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Master Thesis

**Can Fast Fashion Be Sustainable?
The development of the business model of H&M**

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Abstract

Fast fashion has revolutionized the clothing industry but faces severe criticism for its environmental and social unsustainability. This thesis explores how fast fashion aligns its business logic with sustainability by examining the case of Hennes & Mauritz AB (H&M). Drawing on institutional theory, it investigates how H&M's corporate social responsibility (CSR) narrative has evolved under growing regulatory and stakeholder pressures. The study adopts a qualitative, longitudinal case study design, analyzing H&M's sustainability reports over the past decade. Key findings reveal that H&M has progressively expanded its compliance in sustainability initiatives and rhetoric in reaction to external pressures, including regulatory requirements. However, these changes remain largely incremental. The research concludes that while fast fashion firms can appear more sustainable through such measures, fundamental tensions persist between the fast fashion model and true sustainability. These findings contribute new insights into the dynamics of institutional pressure and corporate adaptation, highlighting both the possibilities and limits of achieving sustainability in the fast fashion industry.

Keywords: Fast fashion, Corporate social responsibility, Sustainability, Institutional pressures

Table of Contents

List of Tables and Figures.....	VII
List of Abbreviations.....	VIII
1 Introduction	1
1.1 Problem Description	1
1.2 Research Objective	2
1.3 Thesis Structure	3
2 Theoretical Background	4
2.1 Institutional Logics in the Fashion Industry	4
2.1.1 Dynamics of the Fast Fashion Business Model.....	4
2.1.2 Environmental and Social Impact of Fast Fashion	6
2.1.3 Isomorphic Pressures and Sustainable Fashion	9
2.2 Corporate Social Responsibility in Fast Fashion.....	12
2.2.1 Corporate Social Responsibility and Sustainability.....	12
2.2.2 Current CSR Developments in Fast Fashion	15
2.2.3 Institutional Decoupling in Fast Fashion.....	18
2.3 Research Gap.....	20
3 Methodology.....	23
3.1 Research Design	23
3.2 Presentation of the Business Case	24
3.3 Data Collection	25
3.4 Data Analysis.....	27
3.5 Positionality of the Researcher	28
4 Findings	29
4.1 Development of the Visual Design & Structure.....	29
4.2 Development of the Focus of CSR Initiatives.....	34
4.3 Development of the Corporate CSR Perspective	38
4.4 Development of the CSR Reporting Strategy.....	41
5 Discussion	47
5.1 Summary of Core Findings.....	47
5.2 Discussion and Theoretical Contribution	49
5.3 Practical Implications	52
5.4 Limitations.....	54
5.5 Future Research	55

6 Conclusion	57
7 References	59
8 Appendix	72

List of Tables and Figures

Tables

Table 1	Overview of Sustainability Reports Analyzed	26
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Figures

Figure 1	Excerpt from H&M’s Sustainability Reporting 2014	30
Figure 2	Excerpt from H&M’s Sustainability Reporting 2016	31
Figure 3	Excerpt from H&M’s Sustainability Report 2019	33
Figure 4	Excerpt from H&M’s Sustainability Report 2021	34
Figure 5	Comparison of H&M’s Materiality Matrix 2014 vs. 2023	35
Figure 6	Comparison of H&M’s Climate Data in Sustainability Reports 2014 vs. 2023	42

List of Abbreviations

BCI	Better Cotton Initiative
BSR	Business for Social Responsibility
CSDDD	Corporate Sustainability Due Diligence Directive
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
CSV	Creating Shared Value
ESG	Environmental, Social, and Governance
EU	European Union
GOTS	Global Organic Textile Standard
GRI	Global Reporting Initiative
H&M	Hennes & Mauritz AB
KPI	Key Performance Indicator
NGO	Non-Governmental Organization
SBM	Sustainable Business Model
SBTi	Science Based Targets initiative
SME	Small and Medium-Sized Enterprise

1 Introduction

The introductory chapter offers an overview of the thesis topics and outlines the motivation behind its investigation. Section 1.1 outlines the fundamental tension between fast fashion and sustainability, establishing the broader context of the study. Based on this, Section 1.2 formulates the central research question and defines the aim of the thesis. Section 1.3 overviews the subsequent chapters and the thesis structure.

1.1 Problem Description

Fast fashion, the rapid production of trendy, low-cost garments, has transformed the apparel industry, democratizing fashion but at a high cost. Over the past two decades, this model's relentless focus on speed and volume has led to severe environmental degradation (Niinimäki et al., 2020) and poor labor conditions (Bick et al., 2018). Scholars frequently describe the fast fashion business model as inherently unsustainable by design (Thorisdottir & Johannsdottir, 2020). Major retailers like Hennes & Mauritz AB (H&M), Zara, and others have been pressured to address these issues, especially after media-effective incidents like the 2013 Rana Plaza factory collapse. In response, fast fashion companies have increasingly introduced corporate social responsibility (CSR) programs and sustainability reports. However, skepticism remains about the depth of these efforts. Prior research suggests that firms frequently adopt CSR initiatives as symbolic gestures rather than implementing substantive changes (Walker & Wan, 2012). H&M, for instance, began publishing sustainability reports as early as 2002, yet the fast fashion sector is still often cited as a prime example of corporate greenwashing (Adamkiewicz et al., 2022). This tension between public sustainability commitments and business-as-usual practices points to a more significant problem: Can a fast fashion company genuinely reconcile its profit-driven model with the demands of sustainability? Given the urgent need to reduce the industry's social and ecological footprint, this question is practically important but also theoretically intriguing. Regarding institutional theory, the fashion industry embodies competing logics: a dominant market logic centered on rapid turnover and profit and an emerging CSR logic emphasizing ethical and environmental responsibility (Schübler et al., 2023).

These coexisting logics create persistent tension. To date, much of the literature has documented the negative impacts of fast fashion and the static CSR disclosures of these firms.

Still, it has not thoroughly examined how a leading fast fashion company might evolve its strategy to navigate this tension over time. There is a need to understand if and how fast fashion incumbents adapt their narratives in the face of mounting sustainability pressures. This gap in understanding forms the core problem that this thesis addresses.

1.2 Research Objective

Given the above problem, this research explores the evolving relationship between fast fashion business models and sustainability imperatives. In particular, this thesis examines how H&M has developed its CSR narrative in response to increasing institutional pressures for sustainability. By focusing on H&M, one of the world's largest fast fashion retailers, the study provides an in-depth look at a sector leader's strategies to appear and potentially become more sustainable. Therefore, the guiding research question is: How have fast fashion companies evolved their CSR narratives in response to institutional pressures over time? To answer this question, the study adopts an institutional theory lens. Within this theoretical framework, institutional pressures (DiMaggio & Powell, 1983) explain how external forces such as regulation, societal expectations, and competitive dynamics direct organizations to adopt their narrative. However, the business model of fast fashion companies is oriented towards profit maximization. These companies must manage conflicting expectations and strategically balance market-driven and sustainability-driven logic in their decisions (Thornton et al., 2012). In this context, firms often decouple their formal sustainability structures from actual operational practices, symbolically adopting socially expected sustainability measures to gain legitimacy without substantively altering their core activities (Meyer & Rowan, 1977). The thesis uses H&M as a case study to observe the institutional process of a fast fashion company. The research traces changes in the company's sustainability strategy, initiatives, and language through a longitudinal qualitative analysis of H&M's sustainability reports from 2014 to 2023. The aim is to identify how H&M's CSR narrative evolves in response to external institutional pressures such as regulatory changes, advocacy campaigns, or competition within the market and to analyze whether these narrative changes represent a substantive shift toward sustainability or a continuation of institutional decoupling. Further, this study explores how H&M navigates the inherent tension between the competing logics of profit maximization and sustainability, as communicated through its reporting.

By doing so, this thesis aims to contribute to the existing literature in two main ways. First, it seeks to enhance the understanding of strategic CSR reporting practices in fast fashion by offering a dynamic, longitudinal perspective on how sustainability narratives develop over time. Second, it contributes to the theoretical conversation on institutional change and corporate sustainability. The study's value-add lies in illuminating how fast fashion firms integrate sustainability into a traditionally unsustainable business model, thereby informing both theory on institutional adaptation and corporate decoupling and practice for managers and policymakers concerned with making fast fashion more sustainable.

1.3 Thesis Structure

This thesis is organized into six chapters. Following this introduction, the second chapter reviews relevant literature and concepts underpinning the study. It discusses institutional logics in the fashion industry, the environmental and social impact of the prevailing market logic of fast fashion, and the emergence of sustainability pressures. It also examines CSR in fashion, including genuine sustainability efforts versus symbolic decoupling practices, and finally identifies the research gap leading to the study's research question. The third chapter outlines the research design, explaining the qualitative single-case study approach and the content analysis of H&M's sustainability reports. It details the data sources, coding procedures, and analytical framework used to track H&M's sustainability narrative changes over time. The fourth chapter presents the results of the content analysis, describing how H&M's CSR narrative has evolved throughout the past decade. Key themes and shifts are highlighted chronologically, with examples from the reports illustrating changes in H&M's reporting strategies. The fifth chapter interprets these findings considering the theoretical framework. It summarizes the extent to which H&M's sustainability evolution addresses the initial research question, discusses the implications for institutional theory and the concept of sustainability in fast fashion, and considers practical implications for industry stakeholders. This chapter also reflects on the study's limitations and suggests avenues for future research. Finally, the sixth chapter answers the thesis question. It reflects on how fast fashion firms integrate sustainability into their business, based on H&M's case, thereby closing the loop on the investigation and highlighting the study's contributions.

2 Theoretical Background

The chapter on the theoretical background outlines the current state of research on the central themes of this thesis and identifies the existing research gap. Section 2.1 provides an overview of the fast fashion business model, its environmental and social impacts, and the emergence of sustainable fashion, all examined through the lens of institutional theory. Section 2.2 explores the development of CSR, its relationship to sustainability, its implementation within the fast fashion sector, and common strategies used to circumvent meaningful CSR engagement.

2.1 Institutional Logics in the Fashion Industry

Institutional logics are the overarching belief systems and practices that shape behavior within an industry, defining what is considered appropriate or successful (Thornton et al., 2012). In the fashion industry, a prevailing market-driven logic emphasizes rapid product cycles, consumerism, and profit maximization. A competing logic has emerged in recent years, stressing ethical labor practices and environmental stewardship. These coexisting logics create tensions: fast fashion firms have traditionally operated under a growth- and profit-oriented logic, yet now face increasing pressure to incorporate environmental and social responsibility into their strategies (Pedersen & Gwozdz, 2014).

2.1.1 Dynamics of the Fast Fashion Business Model

The rise of fast fashion is deeply embedded in the broader dynamics of capitalism and globalization, which have facilitated the cheaper production and distribution of goods on a global scale. Once primarily functional, clothing has evolved into a lifestyle product tied to self-expression and social identity (Barnes & Lea-Greenwood, 2006). This transformation was fueled by globalization, which allowed brands to outsource production to low-cost labor markets and capitalist market structures that incentivized profit maximization and overproduction (Niinimäki et al., 2020). Consequently, consumerism emerged as a defining characteristic of the fast fashion model, encouraging shoppers to purchase clothing beyond necessity and fostering a culture of overconsumption (Bhardwaj & Fairhurst, 2010).

Compared to 2000, clothing brands now produce almost twice as many products as 20 years ago (Remy et al., 2016). Global consumption has risen to an estimated 62 million tonnes of apparel annually and is projected to reach 100 million tonnes annually by 2030

(Ellen MacArthur Foundation, 2017). Accordingly, the clothing purchased per capita increased from 5.9 kg to 13 kg per year from 1975 to 2018 (Peters et al., 2019), with an estimated yearly production increase of 2% (Fletcher, 2016).

The reason for that lies in the vast expansion of fast fashion retailers after the new century (Caro & Martínez-de-Albéniz, 2015). Fast fashion companies have outperformed traditional fashion retailers because they can offer more agility and more rapid delivery of new products (Anguelov, 2015). Currently, the fashion companies with the most global revenue are Shein from China, Inditex (Zara) from Spain, H&M from Sweden, Fast Retailing (Uniqlo) from Japan, and Primark from Ireland (Statista, 2024). These companies have two things in common: they all have brick-and-mortar stores (except for Shein) and closely follow emerging fashion trends in their collections. By reducing a product's design cycle and producing almost on demand, fast fashion brands seek to attract fashion-conscious customers (Caro & Martínez-de-Albéniz, 2015). Firms like H&M and Zara have a time-to-market of three to five weeks (Bhardwaj & Fairhurst, 2010). Ultra-fast fashion companies like Shein, which are exclusively online, take even less time from product design to market launch (Caro & Martínez-de-Albéniz, 2015).

Caro & Martínez-de-Albéniz (2015, p. 242f.) define fast fashion as “a business model that combines three elements: (a) quick response; (b) frequent assortment changes; and (c) fashionable designs at affordable prices.” Quick response refers to the ability to react quickly to trends set by fashion designers and adjust the collection within days with frequent assortment changes and shorter product life cycles to create more customer value (Cachon & Swinney, 2011).

The fast fashion business model focuses on impulse purchasing instead of conscious buying, creating a sense of urgency for consumers (Anguelov, 2015). Firms primarily target young and often female consumers between 16 and 24 years old, who tend to be more fashion-aware than other groups (Morgan & Birtwistle, 2009). Due to low prices, consumers buy clothing more frequently, which has decreased the average garment use time by 36% compared to 2005 (Ellen MacArthur Foundation, 2017). The decrease in product prices resulted from efficient supply chains (Iyer & Bergen, 1997) and a manufacturing shift to low-cost countries in the Far East, capitalizing on cheap labor (Arrigo, 2020). Most fast fashion products are assembled in China and Bangladesh (Bick et al., 2018). They are usually made of low-cost materials, shortening the product life cycle and forcing customers to replace products more frequently (Long & Nasiry, 2022). The growth of the

fast fashion industry can be attributed to high-impulse buying, an increase in sourcing from low-cost countries, and a change in consumer attitudes (Morgan & Birtwistle, 2009). Due to its industry structure, the fast fashion sector is highly competitive. Not only does it put constant pressure on costs, but it also requires delivering the latest trends to consumers (Turker & Altuntaş, 2014). Thus, fast fashion is seen as a consumer-driven approach to supply chain management (Barnes & Lea-Greenwood, 2006).

The fashion supply chain became more dispersed after the global textile and garment production shift to lower-wage countries. It is characterized by vertical disintegration, meaning that different stages of production and distribution are separated across independent suppliers (Niinimäki et al., 2020), often spanning multiple industries. The supply chain involves agriculture (for natural fibers) or chemical manufacturing (for synthetics), garment manufacturing, logistics, retail, and disposal (Cura et al., 2022). Global, dispersed supply chains are complex to manage and often lack transparency. For downstream manufacturers, it is frequently challenging to know where materials come from and how they are produced (Niinimäki et al., 2020).

2.1.2 Environmental and Social Impact of Fast Fashion

The fashion sector is one of the most polluting industries in the world, responsible for 8–10% of global CO₂ emissions (United Nations Framework Convention on Climate Change, 2018). These emissions come predominantly from intensive energy use during garment manufacturing (Muthukumarana et al., 2018) and transportation throughout the supply chain (Niinimäki et al., 2020). Due to fast fashion's extended supply chains, garments can travel the globe multiple times before being sold to the end customer. Moreover, synthetic fibers, mainly polyester, contribute significantly to CO₂ emissions since polyester is derived from fossil fuels (Naqvi et al., 2024).

A major environmental issue in clothing is waste. The fashion industry generates about 92 million tonnes of waste annually (Niinimäki et al., 2020). To meet constant demand, fashion firms produce vast volumes of clothing, leading to chronic overproduction. Unsold clothes are often directly incinerated or sent to landfills (Shirvanimoghaddam et al., 2020). In 2018, H&M reported having an inventory of 4.3 billion USD worth of unsold garments (Paton, 2018). In the United States, for instance, consumers dispose of around 36 kg of clothing per person annually, occupying nearly 5% of landfill space (Bick et al., 2018). Recycling rates for textiles remain low because recycling processes are costly and

typically result in downcycling rather than accurate recycling (Williams, 2022). Standard blended fabrics, such as polyester-cotton blends, further complicate recycling. Donating clothing is not a perfect solution either: only about 20% of donated garments are resold in charity shops. The rest is sold to textile recyclers or shipped to markets in developing countries. Exporting this surplus clothing creates environmental injustices for those countries that face waste management burdens and health risks (Claudio, 2007). These exported garments often overwhelm local waste management systems, leading to open dumping or uncontrolled burning that releases toxic fumes (Naqvi et al., 2024).

The fashion industry also consumes enormous amounts of water and chemicals. According to the United Nations Conference on Trade and Development, the fashion sector used 93 billion cubic meters of water in 2019 (United Nations, 2019). Enough to meet the needs of five million people. Along with high water consumption, the textile sector is responsible for 20% of industrial water pollution, primarily due to textile treatment and dyeing processes (Kant, 2012). Untreated dye effluents laden with hazardous chemicals, such as azo dyes, heavy metals, and salts, cause severe harm to aquatic ecosystems and human health, and these pollutants are rarely appropriately treated before disposal, exacerbating environmental degradation (Naqvi et al., 2024).

Furthermore, textile production is responsible for about 35% of primary microplastic pollution in the world's oceans (United Nations Framework Convention on Climate Change, 2018), releasing around half a million tons of microfibers annually (United Nations, 2019). Microplastic fibers are shed not only during manufacturing but also when garments are laundered, and these pollutants bioaccumulate in marine organisms, posing long-term risks to aquatic life and humans who consume seafood (Williams, 2022). Not only has consumer behavior changed regarding disposal habits, but also the frequency of which laundering causes high water usage and pollution and increases energy consumption (Carbon Trust, 2011). These microplastics bioaccumulate in marine organisms, posing long-term risks to aquatic life and humans consuming seafood (Naqvi et al., 2024). Fast fashion relies heavily on materials like cotton and polyester, which pollute the environment differently. Cotton cultivation requires vast amounts of water and heavy use of pesticides, resulting in soil degradation and water pollution (Muthukumarana et al., 2018). Polyester is the most common fiber in the textile industry and is derived from fossil fuels, directly linking fast fashion to the petroleum industry. Producing polyester requires about twice as much energy as producing cotton (Niinimäki et al., 2020). Additionally,

cotton farming is associated with pesticide runoff that harms local ecosystems and groundwater, while polyester production and use contribute to greenhouse gas emissions and persistent microplastic pollution (Naqvi et al., 2024).

The social impact of fast fashion is equally concerning. Garment assembly, a key step in the fashion supply chain, employs approximately 40 million workers worldwide. About 90% work in low- and middle-income countries for extremely low wages (Bick et al., 2018). Due to weak political infrastructure and poor enforcement of labor regulations, safety standards in factories are often not upheld. The collapse of the Rana Plaza factory in 2013, which killed 1,134 workers, is a tragic example of the hazards in garment production (Taplin, 2014). Many workers still lack proper protective equipment when handling dangerous chemicals for fabric treatment (Williams, 2022). Fast fashion workers also often work very long, sometimes 12–14 hours daily, with infrequent breaks (Taplin, 2014). Poor working conditions and low wages affect not only adults but also children. Child labor still prevails in some developing countries, often in illegal “underground” factories hidden from regulators (Williams, 2022). The U.S. Department of Labor found 77 countries violating international standards as of June 2021, from which 32 countries were accused of practicing child or forced labor in conjunction with textile production (U.S. Department of Labor, 2024). Around 80% of garment workers are female, often perceived as secondary earners who can be paid less and controlled more easily. This female workforce experiences persistent gender pay gaps, sexual harassment, and a lack of basic human rights protections on the job (Williams, 2022). Such exploitation is widespread: short-term contracts, high production quotas, and unsafe workplaces are common, and weak enforcement of labor standards allows these abuses to continue unchecked (Williams, 2022).

