

H&M Group

Press release

30 March 2023

NOTICE OF ANNUAL GENERAL MEETING

Shareholders in H & M Hennes & Mauritz AB (publ) (556042-7220) are hereby invited to the annual general meeting (AGM) to be held at 15.00 CEST on Thursday, 4 May 2023 in the Erling Persson Hall, Aula Medica, Karolinska Institutet, Nobels väg 6 in Solna. Check-in for the AGM will open at 14.00 CEST.

The board of directors has decided to allow shareholders to exercise their voting rights by post prior to the general meeting in accordance with the company's articles of association.

Right to participate and notification of attendance

Participation at the meeting venue

Shareholders who wish to attend the AGM at the meeting venue in person or by proxy must:

- both* be entered in the company's register of shareholders kept by Euroclear Sweden AB in their own name, as recorded on Tuesday, 25 April 2023,
- and* notify their intention to attend the annual general meeting no later than Thursday, 27 April 2023, either in writing to the address H & M Hennes & Mauritz AB, c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm (mark the envelope "AGM 2023") or by telephone to +46 (0)8 402 9048 between 09.00-16.00 CEST Monday to Friday, stating that it concerns notice of attendance at the AGM, by email to GeneralMeetingService@euroclear.com or on the company's website at hmgroup.com/agm.
- The attendance of any assistants (maximum two) is to be notified to the same addresses etc. by the same date.

Shareholders must state in the notification their name, personal identity number or corporate identity number and their telephone number (daytime), as well as the number of shares held and number of assistants attending, if any. Confirmation by text message from the sender "H&M" will be sent out starting from 27 April (this replaces passes for the meeting).

Participation via postal voting

Shareholders who wish to participate in the AGM through postal voting must:

- both* be entered in the company's register of shareholders kept by Euroclear Sweden AB in their own name, as recorded on by Tuesday, 25 April 2023,
- and* register their participation no later than Thursday, 27 April 2023 by submitting a completed and signed postal voting form by post to H & M Hennes & Mauritz AB, c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm (mark the envelope "AGM 2023") or by email to GeneralMeetingService@euroclear.com, so that the postal vote is received by Euroclear Sweden AB no later than that day. Shareholders may also cast their postal votes electronically, using BankID verification, on Euroclear Sweden AB's website <https://anmalan.vpc.se/EuroclearProxy/>. Such electronic votes must be cast no later than 27 April 2023.

A special form is to be used for postal voting. The form is available on the company's website at hmgroup.com/agm. Shareholders that are participating only through postal voting are not required to register for the meeting separately.

Shareholders who wish to attend the meeting at the venue, either in person or by proxy, must notify this in accordance with the instructions given above under the heading *Right to participate and notification of attendance - Participation at the meeting venue*. This means that notification solely via postal voting is not sufficient for those who wish to participate in the meeting at the venue.

A proxy form must be enclosed with the postal voting form if the shareholder is voting via a proxy. A proxy form will be provided by the company on request and is also available on the company's website at hmgroup.com/agm. If the shareholder is a legal entity, the form must also be accompanied by a registration certificate or other authorisation document indicating the authorised signatory.

Shareholders must not add any special instructions or conditions to their postal votes. If they do, the postal votes (i.e. the postal voting in its entirety) will be invalid. Further instructions and conditions can be found in the postal voting form and at <https://anmalan.vpc.se/EuroclearProxy>.

Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee must have their shares re-registered in their own name in order to be entitled to participate in the AGM. Such registration may be temporary (known as voting right registration). Voting right registration that has been completed by 27 April 2023 will be taken into account when preparing the register of shareholders.

Proxies

As usual, it will be possible to be represented at the meeting by a proxy. A proxy form is available on the website at hmgroup.com/agm.

Information at the AGM

H&M is aware that many shareholders would like to ask questions about the company, and H&M welcomes such questions and encourages those who wish to raise general questions about the company to contact H&M; see contact details below.

Shareholders are entitled to certain information at the AGM. The board of directors and the CEO shall, if any shareholder so requests and the board of directors believes that it can be done without material harm to the company, provide information on circumstances that may affect the assessment of an item on the agenda, on circumstances that may affect the assessment of the financial situation of the company or its subsidiaries, and on the company's relations with another company within the group.

