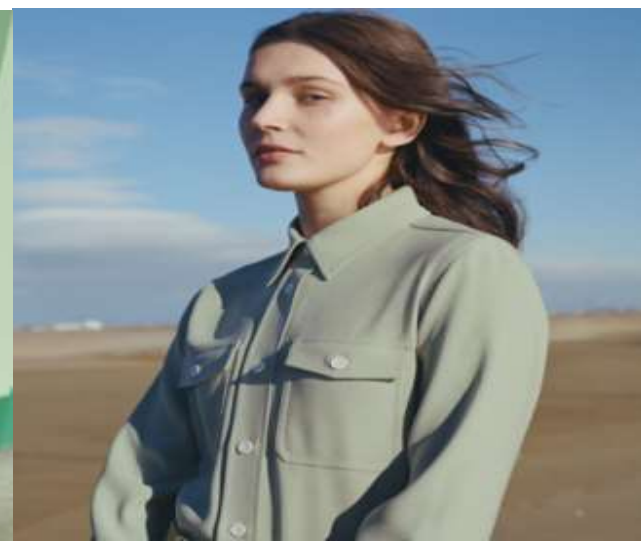




H&M GROUP

SUSTAINABLE MATERIAL STRATEGY



H&M GROUP

Global Fashion and Design Company that incorporates **8 Brands.**

Our 9th Brand AFOUND will be added to the list soon.



SEK **232** billion in sales incl VAT in 2017.

4,739 stores in **69** markets, and e-commerce in 44 markets.

The H&M group welcomed approximately **10,000** new employees in 2017.

We are more than **171,000** colleagues around the world.



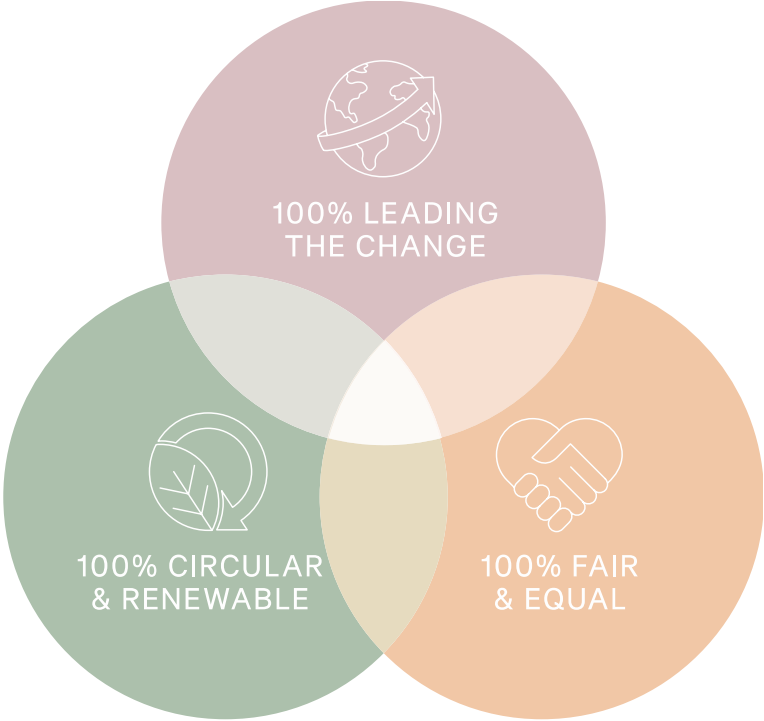
VISION &
STRATEGY

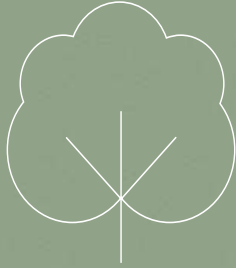
OUR VISION:

Lead the change towards circular and renewable fashion while being a fair and equal company.

Our Sustainability Strategy

We want to use our size and scale to lead the change towards circular and renewable fashion while being a fair and equal company.





