

# Human Rights Policy

Applies to:	H&M Group Functions and Business Partners
Corresponding Procedures:	Listed in the policy
Contact:	Head of Social Impact
Approved date:	July 2025
Owner:	H&M Group Sustainability
Version:	3

## Introduction

Our policies are an important part of how we do business. They explain our strategic direction and purpose, ensuring we act lawfully, responsibly, and in line with our values. This policy supports strong governance, protects our reputation, and ensures trust with each other our business partners, and customers.

Compliance with this policy is monitored. Non-compliance may lead to appropriate measures, including action under labour or employment laws where applicable. H&M may revise, update, or withdraw this policy at its discretion without prior notice by H&M at any time.

## Policy Statement

### Our commitment to respecting human rights

Respect for human rights is about treating everyone equally and with respect and dignity. For us it is also about leading with our values and empowering people to be who they want to be.

At H&M Group we are committed to respecting fundamental internationally recognized human rights of all people across our value chain – in our own operations, across our value chains and in the communities where we operate.

## Policy Details

### International human rights standards

H&M Group's commitment is based on those human rights defined in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Additionally, we refer to children's and women's rights as outlined in the United Nations Convention on the Rights of the Child and the United Nations Convention on the Elimination of Discrimination against Women.

Our approach to human rights is informed by the UN Guiding Principles on Business and Human Rights, by the OECD Guidelines for Multinational Enterprises and The Children's Rights and Business Principles. We conduct human rights due diligence to identify actual or potential negative impact on human rights, work to prevent and mitigate prioritized impacts, and account for how we address these impacts. Where human rights are negatively impacted, our connection to harm, significance of harm and relative context informs how we engage in remedy.

We comply with national law and respect internationally recognised human rights wherever we operate. Where they are in conflict, we respect national law while seeking to honour the principles of internationally recognised human rights.

We strongly believe that continuous engagement is the best way to contribute to lasting progress and we recognise that some human rights issues across our value chain are complex and require collaboration by different actors to be addressed. Through meaningful and effective stakeholder engagement we identify, assess and address human rights related potential and actual adverse impacts.

The creation and implementation of this policy have been informed by external expertise, such as the recognized human rights consultancy firm SHIFT.

### Commitments expected from the colleague

Our commitment to respecting human rights is reflected in the way we run and operate our business, through our policies and procedures as well as goals and roadmaps. Examples of how we operationalize such commitments are found in our Sustainability Commitment for suppliers and business partners and our Social Policies for colleagues<sup>1</sup>.

We conduct human rights due diligence across our value chain, including but not limited to, new markets, suppliers and materials. Our approach is adjusted to operational context and risk, business relationships and the nature of our involvement with an impact. Our process continuously develops as we incorporate learnings and input from stakeholders and experts.

Our efforts are focused on our salient human rights issues<sup>2</sup>. These are the human rights at risk of the most severe negative impact on people across our value chain. We regularly review our salient human rights issues together with internal and external stakeholders to ensure their relevance and to define prioritised efforts and engagement.

Due to the nature of our business, we concentrate our efforts on our own operations and value chains with a focus on labour rights. However, other human rights such as the right to the environment and water, right to privacy, non-discrimination, children's rights and rights of Indigenous peoples are also important to us as they speak to how we care for our customers, the communities where we operate, and future generations.

We provide basic and specific human rights training, tailoring the content for different functions, roles and business partners. We also work to integrate human rights management across our operations and business relationships through adequate steering and governance.

Some human rights issues across our value chain can be systemic and require collaboration between, and actions by, different actors to be addressed. We encourage collective efforts.

As per the UN Guiding Principles on Business and Human Rights, states have a duty to protect human rights and companies have a responsibility to respect the same. Where aligned with our responsibility to respect human rights, we may engage for policy reform and effective implementation on national level and collaborate with various United Nations bodies, governments and non-governmental organisations.

We also recognise the importance of civic freedoms and human rights defenders to bring attention to issues across our value chain. We do not accept abuse, harassment or retaliation against human rights defenders, nor obstructive interference with their activities. Advocating for civic freedoms can be an important use of leverage to help protect human rights defenders and for topics of shared concern, such as labour rights or environmental rights, we may actively support the work of human rights defenders.

We also communicate on an ongoing basis with those that might be affected by our business and to organisations that work in proximity with affected stakeholders.

The Human Rights Policy is made available to stakeholders internally and externally. Our performance and impact on human rights is communicated and reported transparently through various channels, including our Annual Sustainability Report<sup>3</sup>.

## Roles and Responsibilities

Our Board of Directors has adopted this Human Rights Policy on behalf of H&M Group. The responsibility for implementation is delegated to senior operational executives that report to our CEO, while the Sustainability Director and Head of Corporate Governance oversee the overall implementation and report on progress and impact to the Board of Directors and the leadership team on a regular basis.

### Colleagues

Respect for human rights guides us when actively working to create healthy, safe, fair and inclusive workplaces for our colleagues<sup>4</sup>.

All our activities should be characterised by respect for the individual and the equal value of all people. This applies to everything from wages, working hours and freedom of association to the opportunity to grow and develop, and the right to speak up. We have zero tolerance for discrimination, harassment or retaliation committed by or against leaders, colleagues, job applicants, customers, vendors or visitors.

