilisers’ are used¹⁵³ yet, *Conscious products*’ target for 2014 is described as ‘reduce the use of water, energy or chemicals’¹⁵⁴, so there are certain chemicals used, perhaps not in pesticides or fertilisers, but when dealing with dyes, for example. They may not be toxic or dangerous but depending on the chemicals used and how much it is used, it could still have an environmental impact that is not being discussed. Once again, the description of the value chain and its environmental impact is not transparent enough and continues to fit into the ‘sin of vagueness’. This discussion of H&M’s use of chemicals will be further explored in the next section, and why it may fit another greenwashing category.

6.4 H&M Sustainability Performance Report 2019

H&M’s sustainability report for 2019 was published on the 30th of March in 2020, by Åsa Lundvall and Charlotte Söderlund, same as the last report. According to this report, H&M made 232.8 billion SEK in net sales¹⁵⁵, concluding it was a successful year for the company

¹⁵² Ibid., 8.

¹⁵³ Ibid., 14.

¹⁵⁴ Ibid., 18.

¹⁵⁵ H&M Group (2020), 5.

and 1.6 million people were employed by their supplier factories.¹⁵⁶ In the 2013 report, the financial profits are not listed, and the content here is divided in eight sections, instead of three. The report includes information about the brand's sustainability performance and sustainability strategy, their annual goals and future goals, programmes and collaborations, challenges and the overall performance data. The company provides, what they call, 'a frank account of our sustainability efforts.'¹⁵⁷ The first is facts about the report and the CEO letter, the second part is about H&M Group and its impacts on the value chain as well as an introduction of the externalities of H&M. The third section presents their vision: including stakeholder engagement and sustainability governance. The fourth section includes the year's highlights, how H&M leads the change by providing information about its innovation, transparency, and how H&M rewards sustainable actions. The fifth section takes up the majority of the report and is titled 'Circular and Climate Positive' presenting the year's highlights again, H&M's approach to circularity and being climate positive, as well as information about water, design, microfibres, chemicals, packaging and reducing waste and maximising product life. The sixth section focuses on labour, diversity and equality, and the seventh section is a continuation of this but focusing on supply chain management. The final section is about how H&M reports, the auditor's report and United Nations' Sustainable Development Goals (SDGs).

The first matter I wish to focus on is one of the *Conscious* actions: the recycling programme. In 2019 H&M Group collected 29,005 tonnes of recycled garments for reuse through their recycling programme, which is according to their report, equivalent to about 145 million t-shirts, which H&M considers to be one of the many highlights of 2019.¹⁵⁸ This would also mean that a large number of vouchers were given to these donors for purchase in any H&M store, and the report does not state how many clothes were bought with these vouchers. Another highlight is the claim that 97% of the cotton is organic, recycled or other sustainably sourced, and the new innovation of using pineapple leaf, algae and citrus peel

¹⁵⁶ Ibid., 6.

¹⁵⁷ Ibid., 3.

¹⁵⁸ Ibid., 25.

had been launched.¹⁵⁹ The report admits H&M is part of an industry that encounters important environmental and social challenges, and hopes to face them, even though it requires a transformation. They do this by exploring new business models, inventing new materials and collaborating with those to re-invent the fashion industry.¹⁶⁰ H&M's CEO Helena Helmersson, former Head of Sustainability, explains that 'we will have to develop new technologies, new business models, new processes and a new type of customer relations'.¹⁶¹ According to this report, new business models must be able to meet the growing demand from their customers and the best approach is to test new ideas and launch those able to achieve sustainable changes.¹⁶² The 'sin of false hopes' fits here, since these newly explored business models with new technologies are not presented, but merely mentioned, providing a false hope that their unsustainable business practices will one day be sustainable, unless a new business model can be invented. Furthermore, H&M's future goals for recycling technology, is concluded as still not being available for most of their fibres or blended fibres, and it is explained they will continue focusing on investing and collaborating with start-ups, peers and other organisations to make this possible.¹⁶³ Nevertheless, their garment collection is considered a 'reward of sustainable actions'.¹⁶⁴ It is further explained that H&M's new sustainable materials are BLOOM, which is a flexible foam from algae, orange fibre made from leftover citrus peel, and finally pinatex, a material made from pineapple leaves.¹⁶⁵ This is indeed a new innovation, but was criticised by Gandhi, as she argued it simply was not sustainable enough. It is also not mentioned how much this new materials innovation has been used. None of these materials were used in 2013, so one can see that H&M has discovered new sustainable materials since then. There are certain newly discovered technologies made for this particular programme, but this does not completely change the business model. Even if these are sustainable materials, it still does not correlate

¹⁵⁹ Ibid., 25.