We are the biggest buyer of Better Cotton,* and the second biggest user of organic cotton and recycled cotton.**

In 2017, we reduced emissions from our own operations by a further 21% compared to 2016.



We've collected 17,771 tonnes of textiles through our garment collecting initiative for reuse and recycling. That's 12% more than last year, and the equivalent of 89 million t-shirts.

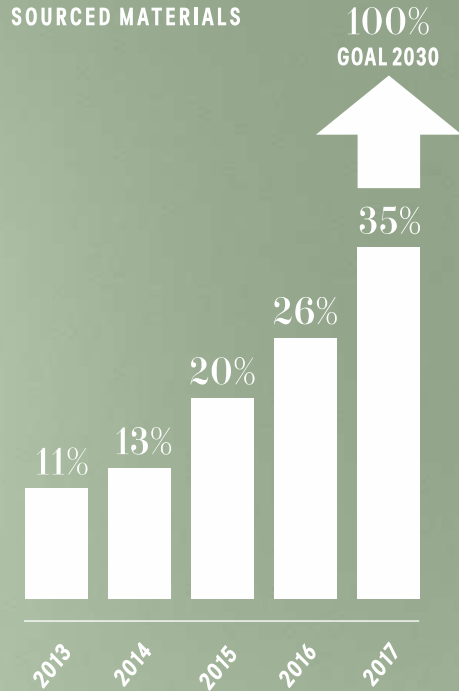
We've set a new chemical vision and roadmap to lead the change towards safe products and a toxic free fashion future.



Our cleaner production programmes have reduced water consumption by 2.3 m³ during 2017.



TOTAL SHARE OF RECYCLED OR OTHER SUSTAINABLY SOURCED MATERIALS



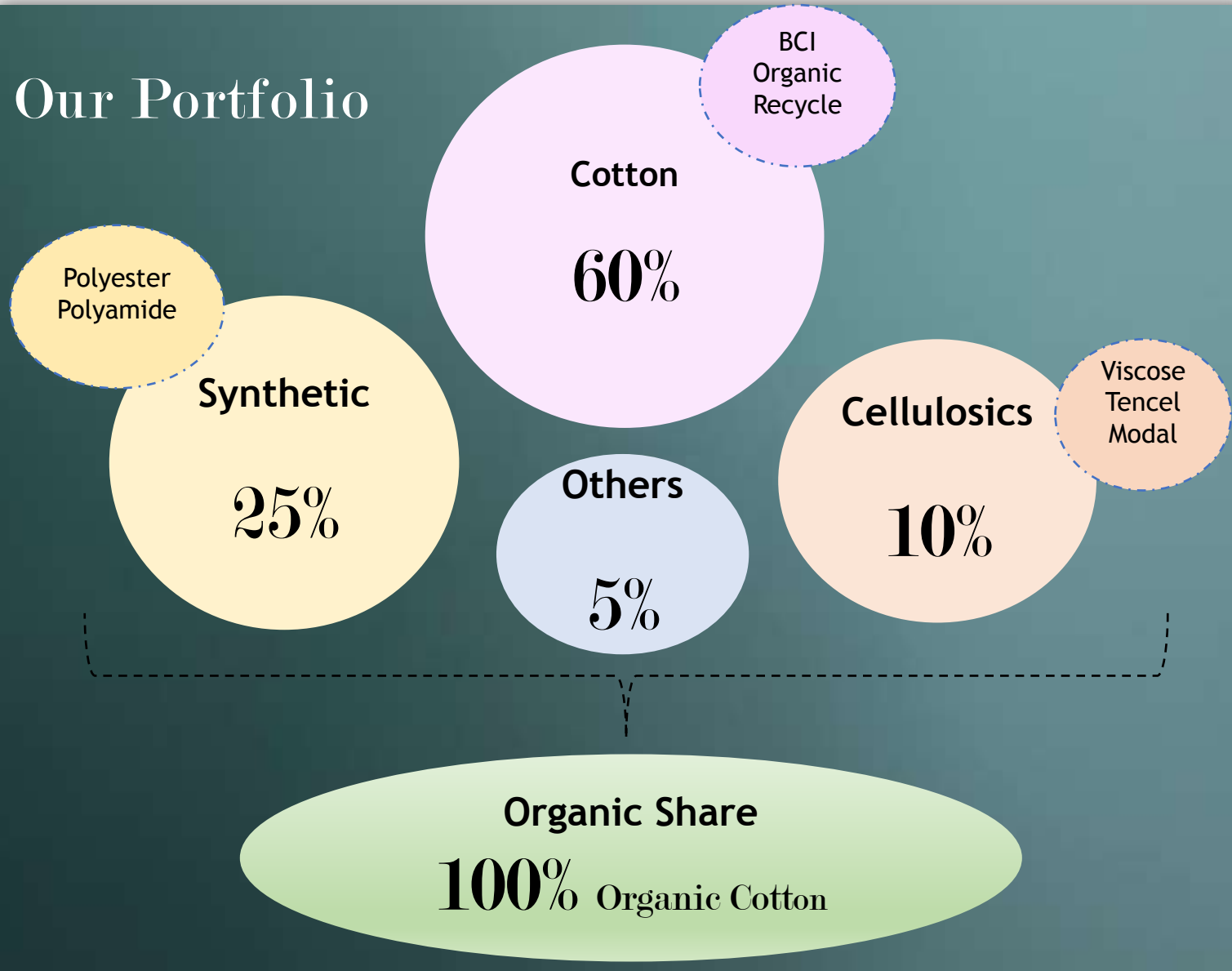
OUR CIRCULAR & RENEWABLE AMBITION CONTRIBUTES TO SDG 6, SDG 7, SDG 12 & SDG 13.