Anyone wishing to submit questions in advance may do so as follows:

by post:

H & M Hennes & Mauritz AB
c/o Euroclear Sweden AB,
Box 191, 101 23 Stockholm (mark the envelope "Questions AGM 2023")
Sweden

or

by email:

Hm4may@hm.com

Privacy policy for processing of personal data in conjunction with general meeting

For information on how your personal data is processed, see:

<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

PROPOSED AGENDA

1. Opening of the AGM.
2. Election of a chair for the AGM.
3. Establishment and approval of voting list.
4. Approval of the agenda.
5. Election of people to check the minutes.
6. Examination of whether the meeting was duly convened.
7. Presentation of the annual and sustainability report and the auditor's report, as well as the consolidated accounts and consolidated auditor's report, and auditor's statement on whether the guidelines for remuneration of senior executives applicable since the last AGM have been followed.
8. Comments by auditor, chair of the board and CEO, and questions from shareholders to the company's board and management.

9. Resolutions
 - a. Adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet.
 - b. Distribution of the company's earnings in accordance with the adopted balance sheet and record date.
 - c. Discharge of the members of the board and the CEO from liability to the company.
10. Establishment of the number of board members and auditors.
11. Establishment of fees to the board and auditors.
12. Election of board members and chair of the board.

The nomination committee proposes:

 - 12.1 Stina Bergfors
 - 12.2 Anders Dahlvig
 - 12.3 Danica Kragic Jensfelt
 - 12.4 Lena Patriksson Keller
 - 12.5 Karl-Johan Persson
 - 12.6 Christian Sievert
 - 12.7 Niklas Zennström
 - 12.8 Christina Synnergren
 - 12.9 Chair of the board: Karl-Johan Persson
13. Election of auditor.
14. Presentation of the board's remuneration report for approval.
15. Resolution to reduce the share capital through the cancellation of treasury shares and to increase the share capital through a bonus issue.
16. Resolution authorising the board to make decisions concerning purchase of own shares.
17. Shareholder proposal submitted by Daniel Sommerstein on instructing the board and CEO to launch Fairtrade-labelled clothing.
18. Shareholder proposal submitted by Fair Action calling for action by the board in respect of workers in H&M's supply chain.
19. Shareholder proposal submitted by Fondazione Finanza Etica on reporting exposure to GM and organically produced cotton respectively etc.
20. Shareholder proposal submitted by People for the Ethical Treatment of Animals (PETA) that the general meeting strongly encourages the board to prepare a report on the slaughter methods used to procure down for H&M.
21. Closing of the AGM.

Nomination committee

The current nomination committee comprises Karl-Johan Persson, chair of the board; Stefan Persson (Ramsbury Invest), chair of the nomination committee; Lottie Tham; Joachim Spetz (Swedbank Robur Fonder); and Karin Eliasson (Handelsbanken Fonder).

Resolutions proposed by the nomination committee

Item 2 – Proposed by the nomination committee: the lawyer Andreas Steen is proposed as chair of the AGM.

Item 10 – The nomination committee proposes eight board members with no deputies. The nomination committee proposes that one auditor be elected.

Item 11 – The nomination committee proposes that the board fees for each member elected by the general meeting are distributed as follows: chair of the board SEK 1,850,000; members SEK 800,000. It is proposed that the fees for work in the audit committee are SEK 300,000 for the chair and SEK 200,000 for each of the other members.

If the meeting approves the nomination committee's proposal for the composition of the board, and if the number of members of the audit committee remains as previously, the total fees will be SEK 8,150,000 compared with the previous year's fees of SEK 7,905,000, which is a 3 percent increase.

It is proposed that the auditor's fees be paid based on approved invoices.

Item 12 – The nomination committee proposes the following board of directors:
 Re-election of the following current board members: Stina Bergfors, Anders Dahlvig, Danica Kragic Jensfelt, Lena Patriksson Keller, Karl-Johan Persson, Christian Sievert and Niklas Zennström. Election of Christina Synnergren as a new board member.

Erica Wiking Häger has asked to step down from the board since Mannheimer Swartling Advokatbyrå, where Erica is a partner, has adopted stricter policies regarding external board assignments.