We are committed to advancing inclusion and diversity across all our teams and at every level of the company. We believe this fosters a workplace where colleagues feel a sense of belonging, where they are welcomed, respected, and able to freely express their ideas and perspectives, be heard, and have equal opportunities to grow and contribute to our business success. As part of our ongoing efforts, we have implemented training on inclusion, diversity, and unconscious bias for all colleagues.

Our human rights commitments for our colleagues are manifested and implemented through our Social Policies and potential violations can be raised via various channels including our global grievance channel. Our Central People Organisation (CPO) oversee our efforts in relation to our colleagues.

### People across our value chains

We continue our ongoing work to ensure respect for human rights throughout our value chains.

Our H&M Production function, as well as other upstream and downstream functions, and the Social Impact Team within our Global Sustainability Department is overseeing our efforts in relation to people across our value chains.

Our direct supplier factories around the world employ millions of people, many more work throughout our various supply chains, and our business partners who deliver services to our offices, stores and customers employ several thousands of people. We engage and collaborate with our suppliers and business partners to make every workplace provide safe, fair and equal working conditions, as well as respecting other work-related rights, and an atmosphere where people feel they can speak up and contribute. Environmental issues linked to our operations and value chains that may have severe impacts on people and communities also fall within this scope of our work. Our requirements on our suppliers and business partners are defined in our Sustainability Commitment.

For our manufacturing supply chain, we have an assessment program that follows-up on compliance with our requirements. Together with our suppliers we also invest in programs and capacity building to progress within areas that are more complex or require specific attention such as wages and gender equality, and to strengthen supplier responsibility for conditions in their upstream supply chains.

<sup>1</sup>An overview of our policies and procedures can be found on our website: <https://hmgroup.com/sustainability/sustainability-reporting/standards-and-policies.html>

<sup>2</sup>Our salient human rights are posted on our website: <https://hmgroup.com/sustainability/fair-and-equal/human-rights.html>

<sup>3</sup>Our Annual and Sustainability Report can be found on our website: <https://hmgroup.com/investors/annual-and-sustainability-report/>

<sup>4</sup>Employees with different kind of contracts, consultants, interns, trainees and agency workers within our workforce.

H&M Group has a Global Framework Agreement with IndustriALL Global Union and Swedish trade union IF Metall, that aims to establish common action plans to progress respect for labour rights and good industrial relations in key production markets. National Monitoring Committees, consisting of local unions and senior H&M Group representatives, have been put in place to facilitate collaboration and they also oversee grievances and access to remedy for issues that have been escalated.

We also engage in public affairs, where collaboration with UN bodies such as the ILO (International Labour Organization) are important to secure long-term and structural improvement through policy reforms and strengthening of national institutions such as labour inspections.

## **Communities**

We recognize and respect the human rights of all people, including those in communities directly or indirectly affected by our operations. We are committed to meaningful engagement with these communities, ensuring their voices are heard and respected, particularly in relation to land rights and access to a clean and healthy environment.

We also recognize the unique rights of Indigenous peoples as outlined in international frameworks such as the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and ILO Convention No. 169, including their rights to self-determination, land, territories, natural resources, culture and traditional knowledge. We are committed to safeguarding Indigenous peoples' rights as part of our due diligence process. Where our activities may affect Indigenous peoples, we engage in consultation and seek Free, Prior and Informed Consent (FPIC).

## **Customers**

Customers are the heart of our business. We are committed to respecting the human rights of the millions of customers we interact with.

Our focus includes providing safe products and services, respecting the privacy of our customers, ensuring responsible advertising of children's concepts, combating discrimination and advancing inclusion.

Fashion is also about allowing people to express themselves. We aim for our marketing to be inspiring and to promote equality and diversity – conveying the values we believe in and respecting the views of others. Our guiding principle is to reflect the great diversity of our customers and communicating a range of styles, shapes and perspectives rather than any specific ideal.

We look for ways for our brands to be impactful and build meaningful relationships by engaging customers to promote human rights both globally and locally. Customers are also key enablers for driving change through the choices they make. Our ambition is to make it easy for everyone to make a difference through their purchases and sustainable fashion an option for the many.

Several internal stakeholders across multiple teams, such as for example responsible marketing and social impact team within our global sustainability department, are continuously overseeing our impacts on customers.

## Connected H&M Group policies and steering documents

- Sustainability Due Diligence Policy
- Environmental Policy
- Social Policies
- Sustainability Commitment
- Case Handling procedure
- Remediation Procedure

## Policy Exclusions and Exceptions

H&M Group must comply with local laws and regulations in the countries where we operate. If this policy differs from these, we aim for whatever gives the greatest protection for people to the extent possible. If a need for exception arises from above reason, the policy contact person should be contacted for further actions.

## Compliance and controls

There are a number of control mechanisms in place to measure compliance with this policy, such as through audits, self-assessments and other internal controls. There is also a process in place where H&M Group Management regularly follow up the progress of commitments, goals and ambitions covered in this policy.

## Feedback

Open and constructive dialogue is appreciated as it helps to reinforce the policy's efficiency and effectiveness. If you have any feedback, suggestions for improvements, or queries in relation to this policy, please contact the policy contact person. This policy will be reviewed regularly to bring it in line with any changes that the business model may undergo, or that may occur in the context where we operate, always ensuring the effective implementation thereof.

## Speak up!

If you would like to raise a concern or you suspect a breach of H&M Group policies, you should report it immediately to your closest manager or to the H&M Group **Speak Up!** channel which is also available at <https://speakup.hmggroup.com/>.