¹⁶⁰ Ibid., 3.

¹⁶¹ Ibid., 4.

¹⁶² Ibid., 50.

¹⁶³ Ibid., 39.

¹⁶⁴ Ibid., 23.

¹⁶⁵ Ibid., 43.

to the entire collection H&M offers, and the report does not state how much of the total garments actually are made from these materials.

I wish to now move on to supply chain management. H&M's supply chain is described as diverse, global, and something that is crucial for sustainability effort. It explains that the closer the brand is to a particular step in the supply chain, the stronger its influence is, which is the reason H&M wants to work with partners who share the same values when it comes to environmental and social impact. By using the example of increasing automated systems, which make it easier to know where the materials originate from, it is argued that supply chains are changing.¹⁶⁶ Their supply chain management is now explained to be chosen by suppliers who share the same mindset as H&M. It puts more focus onto the labour aspects of it, and how many partnerships H&M has signed, rather than explain the steps in the supply chain that have been improved.¹⁶⁷ Transparency is an important part of supply chain management, and company transparency is necessary to avoid greenwashing accusations and have a positive CSR. Below is a H&M quote stating the importance of transparency:

Increased transparency can lead to closer external scrutiny and sometimes negative media coverage, because information is more visible. While this can act as a disincentive, we think transparency is necessary to drive the pace of change on issues such as climate and fair wages. Trust takes time to earn and is easily lost. We hope that by consistently sharing information about our impacts, challenges, progress, business partners, and products, we can continue to build and maintain relationships with our many stakeholders based on open dialogue and mutual respect.¹⁶⁸

Despite this statement, one can argue that the sustainability report still fails to be truly transparent, as the supply chain management is still not detailed, and the company does not tackle any of the greenwashing accusations. This fits once again into the 'sin of vagueness', as it is quite ironic transparency is spoked about so highly, and yet H&M is not transparent enough. It is further explained that H&M aims to be open about who and how they are doing business with and disclose more information with their customers.¹⁶⁹ This is not exactly

¹⁶⁶ Ibid., 6.

¹⁶⁷ Ibid., 77.

¹⁶⁸ Ibid., 20.

¹⁶⁹ Ibid., 17.

what H&M is doing, as the supply chain is not described in detail, and how much its sweatshops and production affect the environmental impact. The environmental and labour organisations H&M is working with are mentioned by name, but the work is not described enough. In comparison with the 2013 article, the supply chain is described as a ‘value chain’, however, it is not as detailed as the former report. Each step is not described with a photograph and a short paragraph. This time, the percentages of water and climate impact are not shown, being replaced with ‘medium’, ‘high’ and ‘low’. Since there are no percentages for these calculations, and what counts as ‘high’ or ‘low’, it is difficult to know exactly how polluting each step is. Furthermore, a fourth category is added; ‘social impact’, while ‘influence’ is now called ‘our influence’. It is explained that the last category refers to the brand’s identified human rights issues, and their contribution to a positive impact of the individual’s part of this value chain; through jobs, innovative products and services, communication and how H&M does business. ‘Our influence’ is not explained in detail, but ‘positive impact’ sounds like it should fit underneath both categories. Similarly, to the last report, there are seven steps in the value chain: design, raw materials, fabric and yarn production, product manufacturing, transport, sales and use. Climate impact is the highest in fabric and yarn production and product manufacturing. Water impact is highest in raw materials, fabric and yarn production and product manufacturing.¹⁷⁰ The supply chain, or ‘value chain’ as it is called, is far less transparent this time and makes it more challenging to understand exactly how polluting each step is.

One of the last sections of the 2019 report presents the intergovernmental organisation United Nations’ (UN) Sustainable Development Goals (SDG) and H&M’s relationship with the UN SDGs.¹⁷¹ H&M does not actually have a professional relationship with UN, and this claim makes the company suspiciously close to the fourth ‘sin of worshipping labels’ since using the UN labels are not truly authorised, and H&M compares their work to UN. The company however admits they are influenced by the SDGs and therefore use these labels. However, the slide also shows how H&M is both indirectly and directly influenced by the UN, and how the company contributes through partnerships. It is not surprising H&M deals

¹⁷⁰ Ibid., 7.

¹⁷¹ Ibid., 82.

with many different partnerships, not just different fashion companies, but also scholars and researchers who H&M claims helps with their future of better technology.

