

# H&M GROUP GRI INDEX 2024

Disclosure	Notes
<b>GRI 1: FOUNDATION</b>	
Statement of use	H&M Group has reported in accordance with the GRI standards for the period 1 December 2023–30 November 2024.
GRI 1 used	GRI 1: Foundation 2021.
Applicable GRI sector standards	Not currently available.

GRI standard	Disclosure	Pages in annual and sustainability report 2024 (ASR)	External assurance	Notes and omissions
<b>GRI 2: GENERAL DISCLOSURES</b>				
2-1	Organisational profile	113, 139, 166	Yes	
2-2	Entities included in the organisation's sustainability reporting	54, 133, 152, 154		
2-3	Reporting period, frequency and contact point	113, 166		Publication date: March 27, 2025. If you have questions, need help locating information, or want to find the latest on our sustainability work including strategy, goals, standards and policies, please contact sustainabilitygovernance@hm.com
2-4	Restatements of information	64, 66, 77		
2-5	External assurance	110–111, 156–159	Yes	Deloitte has provided limited assurance of specific information in our annual and sustainability report.
2-6	Activities, value chain, and other business relationships	15–17, 20–21, 25–31, 35, 56–57		
2-7	Employees	94–96, 114, 138–139	Yes	
2-8	Workers who are not employees	97–101		
2-9	Governance structure and composition	39–51, 54	Yes, limited to the number of executive members and non-executive members, percentage of members of administrative, management and supervisory bodies by gender and other aspects of diversity, and percentage of independent board members.	
2-10	Nomination and selection of the highest governance body	39–43, 47–49		
2-11	Chair of the highest governing body	42–46		
2-12	Role of the highest governing body in overseeing the management of impacts	39–43, 48–51, 54		
2-13	Delegation of responsibility for managing impacts	48–49, 54		
2-14	Role of the highest governance body in sustainability reporting	39–43, 48–51, 54		The sustainability director reports on sustainability goals and key performance indicators biannually to the board of directors and quarterly to the CEO and CFO. Quarterly reports cover KPIs, key challenges, learning, activities, impacts, and achievements across brands and markets. The audit committee monitors the effectiveness of internal control and risk management, reporting regularly to the board of directors on the status of these processes.

GRI standard	Disclosure	Pages in annual and sustainability report 2024 (ASR)	External assurance	Notes and omissions
2-15	Conflicts of interest	42, 47, 105		
2-16	Communication of critical concerns	48–49, 105		Partially omitted (confidentiality constraints) – number of critical concerns that were communicated to the highest governance body during the reporting period not reported.
2-17	Collective knowledge of the highest governance body	42–46, 54		The board is updated on sustainability impacts, risks and opportunities on a quarterly basis.
2-18	Evaluation of the performance of the highest governance body	42–46		The evaluation of the board is described without specific reference to environment and people.
2-19	Remuneration policies	40–41, 114–116, 138–139		
2-20	Process to determine remuneration	40–41, 114–116, 138–139		
2-21	Annual total compensation ratio	138–139		Partially omitted (confidentiality constraints) – amounts reported in absolute figures rather than ratio, and excludes median annual total compensation for all employees.
2-22	Statement on sustainable development strategy	10–12		
2-23	Policy commitments	39–40, 59, 67, 69, 71, 73, 81, 91, 94, 97, 102–103, 105, 108		See also our full list of <a href="#">standards, codes and policies</a> . Each policy describes the level at which each policy commitment was approved within the organisation. All policies are approved by senior level management.
2-24	Embedding policy commitments	39–40, 59, 67, 69, 71, 73, 81, 91, 94, 97, 102–103, 105, 108		
2-25	Processes to remediate negative impacts	60–63, 67, 69, 71, 73–75, 85–89, 94–95, 97–98, 102–103, 105–106		
2-26	Mechanisms for seeking advice and raising concerns	97, 102, 105		
2-27	Compliance with laws and regulations	39–40, 48–49, 105–107		
2-28	Membership associations	61–62, 67, 70, 73–75, 94, 97–99		See our full list of <a href="#">collaborations</a> .
2-29	Approach to stakeholder engagement	54–55	Yes	See also our <a href="#">stakeholder engagement overview</a> .
2-30	Collective bargaining agreements	96, 98, 101		Based on degree of risk and impact, we also report the percentage of our tier 1 and tier 2 suppliers with collective bargaining agreements in place.

