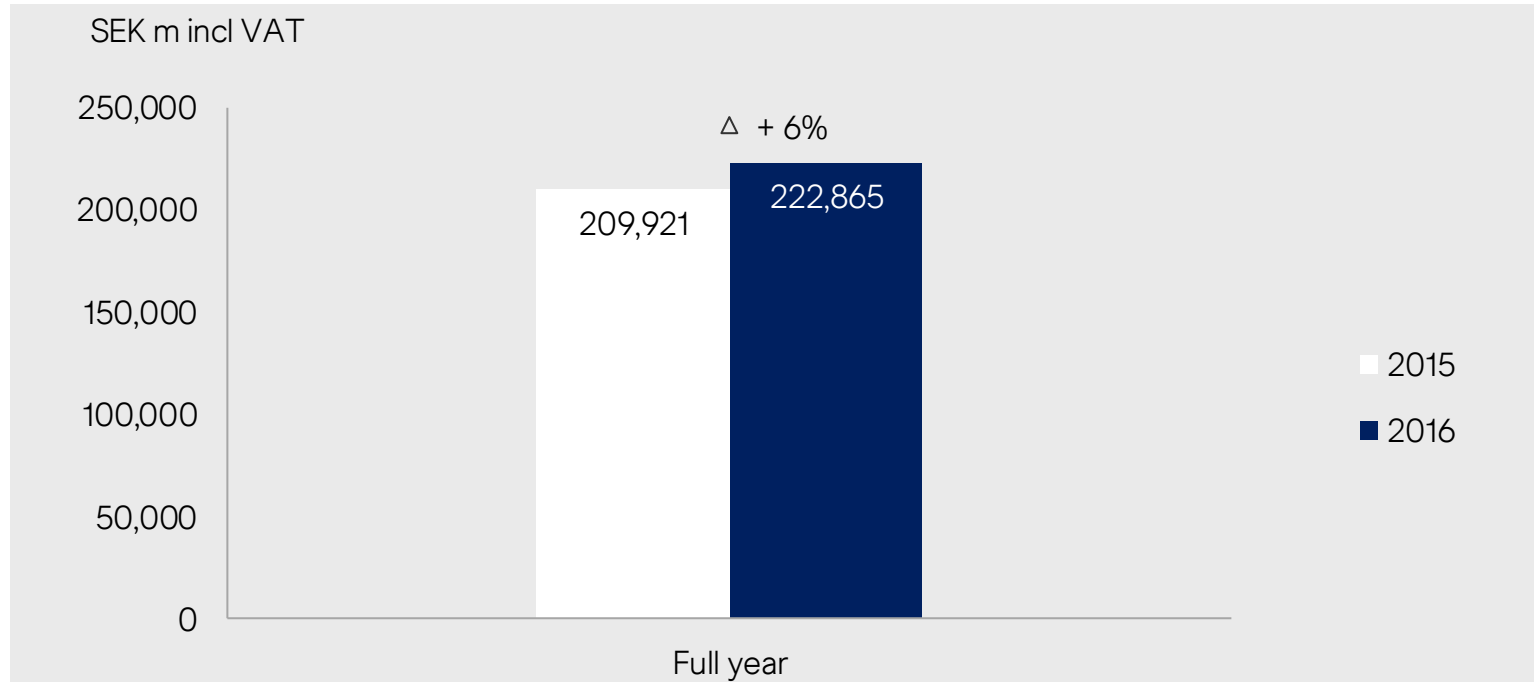


H&M ANNUAL GENERAL MEETING 2017

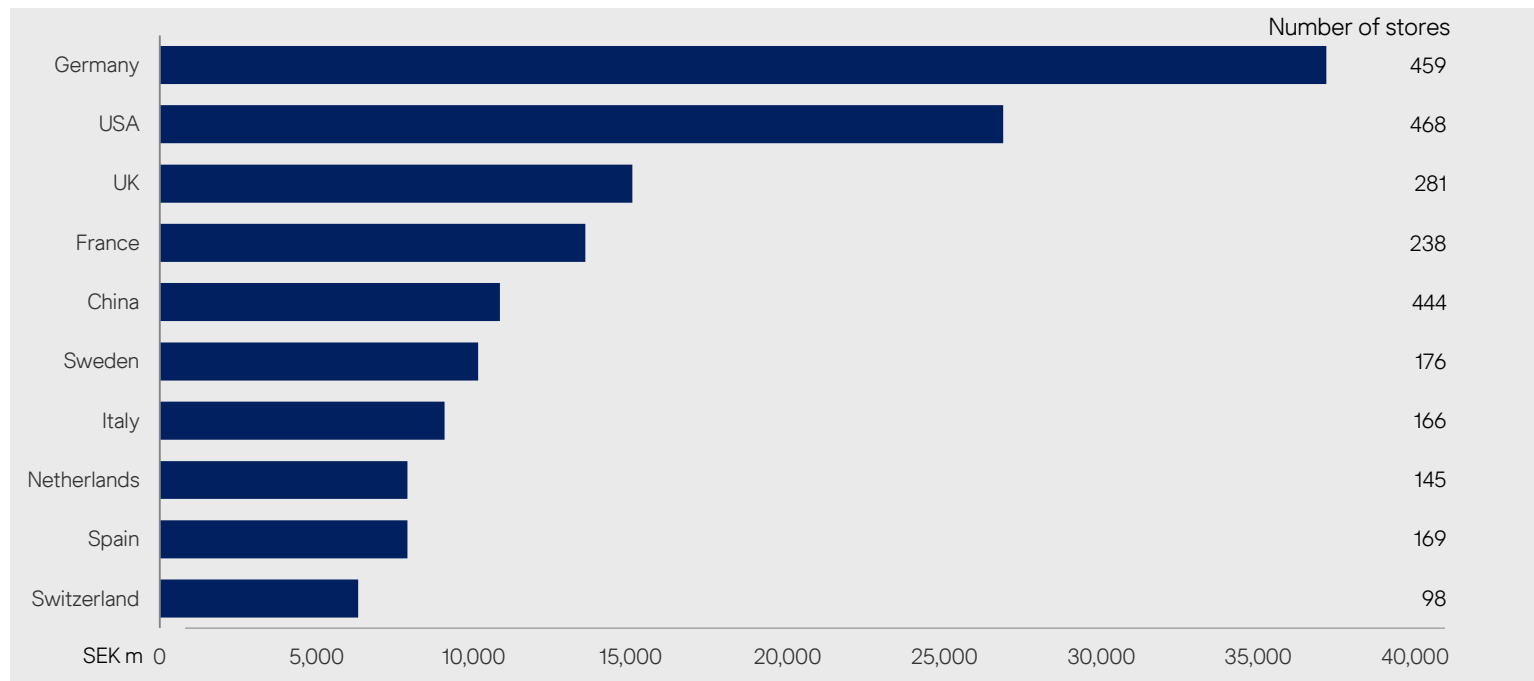


SALES



SALES PER MARKET

TEN LARGEST MARKETS



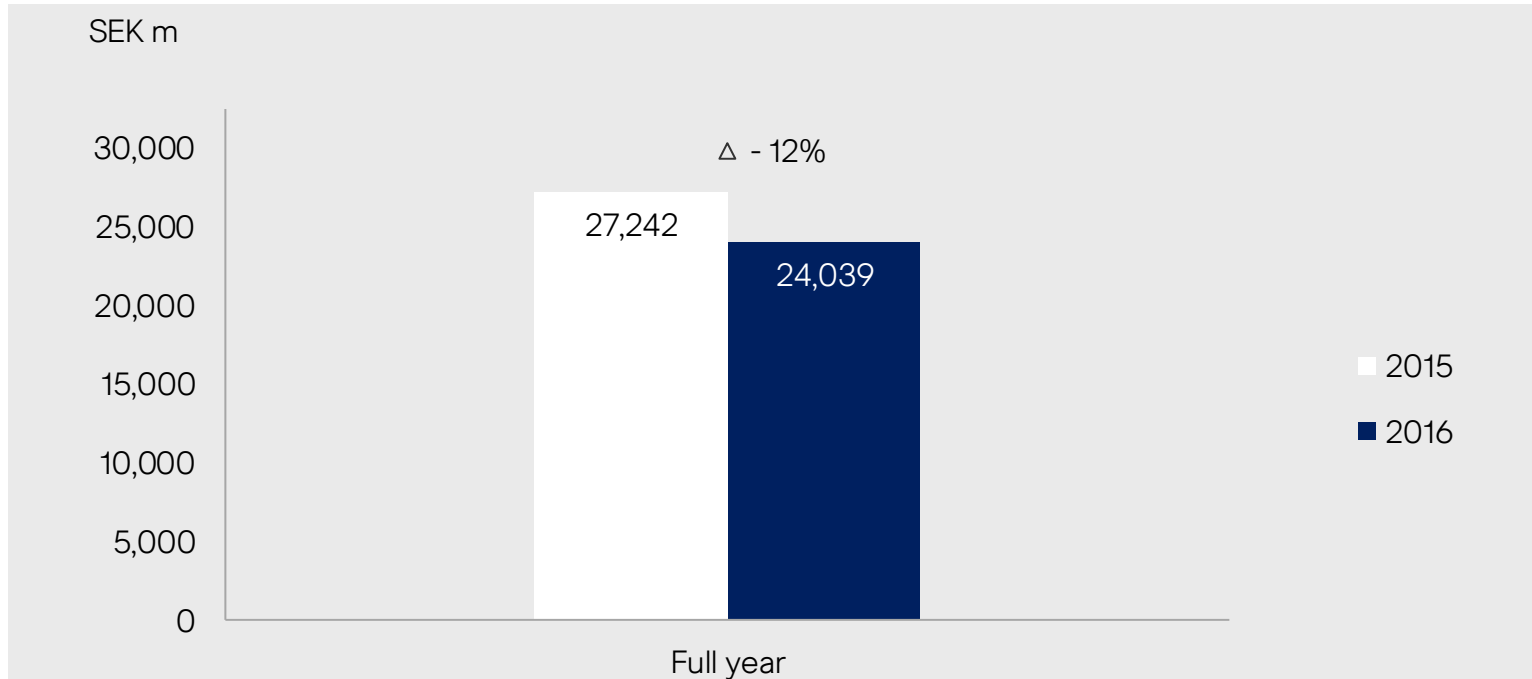


2016 IN BRIEF

- Continued focus to integrate stores and e-commerce and expand through both sales channels
 - 11 new online markets and 427 new stores net