The way H&M describes the chemical use also rings alarm bells of the fifth ‘sin of irrelevance’ and the twelfth ‘sin of hazardous consequences’. Their report states they are enrolled in Zero Discharge of Hazardous Chemicals programme (ZDHC)¹⁷² but do not explain what makes certain chemicals toxic, and what other non-toxic chemicals they use instead. This lack of chemicals information is also visible in the 2013 report. The ZDHC partnership is not listed in the 2013 report, but one of their 2013 targets was to ‘help to lead our industry towards zero discharge of hazardous chemicals’. By enrolling in the ZDHC programme, they are one step closer towards this goal. They further explain that during the design stage, they wish to ensure chemical input¹⁷³, but the report does not explain how this is ensured. This also fits under Contreas-Pacheco and Claasen’s ‘it’s the law, stupid’ category since certain chemicals and unsustainable pesticides are banned according to the European Union (EU)¹⁷⁴ and H&M would thereby be legally required to avoid these toxic chemicals. However, because not enough evidence of what kind of chemicals are used, or not used, is presented it is difficult to argue if this is a sign of greenwashing.

Something that also differs from the 2013 report is the section of H&M’s new *Take Care* concept, that has to do with maximising product life, where H&M takes the responsibility of teaching their customers how to increase the product life of their clothes. It is stated that ‘True circularity means a product is never thrown away, but is repaired, refurbished, reused as many times as possible, or — as a last resort — recycled into something new’.¹⁷⁵ The issue here is that H&M has painted themselves as the ones doing the customers a favour; by teaching the consumers how to become more sustainable, by using H&M’s tips and tricks, and also buying their products to achieve these sustainable results. An example of this is the environmental pollution of microfibres that are released in the oceans after laundry is

¹⁷² Ibid., 25.

¹⁷³ Ibid., 39.

¹⁷⁴ Georgios Amanatidis, ‘Chemicals and pesticides’, European Parliament, April 2021 (accessed May 2nd 2021).

¹⁷⁵ H&M Group (2020), 49.

washed, which was previously described by Mistra Future Fashion, and refers to the tiny plastic particles that enter the food chain when released in the ocean. This not only affects the fish who accidentally eats the plastics, but also humans and other animals who eat the fish. One of H&M's learnings of 2019 is that laundry bags do not provide a long term solution to microfibers releases¹⁷⁶ while also advertising their *Take Care* laundry products, despite the fact that the company just claimed laundry bags are a not long-lasting solutions to microfibers.¹⁷⁷ This is quite similar to Contreas-Pacheco and Claasen's second greenwashing level of 'ad bluster' as the impression of taking this opportunity to discuss the negative impact of microfibres is switched towards their new *Take Care*-concept and their advertisement of sewing kits and laundry bag that will prolong the lives of these garments, by using more products. A serious environmental problem such as this is almost ignored, and the main focus is put on this *Take Care*-concept. One can also argue 'ad bluster' is visible throughout the *Conscious* actions, as these clothes will continue to be advertised as a better, more sustainable choice. The advertisements seem to overstate the achievements, as we have investigated it is not actually that sustainable.

6.5 FAQ regarding H&M's sustainable practices

On H&M Group's website questions and answers about how *H&M Conscious* works and how the company deals with issues regarding labour, climate, salaries, material and child labour are available in Swedish. These questions are sent through social media platforms from H&M customers in Sweden and published anonymously on their website, and the authors of these questions are not credited. Reading these questions and seeing how H&M would defend the company is relevant to this thesis, to see if questions were properly answered, or used as means of advertisement. One of the questions that particularly caught my attention was 'How will you as a model built upon fast fashion manage to produce less waste and effect on nature?'. The reply considers sustainability to be a big and natural part of their business idea and hopes to be 100% circular one day. H&M wishes to take responsibility and be part of as well as lead the change in how fashion should be produced and used, partly by helping their customers to make sustainable choices and take care of

¹⁷⁶ Ibid., 44.

