

# H&M ANNUAL GENERAL MEETING 2016

KARL-JOHAN PERSSON, CEO

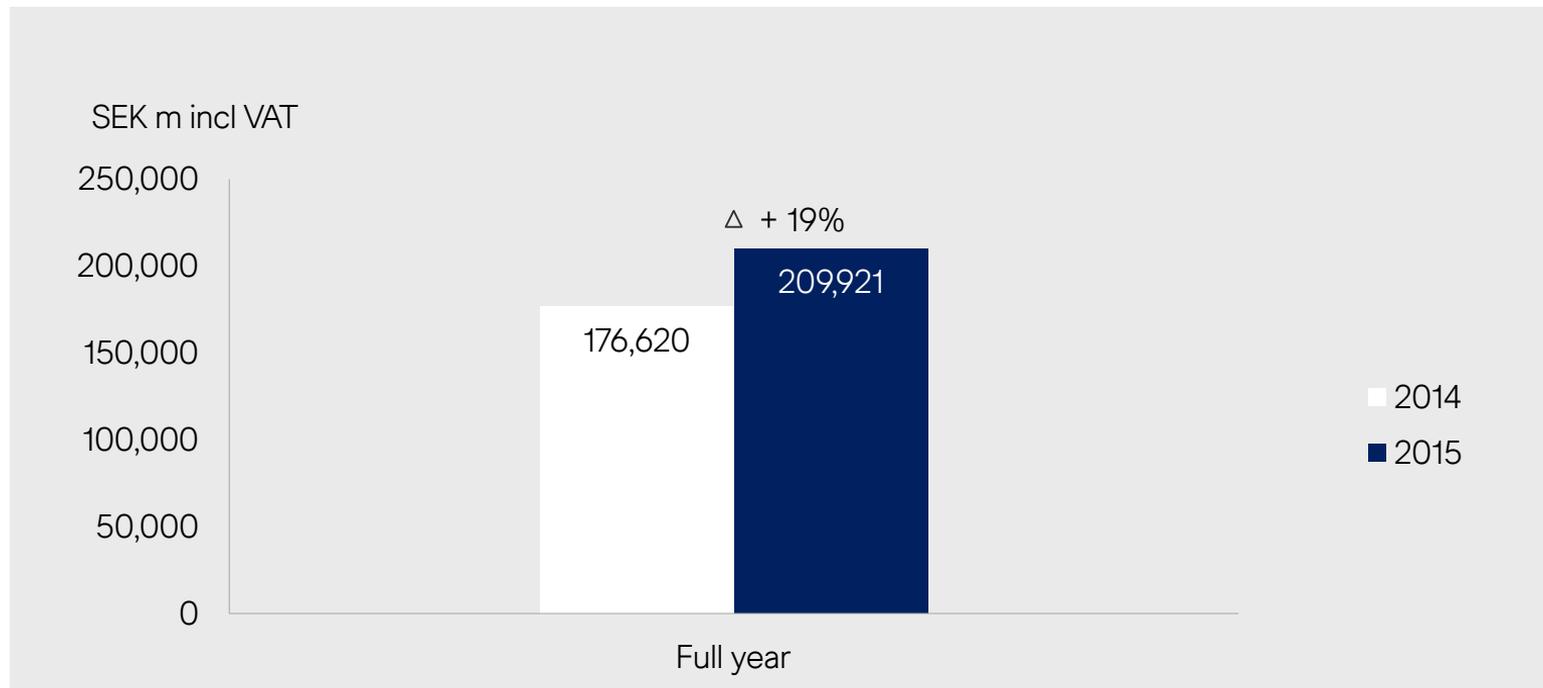




## 2015 IN BRIEF

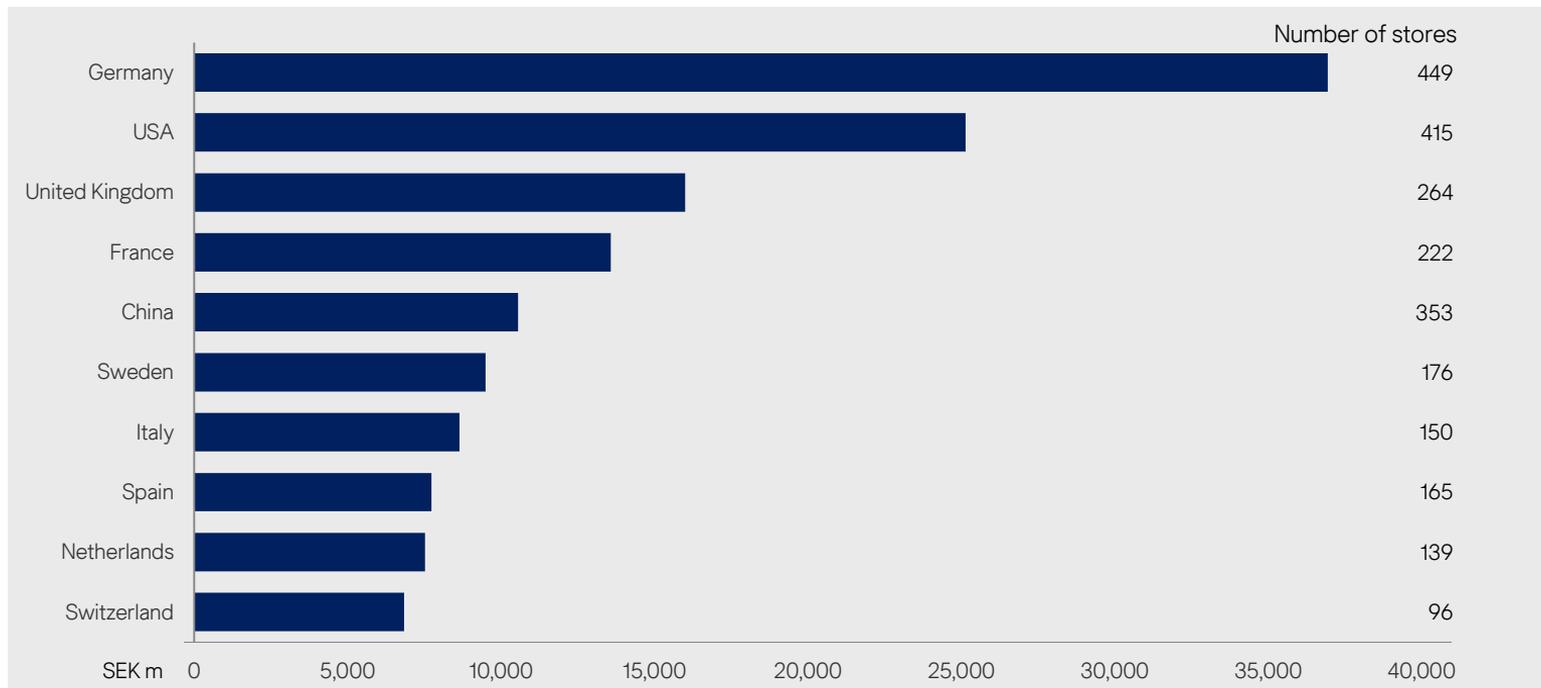
- Well-received collections for all Group brands
- Continued strong expansion with stores and e-commerce
- Sales SEK 210 billion including VAT
  - increase of 19% in SEK; +11% in local currencies
  - continued increase in market shares
- Substantial long-term investments within IT and online, new brands and broadening of the product range
- Good cost control maintained
- Profit for the year SEK 20.9 billion; +5%