 - Puerto Rico, Cyprus and New Zealand new store markets
 - total of 4,351 stores in 64 markets, of which 35 with e-commerce (30 Nov 2016)
- Strong and profitable online growth for all brands of the H&M group
- Very good sales online and in stores for COS, Monki, Weekday, & Other Stories and H&M Home



PROFIT AFTER FINANCIAL ITEMS

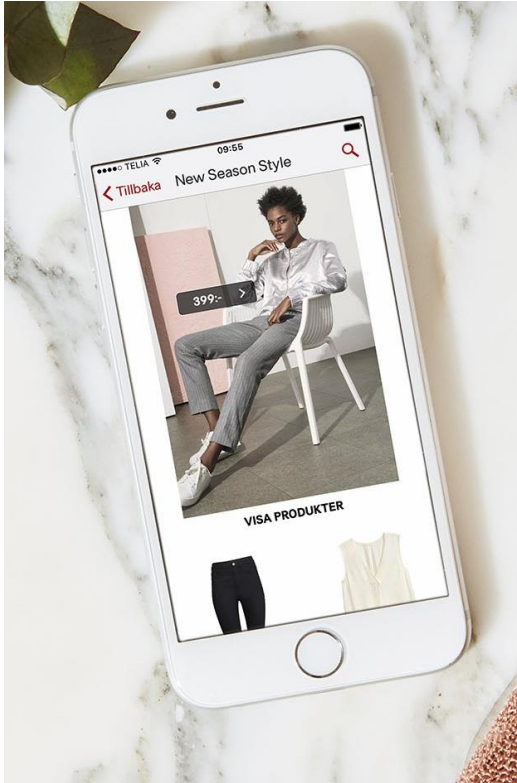




LONG-TERM INVESTMENTS

- Long-term investments in new brands, digitalisation and infrastructure
- Several new brands
 - COS, & Other Stories, Monki, Weekday, Cheap Monday and H&M Home,
- Rapid roll-out of H&M's e-commerce
 - Ireland, Croatia, Slovenia, Estonia, Latvia, Lithuania, Luxembourg, Japan, Greece, Canada and South Korea new online markets in 2016





