Our journey to I&D By Design, our strategic approach to embed Inclusion & Diversity at the center of every aspect of our business, began two years ago. While our company values have always had inclusion principles at heart, it became abundantly clear that a more intentional focus on I&D as an activator of H&M’s meaningful growth was necessary.

In 2021, we formalized our approach by implementing an I&D strategy comprised of three key elements that would ensure the engagement of our colleagues, customers, collaborators and the communities in which we live and work. This strategy serves as our guide to helping us fulfill the I&D commitments first launched in 2018 and is the foundation of our future growth strategy.

Our journey requires us to continually adjust as we learn more. In 2020, we committed to doubling our representation of African American/Black colleagues in senior management roles. With the implementation of I&D data capabilities, we’ve been able to further dimensionalize the markers of our success and determine a more realistic timetable for achievement. We’re still on the road to realizing this goal.

The Colleague Resource Groups, launched in 2022, are at the center of driving our culture of inclusion and one of the proudest moments of the year. The groups exceeded every expectation in terms of the level of colleague engagement and programming in an inaugural year. The US groups also caught the attention of the Global team and are now being touted as a companywide best practice for I&D.

We set a foundation for Supplier Diversity, an element of the community empowerment aspect of our strategy, in 2022. Several Functions are already working with and requesting diverse suppliers for their opportunities. We’ve been able to establish a Supplier Diversity baseline and set initial goals for 2023 and beyond.

To elevate our storytelling, ensure inclusion is conveyed in all our communication touchpoints and fulfill our commitment to transparent stakeholder communication, we added a dedicated communications specialist to complete our team of I&D thought leaders.

Our journey of transformation is ongoing. We’ve made great strides last year but recognize there is always more to accomplish. This report will not only share our progress against our I&D commitments in 2022 but will also serve to signal our intentions for the future.
I&D Strategy

**Drive Culture of Inclusion**
H&M colleagues are the first stakeholders who must feel the commitments are real.
Includes a focus on diverse representation, I&D learning, and colleague engagement + belonging initiatives.

**Build Brand Through Storytelling**
I&D must be communicated internally and externally to fully leverage H&M’s commitments.
Every communication touchpoint must convey a sense of welcome and that ALL are valued as colleagues, collaborators or customers.

**Empower our Communities**
Community connections bring H&M’s I&D commitments to life and shape the legacy we will leave.
We are focused on building stakeholder capacity and supporting BY&M for everyone our initiatives touch.

**Stakeholder Engagement**
We’ll know we’re successful by the degree of H&M’s engagement with diverse colleagues, collaborators, customers and community partners.
To help to bring the strategy to life, we’re building a team of passionate I&D leaders in North America

Donna Dozier Gordon
Head of Inclusion & Diversity, H&M, Americas

Rafael Pérez-Rivera
Inclusion & Diversity Data & Insights Specialist, H&M, North America

Melanie Gunn
Supplier Diversity & Community Engagement Specialist, H&M, North America

Shantell Tompkins
Inclusion & Diversity Communications Specialist, H&M, North America

Joseph Peritore
Inclusion & Diversity Talent Engagement Specialist, H&M, North America
This work is made possible in collaboration with a team of cross-functional partners.
Driving a Culture of Inclusion
Our colleagues are the centerpiece of our work to drive a culture of inclusion and have been identified as the first stakeholder group that must feel our commitments are real.

In 2022, with the launch of our six Colleague Resource Groups, we were able to foster belonging, amplify colleague voices and create connections, build greater cultural awareness and provide opportunities for diverse talent development through a schedule of programs and events. The CRGs have been identified as an anchor of H&M’s Modern Colleague Experience.
In the spirit of “We Are One Team,” we are expanding the Colleague Resource Groups throughout our region which includes Canada, Mexico, Colombia and Ecuador.

With the momentum of the CRGs in the US, they are also on the radar of H&M’s Global team as the model for I&D in driving colleague engagement.

CRG Impact
- Cultural Awareness
- Member Professional Development and Connections
- Community Engagement and Outreach
CRG Content Studio Council
Amplifying Business Priorities

The CRG Content Studio Council, consisting of five CRG members across VIBE, APIC and UNIDOS, was created with the establishment of the LA Content Studio to ensure diverse perspectives in campaign imagery, reflecting the diversity of our customers and communities.

