



Promoting water stewardship
and taking action against
climate change and biodiversity
loss throughout H&M Group's
value chain and beyond



PARTNERSHIP RESULT REPORT WWF & H&M GROUP



Since its inception in 2011, the partnership work has not only led to improvements in how the H&M Group value chain addresses water and climate impacts, but it has also brought suppliers, other brands and policy makers together to find joint solutions to these issues.

CONTENT

PARTNERSHIP RESULT REPORT 2021-2025: WWF & H&M GROUP	4
Introduction.....	5
Partnership Goals / Ambition	5
Foreword - Together Possible	6
WATER - A CRITICAL RESOURCE FOR THE TEXTILE INDUSTRY	8
CLIMATE CHANGE DIRECTLY AFFECTS FACTORIES PRODUCING GARMENTS....	14
Progress to Date - Towards a Net Zero Vision	16
BIODIVERSITY	18
Regenerative Agriculture in Satpura Pench, India	26
Regenerative Wool Production in the Eastern Cape Drakensberg Grasslands, South Africa	30
POLICY & ADVOCACY	34
Stockholm+50 Business on Biodiversity Roundtable	36
WWF, H&M Group and INGKA IKEA Call for Ambitious Energy and Climate Targets in the EU	37
INNOVATIONS & TECHNOLOGY	38
CHALLENGES & IMPACT TOGETHER	39
FUTURE GOALS & NEXT STEPS.....	41



CLICK YOUR WAY THROUGH THE REPORT

Click on the headlines in the content to go to the desired page.
The arrow on the top of each page leads you back to this content.



PARTNERSHIP RESULT REPORT 2021-2025: WWF & H&M GROUP

H&M Group and WWF work in a long-term partnership together on water stewardship, climate action and from 2021 on biodiversity, aiming to make H&M Group and the fashion industry more sustainable.

Through using a holistic and scientific approach, the partnership addresses some of H&M Group's and the textile industry's key sustainability challenges, working in the H&M value chain and beyond.

Since its inception in 2011, the partnership work has not only led to improvements in how the H&M Group value chain addresses water and climate impacts, but it has also brought suppliers, other brands and policy makers together to find joint solutions to these issues.



According to the World Economic Forum, more than half of the world's GDP is partly or fully dependent on functioning ecosystems.



INTRODUCTION

Biodiversity, water and climate are some of the most acute and serious challenges that our planet as well as the fashion industry face. If we do not act, it will not only affect nature and species, but also communities, societies and our economy.

According to the World Economic Forum, more than half of the world's GDP is partly or fully dependent on functioning ecosystems. At the same time, our ecosystems are collapsing. WWF's Living Planet Report 2020 shows that population sizes of mammals, birds, fish, amphibians and

reptiles have seen an alarming average drop of 68 percent since 1970. The average population size decline among freshwater species has been even worse; 84 percent. According to IPBES, we may face losing up to a million species within the coming decade.

The fashion industry, including H&M Group, is both reliant on functioning ecosystems and has a great negative impact on biodiversity, water and climate. And the three topics are interconnected. In order to stay in business, action needs to be taken.

"Biodiversity, water and climate are some of the most acute and serious challenges that our planet as well as the fashion industry face. If we do not act, it will not only affect nature and species, but also communities, societies and our economy".

PARTNERSHIP GOALS / AMBITION

Partnership vision:

"United in a common vision for a sustainable future for people and nature, H&M Group and WWF will address key environmental impacts in the H&M Group value chain and beyond, with a special focus on water, climate and biodiversity.

Our work aims to lead the fashion industry towards solutions that fit within the boundaries of our planet".

OVERALL GOALS:



Water

Improving water stewardship across H&M Group's entire value chain as well as engaging the wider industry on issues of water.



Climate

Working together to implement H&M Group's ambitious climate strategy to reach their climate target by 2040 whilst engaging and inspiring others to do the same.



Biodiversity

Reducing H&M Group's value chain impact on biodiversity towards the company ambition of having a net-positive impact on biodiversity as part of inspiring sector wide change.



WWF's regional office network helps H&M Group to leverage local engagement and expertise to deliver impactful, place-based solutions that align with the global goals.

FOREWORD - TOGETHER POSSIBLE

Since 2011, WWF and H&M Group have been working together in a partnership founded on a joint vision for a sustainable future for people and nature.

"Water has been on the partnership's agenda since day one. Together we have developed solutions that tackle challenges on a local and global level".

Water has been on the partnership's agenda since day one. Together we have developed solutions that tackle challenges on a local and global level. We have laid the foundation for water stewardship in the apparel and textile industry and beyond, and empowered stakeholders with knowledge and resources to help make change happen.

The partnership expanded

Over time, the partnership expanded to encompass climate and biodiversity as well, reflecting how these systems are connected on earth.

Expanding the scope of the partnership helped H&M Group to make greater strides in the climate agenda, as a base to develop the net-zero ambition.

Within biodiversity, WWF is working to help protect and restore ecosystems through projects in key landscapes related to H&M Group's value chain.

WWF's regional office network helps H&M Group to leverage local engagement and expertise to deliver impactful, place-based solutions that align with the global goals.

The partnership also brings diverse corporate and NGO perspectives to strengthen the H&M Group decision making, foster innovation and broaden the strategies for addressing nature-related challenges.

One concrete example

One concrete example of that, that we also cover more in detail later in this report, is that WWF and H&M Group are introducing more regenerative wool production in and around South Africa's newest national park, building better livelihoods for farmers and benefiting nature. We work with farmers to reduce overgrazing, clear invasive plants and improve fire management, all of which are even more critical in the context of a changing climate.

Another example, connected to cotton production is a partnership project that supports smallholders growing cotton to adopt regenerative agriculture practices in a critical wildlife corridor in India. We work with thousands of farmers to improve biodiversity, livelihoods and overall ecosystem health of the agricultural landscape.



Alongside our work on projects, we also add our voice to policy discussions within our partnership. Together we analyse proposed legislation, identify common policy asks and advocate strategies. We bring complementary perspectives to the policy making process demonstrating that business and civil society align on key environmental topics.

By collaborating on water, climate and nature through combined expertise and leadership, we hope that we can help shape impactful, science-based industry guidance and policy changes that drive meaningful, scalable change across the fashion sector.

Together we roll out new projects

The partnership has already achieved so much, but we know that much remains to be done. Together we are rolling out new projects enhancing nature and boosting livelihoods, as well as continuing to support collective efforts to bring about policy change that reduces environmental impact.

It is only through a stable climate and healthy ecosystems that societies and economies can flourish. Humankind can and must turn the tide. We need urgent global action to combat the climate, biodiversity and water crisis, and that is to aim

to continue striving for within the partnership, ahead for the future as well.

Together, we want to lead the fashion industry towards solutions which fit within the boundaries of our planet.

“Partnerships are vital to us at H&M Group. They amplify our work and help us identify impactful solutions that support a healthier planet. Our work with WWF can help to create a future where both business and nature thrive. We depend on climate, water and biodiversity to be able to run our business – things like fertile soil, robust forests, thriving ecosystems and freshwater, as well as healthy pollinators to help produce natural materials for our products. So we need to reduce our impact”.



Negin Farhadi, Climate & Nature Engagement Lead, H&M Group

“There are no quick fixes or easy solutions to the many complex challenges we face. We must work together across organisations, companies, governments and people, to find solutions, inspire collective action and drive change at a pace and scale that matters. WWF and H&M Group have achieved things together that would have been impossible to do alone”.



Elin Larsson, Director of Market & Finance, WWF

We work with thousands of farmers to improve biodiversity, livelihoods and overall ecosystem health of the agricultural landscape.





WATER - A CRITICAL RESOURCE FOR THE TEXTILE INDUSTRY

Water is a critical resource for the textile industry, utilized widely from cotton cultivation to fabric dyeing and washing processes.

“Our collaboration has led to advancements in water management practices across H&M Group’s value chain”.

Recognizing the environmental challenges and the industry’s dependence on freshwater our partnership has been a pioneering effort in integrating Water Stewardship into the fashion industry.

Our collaboration has led to advancements in water management practices across H&M Group’s value chain, contributing to both environmental sustainability and business resilience.

Since 2011, WWF and H&M Group have been working according to WWF’s model for Water Stewardship using the five-step approach, targeting suppliers, staff, consumers, governments and other stakeholders:

- **Influencing Policy and Governance:** advocating for effective water governance and policies to ensure the long-term availability of freshwater resources.

- **Engaging in Collective Action:** Collaborating with other entities to promote sustainable water management in key river basins.

- **Internal Action:** Companies take action to optimize internal water governance, improve water efficiency and reduce pollution.

- **Knowledge of Impact:** Companies have detailed understanding of impact they and their suppliers have (incl. footprint & risk).

- **Water Awareness:** Companies, their suppliers and customers have (high level) understanding of the global water challenges, and their dependence on freshwater.



Em San pulls a fishing net out of the water with the help of his nephew Phuon Dan.

“

“Water is not just a sustainability issue – it’s a business-critical resource that directly affects our products, supply chains, and the communities we rely on. This partnership with WWF has enabled us to move beyond risk mitigation and embed water stewardship into our core business strategy. By aligning with science-based, contextual targets, we’re better equipped to secure long-term resilience, meet growing stakeholder expectations, and lead the industry toward a more sustainable future”.

Sharif Hoque, Water Impact Lead at H&M Group



Water is not just a sustainability issue – it’s a business-critical resource that directly affects our products, supply chains, and the communities we rely on. The benefits of a collective approach are many. Challenges that are addressed collectively, locally or regionally, together with other stakeholders with materiality in the same regions, become more effective.

Capture of pink river dolphin (*Inia geoffrensis*) in Lake Tefé, Middle Solimões region in the Amazonas, Brazil, 2024.