EXCITING DEVELOPMENT PHASE

- Strong combination of global store network and digital presence
- Investments in three focus areas to meet rapid retail shift
 - omni channel
 - supply chain
 - advanced analytics
- An even more relevant customer offering and a stronger shopping experience
- Ensure a good position for continued long-term and profitable growth



EXPANSION WITH STORES AND E-COMMERCE

- New growth target starting financial year 2016/17
 - to increase the H&M group's sales by 10-15% in local currencies per year with continued high profitability
- Approx. 430 new stores net planned for 2017
 - five new H&M markets: Kazakhstan, Colombia, Iceland, Vietnam and Georgia
- H&M online in six new markets
 - Turkey, Taiwan, Hong Kong, Macau, Singapore and Malaysia





NEW BRAND 2017

- ARKET, a new brand within the H&M group
 - modern, classic collections for men, women and children
 - selected assortment for the home
- Stores with their own café focusing on the New Nordic Kitchen and its healthy life style
- ARKET's first store to open in London and online in 18 European markets at arket.com
 - to launch after summer 2017
 - stores to follow in Brussels, Copenhagen and Munich



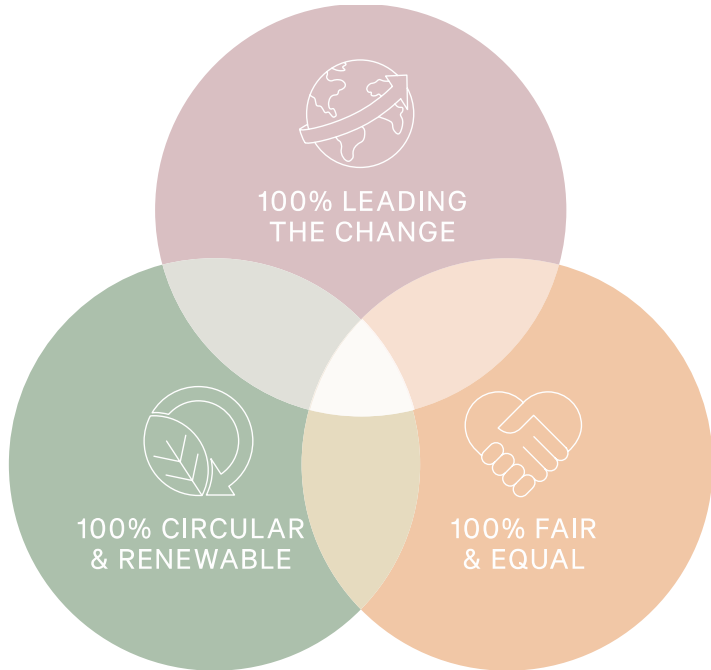


H&M

SUSTAINABLE DEVELOPMENT



SUSTAINABLE DEVELOPMENT



Our ambition

- Leading the change
 - promote innovation, drive transparency, reward sustainable actions
- Circular and renewable
 - recycled and sustainable materials
 - renewable energy in our value chain
- Fair and equal
 - fair jobs
 - steward for diversity and inclusiveness



SUSTAINABLE DEVELOPMENT

- H&M works for fair living wages in the textile industry
 - continued roll-out of the Fair Wage method to more supplier factories and social dialogue training
 - global frame agreement with IndustriALL and IF Metall
- Increased transparency important for customers to be able to make sustainable choices
 - H&M's supplier list public at [hm.com](https://www.hm.com) since 2013



SUSTAINABLE DEVELOPMENT

- Goal to use 100% renewable electricity in our own operations
 - 96% renewable electricity in 2016 (78% 2015)
 - greenhouse gas emissions reduced by a further 47% in 2016 (-56% 2015)
- Goal of climate positive value chain by 2040



Global Change Award

AN INNOVATION CHALLENGE BY H&M FOUNDATION





SUSTAINABLE DEVELOPMENT

- Long-term goal to close the loop on textile fibres
- Goal to use only recycled and other sustainably sourced materials by 2030
- Share of cotton from sustainable sources 43% in 2016 (34% 2015)
 - goal of 100% by 2020
- Our stores globally collect old garments and textiles for reuse and recycling
 - 15,888 tonnes of textiles collected in 2016
 - goal of at least 25,000 tonnes per year by 2025

H&M CONSCIOUS EXCLUSIVE 2017





H&M



H & M Hennes & Mauritz AB