Chair of the board: re-election of Karl-Johan Persson.

Information on the proposed new board member:

Christina Synnergren: born 1978.

Christina Synnergren holds an MSc in Economics and Business from Stockholm School of Economics. Christina has 20 years of experience from management consulting firm BCG (Boston Consulting Group), most recently as Managing Director and Senior Partner. She has also held other leadership positions within BCG, including as a member of the global leadership team for the retail and fashion sector, as well as being a member of BCG's Executive Committee – the decision-making body responsible for managing the entire firm globally. Christina has now chosen to leave BCG and her employment there will end during the first quarter of 2023.

Her own shareholding in H&M amounts to 0 shares and related parties' holdings in H&M to 0 shares.

More information on the proposed board members can be found at hmgroup.com.

Item 13 – The nomination committee proposes, in accordance with the recommendation by the audit committee, that registered accounting firm Deloitte AB be elected as auditor of the company until the conclusion of the 2024 annual general meeting. Deloitte AB has notified that if the AGM approves the proposal, authorised public accountant Didrik Roos will be the auditor-in-charge.

Resolutions proposed by the board

VOTING LIST, item 3

The voting list proposed for approved is the voting list established by Euroclear Sweden AB on behalf of the company, based on the register of shareholders for general meetings, shareholders who have notified their attendance at the meeting venue and postal votes received.

DIVIDEND AND RECORD DATE, item 9 b

The board proposes that the 2023 annual general meeting approves a dividend to the shareholders of SEK 6.50 per share. The board proposes that the dividend is paid in two instalments during the year, one in May and one in November. The proposed record date for the first dividend payment of SEK 3.25 per share is 8 May 2023. If the resolution is passed by the annual general meeting, the first dividend payment is expected to be made by Euroclear Sweden AB on 11 May 2023. The proposed record date for the second dividend payment of SEK 3.25 per share is 10 November 2023. If the resolution is passed by the annual general meeting, the second dividend payment is expected to be made by Euroclear Sweden AB on 15 November 2023.

PROPOSAL BY THE BOARD THAT THE MEETING RESOLVE TO REDUCE THE SHARE CAPITAL THROUGH THE CANCELLATION OF TREASURY SHARES AND TO INCREASE THE SHARE CAPITAL THROUGH A BONUS ISSUE, item 15

The board proposes that the annual general meeting resolves to decrease the share capital, for allocation to non-restricted equity, by cancelling the 25,385,163 class B treasury shares repurchased as part of H&M's buyback programme, through which the share capital decreases by SEK 3,173,145.375.

To restore the share capital following the decrease in the share capital, the board proposes that the annual general meeting at the same time resolves to increase the share capital by SEK 3,173,145.375 through a bonus issue without issuing new shares, whereby the decrease amount is to be transferred from non-restricted equity.

Statement pursuant to chapter 20 section 13 of the Swedish Companies Act: The effect of the board's proposal to decrease the share capital is that the share capital and restricted equity decrease by SEK 3,173,145.375. The effect of the board's proposal to increase the share capital through a bonus issue is that the share capital and restricted equity increase by SEK 3,173,145.375. Overall, therefore, there is no decrease in the share capital or restricted equity.

RESOLUTION AUTHORISING THE BOARD TO MAKE DECISIONS CONCERNING PURCHASE OF OWN SHARES, item 16

The board proposes that the annual general meeting resolves to authorise the board of directors to decide on purchases of the company's own Series B shares as follows:

The board is authorised to make purchases of the company's Series B shares on as many occasions as it deems appropriate in the period up to the 2024 annual general meeting for a total amount not exceeding SEK 3 billion; the number of shares purchased must at no time result in the company's holding exceeding 10 percent of all the shares in the company. The board of directors will wait to see how the company develops during the year and the authorisation will only be used provided that, just as to date, the expansion and investments are able to take place with continued freedom of action and taking into consideration the financial position and capital structure targets of the group and the parent company, as well as the requirements that the nature and extent of the business and its risks and development plans impose on the equity and liquidity of the group and the parent company.