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<b>GRI 3: MATERIAL TOPICS</b>				
3-1	Process to determine material topics	54–56	Yes	See also <a href="#">how we report</a> and our <a href="#">material issues</a> .
3-2	List of material topics	57	Yes	See also our <a href="#">material issues</a> and <a href="#">salient human rights issues</a> .
3-3	Management of material topics	See note.		See all relevant disclosures below, by topic.
<b>TOPIC STANDARDS</b>				
<b>201: Economic performance</b>				
3-3	Management approach	15–17, 20–21, 113–114		
201-1	Direct economic value generated and distributed	127, 130, 133–145		
201-2	Financial implications and other risks and opportunities due to climate change	49, 51, 85–89, 133		
201-3	Defined benefit plan obligations and other retirement plans	138–139, 146–147		
201-4	Financial assistance received from government	134		
Own indicator	Sales growth and profitability on an annual basis (in local currencies)	7		See also <a href="#">how we report</a> .
<b>202: Market presence</b>				
3-3	Management approach	92, 95, 99		We have updated and digitalised our global job framework and have started defining our global pay transparency approach. We have introduced adequate wages in our compensation benchmarks and core compensation processes. Insights from our global compensation data and analysis will further guide our plans and actions. For 2024, we report detailed wage data for tier 1 suppliers in key markets rather than for our own operations.
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	100		See 3-3 above.
202-2	Proportion of senior management hired from the local community	See note.		Omitted (information incomplete).
<b>203: Indirect economic impact</b>				
3-3	Management approach	15–16, 33, 54		
203-1	Infrastructure investments and services supported	60–63		
203-2	Significant indirect economic impacts	97–102		

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<b>205: Anti-corruption</b>				
3-3	Management approach	105–106, 108		
205-1	Operations assessed for risks related to corruption	105–106		
205-2	Communication and training about anti-corruption policies and procedures	105–106	Yes, limited to code of ethics e-learning completion rate for H&M Group employees	Partially omitted (information incomplete) – total figure provided. All new employees are trained on our <a href="#">code of ethics</a> , and all suppliers must sign the code before they can be accepted by H&M Group.
205-3	Confirmed incidents of corruption and actions taken	106–107	Yes	We report total reported incidents of potential non-compliance with our code of ethics, which includes reported corruption cases.
<b>207: Tax</b>				
3-3	Management approach	47–48, 120, 133, 141–142		See also our <a href="#">tax policy</a> .
207-1	Approach to tax	47–48, 120, 133, 141–142		See also our <a href="#">tax policy</a> .
207-2	Tax governance, control, and risk management	39–42, 47–48, 50, 120, 141–142		See also our <a href="#">tax policy</a> .
207-3	Stakeholder engagement and management of concerns related to tax	48–50		See also our <a href="#">tax policy</a> .
207-4	Country-by-country reporting	136–137, 141–142		Partially omitted (confidentiality constraints) – country breakdown not reported. See also our <a href="#">tax policy</a> .
<b>301: Materials</b>				
3-3	Management approach	25, 73–75		We have measurable goals for different material types in commercial products, including recycled materials, recycled polyester, cotton, wood-based materials and man-made cellulosic fibres, wool, leather, cashmere, down, and mohair. We also have measurable goals for recycled or sustainably sourced packaging material.
301-1	Materials used by weight or volume	76–77		
301-2	Recycled input materials used	77	Yes	
301-3	Reclaimed products and their packaging materials	78		
Own indicator	Percentage of plastic packaging designed for reuse or recycling	77	Yes	Partially omitted (information incomplete) – packaging material for reclaimed products not reported.
Own indicator	Animal welfare	105		See also <a href="#">how we report</a> . See also our <a href="#">animal welfare policy</a> .
<b>302: Energy</b>				
3-3	Management approach	59–63		
302-1	Energy consumption within the organisation	66	Yes	
302-2	Energy consumption outside of the organisation	See note.		Omitted (information incomplete).
302-3	Energy intensity	66		
302-4	Reduction of energy consumption	61		
302-5	Reductions in energy requirements of products and services	60–61		

