

CODE OF ETHICS - Employee Commitment

INTRODUCTION

This Code of Ethics is mandatory for the H&M Group Board of Directors, the executive management team (including CEO), managers and all concerned employees in different positions (including trainees and temporary staff), in-house working consultants, in-house working staff from temporary agencies and similar assignments.

H & M Hennes & Mauritz AB and all companies and brands included in the Group (hereafter referred to as H&M Group or the Company) value the fact that all the operations of the Company are characterised by honesty, transparency, integrity and fair play.

All business carried out with or on behalf of H&M Group should always be conducted in accordance with the Company's Code of Ethics and applicable laws and regulations in the country of business.

Code of Ethics contains guidelines on how to act in various situations when representing the Company.

For your information, all the Company's Business partners sign their agreement to H&M Group's Code of Ethics – Business Partner Commitment and thereby undertake to comply.

ZERO TOLERANCE - BRIBERY AND CORRUPTION

The H&M Group has a zero-tolerance policy on bribery and corruption. This applies to all the Company's business dealings and transactions in all the countries in which the Company and its business partners operate. The Company does not tolerate bribery in any form and commits to a strong anti-corruption program, including this Code of Ethics to prevent and fight corruption in all its forms. The Company is determined to ensure that the objectives of Code of Ethics are fulfilled and will therefore further instruct and educate all concerned to secure their knowledge and compliance with the principles in this Code.

Under this Code of Ethics a bribe includes financial or other advantages which are given, promised, offered, accepted, requested or received with the intention that a specific activity should be performed.

You are not allowed to accept bribes in any circumstances. In addition, you are not allowed to offer bribes for or on behalf of the Company to any organisation or person, whether employed privately, in the public sector or in an organisation.

Facilitation payments are not allowed when acting for or on behalf of the Company.

Whether an action constitutes a bribe is determined by the standards set forth herein or elsewhere in H&M Group's policies. Any local practice or custom will thus be disregarded, unless explicitly permitted or required by local written law.

ADVANTAGE – GIFTS AND CORPORATE ENTERTAINMENT

The H&M Group does not allow its employees or other representatives to request, receive, accept, arrange, offer or give any kind of advantage, financial or other, from/to a business partner, contractor or any other person/organisation in connection with the Company business or/and collaboration. In accordance the Company has a strict no-gift policy.

This includes both domestic and international business and should be incorporated in all business dealings.

The term 'advantage' includes, but is not limited to; gift, loan, money (regardless currency), fees, journeys, service, bonus, luxurious meals, all kind of vouchers, product samples for personal use, discount on private purchases, sponsoring, event tickets or any kind of personal favours.

It does not matter whether the person to whom the advantage is offered, promised or given is the same person as the one who is to perform, or has performed, the relevant action. Further it does not matter whether the advantage is given directly or by a third party; the recipient is in breach of this Code regardless of the fact that he or she receives the advantage directly or through a third party or if another person is the genuine beneficiary.

You or your immediate family must not give, guarantee or accept loans from any person or organisation with which you have business contacts through your work for the H&M Group.

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For your information, as all of the H&M groups Business Partners sign the Code of Ethics – Business Partner Commitment they are violating the Code of Ethics if they arrange, offer or give any kind of advantage to an H&M Group employee or representative.

Corporate entertainment and other events

You shall not accept invitations for business dinners or other corporate events that are luxurious, inappropriate, occur often or take place in a weekend or public holiday. If you accept an invitation the H&M group shall either have the opportunity to pay for your share or return the hospitality on another occasion.

You must have the approval of your manager before accepting any kind of business invitation.

The H&M Group does not allow the receipt of hospitality whenever such arrangements could affect the outcome of business transactions, i.e. when the purpose is to obtain or retain business with the H&M Group.

The H&M group may register accepted invitations to fulfil the Company's zero tolerance policy.

Drugs and alcohol

Based on the risk that you can put yourself and others in dangerous and awkward situations, you must not use or be under the influence of illegal drugs, alcohol or anything similar during working hours.

CONFLICT OF INTEREST

Conflicts of interest may arise if your personal interests compete or conflict with the interests of the Company. You should avoid any actual or imaginable situation that could damage your integrity and/or risk putting the H&M Group's interests and reputation at stake.

You shall never carry out business on behalf of the Company with relatives and/or other persons that you have a personal relationship with.

You must always inform the Company if you have any other relation than strictly business-related with someone that you do business with through your work at the H&M Group.