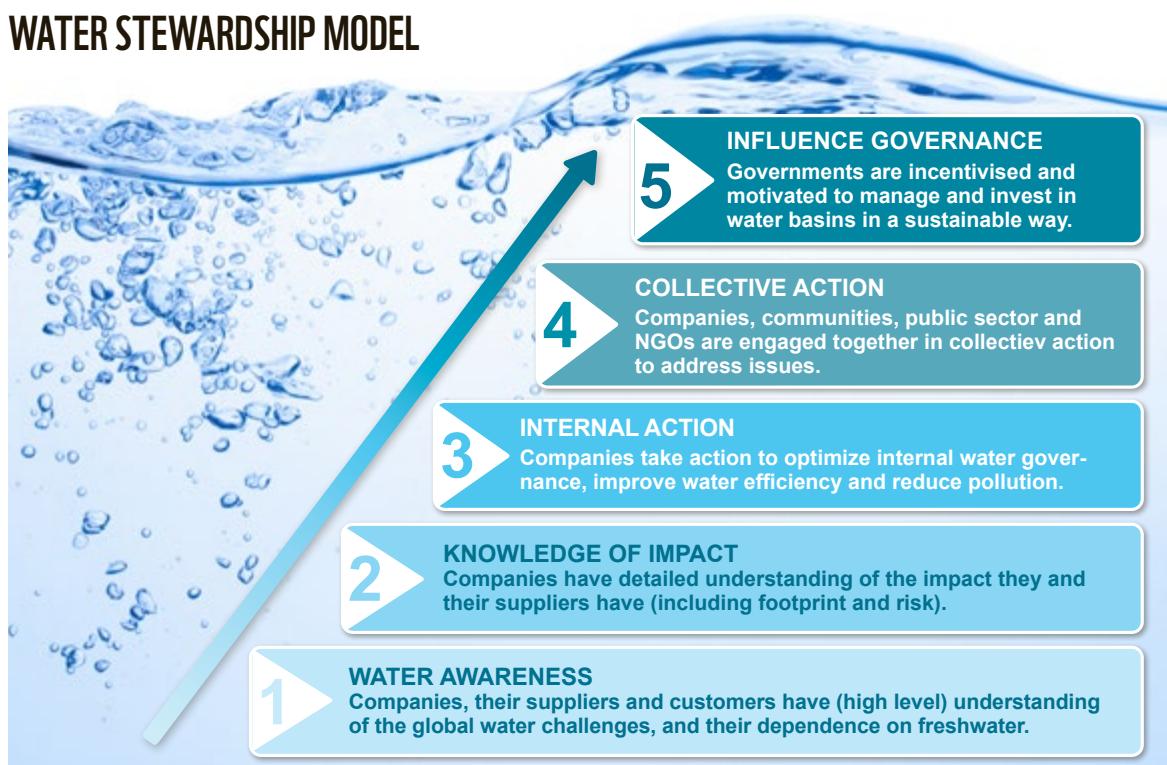
A view of the Sopheap Mitt waterfall on the border between Laos and Cambodia.



“Since 2011, the collaboration between H&M Group and WWF has positioned water stewardship as a strategic business priority – elevating it from a sustainability issue to a driver of long-term competitive advantage. Building on this foundation, we have, since 2021, co-developed and advanced science-based, contextual water targets, validated through global pilots and applied in high-risk regions such as Bangladesh and western India. This partnership has contributed to internal improvements at H&M Group and engaged in advocacy efforts aimed at influencing industry practices”.

Sharif Hoque, Water Impact Lead at H&M Group

WATER STEWARDSHIP MODEL



An effective Water Stewardship setup for Swedish companies with a cooperative approach is to work jointly with sustainability in water issues, and be good role models for local administrations.



KEY WATER-RELATED INITIATIVES AND OUTCOMES WITHIN THE PARTNERSHIP

Integrating Water into Corporate Strategy

A central focus of Phase 4 of our partnership was to combine over a decade of experience on water-related issues and their connection to core business drivers. This led to the development of an integrated water strategy aligned with H&M Group's overarching sustainability goals. Beyond internal alignment, this work also resulted in industry guidance – sharing learnings and enabling peers to adopt similar approaches.

Contextual Target Setting and Transition to a Science-Based Approach

Building on the sustainability strategy, WWF and H&M Group co-developed a pioneering target-setting framework that integrates scientific rigor with local and regional water realities. This approach covers all key dimensions of water – scarcity, quality, flooding, sanitation & hygiene, and governance – while prioritizing interventions based on context. For example, governance efforts are focused where systems are underdeveloped, rather than refining areas that are already well-functioning. This ensures optimal allocation of resources while aligning water interventions with business operations.

This approach was later validated through the Science-Based Targets for Nature (SBTN) pilot, where H&M Group was among a select few global companies to have its targets tested and verified. Results confirmed full alignment with the contextual model, especially in critical geographies such as the Dhaka watershed and

western India's cotton-growing basins. Independent assessments further identified two of the highest financial risks facing H&M Group and industry: cotton price volatility driven by climate-induced water stress and supply chain disruptions in Bangladesh due to water-related risks.

Strategic Industry and Peer Advocacy

To scale impact and accelerate adoption of our strategy and framework, we engaged in targeted advocacy across both development and business sectors. Through strategic publications, candid stakeholder dialogues, and discreet engagement with influential actors – such as the World Bank, major fashion brands, and industry coalitions – we ensured that key insights and recommendations were echoed across multiple platforms, including regulatory processes. This collective voice approach enhances credibility and momentum for systemic change.

“Building on the sustainability strategy, WWF and H&M Group co-developed a pioneering target-setting framework that integrates scientific rigor with local and regional water realities”.

Designing the Next Phase: High-Impact Regional Work Packages

Drawing from lessons in this phase, we co-designed two strategic “strike packages” for the next stage of our collaboration. These are tailored to address high-priority water risks in two critical regions: Bangladesh and western India. Each package is focused on regional, high-materiality interventions – ensuring that our actions are both scalable and deeply relevant to the most pressing water-related challenges in H&M Group's value chain.



Quote by **Harsh Sheth**,
Senior Manager, Corporate
Water Stewardship at WWF.



“Water has been a known risk in and to the fashion industry for over two decades, yet progress remains slow and fragmented. Despite commitments, forums (old and new), and shared learnings, true on-ground impact is still the exception, not the norm. As the risk to and from freshwater grows, we – across stakeholders – must push past noise and commit to real, collective action where it matters most. ‘Impact not just progress’, a lesson that both H&M Group and WWF embrace strongly. Collaborating with H&M Group has shown how environmental stewardship and business strategy can converge to create real-world impact. Through this partnership, we've been able to bring scientific insight and local context into corporate water management, demonstrating how companies can act decisively in high-risk basins while influencing broader industry transformation. It's a powerful example of how conservation outcomes can be scaled through forward-thinking corporate partnerships”.

THREE-PART SERIES OF REPORTS ON WATER AND TEXTILES IN THE APPAREL INDUSTRY

WWF also produced a three-part series of reports on water and textiles in the apparel industry: Unpacking water risk and opportunity for key apparel clusters and the work to mobilize others to scale solutions.

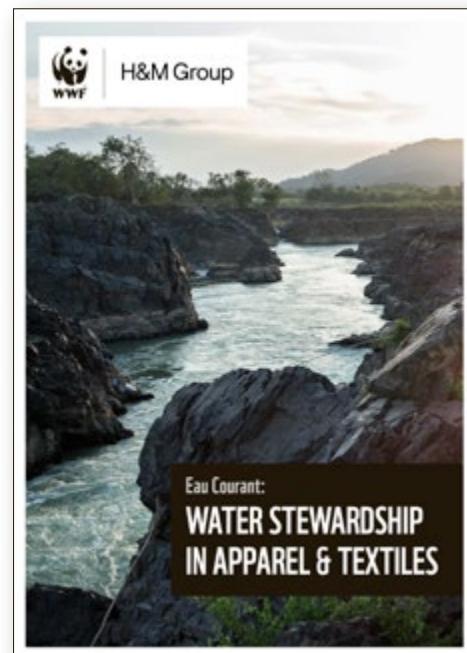
Part I highlights how water and fashion are connected.

Part II delves into the geography of the industry's major production clusters and their exposure to water risk.

Finally, Part III outlines WWF's vision for the textile sector, and how we are working to mobilize others to scale solutions.

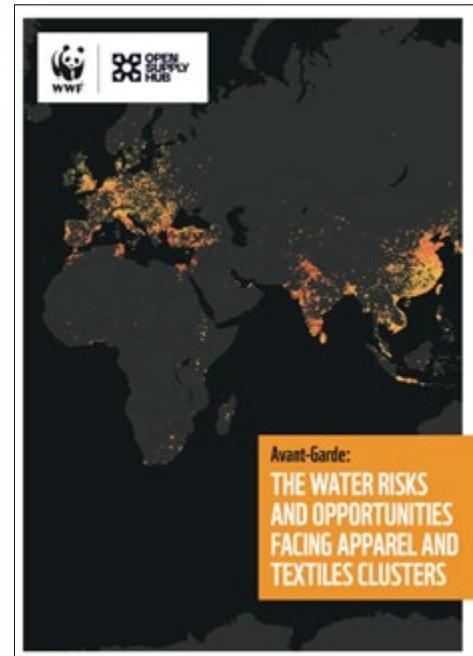
We showcased how we work in partnership with apparel and textile companies and provide an overview of our scope of work within the textile value chain across the themes of Freshwater, Biodiversity and Climate and Energy".

PART I: Eau courant: Water Stewardship in Apparel and Textiles (2022)



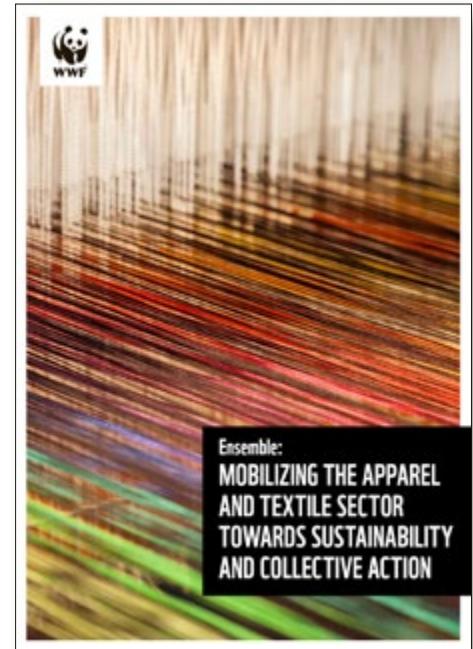
https://wwfint.awsassets.panda.org/downloads/wwf_hm_water_strategy_report_220823_final.pdf

PART II: Avant-Gard: The Water Risks and Opportunities Facing Apparel and Textile Clusters (2023)



https://wwfint.awsassets.panda.org/downloads/avant_garde__the_water_risks_and_opportunities_facing_textile_and_apparel_clusters.pdf

Part III: Ensemble: Mobilizing the Apparel and Textile Sector Towards Sustainability and Collective Action (2024)



<https://wwfint.awsassets.panda.org/downloads/ensemble---mobilizing-the-apparel-and-textile-sector-towards-sustainability-and-colle.pdf>



A CONVERSATION WITH SHARIF HOQUE, WATER IMPACT LEAD AT H&M GROUP

1. How is this partnership different from traditional sustainability efforts that are often driven by goodwill rather than business value?