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<b>303: Water and Effluents</b>				
3-3	Management approach	69–70		
303-1	Interactions with water as a shared resource	69–70		H&M Group uses WWF’s Water Risk Filter to assess water-related impacts across the supply chain, setting contextual water targets based on identified risks. This tool helps us understand water scarcity and other relevant risks in key regions. In addition to using this tool, we also collaborate with key business partners, sharing our water risk assessments and encouraging partners to assess their own supply chain risks.
303-2	Management of water discharge-related impacts	69–70		
303-3	Water withdrawal	69–70		Our water strategy includes measurable goals. We report share of absolute reduction in freshwater consumption in tier 1 and tier 2 production factories. Our 2030 target is to reduce absolute freshwater consumption by 30% from 2022 baseline.
303-4	Water discharge	67		We report against the priority substances of concern which are defined in the ZDHC wastewater quality requirements. In 2018, we transitioned to the ZDHC wastewater quality requirements, which are based on a broad consultation process and aligned with our work to achieve <u>zero discharge of hazardous chemicals</u> .
303-5	Water consumption	70		See 303-3 above.
Own indicator	Share of tier 1 and tier 2 production factories with functional ETP assessments or with green grade ETP functionality assessment.	68	Yes	See also <a href="#">how we report</a> .
Own indicator	Percentage of supplier factories in full compliance with wastewater quality requirements (ZDHC).	68	Yes	In 2018, we transitioned to the ZDHC wastewater quality requirements, which are based on a broad consultation process and aligned with our work to achieve <u>zero discharge of hazardous chemicals</u> . See also <a href="#">how we report</a> .
<b>304: Biodiversity</b>				
3-3	Management approach	71		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	See note.		Omitted (information incomplete). In 2023, H&M Group joined the Science Based Targets for Nature (SBTN) pilot study alongside 16 other companies, which aims to reduce negative impacts and enhance positive outcomes for nature and people across companies.
304-2	Significant impacts of activities, products and services on biodiversity	71		See 304-1 above.
304-3	Habitats protected or restored	71		
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	See note.		H&M Group does not accept materials from vulnerable or endangered species, as defined by CITES (Convention on International Trade in Endangered Species) and the IUCN Red List. See 304-1 above. During 2024 we have also taken action to reduce the conversion of natural ecosystems and promote regenerative agriculture practices.

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<b>305: Emissions</b>				
3-3	Management approach	59–63		
305-1	Direct (Scope 1) GHG emissions	64	Yes	We chose 2019 as our baseline year, since the impact of the Covid-19 pandemic on our carbon emissions makes 2020 an inappropriate year against which to measure longer-term performance data.
305-2	Energy indirect (Scope 2) GHG emissions	64	Yes	See 305-1 above.
305-3	Other indirect (Scope 3) GHG emissions	64–65	Yes, limited to scope 3 emissions from transportation, raw materials, non-garments, packaging, other expenditures, garment manufacturing and fabric production.	See 305-1 above.
305-4	GHG emissions intensity	64	Yes	
305-5	Reduction of GHG emissions	63–64	Yes	
305-6	Emissions of ozone-depleting substances (ODS)	See note.		Omitted (not material).
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	See note.		Omitted (not material).
<b>306: Waste</b>				
3-3	Management approach	73–75		
306-1	Waste generation and significant waste-related impacts	78		
306-2	Management of significant waste-related impacts	73–75, 78		
306-3	Waste generated	78		For comparability reasons, we report these data by percentage and not by weight or volume. We are working to report our waste data by volume in future.
306-4	Waste diverted from disposal	78		See 306-3 above.
306-5	Waste directed to disposal	78		See 306-3 above.
Own indicator	Number and percentage of selling markets and stores where we offer resell	78	Yes	See also <a href="#">how we report</a> .
<b>308: Supplier environmental assessment</b>				
3-3	Management approach	35, 55, 59–63, 67, 69–71, 73–75, 105		
308-1	New suppliers that were screened using environmental criteria	106		
308-2	Negative environmental impacts in the supply chain and actions taken	60–63, 67, 69–71, 73–74		
<b>401: Employment</b>				
3-3	Management approach	94–95		
401-1	New employee hires and employee turnover	96	Yes	Partially omitted (information incomplete) – total employee figures reported by region and gender. The only data included in the report is the voluntary employee turnover.