You must always inform the Company if you or your immediate family (wife/husband/partner/children living at home) have any financial interests that you are aware may compete with the H&M Group's interest or with the interest of those with whom you do business through your work at the H&M Group.

You must never mix your personal affairs with the business you do on behalf of the H&M Group or use the H&M Group's name or trademarks in your private affairs.

While you are employed by the H&M Group you must not initiate or have any other employment, task or business outside the Company that could conflict with the Company's interests.

If you want to initiate employment, a task and/or business outside the H&M Group and the Company's interests, while keeping your employment or assignment in the Company, you shall always have the company's written permission.

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COMPANY ASSETS AND PROPERTY

The H&M Group owns the copyright to all materials created by employees and/or other representatives on behalf of the Company. The term 'materials' includes, but is not limited to: patterns, sketches, artwork, other types of products, it-solutions, designs and product samples resulting from what has been created on behalf of the Company.

It is expressly forbidden to use, sell or donate assets or property belonging to the H&M Group without previous written consent from the Company.

Company's documents and accounts

Falsifying documents or submitting inaccurate accounts is illegal, regulated by law and thus not allowed under this Code.

Donations

The H&M Group does not allow donations of Company money or assets to individual politicians or/and political parties or organisations.

CONFIDENTIAL INFORMATION

Confidential information represents trade secrets and other company information not generally known outside the H&M Group which concerns the Company and all the business carried out within the H&M Group.

Confidential information also includes information that the H&M Group has received from a third party, where the information is considered confidential by that party.

You must never disclose confidential information in any way to anyone outside or within the Company, except to persons, organisations or authorities to whom disclosure is necessary for the purpose of the employment or other Company agreement. You should only use confidential information that is naturally associated with your duties.

Confidential information includes but is not limited to: The H&M Group's financial and commercial relationships, trade secrets, buying, offers, strategies, all supplier-related information, IT solutions, analyses and sensitive personnel data, information concerning the H&M Group and/or the business carried out within the H&M Group and which is not in the public domain.

To report a criminal act, e.g. corruption, to the designated authority or to an H&M Group channel is not an instance of disclosing confidential information.

By signing this document, you confirm that you undertake not to disclose any confidential information.

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COMPLIANCE

It is your responsibility to make sure that you understand the content of the H&M Group's Code of Ethics and that you observe these guidelines in your daily work.

In signing the last page of this document, you are confirming that you have been informed about the H&M Group's Code of Ethics, that you have read and understood the content of the Code and that you commit to comply.

If you have questions concerning the meaning or application of this Code of Ethics, please contact a relevant manager, HR, Code of Ethics trainer or e-mail coe@hm.com

You should always strive to assist the Company's efforts to prevent bribes and corruption by ensuring that all operations of the Company continue to be characterised by honesty, transparency, integrity and fair play.

Any violation or suspicion of violation of this Code of Ethics should thus be reported to either a relevant manager or to coe@hm.com.

In cases of serious malpractice within the company concerning; Accounting, Internal accounting controls, Auditing matters, Fight against bribery, Banking and financial crime or other serious improprieties where senior management is involved use the whistleblowing@hm.com

The H&M Group is committed to continuously reviewing and updating its policies and procedures, therefore this Code of Ethics can be subject to modification. The latest version of this Code is available on **Inside** and on the H&M Group's website www.hm.com.

The Company will inform all concerned employees whenever there are any changes or updates of the Code. The employee is responsible for keeping him- or herself updated of the most current version.

On Inside you also find other useful Code of Ethics-related information, such as e.g. Information on how to report, guidelines on behaviour, the most common questions with answers.

Code of Ethics training

To secure that you feel confident in your Code of Ethics knowledge on how to act in different situations when representing the H&M Group, you should attend the mandatory Code of Ethics training.

Consequences of non-compliance

Most sections of the H&M Group's Code of Ethics follow the law in each country where the Company operates, any deliberate violation of this Code may therefore also be a criminal act. Violations of the Code of Ethics may lead to warning, and you may be disciplined, including the risk of losing your job, or even face criminal charges. The company may be fined, face lawsuits or investigations, or suffer damages to its reputation.

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**H & M HENNES & MAURITZ AB (Group)
CODE OF ETHICS – EMPLOYEE COMPLIANCE COMMITMENT**

In signing this document, I confirm that I have received, read and understood the content of the H&M Group Code of Ethics and that I commit to comply.

Place and date

Signature of employee

Signature of the H&M Group

Name in printed letters

Name in printed letters

Social security or Employment number

This page will be retained by the Company and a signed copy will be given to the employee.