

H&M Group Remuneration report 2025

This report describes how the annual general meeting's guidelines for remuneration in the H&M group, as adopted by the 2025 annual general meeting (AGM), were applied in the 2025 financial year. It also describes the H&M group's remuneration to the CEO and fees to the board other than the board fees approved by the AGM.

The report has been prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board's Rules on Remuneration of the Board and Executive Management and on Incentive Programmes.

The required disclosures relating to remuneration of senior executives under the Swedish Annual Accounts Act can be found in note 8 on pages 156–158 in the company's annual and sustainability report for 2025 ('annual and sustainability report 2025').

Key developments in 2025

Information about the H&M group's overall performance in 2025 can be found in the CEO letter on pages 10–12 of the annual and sustainability report 2025.

Annual General Meeting 2025

At the Annual General Meeting held on 7 May 2025, resolutions were adopted regarding, among other things, new guidelines for remuneration to senior executives and the introduction of a long-term incentive programme ("LTIP 2025"). The guidelines applicable up until the 2025 AGM were those adopted at the 2021 AGM. The 2025 AGM resolved that senior executives wishing to participate in LTIP 2025 would be required to accept that their participation in the long-term incentive programme adopted by the 2021 AGM would be shortened, such that it would be considered concluded already on 30 November 2024, resulting in reduced costs for the company. Consequently, this remuneration report presents the outcome of this long-term variable remuneration for the CEO.

LTIP 2025 consists of performance-based share rights and is directed at the CEO, group management and other key individuals within the H&M Group, a total of 56 participants. Under LTIP 2025, participants are granted performance-based share rights which, after a three-year vesting period, are converted into H&M B shares free of charge, provided that the participants remain employed and that the performance conditions for LTIP 2025 have been met. The performance conditions for LTIP 2025 are linked to the total shareholder return of the H&M share, the H&M Group's operating profit, and the reduction of greenhouse gas emissions. For the CEO, the value of the underlying shares attributable to the performance-based share rights corresponded to 80 percent of the annual fixed base cash salary at the time of grant. For other members of group management, the value could amount to a maximum of 80 percent of the annual fixed base cash salary at the time of grant, depending on responsibility and role at that time. For the CEO and group management, participation in LTIP 2025 also requires an investment equivalent to two gross monthly salaries in H&M shares, to be retained throughout the vesting period.

Apart from LTIP 2025, the H&M Group has no other share-based or share option-based programmes.¹

For more information, see H&M's website, [Remuneration 2025 – H&M Group](#).

Compliance with the remuneration guidelines and application of performance criteria

The remuneration guidelines adopted by the 2025 AGM can be found on pages 157–158 of the annual and sustainability report 2025. During 2025 the H&M group has not deviated from the remuneration guidelines adopted by the 2025 AGM. No deviations or derogations have been made from the decision-making process that, according to the guidelines, is to be applied to determine the remuneration.

The auditor's statement regarding the company's compliance with the guidelines can be found on the company's website with the documents for the 2026 annual general meeting: hmgroupp.com/agm/.

A prerequisite for the successful implementation of the H&M group's business plan and safeguarding of its long-term interests, including its sustainability, is the ability to attract, recruit and retain qualified personnel. The H&M group's remuneration guidelines enable the offering of a competitive remuneration to the CEO. The total remuneration to the CEO in 2025 complied with the H&M group's remuneration guidelines.

Board fees and consulting fees

Board fees are not covered by this report. Such fees are decided each year by the annual general meeting. See note 8 on pages 156–158 of the annual and sustainability report 2025.

In 2025 Patriksson Group AB, where board member Lena Patriksson Keller is the majority shareholder, performed consulting work for the H&M group for a total sum of SEK 22 m (27). Outstanding balances as at 30 November 2025 totalled SEK 0.4 m (3.4). Patriksson Group is one of Scandinavia's foremost fashion communications agencies and the aim of the services provided by Patriksson Group was to strengthen brand communication for some of the H&M group's brands, namely H&M, COS, & Other Stories, and ARKET. The consulting fees are not affected by the remuneration guidelines passed by the AGM since the work was not performed by Lena Patriksson Keller, and Patriksson Group is moreover not wholly owned by Lena Patriksson Keller.

Nonetheless, the board wishes to specifically disclose in the remuneration report that the fees were paid. Procurement of the services in question, for which payment was made at market levels, was deemed to be appropriate and of benefit to H&M and took place without the involvement of Lena Patriksson Keller.

1. Daniel Ervér holds 450,000 call options issued by Ramsbury Invest AB where each option provides the right to buy one class B share in H&M during the 12-month period that follows a three-year period from the agreement date of 15 February 2024. The options issued have no dilution effect for H&M shareholders and no cost to the H&M group since they are issued against Ramsbury Invest AB's existing shareholding.