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<b>403: Occupational health and safety</b>				
3-3	Management approach	94		
Own indicator	Percentage of tier 1 and tier 2 production supply chain factories with Health and Safety Committees in place	101	Yes	See also <a href="#">how we report</a> .
<b>404: Training and education</b>				
3-3	Management approach	94–95		
404-1	Average hours of training per year per employee	96		
404-2	Programs for upgrading employee skills and transition assistance programs	94–95		
404-3	Percentage of employees receiving regular performance and career development reviews	96		We report share of employees and (or) non-employees that participated in regular performance and career development review by gender.
<b>405: Diversity and equal opportunity</b>				
3-3	Management approach	95		
405-1	Diversity of governance bodies and employees	54, 96, 139	Yes	Omission of percentage of individuals within the organisation's governance bodies by age group and by other indicators of diversity.
405-2	Ratio of basic salary and remuneration of women to men	See note.		H&M Hennes & Mauritz UK Limited has a mean average gender pay gap of 9,5% indicating a differential in favour of men. The median average gap stands at 1,3% showcasing a narrower divide between the genders suggesting a more equitable distribution of salaries among our employees. Meanwhile H&M Hennes & Mauritz UK Services Limited has a mean average gap of 1,6% in favour of men with the median average sitting 0.0%. For more detailed analysis and conclusions, read our <a href="#">UK gender pay gap report</a> .
<b>406: Non-discrimination</b>				
3-3	Management approach	94–96		
406-1	Incidents of discrimination and corrective actions taken	101		Reported for our production supply chain.
<b>407: Freedom of association and collective bargaining</b>				
3-3	Management approach	92, 96, 98		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	98		
Own indicator	Percentage of tier 1 and tier 2 production factories with trade union representation	101	Yes	See also <a href="#">how we report</a> .
<b>408: Child labour</b>				
3-3	Management approach	92, 98		See also our <a href="#">modern slavery statement</a> .



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408-1	Operations and suppliers at significant risk for incidents of child labour	98		See also our <a href="#">modern slavery statement</a> .
<b>409: Forced or compulsory labour</b>				
3-3	Management approach	92, 98		See also our <a href="#">modern slavery statement</a> .
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	98		See also our <a href="#">modern slavery statement</a> .
<b>413: Local communities</b>				
3-3	Management approach	102		
413-1	Operations with local community engagement, impact assessments, and development programs	102		
413-2	Operations with significant actual and potential negative impacts on local communities	102		
<b>414: Supplier social assessment</b>				
3-3	Management approach	35, 55, 59-63, 67, 69-71, 73-75, 105		
414-1	New suppliers that were screened using social criteria	106	Yes	See also <a href="#">how we report</a> .
414-2	Negative social impacts in the supply chain and actions taken	97-98		
Own indicator	Average monthly wages (excluding overtime) at tier 1 production supplier factories versus applicable minimum wages in key production markets	100	Yes	See also <a href="#">how we report</a> .
Own indicator	Average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated	107	Yes	See also <a href="#">how we report</a> .
Own indicator	Share of commercial supplier payments made on time	107	Yes	See also <a href="#">how we report</a> .
<b>415: Public policy</b>				
3-3	Management approach			Omitted (not material).

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415-1	Political contributions			Omitted (not material). H&M Group does not provide direct financial contributions to individual politicians or political parties.
<b>416: Customer health and safety</b>				
3-3	Management approach	103		<p>All of our products are assessed for health and safety improvements, for example in regard to chemical safety.</p> <p>H&amp;M Group follows the Apparel and Footwear International RSL Management (AFIRM) Restricted Substances List (RSL) and the Zero Discharge of Hazardous Chemicals (ZDHC) Manufacturing Restricted Substances List (MRSL), as well as the ZDHC Wastewater Guidelines and Chemical Management System. Beyond these industry standards, our H&amp;M Group Chemical Restriction List includes additional limitations on potentially harmful substances.</p> <p>We conduct unannounced quality tests at on-site Effluent Treatment Plants (ETP), focusing on key conventional parameters. Suppliers share wastewater test results in the ZDHC Gateway Water Module to meet ZDHC wastewater guidelines.</p>
<b>417: Marketing and labelling</b>				
3-3	Management approach	103		All of our products are labelled with the legally required information about material composition. We are working to provide consistent, comparable information to customers by focusing on transparency and traceability and continually improving the comparability and quality of the data, systems and calculations we use.
417-1	Requirements for product and service information and labeling	103		See management approach above.
<b>418: Customer privacy</b>				
3-3	Management approach	103		Protecting personal data and the privacy of our customers and employees is of the greatest concern for H&M Group. We have a dedicated data privacy team and mature systems to ensure compliance with the EU General Data Protection Regulation (GDPR). Read our <a href="#">privacy policy</a> .
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	103	Yes	<p>We had 6 substantiated complaints concerning breaches of customer privacy during 2024. All cases, except for one, have been closed with no further action required by the supervising authorities. The remaining open case is being managed appropriately in coordination with the relevant supervising authority.</p> <p>We recognise the growing importance of data privacy to our customers. Protecting personal data and privacy is of the greatest concern to H&amp;M Group and we work with the relevant supervisory authority to resolve complaints.</p>