Apart from the conditions of production, fast fashion also influences consumer behavior. The fast fashion model encourages impulsive buying (Cook & Yurchisin, 2017), which has resonated particularly with younger consumers who value self-identity and the ever-changing “newness” of fashion (McNeill & Moore, 2015). Fast fashion’s low prices have made trendy clothing accessible across almost all income groups, enabling even lower-income consumers to purchase large quantities of apparel. This democratization of fashion consumption has somewhat mitigated class-based distinctions in fashion, as virtually anyone can afford the latest styles (Williams, 2022). However, the resulting increase in

overall clothing consumption has greatly amplified environmental and social impacts throughout the supply chain (McNeill & Moore, 2015).

2.1.3 Isomorphic Pressures and Sustainable Fashion

While the fast fashion industry is driven by consumerism, a pattern of excessive consumption motivated by trends and the centrality of shopping in modern life, there has also been a growing awareness of sustainability issues in the fashion industry over the last decade. The tragic collapse of the Rana Plaza factory in Bangladesh in 2013, with more than 1,100 deaths and over 2,400 injuries, drew global attention to the harmful social impacts of fast fashion. Since then, the industry has been viewed far more critically, and scholars have emphasized the need for sustainable practices, especially improvements in the social conditions of workers (Taplin, 2014). Academic publications on “sustainability and fashion” increased from 20 in 2010 to 171 in 2021 (Rahman et al., 2023). The Rana Plaza collapse prompted scholars to investigate labor governance along the garment supply chain (e.g., Schüßler et al., 2019) and also spurred broader research on sustainable fashion (Henninger et al., 2016). Institutional Theory, as introduced by DiMaggio & Powell (1983), provides a valuable framework to classify the ongoing developments toward sustainability in the fashion industry. DiMaggio and Powell argue that organizations within an industry tend to become increasingly similar over time due to institutional isomorphism, which occurs through coercive, normative, and mimetic pressures.

Coercive pressures arise from governments, regulators, and other powerful actors that impose requirements on industries. In the context of sustainable fashion, coercive pressures include laws and regulations that demand more sustainable practices. A key example is the European Union’s Strategy for Sustainable and Circular Textiles, which aims to guide a “green transition” in the textile sector (Hörner Bussolo et al., 2024). This strategy is backed by several directives requiring EU member states to implement national laws meeting minimum sustainability standards, focusing on waste management, sustainable product design, fair commercial practices, and enhanced non-financial reporting (European Commission, 2024).

Normative pressures emerge from industry norms, professional standards, and influences by non-governmental organizations (NGOs) and industry associations. Over the past decade, fashion firms have increasingly adopted industry-wide sustainability standards and certifications. Many companies have joined organizations like the Fair Wear Foundation,

which conducts social audits of labor conditions in clothing supply chains, or adopted certifications such as the Global Organic Textile Standard (GOTS) to ensure organic material sourcing and sustainable processing (Fair Wear, 2023; Global Organic Textile Standard, 2023). Additionally, major sustainability scandals like the Rana Plaza collapse have intensified normative pressure by prompting calls for greater transparency in fashion supply chains (Auke & Simaens, 2019). Research by Fraser & Van der Ven (2022) highlights that public sustainability scandals lead to meaningful transparency improvements only if they are supported by a company's top management and aligned with the domestic regulatory environment.

Mimetic pressures occur when organizations imitate the practices of industry leaders or adopt "best practices" to maintain competitiveness and legitimacy. In fashion, broader cultural and economic trends, such as the rise of the circular economy (Ellen MacArthur Foundation, 2017) and the sharing economy, challenge the traditional fast fashion model and provide new examples for firms to emulate (Todeschini et al., 2017). Innovations in materials (e.g., bio-based or recycled fabrics) and manufacturing processes also create mimetic pressure, as companies feel compelled to rethink their materials and supply chains to keep up with perceived industry best practices (Todeschini et al., 2017).

As a consumer-driven approach, the fast fashion business model ultimately depends on consumer preferences regarding sustainability. Earlier studies found that young consumers' tastes and needs, the primary target group for fast fashion, outweighed ethical considerations in their purchase behavior (Joergens, 2006). Consumers demonstrated only limited awareness or intentional concern about the sustainability impact of clothing (Goworek et al., 2012). More recent studies show increased awareness of sustainability issues among fast fashion consumers, but this has not substantially changed purchasing behavior (Zhang et al., 2021). Consumers often claim to be knowledgeable about sustainability issues, yet they lack accurate knowledge about what a truly sustainable fashion supply chain entails (Papasolomou et al., 2023). McNeill & Moore (2015) categorize fashion consumers into three broad groups, which helps understand different values and how these groups' sizes shift. One group views fashion as central to their identity and shows the least concern for environmental or social issues in fast fashion. Thus, they have virtually no interest in sustainable fashion. Another group holds positive attitudes toward sustainable fashion but often fails to act on those attitudes, perceiving various barriers to

adoption; these consumers are aware of social norms and peers' opinions, which can influence their behavior. Lastly, a third group of consumers has the highest environmental concern and a particularly negative view of fast fashion; they are the most open to sustainable fashion and feel conflicted between enjoying new clothing and reducing overall consumption.

The proportion of consumers interested in sustainable fashion has grown in the past decade (Watson & Yan, 2013). Sustainable fashion, part of the broader "slow fashion" movement, emerged as a response to the inherent unsustainability of fast fashion. It promotes ethical conduct, reduced production volume, and quality-over-quantity in clothing (Fletcher, 2010). Sustainable fashion moves away from the fast fashion industry's growth-oriented practices and fosters long-term relationships with suppliers and customers, local production, and transparency (Ertekin & Atik, 2015). Even though some large retailers have introduced so-called "sustainable collections," for example, H&M's "Conscious Collection," or second-hand marketplaces, like H&M's resale platform for used clothes, building an entirely sustainable fashion system remains complex and challenging (Henninger et al., 2016). Despite consumers' growing awareness, an attitude-behavior gap persists, wherein consumers' stated concern for sustainability does not fully translate into their purchasing decisions (Wiederhold & Martinez, 2018). According to Pookulangara & Shephard (2013), retailers must adopt a consumer-centered approach to sustainability, incorporating sustainable practices into their core products and policies to effectively influence consumer behavior. This implies that fashion firms should be transparent and provide easily accessible information on sustainable options to help consumers make informed decisions (Mukendi et al., 2020). Consumers should also be encouraged to participate in circular practices like reusing, recycling, and repairing clothes. Ultimately, embracing sustainable fashion may come down to marketing it appropriately to consumers (Pookulangara & Shephard, 2013).

Patagonia, a U.S. outdoor apparel brand known for sustainability, famously ran a 2011 marketing campaign titled "Don't Buy This Jacket," urging consumers to consider the environmental impact of consumerism and to purchase only what they truly need (Patagonia, 2011). Similarly, the German fashion brand Armedangels declared in 2023 that "sustainable products don't exist," explicitly encouraging customers to buy less and choose higher-quality items as the best way to help the environment (Zha, 2023).

Armedangels was founded with sustainability as its core mission, essentially a born-sustainable company (Dicuonzo et al., 2020). In contrast, Patagonia was a traditional company that later transformed its policies to become more sustainable. Over the last decade, the number of born-sustainable fashion firms has increased (Todeschini et al., 2017).

2.2 Corporate Social Responsibility in Fast Fashion

Corporate social responsibility is the strategic integration of social and environmental considerations into core business activities. Fast fashion companies have increasingly adopted CSR initiatives to respond to institutional pressures. However, organizations may decouple their CSR narratives from actual operational practices when such integration is only partially or superficially implemented (Meyer & Rowan, 1977). This phenomenon, widely recognized as greenwashing, has become particularly prevalent within the fast fashion industry.

2.2.1 Corporate Social Responsibility and Sustainability

CSR is a multifaceted concept that is not easily defined. According to Carroll (2021), the understanding of CSR evolved significantly from the 1950s through the 1990s, expanding to encompass a corporation's responsibility toward a broad range of societal stakeholders (Auke & Simaens, 2019). Stakeholders such as consumers, employees, and governments play a critical role in shaping CSR practices, as corporations must balance these groups' interests for long-term success (Freeman, 1984). Early CSR efforts were largely philanthropic and driven by moral imperatives, a notion of "giving back" to society (Carroll, 2009). Over time, CSR transitioned into a strategic framework embedded in corporate practices, driven by rising societal expectations and institutional pressures (Campbell, 2007). Today, CSR is often seen as a response to stakeholder demands and societal norms, encompassing voluntary initiatives and strategies to enhance a company's competitiveness and legitimacy.

Sustainability, closely linked to CSR, was formally defined as "meeting the needs and aspirations of present generations without compromising the ability of future generations to meet their needs" (Brundtland, 1987, p. 292) in the famous Brundtland Reports from 1987. In business, sustainability is frequently framed through the triple bottom line (Elkington, 1998), which evaluates social, environmental, and economic performance. Although sustainability emerged in the 1970s amid debates on environmental limits to growth, it has become one of the driving forces behind modern CSR (Carroll & Shabana,

2010). In practice, sustainability can be seen as an outcome or subset of CSR, especially in the corporate sector, even though many business leaders use the terms interchangeably (Thorisdottir & Johannsdottir, 2020).

The European Union considers CSR a voluntary business contribution to a better environment and society, structured around taking responsibility for corporate impacts. While CSR engagement is not legally binding in the EU, this perspective helps build social consent. It creates an implicit obligation for companies to operate ethically and transparently, especially when addressing societal challenges or responding to corporate failures (European Commission, 2001).

Carroll (1991) famously described CSR as a four-layered pyramid of responsibilities: economic, legal, ethical, and philanthropic, each layer building upon the previous. The economic layer forms the foundation, emphasizing profitability and productivity. As Carroll (1991) noted, the base requirement for any business is to be profitable since, without financial viability, a firm cannot fulfill its other responsibilities. Campbell (2007) notes that the broader institutional context in which corporations operate heavily influences their socially responsible behavior. For example, weak financial performance or an economic downturn can hinder a firm's CSR initiatives, whereas strong regulation and engaged stakeholders encourage more responsible action. However, CSR is not solely an ethical imperative; it can also create business value for companies. A successful CSR strategy can reduce costs and risks, strengthen legitimacy and reputation, build competitive advantage, and create win-win situations through synergistic value creation (Carroll & Shabana, 2010).

Porter & Kramer's (2007) concept of "Creating Shared Value" (CSV) further articulates how aligning a company's core competitiveness with societal needs can unlock opportunities for innovation and growth. CSV builds on the foundations of CSR by integrating social and environmental considerations directly into profit-generating activities rather than treating them as separate or purely philanthropic endeavors. Rather than a revolutionary new idea, CSV is often viewed as an incremental addition to existing CSR literature; however, it provides a strategic approach to integrating social problems into corporate strategy (Menghwar & Daood, 2021).

Sustainable Business Models (SBM) is a more recent concept by Bocken et al. (2014) that gained prominence in the last decade, reflecting a deeper integration of sustainability

into businesses' core operations. The authors emphasize the need for business model innovation to meet sustainability challenges. They define sustainable business model innovations as "innovations that create significant positive and/or significantly reduced negative impacts for the environment and/or society, through changes in the way the organization and its value-network create, deliver and capture value (i.e., create economic value) or change their value propositions" (Bocken et al., 2014, p. 44). In other words, while traditional CSR initiatives were sometimes peripheral or philanthropic, newer approaches like SBM call for embedding sustainability directly into how a company creates and captures value. CSR activities have evolved from ad-hoc, charitable actions to more strategic efforts aligned with long-term goals of legitimacy and competitiveness (Porter & Kramer, 2007). This shift from isolated projects to systemic integration has laid the groundwork for SBMs, which extend CSR principles by redesigning business models around sustainability (Bocken et al., 2014).

The legal layer entails compliance with laws and regulations as a core obligation. Within the European Union, regulatory developments are making aspects of CSR and sustainability reporting mandatory. For example, the EU's Corporate Sustainability Reporting Directive (CSRD) will replace the earlier Non-Financial Reporting Directive and significantly expand requirements for companies to report on environmental and social issues. In addition, the proposed Corporate Sustainability Due Diligence Directive (CSDDD) will require companies to identify and mitigate human rights abuses and environmental harm in their supply chains. These emerging regulations, alongside broader initiatives like the EU's strategy for a climate-neutral, resource-efficient economy, namely the European Green Deal, signal that companies will face increasing legal obligations to operate more sustainably and demonstrate CSR concretely.

The ethical layer of Carroll's CSR pyramid emphasizes the obligation of companies to act in ways that are morally right, fair, and just, going beyond mere legal compliance. Ethical responsibilities involve responding to societal expectations and ensuring that corporate actions reflect evolving norms of fairness and justice, such as respecting human rights, promoting diversity, and adopting sustainable practices (Carroll, 1991). Ethical responsibility requires consideration of the well-being of all stakeholders, including employees, customers, communities, and the environment, in addition to profitability.

The philanthropic layer represents a company's voluntary efforts to give back to society beyond what is legally or ethically required. This layer is characterized by discretionary

activities such as charitable donations, community development programs, and support for social causes that reflect the organization's desire to improve the well-being of society (Carroll, 1991). To fulfill this role, companies often engage in corporate philanthropy through direct financial contributions, employee volunteerism, or partnerships with non-profit organizations. The last layer of Carroll's pyramid is controversial. Carroll (1991) framed the philanthropic layer as a discretionary responsibility, meaning it is not a fundamental business obligation. In their refinement of the original pyramid, Schwartz & Carroll (2003) re-conceptualized CSR into three overlapping domains: economic, legal, and ethical responsibilities. The authors argue that philanthropy can often be subsumed under one or more primary domains. Further, philanthropic activities often serve as a strategic business tool to enhance reputation, build goodwill, or gain a competitive advantage. These motivations are aligned with the business domain, as they ultimately contribute to a company's profitability and market positioning (Schwartz & Carroll, 2003).

2.2.2 Current CSR Developments in Fast Fashion

The market pressure from consumers to ensure high social and environmental standards in fashion production is still relatively low, meaning many consumers do not yet demand strict sustainability from brands. Thus, effective CSR strategies in fashion often need to go beyond essential compliance, engaging in capacity-building or advocacy to drive change (Lohmeyer et al., 2022). Various factors influence the development of these strategies. Internal factors include a company's size, its position in the value chain, and its level of internationalization. Firms with larger and more globalized supply chains typically face low transparency and higher social risk exposure. External drivers of CSR include environmental risks, like climate change impacts on resources, regulatory pressures, supply chain sustainability challenges, and evolving consumer attitudes toward sustainable apparel (Bhatnagar & Niinimäki, 2024). In response to these drivers, efforts to formalize CSR in the industry have emerged. For example, the ISO 26000 guidance on social responsibility, issued in 2010, encourages organizations to be transparent, engage stakeholders, and contribute to sustainable development. In 2013, India took the notable step of mandating that certain companies allocate 2% of their profits to CSR activities, targeting issues such as poverty alleviation, women's empowerment, education, and healthcare (Bhatnagar & Niinimäki, 2024). After the Rana Plaza collapse in 2013, Bangladesh's garment industry implemented CSR initiatives that improved factory safety,

strengthened compliance monitoring, provided labor rights training, promoted sustainable resource use, and enhanced worker benefits like fair wages and gender equality programs (Khattak et al., 2017).

Global brands have launched their own CSR and sustainability initiatives. Patagonia's "Worn Wear" program and Eileen Fisher's "Renew" encourage repair and resale of clothing to extend product life. Gap Inc.'s P.A.C.E. (Personal Advancement & Career Enhancement) program invests in female garment workers' education and career progression. H&M's "Conscious Collection" highlights products made with ethically sourced materials, and Adidas's partnership with "Parley for the Oceans" creates products from recycled ocean plastics. Puma's "Forever Better" campaign focuses on improving labor practices and reducing environmental impact (Bhatnagar & Niinimäki, 2024).

Fashion companies are increasingly adopting specific environmental sustainability measures to mitigate their negative impacts. Sustainable materials, such as organic cotton, recycled polyester, or plant-based dyes, have become more prevalent, supported by certifications like GOTS that ensure these materials meet strict environmental and social criteria (Bhatnagar & Niinimäki, 2024). Major brands have introduced eco-friendlier product lines: for example, Levi's developed Water<Less™ denim to reduce water usage, and Puma created an InCycle™ collection featuring biodegradable and recyclable components (Pedersen & Gwozdz, 2014). Waste reduction and circular economy strategies are another focus. Marks & Spencer, a UK retailer, partnered with Oxfam, a UK confederation of NGOs, on a take-back program to recycle unwanted clothes, and Patagonia's "Worn Wear" second-hand platform keeps garments in use longer (Pedersen & Gwozdz, 2014). In some cities, clothing libraries allow consumers to borrow garments, reducing the need for constant new purchases (Pedersen et al., 2018). Certifications such as "Cradle to Cradle" have also emerged to verify that products are designed for recyclability and made with safe, sustainable materials (Bhatnagar & Niinimäki, 2024).

On the social side of CSR, improvements focus on labor conditions, transparency, community engagement, and diversity. Organizations like the Fair Wear Foundation and the Clean Clothes Campaign push for ethical labor practices, including fair wages, safe working conditions, and respect for workers' rights across global supply chains (Pedersen et al., 2018). Some brands have implemented traceability systems; for instance, Patagonia provides supply chain transparency tools to help consumers make informed decisions and hold suppliers accountable (Pedersen & Gwozdz, 2014). Community engagement is also

a facet of CSR: programs such as Marks & Spencer's partnership with Oxfam support local community development (Pedersen et al., 2018). Many fashion companies prioritize diversity and inclusion in their product ranges and corporate practices to ensure broader representation and equity (Bhatnagar & Niinimäki, 2024).

Despite these advancements, challenges remain in enforcing consistent social and environmental standards, especially in regions with limited regulatory oversight. Weak labor laws and a lack of accountability can hinder the effective implementation of CSR policies, indicating a need for stronger global frameworks and collaborative efforts to address these systemic issues (Pedersen et al., 2018). Certifications like Fair Trade and WRAP (Worldwide Responsible Accredited Production) play an important role in this context by setting international labor and social standards and auditing factories for compliance, thereby reducing the risk of worker exploitation (Naqvi et al., 2024).

The study by Chan et al. (2020) analyzed the CSR disclosures of fashion brands using the Global Reporting Initiative (GRI) framework. The GRI is one of the most widely adopted sustainability reporting standards and can enhance a firm's legitimacy by standardizing how sustainability performance is reported (Nikolaeva & Bicho, 2011). Chan et al. (2020) identified several key categories of social engagement in these reports: labor practices and decent work, human rights, society, and product responsibility. Further, they identified categories of environmental engagement, such as materials, energy, water, emissions, waste, and supplier environmental assessments. Focusing on the three major brands, H&M, Nike, and Louis Vuitton, their analysis found that while all reported some CSR initiatives, the overall level of engagement was insufficient and left significant room for improvement (Chan et al., 2020).

Despite progress, barriers to adopting CSR persist in the fashion industry. These include high implementation costs, lack of employee training, inadequate management support, and the complexity of managing extensive supply chains (Govindasamy & Suresh, 2018). The geographic distance between producers and end consumers often leads to low awareness within brand headquarters about social and environmental "hotspots" in their supply chains. Therefore, fashion companies must closely collaborate with suppliers to effectively implement and monitor CSR practices. It has been observed that clothing brands (the retailers) often have more stringent CSR policies than yarn and textile manufacturers upstream, and larger companies typically pursue more comprehensive CSR programs

than smaller firms, mainly due to greater public scrutiny and resources (Bhatnagar & Niinimäki, 2024). Ultimately, companies pursue CSR to the extent that it aligns with their strategic interests. However, external forces, such as public anti-sweatshop campaigns or extended producer-responsibility policies, can also influence how fashion firms implement CSR (Thorisdottir & Johannsdottir, 2020).

