

CODE OF ETHICS

This Code of Ethics is mandatory for H&M employees, in house working consultants, in house working staff from Temporary Agencies and similar assignments.

INTRODUCTION

H & M Hennes & Mauritz AB and all the companies in the Group (hereafter referred to as H&M or the Company) recognize the challenges that all the operations of H&M are characterised by honesty, transparency, integrity and fair play. It is therefore vital to ensure that no dishonesty, disloyalty or corruption harm H&M's good reputation. H&M's Code of Ethics contains guidelines on how to act in various situations when representing H&M in a business context.

ZERO TOLERANCE - BRIBERY AND CORRUPTION

H&M has a zero tolerance policy on bribery and corruption. This applies to all the Company's business dealings and transactions in all the countries in which the Company and its business partners operate. The Company does not tolerate bribery in any form and commits to a strong anti-corruption program, including this Code of Ethics. The Company is determined to ensure that the objectives of this Code are fulfilled and will therefore further instruct and educate all concerned to secure their knowledge and compliance with this Code.

Under this Code of Ethics a bribe includes financial or other advantages which are given, promised, offered, accepted, requested or received with the intention that a specific activity should be performed.

You are not allowed to accept bribes in any circumstances. In addition, you are not allowed to offer bribes for or on behalf of the Company to any person, whether privately employed or in the public sector, or any organisation.

Facilitation payments are not allowed when acting for or on behalf of the Company.

Whether an action constitutes a bribe is determined by the standards set forth herein or elsewhere in H&M's policies. Any local practice or custom will thus be disregarded, unless explicitly permitted or required by local written law.

ADVANTAGE

Requesting, receiving, accepting and arranging, offering or giving any kind of advantages, financial or other, from/to supplier/business partner, contractors or any other person/organisation in connection with H&M's business is a violation of H&M's Code of Ethics. This includes both domestic and international business and should be incorporated in all business dealings.

The term 'advantage' may include – but is not limited to – the following: gift, loan, money (regardless currency), fee, travel, service, bonus, exclusive meals, all kind of vouchers, product samples for personal use, discount on private purchases, sponsoring, event tickets or any kind of personal favours.

It does not matter whether the advantage is given directly or by a third party, the recipient is in breach of this Code regardless of the fact that he/she receives the advantage directly or through a third party or if another person is the genuine beneficent.

You or your immediate family should not give, guarantee or accept loans from any person or organisation with which you have business contacts through your work for 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 exclusive, inappropriate, occur often or take place in a weekend or public holiday. If you accept an invitation there is the opportunity that H&M can either 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. H&M may register every kind of invitation of this kind to fulfil the Company's zero tolerance policy.

Drugs and alcohol

Based on the risk that you can put yourself and others in dangerous and awkward situations, you must not use or be under the influence of illegal drugs, alcohol or anything similar during working hours.

CONFLICTS OF INTEREST

Conflicts of interest may arise if your personal interests compete or conflict with the interests of the Company. 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 relation 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 or trademark in your private affairs.

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

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COMPANY 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 products, designs and product samples resulting from what the employee has created on behalf of the Company.

You are not allowed to use or sell assets or property belonging to H&M for your own use and compensation except with permission.

THE COMPANY'S DOCUMENTS AND ACCOUNTS

Falsifying documents or submitting inaccurate accounts is illegal and not allowed under this Code.

CONFIDENTIAL INFORMATION

You must never disclose confidential information to any person outside or within the Company, except to persons to whom disclosure is necessary for the purpose of the employment or other agreement. 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, trade secrets, buying, offers, strategies, all supplier related information, IT solutions, analyses and sensitive personnel data, information concerning H&M and/or the business carried on within H&M and which is not in the public domain.

By signing this document you confirm that you undertake not to disclose any confidential information during your employment or assignment at H&M and for a period of five years thereafter.

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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, that you have read and understood the content of the Code and that you commit to comply.

You should always strive to assist the Company's efforts to prevent bribes and corruption by ensuring that all operations of the Company continues to be characterised by honesty, transparency, integrity and fair play. Any violation or suspicion of violation of this Code of Ethics should thus be reported to a relevant manager.

H&M is committed to continuously reviewing and updating its policies and procedures, therefore this Code of Ethics can be subject to modification. The Company will inform all concerned whenever there is any major changes or updates in the Code.

The latest versions of this Code are available at the H&M's website **www.hm.com** and **Intranet**.

Consequences of non-compliance

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 dismissal from the Company, liability to pay damages or a warning.

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

QUESTIONS

If you have questions concerning the meaning or application of H&M's Code of Ethics, please contact your immediate manager, HR or contact Code of Ethics Support: **coe@hm.com**

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H & M HENNES & MAURITZ AB CODE OF ETHICS COMPLIANCE COMMITMENT

In signing this document I confirm that I have received, read and understood the content of H&M Code of Ethics and that I commit to comply.

Place and date

Signature of employee

Signature of H&M

Name in printed letters

Name in printed letters

Social security or Employment number

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