

H&M GROUP

PRESS RELEASE

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H & M Hennes & Mauritz AB publishes its Annual and Sustainability Report 2025

H & M Hennes & Mauritz AB's Annual and Sustainability Report for the financial year 2025 shows how the group continued to build a stronger foundation for long-term growth, with improved profitability, strengthened brands and customer offering, and continued progress on its climate agenda. The report was published today on hmgroupp.com, and a printed version will be sent by post to shareholders upon request.

“We are strengthening our offering and showing that growth, profitability and reduced emissions can go hand in hand. In 2025, we continued to take important steps towards all our long-term targets: profitability increased, the sales trend was positive, and our CO₂ emissions decreased,” says Daniel Ervér, CEO H&M Group.

“We remain deeply committed to advancing our sustainability agenda and driving positive change across our industry. In 2025, we reduced CO₂ emissions, increased the use of recycled materials, and lowered freshwater consumption. With a clear roadmap, we continue our efforts to decouple growth from resource use and emissions while supporting people and communities,” says Leyla Ertur, Chief Sustainability Officer H&M Group.

Some sustainability highlights from 2025 include:

- 91 percent recycled or sustainably sourced materials. The share of recycled materials alone was 32 percent, surpassing the company’s 30 percent target for 2025.
- 41 percent reduction in greenhouse gas emissions in scopes 1¹ and 2² and 34.6 percent reduction in scope 3³ (2019 baseline), putting the company on track to meet its science-based targets.
- SEK 2.8 billion invested in decarbonisation and material innovation.
- The number of garment suppliers (tiers 1, 2 and 3)⁴ reporting use of on-site coal boilers decreased by 108 since 2022 and the target is to fully phase-out by 2026.
- 22.8 percent reduction in absolute freshwater use in wet processing garment suppliers (tiers 1 and 2) from a 2022 baseline, surpassing the company’s 10 percent target for 2025.
- Resale expanded across Sellpy and the group’s brands. It is now available in 26 markets and represented 0.8 percent of the group’s turnover in 2025 – a share that has increased 31 percent since 2024.
- H&M Group celebrated the 10-year anniversary of its Global Framework Agreement with IndustriALL Global Union and Swedish trade union IF Metall, protecting the interests of and advancing labour rights for more than one million workers.

Contact:
H&M Group Media Relations
Telephone: +46 8 796 53 00
E-mail: mediarelations@hm.com

For more information about the H&M group and press images, visit hmgroupp.com/media.

Information in this Annual and Sustainability Report is that which H & M Hennes & Mauritz AB (publ) is obliged to make public pursuant to the Securities Markets Act. The information was submitted for publication at 08.10 (CET) on 26 March 2026.

Footnotes:

- [1] Scope 1 emissions include all direct GHG emissions from our own operations.
- [2] Scope 2 emissions include indirect GHG emissions from purchased electricity and district heating used in our own operations (stores, offices and distribution centres).
- [3] Scope 3 emissions include other indirect emissions, both upstream and downstream.
- [4] Tier 1 includes our garment manufacturing suppliers with whom we have direct contractual agreements; Tier 2 includes fabric production factories that supply our tier 1 suppliers; Tier 3 includes yarn production factories.



H & M HENNES & MAURITZ AB (PUBL) was founded in Sweden in 1947 and is listed on Nasdaq Stockholm. H&M's business idea is to offer fashion and quality at the best price in a sustainable way. The group's brands are H&M (including H&M HOME, H&M Move and H&M Beauty), COS, Weekday (including Cheap Monday and Monki), & Other Stories, ARKET, Singular Society and Sellpy. The group also includes several ventures. For further information, visit hmgroupp.com.