

CODE OF ETHICS - Employees

INTRODUCTION

H & M Hennes & Mauritz AB and all the companies in the Group (hereafter referred to as H&M or the Company) value the fact that all the operations of the Company are characterised by honesty, integrity and fair play. It is therefore vital that we all ensure that no dishonesty, disloyalty or corruption harm H&M's good reputation.

H&M's Code of Ethics contains guidelines on how we, as H&M employees, are expected to act in various situations when we represent the Company in a business context.

H&M has a zero tolerance policy on bribery and corruption, and this applies to all the Company's business dealings and transactions in all the countries in which the Company or its subsidiaries and business partners operate.

As an employee of H&M, you must not accept bribes in any circumstances.

In addition, you must not offer bribes on behalf of the Company to any person, whether privately employed or in the public sector, or any organisation.

The laws of each country regulate what is regarded as a bribe

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ADVANTAGES

Requesting or receiving any kind of advantage from suppliers, contractors or any other person/organisation in connection with H&M's business is a violation of H&M's Code of Ethics.

If you, as an employee, request or accept an advantage in connection with your work/assignment without your employer's consent, you will violate the Company's Code of Ethics. The same applies to anyone who offers such advantage.

The term 'advantage' may include – but is not limited to – the following: gifts, loans, money (in any currency), fees, remuneration, travel, services, bonuses, all kinds of gift vouchers, product samples for personal use, contracts of employment, discounts on private purchases and other advantages such as sponsorship and event tickets.

Instead of gifts, H&M recommends that its business partners make contributions to charity.

LOANS/GAMBLING

You and your immediate family (wife/husband/partner/children living at home) should not give, guarantee or accept loans from any person or organisation with which you have business contacts through your work at H&M.

Neither is it appropriate to gamble, and thereby risk getting into debt, with persons with which you have business contacts through your work at H&M.

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CORPORATE ENTERTAINMENT AND OTHER EVENTS

You should not accept invitations for business dinners or other corporate events that are too exclusive or occur too often. If you accept an invitation it must be understood that you will either have opportunity to pay your share or return the hospitality on another occasion.

You must have the approval of your manager before accepting any kind of business invitation. Remember that all entertainment must take place during the working week, and not at weekends or during other holidays.

You must not use or be under the influence of illegal drugs or alcohol during working hours.

THE COMPANY'S DOCUMENTS AND ACCOUNTS

Falsifying documents or submitting inaccurate accounts is a crime.

THE COMPANY'S ASSETS AND PROPERTY

H&M owns the copyright to all materials created by employees on behalf of the Company. The term 'materials' includes – but is not limited to – the following: patterns, sketches, art work, constructions, prototypes and/or other types of finished products, designs and product samples resulting from what the employee has created on behalf of the Company.

As an employee, you are not permitted to use or sell assets or property belonging to H&M for your own use and compensation except with permission.

CONFIDENTIAL INFORMATION

Employees and/or business partners of H&M must never disclose confidential company information to any person outside or within the Company. You must only use confidential information that is naturally associated with your duties at work.

Confidential information includes, but is not limited to; H&M's financial and commercial relationships, buying, offers, strategies, supplier information, information on suppliers' capacity, IT solutions, analyses and sensitive personnel data, information concerning H&M and/or the business carried on within H&M and which is not generally known outside the Company; in other words, has not been published or otherwise communicated by or through H&M.

The employee shall maintain secrecy even after leaving the Company.

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CONFLICTS OF INTEREST

Conflicts of interest may arise if your personal interests compete or conflict with the interests of the Company you are employed by. You should avoid any actual or imaginable situations that could damage your integrity and/or risk putting H&M's interests and/or reputation at stake.

You must always inform the Company if you have anything other than a strictly business relationship with someone that you do business with through your work at H&M. You must not carry on business on behalf of the Company with relatives and/or other persons that you have a close personal relationship with.

You must always inform the company if you or your immediate family (wife/husband/partner/children living at home) have any financial interests that you are aware may compete with H&M's interests or with the interests of those with whom you do business through your work at H&M.

You must never mix your personal affairs with the business you do on behalf of H&M and you must not use H&M's name in your private affairs.

EMPLOYMENT OUTSIDE THE COMPANY

While you are employed by H&M you must not take up employment outside the Company that could conflict with the Company's interests. If you want to take up competing employment and still keep working for H&M, either in a traditional position or as a consultant, you must have the Company's written permission before accepting the position.

COMPLIANCE

It is your responsibility to make sure that you understand the content of H&M's Code of Ethics and that you observe these guidelines in your daily work.

In signing the last page of this document you are confirming that you have been informed about H&M's Code of Ethics and that you have read and understood the content of the Code.

QUESTIONS

If you have any questions or are unsure about anything related to H&M's Code of Ethics, please contact your immediate manager, HR manager or E-mail Code of Ethics Support.

E-mail: CoE@hm.com

Since most sections of H&M's Code of Ethics follow the law in each country where the Company operates, any deliberate violation of these guidelines may be a criminal act.

A criminal act under the law as stated in the Code of Ethics may result in a warning and, in certain cases, in the ending of your employment with the Company.

For your information, all the Company's suppliers/business partner's sign up to H&M's Code of Ethics and thereby undertake to follow the Code's guidelines.

The Company's Code of Ethics is reviewed and updated regularly.

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TO BE SIGNED BY THE EMPLOYEE

In signing this document you confirm that you have received and understood the content of H&M's Code of Ethics.

_____ *hereby confirms*
(Name of employee)

that I have received and understand the content of H&M's Code of Ethics.

Place and date

Place and date

Signature of employee

Signature of manager

Print name

Print name

This page will be retained by the Company and a signed copy will be given to the employee.