Ashley Lawton
Area HR Manager, H&M, US

Christian Torres
Store Designer, H&M, US

Catherine Liu
Site Merchandiser, H&M, North America

Marilyn Alonzo
Talent Acquisition Specialist, H&M, US

Sedrick King
Store Manager, H&M, US
Fostering a Greater Sense of Belonging

Last year, we launched our first-ever I&D Self-Identification Campaign to deepen H&M’s understanding of the diversity represented in our company to strengthen the foundation of our culture of inclusion. Our strategy included a pathway for colleagues to share their diversity dimensions anonymously and voluntarily. Specifically, we aimed to deepen our insights around race/ethnicity, gender and gender identity, sexual orientation, as well as disability and veteran status.

As a result of the responses from the survey, we identified the need to launch our new Disabilities CRG which has already been joined by over 100 colleagues.
The second cohort of our Lead, Educate, Accelerate and Develop (LEAD) program was announced in 2022, to support the development of high-potential, underrepresented Store Managers. The program was enhanced by leveraging learnings from the first cohort in 2021 to include more mentor support and earlier career pathing tied to the participants’ aspirations and strengths. In 2023, LEAD will also be extended across our Region and further expanded to focus on roles and Functions that will be critical to H&M’s future success.
The Graduate Consortium is a link for top-tier diverse students, MBA programs and corporate partners. In 2022, H&M strengthened its partnership with The Consortium, reflecting our commitment to promote H&M as an employer of choice amongst diverse candidates. H&M established a presence at several Consortium events including a reception during the National Black MBA Association Conference to meet students and share career opportunities. We also hosted networking events, virtual career fairs and visits to the Support Office to elevate H&M’s employer brand with attendees.

Diverse Talent Pipeline Initiatives

Jopwell

The H&M Employer Brand page was created to foster H&M awareness and showcase open H&M roles to Jopwell candidates. In 2022, H&M embarked on its partnership with Jopwell – the first and leading technology platform focused on advancing career opportunities for Black, Latino/Hispanic and Native American students and professionals. The partnership will continue to grow in 2023.

Campus Efforts

In 2022, H&M expanded its network of schools to source talent for the Leadership Training Program – and will continue to broaden its reach in 2023 to include HBCUs.

The LTP provides a pipeline for MBA-level talent to explore careers in growth areas of the business. Trainees take part in two rotations before being placed with a Function. Our rotations for 2022 and 2023 are in Merchandising and Customer Activation & Marketing as we continue our digital journey to be more customer-centric.
Empowering Our Communities
The impact of our partnerships

In keeping with the Community Empowerment element of the I&D strategy, our aim is to amplify the work of organizations and individuals who are already doing great work in the community through the establishment of long-term partnerships.
Buy From A Black Woman (BFABW) is a non-profit organization that ensures that Black woman-owned businesses have the tools and resources they need to succeed.

Through educational programs, an online directory and funding, BFABW is a leader in supporting Black Women in business. In 2022, our second year of partnership, H&M deepened its relationship with the organization. Not only does the BFABW partnership exemplify the model for community connections, but it also aligns with H&M’s commitment to Supplier Diversity.

To kick-off year two, vendors from Buy From A Black Woman convened in Philadelphia for a weekend of festivities themed “Black Women Deserve Celebration,” that coincided with the lead up to International Women’s Day.
To build on the success of year one of the BFABW partnership, in 2022, we joined forces with celebrity brand ambassadors Tracee Ellis Ross and Brandy to amplify BFABW's mission and bring it to a wider audience.
The Inspire Tour, a multi-city tour featuring BFABW vendors including H&M in-store events, began in New Orleans during Essence Fest weekend with the premiere of the BFABW documentary, The Story Behind A Black Woman. The screening was followed by a traditional New Orleans second line and celebratory dinner. In keeping with the message of celebrating Black woman-owned businesses, the kick-off provided an opportunity to engage 28 local New Orleans entrepreneurs.

This year, we expanded the impact of the BFABW Holiday Market by bringing the event to the west coast. In addition, we piloted local store BFABW pop-up markets during the holidays in Chicago and Miami. These in-store activations were conceived from the overwhelming requests by our Sales Market teams to host their own events, aligning with our focus on enabling colleagues to witness and support the work of I&D up close. In 2023, our ambition is to continue to the amplify the BFABW partnership through local store activations.
“We are so excited to host the BFABW holiday market tour at US0106!!!! This platform helps black women business owners get the tools to help flourish their passions and ideas.”

Carlos Rubio,
Store Manager

“It meant so much to not only witness, but to be a part of the event. As a Black woman, mother, and professional, BFABW’s focus on racial and gender equity gives me hope.”

Ashley Lawton,
Area HR Manager
THE LOWER EASTSIDE GIRLS CLUB

The Lower Eastside Girls Club (LESGC) supports young women and gender-expansive youth of color throughout New York City in leveraging their inner power to shape a better future for themselves, their community, and the world.