¹⁷⁷ Ibid., 49.

their garments. This is why they offer products made out of sustainable and recycled materials along with their *Take Care*-concept that is supposed to prolong apparels' lifespan through correct treatment. They also mention their recycling programme and hope to offer H&M members in Stockholm the opportunity of renting different festive clothing from previous collections of Conscious Exclusive. They finish this question by saying they hope their customers will be proud of wearing their apparels and use them for a long time, as well as how to regard recycling and reuse of clothes.¹⁷⁸ H&M hopes their business will be fully circular one day, but this answer is vague, since their goals within two decades are supposed to be circular. Also, H&M is not explaining how their products will use less water and climate effects, instead they are advertising *Take Care*, *Conscious* and the recycling programme. Due to their avoidance of answering the question and instead advertising three different campaigns it is difficult to take their sustainability work seriously, and not consider these sustainable practices as greenwashing. This vagueness is the third 'sin' of greenwashing, as the company is not clear at explaining how they are aiming to become more circular and what other technologies they are exploring to make this circularity possible. A second interesting question was 'What is your outlook on fast fashion, which you are a part of?' to which H&M answered that their business idea is to offer fashion and quality to the best price in a sustainable manner. They want their customers to buy clothes they love and take care of in order to make sure they can be used plenty and for a long time. They explain that today's fashion industry uses too much natural resources, which releases lots of carbon dioxide in the production stage, so H&M admits they must change the way fashion is produced and used. Since H&M is a big actor in this industry they have an enormous responsibility, but thanks to its size they have both the knowledge and necessary

¹⁷⁸ H&M Group, The Swedish H&M website describes this as: 'Hur ska ni som har en modell som bygger på fast fashion kunna komma till ett läge med mindre slöseri och påverkan på naturen?', 'Hållbarhet är en stor och naturlig del i vår affärsidé och vi har som vision att bli 100% cirkulära. Idag står modeindustrin för en stor del av de globala utsläppen och med det sagt vill vi ta vårt ansvar och vara med och leda förändringen i hur mode produceras och används. En del i denna resa är att hjälpa våra kunder att göra hållbara val och att ta hand om sina plagg. Vi erbjuder därför plagg och produkter som är gjorda av hållbara och återvunna material samt vårt Take Care-koncept som syftar till att förlänga plaggets livstid genom rätt vård och lagningar. Vi erbjuder även klädinsamling i alla våra butiker runt om i världen, dit man som kund kan komma för att lämna in alla typer av textilier – som sedan går till återvinning, återanvändning eller återbruk. Vi kommer även inom kort att erbjuda H&M-medlemmar möjligheten att hyra unika festplagg från tidigare Conscious Exclusive-kollektioner i en av våra flaggskeppsbutiker i Stockholm. Vi vill att våra kunder ska vara stolta över att bära sina plagg och använda dem länge och dessutom börja utmana sig själva när det kommer till hur man ser på återanvändning och återbruk av kläder.', underneath 'Klimat', H&M, 'Kan mode vara schyst?' publishing date unknown (accessed March 10th 2021).

muscles to lead the change to a sustainable fashion future. This responsibility is also briefly explained in their CSR policy. In order to solve this, they have, along with unnamed scientists, been able to put down ambitious sustainability targets that will lead the way to become a 100% circular and climate positive company.¹⁷⁹ This answer however, can be found in their sustainability reports, and nothing new has been admitted, and the answer even suggests clicking on two separate links. According to the FAQ on H&M Group's website, they do not admit to being either a fast fashion brand or a slow fashion brand¹⁸⁰ which is interesting, as authors and scholars describe H&M as one of the most popular fast fashion brands due to their business model, even if sustainability is argued to be one of its most important goals.

6.6 Other 'sins' found in H&M

Something interesting about both of the sustainability reports is that it is never explained exactly what sustainability means. H&M explains that sustainability is important and makes it clear environmental sustainability is part of their present and future plans. It is clear they consider themselves as 'leading the change'¹⁸¹ which is not necessarily false but does make them responsible for changing a billion dollar industry and assure this change goes towards the right direction, which is an enormous matter to be responsible for. This 'change' the company is speaking of is towards their goal of one day becoming a fully circular and climate positive company while being fair and equal. By combining this leadership with other partnerships, H&M hopes to achieve a positive impact in its own value chain and drive long-term progress that affects the entire industry. H&M especially focuses on innovation, transparency and rewarding sustainable actions. They describe their business as being 'about

¹⁷⁹ H&M Group, The Swedish H&M website describes this as: 'Vad är er inställning till fast fashion, som Ni är del av?', 'Vår affärsidé är att erbjuda mode och kvalitet till bästa pris på ett hållbart sätt. Vi vill att våra kunder ska köpa plagg som de älskar och tar hand om så de kan användas mycket och länge. Modebranschen använder idag alldeles för mycket naturresurser och har stora koldioxidutsläpp i produktionsdelen, så vi måste ändra hur mode både produceras och används. Som en stor aktör har vi ett enormt ansvar i detta, men tack vare vår storlek har vi även kunskapen och de muskler som krävs för att kunna leda förändringen mot en mer hållbar modeframtid. För att lyckas med detta har vi, tillsammans med forskare, satt upp ambitiösa hållbarhetsmål som vägleder oss mot vår vision om att bli 100% cirkulära och klimatpositiva. [Här](#) kan du höra mer om hur vi tar vårt ansvar och [här](#) kan du läsa mer om våra hållbarhetsmål.', underneath 'Klimat', H&M, 'Kan mode vara schyst?' publishing date unknown (accessed March 10th 2021).