The purchases are to be made on Nasdaq Stockholm at a price per share within the price interval applicable at the time of acquisition. The purpose of the authorisation is to enable the board to adjust the company's capital structure during the period up to the next annual general meeting, after which the board intends – if the authorisation has been used – to propose to the 2024 annual general meeting that it resolve to cancel the shares repurchased by the company.

Required majority

For the resolutions in items 15 and 16 to be passed the proposal must be supported by shareholders representing at least two thirds of both the votes cast and the shares represented at the meeting.

Other proposed resolutions etc.

Item 17

Shareholder Daniel Sommerstein proposes that the general meeting instructs the board of directors and CEO to take the necessary decisions to in turn have their employees initiate a plan for launching clothing with the Fairtrade label, thereby showing that we are serious about these issues and that we do not shy away from any solutions to the complex problems that exist at the production stage.

Item 18

Shareholder proposal submitted by Fair Action:

“The Annual General Meeting calls on the Board of Directors to:

Join negotiations with union representatives and suppliers in order to establish and manage a transparent and legally binding agreement. Through the Agreement, the parties will establish and manage:

- a Global Wage Assurance Account, to ensure workers will have received their regular wages during the period of the Covid-19 pandemic, both retroactively and going forward;
- a Global Severance Claims Account, to ensure payment of severance compensation for workers at factories that close or undertake a mass dismissal; and
- a Global Administration and Enforcement Account, to support the governance monitoring, and enforcement of the Agreement, including ensuring that basic labour rights are respected.

Item 19

Shareholder proposal submitted by Fondazione Finanza Etica:

“We request that H&M:

- discloses an estimate of its exposure to GM cotton in percentage of its total sourced cotton;
- assesses and discloses the environmental and social risks of sourcing GM cotton;
- sets precise targets for decreasing its exposure to GM cotton;
- sets precise targets for increasing its sourcing of organic cotton (at the moment only a generic target of “continue sourcing 100% recycled, organic, in-conversion or Better Cotton Initiative certified cotton” and a more concrete target of using 30% of recycled cotton by 2025 have been formulated.”

Item 20

The shareholder People for the Ethical Treatment of Animals (PETA) proposes that the general meeting strongly encourages the board to prepare a report on the slaughter methods used to procure down for H&M.

Number of shares and votes

There are 194,400,000 class A shares in the company with 10 votes per share and 1,460,672,000 class B shares with one vote per share, with the result that the total number of shares in H&M is 1,655,072,000 and the total number of votes is 3,404,672,000. At the time the notice of the annual general meeting was issued H&M itself held 25,385,163 class B shares, corresponding to 25,385,163 votes, which cannot be represented at the meeting.

The annual and sustainability report for 2022 was published on the company's website at hmgroup.com/agm on 30 March 2023.

The annual and sustainability report is available at H&M's head office, Mäster Samuelsgatan 46A, 106 38 Stockholm and on the company's website, will be sent out to shareholders submitting such a request and stating their postal address. It will also be available at the meeting, as will the auditor's report and auditor's statement, the board's remuneration report and other documents that are to be made available to the shareholders according to the Swedish Companies Act.

Correspondence from shareholders proposing the resolutions in items 17, 18, 19 and 20 is available at H&M's head office and on the company's website.

Stockholm, March 2023
H & M Hennes & Mauritz AB (publ)
The Board of Directors

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Press images and background information for editorial use can be downloaded from hmgroup.com/media.

The notice of the annual general meeting is being published on 30 March 2023 on the company's website hmgroup.com/agm.

On 4 April 2023 the notice will be published in Post- och Inrikes Tidningar (the Swedish Official Gazette). On the same date an advertisement will appear in Dagens Nyheter and Svenska Dagbladet stating that the meeting has been convened.

H & M Hennes & Mauritz AB (publ) was founded in Sweden in 1947 and is quoted on Nasdaq Stockholm. H&M's business idea is to offer fashion and quality at the best price in a sustainable way. In addition to H&M, the group includes the brands COS, Monki, Weekday, & Other Stories, H&M HOME and ARKET as well as Afound. For further information, visit hmgroup.com.

H&M Group  COS WEEKDAY MONKI H&M HOME & Other Stories ARKET AFOUND