H&M recommitted its partnership with the LESGC in 2022 to support the opening of its Center for Wellbeing & Happiness which offers after-school, weekend and summer programming in STEM, Arts, Digital Media, Sound, Wellness, Civic Engagement and Leadership. Additionally, UNIDOS, our Latino Hispanic Colleague Resource Group hosted an in-person mentoring chat for the girls of the Center with Nikki Porcher, Founder of BFABW.
H&M has supported the Trevor Project’s Pride campaign, Stories of Pride, which celebrates all the stories of strength, resilience, and connection of LGBTQ youth to help them live their best lives. The Trevor initiative coincided with H&M’s “My Chosen Family” Pride campaign that uplifted LGBTQ stories of redefined families, establishing community and more. This meaningful partnership created learning opportunities and additional resources for our colleagues and amplified Trevor’s match campaign leveraging H&M’s channels to generate customer support and awareness.
The Marsha P. Johnson Institute (MPJI) protects and defends the human rights of Black transgender people by organizing, advocating, creating an intentional community to heal, developing transformative leadership, and promoting the power of the community.

2022 was the second year of H&M’s partnership with the Marsha P. Johnson Institute (MPJI). The partnership is centered on providing gender affirming care for Trans and gender non-conforming youth. Since 2021, we’ve hosted “Fresh and Fabulous” shopping events that celebrated the beauty inherent within varied gender identities. H&M’s support has enabled the distribution of necessary resources to more than a dozen organizations within the MPJI network, including but not limited to Girls Scouts of Ohio, Gays and Lesbians Living in a Transgender Society (GLITS), Pride Center and the Ali Forney Center.
Driving Progress

Community partnerships are a key element of our I&D strategy and how we build our brand. In 2022, we continued to strengthen our relationships with several organizations that are making a difference in diverse communities. These partnerships are integral for our forward progress, lending resources and expertise to positively inform our efforts.
Supplier Diversity

In 2022, we formalized our Supplier Diversity initiative in the US. We started with an awareness campaign for internal stakeholders about Supplier Diversity and why it’s a critical component of H&M’s I&D strategy. The Expansion team’s track record of embracing Supplier Diversity as a business practice served as inspiration for what is possible for other Functions. We also sourced diverse suppliers for inclusion in purchasing opportunities and created a mechanism for tracking our Supplier Diversity spend.

We engaged TechSoft, a minority owned company, to determine H&M’s existing diverse supplier relationships which enabled us to identify $4.5 million in diverse supplier spend by year’s end. Our long-term goal is to achieve 10% of our total purchasing spend with diverse suppliers across all Functions.

To get there, we will continue to facilitate supplier introductions, deepen the knowledge of purchasing opportunities, contract lifecycles by Function and include Supplier Diversity guidelines in our contracts and requests for proposals or information.
Public Policy

As a values-driven organization, it is our responsibility to show our support amidst social justice issues, taking a stance and speaking up against legislation that puts our colleagues, customers and the communities in which we operate at risk. This is the embodiment of what it means to be committed to Inclusion & Diversity.
Human Rights

This year, we’ve doubled down on our position by re-signing as a continued supporter of the Human Rights Campaign Business Statement on Anti-LGBTQ State Legislation. In close partnership with the Human Rights Campaign, we continue to support the Respect for Marriage Act, which advocates for the federal defense of same-sex and interracial marriage.

In addition, we re-signed with “Don’t Ban Equality” affirming our support since 2019 of free and equitable reproductive health care and access to abortion as part of our partnership with the ACLU.

H&M is also a proud supporter of the Pregnant Workers Fairness Act which was signed into law in late 2022. This act was designed to prevent discrimination, provide for reasonable accommodation for pregnant people and to prevent them having to make the choice between a healthy pregnancy and a paycheck.
Along with thirty leading US retailers, H&M is a proud signatory of the Mitigate Racial Bias in Retail Charter, initiated by the non-profit organization Open to All with support from Sephora following its study, "Racial Bias in Retail." The charter seeks to address and reduce racially biased interactions from the shopping experience through the development of resources, education and training for employees in the US retail sector.

"H&M USA is proud to be a signatory of this very important charter," said Katja Ahola, Sales Manager of H&M North America in a statement. "We know as an industry there is still so much work to be done, but this very important step, and the collective work of the signatories will bring us closer to the goal of a more welcoming, safe and inclusive retail experience for all our customers."