2.2.3 Institutional Decoupling in Fast Fashion

While many firms operate according to the institutional logic of profit maximization, they simultaneously face exposure to other, often conflicting, institutional logics (Thornton et al., 2012). Navigating between prioritizing financial growth and considering social and environmental impacts can be challenging. Reconciling these competing logics often creates tensions, leading firms to prioritize one logic while superficially claiming adherence to both. While CSR has the potential to drive genuine sustainable change, many companies exploit it primarily as a marketing tool rather than committing to substantive reforms. The term “greenwashing” was coined in 1986 by environmentalist Jay Westerveld, who criticized the hotel industry’s towel-reuse campaigns as mere marketing tactics to appear environmentally responsible without making significant operational changes (De Freitas Netto et al., 2020). Delmas & Burbano (2011, p. 66) define greenwashing as “misleading consumers about firm environmental performance or the environmental benefits of a product or service.” A key driver of greenwashing is the need for companies to appear accountable under pressure from socially and environmentally conscious stakeholders. However, companies often use superficial tactics instead of implementing meaningful changes to seem sustainable without altering their core business practices (Laufer, 2003). This gap between external claims and internal reality aligns with the institutional decoupling concept introduced by Meyer & Rowan (1977). Institutional decoupling occurs when organizations adopt formal policies or structures to conform to external expectations, such as sustainability standards or CSR norms, without actually integrating those changes into daily operations. These actions are decoupled from the company’s routine activities, serving mainly as symbolic gestures to maintain legitimacy rather than effecting substantive reform. In the fast fashion industry, many instances of greenwashing can be seen as manifestations of institutional decoupling: firms roll out surface-level initiatives like “eco-friendly” capsule collections or vague sustainability pledges to respond to societal and regulatory pressures while preserving their underlying business model.

Companies use greenwashing strategies to mislead stakeholders (Lyon & Montgomery, 2015). One common tactic is to highlight one or two selective “green” attributes of a product while ignoring its overall environmental footprint. For example, a shirt might be marketed as made from organic cotton. However, the brand omits information about the water-intensive processing or the carbon emissions from transporting that shirt. Similarly, a garment advertised as containing recycled materials may not disclose the percentage of recycled fiber it contains. Another prevalent tactic is using vague terms like “eco-friendly” or “sustainable,” which have no universal definition. This ambiguity allows companies to project an image of environmental responsibility while avoiding measurable commitments. Additionally, brands often engage in tokenistic gestures, such as high-profile tree-planting events or small charitable campaigns, that garner positive publicity but have minimal impact on their overall operations.

These selective communication practices underscore the decoupling of companies’ sustainability claims from real, systemic change. Firms prioritize managing perceptions, showing stakeholders that they are “doing something”, over addressing the root causes of their environmental and social harms (Delmas & Burbano, 2011). A prominent example in fashion is H&M’s “Conscious Collection,” which has faced criticism for marketing specific garments as sustainable without transparent evidence of significant environmental benefits. Similarly, Zara’s “Join Life” collection promotes itself as an eco-friendly line. Nevertheless, observers point out that the brand’s larger production model remains entrenched in the unsustainable practices of fast fashion (Gheorghe & Matefi, 2021). These initiatives illustrate how decoupling enables companies to maintain legitimacy amid growing sustainability demands, even as they continue business-as-usual practices perpetuating environmental and social damage (Meyer & Rowan, 1977). When consumers eventually realize they have been misled by greenwashing, their trust in the brand diminishes, and their perceived risk of buying from that brand increases (Chen & Chang, 2013). In an industry like fashion, where brand image and reputation are critical, companies that engage in greenwashing risk significant financial and reputational harm if their practices are exposed (Nyilasy et al., 2014).

To avoid the pitfalls of greenwashing, some companies have adopted a “greenhushing” strategy, where they deliberately under-communicate or downplay their sustainability efforts to reduce public scrutiny (Ginder et al., 2021). If companies say little or nothing about their CSR initiatives, they believe they cannot be accused of hypocrisy or attract

critical attention (Walker & Wan, 2012). However, while avoiding overt deception, this approach also limits transparency, making it harder for stakeholders to assess a company's environmental and social performance. In either case, the challenge remains for fast fashion companies to move from symbolic gestures to authentic integration of sustainability into their business models.

2.3 Research Gap

Fast fashion emerged as a product of global capitalism, driven by a logic of profit maximization at all costs. By shifting production to low-wage countries and optimizing supply chains, fast fashion companies achieved extremely low-cost, high-volume production (Arrigo, 2020; Iyer & Bergen, 1997). This business model has created a constant consumer appetite for new products and fueled a cycle of overconsumption (Bhardwaj & Fairhurst, 2010). However, this relentless production and consumption comes with substantial environmental and social costs across the supply chain (Niinimäki et al., 2020). Especially after the Rana Plaza collapse, CSR in fast fashion became a highly discussed topic in literature and grew in importance for consumers. As a result, genuinely sustainable fashion companies devised different strategies to address CSR. Genuine innovation in sustainable fashion does not occur within these large corporations but within small to medium-sized enterprises (SMEs), which are driven by sustainability as a primary value and competitive differentiator (Dicuonzo et al., 2020). In practice, CSR in fashion is in constant flux and has many facets, such as circular product design or ethical labor conditions.

In the aftermath of the Rana Plaza disaster, the importance of CSR in the fast fashion industry gained prominence in both academic discourse and consumer awareness. Truly sustainable innovations in fashion have come mainly from small and medium-sized enterprises that embrace sustainability as a core value and competitive differentiator (Dicuonzo et al., 2020). In contrast, the major fast fashion companies still predominantly follow the institutional logic of profit maximization while making only incremental sustainability improvements to satisfy stakeholders (Thornton et al., 2012). Studies show that institutional responses to incidents like Rana Plaza, such as increased auditing and monitoring of suppliers, often lack clear economic incentives for companies to improve labor conditions significantly (Lohmeyer et al., 2022). Instead, leading fast fashion firms have continued to pressure suppliers on price and lead times, undermining working conditions

(Lohmeyer et al., 2022). Moreover, there remains a gap between what these companies publicly claim about sustainability and the on-the-ground reality: Several major fast fashion retailers have been accused of greenwashing, and some have even faced legal challenges over misleading sustainability claims. At the same time, growing regulatory requirements, particularly in the EU, and sustained social pressure are pushing fast fashion companies to report on their sustainability progress. To maintain their legitimacy while protecting a business model fundamentally at odds with full sustainability, fast fashion firms often adopt CSR initiatives more as symbolic gestures than as truly substantive efforts (Meyer & Rowan, 1977; Delmas & Burbano, 2011).

The existing literature on fast fashion and CSR is extensive. Many studies document the severe environmental and social impacts of the fast fashion industry (e.g., Bick et al., 2018; Niinimäki et al., 2020), and fast fashion's business model is frequently described as inherently unsustainable by design (Thorisdottir & Johannsdottir, 2020). At the same time, research has noted the increasing institutional pressures for corporate responsibility in this sector (Pedersen & Gwozdz, 2014; Lohmeyer & Schübler, 2019). A separate stream of literature explores sustainable fashion solutions, focusing on concepts like the circular economy (D'Itria et al., 2024), slow fashion (Fletcher, 2010), and other alternative business models that challenge fast fashion's paradigm. While CSR awareness in the fashion industry increased, leading fast fashion companies like H&M to publish their first sustainability reports as early as 2002, it also gave rise to numerous sustainability-related scandals (Fraser & Van der Ven, 2022). Thus, the fast fashion industry is often cited as a prime example of corporate greenwashing (Adamkiewicz et al., 2022).

Many studies on fast fashion firms have been conducted with a sustainability reporting perspective: for example, Chan et al. (2020) and Surjit et al. (2024) analyzed the CSR performance of fast fashion companies based on their annual sustainability reports, and other researchers have examined how these companies communicate their sustainability efforts to consumers (Dach & Allmendinger, 2014; SanMiguel et al., 2021). A key limitation of many of these studies is that fast fashion companies are expert at constructing their narrative and public image (Turker & Altuntaş, 2014), which means that examining their reports or marketing alone may not capture the true extent or evolution of their CSR engagement. While previous research has looked at static reporting or communication at given points in time, the strategic evolution of fast fashion companies' CSR narratives

over time in response to institutional pressures remains underexplored. This study seeks to address this gap. Thus, the following research question arises:

How have fast fashion companies evolved their CSR narratives in response to institutional pressures over time?

3 Methodology

The methodology chapter outlines and justifies the research approach applied in this study. Section 3.1 presents the overall research design, while Section 3.2 introduces the business case at the center of the analysis. Section 3.3 describes the data collection process, followed by Section 3.4, which details the analytical strategy, including the coding procedure. Finally, Section 3.5 reflects on the researcher's positionality and potential influence on the research process.

3.1 Research Design

To address the research question, the research design for this study follows a qualitative approach, focusing on a single case study of H&M, one of the largest fast-fashion companies globally. A single case study allows for a detailed examination of a complex phenomenon within its real-world context (Yin, 2009), making it an appropriate method for this research. By conducting a longitudinal content analysis of H&M's sustainability reports from the last 10 years, the study aims to track the company's CSR narrative. This design enables an understanding of how fast fashion companies respond to institutional pressures related to CSR over time. Qualitative content analysis will identify recurring themes and patterns in H&M's sustainability reporting, providing a comprehensive understanding of the company's narrative (Eisenhardt, 1989). As the study iteratively moves between empirical findings and theoretical concepts, it follows an abductive approach, allowing for the refinement of theoretical insights based on observed patterns and contradictions in H&M's reporting (Timmermans & Tavory, 2012).

The case selection for this study follows a clear rationale. H&M was chosen as the focal case for several compelling reasons. As one of the largest fast fashion companies globally, measured by revenue (Statista, 2024), H&M is a key representative of the fast fashion industry. For many consumers and industry stakeholders, H&M characterizes fast fashion, making its strategies and practices trend-setting for the sector as a whole. Its strong presence in Europe, where it is subject to the EU's legal sustainability standards, and its widespread availability both online and in physical stores enhance the relevance of its actions to the broader industry. This strengthens the transferability of findings from H&M to other fast fashion companies.

Unlike newer entrants such as Asos or Shein, which operate in the ultra-fast fashion market, H&M is a more traditional fast fashion company with a history of publishing sustainability reports for over 20 years. It was also among the first in the industry to launch a dedicated sustainability initiative with its “Conscious Collection” in 2010. Despite this, H&M has faced numerous lawsuits for greenwashing, including criticism of its conscious articles (Adegeest, 2022b).

This research design, guided by institutional theory, not only allows for an in-depth exploration of H&M’s CSR narrative evolution but also contributes to understanding how fast fashion companies maintain legitimacy amidst increasing institutional pressures. While single-case studies have limitations in generalizability, they provide rich empirical data for rigorous analysis (Flyvbjerg, 2006). As a much-studied company, it offers much data for analysis and provides a strong basis for incorporating theoretical contributions into the discourse on CSR in fast fashion.

3.2 Presentation of the Business Case

H&M, founded in 1947 in Västerås, Sweden, is one of the largest global fast-fashion retailers, operating in over 70 countries with more than 4,000 stores worldwide. The H&M Group’s portfolio includes fashion brands such as H&M, H&M Home, H&M Move, COS, Monki, Cheap Monday, Weekday, & Other Stories, ARKET, Afound, Singular Society, and All In Equestrian. Their portfolio also includes the digital second-hand platform Sellpy, the recycling joint venture Looper Textile, and the merchandise platform Creator Studio. These brands cater to diverse audiences, offering fashion ranging from affordable essentials to minimalist and trend-focused styles. While some brands within the group, such as COS and ARKET, market themselves as emphasizing quality and longevity, they operate within the same fast-fashion ecosystem.

H&M’s primary business model relies on high-volume production, affordable pricing, and quick responsiveness to fashion trends. It primarily targets young, style-conscious consumers. New collections are introduced every three to four weeks, enabling the company to keep up with ever-changing consumer preferences (Remy et al., 2016). While this model has been central to its commercial success, it has also faced extensive criticism for driving overconsumption and contributing to significant environmental and social challenges (Robertson, 2024; Feria, 2023).

H&M began formally addressing sustainability in the early 2000s, publishing its first sustainability report in 2002. This marked the beginning of its efforts to integrate transparency and accountability into its business practices. In 2010, H&M launched its “Conscious Collection,” highlighting the use of more sustainable materials. This was followed in 2013 by the introduction of garment recycling bins in stores, an initiative to promote circularity by encouraging customers to recycle old clothes. In 2015, H&M promoted the production of its first recycling jeans. H&M has set ambitious goals, such as sourcing 100% sustainable or recycled materials by 2030 and becoming climate-positive by 2040, but the effectiveness of these initiatives remains a topic of debate. The company has faced growing pressure from institutional forces, including heightened media scrutiny, consumer awareness, and competition from emerging sustainable fashion brands. Events like the Rana Plaza disaster in 2013 intensified calls for accountability in the fashion industry. In response, H&M joined the Accord on Fire and Building Safety in Bangladesh, emphasizing partnerships with organizations like the Ellen MacArthur Foundation.

H&M has also been implicated in several greenwashing scandals. Its “Conscious Collection” has been criticized for containing more synthetic materials than its standard lines, undermining its sustainability claims. Furthermore, the “Close the Loop” campaign, which encouraged customers to recycle old garments, faced criticism for overstating its environmental benefits. Reports revealed that only a tiny fraction of collected clothing was recycled into new garments, most downcycled or sent to landfills (Sierra, 2022). Another controversy arose around H&M’s use of the Higg Index, a tool designed to measure the sustainability of materials. Critics argued that the index relied on flawed data that favored synthetic fabrics like polyester over natural ones, leading to misleading environmental claims (Adegeest, 2022a). In 2022, H&M faced a lawsuit alleging deceptive marketing practices related to its sustainability campaigns. The lawsuit accused the company of using sustainability claims to mislead consumers into believing its products were more environmentally friendly than they were (Adegeest, 2022b).

3.3 Data Collection

The data for this study comprises H&M’s publicly available annual sustainability reports from the past 10 years. Since 2021, the H&M Group has included data from its non-financial performance in its annual company report, publishing two sustainability-related reports each year. This analysis focuses only on H&M’s dedicated sustainability reports,

which excludes all three annual reports from 2021 to 2023 because the sustainability information in the annual reports is also mentioned in the sustainability reports. For more detailed analyses, in individual cases, the analysis refers to information on H&M's sustainability website, which was linked in the reports. The selected 10-year timeframe allows for examining H&M's responses to key CSR developments in the fashion industry, including public scandals such as the 2013 Rana Plaza collapse, evolving regulatory frameworks, and growing consumer awareness. Table 1 provides an overview of the reports analyzed from 2014 to 2023, including their titles, page counts, and the main topics addressed.

Year	Titel	Pages	Key themes
2014	Conscious Actions Sustainability Report	117	Seven Sustainability Commitments
2015	Conscious Actions Sustainability Report	130	Seven Sustainability Commitments
2016	Sustainability Report	124	Leading the Change, Circular & Renewable, Fair & Equal, Standards & Policies
2017	Sustainability Report	100	Leading the Change, Circular & Renewable, Fair & Equal, Standards & Policies
2018	Sustainability Report	109	Leading the Change, Circular & Renewable, Fair & Equal, Standards & Policies
2019	Sustainability Performance Report	85	Leading the Change, Circular & Climate Positive, Fair & Equal, Supply chain management
2020	Sustainability Performance Report	84	Leading the Change, Circular & Climate Positive, Fair & Equal, Supply chain management
2021	Sustainability Disclosure Report	74	Leading the Change, Circular & Climate Positive, Fair & Equal, Supply chain management
2022	Sustainability Disclosure Report	90	Leading the Change, Circularity, Climate & Nature, Fair & Equal, Supply chain management
2023	Sustainability Disclosure Report	90	Leading the Change, Climate & Nature, Resource use & Circularity, Social impact, Supply chain management

TABLE 1
Overview of Sustainability Reports Analyzed (Source: Own illustration)

3.4 Data Analysis

This study examines H&M's sustainability reports using a structured, qualitative content analysis approach. The analysis is exploratory and iterative, allowing for the identification of patterns, thematic developments, and shifts in the company's CSR narrative over time. Given the high information density within these reports, the study applies an inductive coding approach, following a grounded, data-driven process (Saldaña, 2013).

The multi-phased coding process incorporates open coding, axial coding, and structured theme development elements. The analysis begins with open coding, as the high information density in H&M's sustainability reports requires a broad, exploratory approach. Key concepts, phrases, and themes were coded without predefined categories, allowing patterns and emerging CSR narratives to surface organically. In the next phase, axial coding was used to re-examine the initial open codes and connect them to theoretical frameworks, particularly CSR literature and institutional theory. The focus was on selecting relevant aspects of H&M's narrative through a CSR lens, determining which themes were central to the company's strategic positioning and which were less relevant for the study. H&M's CSR initiatives were categorized using the ESG (Environmental, Social, and Governance) framework to narrow down parts of the analysis. Within each category, one representative initiative spanning the entire study period was selected for detailed examination. As a subsequent step of the axial coding process, first-order codes were systematically developed as they appear throughout H&M's reports.

An example of this is the mentioning of collaborators in H&M's reports. Related first-order codes were then grouped into overarching second-order themes. In this case, the first-order code would be attributed to the theme of H&M's validity of information. Finally, these themes were synthesized into aggregate dimensions, allowing for a longitudinal comparison of H&M's CSR narrative evolution. For instance, H&M's higher-level dimension would be the development of the CSR initiative reporting strategy. Ultimately, four aggregate dimensions were identified, corresponding to the thematic structure of the subsequent chapter.

H&M's narrative serves as the meta-level framework through which this study examines its CSR strategies. A company's narrative often presents a selective and potentially polished perspective of its activities, limiting data reliability. This concern is particularly relevant for H&M, given the company's history of greenwashing accusations. However,

this study explicitly focuses on analyzing the company's narrative, making this characteristic of the data a strength rather than a limitation. To mitigate potential biases, the iterative coding process included cross-referencing with academic literature and transparent documentation of coding decisions. Because the coding and analysis were conducted by a single researcher, maintaining reflexivity and comparing emergent patterns with existing literature was especially important to ensure reliability.

3.5 Positionality of the Researcher

As a master's student, my knowledge of CSR is primarily derived from academic coursework and practical experience gained during a five-month working student position in the sustainability department of a German men's formal clothing brand. I conducted a material analysis during this time, providing me with expertise in this area. However, I do not have practical experience in strategic sustainability management within fashion companies, though my academic background and work experience have given me a general understanding of the fashion industry. Before engaging in this research, I was familiar with H&M as a customer and aware of the greenwashing allegations surrounding the company. However, I had no prior experience with H&M's sustainability reports or the methodology of writing sustainability reports. My study does not fundamentally examine H&M's sustainability strategy but analyzes how it presents its strategy within its reports. Despite my knowledge of fast fashion and CSR literature, I maintain a neutral, analytical stance throughout my research. I focus on identifying the development of H&M's sustainability reporting narrative, ensuring that the analysis remains objective and grounded in the company's disclosures.

4 Findings

The findings chapter presents the outcomes of the analysis conducted in this thesis. The chapter is structured into four sections, each addressing a key theme that emerged from examining H&M's sustainability reports from 2014 to 2023 concerning the research question. Section 4.1 evaluates the design and structural elements of the reports without analyzing their textual content. Section 4.2 investigates the specific CSR topics that H&M prioritizes across the reports. Section 4.3 explores the narrative used by H&M to position itself strategically regarding CSR. Section 4.4 provides an in-depth analysis of narratives surrounding individual CSR initiatives. A more detailed account of the analytical process, including coding examples, is provided in the Appendix.