Total remuneration of the CEO regarding 2025 (SEK)

Name of executive, position	Financial year	Fixed remuneration		Variable remuneration			Pension expense ²	Total remuneration	Proportion of fixed and variable remuneration
		Base salary	Other benefits ¹	One-year variable	Multi-year variable	Extraordinary items			
Daniel Ervér, CEO	1 Dec 2024–30 Nov 2025	15,740,287	82,348	5,531,100	647,059 ³		4,721,969	26,722,763	77% fixed 23% variable

- Other benefits such as medical insurance and a company car. Daniel Ervér has not received any kind of remuneration from other companies in the H&M group.
- With respect to pension benefits, Daniel Ervér is covered by the collectively agreed ITP plan as well as additional defined-contribution pension arrangements. The total pension provision amounts to 30 percent of fixed cash salary.
- Refers to the payment of the long-term remuneration variable remuneration program 2021, following the decision by the AGM in 2025 to shorten the program in connection with the introduction of the LTIP 2025. Refers only to the amount attributable to Daniel Ervér's time as CEO.

Performance of the CEO regarding 2025

Name	Description of performance criteria/ key performance indicators (KPIs)	Relative weighting of performance Criteria/KPIs	Measured performance for the year	Actual award outcome
Daniel Ervér, CEO	The H&M group's total sales	25%	Criteria have been selected with a view to achieving the company's goals and encouraging behaviour that is in the company's long-term interest. The selection of criteria/KPIs considers targets, short-term and long-term business priorities for 2025. The non-financial short-term criteria/KPIs, several of which aim to drive sales and profitability through, among other things, an improved shopping experience and efficiencies in areas such as the supply chain, also contribute to the company's sustainability efforts. Regarding the short-term variable remuneration, the board has made both quantitative and qualitative assessments, which the board considers necessary to achieve appropriate implementation of the remuneration guidelines. The board's overall assessment of Daniel Ervér's performance in 2025 in relation to established targets for 2025 resulted in variable remuneration at the level of 4.2 monthly salaries, i.e. fixed cash CEO base salary. The variable remuneration was paid in the first quarter of 2026.	5,531,100
	The H&M group's total operating profit ¹	25%		
	Fulfilment of the objectives in the various areas of the business plan in total, which includes sustainability ²	50%		

- The threshold for total operating profit must be reached for any variable remuneration to be paid, this regardless of the level of achievement of the other two criteria.
- The sustainability targets can be found in the table on page 6 of the annual and sustainability report 2025.

Performance based share rights for the CEO

Name of executive, position	Name of the program	Grant date	Vesting date	Share rights at the start of the year	Granted	Vested	Granted rights which have not been vested by the end of the year ¹
Daniel Ervér, vd	LTIP 2025	30 June 2025	30 June 2028	0	88,940	0	88,940

- The vested value for LTIP 2025 amounts to approx. SEK 12.6 m.

Changes in remuneration and company performance over the last five reported financial years

Annual change ¹	2025 vs 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020
Daniel Ervér, CEO ²	26,722,763	21,609,247	0	0	0
Helena Helmersson, CEO ³	0 (+7%)	3,266,720 (+7%)	23,350,177 (+23%)	19,003,021 (-26%)	25,599,799 (+79%)
Net sales	228,285 (-3%)	234,478 (-1%)	236,035 (+6%)	223,553 (+12%)	198,967 (+6%)
Operating profit	18,395 (+6%)	17,306 (-19%)	14,537 (+103%)	7,169 (-53%)	15,255 (+392%)
Average remuneration, employees of the group ⁴	360,909 (-2%)	367,054 (+6%)	345,940 (+11%)	311,694 (+10%)	283,185 (+5%)

- The remuneration includes salary, salary benefits and pension benefits.
- Daniel Ervér took over as CEO of the H&M group on 31 January 2024 when Helena Helmersson communicated her decision to leave the role of CEO and the H&M group. Before taking up the position of CEO, Daniel Ervér was responsible for the H&M brand. The amounts stated for Daniel Ervér cover the remuneration he received in his role as CEO from and including 31 January 2024.
- In the 2020 financial year Helena Helmersson was CEO from 30 January 2020 until 30 November 2020 inclusive. The remuneration reported for Helena Helmersson does not include remuneration paid in respect of her position as Chief Operating Officer (COO) between 1 December 2019 and 30 January 2020. The amount for the financial year 2024 refers to Helena Helmersson's remuneration as CEO during the period 1 December 2023–31 January 2024.
- Average remuneration including severance pay on a full-time equivalent basis for employees of all subsidiaries excluding the executive management team.