Katja Ahola,
Sales Manager, H&M North America

READ MORE IN WWD
Voting Rights

Voting is an essential activator in creating a democracy that is representative of all. In response to heightened voter suppression over the years, we’ve signed onto the Youth Voting Rights Act in partnership with Civic Alliance that calls for the review of the 26th Amendment, expands voter registration services at public colleges and universities, allows young people in every state to preregister to vote before 18, and more. We’ve also partnered with I Am A Voter which supports and advocates for voting accessibility through resources and awareness. Additionally, this year, we supported Rock the Vote, an initiative driven through social media and other outlets that support the Youth Voting Rights Act.
Telling Our Story
In 2022, we’ve focused capturing key data to support reporting and tell the story of H&M’s meaningful I&D efforts.

By continuing to analyze I&D performance indicators, we’ve strengthened our ability to showcase our work internally and externally, and gain insights to guide the road forward.
Representation: Overall

ALL H&M USA GROUP EMPLOYEES

- 36% Hispanic or Latino
- 24% White
- 25% Black or African American
- 7% Asian
- 7% Two or More Races
- 1% Not Known
- 0.5% Native American or Alaskan Native
- 0.5% Hawaiian or Other Pacific Islander

ALL H&M USA GROUP EXECUTIVE MANAGEMENT GROUP

- 61% White
- 13% Hispanic or Latino
- 13% Two or More Races
- 9% Black or African American
- 4% Asian
- 1% Not Known
- 4% Two or More Races
- 0.5% Hawaiian or Other Pacific Islander
- 0.5% Native American or Alaskan Native

INCLUSION & DIVERSITY IMPACT REPORT
**Representation: Office**

Here is an image showing representation of various demographics in an office setting. The representation includes:

- **Asian:** 15%
- **Black or African American:** 11%
- **Hispanic or Latino:** 23%
- **Native American or Native Alaskan:** 0%
- **Native Hawaiian or Other Pacific Islander:** 0.3%
- **Two or More Races:** 5%
- **White:** 57%
- **Not Known:** 2%

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**Legend:**
- **ALL H&M USA GROUP OFFICE ROLES (OFFICE):**
- **ALL H&M USA GROUP OFFICE ROLES (MANAGEMENT):**

*Management is defined as Manager level employees including those with direct reports.
Representation: Retail

INCLUSION & DIVERSITY IMPACT REPORT

*Management is defined as Manager level employees including those with direct reports
% OF US EMPLOYEES WHO IDENTIFY AS WOMEN: 67%

% OF EXECUTIVE MANAGER POSITIONS IN THE US THAT ARE FILLED BY WOMEN: 57%

% OF MANAGEMENT POSITIONS IN THE US THAT ARE FILLED BY WOMEN: 61%
Buy From A Black Woman Impact

MAP DATA POINTS:

INSPIRE TOUR
- New Orleans - 10 vendors
- Dallas - 5 vendors
- Oakland - 5 vendors
- Detroit - 5 vendors
- Milwaukee - 5 vendors
- Memphis - 5 vendors

HOLIDAY MARKET
- Los Angeles - 9 vendors
- Chicago - 1 vendor (Pop-up Location)
  *traditional vending setup
- New York City - 24 vendors
- Miami - 5 vendors
  showcased products from BFABW businesses sent directly to the store (set up by store team)

Total 27 vendors
20 returning vendors
7 new vendors
Impressions for **BFABW** by quarter

**Q1**
- BFABW 243 Articles
- Reach: 116,614,903
  - VALUE: $1,078,687

**Q2**
- BFABW 124 Articles
- Reach: 534,684,703
  - VALUE: $4,945,834

**Q3**
- BFABW 299 Articles
- Reach: 180,815,226
  - VALUE: $1,672,541

**Q4**
- BFABW 309 Articles
- Reach: 606,425,332
  - VALUE: $5,609,434

**Total Highlights**
- VALUE: $13,306,496

**Total of 975+ Press Hits**
- Reach 1,438,540,164
- 3 broadcast segments
H&M's $150,000 matching gift helped to drive an additional $187,168 in donations to support The Trevor Project’s life-saving work.

- The Trevor Project Stories of Pride landing page, featuring campaign sponsors, including H&M, served nearly 24,000 impressions
- The Trevor Project’s Match Donation form, featuring H&M, served 7,148 impressions
- H&M helped to raise $14.5 million for Pride 2022

H&M supported the Trevor Project’s EOY campaign, Every Single One

- Trevor raised a total of $515,202 in online revenue during Cyber Monday and Giving Tuesday with an additional $200K of matching funds from their match partners H&M and Dr. Martens
- This year’s Giving Tuesday fundraising total surpassed last year’s record by 22%!
THANK YOU!