¹⁸⁰ H&M Group, 'Kan mode vara schyst?', publishing date unknown (accessed March 10th 2021).

¹⁸¹ H&M Group (2020), 17.

making fashion and design accessible to everyone in a sustainable way'.¹⁸² Despite these descriptions, H&M also fits into the thirteenth 'sin': 'the sin of profits over people and the environment' and as a company, financial profits will always be the main target, and not necessarily people or the environment. Studies presented in the section prior showed that more people are willing to pay more for products that are eco-friendly or more sustainable, so it seems likely that companies would use this trend as an opportunity to invest in more sustainable campaigns for financial reasons. Since H&M is a company, financial profit will always be the final aim, and due to all the criticism H&M has received over the years, it seems as if not everything they do is sustainable. The final greenwashing level discussed by Contreas-Pacheco and Claasen is their criticism towards sustainability reports, which they call 'fuzzy reporting'. The paper argues sustainability reports are written to spin the truth and give readers a positive view of a company. 'Fuzzy reporting' occurs specifically in sustainability reports, by manipulating information using subtle contradictions and a so-called fuzzy language.¹⁸³ Since the company cannot share every single detail of their practices, the truth is hidden with the manipulation of the sustainability reports. On numerous occasions, the sustainability reports were repetitive, not transparent enough, and spent time advertising their products instead of going into detail how H&M is working and what their business practices are like. These sustainability reports certainly allow H&M to keep a positive image of being a sustainable brand, with the numerous shared highlights and future hopes, as well as advertisements for *Conscious* and *Take Care*. CSR is not mentioned either, and even though H&M does highlight some environmental concerns and advice to how customers can also be more environmentally aware, even explaining the importance of transparency, it is not transparent nor detailed enough. If one can say H&M is able to manipulate with these reports, it may be too extreme to argue, but one can argue more transparency and less advertisement are necessary to avoid greenwashing accusations and trust for the company. One can also argue H&M is guilty of the sixth 'sin of lesser of two evils' as most of their products are polluting simply because of the industry the company is part of. H&M does acknowledge the environmental exploitation, even blaming the fast fashion industry for its pollution, and has signed partnerships with both organisations and

¹⁸² Ibid., 5.

¹⁸³ Contreas-Pacheco and Claasen (2017), 525.

companies claiming it is for sustainability, but the fast fashion industry as a whole is still exploitative. It is also interesting how the reports deal with chemicals, as none of them define the banned chemicals, or how their clothes are dyed instead. Because they are part of one of the most environmentally polluting industries in the world, resulting in disastrous consequences on both a local and global scale, it fits into Contreas-Pacheco and Claasen's discussions about the five levels of greenwashing: 'dirty business'. In addition to this, most fashion companies are generally unsustainable due to their business models encouraging mass-production, so it is difficult to know what exactly makes H&M different, even though *Conscious* has been advertised surpassingly, many have still recognised the brand to be unsustainable. The company claims their practices are sustainable in its reports, but other sources have shown H&M is still part of an unsustainable industry that cannot be sustainable. The industry is still heavily reliant on cheap labour in order to mass-produce clothes that are only sold for a short period of time. The long distances these clothes travel also have disastrous effects. On top of that, one should remember that we live in a time period where shipping has become more common, and customers do not necessarily have to travel to stores to buy clothing but can have clothes delivered to them. These travelling distances are not discussed or mentioned by H&M. Although the fashion retailer is hopeful and optimistic for a sustainable fashion future, some may even argue it seems unlikely for fast fashion to become sustainable, unless some serious changes are made in the business model and supply chain.