# SALES



# SALES PER MARKET

TEN LARGEST MARKETS, FULL YEAR 2015





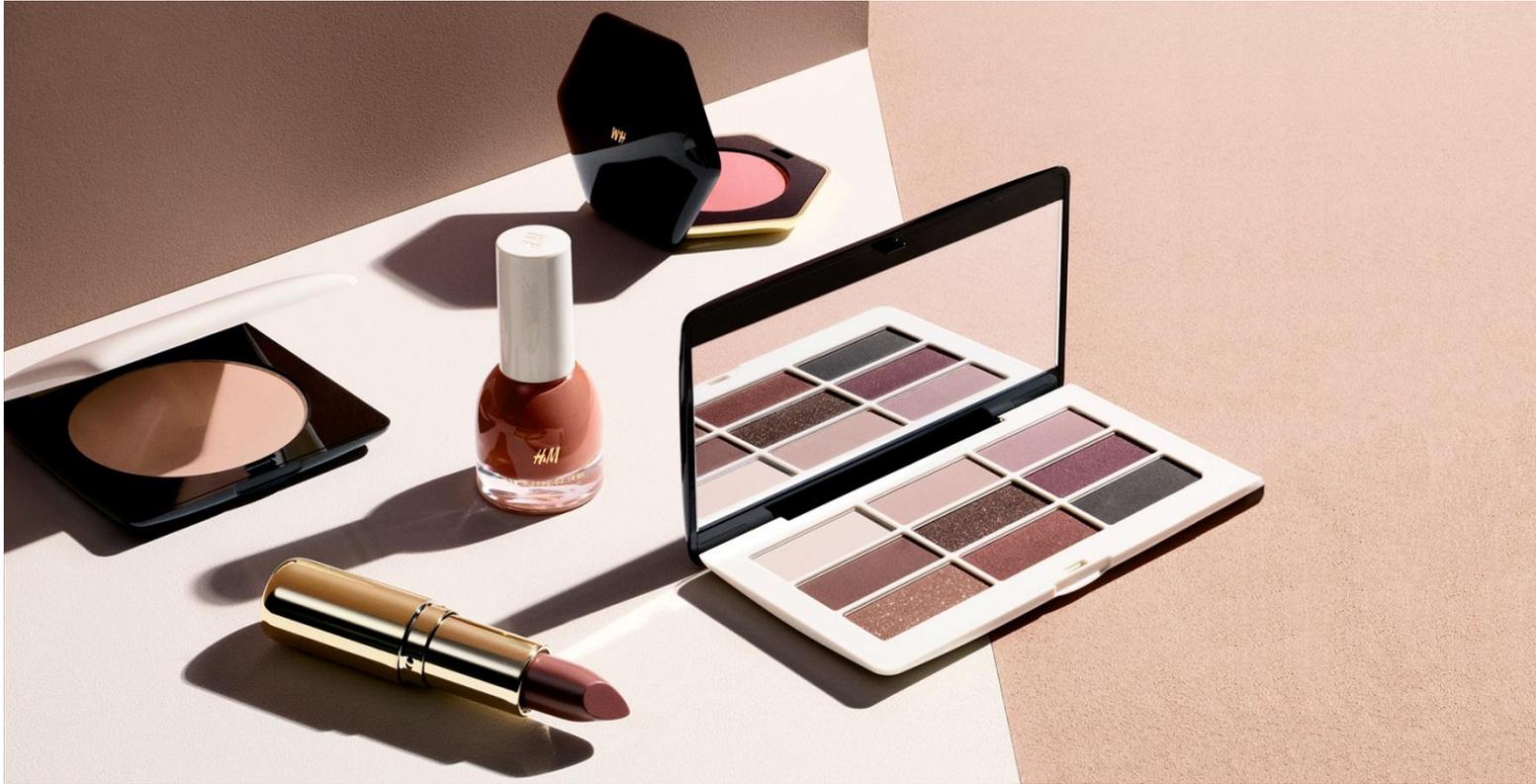
# EXPANSION 2015

- 413 new stores net, all brands included
  - China and the US largest expansion markets
  - total of 3,924 stores in 61 markets 2015
- Five new H&M markets
  - Taiwan, Peru, Macau, India and South Africa
- Rapid expansion of H&M's e-commerce with ten new markets
  - Portugal, Poland, the Czech Republic, Romania, Slovakia, Hungary, Bulgaria, Belgium, Switzerland and Russia

