

| GOVERNANCE OF RESPECT FOR HUMAN RIGHTS   |  |   |  |  |
|--|--|---|--|--|
| POLICY COMMITMENT  |  |   |  |  |
|  | PAGES IN THE 2016 REPORT                                   | NOTES   |  |  |
| A1 What does the company say publicly about its commitment to respect human rights?                                  | 7-9, 12-14, 68-69, 71, 84, 87-89, 91, 92                   |   |  |  |
| A1.1 How has the public commitment been developed?   | 89   | In December 2012, H&M adopted its Human Rights Policy. This policy is based on the UNGPs as well as UDHR's - The international covenant on civil and political rights and The international covenant on economic, social and cultural rights as well as other international standards and guidelines.  The policy is approved by H&M's CEO and throughout its development stakeholders, both internal and external, were consulted and had the opportunity to give input to the content.  In 2016, a policy review was initiated. |  |  |
| A1.2 Whose human rights does the public commitment address?  |  | Human Rights Policy   |  |  |
| A1.3 How is the public commitment disseminated?  |  |   |  |  |
| EMBEDDING RESPECT  |  |   |  |  |
| A2 How does the company demonstrate the importance it attaches to the implementation of its human rights commitment? | 7-9, 12-14, 19, 23, 28, 68-69, 74-76, 81, 85-88, 90-91, 95 |   |  |  |
| A2.1 How is day-to-day responsibility for human rights performance organized within the company, and why?            |  |   |  |  |

| 31, 73, 93, 95                            |  |  |  |  |
|---|--|--|--|--|
| 27, 31, 79-81, 89, 93, 99-102, 104        |  |  |  |  |
| 28,94                                     |  |  |  |  |
| DEFINING THE FOCUS OF REPORTING           |  |  |  |  |
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| 20-21, 50, 80, 93, 114-115                |  |  |  |  |
| 110                                       |  |  |  |  |
|   |  |  |  |  |
|   |  |  |  |  |
| MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES |  |  |  |  |
| SPECIFIC POLICIES                         |  |  |  |  |
| 73-74, 80-83, 84, 87-88, 91, 99, 107      |  |  |  |  |
|   |  |  |  |  |
|   | 27, 31, 79-81, 89, 93, 99-102, 104  28, 94  EFINING THE FOCUS OF REPORTION 20-21, 50, 80, 93, 114-115  110  MENT OF SALIENT HUMAN RIGHTS SPECIFIC POLICIES |  |  |  |

| STAKEHOLDER ENGAGEMENT  |  |  |  |  |
|---|--|--|--|--|
| C2 How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?  | 7-10, 16, 73-74, 76, 79-81, 82-83, 85-88, 93-94, 118     |  |  |  |
| C2.1 How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?                                      | 118  |  |  |  |
| C2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?  |  |  |  |  |
| C2.3 During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it? |  |  |  |  |
| ASSESSING IMPACTS   |  |  |  |  |
| C3 How does the company identify any changes in the nature of each salient human rights issue over time?  | 20-21, 28-29, 74, 80-81, 82, 84, 93-95, 100-101          |  |  |  |
| C3.1 During the reporting period, were there any notable trends or patterns in impacts related to a salient issue and, if so, what were they?                           |  |  |  |  |
| C3.2 During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?   | 20-21, 81  |  |  |  |
| INTEGRATING FINDINGS AND TAKING ACTION  |  |  |  |  |
| C4 How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?                                    | 7-9, 11, 14, 17, 51, 68-69, 82, 93-95, 100-101           |  |  |  |
| C4.1 How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions?        |  |  |  |  |
| C4.2 When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?    | 27   |  |  |  |
| C4.3 During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?                             | 7-9, 16, 48, 50-52, 68-69, 76, 78, 80-81, 83-88, 114-115 |  |  |  |

| TRACKING PERFORMANCE   |  |  |  |  |
|--|--|--|--|--|
| C5 How does the company know if its efforts to address each salient human rights issue are effective in practice?  | 19, 52, 68-69, 87-88                   |  |  |  |
| C5.1 What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?  | 52, 77, 78, 82, 68-69, 87-88, 100, 124 |  |  |  |
| REMEDIATION  |  |  |  |  |
| C6 How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient human rights issue?  | 80-81, 93-95                           |  |  |  |
| C6.1 Through what means can the company receive complaints or concerns related to each salient issue?  | 90                                     |  |  |  |
| C6.2 How does the company know if people feel able and empowered to raise complaints or concerns?  |  |  |  |  |
| C6.3 How does the company process complaints and assess the effectiveness of outcomes?   |  |  |  |  |
| C6.4 During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned? |  |  |  |  |
| C6.5 During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?       |  |  |  |  |