Many sustainability efforts are built on good intentions – but good intentions alone don't change systems or create long-term value. What sets this partnership apart is its deliberate design to generate value for all actors: the business, communities, and ecosystems. Through science-based, contextual target setting, we've translated water risks – often invisible or perceived as too complex – into tangible, actionable business priorities. The subliminal cost of inaction is high: cotton yield losses, factory shutdowns, regulatory fines, and reputational damage are real value destroyers that companies are already incurring, often without visibility. Our collaboration simplifies this complexity and creates a path where environmental sustainability and business resilience reinforce each other. A tool that one needs to create value but believes they cannot afford is often already being paid for – through inefficiencies, disruptions, and value losses elsewhere. The question isn't whether we can afford it, but whether we can afford the cost of continuing without it.

2. How do you ensure these water targets are meaningful, measurable, and credible?

We've moved beyond high-level commitments to grounded, science-based, contextual targets that align with both local realities and global environmental thresholds. Co-developed by WWF and H&M Group, and validated through the Science-Based Targets Network (SBTN) pilot, our targets are linked to concrete interventions in specific geographies. This ensures that every target is tied to an environmental need, a business risk, and a measurable outcome – making them both credible and strategically relevant.

3. If this approach is working, why hasn't it become industry standard yet?

The reality is that implementing contextual water targets requires a level of scientific insight, data access, and operational coordination that few organizations have built internally. That's why this partnership works – WWF provides the scientific and contextual depth, while H&M Group brings operational scale and implementation capa-

bility. We're not just influencing internal decisions; we're also catalyzing broader change through industry engagement, peer advocacy, and regulatory dialogue. We're seeing increasing interest from brands, institutions, and platforms who recognize that the future of sustainability lies in precision, not platitudes.

4. How is the design of upcoming interventions in places like Bangladesh and western India focused on delivering measurable differences?

These interventions are intentionally designed to tackle the most material water-related risks in the value chain – regions where environmental degradation and business exposure intersect sharply. In Bangladesh, we're addressing flooding, water quality, and supply chain disruption. In western India, our focus is on water scarcity in cotton-growing districts. Each intervention is grounded in basin-level data, informed by community and governance dynamics, and aligned with both environmental thresholds and business resilience needs. This design ensures that progress can be monitored, reported, and scaled – delivering measurable benefits for both ecosystems and the business.



Sharif Hoque is the Water Impact Lead at H&M Group.

"We're seeing increasing interest from brands, institutions, and platforms who recognize that the future of sustainability lies in precision, not platitudes".



A Nepalese lady crosses a shallow river in Bardia, Nepal.

CLIMATE CHANGE DIRECTLY AFFECTS FACTORIES PRODUCING GARMENTS

The impacts of climate change are already being felt around the world and science shows that we need to keep global temperature rise to 1.5°C to secure a liveable future for our planet.

"H&M Group aims to reduce absolute greenhouse gas emissions across its value chain by 56% by 2030 and by at least 90% by 2040".

In the first years of collaboration on climate back in 2016, WWF supported H&M Group in developing a new climate strategy and setting long- and short-term climate targets. The further renewed ambitious commitments in 2022 include the overarching target to become net-zero by 2040 in line with the criteria of the Science Based Targets Initiative. H&M Group aims to reduce absolute greenhouse gas emissions across its value chain by 56% by 2030 and by at least 90% by 2040. The remaining 10% emissions will be addressed with carbon dioxide removals to achieve net-zero. These targets were validated by the Science Based Targets Initiative in 2022.

The partnership has a strong and immediate focus on the supply chain, as this is where around 70 percent of H&M Group's total emissions occur. Work on climate issues in the textile industry is prioritized due to the negative impacts climate change has across the entire value chain. Textile supply chains are often located in countries that largely utilize energy extracted from fossil fuels, all the way from production to logistics to sales. WWF and H&M Group collaborate to provide climate and energy training to key suppliers, helping them reduce their carbon footprint through cleaner production methods and energy management improvements.



Textile supply chains are often located in countries that largely utilize energy extracted from fossil fuels, all the way from production to logistics to sales.



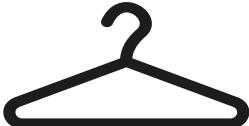


“

“H&M Group is committed to achieving net-zero by 2040. Collaboration and innovation are essential to drive the changes required across our value chain. Our partnership with WWF was instrumental in shaping our climate strategy, and it reflects our broader approach to working with expert partners to build credible and science-based pathways forward”.

David Dahl, Head of Climate and Nature H&M Group

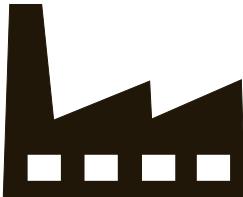
HOW WE WORK TOGETHER ON CLIMATE



Implementing H&M Group's Climate strategy and scaling measurable solutions throughout the garment sector and business community, while stimulating others to do the same.



Direct supplier engagement to reduce emissions and impacts in line with H&M Group's 2030 and 2040 targets and scaling solutions within the sector and business community and exploring synergies with other partnerships.



Engagement of Policy makers and sectoral players related to H&M Group's own operations and value chain to contribute to the creation of an enabling legal framework at global, regional and local level to support the shift towards a low-carbon economy.



Beyond Net Zero: Supporting companies in implementing ambitious climate strategies to limit average global temperature increase to 1.5°C. This is done by outlining an ambitious pathway with detailed actions and examples to guide companies towards and **beyond Net-Zero**.



PROGRESS TO DATE - TOWARDS A NET ZERO VISION

A number of projects are underway to contribute to H&M Group's various goals. This is an overview of activities listing envisioned results and current status.

Key figures sustainability

Climate	GOAL	1 Dec 2023–30 Nov 2024	1 Dec 2022–30 Nov 2023	1 Dec 2021–30 Nov 2022
Share of absolute reduction in GHG emissions (scope 1 and 2) compared with 2019 baseline ¹ , %	–56% by 2030	–41%	– 21%	– 8%
Share of absolute reduction in GHG emissions (scope 3) ² compared with 2019 baseline ¹ , %	–56% by 2030	–24%	– 26%	– 17%
Share of renewable electricity in own operations, %	100% by 2030	96%	– 94%	– 92%
Commercial products	100% by 2030	89%	83%	82%
TOTAL				
Sustainable sourced	—	59	57	58
Recycled	30% by 2025 50% by 2030	29,5%	27%	24%

1. Refers to science-based targets for own operations (scope 1 & 2) and for the company's entire value chain (scope 3) and excludes the use of sold products.

2. Excluding indirect use-phase emissions.

“ *In this decisive decade for climate action, it is great to see how the H&M Group and WWF can work together to engage other textile companies on critical topics such as setting science-based targets through trainings and other projects. Collaboration and an exchange of ideas on shared challenges and solutions are needed to lead the way to a low-carbon future”.*

Milan Kooijman, Climate Business Expert at WWF



SOME OF OUR MILESTONES AND RESULTS OVER THE YEARS INCLUDE:

- **Developing H&M Group's climate strategy** to achieve net-zero by reducing emissions, scaling renewable energy, and strengthening climate resilience.
- **Beyond Net Zero guidance was launched in 2022** during a live event with H&M Group, IKEA and WWF.
- **Training sessions carried out throughout 2022** for H&M Group's suppliers and other textile companies on the Science Based Target Initiative across 8 countries in China, Vietnam, Cambodia, Indonesia, India, Pakistan, Turkey and Bangladesh.
- **Policy push in Brussels** with the aim to encourage Members of the European Parliament to vote for higher renewable energy and energy efficiency 2030 targets.
- **The report on electrifying the textile and apparel sector in Vietnam** was internally published in January of 2025 showcasing the feasibility and opportunities around steam and heat generating solutions with input from H&M Group and several manufacturing companies.
- **The Cleantech programme was designed at the beginning of 2019** to support factories to decarbonise through offering best available technologies and financing. Due to several reasons the programme did not reach its full potential. However, several successes were achieved such as the organisation of 8 webinars between 2019–2021 where various cleantech providers presented to a 100+ manufacturing companies. As a result several factories did engage and install cleantech solutions.

“Several successes were achieved such as the organisation of 8 webinars between 2019–2021 where various cleantech providers presented to a 100+ manufacturing companies”.

CLIMATE, BIODIVERSITY AND WATER AS INSEPARABLE LINKS FOR A SUSTAINABLE FUTURE

Climate and biodiversity are deeply interconnected, as changing climate conditions alter habitats and ecosystems, while biodiversity loss reduces nature's resilience to climate impacts, creating a feedback loop that accelerates environmental change.

This is why the partnership works to influence legislation and drive systemic change in the fashion industry by influencing policies and driving projects that both reduce emissions and protect ecosystems to create resilient, nature-based solutions for a sustainable future.

“

“Expanding the scope of our partnership helped us make greater strides in the climate agenda. It's given us a base to develop our net-zero ambition including our strategy for climate action beyond our own operations and supply chain to build business resilience”.

Negin Farhadi, Climate & Nature Engagement Lead @H&M Group



Climate and biodiversity are deeply interconnected, as changing climate conditions alter habitats and ecosystems, while biodiversity loss reduces nature's resilience to climate impacts.



BIODIVERSITY

The link between biodiversity and business is well established. According to the 2025 [World Economic Forum](#) Global Risks report, biodiversity loss is the second biggest risk businesses face over a 10-year time horizon.

"Our aim is to work together to help reduce H&M Group's overall pressures on nature and to contribute to the recovery of biodiversity".

H&M Group was an early leader in recognising this threat and in 2020, WWF and H&M Group formally expanded the partnership to include a biodiversity stream. Our aim is to work together to help reduce H&M Group's overall pressures on nature and to contribute to the recovery of biodiversity, in line with the latest science.

We collaborate on multiple organizational aspects, including strategy development, biodiversity impact projects in key production and conservation landscapes, supply chain engagement considerations and leadership and policy engagement that includes working with coalition partners like [BusinessforNature](#).



HOW WE WORK TOGETHER ON BIODIVERSITY



Contributing to H&M Group's biodiversity strategy and target development



Investing in specific biodiversity projects



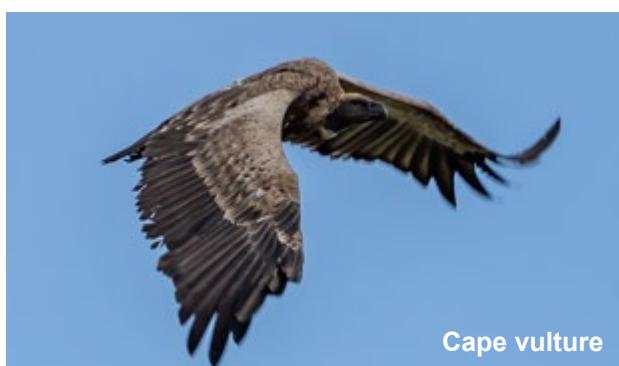
Supply chain engagement



Leadership and policy engagement

We depend on climate, water and biodiversity to be able to run our business – things like fertile soil, robust forests, thriving ecosystems and freshwater, as well as healthy pollinators to help produce natural materials for our products.