4.1 Development of the Visual Design & Structure

The design and structure of H&M's sustainability reports changes significantly from 2014 to 2023. The layout and visual orientation evolve approximately every two to three years, with minor adjustments occurring within these cycles. Four distinct design and structural approaches can be identified over this period.

The analysis begins with H&M's 2014 and 2015 sustainability reports, which share the same design and structural characteristics, resembling a newspaper format. As shown in Figure 1, the 2014 report is heavily text-based, featuring long, continuous paragraphs arranged in a five-column layout using a serif font. Small-sized graphics with minimal variation provide limited visual engagement. Similar to a newspaper, the report is supplemented with multiple medium-sized images. The color palette is restrained, consisting of two natural tones, contributing to a formal and understated visual presentation. The design language remains consistent across the 2014 and 2015 sustainability reports.

The 2014 and 2015 reports maintain a simple and structured format, adhering to a three-part division comprising a brief introduction, an extended middle section, and a concluding segment (see Figure 1). H&M's CSR initiatives are categorized into seven thematic groups, referred to as "Commitments" (H&M Group, 2014, p. 2), which address social, environmental, and product-related issues. With 85% of the total text dedicated to "Conscious Actions" (H&M Group, 2014, p. 2), in other words, H&M's CSR initiatives, the

report strongly emphasizes detailing sustainability measures. Each of the seven subsections follows a uniform structural pattern, with only a few thematic stakeholder interviews introducing some variation throughout the report.



FIGURE 1
Excerpt from H&M’s Sustainability Reporting 2014
 (Source: H&M Group, 2014, pp. 2, 37)

A major visual redesign is introduced in 2016, transforming the previously static and text-heavy format into a more dynamic, magazine-like layout. As illustrated in Figure 2, the 2016 sustainability report adopts larger font sizes, a diverse color palette of eight tones, and a balanced mix of text and graphic elements, significantly improving readability and visual appeal. H&M’s visual storytelling approach in 2016 emphasizes evoking positive emotions, incorporating vibrant, interactive images of people and nature. Additionally, the 2016 report increases direct links to partners and collaborators, making the report more interactive. The new design language enhances engagement while presenting the report’s content in a more structured and visually accessible format than the 2014 and 2015 reports.

Key layout modifications include reducing from five to four columns, integrating larger images, and introducing colored page hierarchies that improve navigation and readability. Additionally, more interviews and case studies are incorporated throughout the report to engage the reader and create a more compelling narrative. This redesigned format remains unchanged over the next three years, continuing through H&M’s sustainability reports from 2016 to 2018.

The basic three-part structure of H&M’s 2016 sustainability report is retained thematically but expanded into additional chapters. While the overall report length remains similar, the number of menu items increases significantly, from 17 to 47, leading to more significant fragmentation (see Figure 2).

The renaming and reorganization of multiple topics provide a more structured focus on key areas, including H&M’s sustainability strategy, environmental and social CSR initiatives, and corporate standards and policies. The subdivision of sustainability fields follows the GRI standards, as referenced in the report: “H&M Group’s Sustainability Report 2016 [...] referred to [...] the ‘GRI index 2016’” (H&M Group, 2016, p. 119). H&M’s sustainability framework is categorized into three overarching pillars: “Leading the Change,” “Circular & Renewable,” and “Fair & Equal” (H&M Group, 2016, p. 2). This general structure remains unchanged throughout the sustainability reports up to 2023, aligning with the core principles of the GRI Reporting Framework, which covers economic, environmental, and social impacts.

In addition to reorganizing the main section, the final section is expanded, reducing the proportion of CSR initiatives within the report to 70% (-15%). Greater emphasis is placed on H&M’s sustainability strategy, long-term vision, and detailed reporting methodologies, incorporated into the introduction and concluding sections. Similar to the design continuity, the structural approach introduced in 2016 remains consistent in the sustainability reports for 2017 and 2018.



FIGURE 2
Excerpt from H&M’s Sustainability Reporting 2016
 (Source: H&M Group, 2016, pp. 2, 11)

As illustrated in Figure 3, H&M's 2019 Sustainability Report adopts a more structured and text-heavy approach, reflecting a notable shift from previous years. All non-essential text elements, such as quotes, interviews, and case studies, are removed, increasing the proportion of descriptive text throughout the report. Similarly, the number and size of images and graphic elements are significantly reduced compared to the 2018 report. The visual focus moves away from people, with fewer human-centered images and a stronger emphasis on product photography, eliminating the emotional components of visual storytelling. While production workers are most visible in the images of the 2014 and 2015 reports, they are entirely absent from H&M's 2020 sustainability report. Thus, the 2019 and 2020 reports lack visual storytelling.

The color palette is more restrained, reinforcing a functional rather than aesthetic design. The report prioritizes clarity and readability, which is evident in the larger font size, the transition to a sans-serif typeface, and the reduction from four to three columns. Additionally, using bullet points instead of continuous text makes the content more compact and accessible, contributing to a notable decrease in overall report length. Compared to 2014 to 2018, the average length of reports from 2019 to 2023 has declined by 27%.

Furthermore, the 2019 report increases the use of performance dashboards, especially in the 2020 report, to present key sustainability metrics in a more concise and structured format. Integrating internal and external links enhances digital accessibility, allowing for more interactive engagement with sources and partner collaborations. These changes reinforce the shift from emotional storytelling to a greater focus on verifiable sustainability performance, aligning with the report's title, "Sustainability Performance Report" (H&M Group, 2019, p. 1).

Like the design, the structure of the 2019 report is more streamlined. Elements such as the overview of H&M's standards and policies and detailed reporting methodologies are now available exclusively online. The subdivision of sustainability progress is now more closely aligned with the materiality matrix, enhancing compliance with GRI standards. The 2019 and 2020 reports represent a transitional period in design and structure, during which H&M's sustainability reporting moves towards a leaner, more corporate format in preparation for more data-focused reporting in the following years.

Contents		Design	
About this report		Design	
About this report	3	Design is our first opportunity to build circular principles into our value chain – including our products, packaging and buildings. It means designing with the end purpose in mind: building in quality and durability, ensuring safe chemical input, assessing materials and production processes used, and maximising the life of each product. Every design decision affects how a product can be used, reused and recycled.	quality for the H&M Group, and we are updating our groupwide quality and durability standards to connect them to our circular design strategy.
Letter from our CEO	4	Each H&M Group brand has a team of designers responsible for setting the direction of their collections and products. To ensure a consistent approach, we are working to develop standardised circular principles for use throughout the design process. Our designers use artificial intelligence, data analysis programmes, and 3D visualisation to reduce production waste – saving materials, time and energy throughout the design process. Our virtual showrooms enable us to assess samples remotely, shortening lead times and avoiding unnecessary transportation of goods.	We continued to educate our product development teams in the use of 3D tools to accelerate the design process and reduce the need for physical samples.
About H&M Group		2019 progress & highlights	
H&M Group in 2019	5	We have started to formalise circular design principles for commercial goods, working initially with the H&M brand and Monki, as well as external partners such as the sustainable change agency Circular Design and the Ellen MacArthur Foundation. Read more about our circular approach to products and our commercial goods .	Learnings & future focus
Our value chain impacts	7	H&M and Weekday joined the Make Fashion Circular Circular Design project, which provides specific guidelines for garment manufacturing based on the principles of a circular economy.	Circular design is not only about optimising resource use – it includes maximising value for our customers. These will be our two constant aims as we translate our circular design principles and supporting guidelines. Each H&M Group brand will tailor the principles in the context of their own unique design process.
External recognition	8	Weekday partnered with start-up Looping and the H&M Group laboratory our in-house trials lab to develop garments on demand , which will reduce waste and ensure longevity by providing customers with custom-made products.	
Vision & strategy			
Vision & strategy	10		
Stakeholder engagement	13		
Sustainability governance	14		
Leading the Change		How we report	
Our 2019 highlights	16	Scope	81
Our approach to Leading the Change	17	UN Sustainable Development Goals	82
Introduction	18	Auditor's report	83
Transparency	20		
Rewarding sustainable actions	23		
Fair & Equal			
Our 2019 highlights	57		
Our approach to being Fair & Equal	59		
Human rights	61		
Our approach to fair jobs for all	63		
Fair jobs in our own operations	64		
Fair jobs in our production supply chain	66		
Inclusion & diversity	72		
Key Fair & Equal data	75		
Circular & Climate Positive		Supply chain management	
Our 2019 highlights	25	Supply chain management	77
Becoming fully Circular & Climate Positive	27		
Our approach to climate and water	29		
Climate positive	30		
Water	35		
Our approach to circularity	37		
Design	38		
Materials	39		
Microfibres	44		
Chemicals	45		
Packaging	46		
Circular built environment	48		
Maximising product life	49		
Minimising waste	51		
Key Circular & Climate Positive data	52		

FIGURE 3
Excerpt from H&M's Sustainability Report 2019
 (Source: H&M Group, 2019, pp. 2, 38)

The design of H&M's 2021 sustainability report remains structured and streamlined. As shown in Figure 4, subtle colors and refined graphic elements give the 2021–2023 reports a more professional appearance. Interviews or case studies are rare, and the variety of graphic elements is limited. Instead, performance dashboards dominate, presenting detailed sustainability data in a structured and quantifiable format. However, the number and size of images have increased again, primarily depicting models and nature. Unlike the 2016–2018 reports, which emphasized vivid emotional imagery, the image tones in the 2021–2023 reports are more muted, reinforcing a natural and understated aesthetic. The visual storytelling is straightforward and contrasts with the higher proportion of descriptive text and bullet points. Additionally, the number of columns increases to four, with reduced whitespace, resulting in higher text density than the previous five years.

In the 2021 and 2022 reports, sustainability topics are restructured in line with H&M's sustainability strategy while still adhering to the GRI framework, which classifies sustainability into economic, environmental, and social initiatives. The 2023 report simplifies this structure, reducing the complexity of subtopics and resembling the more compact format of the 2019 report. H&M's 2023 sustainability report also explicitly aligns its structure to the ESG framework, formally assigning subtopics to the newly introduced "Governance and Reporting" chapter (H&M Group, 2023, p. 3). Over the three years from 2021 to 2023, the focus continues to shift toward the core sustainability section, reflecting a stronger emphasis on H&M's CSR initiatives.

Between 2014 and 2023, H&M's sustainability reports undergo four significant structural and design changes. The 2014 and 2015 reports follow a newspaper-like format with long,

a circular product life cycle, i.e., product design, materials, production, product use, and end-of-life. H&M’s climate issues relate to all impacts on nature in the form of emissions, biodiversity, and pollution. H&M’s social issues relate to health and safety, remuneration, labor rights, development, and equality in the workforce and value chain. H&M’s governance topics include policies and standards and disclosure of reporting methods. The topics have intersections within, for example, fair wages or supply chain assessments, but I adhere to H&M’s categorization in the analysis.

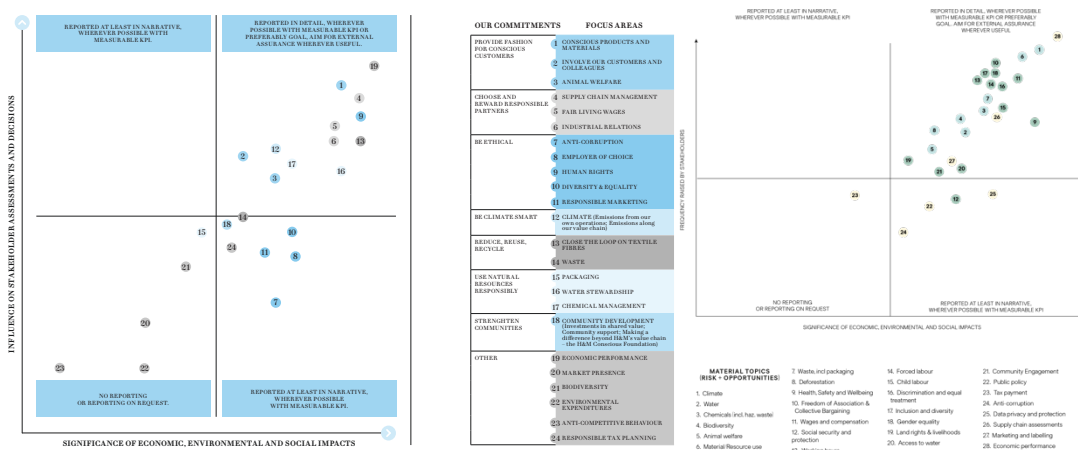


FIGURE 5
Comparison of H&M’s Materiality Matrix 2014 vs. 2023
 (Source: H&M Group, 2014, p. 116; H&M Group, 2024, para. 3)

Over the entire observation period, H&M’s CSR focus development can be divided into four sections, most of which correspond to the classification in Section 4.1. From 2014 to 2015, social responsibility takes up most of H&M’s sustainability reports. Measured in terms of H&M’s individual “Conscious Actions,” the company has around one-third more social than environmental CSR initiatives in the 2014 and 2015 reports. Primarily, H&M addresses social issues that lie outside its workforce. Even though circularity and climate protection are mentioned, they are not the thematic focus of both years. Only the material resource use, i.e., the sustainable usage of material in H&M’s products, as an essential component of the circular economy, is prioritized by H&M from the 2014 report until the 2023 report. In addition, water stewardship and chemical management as a sub-topic of climate change are considered in more detail in the 2014 and 2015 reports, although not at the highest priority. However, H&M only connects both topics with climate protection in the 2022 report. Lastly, corporate governance in the form of standards and

policies is not an explicit part of the report but is reflected in the individual “Conscious Actions.”

In H&M’s 2016 sustainability report, the company restructured its CSR topics and reformulated a strategy for climate protection and the circular economy. Even though H&M’s environmental responsibility comprises a large part of the report, with the chapter on circularity and climate in the 2016 report being even 75% longer than the chapter on social responsibility, H&M’s prioritization of social topics according to their materiality matrix remains unchanged. With one exception in the 2018 report, in which H&M extensively elaborates on its fair living wage strategy, the reporting ratio between environmental and social responsibility remains the same. H&M’s sustainability reports from 2016 to 2018 suggest a different prioritization of social and environmental issues than the materiality matrix conveys. In fact, between 2016 and 2018, the chapter on environmental responsibility is, on average, around 50% longer than on social responsibility. Changes in H&M’s materiality matrix consider, first and foremost, circularity. In the 2017 report, two new material topics (top right of the materiality matrix) relating to a circular economy are added, including “a circular approach to how fashion is made and used” and “waste” (H&M Group, 2017, p. 90). Although H&M presents a strategy for climate protection, it is still less prioritized, taking second place behind circularity as an environmental responsibility issue. Instead, H&M highlights its standards and policies from the 2016 report, especially prioritizing its supply chain assessments, which the company identifies as material in its materiality matrix. The Sustainable Impact Partnership Programme (SIPP), introduced by H&M in its 2015 report, enables the company to “assess the sustainability performance of [its] business partners” (H&M Group, 2015, p. 100). Along with environmental and social responsibility, governance is the third largest chapter in the section from 2016 to 2018.

In the 2019 report, H&M prioritizes circularity and climate over social topics according to their materiality matrix for the first time. “Packaging” (H&M Group, 2019, p. 46) in the context of the circular economy and “biodiversity” (H&M Group, 2020, p. 35) as a climate protection topic are added as new material topics. The former is newly included in the 2019 report, and the latter in the 2020 report. H&M is also expanding its reporting on the circular economy with three further topics in its 2021 reporting, including “circular ecosystem,” “resource use,” and “materials processing” (H&M Group, 2021, p. 3). The new prioritization of environmental over social responsibility goes hand in hand with

H&M's structural weighting, which has existed since 2016. While the proportion between environmental and social responsibility remains roughly the same in the report, the topic of governance shrinks significantly in the 2019 report. This also better reflects the prioritization according to the report's materiality matrix, in which H&M defines governance as clearly secondary.

In the final period, from 2022 to 2023, H&M fundamentally adjusts parts of the wording and structure of its materiality matrix. With the 2022 report, H&M differentiates between significantly more social responsibility topics. While the 2021 materiality matrix only differentiates between six social topics, the number rises to 13 in the following year (12 of which are material). However, this does not change the general prioritization of social, environmental, and governance topics. With a modified climate strategy appearing for the first time in the 2021 reports, climate protection remains H&M's main environmental CSR focus. Sustainable materials, part of H&M's circular economy strategy, are a comparatively high priority. Almost all social CSR topics are also material but are in second place behind environmental CSR topics in the 2022 and 2023 reports. In its 2020 report, H&M even reports on a joint investigation with Business for Social Responsibility (BSR) to "examine what a circular future means for employment in the fashion industry" (H&M Group, 2020, p. 60). Two years later, in its 2022 report, H&M reports, based on the research, of a "transition from a linear economy to a circular, net-zero one," which consequently has an impact on its workforce; therefore, H&M is "committed to ensuring that this will be a just transition for people across our value chain" (H&M Group, 2022, p. 68).

The H&M sustainability reports from 2014 to 2023 show a shift in focus from social to environmental CSR topics, particularly climate and circularity. Climate-relevant issues such as biodiversity or water availability are only addressed to climate protection in the 2020 and 2021 reports. Water stewardship is also covered in the 2014 report but is unrelated to climate protection. The development can also be observed using H&M's materiality matrix published in the reports, although there is sometimes an imbalance between the reported and H&M's self-defined material topics. Community engagement, for instance, is a social topic that H&M only reports in its 2014, 2015, and 2023 reports, even though the topic has been classified as material in H&M's materiality matrix since 2015. In H&M's sustainability reports, governance is consistently treated as a secondary priority in the report and the materiality matrix.

4.3 Development of the Corporate CSR Perspective

H&M's perspective on its responsibility and view of sustainability shifts from the 2014 to the 2023 report. In addition to the changes within these 10 years, a consistent narrative of H&M can also be observed. H&M constantly emphasizes that sustainability ambitions must not negatively affect corporate growth. The 2016 report mentions "decoupling the growth of our business from our resource use" (H&M Group, 2016, p. 38). H&M underlines its understanding of sustainability as a "long-term perspective" (H&M Group, 2014, p. 3) and explains this with its 75-year company history. To achieve the systemic change that H&M is striving for in the industry, H&M is integrating sustainability into its own fast fashion business model and all operations. Through its position in the market, H&M sees itself as a role model that shows the industry how to achieve its sustainability goals. H&M formulates its vision for the first time in its 2016 report: "Our vision [is] to lead the change towards circular and renewable fashion while being a fair and equal company" (H&M Group, 2016, p. 9). With increasing focus on climate protection, H&M replaces "renewable" with "climate positive" in the 2019 report. H&M summarizes it more generally in the 2023 report: "Our vision is to lead the change towards a more sustainable and circular fashion industry" (H&M Group, 2023, p. 7). On the one hand, H&M wants to change its industry sustainably, and on the other hand, it wants to constantly "offer fashion and quality at the best price" (H&M Group, 2014, p. 3) for its customers. At the same time, H&M recognizes that "most customers are not prepared to pay more for added sustainability value" (H&M Group, 2014, p. 3). As a customer-driven company, the ambition to bring about sustainable change without customers attaching importance to it is contradictory. It is only in the 2020 report that H&M's view of the behavior of companies and consumers about sustainability changes towards an increase in their awareness. This is just one example of how challenges to achieving H&M's broad sustainability goals are hardly mentioned or glossed over in the reports. H&M states, "Garment production can be a development escalator that show communities the way out of poverty. [...] It's [...] a great driver for independence and liberation." (H&M Group, 2014, p. 3), whereby H&M is portrayed as a savior for young women, without addressing the problems of working conditions. Across all sustainability reports, H&M remains vague on strategically contributing to sustainable change and emphasizes the importance of innovation and transparency through collaboration.

