



PRESS RELEASE

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THE H&M GROUP RELEASES NEW GOALS IN SUSTAINABILITY REPORT 2016

The H&M group Sustainability Report 2016 is published today, outlining several new goals including a commitment to use 100% recycled or other sustainably sourced materials by 2030 and to become climate positive throughout its entire value chain by 2040.

Another key highlight is the commitment to switch to 100% renewable electricity. In 2016, 96% of the company's global electricity in its own operations came from renewable sources. The report also mentions that H&M in 2016 was named the biggest global user of cotton certified by the Better Cotton Initiative. When it comes to recycling and reuse, the H&M group is continuing to drive an ambitious development plan. Since the start of the global Garment Collecting initiative in 2013, the H&M group has collected 39,000 tonnes of unwanted textiles. By 2020 the company aims to collect at least 25,000 tonnes of textiles every year. The report also shows that the work to scale-up the H&M group's industrial relations and fair living wage programs continues with good progress.

"We want to use our size and scale to lead the change towards circular and renewable fashion while making our company even more fair and equal. This is why we have developed a new strategy aiming to take our sustainability work to the next level, says Anna Gedda, Head of Sustainability at the H&M group. "We want to lead by example, pave the way and try new things – both when it comes to the environmental and social side – to ultimately make fashion sustainable and sustainability fashionable. Our climate positive strategy is one way of doing this", she adds.

Read further details and highlights from the report below. The entire [report](#) and a [summary](#) of its highlights are also available to read and download.

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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 & Other Stories, Cheap Monday, COS, Monki and Weekday as well as H&M Home. The H&M group has more than 4,400 stores in 65 markets including franchise markets. In 2016, sales including VAT were SEK approximately 223 billion. The number of employees amounts to more than 161,000. For further information, visit hm.com.



The H&M group to become climate positive by 2040

The H&M group's goal is to become climate positive throughout its entire value chain by 2040 at the latest. The company will work to reduce more greenhouse gas emissions than its value chain emits. To become climate positive, the H&M group focuses on energy efficiency, renewable energy and to address unavoidable emissions through activities strengthening the planet's ability to recover and resist climate change, as well as supporting technological innovations making it possible to absorb greenhouse gases.

- **Climate positive by 2040** throughout the H&M group's entire value chain.
- The H&M group commits to a **climate neutral supply chain** for tier 1-2 by 2030.
- The H&M group has a commitment to use **100% renewable energy** in its own operations; the share increased to 96% in 2016 from 78% in 2015.
- In 2016, the H&M group reduced its **CO2** emissions by **47%** compared to 2015.
- The H&M group is a proud member of the **WWF Climate Savers** program.

100% recycled and other sustainably sourced materials by 2030

H&M releases a new goal to use only recycled or other sustainably sourced materials in all its products by 2030. H&M gradually takes steps towards this goal and its vision to become fully circular. H&M is globally the biggest user of cotton certified by the Better Cotton Initiative and responsibly sourced down. It is also one of the biggest users of organic cotton, recycled polyester and Tencel@Lyocell. To push the development forward, collaborations based on science is important. H&M has therefore initiated a research project with the Ellen MacArthur Foundation and the Stockholm Resilience Centre at Stockholm University to find out how a circular system for producing and using textiles, which is less dependent on scarce natural resources, would look like.

- By **2030**, H&M aims to use only recycled or other sustainably sourced materials in its products. In 2016, this share was 26%.
- In 2016, **43%** of H&M's total cotton use came from sustainable sources. The goal is to use only such cotton by **2020**.
- H&M used recycled polyester equivalent of more than **180 million PET bottles** in 2016.
- **100%** of H&M's sourced down has a Responsible Down Standard certification.
- H&M is the biggest user globally of **Better Cotton** and **responsibly sourced down**.

16,000 tonnes of textiles collected in stores during 2016

The H&M group is stepping up its ambitions when it comes to recycling and reuse, and announces a new goal closely connected to its circular approach; to annually collect at least 25,000 tonnes of textiles in its stores by 2020. In total, 39,000 tonnes of textiles was collected since the start of the Garment Collecting initiative in 2013.

- During 2016, **16,000** tonnes of textiles were collected.
- Since 2013, **39,000** tonnes of textiles has been collected in stores.
- By 2020, the goal is to **annually** collect **25,000** tonnes.

Scale up of Fair Living Wage and industrial relations programs

Improved working conditions in the textile industry are dependent on a well-functioning dialogue in the labour market as well as at the factories. The H&M group is therefore continuing to scale-up its industrial relations and fair living wage programs. As part of this, the H&M group's work to implement improved wage management systems at supplier factories continues with good progress, as well as the trainings on workplace dialogue for workers and management. Collaborations continue to be important, including for example those with IndustriALL and the Swedish trade union IF Metall within the Global Framework Agreement, which after several positive results was converted into a permanent agreement in 2016.

- **140** supplier factories are implementing improved wage management systems covering around **250,000** workers.
- In total **290** supplier factories are part of the workplace dialogue programs covering around **370,000** workers.
- These programs are being implemented in **8 production countries**.