6.7 H&M discussion of all source material

The problems that arise with H&M is the paradox of wanting to be more sustainable and wishing that all of their products are made out of recycled material or organic material, and still engaging in mass-production and the far distances that clothes have to travel. H&M focuses large parts of their sustainability reports on how they aim to improve the supply chain and the business model in order to have less environmental consequences, whilst not discussing the far distances clothes and other H&M products must travel. As discussed by Niinimäki et al., and Mistra Future Fashion, these distances are responsible for some of the complexity of fast fashion, and the pollution made from air cargoes and boats to travel internationally, and then via different kinds of vehicles on land. Furthermore, even though

the reports list the large quantities of textiles they collect from customers in their shops, they do not explain how the clothes are shipped from these stores to the warehouses where new clothes are produced out of these. It is also not explained whether all of these donated clothes are recycled, and whether some are thrown away and why. Another concern has to do with the other clothes that are not part of the *H&M Conscious* collection, if they too are part of their recycling programme, or if they are thrown into landfills as well. H&M's CSR policy claimed 'sustainability being at the heart of everything we do, the company would focus on projects and awareness around environment education with special focus on reuse, reduction and recycling'¹⁸⁴, and though I may not completely agree that sustainability is at the heart of everything H&M does, they do promote a 'reuse, reduce and recycle'-type of commitment, and they have contributed with education of how important sustainability is, particularly in an industry that is known for pollution. We also discussed how CSR is nowadays a requirement for companies, due to the increase in company transparency, and the rise in environmental concern which has led to a higher demand in sustainable products. Throughout these seven years between the two sustainability reports, one can see that H&M has expanded their collaborations and collected more garments for recycling each year, showing the success of this recycling programme. Nevertheless, both reports fail to explain what happens to the collected clothes that do not get recycled, and why certain clothes are not accepted as recyclable and instead end up in landfills. None of these reports mention the word 'greenwashing' or directly defends H&M from any criticism the company has endured and uses these reports as an opportunity to advertise the work they are doing for a sustainable fashion future, and keep a good image of the brand's business practices and actions.

In order for the company to be perceived as a sustainable company it must become more transparent. More focus must be put towards the travelling distances, and H&M should present a slide in their reports describing the recycling process. Simply stating that certain clothes are recycled is not enough. H&M does bring the environmental concerns to light, and make it clear they are part of an environmentally polluting industry, while also making

¹⁸⁴ H&M, 'H&M Retail India corporate social responsibility policy', Corporate Social Responsibility (CSR Policy)', publishing date unknown (accessed April 7th, 2021).

it clear they wish to not be a part of this. The environmental consequences as a result of fast fashion cannot be ignored, and the fact that H&M recognises the challenges is righteous. However, due to the severity of the climate crisis, it does not seem to be enough, but that actual work must be done. H&M has their *Conscious Campaign*, *Take Care* concept and their recycling programme, which is a step forward, but there are also certain sides that are not shown. It is impossible to know the true intentions of the company, since their main goal will always be to make financial profit and keep a reputation of being an overall good company. Since H&M has officially signed The Fashion Pact, they have promised to be more sustainable, and because the Fashion Revolution has endorsed H&M and the company has promised to be more transparent, they have done certain work for a sustainable fashion future. These anonymously sent questions do not have any satisfactory answers, as the answers drift away from the questions by advertising *Take Care* and *Conscious* and the recycling programme.

7. Concluding discussion

7.1 The greenwashing ‘sins’ found in the H&M source material

In this dissertation, by using H&M as a single case study and applying the different greenwashing ‘sins’ by Freitas Netto et al., Contreas-Pacheco and Claasen, and Strähle and Müller, I aimed to discover two main subjects; how the company describes environmental issues and sustainability, and whether greenwashing is mentioned in any way. The first subject was investigating how the brand manages the supply chain, how their sustainable actions or business practices are described, and how much time is spent on advertisement. In total, H&M was guilty of ten different ‘sins’ out of the nine ‘sins’ and three levels of greenwashing that were presented by de Freitas Netto et al., Contreas-Pacheco and Claasen, and Strähle and Müller. These are:

| Greenwashing ‘sins’ accusations | Signs of greenwashing |
|----------------------------------|-----------------------|
| 1. ‘The sin of hidden trade-off’ | Yes |
| 2. ‘The sin of no proof’ | Yes |
| 3. ‘The sin of vagueness’ | Yes |

| Greenwashing 'sins' accusations | Signs of greenwashing |
|---|--------------------------------------|
| 4. 'The sin of worshipping false labels' | Yes |
| 5. 'The sin of irrelevance' | Not enough transparency to answer it |
| 6. 'The sixth sin is of lesser of two evils' | Yes |
| 7. 'The sin of fibbing' | No |
| 8. 'The sin of false hopes' | Yes |
| 9. 'The sin of profits over people and the environment' | Yes |
| 10. 'The sin of hazardous consequences' | Not enough transparency to answer it |
| 1. 'Dirty business' | Yes |
| 2. 'Ad bluster' | Yes |
| 3. 'Fuzzy reporting' | Yes |
| 4. 'It's the law, stupid' | Not enough transparency to answer it |