Even if some narratives remain the same from 2014 to the 2023 report, some developments can be recognized and divided into four periods. From the 2014 to the 2015 report, H&M does not formulate a clear vision. The company wants to “respect the planetary boundaries” (H&M Group, 2014, p. 3) and is committed to “Conscious Actions” not subject to a company-wide strategy. H&M’s sustainability ambitions as a company are broad and very ambitious. Even without a concrete strategy, H&M makes bold, figurative statements like “With our Conscious Exclusive collection, we want to show that sustainable fashion is ready for the red carpet.” (H&M Group, 2014, p. 16). No sense of urgency is created; however, H&M is on the way to achieving its goals. Sustainability is treated as a feel-good topic, as stressed by the CEO at the time; he wants to “feel good about the business” (H&M Group, 2014, p. 3).

By introducing the new corporate strategy and vision in the 2016 report, H&M is positioning itself as a sustainability leader. Accordingly, H&M sees sustainability as a business opportunity and a responsibility within the industry. H&M sees itself as a role model for sustainable change and sticks to its bold statements: “Sustainability is part of our company’s DNA and values.” (H&M Group, 2016, p. 7). In this context, H&M introduces two new programs. Its “Leading the Change” program promotes innovation, transparency, and stakeholder engagement as core pillars of its sustainability strategy. The “Change-Making” program underlines the implementation of sustainability in all business areas. By further mentioning reporting on external recognitions, including benchmarks and awards, H&M tries to give more credibility to its sustainability promises. Nevertheless, statements about achieving targets remain vague, such as “it won’t happen overnight, but we will get there” (H&M Group, 2017, p. 15). Regarding the challenges that H&M has to overcome, the company remains equally indefinite, stating that “the main challenges we face are not specific to H&M group, they are industry-wide” (H&M Group, 2017, p. 15). Although H&M takes a realistic, less bold stance concerning the sustainability transition, it never connects the challenges specifically to its own company: “However, along with the rest of the industry, we still have a long way to go.” (H&M Group, 2016, p. 9). All the challenges H&M describes are globally relevant and do not indicate the impact that fast fashion companies like H&M have on social and environmental problems. Ultimately, H&M states that the customer decides whether the company develops sustainably because H&M only “makes it possible for our customers to make more sustainable choices” (H&M Group, 2017, p. 15).

In the three subsequent reports from 2018 to 2020, H&M is less assertive in its statements about its sustainability ambitions. For the first time, the size and complexity of H&M's sustainability challenges are described in greater detail. Former CEO Karl-Johan Persson notes, "I have a great deal of respect for the vast complexity of both challenges" (H&M Group, 2018, p. 4). He then emphasizes, "there is still a lot more for us to do" (H&M Group, 2018, p. 5). The onset of the Covid-19 pandemic presents H&M with further challenges. To live up to its sustainability ambitions, H&M must "move faster to make sustainable fashion an everyday option for everyone" (H&M Group, 2020, p. 12).

On the other hand, the 2018 report emphasizes innovation more than ever in its strategy. For the first time, H&M discusses artificial intelligence and creating new business models in 2019. H&M also explains that the Science Based Targets initiative (SBTi) has scientifically substantiated its sustainability targets since 2018. H&M increasingly views investments in sustainability as a differentiator within the industry: "Long-term investments in sustainability provide us with long-term business opportunities that will keep H&M Group relevant and successful in our rapidly changing world." (H&M Group, 2018, p. 13).

In the last three reports from 2021 to 2023, H&M puts the global crises at the forefront of its narrative and recognizes the urgency of the problems: "The urgency of the climate crisis is now undeniable." (H&M Group, 2021, p. 19). In the 2023 report, H&M sees the global crises as a trigger for sustainable action: "In a world of rapidly escalating social and environmental crises there is an urgent need for our company and the wider fashion industry to catalyse positive change" (H&M Group, 2023, p. 8). However, only to the extent that it is compatible with customers' interests, as H&M says in the 2022 report, the company must "meet customer needs against the backdrop of increasingly urgent environmental crises and social inequity" (H&M Group, 2022, p. 4). Even with an increasing number of crises and greater urgency, H&M is repeating its ambitious vision across all reports: "We aim to grow our business in a way that decouples our financial growth and profitability from the use of finite natural resources." (H&M Group, 2022, p. 4). For the customer, sustainability remains an add-on because H&M wants to "offer the best combination of fashion, quality, price and sustainability" (H&M Group, 2023, p. 4). This is even though H&M acknowledges increased sustainability awareness among its customers and suppliers in the 2020 report. For the first time, H&M acknowledges its company's negative environmental and social impact in the 2022 report: "We recognize the positive

and negative impacts of our industry and our business.” (H&M Group, 2022, p. 4). In addition, the company recognizes that it is criticized for the accuracy of its sustainability claims: “Many brands, including H&M Group, have faced questions and criticism about the accuracy of sustainability claims.” (H&M Group, 2023, p. 11). Although H&M does not directly admit any mistakes, it presents itself as more humble than in previous years.

From 2014 to 2023, H&M’s narrative on the purpose of CSR shifts. Initially framed as doing good or “feeling better” as a company, sustainability increasingly becomes portrayed as a business opportunity driven by the need to respond to global crises. Although H&M moves from vague sustainability ambitions that appear easily achievable to more concrete statements and greater transparency, particularly evident in the 2022 and 2023 reports, some basic statements remain unchanged. Since the 2014 report, H&M has consistently stated that it aims to integrate sustainability into all business areas and further advance the topic. Given that this statement has remained constant, it is doubtful whether H&M’s sustainability goals will ever be fully achieved.

4.4 Development of the CSR Reporting Strategy

The way H&M reports on its CSR topics changed significantly between 2014 and 2023. An analysis of H&M’s strategies for reporting sustainability progress reveals three primary topics previously introduced in Section 4.3: climate, circular economy, and social impact. As the most appropriate representation of their CSR category, emissions, sustainable materials, and fair wages are analyzed in detail. Figure 6 compares the data preparation from H&M’s 2014 sustainability report with the 2023 report. A clear development is the increase in using KPIs to measure financial and, like in this case, sustainable business progress. While the few data points in the 2014 report are scattered throughout, H&M puts sustainability metrics at the heart of its 2023 reporting, increasing the number of data points to 138. Starting with the 2021 reporting year, H&M also includes sustainability key figures in its annual report, leading to greater compliance with reporting standards and, thus, a stronger focus on key figures within sustainability reporting from 2021 to the present.

The development of H&M’s CSR reporting strategy can be divided into three broad sections, corresponding to the division of the previous chapters. In the 2014 and 2015 reports, H&M’s CSR initiatives are based on its seven commitments and 86 “Conscious Actions” (85 in the 2015 report), many of which remain unspecific and without a clear deadline,

2018 report, H&M states, “Our goal is to use 100% recycled or other sustainably sourced materials by 2030 at the latest. In 2018, we achieved 57%.” (H&M Group, 2016, p. 37), the actual progress is minimal. The share of recycled materials, essential for a circular economy, was only 1.4% in the same year. The rest are certified materials, e.g., with a Better Cotton Initiative (BCI) or organic label. The use of BCI cotton allows H&M to make statements such as “Our sourcing of BCI cotton contributed to an estimated 32.7 billion gallons of water saved [and] 80,000 kg pesticides avoided.” (H&M Group, 2019, p. 41), even though the company has never actively contributed to the reduction of water or pesticides.

At the same time, H&M is also beginning to extend its scope to the value chain during the 2016 to 2020 reporting period. The Sustainable Impact Partnership Program (SIPP) supports its social CSR activities, which evaluate supplier compliance with sustainability commitments. It is first mentioned in the 2015 report and rolled out to suppliers a year later. Part of this supplier self-assessment program is the HIGG Index, primarily used to enable companies along the value chain to assess themselves concerning environmental and social aspects. Regarding reducing emissions, it will take until the 2021 report for H&M to involve its suppliers in its CSR initiatives actively. Although H&M already mentions scope 3 emissions in the 2016 report, it will take until 2021 for this to become a significant part of the reporting. H&M cannot report emissions savings in scope 3 emissions until 2020 but reports in the 2019 report on the increase in scope 3 emissions that “This is a 4% increase from 2018, indicating that we have begun our journey to decouple growth of these emissions from our financial growth.” (H&M Group, 2019, p. 31). H&M thus phrases even adverse sustainability outcomes positively, aligning them with the corporate strategy.

Moreover, for the first time, H&M publishes 15 KPIs in its 2016 sustainability report, nine of which are environmental, four social, and two governance-related. This aligns H&M’s sustainability and non-financial reporting with the company’s quantifiable financial reporting. H&M’s increased compliance is further evidenced by the fact that, in addition to a new version of the GRI Standards, the company is aligning its new sustainability strategy in the 2016 report with the UN Sustainable Development Goals (SDGs) and its human rights reporting with the UN Guiding Principles Reporting Framework. In addition, in the 2019 report, H&M follows the task force on climate-related financial disclosures and reports on risk assessments for water impacts in the value chain and in the

evaluation of suppliers. Furthermore, H&M states about its climate targets in the 2018 report that “Our science-based targets aligned with the Paris agreement have been approved by the Science Based Targets initiative.” (H&M Group, 2018, p. 54) and thus gives its goals more validity.

H&M summarizes its CSR initiatives in three strategic blocks: Environmental, social, and corporate policies, resp. governance. With a new strategic presentation of the topics, especially for the environmental issues of circular economy and climate, H&M is creating a uniform picture of its sustainability ambitions. At the same time, in addition to the goals and progress in the respective topic, the reporting of the CSR initiatives in the 2017 report includes the aspect of learning and, in the 2019 report, future focus. H&M’s progress in the respective CSR topics tends to take a back seat in content. New strategic approaches to the respective CSR topics from H&M at regular intervals, such as the “Climate Positive Strategy” in the 2016 report or a new “Water Roadmap” in the 2018 report, suggest progress in the respective topics. In addition, in the reports from 2016 to 2018, many interviews with stakeholders or case studies remove the focus from the actual CSR progress. In addition, between 2016 and 2020, H&M increasingly reported on its collaboration with partners, including multi-stakeholder initiatives, research institutions, trade unions, and NGOs. The number of partners mentioned has almost doubled in the two years from 2016 to 2018. This way, H&M could align itself with many partners advocating for good causes. These collaborations led to high-profile lighthouse projects intended to emphasize sustainability leadership. For instance, in the 2019 report, H&M launches a clothing collection featuring innovative materials derived from pineapple leaves, algae, and citrus peel. Two years later, H&M hosts a customer event showcasing the in-store “Loop” recycling machine, highlighting the company's commitment to recycling.

The 2021 report is the first year H&M has reported its sustainability progress in its annual report. However, the original sustainability report is retained and adapted for financial reporting. The number of social and environmental KPIs will continue to increase. The 2023 report presents virtually every available data point as a KPI, including essential scope 3 emissions and the proportion of H&M’s employees from different generations. Therefore, data centricity is the main focus of the last three H&M sustainability reports analyzed. In the 2022 report, H&M reports data and calculation method updates for climate protection data in detail for the first time. Update estimates of emissions data “have

been applied to historical results” (H&M Group, 2022, p. 28). In this case, H&M retroactively worsens last year’s reporting but improves the figures in the current report. In the 2023 report, the data is adjusted again using the same principle. H&M reports, “For our full scope 3 emissions, [...] these changes correspond to an increase of 31% or 2,986 kt CO₂e for 2022 and 42% for 2019.” (H&M Group, 2023, p. 21). With the subsequent increase in the baseline for the scope 3 emissions target, H&M is artificially moving closer to the target, not through sustainable initiatives, but through a change in the calculation method.

In addition, the preparation for compliance with CSRD, which will affect H&M from 2024, is mentioned for the first time in the 2023 report. Starting with the 2021 report, H&M also ensures greater compliance in the strategic alignment of climate, circular economy, and social responsibility. These are more comprehensive and take more aspects into account, especially for the circular economy. In the 2021 report, H&M publishes new strategies that show a holistic picture, including climate, materials, and water. As part of social responsibility, H&M publishes detailed data on wages and workers for each country where production occurs. H&M’s new strategies come with new goals, mainly when the goals of the previous strategy could not be achieved. This is the case for “30% GHG reduction per product by 2025 compared to 2017 baseline” (H&M Group, 2016, p. 59), which H&M did not achieve, so H&M “introduce[s] a new goal to reduce our absolute scope 1, 2 and 3 emissions by 56% by 2030, from a 2019 baseline” (H&M Group, 2021, p. 19). Although the previous goal was not achieved, H&M says, “This overarching goal supersedes previous scope 3 goals, including our product goal.” (H&M Group, 2021, p. 19). Concerning material use, in the 2016 report, H&M set the goal “to use 100% recycled or other sustainably sourced materials by 2030” (H&M Group, 2016, p. 39). Seven years later, H&M revises and reduces this target, stating they now have “a new ambition to reach 50% recycled materials by 2030” (H&M Group, 2023, p. 36).

The change in the H&M sustainability report names (see Table 1 in Section 3.3) reflects the picture that also becomes apparent when taking a closer look at the CSR initiatives. From 2014 to 2015, no clear strategic direction can be recognized; the reports consist of many qualitatively described individual actions, hence the “Conscious Action Report.” From the 2016 report onwards, H&M positions itself through a clear division of environmental, social, and governance topics and defines strategic objectives. Changing the name to “Sustainability Report,” H&M expresses its holistic view. From the 2019 report, the

focus will shift to KPIs, making the sustainability report more quantifiable. As the name “Sustainability Performance Report” suggests, the focus is on data. With the last three reports from 2021 to 2023, H&M is ensuring regulatory alignment and transparency in their reporting, as the report’s name, “Sustainability Disclosure Report,” indicates. How H&M now reports on its sustainability progress has improved significantly over the last 10 years. The sustainability strategies and the quantifiability of progress have also been optimized considerably, but sustainability progress is lagging. H&M, at times, attempts to distract from this shortfall or frame it favorably to evoke an image of a sustainable company.

5 Discussion

The discussion chapter interprets the findings in theoretical and practical contexts. Section 5.1 summarizes the core results, which are then reflected upon in Section 5.2 in light of the theoretical framework. Section 5.3 outlines the practical implications for business practice and policymakers. The study's limitations are addressed in Section 5.4, followed by suggestions for future research in Section 5.5.

5.1 Summary of Core Findings

This thesis investigated how the CSR narrative of fast fashion companies like H&M developed over time under the influence of institutional pressures. The findings reveal clear developments in several aspects of H&M's sustainability reporting, while other elements remain unchanged. H&M was used as an exemplary case to represent fast fashion companies in general.

The evolution of H&M's sustainability reports can be divided into four phases. From 2014 to 2015, H&M's CSR narrative reflected a predominantly philanthropic perspective. These sustainability reports were text-heavy and qualitative, lacking a clearly defined holistic corporate strategy. The focus was clearly on social responsibility. Although tangible CSR progress was limited, H&M made bold sustainability claims, but these objectives were vaguely formulated. H&M did not acknowledge any particular external pressure to act, partly because consumers were not yet considered sustainability-conscious.

The 2016 report marked a fundamental change in H&M's CSR communication style, shifting from a plain, newspaper-like format to a glossy, lifestyle magazine approach. Through an interplay of numerous images, vibrant colors, and varied text elements, the 2016–2018 reports read more like marketing materials, distracting attention from substantive content. In 2016, H&M introduced a new sustainability strategy that aligns more closely with GRI standards and structures the report around environmental, social, and governance impact areas. Furthermore, circular economy and climate protection emerged as increasingly prominent topics. H&M also introduced its KPIs, shifting the focus from narrative to data. However, during this 2016–2018 transition, hardly any new data points were added; only their presentation format changed. Reporting on CSR initiatives beyond the company's operations remains limited. Nevertheless, H&M positioned itself as an

industry leader, confident it can significantly influence the fashion industry's sustainability transition. However, its sustainability ambitions exceed its actual impact, and H&M offers no precise methods for achieving its goals. Instead, H&M continued to rely on bold but vague statements such as "It won't happen overnight, but we will get there" (H&M Group, 2017, p. 15).

In 2019–2020, H&M shifted its CSR reporting from a marketing-driven storytelling approach to a more performance-focused one. The colorful, magazine-like layout is replaced by a minimalist, corporate design emphasizing quantifiable KPIs and performance dashboards. H&M's CSR focus shifted further toward environmental topics, such as biodiversity, emissions, and packaging, while focusing less on social issues such as fair wages. Achieving a 'climate positive' status was framed as a business necessity, but no clear plan was provided to support H&M's mission to decouple financial growth from resource use. Even though H&M's environmental impact has increased, it claims to be "on the right track" and fails to explain how its sustainability efforts can be reconciled with continued fast fashion growth. In its 2019 report, H&M acknowledged a 4% increase in scope 3 emissions, noting that "This is a 4% increase from 2018, indicating that we have begun our journey to decouple growth of these emissions from our financial growth" (H&M Group, 2019, p. 31).

Between 2021 and 2023, H&M's sustainability reporting aligned even more closely with emerging regulatory standards, anticipating compliance with the EU's CSRD by 2024. Sustainability data was fully integrated into the company's annual financial reports, reinforcing a compliance-driven approach. The use of KPIs and external assessments increased, making sustainability performance appear more transparent. However, methodological changes in impact measurement make year-on-year comparisons difficult, allowing H&M to frame progress strategically rather than objectively. The format and content of these reports emphasized H&M's professionalism in sustainability, reflected in a more formal design and an emphasis on science-based targets, third-party assessments, and data-centric disclosures. Nevertheless, H&M avoided directly addressing the fundamental contradiction between its sustainability ambitions and growth-driven fast fashion model. While the company acknowledges "both the positive and negative impacts of [its] industry and [its] business" (H&M Group, 2022, p. 4) for the first time, it proposed no substantial changes to its business model to resolve this conflict.

5.2 Discussion and Theoretical Contribution

The core findings of this thesis confirm DiMaggio and Powell's theory of isomorphic pressures (1983) when applied to the CSR development of fast fashion companies. Coercive, normative, and mimetic pressures drive CSR narratives across the industry, shaping how brands position themselves in response to external expectations. Especially the introduction of stricter EU policies, such as the EU Strategy for Sustainable and Circular Textiles (2023), the Green Claims Directive (2022), and the Corporate Sustainability Reporting Directive (2022), shifted fast fashion's narrative towards compliance and more structured data-driven ESG reporting. Forthcoming legislation on due diligence, notably the EU Corporate Sustainability Due Diligence Directive (expected in 2025), has pressured fast fashion companies to provide greater transparency about their supply chain practices, labor rights, and environmental impacts.

Fast fashion companies also responded to normative pressures in the form of professional norms and stakeholder expectations by aligning their disclosures with industry-wide reporting standards such as the GRI. Science-based targets increasingly support sustainability goals, while new initiatives are developed in collaboration with industry experts, research organizations, and other stakeholders to enhance sustainability credibility. Public pressure from NGOs and activist groups, such as Greenpeace, the Clean Clothes Campaign, and the Fashion Revolution, repeatedly brought attention to labor violations and overproduction in the fast fashion industry. It is evident that in the two reporting years following the Rana Plaza disaster in 2013, when NGOs intensively pressured apparel companies to improve factory conditions, it affected fast fashion companies' reporting, resulting in a greater emphasis on social responsibility, such as labor conditions and fair wages, over environmental topics. However, the findings of this thesis indicate that fashion companies' response to public pressure was ambiguous. Even though shifting the CSR narrative by acknowledging the mounting criticism regarding greenwashing and transparency issues, some often criticized CSR initiatives, such as H&M's garment collecting program and its Higg index, remained unchanged.