CONTRIBUTING TO H&M GROUP'S BIODIVERSITY STRATEGY AND TARGET DEVELOPMENT

WWF provided inputs during the development of H&M Group's biodiversity ambition, released in 2020. Since then WWF and H&M Group have worked together closely in testing the [Science Based Targets Network guidance](#) for nature-related targets. In 2024, a pilot project was undertaken with 17 companies to test the new guidance on setting science-based targets for nature.

WWF technical experts from around the world were central to the development of these guidelines and our corporate partnerships team worked closely with H&M Group on several aspects of applying these guidelines to their company. Specifically, the partnership supported H&M Group with using the [WWF Risk Filter Suite](#) to identify nature-related impact indicators for H&M Group sourcing locations.

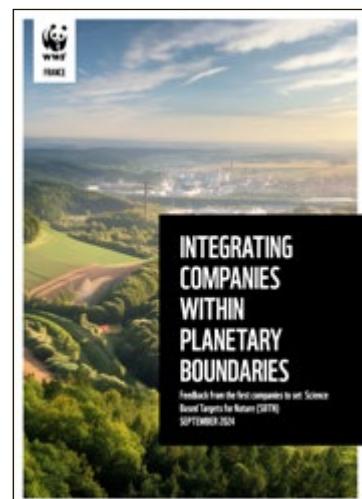
We also worked together on submitting our partnership landscape projects in India and South Africa for the landscape engagement requirements of the SBTN. Some learnings from this experience are shared in the report [Integrating Companies within Planetary Boundaries](#) as well as at [SBTN Pilot: H&M Group](#).

Some learnings from landscape projects in India and South Africa are shared in the report [Integrating Companies within Planetary Boundaries](#) as well as at [SBTN Pilot: H&M Group](#).



H&M Group continues to work on the remaining obstacles and clarifications required to set SBTs for nature. In the meantime, the framework and insights from the SBTN pilot are shaping processes in the company on nature target setting. WWF and H&M Group jointly engaging with the SBTN team to address the remaining barriers for H&M Group in committing to the SBTN targets and to contribute to improving the framework.

In addition, WWF has contributed with strategic input related to H&M Group's evolving work on deforestation and conversion-free policy. WWF also supports H&M Group with insights related to biodiversity impact reporting and disclosure.



"Integrating companies within planetary boundaries" is a report on feedback from the first companies to set Science Based Targets for Nature (SBTN). SEPTEMBER 2024.



Merino sheep

One of our milestones and results over the years include more than 10 000 hectares of critical grasslands habitat in South Africa secured in conservation agreements with sheep farmers adopting more regenerative grazing practices.

INVESTING IN SPECIFIC BIODIVERSITY PROJECTS

The partnership supports sustainable, regenerative production and nature protection and restoration efforts in key landscapes connected to the stage of H&M Group's value chain with the biggest biodiversity impact – raw materials.

conservation and in line with the SBTN landscape engagement framework.

These are also leveraged as places where we can prove that farming with nature rather than against it is good for people, business and the planet.

"Cotton and wool are a particular focus as these have been identified as the commodities with the most significant direct impact on biodiversity in H&M Group's supply chain".

Cotton and wool are a particular focus as these have been identified as the commodities with the most significant direct impact on biodiversity in H&M Group's supply chain. The production of cotton and wool can lead to negative impacts on biodiversity (and ultimately productivity) including soil erosion, pollution, and overgrazing.

Therefore, it is crucial to support regenerative agriculture projects, which leverage the links between functioning ecosystems and productive, sustainable farming to improve soil health and biodiversity and that strengthens the resilience of farmers against climate change impacts.

While our projects represent a small fraction of H&M Group's total land footprint, they are strategically selected to be in places that are critical for biodiversity



The production of cotton and wool can lead to negative impacts on biodiversity including soil erosion, pollution, and overgrazing.



Two tigers (*Pantera tigris*) playing



◀ **INDIA:** A critical wildlife corridor in Central India where we are supporting 6,000 small-holder cotton farmers to adopt regenerative agriculture practices that enhance on-farm biodiversity, support healthy ecosystems and produce more sustainable cotton.

([Read more in the case study on page 26](#))



◀ **SOUTH AFRICA:** Supporting large-scale private landowners and small-scale traditional farmers on tribal land across more than 10 000 ha to adopt regenerative wool production practices in the Eastern Cape Grasslands.

([Read more in the case study on page 30](#))



◀ **INDONESIA:** A project in Central Kalimantan in Indonesia where we are working with local communities to restore degraded parts of the forest across 350 hectares in a way that would connect patches of forest that serve as habitat for Orangutan and other wildlife while also providing income for communities through sustainable rattan production.

([Read more about this project here](#))



SUPPLY CHAIN ENGAGEMENT

"The WWF and H&M Group partnership provided the seed funding and initial field testing for this solution. It has now been taken up by 4 additional brands that are partnering with WWF in Cambodia on further refinement".

This area of work centers around H&M Group's efforts to reduce its biodiversity footprint throughout its supply chain.

In the current partnership phase we've collaboratively assessed biodiversity components of key certification standards to identify potential gaps on biodiversity.

WWF also developed a Wood AI App together with H&M Group. The app enables certain wood species to be identified using only a smartphone at the factory gate, helping factories to verify that the wood they source for power generation is from H&M Group approved residues of planta-

tion species like mango and cashew, which are less likely to contribute to deforestation.

The WWF and H&M Group partnership provided the seed funding and initial field testing for this solution. It has now been taken up by 4 additional brands that are partnering with WWF in Cambodia on further refinement.

These brands now require their supplying factories to use the app to identify wood as a first step to eliminating the use of forest wood. Read more about the wood AI app [here](#).



LEADERSHIP AND POLICY ENGAGEMENT

This area of work includes engaging with other companies and industry leaders to inspire action and engaging with policy-makers on policy development. Our engagements extend to forums, events, or contrib-

butions in reports designed to facilitate the exchange of knowledge, challenges, and solutions, helping to scale up corporate action against biodiversity loss. A few examples include:

Examples of leadership and policy engagement:

2020: H&M Group Biodiversity Lead as speaker at the IUCN World Conservation Congress post-2020 partnership pavilion.

2021: WWF and H&M Group published a joint Op-ed on the World Economic Forum platform on [5 critical incentives to protect nature and climate](#).

2022: H&M Group's former CEO Helena Helmersson was amongst the high-level speakers at the Nature Positive dinner during the World Economic Forum's annual meeting in Davos 2022 emphasizing the industry's role in global biodiversity action and support for key biodiversity policy asks.

H&M Group featured as case study of a company journey in taking action on climate and nature in a [WeMeanBusiness and BusinessforNature report](#).

[COP15 Business and Biodiversity](#) side event sessions hosted by the partnership. Panel discussions on integrating biodiversity into business strategies and the role of the private sector in implementing the Global biodiversity framework agreement.

2023: H&M Group and partnership insights to the [WWF and Bain & Company report](#) detailing the state of biodiversity efforts among Sweden's largest businesses.

2023–2024: The European Business & Biodiversity Forums organised by WWF in [France 2023](#) and [Brussels 2024](#) to exchange knowledge, challenges, and solutions for scaled up company action to address the loss of biodiversity.

"Policy engagement and contributing to policy-related frameworks is essential for the partnership in order to reverse the loss of nature and impact the wider fashion industry business sector".

Policy engagement and contributing to policy-related frameworks is essential for the partnership in order to reverse the loss of nature and impact the wider fashion industry business sector.

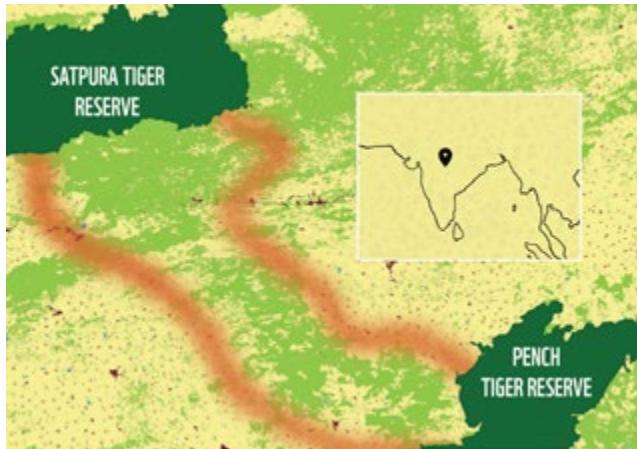
While voluntary action is important, legislation is needed to drive industry-wide transformation. More details on our work with policy engagement specifically are available in the policy & advocacy section.

Some of our milestones and results over the years include:

- **Supporting the ongoing evolution** of H&M Group's biodiversity ambition that takes a holistic approach to manage the Group's impact and dependency on biodiversity including through being among 17 pioneering companies that tested the Science Based Targets Network guidance on nature target setting.
- **Working with local communities in Indonesia** to enrich and restore degraded forests and develop sustainable rattan harvesting across 350 hectares in an Orang Utan movement corridor.
- **6 000 cotton farmers in India supported** to adopt regenerative practices that help to protect a critical wildlife corridor between two tiger reserves.
- **More than 10 000 hectares of critical grasslands** habitat in South Africa secured in conservation agreements with sheep farmers adopting more regenerative grazing practices.



CASE STUDY



REGENERATIVE AGRICULTURE IN SATPURA PENCH, INDIA

In 2021, WWF and H&M Group started a regenerative farming project in the Satpura-Pench region in Central India to support small-holder cotton farmers to adopt regenerative agriculture practices that enhance on-farm biodiversity, support healthy ecosystems, enhance livelihoods and produce more sustainable cotton.

WHY MUST WE INVEST IN THIS LANDSCAPE?

"This mosaic of agricultural land and forest creates a wildlife corridor that allows endangered species like tigers, leopards and sloth bears to move between protected areas safely".

Satpura Pench lies within central India, a landscape containing some of the largest remaining forest tracts in India and is home to about 20% of the world's remaining wild tigers. It is also home to indigenous people and unique cultures and livelihood systems. Cotton production is an important part of the economy here and agriculture accounts for almost 40% of land-use.

This mosaic of agricultural land and forest creates a wildlife corridor that allows endangered species like tigers, leopards and sloth bears to move between protected areas safely. However market pressures that drive more intensive farming and excessive use of chemical fertilizers and pesticides are threatening the landscape.