Some of these were repetitive in the sustainability reports, particularly 'the sin of hidden trade-off' and 'the sin of vagueness'. Despite H&M's claims of transparency, it is often unclear what is meant and how certain business practices and actions are made. Lack of transparency is also the reason there is not enough information to conclude if 'the sin of irrelevance', 'the sin of hazardous consequences' and 'it's the law stupid' are apparent. I did not investigate all thirteen 'sins' nor all five levels, as they were not as relevant to my research, and merely focused on those that were most suitable. Based on those that were researched, there were no signs of 'the sin of fibbing'. The difference in 'sins' is also seen between the two reports, as surprisingly, the newer report from 2019 was less transparent than the first one, particularly when it came to describing the supply chain. As discussed by Niinimäki et al., The Fashion Pact, Mistra Future Fashion, and Bick et al, the supply chain is the most environmentally exploitative step in a garment's life. This is why it is important for fashion companies to be transparent within the supply chain steps, in order to know which step is the most environmentally exploitative, and how to improve. However, according to H&M, quite a lot of the environmental effects comes from the consumers' apparel care, as stated in the 2013 report, and less so in the 2019 report. This is not necessarily wrong, as individual consumers all have responsibility to be sustainable, but they are also dependent

on a fashion company for clothing. There was also more focus towards the influence H&M would have on sustainable actions in the 2019 report, where H&M praised themselves for both their influence and social influence. Even though H&M has a certain responsibility to advise and inspire their customers to sustainability, H&M has a bigger responsibility to *be* sustainable and engage in sustainable practices and actions. The retailer does not defend itself directly against greenwashing accusations to the point where the term is not mentioned once in the sustainability reports, their CSR Policy or their FAQ, but does so indirectly by presenting their sustainable practices, which seem repetitive and does not actually answer any of the greenwashing accusations. It also came to my attention that none of the greenwashing ‘sins’ have a category aimed towards companies blaming others for sustainability problems. As shown in this case study, H&M blames the fast fashion industry as whole for how the supply chain management sometimes includes fake records. It is easy for businesses to place the blame for environmental exploitation on other brands, or as the entire industry, due to how the business model and supply chain are designed and managed.

I would finally like to highlight some bias, due to my knowledge of H&M’s accusations of being a greenwashing brand based on previous research. As a result of this, I was expected to find inconsistencies in the sustainability reports that raised suspicions of greenwashing. What I was not expecting was the existence of different kinds of greenwashing, and how many H&M could have been, or not be, showing signs of. Nevertheless, due to this mindset and how H&M has already been assessed, I actively searched for inconsistencies in the sustainability reports and FAQ, that could be considered greenwashing. Because H&M is a global fashion brand with a large employment and customer base, it has the ability to lead the change. Although there is a lack of clarity and transparency in their reports, they are highlighting these environmental issues and advocating for the importance of sustainability.

7.2 The complexity of greenwashing in the fast fashion business model

The new fast fashion business model, the outperformance of traditional fashion retail, the emergence of online retailing, quick deliveries, and frequent fashion trends all contributed to the major success of fast fashion. The reason complexity occurs with greenwashing, fast fashion and sustainable fashion is because customers do not know the full implications of

companies that fail to be transparent. This is the biggest issue with greenwashing because it is almost impossible to know whether companies actually care or not. H&M has been repeatedly criticised for claiming to work for sustainability, but it is impossible for customers to know if they genuinely care for the environment, or if this is simply a marketing strategy to make more financial profit. There is a difference between stating something and doing something else. Despite the accusations of greenwashing that H&M has received, none of the sustainability reports mention the word 'greenwashing', and a simple search of 'greenwashing' on their website show no results. The fast fashion industry has complexities in the business model due to the large distance of the different actors and the many steps between production and consumption, but the debated environmental effects caused by fast fashion add another layer to the complexity. Even though the supply chain management ends at consumption, the consumer will still use their new apparels, wash them, and perhaps even throw them away after a few uses. However, since the marketing strategies of fast fashion are also complex, one could argue the complexity is part of the business model. The contemporary fast fashion model is made for mass-production in a quick paste, made affordable and accessible, and this is not sustainable in any way. The question if fast fashion can ever become sustainable has been discussed by different scholars, as the business model would have to change to make the industry more sustainable, and yet there are not many suggestions to exactly what changes are necessary. Greenwashing adds another layer to this complex industry, because the industry is not transparent, and becoming transparent, particularly in the supply chain management and the business practices is an important step for a sustainable fashion future.