Nevertheless, this shift in tone indicates that coercive pressure through impending regulation and sustained normative pressure through public criticism forced fast fashion firms to adopt a more cautious and measured stance in their sustainability messaging, moving away from overly ambitious claims toward more guarded, compliance-aligned disclosures. However, it is notable that many NGO reports and criticisms in the last decade

found no direct reflection in fast fashion companies' sustainability reports. Fast Fashion firms did not address external critiques unless they coincided with broader industry crises or regulatory developments.

Mimetic pressures, driven by industry competition, have also shaped the CSR narratives of fast fashion companies. The analysis shows that these firms have partially adapted their sustainability strategies by imitating business models from direct competitors and sustainability-oriented fashion brands. For instance, second-hand platforms and resale programs have become widespread across the industry, and material innovation initiatives, such as advancements in recycling technologies and collections featuring sustainable materials, are also frequently reported. Additionally, fast fashion companies have expanded their portfolios by introducing new brands that pursue a more sustainable approach by imitating industry competitors. However, the influence of mimetic pressure remains limited. While fast fashion brands adopt sustainability practices from the industry, many of these actions are largely symbolic, with no substantial evidence of a fundamental shift in their core business models.

Overall, coercive institutional pressures play a dominant role in shaping the CSR narrative of fast fashion companies, as reflected in their increasing compliance with EU legal requirements. Given that DiMaggio and Powell's (1983) theory of isomorphic pressures originated in the U.S., its application to European companies may highlight a stronger emphasis on regulatory influences driven by the EU's stricter sustainability policies. Normative pressures, mainly through professional standards and industry expectations, have also significantly shaped CSR narratives. In contrast, public pressure from consumer activism and NGO campaigns appears to have had a more limited impact. Similarly, while mimetic pressures from sustainable fashion firms have influenced fast fashion companies' strategies, they remain secondary to regulatory and normative forces.

The analysis reveals that institutional pressure on CSR performance exposes fast fashion companies to multiple institutional logics simultaneously, confirming the institutional logics theory of Thornton et al. (2012). The market logic of fast fashion, driven by profit maximization and rapid trend cycles, directly conflicts with the CSR logic, which prioritizes environmental and social responsibility. This tension manifests concretely in the trade-offs between corporate growth and resource consumption or between low prices and ethical labor conditions. The dominance of environmental or social CSR logic fluctuates based on the institutional pressures exerted on fast fashion companies. The findings

indicate a clear shift towards climate- and environment-focused CSR narratives in recent years. However, these logics do not continuously operate simultaneously. In times of crisis, such as during the Covid-19 pandemic, the CSR logic receded into the background while the market logic remained dominant. This suggests that CSR considerations hold only a limited influence over fast fashion companies' strategic priorities. Garment collection systems, for example, are designed to “close the loop” by integrating end-of-life textiles into new clothing production. While these initiatives are framed as sustainability-driven, their underlying business logic is geared toward increasing sales. By offering customers vouchers for returned garments, fast fashion companies create an incentive to purchase new items, ultimately reinforcing consumption rather than reducing it. This demonstrates that when both market logic and sustainability logic operate simultaneously in fast fashion, one tends to dominate at the expense of the other.

New, partly upcoming legal regulations aimed at enhancing transparency and measurability in sustainability reporting are influencing the CSR narratives of fast fashion companies. These regulations represent an effort to bridge the gap between market-driven and CSR-driven logic. Although fast fashion companies publicly strive to harmonize both logics, a retrospective look at their CSR narratives over the past decade reveals that this claim is not new. Despite continuous commitments to sustainability, little meaningful change has occurred. While sustainable transformation is inherently a long-term process, corporate responsibility in fast fashion often remains more of a rhetorical tool than a driver of substantive change.

The incompatibility between market logic and CSR logic manifests as institutional decoupling, a concept outlined by Meyer and Rowan (1977) and reinforced by the findings of this thesis. Fast fashion companies construct bold CSR narratives that often do not align with their sustainability progress. The challenges of sustainable transformation and the company's negative environmental and social impact are downplayed. Instead, the CSR narrative highlights initiatives closely tied to the company while overlooking the fundamental challenges inherent in its business model and supply chain.

Their greenwashing strategies rely on misleading language, creating an impression of greater sustainability than what is reflected in operational changes. Reported progress is selectively framed, with companies adjusting targets, discarding unachieved goals, and refining data preparation to maintain a positive sustainability image.

The findings reveal that a key strategy for managing institutional pressures is signaling through symbolic initiatives. Fast fashion brands frequently launch “lighthouse projects,” such as collections made from innovative materials, in-store recycling machines, or collaborations with sustainability-focused research institutions. These projects generate visibility and reinforce a brand’s sustainability positioning without requiring substantial structural changes. While such initiatives uphold legitimacy and consumer trust, they often remain detached from core business operations, reflecting a pattern of symbolic compliance rather than substantive transformation.

This persistent gap between sustainability rhetoric and operational reality underscores how fast fashion companies navigate conflicting institutional logics. Their approach ensures continued growth under market logic while maintaining external legitimacy through sustainability narratives that are strategically adapted rather than fundamentally transformative.

5.3 Practical Implications

The insights from this study carry several implications for business practice and policymakers. For fast fashion companies, the H&M case highlights the risks of a reactive, externally driven approach to sustainability. Fast fashion firms that rely mainly on symbolic actions, such as marketing campaigns or isolated pilot projects, without integrating sustainability into their core business strategy may temporarily preserve their reputation. However, they remain vulnerable to reputational damage and regulatory shocks. H&M’s experience shows that stakeholders increasingly scrutinize inconsistencies between a company’s words and deeds. If a company heavily promotes sustainability achievements without substantial performance to back it up, it can face public criticism or accusations of greenwashing, which erode consumer trust. By contrast, a more proactive approach to sustainability, setting credible targets, transparently reporting progress and setbacks, and making tangible changes to business operations can lead to more resilient brand trust and long-term competitiveness. For instance, integrating sustainable practices throughout the supply chain or innovating the business model, even at the cost of short-term profit sacrifice, may better position companies as authentic leaders in sustainability rather than followers forced to change by outside pressure.

Furthermore, fast fashion companies should be mindful of the balance between environmental and social initiatives. Neglecting fair labor practices as one dimension while focusing only on environmental impact as the other can create credibility gaps if stakeholders expect comprehensive responsibility. In summary, if companies embrace sustainability as a strategic priority rather than a reputation exercise, they are more likely to meet rising stakeholder expectations and anticipate stricter regulations, thereby turning sustainability into a source of innovation and competitive advantage.

For policymakers and regulators, the findings underscore the pivotal role of regulatory frameworks in shaping corporate behavior. H&M's shift towards more data-driven, standardized reporting and its more cautious claims coincided with the introduction of stricter EU regulations and reporting standards. This implies that well-designed regulatory pressure can effectively compel companies to improve transparency and accountability. Policymakers should note that many firms may not substantially alter unsustainable business-as-usual practices until binding rules make certain disclosures or due diligence mandatory. For example, the forthcoming EU Corporate Sustainability Due Diligence Directive will likely push companies to address issues that voluntary CSR efforts have left unresolved in their supply chains. However, regulation alone may not guarantee sustainability improvements if companies find ways to comply on paper while continuing problematic practices. Therefore, regulators must close loopholes and ensure that reporting standards, like the CSRD, are accompanied by enforcement of performance outcomes, not just disclosure.

Another implication for policymakers is the need to support industry-wide best practices and collaborations: The study indicated that H&M is not mimicking the industry's best practice examples. Thus, regulators and industry bodies need to facilitate platforms for sharing sustainable innovations, making it easier for companies to adopt substantive improvements rather than just cosmetic changes.

Finally, given that fast fashion's economic model inherently encourages overproduction and rapid consumption, policymakers might consider incentives or new regulations to promote alternative business models, such as circular economy initiatives, recycling programs, or extended producer responsibility schemes, that align profitability with sustainability. In essence, the public sector plays a critical role in setting the minimum expectations and leveling the playing field so that companies striving for genuine sustainability are not at a competitive disadvantage against less responsible players.

5.4 Limitations

While this research provides valuable insights into the evolution of H&M's sustainability narrative, several limitations must be acknowledged.

First, the study focuses on a single company as an illustrative case, limiting the findings' generalizability. Fast fashion is a quick-moving industry; therefore, other companies might exhibit different CSR trajectories under institutional pressures. Although companies tend to coerce, as mentioned above, the patterns observed at H&M, such as the specific timing of shifting or balancing environmental and social reporting, may not apply universally.

Secondly, the analysis is based primarily on H&M's published sustainability reports and related corporate documents. Data from external sources, stakeholder interviews, or the company's website were not included, which means that some CSR-related messages from H&M may not be fully represented in this study.

Third, methodological constraints are inherent in the qualitative, interpretative approach. Coding and interpreting narrative changes over time involve a degree of subjectivity; different researchers might emphasize different aspects of H&M's reports. Although I grounded the interpretation in established theory and concrete examples, the lack of inter-coder validation or quantitative measures means the conclusions are not statistically verified.

Fourth, the study's timeframe, from 2014 to 2023, captures a period of significant change, but it is still a limited window. It remains unclear how enduring some recent shifts, such as the move to integrated reporting or the new tone since 2021, will be. Future developments, like the actual implementation of CSRD requirements, could further change H&M's narrative in ways not captured in this study.

Finally, the research scope was confined to the content of disclosures, the narrative, and reported metrics rather than H&M's on-the-ground sustainability performance. Thus, I evaluate how H&M portrays its sustainability efforts but do not measure their actual impact or effectiveness. While a focus of the discussion, this separation between talk and action is also a limitation because I cannot definitively assess the company's real-world sustainability performance through this analysis alone. Acknowledging these limitations is important for contextualizing the conclusions and identifying where caution is needed in interpreting the results.

5.5 Future Research

Building on this study's findings and limitations, I identify several avenues for future research. One important direction would be conducting comparative studies across multiple fast fashion retailers or industries. A cross-company analysis could reveal whether the patterns observed at H&M, such as phased narrative shifts in response to external pressures, are common sector-wide or if H&M is an outlier. For example, comparing H&M with other fast fashion giants like Zara or with more sustainability-oriented brands could provide insights into how firm-specific factors moderate the influence of institutional pressures. Such comparative research would enhance the generalizability of the concept that institutional isomorphism drives CSR communication in this field or might uncover alternative strategies companies use to handle similar pressures.

Another avenue for future research is to delve deeper into the persistent tension between the fast fashion economic model and genuine sustainability, a conflict that this case study highlighted. Studies are needed to explore innovative business models or strategic transformations capable of resolving or mitigating this tension. For instance, researchers could investigate the viability and impact of circular economy initiatives, product-service systems like clothing rental or resale platforms, or slow fashion models on traditional fast fashion companies. Longitudinal case studies of companies that attempt radical changes, such as significantly slowing their production cycles or capping growth for sustainability reasons, would be particularly insightful. Additionally, with the introduction of stricter regulations such as the CSRD and due diligence laws, future research could explore how compliance with these rules influences corporate behavior beyond reporting. A key question is whether such regulations lead to tangible reductions in environmental impact and improvements in labor conditions or whether companies merely adapt their reporting strategies while maintaining business as usual. Evaluating the effectiveness of regulatory interventions in changing core business conduct will be crucial, especially in the fast fashion industry, which is prone to greenwashing. In this context, scholars might also assess the role of enforcement and public accountability mechanisms in ensuring that increased transparency leads to substantive action.

A further recommendation for research is to incorporate stakeholder perspectives and external impact measures into the analysis of corporate sustainability narratives. While the study looked at what H&M says about itself, future research could investigate how these

narratives are received and perceived by others. For example, consumer surveys or interviews can be conducted to see if public trust correlates with changes in H&M's messaging or by analyzing media and NGO responses to H&M's claims over time. Understanding the audience's reception will illuminate whether narrative shifts effectively maintain legitimacy or if stakeholders see through them. Moreover, tying the narrative analysis to actual sustainability performance indicators, such as carbon emissions, water usage, and wage levels in the supply chain, could help determine the extent of decoupling. Such studies could quantify whether periods of more intense sustainability rhetoric align with any real improvements or if they coincide with stagnation or even deterioration in performance. By bridging the gap between communication and outcome, research can better inform how credible and impactful corporate sustainability narratives are.

Finally, future research should continue to explore the evolving role of institutional pressures in driving corporate sustainability, especially as new forms of pressure emerge. The rise of investor-driven pressures through ESG investing criteria, legal actions against greenwashing, and shifting consumer preferences, such as Gen Z's demand for authenticity and ethics, represent dynamic forces that could further change how companies like H&M formulate their CSR narratives. Investigating these contemporary forces, possibly through real-time case studies, would provide forward-looking insight.

In summary, by expanding the scope beyond a single-case narrative analysis to include multi-firm comparisons, performance outcomes, stakeholder perceptions, and new institutional dynamics, future research can build a more comprehensive understanding of how businesses can genuinely reconcile fast fashion with sustainability or whether fundamental paradigm changes are required in the industry.

6 Conclusion

The concluding chapter summarizes this study's key findings and contributions and provides an answer to the research question.

This master thesis analyzed H&M's evolving CSR narrative in its sustainability reports. Four distinct phases can be identified over a ten-year observation period from 2014 to 2023. Each phase is characterized by notable shifts in report design and structure, thematic emphasis of CSR initiatives, corporate-level CSR strategy, and strategies for communicating CSR activities. Initially, H&M's reports featured bold sustainability claims that often lacked clear strategic grounding or measurable sustainability objectives. Over time, however, the company transitioned toward a more structured reporting approach, introducing specific strategies for its defined material CSR topics and utilizing measurable goals to demonstrate progress. Additionally, H&M increasingly prioritized environmental topics, such as becoming climate-positive and using sustainable materials, over social and governance issues. Midway through the observation period, reporting shifted from being text-heavy to more performance-oriented, aligning more closely with H&M's financial reporting style. Consequently, H&M reduced playful textual elements to highlight performance figures and KPIs, giving the reports a more professional appearance. In 2021, H&M integrated its sustainability performance into corporate financial reporting, responding to regulatory and normative pressure for greater transparency. While the company continues positioning itself as an industry leader in sustainability, H&M's CSR progress remains more aspirational than substantive.

The research question guiding this master thesis examined how H&M's CSR narrative evolved in response to institutional pressures over time. The analysis revealed that H&M's sustainability narrative experienced significant changes throughout the observation period, while certain aspects remained consistent. Notably, H&M's reporting became increasingly compliance-driven, reflecting stricter regulatory standards. The company progressively emphasized transparency and adopted scientifically-based sustainability targets. Moreover, the stronger focus on climate-related initiatives indicates that H&M aligned its reporting more closely with industry-wide standards. With rising stakeholder expectations, H&M adopted a more modest stance regarding its sustainability impacts, openly acknowledging global and industry-specific challenges. Nevertheless, the com-

pany continued to position itself as a sustainability leader. Additionally, H&M is increasingly involved with stakeholders and external industry experts in sustainability initiatives and has highlighted external assessments and certifications. Even though the company was late, it recognized stakeholders' growing awareness and concern about sustainability. However, despite these changes, H&M did not fundamentally shift its narrative to integrate sustainability into the core of its business model, even though H&M consistently communicated its intent to reconcile business growth with resource use. Furthermore, institutional pressures prompted H&M to employ various strategies to portray its sustainability performance favorably. For instance, the company retrospectively polished or selectively presented data, launched lighthouse sustainability initiatives with limited practical impact, used misleading or vague language, and discontinued previously set goals when they became unattainable.

This study thereby offers valuable contributions to existing theoretical discussions. From an institutional theory perspective, it deepens our understanding of how fast fashion companies strategically manage institutional tensions through narrative means, confirming and expanding previous insights on institutional decoupling and symbolic compliance. These findings emphasize the necessity for stakeholders, such as consumers, investors, policymakers, and NGOs, to maintain critical vigilance regarding sustainability claims, pushing for greater accountability and more profound structural change in corporate sustainability practices.

Nevertheless, this thesis recognizes some methodological limitations. Most notably, the analysis relied exclusively on sustainability reports and related corporate documents published by H&M, potentially missing insights from other relevant communication channels or stakeholder perspectives. Sustainability reports only reflect carefully curated corporate narratives, possibly lacking full transparency on actual practices and sustainability performance. Future research could address these limitations by incorporating additional data sources, such as expert interviews, consumer insights, external ratings, or comparative analyses with other fast fashion companies. Such complementary approaches could even better distinguish between symbolic and substantive sustainability efforts.

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8 Appendix

	2014	2015	2016	2017	2018
Style & Visualization	Information is extracted from the corresponding report. Information that has changed from the prior year is presented in <i>bold</i> .				
Name of the report	Conscious Actions Sustainability Report	Conscious Actions Sustainability Report	Sustainability Report	Sustainability Report	Sustainability Report
No. of colours	2	2	8	8	8
Colour tone	natural tones	natural tones	pastel tones	pastel tones	pastel tones
Font size	Heading: 28 Body: 9 serif	Heading: 28 Body: 9 serif	Heading: 28 Body: 9 serif	Heading: 28 Body: 9 serif, partly coloured	Heading: 28 Body: 9 serif, partly coloured
No. of different text elements	4	5	6	7	7
Type of different text elements	Descriptive Text, Interviews, Callout, Citations	Descriptive Text, Interviews, Callout, Citations, Case Study List	Descriptive Text, Interviews, Callout, Citations, Case Study, List	Descriptive Text, Interviews, Callout, Citations, Case Study, List, Highlight box (Progress & Learnings)	Descriptive Text, Interviews, Callout, Citations, Case Study, List, Highlight box (Progress & Learnings)
No. of interviews	7	8	8	7	7
No. of case studies	0	2	5	12	11
Proportion of text	0,7	0,7	0,6	0,5	0,5
Proportion of white space	Mid	Mid	Mid	Mid	Low
No. of columns	5	5	4	4	4
No. of images	88	90	107	84	103
Size of image	most: small, mid less: large	most: mid less: small, large	most: mid, large less: small	most: mid less: small, large	most: small, mid less: large
Content of pictures	most: model, production worker, production process, less: garment, environment, interior design, stores, consumer, children	most: models, production worker, production sites, shops, less: consumers, garment, environment, stores, interior design, children	most: model, environment less: store, production site, production worker, interior design	most: model, garment, less: store, production worker, interior design	various: model, production process, interior design, garment, stores, environment, customers, production worker
No. of graphic	84	88	73	45	40
Size of graphic	small: charts mid: infographics large: dashboards	small: charts mid: charts, infographic large: dashboards	small: charts mid: charts, infographic large: dashboards	small: chart mid: infographics large: dashboard	small: chart mid: infographics large: dashboard
Content of graphics	most: bar chart less: performance dashboard, infographic	most: bar chart, infographics less: performance dashboard, scatter chart	most: dashboards , charts less: infographics	most: infographic , charts less: dashboard	most: infographic , dash board less: charts
Overall layout	newspaper -style: repairing - no changes throughout the report, dense-text, heavy, long & continuous text	newspaper -style: repairing - no changes throughout the report, continuous text	playful, lifestyle magazine -like, colourful, varied through different text and design elements, appealing design, more variety between text and images and graphics, dynamic visual hierarchy	playful, lifestyle magazine -like, colourful, varied through different text and design elements, appealing design, more variety between text and images and graphics, dynamic visual hierarchy	playful, lifestyle magazine -like, colourful, varied through different text and design elements, appealing design, more variety between text and images and graphics, dynamic visual hierarchy
Other changes to prior year	-	more diverse (bigger) graphics	bigger (full pages) & more happy model pictures, use of new design elements (logos, icons, coloured text boxes, new graphics), visual storytelling	report now includes more links to partner & collaborators	more variety in pictures