To contribute to protecting this important area, the WWF and H&M partnership project focuses on boosting soil health, increasing agricultural productivity, lowering input costs and improving farmers' livelihoods, as well as helping to maintain vital wildlife corridors.

Some of the regenerative practices we are working with farmers on include:

- Cover crops, intercrops and rotating crops.
- Natural fertilizers over chemical ones.
- Boosting beneficial insect populations.



"This is my land. On my land on 2 acres I'm going from conventional to regenerative practices. I've seen over the years we need to shift. Conventional production meant we had no earthworms, now we see more earthworms and soil water retention has increased, reducing the need for irrigation".

Wasima Khan, farmer



Trainings at the bio-input centers.



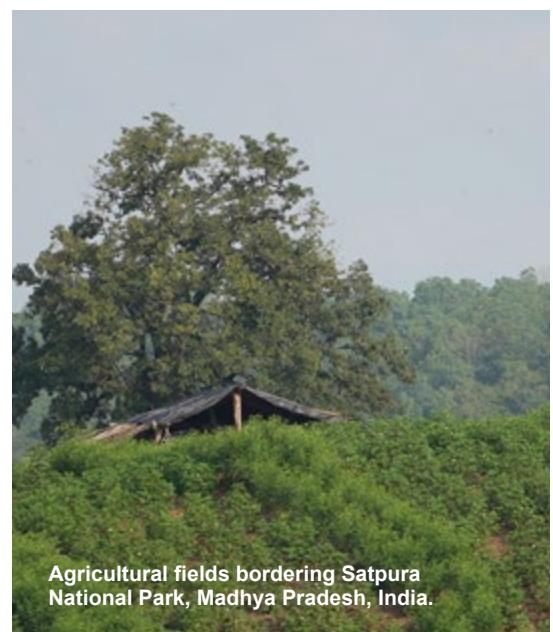
Farmer using traditional method of cultivation with plow and cow in the fields.

“Some time ago chemical fertilizers were used quite extensively here. The use of which has a negative impact on both the fields and our bodies. Chemical fertilizers were quite harmful”.

Sagar Dhomne, farmer



Natural fertilizers made at one of the bio-input centers in Satpura pench, India.



Agricultural fields bordering Satpura National Park, Madhya Pradesh, India.



WHERE ARE WE NOW IN THE PROJECT?

"Reducing the use of chemicals has led to lower input prices for the farmers as they don't have to spend money buying chemicals".

As of 2025, 6 000 farmers have adopted regenerative practices. Currently, the project involves a total of 4 314 hectares of farmland (primarily cotton) grown using regenerative methods in India.

Trainings have been held for farmers on nutrient and pest management preparations using natural fertilizers and pesticides instead of chemical inputs.

Reducing the use of chemicals has led to lower input prices for the farmers as they don't have to spend money buying chemicals and can produce these natural inputs from local resources available locally.

21 bio-input centers have been established so far. Farmers have also received training on regenerative field management practices for soil, water and crops.

PROJECT TIMELINE 2021-2025

- 2021: Planning and stakeholder engagement.
- 2022: Regenerative practices trialled with 150 pilot farmers.
- 2023: 3 000 farmers brought on board and using Regenerative practices.
- 2023–2024: 14% average reduction in pest numbers on regenerative demo plots versus organic plots.
- 2024–2025: 4 250 farmers on board with aim to scale up to 6 000 farmers.
- 2025: 4,313 hectares of land under regenerative production.



"We received trainings on nutrient and pest management preparations using easily available resources at home. This has lowered input prices of regenerative organic farming".

Asha Doke, Farmer



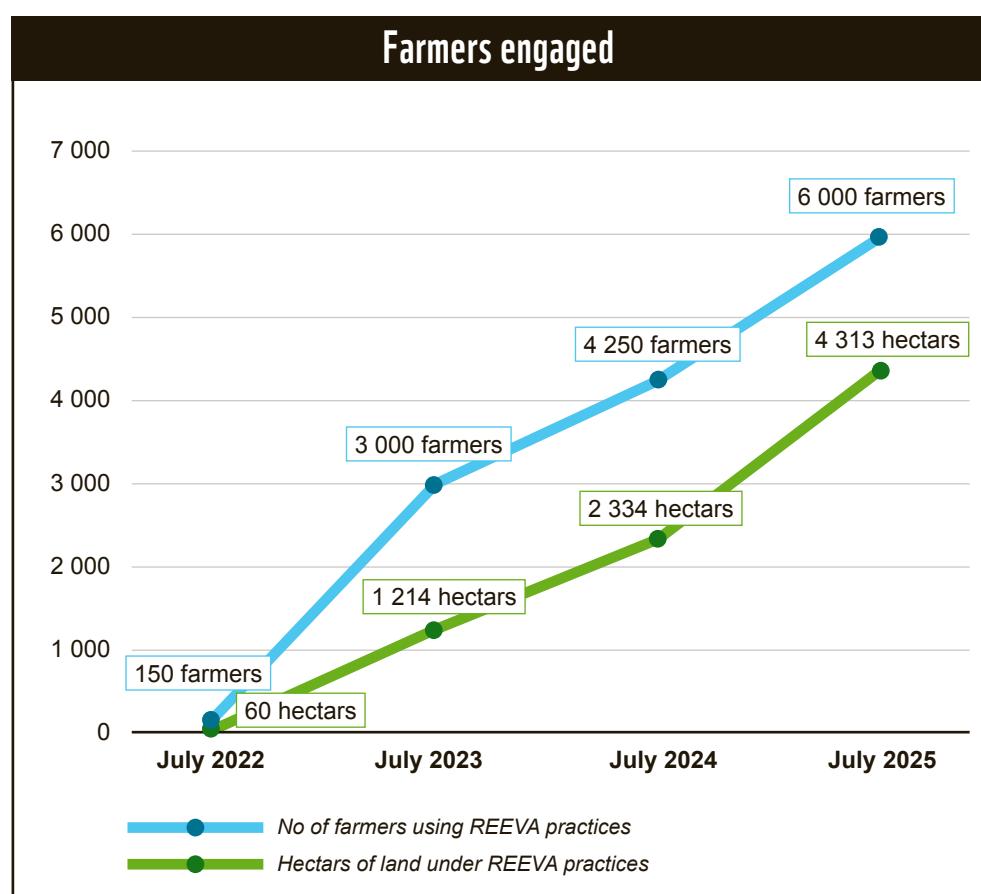
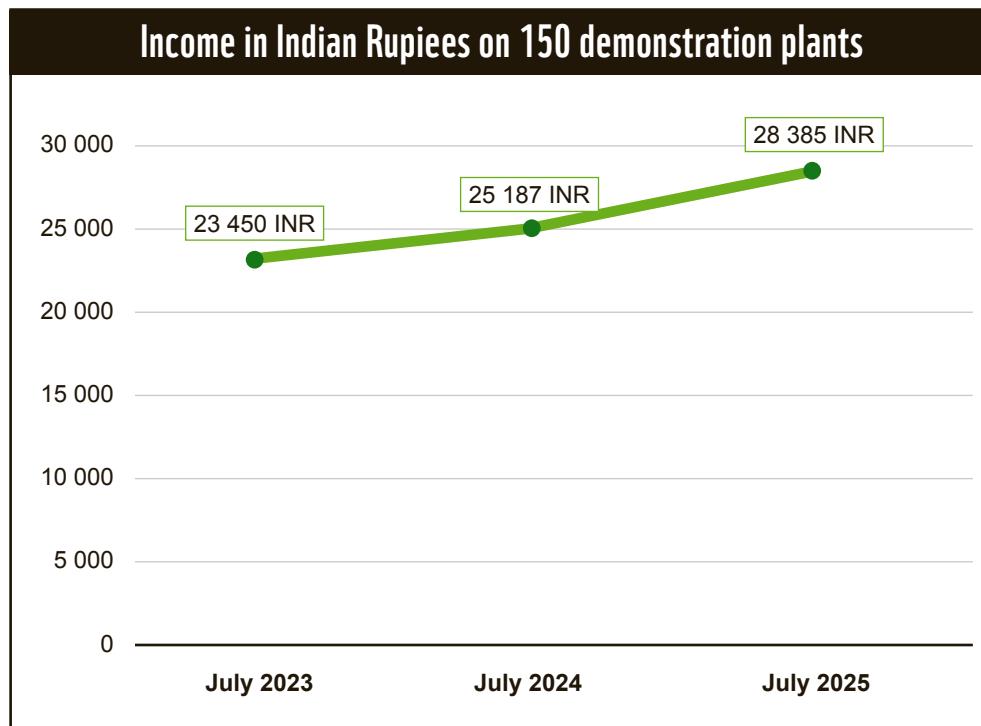
Trainings on regenerative farming methods in Satpura Pench Corridor.



THE OPPORTUNITIES AHEAD

This initiative will inform further efforts by H&M Group and WWF on nature-based, regenerative solutions that can yield sustainable cotton and restore critical habitats and contribute to reversing

biodiversity loss. Building on the success of this project WWF has recently signed an agreement with another large multinational company to support similar work in the nearby Godavari landscape.



“

“At H&M Group, we can learn lessons that we can use in our journey towards more sustainable production methods, linked to our goals to only buy recycled or more sustainably sourced materials by 2030.”

**Jennie Granström,
Biodiversity Lead,
H&M Group**



CASE STUDY



REGENERATIVE WOOL PRODUCTION IN THE EASTERN CAPE DRAKENSBERG GRASSLANDS, SOUTH AFRICA

In 2021, WWF and H&M Group started a regenerative wool production partnership project, working with commercial and communal sheep farmers in and around South Africa's Drakensberg grasslands. The project promotes climate-resilient agriculture, regenerative sheep grazing and habitat restoration across 10,000 hectares of grasslands critical for antelope, birds, and other vital flora and fauna in the region.

WHY THE DRAKENSBERG GRASSLANDS?

The Drakensberg grasslands are home to more than 2,500 species of plants and endangered birds such as the wattled crane. Fresh water from this area provides crucial clean drinking water for millions of people. It's also an important landscape for sheep farming.

"Fresh water from this area provides crucial clean drinking water for millions of people. It's also an important landscape for sheep farming".

The grasslands are critical biomes for biodiversity globally and particularly in South Africa covering nearly 30% of its land area. However only approximately 3% of the land area is formally protected. The grasslands in this region face significant threats from poor grazing management, including overgrazing, the spread of invasive species, and frequent fires. These pressures jeopardize the grasslands' capacity to sustain high-quality and abundant wool production, challenges that are further intensified by the impacts of climate change.

WHY WOOL?