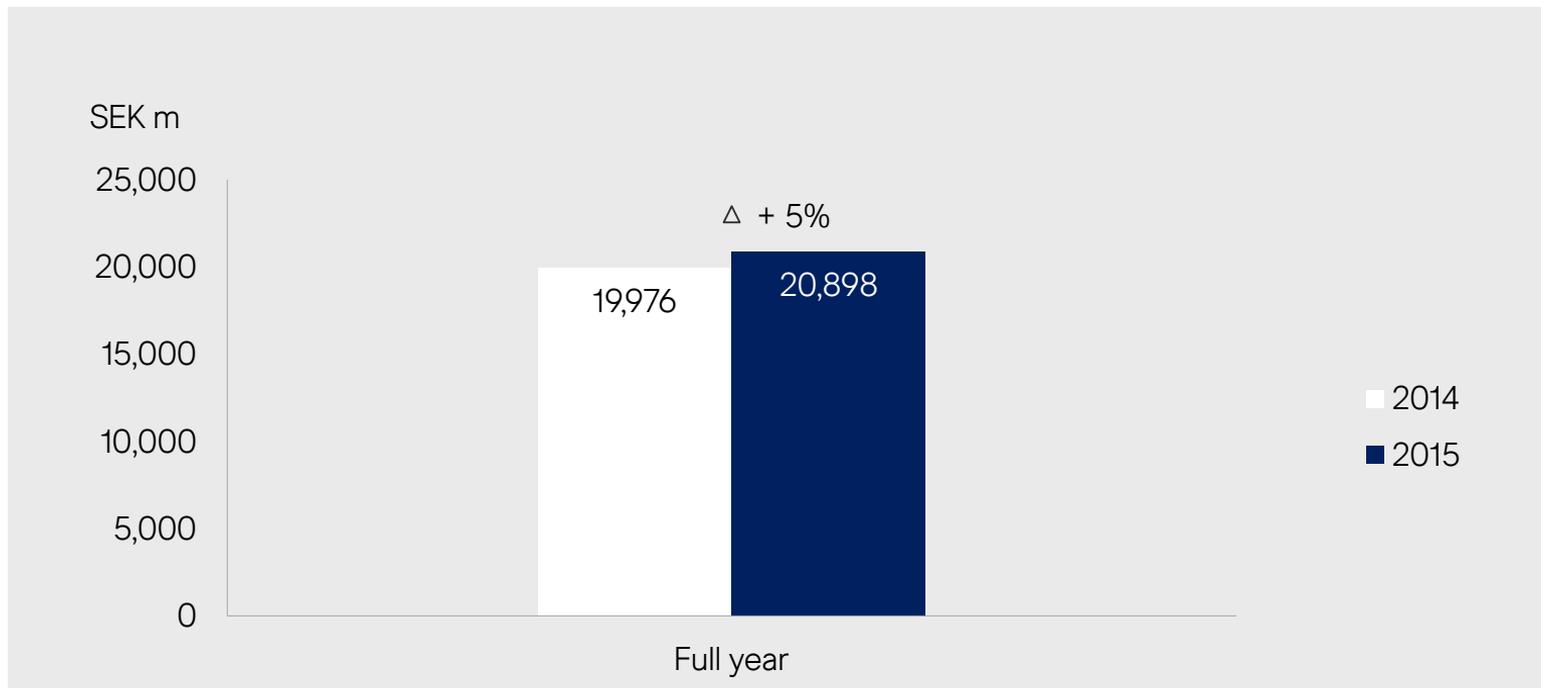




# H&M BEAUTY



# PROFIT AFTER TAX



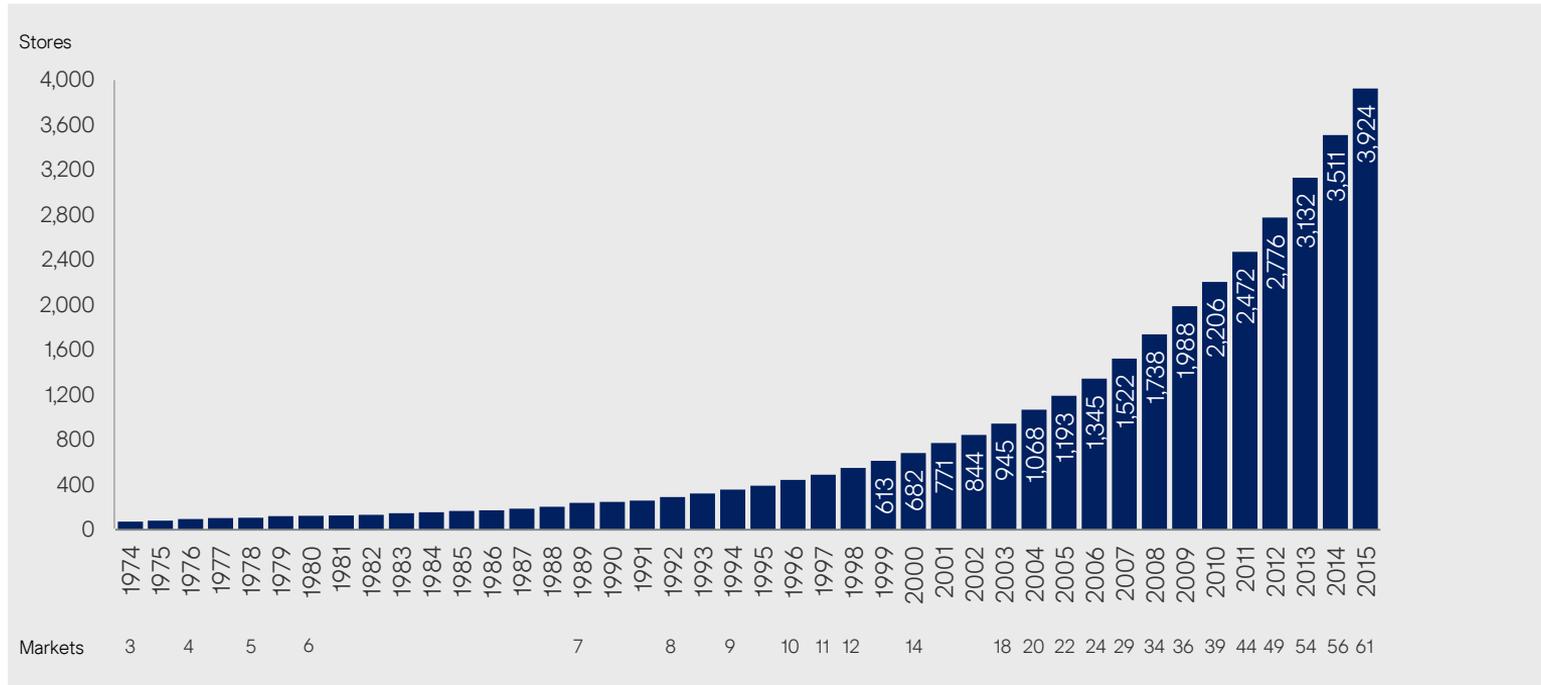


# OUR EMPLOYEES

- H&M is guided by strong, shared values
- Committed employees and the H&M spirit
  - key to H&M's success
- H&M Incentive Program (HIP)
  - for all H&M employees; regardless of salary, position, full-time or part-time
  - SEK 75 million allocated to HIP for 2015
- 16,000 new jobs created within H&M in 2015
  - more than 148,000 employees in total globally



# STORE EXPANSION



IPO 1974



# H&M, MALL OF INDIA





# EXPANSION 2016

- Approx. 425 new stores net planned for 2016
  - within target of 10-15% new stores net per year
- Three new H&M markets in 2016
  - New Zealand, Cyprus and Puerto Rico
- Continued strong expansion of H&M's e-commerce to a further 11 markets
  - Ireland, Croatia, Slovenia, Estonia, Latvia, Lithuania, Luxembourg, Japan, Greece, Canada and South Korea
  - e-commerce in 34 markets by end of 2016





# OUR BRANDS

- H&M, & Other Stories, COS, Monki, Weekday and Cheap Monday
  - several clearly defined fashion brands which complement each other well
- Five new markets planned for COS in 2016