7.3 The role greenwashing plays in the fast fashion industry

In the beginning of this dissertation, a quote by economist Robert Reich was presented, arguing that companies do not go green because they are virtuous, but do so solely for financial gain and social praise. Studies have shown customers are willing to pay more for products that are more sustainable, over products that are not. The increase in green marketing has contributed to the rise in greenwashing, and fast fashion is often accused of this, particularly H&M. Competition between different companies is important, which is why companies have their CSR policies and engage in green marketing, as this can be an

advantage. Thus, if companies are greenwashing, it can also affect competitions between different brands, as consumers will most likely prefer sustainable companies. If companies mislead consumers about their business practices, it will negatively affect those companies who do engage in sustainable practices, as well as further damage the environment. Some have argued that fast fashion can never become sustainable simply because of how the business model is designed and the way the supply chain works. Furthermore, even if it is difficult to determine whether *all* fast fashion companies are guilty of greenwashing, one can argue that fast fashion companies avoid greenwashing accusations as much as possible, as these can negatively affect their business. Greenwashing has become a part of fast fashion because consumers often prefer a company with sustainable practices before a company without these. Greenwashing may not have always been part of the business model, as it is a relatively new concept, but one can argue greenwashing has become part of the discussions regarding the business model and supply chain management. Because of these accusations, customers have become more aware of dishonesty from companies, and the importance of company transparency. Trust, honesty and transparency are important for consumers, as customers want to support a company that does not lie. CSR has therefore almost become required by brands, as evidence it is not engaging in business practices that can be considered greenwashing. H&M has claimed to be honest about transparency, and yet has been accused of breaking certain promises by burning unsold clothes, not doing enough for the environment, or on numerous occasions in this dissertation; been unclear. By having discussions and debates on greenwashing, fast fashion companies such as H&M can improve, and almost be forced to focus on sustainable practices, and thus, reducing the environmental impact. One should also remember that greenwashing does not only occur in fast fashion companies but happens in other businesses as well. Fast fashion continues to be affordable, easily accessible, quickly produced, trendy and popular. Climate change is a serious threat both on a local scale and a global scale, but it is challenging for private customers to shop sustainably in any fashion brand even though they are aware of the environmental consequences. Whether Reich is wrong or right in his claim was not the mere focus of this research, but instead added the importance of consumers being careful with their consumption, and the need for companies to be transparent in their business practices and supply chain management.

7.4 Final thoughts and suggestion to further research

This dissertation can be regarded as a contribution to the connection between fast fashion, greenwashing, CSR and environmental exploitation, and why they are all important aspects within GPE. By using H&M as a single case study to explore greenwashing and CSR within their supply chain and business practices, it has provided a broader understanding of how greenwashing can be incorporated within the business model, and why transparency must be taken more seriously. Many of the academic researchers mentioned in this dissertation have agreed there is an increased attention towards fast fashion and its pollution, and more consumers are aware of the phenomenon of greenwashing. Despite this, scholars like Binet et al., de Freitas Netto et al. and Májlath argue there is no clear definition of sustainability nor greenwashing, especially how the latter is involved in this industry. This is visible for H&M as well, as they claim to work with sustainability as their main focus, and yet the company fails to describe what they mean by sustainability. Furthermore, companies who engage in CSR activities claim to do so voluntarily, whereas scholars have argued they do so because it is a requirement. Whether companies do it to take actual responsibility or because it gives financial benefits is impossible to know. From the experience I received during this writing process, I got the impression that more literature, particularly focusing on 'smart companies' who know what customers want and how they sneakily incorporate claims of environmental sustainability whilst doing otherwise, must be further researched. There is also not enough research surrounding the possibility of fast fashion ever becoming sustainable, due to the business model it is based on. H&M claimed they are working with experts to improve the business model and make it more sustainable, but authors like Mehar has argued it is impossible. Future research within this field has increased, but not as quickly as fast fashion and greenwashing have grown in popularity. As a final note, it is unclear where CSR and greenwashing meet and how they differ, so there must be more research between the two and how to distinguish them from each other. CSR is positively ascertained, and greenwashing is negatively perceived, and yet companies can engage in CSR activities, while also greenwashing at the same time. These must be further researched, not only in fast fashion, but in other industries as well, as taking care of the environment is not only the consumers' responsibility.

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