The Eastern Cape Drakensberg Grasslands are a key wool producing area within the wider Eastern Cape province. A large majority of H&M Group's wool is sourced within this province. Wool

has the potential to be a long-lasting and low footprint material in fashion if produced through more sustainable, regenerative farming methods. Sheep are selective feeders, and grazing habits, if not managed carefully, may place strain on biodiversity and worsen land degradation.

Selective grazing helps to control invasive plant species, improve soil health by enhancing nutrient cycling, prevent erosion, and reduce wildfire risk by keeping vegetation in check – leading to more balanced and resilient ecosystems. Addressing the threats that overgrazing, invasive species and poor land management pose to the Eastern Cape Drakensberg grasslands is an overlapping priority for H&M Group and WWF.

SUSTAINABLE LAND MANAGEMENT THROUGH CONSERVATION AGREEMENTS

As with any community-based projects, outreach work to find out the farmers' needs is always the first step. Based on this needs assessment, project teams began building relationships and signing conservation agreements with sheep farmers, as well as providing training and mentorship within the pilot project areas.



The Eastern Cape Drakensberg Grasslands are a key wool producing area within the wider Eastern Cape province.

“

“I see that biodiversity and productivity are one and the same. The more diverse your feld and your soil is, the higher production you’re going to get out of your feld, out of your croplands out of everything”.

Ryan Sephton, Sheep farmer, Eastern Cape Drakensberg



Rangeland ecologists conduct soil carbon assessments to monitor soil.



Freshwater catchment area in the Eastern Cape Grasslands. Freshwater catchment area in the Eastern Cape Grasslands.

These agreements encourage farmers to implement conservation actions in exchange for benefits that improve their livelihoods such as access to sheep shearing services, livestock vaccines, invasive plant clearing, training and improved market access.

Commitments include planned rotational grazing to allow areas of rangeland to rest during the summer growing season as well as restoration of natural plants and biodiversity. The closer the grasslands are to their natural state, the better they can continue to bind the soils, and absorb and slowly release water.

A team of local people have also been trained in invasive plant clearing and

provided with equipment and contracts to clear areas along rivers that are overrun with invasive plants. This is another example of how restoring the natural ecosystem benefits climate resilience by reducing flooding risks, and benefits farmers by removing plants that can entrap lambs and reduce wool quality.

For all those downstream of these critical water source areas, scaling up these projects along with other nature-based solutions promises to accelerate climate adaptation and build resilience.

Work in this landscape is important in its own right, but will also help inform further efforts by H&M Group and WWF to improve the wool industry at scale.



Invasive plant clearing in the Drakensberg grasslands is important and a team of local people are active together with many local farmers.



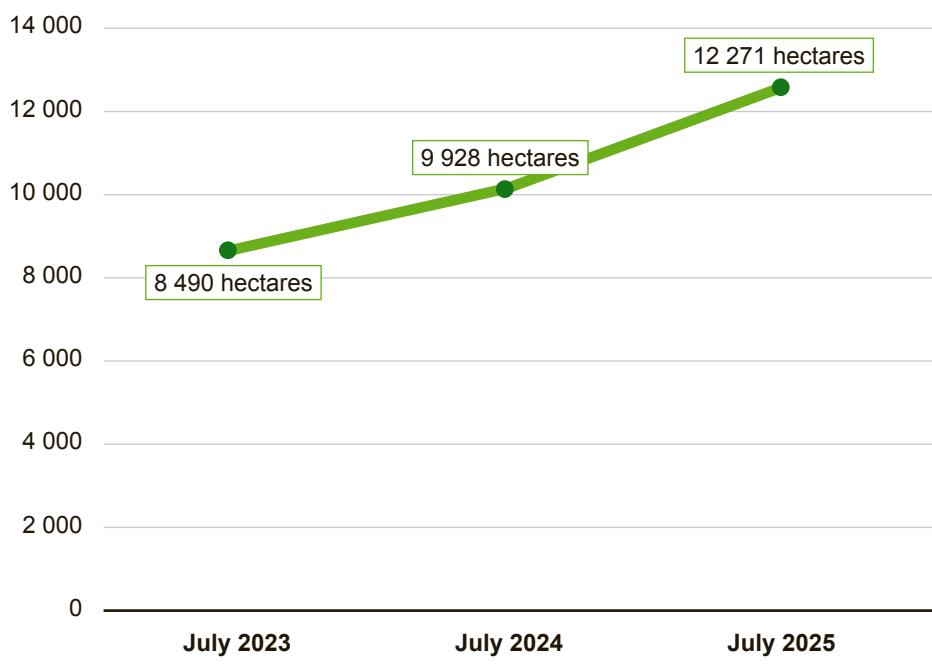
KEY ACHIEVEMENTS TO DATE (2025)

- **Roughly 10,000 hectares** of grazing land secured under conservation agreements.
- **More than 110 cumulative hectares** cleared of invasive plants (July 2025 value).
- **Supported over 389 community members** in organizing themselves into three rangeland management associations.
- **5,039 sheep vaccinated** (July 2025 value).
- **3 large scale commercial farmers and 5 “emerging farmers”¹** active in the project.
- **Trainings and Workshops** held on Fire management; Herbicide applicators; De-worming; vaccination programmes and disease awareness; Human-wildlife conflict management and ecotourism.

1. Emerging farmers in South Africa are farmers that have more recently become private landowners, generally from the Black African and other previously disadvantaged communities.

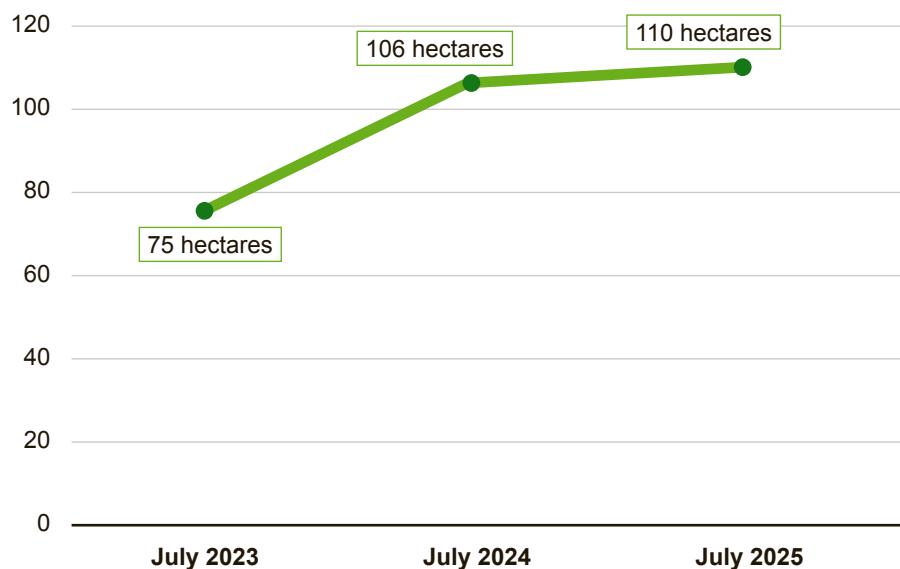


Total hectares of grazing land covered by conservation agreements



“Work in this landscape is important in its own right, but will also help inform further efforts by H&M Group and WWF to improve the wool industry at scale”.

Total hectares of land cleared of invasive plant species



“The WWF and H&M Group project is helping us to achieve those standards through alien clearing. H&M has also got their rangeland programmes that we’re working through with identifying areas of land that are susceptible to erosion, and areas of land that need special attention”.

Ryan Sephton, Sheep farmer, Eastern Cape Drakensberg



POLICY & ADVOCACY

In order to drive systemic change in the fashion industry, WWF and H&M Group have over the years been working together to influence key policy discussions, engage stakeholders and champion initiatives that influence policy and industry standards to align with global sustainability goals. This section highlights some of the key advocacy and policy contributions within the partnership in the past five years to accelerate the fashion industry's transition towards more sustainable practices.

"This section highlights some of the key advocacy and policy contributions within the partnership in the past five years to accelerate the fashion industry's transition towards more sustainable practices".

WHAT WE ARE ADVOCATING FOR

- Climate Action**
 - Advocating for policies that align with the Paris Agreement and net-zero targets.
- Water & Nature Protection**
 - Promoting responsible water use and biodiversity conservation.
- Business Accountability**
 - Encouraging transparency and stronger corporate responsibility.
- Shaping Industry Standards**
 - Inclusion of business relevant targets in global biodiversity agreements, and corporate sustainability regulations.



BIODIVERSITY & CLIMATE POLICY ADVOCACY

- **EU Renewable Energy and Energy Efficiency Advocacy (2023):** Advocating together with IKEA, for more ambitious targets on energy efficiency and renewable energy in the EU.
- **Together with 10 other Swedish businesses,** WWF and H&M Group published an op-ed calling on the new Swedish government to implement more ambitious climate policy action plans.
- **Business for Nature Coalition (2019 – ongoing):** H&M Group has been an active contributor to the Business for Nature Coalition, co-founded by WWF. As part of the Business Advisory Group, H&M Group engages in international biodiversity policy discussions, advocating for frameworks to halt and reverse biodiversity loss by 2030. During 2022, H&M Group was a strong supporter of the Business for Nature's **Make it Mandatory Campaign** requiring companies to assess and disclose their impacts and dependencies on biodiversity as part of an overall ask for a strong agreement at the United Nations Convention on Biological negotiations.
- **Task Forces for Nature-Related and Climate-Related Financial Disclosures (2019 – 2021):** H&M Group participated in these task forces (TNFD and TNCD), providing input to integrate nature and climate considerations into financial disclosures, thereby influencing policy and corporate practices.
- **EU Nature Restoration Law (2023-2024):** H&M Group was amongst leading businesses to sign a statement calling for governments to support an ambitious and legally binding EU nature restoration law.
- Joined a [call](#) from more than 60 leading European companies to urge the EU to continue and strengthen its commitment to the European Green Deal.

WATER STEWARDSHIP ADVOCACY

- **Contextual Water Targets Implementation (2018 – ongoing):** H&M Group has been implementing contextual water targets globally, addressing water-related challenges specific to different regions and promoting sustainable water use across their value chain.

"H&M Group has been an active contributor to the Business for Nature Coalition, co-founded by WWF. As part of the Business Advisory Group, H&M Group engages in international biodiversity policy discussions, advocating for frameworks to halt and reverse biodiversity loss by 2030".



"Tackling the challenges of transforming our industry demands active collaboration – with peers, NGOs, and policymakers alike. We believe that well-designed legal frameworks can enable and accelerate this transition. That's why our partnership with WWF is so valuable: by combining our perspectives and expertise, we can help shape impactful legislation that drives positive change for both society and the planet".

