

## Towards becoming 100% circular

H&M has set out the vision to become 100% circular. H&M promotes a circular (1) approach in how products are made and used, and works towards a clean, closed and effective circular life cycle for textiles, maximizing the utility and the value of the products. As part of this we have set a long-term goal to only use recycled or other sustainably sourced materials (1).

H&M will implement a voluntary Extended Producer Responsibility (EPR) system (2). This includes:

- i. Conduct further analyses of economic value of additional models/offers aiming to maximize the utility and value of products, following a circular approach.
- ii. Offering take-back and consumer textile waste collection systems (3) in all markets where we operate (4).
  - o Reaching more than 95% of H&M (brand) customers globally through the H&M global clothing and home textile collection scheme for clothes and home textile for re-use (re-wear) and clean recycling (5), independently of brand and condition. The collection will maximize the utility and the value of the textiles following the [European Waste Hierarchy](#) promoting re-use before recycling. We ensure that none of the collected textiles end in landfills. We aim to continuously ensure that at least 50% of the textiles collected in H&M stores are reused or recycled (and not downcycled) and work to further minimize downcycling.
- iii. Taking a holistic circular approach in how products are made and used.
  - o This includes addressing circular design, longevity, chemical input, quality and durability requirements, raw material choices and sourcing, sustainable production processes and to expand the lifespan of our products, i.e. through durability requirements and by promoting and/or facilitating repair, re-use and recycling.

### Footnotes

(1) Circular is defined as maximizing the utility and the value of the products and components. Having a circular approach to how products are made and used including circular design, durability and longevity, chemical input, only recycled or other sustainable sourced materials, sustainable production processes and different ways of expanding the fashion life span for example through repair, re-use recycling and collecting schemes. Sustainably sourced materials are evaluated and qualified as sustainably sourced preferably with third party certification when available. Examples of sustainably sourced materials include the [H&M Conscious materials](#) and Better Cotton. We follow a science based approach and we constantly review what qualifies as sustainably sourced together with our stakeholders.

(2) Extended Producer Responsibility is individual and global company responsibility to ensure the whole lifecycle of a product having a circular approach to how products are made and used through circular design, raw material choice, longevity and durability, sustainable production processes and different ways to expand the life span of the products through repair, reuse and recycling.

- Sustainable sourcing that protects the well-being of the natural environment stays within planetary boundary limits and supports the socio-economic well-being of workers and local communities;
- ensures the system for end-of-life collection achieves the highest utility and value of the product and the material quality through effective collection, disassembly and re-use or recycling.
- Promote circular design ensuring the highest utility and value of the product and enable an extended lifespan including different ways of extending the lifespan through repair, reuse and recycling.

(3) Take-back program shall enable the highest utility and value of the products and the materials and the program will follow the waste hierarchy promoting re-use and remake before recycling and making sure that nothing ends up in landfill.

(4) Covering all H&M brand stores in all self-operated markets (for new stores after six months after opening at the latest). In franchise markets (as per FY 2015 representing approx. 2% of total sales), at least one store per market (Morocco and Egypt excluded).

(5) H&Ms approach to hazardous chemicals in recycled materials, see [separate document](#).