- & Other Stories, Weekday and Monki to expand in existing and new markets

# COS



H&M

# COS



The H&amp;M logo, consisting of the letters 'H' and 'M' in a stylized, red, sans-serif font, with an ampersand between them.

# & OTHER STORIES



# WEEKDAY



H&M



**H&M**  
**CONSCIOUS  
ACTIONS**  
SUSTAINABILITY REPORT 2015





# SUSTAINABLE DEVELOPMENT

- H&M works for fair living wages in the textile industry
  - continued roll-out of the Fair Wage method
  - global framework agreement with IndustriALL and IF Metall
- Target of using 100% renewable electricity in own operations
  - 78% renewable electricity in 2015 (27% 2014)
  - 56% reduction of greenhouse gas emissions in 2015
- 31% cotton from sustainable sources in 2015 (21% 2014)
  - target of 100% by 2020 at the latest

# SUSTAINABLE DEVELOPMENT



- Long-term goal of closing the loop for textile fibres
  - cooperation with innovators developing new technologies for textile recycling
- H&M stores globally collect used garments and textiles for re-wear, reuse and recycling
  - great commitment among customers
- 12,341 tonnes of textiles handed in during 2015
  - more than 28,000 tonnes of textiles collected since 2013





H&M



H & M Hennes & Mauritz AB