Marjorie Gass, Global Public Affairs lead for Climate, Biodiversity and Water at H&M Group



CASE STUDY

In May of 2022, H&M Group, Inter IKEA Group and WWF co-hosted a Stockholm +50 associated round table discussion.



STOCKHOLM+50 BUSINESS ON BIODIVERSITY ROUNDTABLE

In May of 2022, H&M Group, Inter IKEA Group and WWF co-hosted a Stockholm +50 associated round table discussion to provide company representatives with an opportunity to have frank, open-ended exchange on the challenges and solutions for scaled up company action to address the loss of biodiversity.

More than 70 people joined the event including 47 company representatives at the H&M Group head office. The event helped contribute to the growing momentum around business action and support for biodiversity as a strategic priority and inspired the continuation of follow-up business and biodiversity Forums hosted in Paris in June of 2023 by WWF France, and Brussels in 2024.

“More than 70 people joined the event including 47 company representatives at the H&M Group head office”.

Amongst the company representation from around the world, was also WWF International Director General, The Head of Sustainability at both H&M Group and Inter IKEA Group, Deputy executive director of the UN Environment programme, and the Director for Biodiversity at the European Commission. The event was leveraged further for policy engagement through sharing the report widely and producing a joint opinion editorial in [Business Green](#) and [Business for Nature](#).

KEY TAKEAWAYS FROM THE ROUNDTABLE:

- 1. Finding biodiversity action** on the ground that is commensurate with the scale of targets at company level is challenging.
- 2. Biodiversity impact often occurs** at the point of raw material production and are location specific meaning businesses face challenges on transparency and traceability. This requires innovative new ways of collecting and sharing data.
- 3. A coherent, consistent global framework**, underpinned by related regional and national policy for biodiversity is required to create a level playing field and to assist with the management of this complex issue.



CASE STUDY

WWF, H&M GROUP AND INGKA IKEA CALL FOR AMBITIOUS ENERGY AND CLIMATE TARGETS IN THE EU

In March of 2023, the Council of Ministers, the EU parliament and EU commission met to reach an agreement on the updated energy efficiency and renewable energy directives.

To show our politicians that Swedish civil society and business want ambitious climate and energy targets in the EU, WWF Sweden, Ingka Group IKEA and H&M Group joined forces in a joint letter to the Minister for Energy, Business and Industry and Minister for Climate and the Environment, calling for Sweden to take the leading role needed to secure ambitious energy and climate targets for the EU. The letter urged that the EU should at a minimum accept the targets proposed by Parliament of at least 45% renewable energy by 2030 and an energy efficiency target of at least 14.5% by 2030 (ideally closer to 20%).

This letter was the culmination of more than a year of collaboration between Ingka Group IKEA, WWF and H&M Group that included several letters to, and meetings with, Members of the European Parliament and country representatives in Brussels. While the final agreed targets were lower than initially proposed, they surpassed the

original proposals by the EU Commission and council.

With strategic support from WWF, H&M Group is also a part of Business for Nature's Business Advisory Group, and sponsors the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). H&M Group is also a member of WWFs Climate Business Network program and a contributor to the WWF Biodiversity Stewardship HUB and Water Risk filter suite.

Going forward, the partnership plans to step up policy ambitions in areas and markets relevant for the textile industry and in countries with high relevance for H&M Group's supply chain. This includes continuing to advocate for industry-wide collaboration to scale regenerative practices in fibre production, and support the development of necessary infrastructure in the value chain.

"To show our politicians that Swedish civil society and business want ambitious climate and energy targets in the EU, WWF Sweden, Ingka Group IKEA and H&M Group joined forces in a joint letter to the Minister for Energy, Business and Industry and Minister for Climate and the Environment".

KEY ADVOCACY AND POLICY MILESTONES:

2020: H&M Group Biodiversity Lead as speaker at IUCN World Conservation Congress post-2020 partnership pavilion.

2021: H&M Group as case study of a company journey in taking action on climate and nature in [WeMean-Business and BusinessforNature report](#)

2021: H&M Group were part of the task force for nature-related disclosure (TNFD & TNCD) providing input to the work of getting nature and climate integrated in financial disclosure.

2022: WWF worked with H&M Group to create guidance and a credible definition for [Beyond-Net-Zero](#)

2022: H&M Group was a leading representative for the Business for

Nature Coalition in calling on governments to deliver an ambitious Global Biodiversity Agreement at the United Nations negotiations.

2022: H&M Group CEO as speaker at Nature Positive dinner at WEF annual meeting in Davos.

2023: H&M Group amongst leading business calling for nature impact disclosures to be mandatory by 2030 in Make it Mandatory campaign.

2023: H&M Group openly supports and advocates for the EU Corporate Sustainability Reporting Directive (CSRD).

2023: H&M Group, with support from WWF, joined 17 other companies in pilot testing the Science Based Targets Network draft guidelines for nature setting targets.

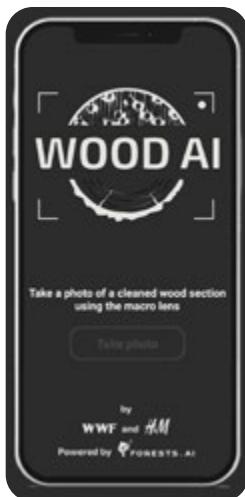
2023: WWF, H&M Group and Ingka IKEA joined forces in meeting members of the European Parliament and in a joint letter to Swedish ministers calling for more ambitious energy and climate targets in the EU.

2024: H&M Group amongst leading businesses to sign a statement calling for an ambitious and legally binding EU nature restoration law.

2024: H&M Group together with 60 businesses urged the European Commission to uphold the [EU Green Deal](#) by ensuring the effective implementation of existing climate and environmental laws, warning against efforts that could weaken progress.

INNOVATIONS & TECHNOLOGY

“One of the most notable examples includes inputs to WWF’s Water Risk Filter”.



WWF developed a [Wood AI app](#) together with H&M Group to help reduce pressures on natural forests in Cambodia which was rolled out in 2022.

Technology solutions for conservation and fashion sector collaboration

Innovative technology plays a crucial role in helping us tackle the planet’s most pressing environmental issues. In order to meet the challenges of our time, these tools have the potential to fill crucial data gaps, identify alternatives to conventional raw materials, build more efficient supply chains and ultimately allow companies to harness the knowledge produced to improve the diversity of various ecosystems’ health.

The partnership is constantly evaluating, and looking into new and existing technologies to support the efforts to reduce impacts on nature and integrate biodiversity and nature into H&M Groups organisational decision-making based on the latest available science and guidelines.

Wood AI App-using artificial intelligence to help identify wood species

In 2022 WWF and H&M Group launched the [Wood AI app](#)* which was developed in collaboration with [ForestsAI](#) to help reduce pressures on natural forests in Cambodia. The app enables factory managers to identify wood species in a pile of fuel wood using only a smartphone and a macro lens. This helps factories to verify that the wood they source to burn in boilers to generate heat and steam is from H&M Group approved residues of plantation species.

These include trees such as mango and cashew which are less likely to contribute to deforestation as they mostly grow in orchards in Cambodia.

The challenge of deforestation is very complex, and any solution is only a part of the picture. This app is only a partial solution in that it cannot provide any information about whether the plantations themselves are sustainably managed, but it does at least make a contribution to address deforestation through reducing the market for wood directly from natural forests.

Since the app was launched in 2022 five other international apparel brands have come on board, along with the development NGO, Geres, to further refine

the app and encourage more factories to use it in Cambodia. WWF has also conducted joint training sessions with the garment manufacturers association of Cambodia. During the first five months of 2025, the app was used regularly by 38 factories, more than 7,000 wood samples have been assessed, and the ratio of forest wood species in the samples has decreased by 4%, suggesting the app is helping factories to eliminate forest wood being used.

Other examples of WWF and H&M Group technologies being used below

In order to improve existing models and account for the many complexities within large global value chains, H&M Group has also been involved in several pilot studies over the years to improve various technological developments brought about from WWF and other leading environmental organisations. One of the most notable examples includes inputs to WWF’s Water Risk Filter, where a key partnership contribution has been in increasing the adoption of WWF’s Water Risk Filter by other companies, who have used the tool to inform context-specific responses to water risks and to support the setting of Science Based Targets for nature.

Similarly H&M Group has also made inputs and supported in the development of WWF’s Biodiversity Risk Filter, a screening tool that helps companies to prioritise action on what and where it matters the most to address biodiversity risks for enhancing business resilience.

*The Wood AI app is not a traceability tool (to identify point of origin) and cannot ensure legality or other sustainability requirements for forestry and wood sourcing. Other & additional tools and approaches are therefore needed to ensure responsible sourcing of biofuels in Cambodia.



Based on pictures of pieces of wood, taken with a phone and macro lens, the app identifies the species of wood and verifies if those species are on the list of approved woods for use in H&M factories.

CHALLENGES & IMPACT TOGETHER

As the partnership nears fifteen years of long-term collaboration, we reflect on some of the challenges and valuable lessons learned along the way. These experiences have played a crucial role in strengthening the partnership and driving continued growth, sometimes shifting the scope of projects, and focus areas. Where possible we share learnings and best practice through trainings and webinars, report publications, case studies, opinion pieces in media, high-level forums and panels. The partnership also engages with external business coalitions and forums, exchanging insights and experiences to accelerate collective progress.

Creating more sustainable business practices goes beyond environmental concerns. It also involves social, cultural, and political dimensions. This calls for clear goals, thoughtful strategies, and ethical frameworks that are grounded in sustainability. Every stakeholder plays a vital role, as we know that complex challenges demand collaboration.

The partnership journey has taught us that challenges can lead to progress. We do not always agree, but through our differences, we grow, learn, and move forward together. Below we share two of the biggest lessons we have learned over the years:

Meaningful change takes time, even as we face urgent planetary crises

There are precious few years left to put the world on a below 1.5°C warming trajectory and to prevent catastrophic loss of species in the living systems that underpin our economies. we have also seen how hard it is for one company to change a sector in a very competitive business environment.