A. 1: Design & Structure Analysis 1 (Source: Own analysis)

2019		2020		2021		2022		2023	
Style & Visualization									
	Sustainability Performance Report	Sustainability Performance Report	Sustainability Performance Report	Sustainability Disclosure Report	Sustainability Disclosure Report	Sustainability Disclosure Report	Sustainability Disclosure Report	Sustainability Disclosure Report	Sustainability Disclosure Report
Name of this report	Sustainability Performance Report	Sustainability Performance Report	Sustainability Performance Report	Sustainability Disclosure Report	Sustainability Disclosure Report	Sustainability Disclosure Report	Sustainability Disclosure Report	Sustainability Disclosure Report	Sustainability Disclosure Report
No. of colours	7	4	3	3	5	3	3	3	3
Colour tone	earth tones	earth tones	pastel tones	pastel tones	pastel tones	pastel tones	pastel tones	pastel tones	pastel tones
Font size	Heading: 30-45 Body: 10	Heading: 36 Body: 10	Heading: 30-42 Body: 10	Heading: 30-42 Body: 10	Heading: 30-42 Body: 10	Heading: 30-42 Body: 10	Heading: 30-42 Body: 10	Heading: 30-42 Body: 10	Heading: 30-42 Body: 10
Font style	sans-serif	sans-serif	sans-serif	sans-serif	sans-serif	sans-serif	sans-serif	sans-serif	sans-serif
No. of different text elements	3	3	3	3	4	3	3	3	3
Type of different text elements	Descriptive Text, List, Coloured Callout	Descriptive Text, List, Coloured Callout	Descriptive Text, List, Coloured Callout	Descriptive Text, List, Coloured Callout	Descriptive Text, List, Coloured Callout, Interview	Descriptive Text, List, Coloured Callout	Descriptive Text, List, Coloured Callout	Descriptive Text, List, Coloured Callout	Descriptive Text, List, Coloured Callout
No. of interviews	0	0	0	0	5	1	1	1	1
No. of case studies	0	0	0	0	0	0	0	0	0
Proportion of text	0.7	0.7	0.7	0.7	0.75	0.75	0.75	0.75	0.75
Proportion of whitespace	High	High	High	Mid	Mid	Mid	Mid	Mid	Mid
No. of columns	3	3	4	4	4	4	4	4	4
No. of rows	3	3	4	4	4	4	4	4	4
No. of images	34	27	42	42	42	50	50	50	50
Size of image	small, mid	most: small less: mid	most: mid less: small, large	most: mid less: small, large	most: mid less: small, large	most: mid less: small, large	most: mid less: small, large	most: mid less: small, large	most: mid less: small, large
Content of pictures	most: garment less: production worker, models, environment	most: garment less: models, environment, production	most: models, environment, less: garment, production, production worker,	most: models, environment, less: garment, production, production worker,	most: model less: environment, garment, interior design, production	most: model less: environment, garment, production, production worker	most: model, environment, garment less: stone, production, production worker	most: model, environment, garment less: stone, production, production worker	most: model, environment, garment less: stone, production, production worker
No. of graphic	20	35	42	42	40	48	48	48	48
Size of graphic	small: chart mid: infographic large: dashboard	small: chart mid: infographic large: dashboard	small: charts mid: infographics, performance dashboard large: performance dashboard	small: charts mid: infographics, performance dashboard large: performance dashboard	mid: infographics, charts large: performance dashboards	mid: charts, dashboard, infographics large: dashboard, infographics	mid: charts, dashboard, infographics large: dashboard, infographics	mid: charts, dashboard, infographics large: dashboard, infographics	mid: charts, dashboard, infographics large: dashboard, infographics
Content of graphics	most: performance dashboards less: infographic, charts	most: performance dashboards, charts less: infographics	most: performance dashboard, charts less: infographic, charts	most: performance dashboard less: infographic, charts	most: performance dashboard less: infographic, charts	most: performance dashboard less: infographic, charts	most: dashboard, infographic less: charts	most: dashboard, infographic less: charts	most: dashboard, infographic less: charts
Overall layout	simple and structured, data-centric and more corporate-like repeated layout with no visual storytelling	simple and structured, data-centric and more corporate-like repeated layout with no visual storytelling	clean, structured and professional, more detailed data, high key points, clear visual storytelling	clean, structured and professional, more detailed data, high key points, clear visual storytelling	clean, structured and professional, more detailed data, high key points, clear visual storytelling	clean, structured and professional, more detailed data, high key points, clear visual storytelling	clean, structured and professional, more detailed data, high key points, clear visual storytelling	clean, structured and professional, more detailed data, high key points, clear visual storytelling	clean, structured and professional, more detailed data, high key points, clear visual storytelling
Other changes to prior year	almost no charts, more links to external websites	almost no pictures of production workers, beige background colour, way more charts than the year before	no pictures of production workers	no pictures of production workers	no pictures of production workers	no pictures of production workers	no pictures of production workers	no pictures of production workers	more variety in infographics, only production worker from quality check (no body from far east)

A. 2: Design & Structure Analysis 2 (Source: Own analysis)

Structure	117	130	124	100	109
No. of pages	17	17	47	40	43
No. of topics in table of content	17	17	47	40	43
Reporting topics (no. of pages)	<ul style="list-style-type: none"> 1. Introduction (9) - H&M sustainability performance - About H&M Concious - H&M impact along value chain - Sustainability vision and Strategy - Change-Making Programme - Sustainability in the orgnizing am - Head of Sustainability Interview 2. H&M Commitments (89) - Sustainable Materials - Fair Relations to Suppliers and Workers - Environmental Protection - Climate Change - Circular Economy - Reporting & Disclosure (8) - How they report - Auditor review - Transparency statement - Materiality matrix 	<ul style="list-style-type: none"> 1. Introduction (9) - H&M sustainability performance - About H&M Concious - H&M impact along value chain - Sustainability vision and Strategy - Change-Making Programme - Sustainability in the orgnizing am - Head of Sustainability Interview 2. H&M Commitments (110) - Sustainable Materials - Fair Relations to Suppliers and Workers - Environmental Protection - Climate Change - Circular Economy - Reporting & Disclosure (7) - How they report - Auditor review - Transparency statement - Materiality matrix 	<ul style="list-style-type: none"> 1. Introduction (9) - H&M sustainability performance - About H&M Concious - H&M impact along value chain - Sustainability vision and Strategy - Change-Making Programme - Sustainability in the orgnizing am - Head of Sustainability Interview 2. H&M Focus (71) - Innovation - Sustainable actions among suppliers - Sustainable Materials, Pollution, Waste - Emissions, Energy - 2.3 Fair & Equal - Fair wages for all, industrial relations, Human rights issues, Diversity & Inclusion issues 2.4 Standards & Policies - Human Right Policy, Code of Ethics, Sustainability Commitment, Animal welfare, Chemical restrictions, Social policies 3. Reporting disclosure (16) - How they report 	<ul style="list-style-type: none"> 1. Introduction (13) - H&M impact along value chain - CEO Interview - H&M sustainability performance - Sustainability vision and Strategy - Change-Making Programme - Engaging with changemakers - Head of Sustainability Interview 2. H&M Focus (8) - Innovation - Sustainable actions - 2.2 Circular & Renewable - Sustainable Materials, Pollution, Waste - 2.3 Fair & Equal - Fair wages - Fair jobs for all, industrial relations, Human rights issues, Diversity & Inclusion issues 2.4 Standards & Policies - Human Right Policy, Code of Ethics, Sustainability Commitment, Animal welfare, Chemical restrictions, Social policies 	<ul style="list-style-type: none"> 1. Introduction (16) - CEO Interview - H&M sustainability performance - Sustainability vision and Strategy - Change-Making Programme - Engaging with changemakers - Head of Sustainability Interview 2.1 Leading the Change - Innovation - Sustainable actions - 2.2 Circular & Renewable - Sustainable Materials, Pollution, Waste - 2.3 Fair & Equal - Fair wages - Fair jobs for all, industrial relations, Human rights issues, Diversity & Inclusion issues 2.4 Standards & Policies - Human Right Policy, Code of Ethics, Sustainability Commitment, Animal welfare, Chemical restrictions, Social policies
Changes to reporting topics					<p>Changes: Human Rights issues now part of their sustainability report, as well as animal welfare issues mentioned</p> <p>Out: Engage with stakeholders</p>
CSR commitment to Length of Report ratio	0.85	0.85	0.69	0.71	0.73
Structure of main sustainability topics (no. of pages)	<ul style="list-style-type: none"> - Introduction (1) - Performance overview (2) - Our mission & strategy (1) - Our concise actions 	<ul style="list-style-type: none"> - Introduction (1) - Performance overview (2) - Our mission & strategy (1) - Our concise actions 	<ul style="list-style-type: none"> - Introduction (2) - Our ambition (3) (only for the env. topic) - H&M actions 	<ul style="list-style-type: none"> - Key facts and figures (1) - Introduction (1) - H&M actions - Our goal & actions - Progress & Learnings 	<ul style="list-style-type: none"> - Key facts and figures (1) - Introduction (1) - H&M actions - Our goal & actions - Progress & Learnings
Overall structural description	simple, three part structure, long and detailed in middle part, sustainability initiatives separated into seven parts	simple, three part structure, long and detailed in middle part, sustainability initiatives separated into seven parts	more complex (more sub-topics), in each part structure, main part separated into four parts, from which three are sustainability initiatives, clear distinction between env. & social initiatives, more comprehensive introduction and concluding remarks, main part is more dense	more complex, three part structure, main part separated into four parts, from which three are sustainability initiatives, clear distinction between env. & social initiatives, more comprehensive introduction and concluding remarks, main part is more dense	more complex, three part structure, main part separated into four parts, from which three are sustainability initiatives, clear distinction between env. & social initiatives, more comprehensive introduction and concluding remarks, main part is more dense
Other changes in structure	middle and end part increased in size	middle and end part increased in size	introduction of new KP structure of presenting the sustainable actions, more dense report in total		

A. 3: Design & Structure Analysis 3 (Source: Own analysis)

85	84	74	50	28
<p>85</p> <p>1. Introduction (133)</p> <p>- How to read the report</p> <p>- CEO Interview</p> <p>- H&M sustainability performance</p> <p>- Value chain</p> <p>- External Recognition</p> <p>- Vision and strategy (incl. Change-Making Programme)</p> <p>- Engaging with stakeholders</p> <p>2. H&M Focus (65)</p> <p>2.1 Leading the Change</p> <p>- Innovation</p> <p>- Transparency</p> <p>- Supply chain</p> <p>2.2 Circular & Climate Positive</p> <p>- Climate positive & water</p> <p>- Circularity (design, materials, microfibres, chemicals, waste)</p> <p>- Environmental & social impact</p> <p>- Human rights issues</p> <p>- Fair jobs</p> <p>- Key data</p> <p>2.4 Supply Chain Management</p> <p>3. Report disclosure (5)</p> <p>New: How to read the report (only online), Materiality matrix (only online), Collaborations (only online), Supply chain management replaced industry relations (concrete issues mentioned), the whole report is now supported with interactive web content</p>	<p>84</p> <p>1. Introduction (133)</p> <p>- How to read the report</p> <p>- CEO Interview</p> <p>- H&M sustainability performance</p> <p>- Value chain</p> <p>- External Recognition</p> <p>- Vision and strategy (incl. Change-Making Programme)</p> <p>- Engaging with stakeholders</p> <p>2. H&M Focus (64)</p> <p>2.1 Leading the Change</p> <p>- Innovation</p> <p>- Transparency</p> <p>- Supply chain</p> <p>2.2 Circular & Climate Positive</p> <p>- Climate positive, Biodiversity, Design, material choice, microfibres</p> <p>- Circularity (design, materials, microfibres, chemicals, waste), Environmental & social impact, Human rights issues</p> <p>- Fair jobs</p> <p>- Key data</p> <p>2.4 Supply Chain Management</p> <p>3. Reporting disclosure (5)</p> <p>- How they report</p> <p>New: Response to Covid-19 pandemic, Standards & policies, Biodiversity</p> <p>Out: Sustainable actions</p> <p>Changes: Some remaining</p>	<p>74</p> <p>1. Introduction (133)</p> <p>- How to read the report</p> <p>- Approach to SUS</p> <p>- CEO & Head of SUS Interview</p> <p>2. Leading the Change</p> <p>- Transparency</p> <p>- Engaging with stakeholders & policy makers</p> <p>3. Highlights</p> <p>- Supply chain</p> <p>- Sustainability performance</p> <p>- External Recognition</p> <p>- Key KPIs</p> <p>4.1 Circular & Climate Positive</p> <p>- Circular product: Design, material choice, microfibres</p> <p>- Circular supply chain: optimal resource use (minimize waste), materials processing, chemicals</p> <p>- Environmental & social impact: minimizing product life & scaling circular business models</p> <p>- Human rights issues</p> <p>- Fair jobs: new operations & production supply chain</p> <p>4.2 Fair & Equal</p> <p>- Fair jobs: new operations & production supply chain</p> <p>4.3 Supply Chain Management</p> <p>4.4 Key data</p> <p>4.5 Reporting disclosure (5)</p> <p>- How they report</p> <p>New: Head of SUS Message, Highlights section, Scaling circular business models, Material processing new themes</p> <p>Out: Covid-19 response, Impact on value chain, Organigram, Change-Making Programme, Sustainable actions</p> <p>Changes: Leading the change: location transparency, Innovation shift 5.1</p>	<p>50</p> <p>1. Introduction (130)</p> <p>- How to read report</p> <p>- Approach to SUS</p> <p>- CEO & Head of SUS Interview</p> <p>2. Leading the Change</p> <p>- Transparency</p> <p>- Engaging with stakeholders & policymakers</p> <p>3. Highlights</p> <p>- Supply chain</p> <p>- Sustainability performance</p> <p>- External Recognition</p> <p>- Key KPIs</p> <p>4.1 Circular & Climate Positive</p> <p>- Circular product: Design, material choice, microfibres</p> <p>- Circular supply chain: optimal resource use & recirculation</p> <p>- Human rights issues</p> <p>- Fair jobs: new operations & production supply chain</p> <p>4.2 Fair & Equal</p> <p>- Fair jobs: new operations & production supply chain</p> <p>4.3 Supply Chain Management (Human Rights Issues)</p> <p>4.4 Key data</p> <p>4.5 Reporting disclosure (5)</p> <p>- How they report</p> <p>New: Key words of the report, Community Engagement</p>	<p>28</p> <p>1. Introduction (91)</p> <p>- How to read report</p> <p>- CEO & Head of SUS Interview</p> <p>- Integrating SUS to BM</p> <p>- Transparency</p> <p>3. Highlights</p> <p>- Sustainability Performance</p> <p>- External Recognition</p> <p>4.1 Climate & nature</p> <p>- Climate, Biodiversity & Land, Water, Chemicals</p> <p>4.2 Resource use & circularity</p> <p>- Resource use & circularity, Design & assortment planning, Microfibres, Materials, Waste & Recycle</p> <p>- Integrating circular business models, Waste & resource recirculation, Packaging, Resource use in our stores</p> <p>- External Recognition</p> <p>- Social Impact</p> <p>- Human rights issues</p> <p>- Fair jobs</p> <p>- Key words used in the report</p> <p>- Policies and standards</p> <p>- Engaging with stakeholders & policy makers</p> <p>New: Impacts along value chain, SUS integrated into BM</p> <p>Changes: Rearranging Resource use & circularity</p>
<p>0.76</p> <p>- Highlights & KPIs (2)</p> <p>- Our approach (1) (replaced Introduction)</p> <p>- H&M actions</p> <p>- Our goal</p> <p>- Progress & highlights</p> <p>- Learning & future focus</p> <p>more complex and complete, three part structure, main part separated into four different parts, clearly focusing the new & social initiatives, explicitly naming material topics and dense</p>	<p>0.73</p> <p>- Highlights & KPIs (2)</p> <p>- Our approach (1)</p> <p>- H&M actions</p> <p>- Our goal</p> <p>- Progress & highlights</p> <p>- Learning & future focus</p> <p>more complex, three part structure, main part separated into four different parts, clearly focusing the new & social initiatives, explicitly naming material topics, all parts more dense</p>	<p>0.65</p> <p>- Highlights & KPIs (3)</p> <p>- Our approach (1)</p> <p>- H&M actions</p> <p>- Our goal</p> <p>- Learning</p> <p>- Future focus</p> <p>more complex and complete, three part structure, main part separated into four different parts, clearly focusing the new & social initiatives, explicitly naming material topics and categorizing them more clearly, all parts more elaborate</p>	<p>0.64</p> <p>- Our approach (1)</p> <p>- H&M actions</p> <p>- Our goal</p> <p>- Learning</p> <p>- Future focus</p> <p>more complex and complete, three part structure, main part separated into three different parts, clearly focusing the new & social initiatives, explicitly naming material topics and categorizing them more clearly, all parts more elaborate</p>	<p>0.83</p> <p>- Our approach (2)</p> <p>- H&M actions</p> <p>- Our goal</p> <p>- Learning & future focus</p> <p>more complex and complete, three part structure, main part separated into three different parts, clearly focusing the new & social initiatives & governance, explicitly naming material topics and categorizing them more clearly, all parts more elaborate</p>
<p>standards and policies now available online</p>	<p>having the change now part of the introduction</p>	<p>-</p>	<p>-</p>	<p>rearrangement of introduction & final remarks</p>

A.4: Design & Structure Analysis 4 (Source: Own analysis)