*Source: Better Cotton Initiative's (BCI) latest annual report (2016)**Source: Textile Exchange Preferred Fiber & Materials Market Report 2017.



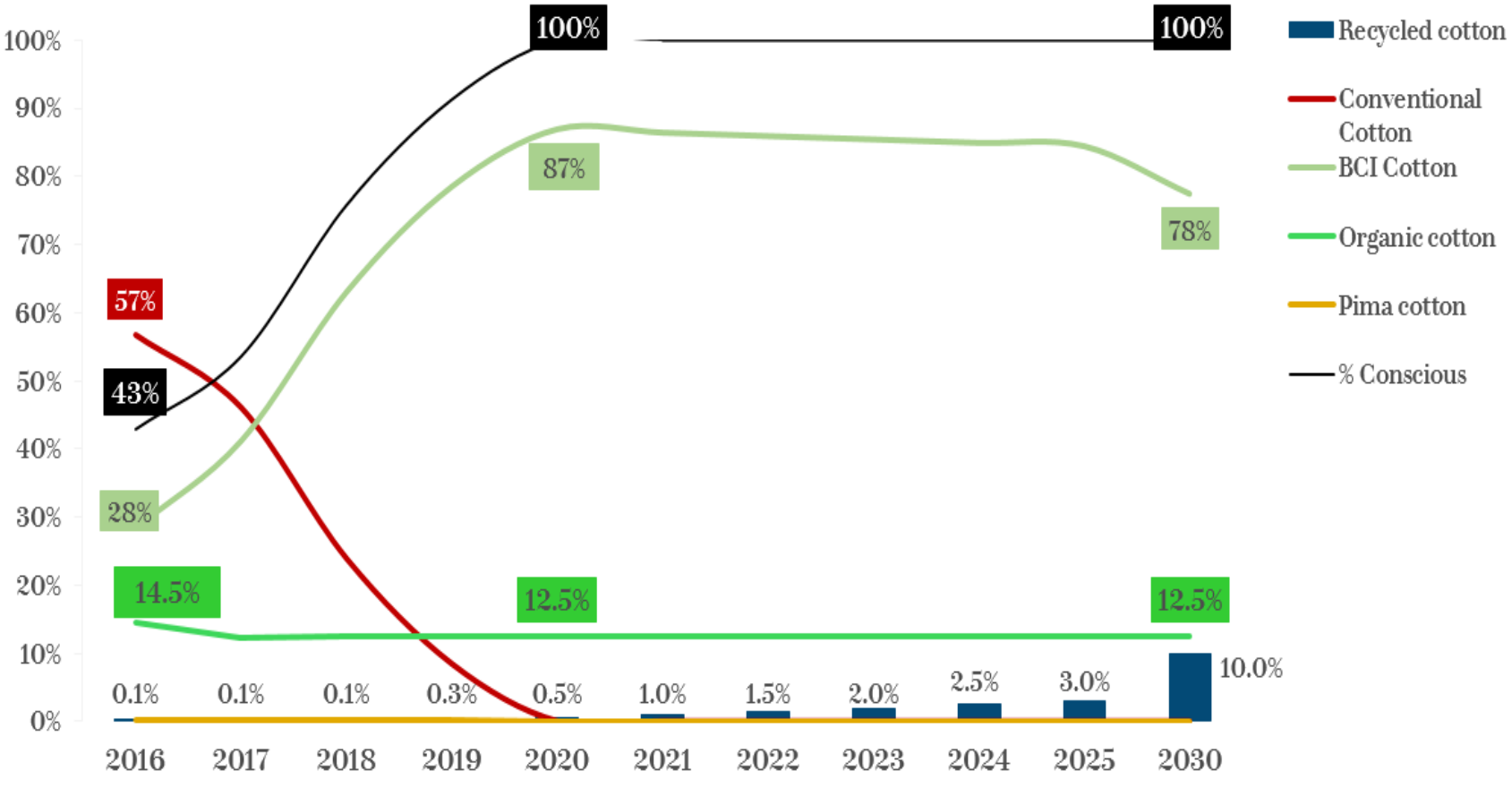
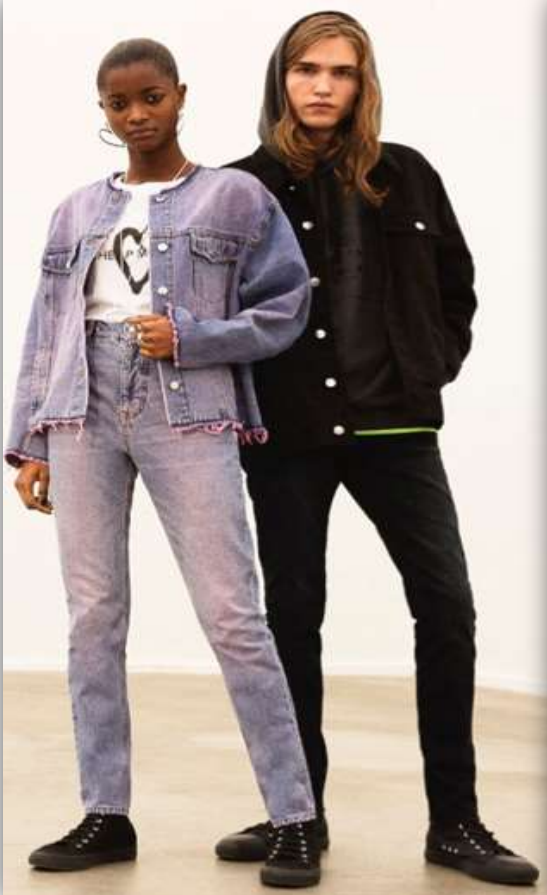
SUSTAINABLE MATERIAL STRATEGY

Our Portfolio



Our Roadmap

100% Conscious Cotton by 2020



Challenges with Organic Cotton and Our Actions



Security of Supply



Fragmentation



Integrity



Farmer Business Case



Brand Reputation



Improving Farmer Business case

Fair Price Paid



Secure Offtake

Fair Price Paid

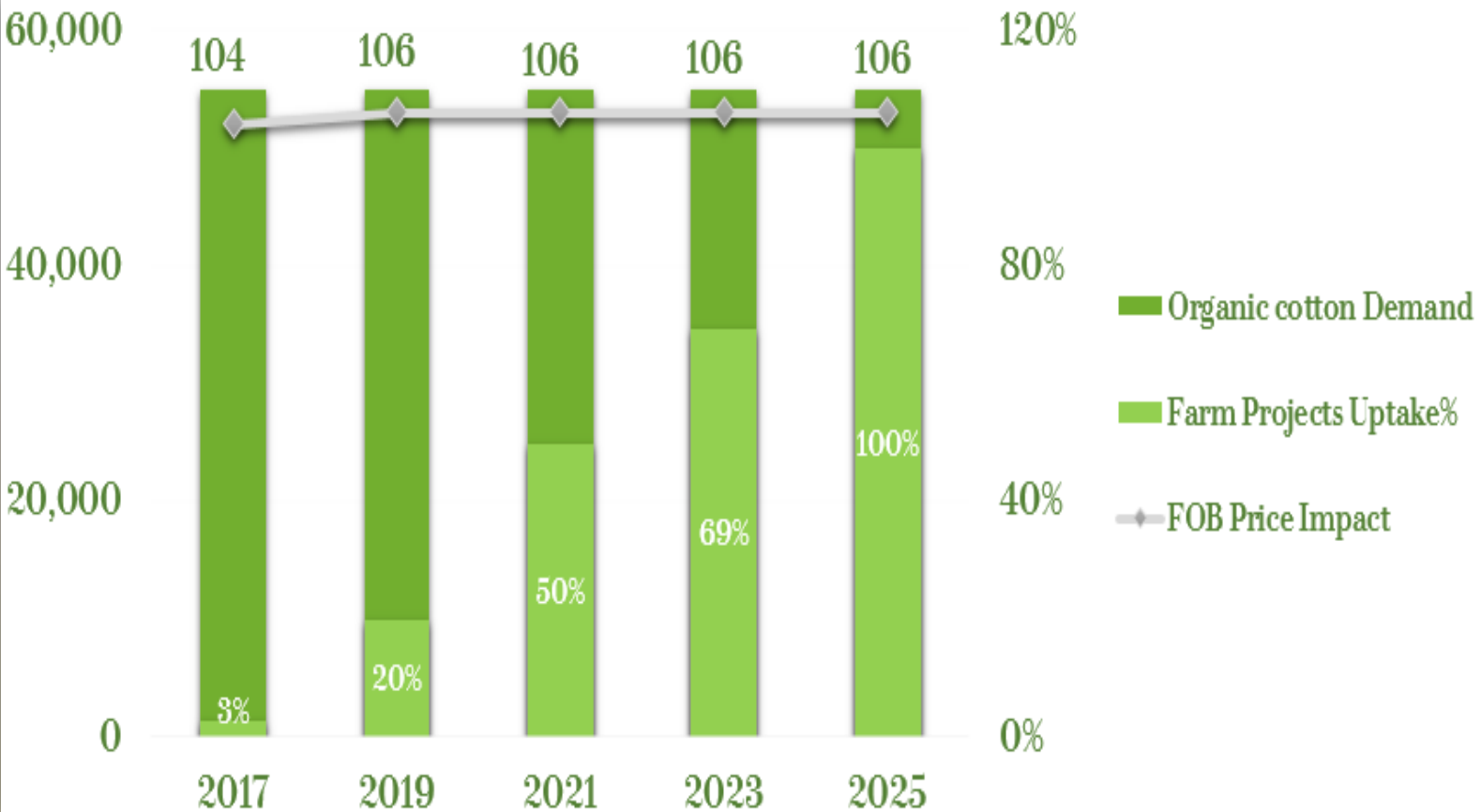


Purchase Guarantee

Fair Price

Our Future Plan

100% Organic Cotton Uptake from farms by 2025



Our Expectations From Supply Chain



OUR VISION:

Lead the change towards circular and renewable fashion while being a fair and equal company.



THANK YOU