2014		2015		2016		2017		2018		
Information has changed from the corresponding report. Information that has changed from the prior year is presented in bold										
Sustainability Focus	Materiality matrix (reported in detail)	Conscious Products and Materials	Conscious Products and Materials	Promote and scale innovation	Innovation	Supply chain transparency & traceability	Innovation	Drive transparency	Innovation	
Materiality matrix (reported only in narrative)	<ul style="list-style-type: none"> Involve Customers and Colleagues Animal Welfare Employer of Choice Diversity & Equality Responsible Marketing Waste Community Development Responsible tax planning Packaging Market Presence Biodiversity Environmental Expenditures Anti-Competitive Behavior 	<ul style="list-style-type: none"> Anti-Corruption Employer of Choice Diversity & Equality Responsible Marketing Waste Responsible tax planning Packaging Market Presence Biodiversity Environmental Expenditures Anti-Competitive Behavior 	<ul style="list-style-type: none"> Conscious Products and Materials Animal Welfare Anti-Corruption Employer of Choice Diversity & Equality Responsible Marketing Waste Responsible tax planning Packaging Market Presence Biodiversity Environmental Expenditures Anti-Competitive Behavior 	<ul style="list-style-type: none"> Waste Diversity & Inclusiveness Anti-corruption Responsible marketing 	<ul style="list-style-type: none"> Packaging Market presence Biodiversity Environmental expenditure Anti-competitive behaviour 	<ul style="list-style-type: none"> Drive transparency Reward sustainable actions 	<ul style="list-style-type: none"> Anti-corruption Responsible marketing 	<ul style="list-style-type: none"> Anti-corruption Responsible marketing 	<ul style="list-style-type: none"> Anti-corruption Responsible marketing 	<ul style="list-style-type: none"> Anti-corruption Responsible marketing
Changes to material topics	-	-	-	New: Transparency, Energy Out: Tax Planning	New: Circular approach to how fashion is made and used Out: Environmental expenditure, Energy	-	-	-	-	
Length of main parts topics (no. of pages)	<ul style="list-style-type: none"> Sustainable Materials (14) Fair Relations to Suppliers and Workers (25) Climate Change (9) Circular Economy (10) Environmental Pollution (14) Community Engagement (11) 	<ul style="list-style-type: none"> Sustainable Materials (14) Fair Relations to Suppliers and Workers (26) Climate Change (11) Circular Economy (10) Environmental Pollution (15) Community Engagement (12) 	<ul style="list-style-type: none"> Leading the Change (9) 100% Circular & Renewable (5) 300% Fair & Equal (20) Standards & Policies (22) 	<ul style="list-style-type: none"> Leading the Change (10) 100% Circular & Renewable (27) 100% Fair & Equal (20) Standards & Policies (14) 	<ul style="list-style-type: none"> Leading the Change (11) 100% Circular & Renewable (30) 100% Fair & Equal (28) Standards & Policies (11) 					
Main environmental actions (goals/no. of pages)	<ul style="list-style-type: none"> Conscious products and materials (5) Animal welfare (2) Inspire our customers and colleagues (5) Close the loop on our value chain (3) Emissions along our value chain (3) Close the loop on textile fibers (3) Waste (3) Water stewardship (7) Chemical management (4) 	<ul style="list-style-type: none"> Conscious products and materials (5) Animal welfare (2) Inspire our customers and colleagues (4) Close the loop on our value chain (3) Emissions along our value chain (3) Close the loop on textile fibers (5) Waste (2) Water stewardship (7) Chemical management (3) 	<ul style="list-style-type: none"> Circular Design (2) Material (5) Water (1) Waste (2) Emission (10) 	<ul style="list-style-type: none"> Garment/Store Design (2) Material (6) Water (1) Waste (3) Emissions (6) 	<ul style="list-style-type: none"> Garment/Store Design (1) Material (5) Water (1) Waste (3) Product Use (1) Waste (3) Emissions (7) 					
Main social actions (goals/no. of pages)	<ul style="list-style-type: none"> Supply chain management (12) Fair living wage (7) Employer of choice (6) Human rights management (4) Diversity & equality (1) Investments in share value along our value chain (5) Making a difference beyond H&M value chain - The H&M conscious foundation (4) 	<ul style="list-style-type: none"> Supply chain management (12) Fair living wage (7) Employer of choice (6) Human rights management (4) Diversity & equality (2) Investments in share value along our value chain (4) Conscious foundation (5) 	<ul style="list-style-type: none"> Fair job within H&M (2) Fair jobs within supply chain (8) Diversity & inclusiveness (3) Human Rights (6) 	<ul style="list-style-type: none"> Fair job within H&M (2) Fair jobs within supply chain (1) Industrial relations (3) Fair living wage (3) Human Rights (2) Diversity & Inclusiveness (5) Human Rights (2) 	<ul style="list-style-type: none"> Fair job within H&M (1) Fair jobs within supply chain (1) Industrial relations (3) Fair living wage (13) Human Rights (3) Diversity & Inclusiveness (5) Human Rights (2) 					
Main governance actions (goals/no. of pages)	<ul style="list-style-type: none"> Responsible marketing (1) Anti-corruption (4) Auditor review statement (2) How we report (2) 	<ul style="list-style-type: none"> Responsible marketing (1) Anti-corruption (3) Auditor review statement (2) How we report (5) 	<ul style="list-style-type: none"> Our Code of Ethics (2) Sustainable Impact Framework Programme (8) Animal welfare and material ethics (1) Chemical restrictions (1) Social policies (1) UN Sustainability Goals (1) How we report (3) Auditor review statement (2) 	<ul style="list-style-type: none"> Our Code of Ethics (2) Sustainable Impact Framework Programme (8) Animal welfare and material ethics (1) Chemical restrictions (1) Social policies (1) UN Sustainability Goals (1) How we report (3) Auditor review statement (2) 	<ul style="list-style-type: none"> Our Code of Ethics (2) Sustainable Impact Framework Programme (8) Animal welfare and material ethics (1) Chemical restrictions (1) Social policies (1) UN Sustainability Goals (1) How we report (3) Auditor review statement (2) 					
Sustainability focus	<ul style="list-style-type: none"> Focus on social topics Climate and circularity for other secondary 	<ul style="list-style-type: none"> Focus on social topics Climate and circularity is other secondary 	<ul style="list-style-type: none"> Introducing new KPIs to assess wage goals, introducing framework for circularity & conscious foundation, including animal welfare and chemical restrictions, introducing more detailed view on job along the supply chain, prioritizing diversity & inclusiveness, and emissions - scope 3, approximating social actions, separating policies from env. & social part 	<ul style="list-style-type: none"> Equipping the circular framework, more detailed view on job along the supply chain, prioritizing diversity & inclusiveness, more dense standards & policies 	<ul style="list-style-type: none"> Prioritizing fair living wages 					

A. 5: Sustainability Focus Analysis 1 (Source: Own analysis)

H&M		2014		2015		2016		2017		2018		
Corporate Strategy		Information is extracted from the corresponding report. Information that has changed from the prior year is presented in bold.										
Main strategic topics	Concise Collection	Concise Collection	Concise Collection	Lead the Change: New strategic focus	-	Lead the Change: New strategic focus	-	Lead the Change: New strategic focus	-	Lead the Change: New strategic focus	-	
CEO/HOS Interview	<p>Sustainability is a new strategic topic, which H&M is dedicated towards</p> <p>The few challenges that they are still facing</p> <p>How this key word is being implemented by stakeholders</p> <p>Conscious collection</p> <p>Serving the customer always comes first</p> <p>Sustainability integrated into all part of the business</p> <p>Garment production as a change for young women to reach independence and liberation</p> <p>Sustainability goals into major performance measurement</p> <p>Profit for long-term success</p> <p>Collaboration with stakeholder (incl. trade unions, NGOs and innovators)</p> <p>Challenges are clean water, climate change, textile waste, wages and over-time in supplier factories</p>	<p>SUS is on the minds of many people at H&M</p> <p>H&M creates long-term sustainability work</p> <p>Dedicated to long-term sustainability work</p> <p>Consumption is necessary to generate taxes</p> <p>H&M wants to grow sustainably</p> <p>SUS challenges: reusing textile fibers, bringing wage, fair trade</p> <p>H&M emphasizes collaborations</p>	<p>Lead the Change: New strategic focus</p>	<p>Highly of company as an indicator that H&M has a long-term perspective</p> <p>H&M wants to make a more concrete contribution towards the climate change and poverty (they are not that bold anymore)</p> <p>Technology and collaboration is needed to tackle challenges</p> <p>First mentioning of AI</p> <p>Consumption is not a problem, but a part of the solution</p> <p>Challenges are very complex, therefore H&M makes progress, step by step</p> <p>Change takes time and H&M needs to be patient - taking about what they learned in the process</p>	<p>with the help of technology and a science-based approach, change is possible</p> <p>the same cases for H&M, they want to stay relevant in a changing world</p> <p>challenging to align all of H&M companies and their value chains with the SUS ambitions</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>170 colleagues working with SUS</p> <p>20 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>150 colleagues working with SUS</p> <p>30 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>150 colleagues working with SUS</p> <p>30 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>150 colleagues working with SUS</p> <p>30 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>150 colleagues working with SUS</p> <p>30 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>150 colleagues working with SUS</p> <p>30 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>150 colleagues working with SUS</p> <p>30 core SUS team</p>
Strategic Vision	<p>Bring systemic change to the industry:</p> <p>From linear production to circular</p> <p>Improve working condition along value chain</p> <p>Creating transparency along value chain</p> <p>That sustainable fashion is ready for the next carpet</p> <p>Together with our customers and our industry, we want to create a more sustainable future in which fashion and sustainability no longer mean choosing one or the other.</p>	<p>No real vision recognizable, H&M just talks about their H&M conscious collection</p> <p>Very ambitious goals</p>	<p>Lead the Change: New strategic focus</p>	<p>Using their size, H&M wants to make systemic changes in their operation and wider industry to ensure sustainable fashion for future generations</p>	<p>with the help of technology and a science-based approach, change is possible</p> <p>the same cases for H&M, they want to stay relevant in a changing world</p> <p>challenging to align all of H&M companies and their value chains with the SUS ambitions</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>200 colleagues working with SUS</p> <p>20 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>200 colleagues working with SUS</p> <p>20 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>200 colleagues working with SUS</p> <p>20 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>200 colleagues working with SUS</p> <p>20 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>200 colleagues working with SUS</p> <p>20 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>200 colleagues working with SUS</p> <p>20 core SUS team</p>	<p>HOS reports to CEO & bi-annually to board of directors</p> <p>200 colleagues working with SUS</p> <p>20 core SUS team</p>
Leading the Change	-	-	-	Lead the Change: New strategic focus	-	Lead the Change: New strategic focus	-	Lead the Change: New strategic focus	-	Lead the Change: New strategic focus	-	
Other changes	Systemic change	-	-	Lead the Change: New strategic focus	-	Lead the Change: New strategic focus	-	Lead the Change: New strategic focus	-	Lead the Change: New strategic focus	-	

A. 7: Corporate CSR Strategy Analysis 1 (Source: Own analysis)

H&M		2019	2020	2021	2022	2023
Corporate Strategy						
Main strategic topics	Covid-19 Crisis					
CEO/HOS Interview	Putting SUS at the core of H&M's business is an opportunity to accelerate the pace of change. We are also fulfilling a greater purpose. Reinforcing H&M's core values. H&M will develop new technologies, business models, processes, customer relations. Technology & innovation is the key	Mentoring the difficulties of Covid-19. Progress of last year: innovation in fabrics, second-hand platform, wage strategy, transparency. Collaboration is needed	H&M shares the urgency with many other fashion brands to move faster towards circularity with a fair, transparent supply chain	Progress with climate goal & circularity through innovation & transparency presented. Verification of climate goals by SBTi. H&M is responsible for millions of people who rely on the fashion industry. Progresses in climate, circularity & climate		H&M wants to offer the best combination of fashion, quality, price and sustainability. H&M wants to develop its business model in order to add and share value at the same time enhance their sustainability. Progress in climate & circularity. SUS initiatives offer business opportunities. Mention of external assessments. Against a backdrop of ongoing global change and uncertainty, H&M has intensified our focus on finding effective and innovative solutions to the complex challenges facing our industry and our customers. Conversation with partners, peers and change makers show urgency and expectation. Progress in climate and social. Collaboration is mentioned throughout.
Strategy & Vision		H&M needs to move faster to make sustainable fashion an everyday option for everyone. H&M needs to shift in SUS awareness from consumers and companies. Integrate H&M's sustainability ambitions into the business strategy		H&M continuously tries to meet customer's needs, against the backdrop of environment crises and social inequality (provide the best product for customers). H&M recognizes the positive and negative impacts of their firms. Decouple profitability from the use of finite natural resources. H&M wants to deliver the best combination of fashion, quality, price and sustainability.		H&M wants to meet and exceed the expectations of their wide-ranging stakeholders alongside aligning with external reporting standards. H&M has reflections & learnings alongside its actions and progress. H&M wants to make a positive impact on people, the planet and the economy. Decouple financial growth from natural resources.
SUS in Origin & aim	HOS reports to CEO & bi-annually to board of directors. 250 colleagues working with SUS. 40 core SUS team. Fashion industry is changing for the better, but H&M thinks it's not there yet. New business models at the first time in scope of innovation process. Transparency can lead to closer external scrutiny and negative media coverage	HOS reports to CEO & bi-annually to board of directors. 230 colleagues working with SUS				
Leading the Change		Emphasizing engagement with policy makers innovation: new topics are digital transformation and future of work		H&M is under more scrutiny over sustainability claims, therefore more focus on transparency		H&M faced questions and criticism about accuracy of sustainability claims - reaction: more clear and contextualised info to Regent Trust
Other changes						

A. 8: Corporate CSR Strategy Analysis 2 (Source: Own analysis)

2014		2015		2016		2017		2018		
Information is extracted from the corresponding report. Information that has changed from the prior year is presented in bold.										
CSR Reporting										
Reporting Framework	GRI's Sustainability Reporting Guidelines High Index (Highs self-assessment sustainability standard)	GRI's Sustainability Reporting Guidelines High Index (Highs self-assessment sustainability standard)	GRI's Sustainability Reporting Guidelines High Index (Highs self-assessment sustainability standard)	GRI Standards: Core Option (sustainability reporting guideline)	GRI Standards: Core Option (sustainability reporting guideline)	GRI Standards: Core Option (sustainability reporting guideline)	GRI Standards: Core Option (sustainability reporting guideline)	GRI Standards: Core Option (sustainability reporting guideline)	GRI Standards: Core Option (sustainability reporting guideline)	
Total no. of collaborators	19	n/a	28	31	52	52	52	52	52	
Goals/KPIs of main sustainability topics	GOALS Sustainable Materials (12) Fair Relations to Suppliers and Workers (25) Integrity and Employee Satisfaction (17) Climate Change (6) Circular Economy (6) Environmental Pollution (11) Community Engagement (9)	GOALS Sustainable Materials (11) Fair Relations to Suppliers and Workers (28) Integrity and Employee Satisfaction (16) Climate Change (6) Circular Economy (7) Environmental Pollution (10) Community Engagement (9)	GOALS Leading the change (3) Circular & Renewable (13) Fair & Equal (8) Standards & Policies (6) Waste (5) Circular & Renewable (9) Fair & Equal (5)	KPIs Circular & Renewable (9) Fair & Equal (5)	KPIs Circular & Renewable (9) Fair & Equal (5)	KPIs Circular & Renewable (9) Fair & Equal (5)	KPIs Circular & Renewable (9) Fair & Equal (5)	KPIs Circular & Renewable (9) Fair & Equal (5)	KPIs Circular & Renewable (9) Fair & Equal (5)	KPIs Circular & Renewable (9) Fair & Equal (5)
Total no. of goals/KPIs	86	85	107	14	14	14	14	14	14	
Changes to goals/KPIs	Many different goals with a vague, process tracking (more to do, on track, done) Qualitative reporting	-	-	Less goals with a process tracking Progress tracking with table and bullet points Goals address only parts of the stakeholder Introduction of some KPIs - more qualitative	Only KPIs left, some data still in text	Only KPIs left, some data still in text	Only KPIs left, some data still in text	Only KPIs left, some data still in text	Only KPIs left, some data still in text	
Environment Strategy Example: Water & Chemicals	WWF Water Stewardship Strategy - rather general goals Zero discharge of hazardous chemicals cooperation Concentration on own operation	-	-	Emphasizing collaborators & external assessments Connecting it to their vision	More supplier collaboration	More supplier collaboration	More supplier collaboration	More supplier collaboration	New water & chemicals roadmap introduced Closer collaboration with suppliers	
Environment Strategy Example: Material	Restrictes recycled cotton to 20% input New fabrics such as Tenel Vague goal setting Own standard. Conscious products Testing of alternative fabrics First animal standards	-	-	Materials such as 4L, bigger strategy: Circular Economy Partnership with H&M Clear goal setting: 100% sustainable materials until 2030 Collaboration with Ellen McArthur (entered in 2015) Conducted LCA Expanded the scope to more materials Starting to work with suppliers	Reduce impact along the value chain Mentioning of more collaborators Wool-based materials Still most of the sustainable materials from BCI	Reduce impact along the value chain Mentioning of more collaborators Wool-based materials Still most of the sustainable materials from BCI	Reduce impact along the value chain Mentioning of more collaborators Wool-based materials Still most of the sustainable materials from BCI	Reduce impact along the value chain Mentioning of more collaborators Wool-based materials Still most of the sustainable materials from BCI	Packaging as a way to increase recycling while not changing fabrics	
Social Strategy Example: Fair Wages	Goal setting for factory employees, owners and brands until 2018 H&M's average wage above minimum wage in each country 3 factories to try the Fair Wage Method Still at the beginning of improvement	-	-	No new strategy Mapping the adoption of the Fair Wage Method in each country	Minimum wages vs. Average H&M wage disappeared	Minimum wages vs. Average H&M wage disappeared	Minimum wages vs. Average H&M wage disappeared	Minimum wages vs. Average H&M wage disappeared	Emphasizing the topic: more spending components BCI Introduction Scientific Price Method External assessment from ETI	
Climate Strategy Example: Emissions	No existing climate strategy, focusing almost only on own operations Involving consumer: "Washing at 30°C instead of 60°C will cut energy use in half and save you money too."	-	-	GHG Protocol mentioned Climate positive strategy introduction Specific goal setting for own operations & value chain Emissions mentioned but not explicitly discussed (because no progress)	-	-	-	-	-	
Other sustainability related changes	Text-intense, progress report, rather qualitative, goals appear as tasks with lack of specificity e.g. "increase use of sustainable materials" More emphasis on why because there is no real strategy Graphics show mostly data of best reference	-	-	Many distractions due to case studies / interviews / collaborations / pictures and big graphics, almost no real actions but seems like they did quite a lot, added transparency & improvements to sustainability goals	Expansion of circular design approach (5 instead of 4 steps), shorter company policy section	Expansion of circular design approach (5 instead of 4 steps), shorter company policy section	Expansion of circular design approach (5 instead of 4 steps), shorter company policy section	Expansion of circular design approach (5 instead of 4 steps), shorter company policy section	Expansion of circular design approach (5 instead of 4 steps), shorter company policy section	
Greenwashing	"More Sustainable Cotton is organic cotton, BCI cotton or recycled cotton - this term is misleading and sounds better than reality"	-	-	H&M updates their ambition to a new, more ambitious goal.	Mentioning of BCI label	Mentioning of BCI label	Mentioning of BCI label	Mentioning of BCI label	Having only 1% recycled materials even though H&M says that they have 57% of sustainable materials	

A. 9: CSR Reporting Strategy Analysis 1 (Source: Own analysis)

		2019		2020		2021		2022	
CSR Reporting									
Reporting Framework		GRI Standards: Core Option (sustainability reporting guideline)		GRI Standards: Core Option (sustainability reporting guideline)		GRI Standards: Core Option (sustainability reporting guideline)		GRI Standards: Core Option (sustainability reporting guideline)	
UN SDGs (Sustainable Development Goals)		n/a		n/a		n/a		74	
Total no. of collaborators		n/a		n/a		n/a		74	
Goals/KPIs of main sustainability topics		KPIs Circular & Renewable (6) Fair & Equal (6)		KPIs Circular & Renewable (12) Fair & Equal (6)		KPIs Circular & Renewable (16) Climate (6) Commercial goods (3) Packaging (2) Chemicals (1) Garment collecting initiatives (1) Fair & Equal (18) Supply chain (9) Diversity (9) Community investment initiatives (2)		-	
Total no. of goals/KPIs		15		21		33		34	
Changes to goals/KPIs		Only KPIs left, some data still in text		Only KPIs left, some data still in text		KPIs are attributed to categories, most of the data is turned into KPIs		KPIs are attributed to categories, most of the data is turned into KPIs	
Environment Strategy Example: Water & Chemicals		Roadmap available online Explicitly naming/risk assessment of water		Emphasizing external assessments		Reframing H&M responsibility to a more global one Including more quantitative data Emphasizing collaborators Emphasizing external assessments		New water strategy introduced Emphasizing external assessments	
Environment Strategy Example: Material		External assessment + Collaborations Including external sub-groups New goal for recycled materials		First ever progress on recycled materials		New circular strategy More data on used (shell) materials Reporting mixture of figures, collaborations, testings & assessments		New materials vision Clear KPI tables for each material	
Social Strategy Example: Fair Wages		Dropped Fair Living Wage Strategy		Emphasizing external assessment		Combining circular economy with social aspects New wage strategy (online) Detailed worker & wages data for each country		Reduced the CSR initiatives drastically Collaborated with scientists	
Climate Strategy Example: Emissions		Reporting still mostly focuses on own operations; Scope 3 Better visual preparation of data (no more KPIs)		-		New climate strategy with more value chain focus Specific goal setting for own operations & value chain (informed by standards) Scope 3 emissions equal part of the reporting Mentioned collaborators prominently Accuracy of data improved (improving KPIs artificiality) More data on website		Scope 3 emissions now emphasized in the report	
Other sustainability related changes		More subchapters for circularity		-		More elaborative on material topics		-	
Greenwashing		Saying that an increase in emission is decoupling from growth, because the increase is less than their growth		Mention that BCI saved water and pesticides, even though H&M did not do anything actively		-		Killed material and climate goals from earlier reports and setting more ambitious goals without achieving their last goals	

A. 10: CSR Reporting Strategy Analysis 2 (Source: Own analysis)