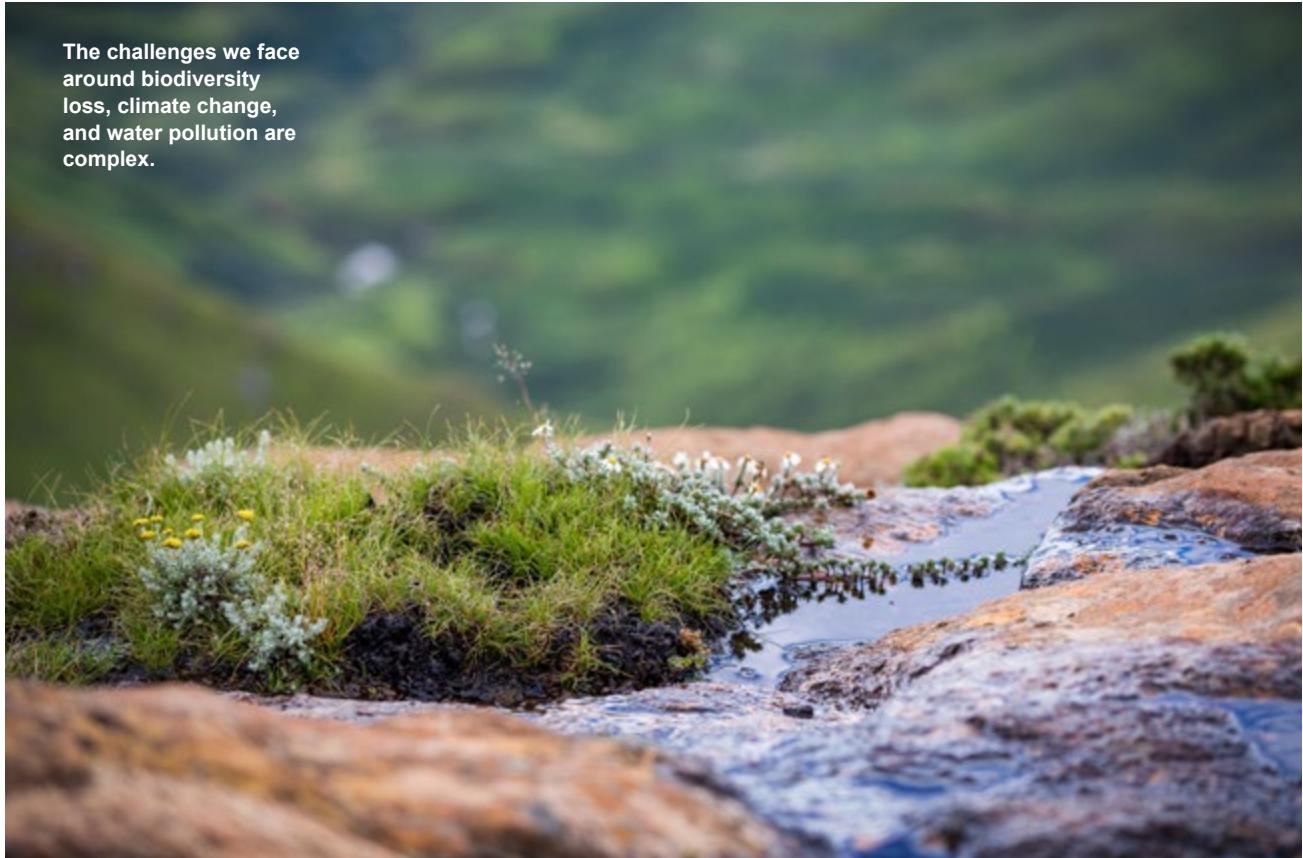
Transforming supply chains, adopting sustainable materials, and shifting industry norms require long-term commitment, investment, and collaboration. Some sustainable guidelines, and tools, especially on the biodiversity front, are still in early development. More research is needed to prove scalability and feasibility.

“The partnership journey has taught us that challenges can lead to progress”.

“Transforming supply chains, adopting sustainable materials, and shifting industry norms require long-term commitment, investment, and collaboration”.



The challenges we face around biodiversity loss, climate change, and water pollution are complex.



"However, our partnership shows that companies do not need to wait for perfect information to take action against the challenges we already see".

"One key lesson from the partnership is the importance of integrating climate, biodiversity, and water rather than addressing them in silos".

However, our partnership shows that companies do not need to wait for perfect information to take action against the challenges we already see.

One example is The science based targets for nature pilot H&M Group was involved with where the analysis helped confirm and H&M Group's prioritization for addressing biodiversity impacts in the value chain and in key landscapes. The analysis also highlighted industry-specific challenges around the feasibility and complexity of target validation requirements together with the need for full alignment between frameworks and legislations.

Our partnership lends its voice to specific factors that need to be accounted for in the development and implementation of the necessary initiatives, tools, and research through participating in pilot projects. Together WWF and H&M Group provide inputs based on environmental integrity that also take into consideration the economic and business realities so that any solutions developed are scalable and impactful. Yet we do not let the developing research context delay real, transformative action on the ground and investment in no regrets solutions that already have "good enough" evidence behind them.

Breaking Silos: Connecting the dots between Climate, Biodiversity, and Water

One key lesson from the partnership is the importance of integrating climate, biodiversity, and water rather than addressing them in silos. These issues are deeply interconnected – climate change impacts water availability, which in turn affects ecosystems and biodiversity. For example, the partnership project in South Africa works with climate resilient agriculture and regenerative livestock grazing. Fresh water from this strategic water source area provides crucial clean drinking water for millions of people. Here water-thirsty invasive plant species, erosion of river banks and sediment run-off will have negative impacts on water yield and biodiversity without more conscious management.

Therefore, activities like clearing invasive species known to consume large amounts of water creates an opportunity to restore land to its natural state, to restore river systems and the ecosystems services they provide. By working across these areas holistically, we can create more effective and sustainable solutions that recognize their mutual dependencies and that deliver impact against the multiple environmental crises we face.



FUTURE GOALS & NEXT STEPS

Looking ahead, the partnership will continue to support the strategic evolution of H&M Group's sustainability strategy to deliver fashion and textile sector leading efforts that help reduce environmental impacts across the value chain within biodiversity, water, and climate.

We will work together to share solutions, learnings and experience on these topics with other companies in the sector and beyond to help contribute to a faster transition towards a future that positively impacts nature. This includes identifying barriers within the textiles industry where the partnership can help lead the way in creating solutions together with other important players.

Through our partnership, we will continue to collaborate to influence environmental policy at global, EU and national level where we can make a unique contribution towards securing strong outcomes for nature and to combat climate change by combining our expertise and networks of influence.

These partnership efforts will be grounded in our joint investment in flagship projects at landscape, freshwater basin and supplier level where there are critical conservation opportunities and high nature value that overlap with production activities in the textiles value chain.

Through our projects in these select areas we will support farmers to adopt regenerative practices and manufacturers to reduce water use and pollution and to adopt solutions to reduce greenhouse gas emissions.

It remains crucial to work together across organisations, companies, governments, and with people, to find solutions, inspire collective action, and drive change at a pace and scale that matters. Together, the WWF and H&M Group partnership wants to continue to lead the fashion industry towards solutions which fit within the boundaries of our planet.

"We will continue to work together to share solutions, learnings and experience on these topics with other companies in the sector and beyond to contribute to a faster transition to a nature positive, 1.5°C future".



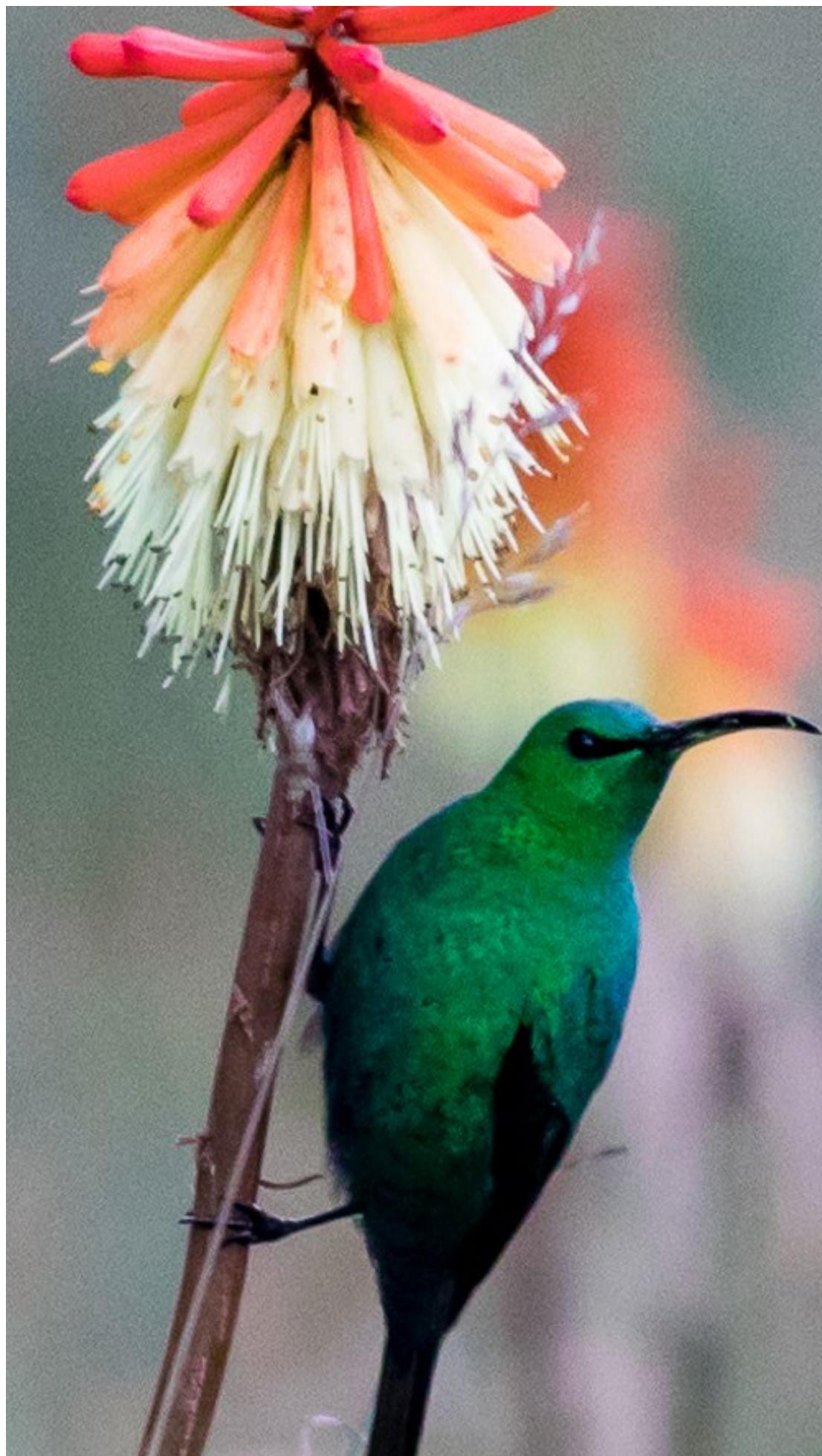
Monitoring and verifying sustainable practices at every stage of the supply chain, from raw material sourcing to end-of-life disposal is a challenge the entire fashion industry faces.



Malachite Sunbird on red-hot pokers

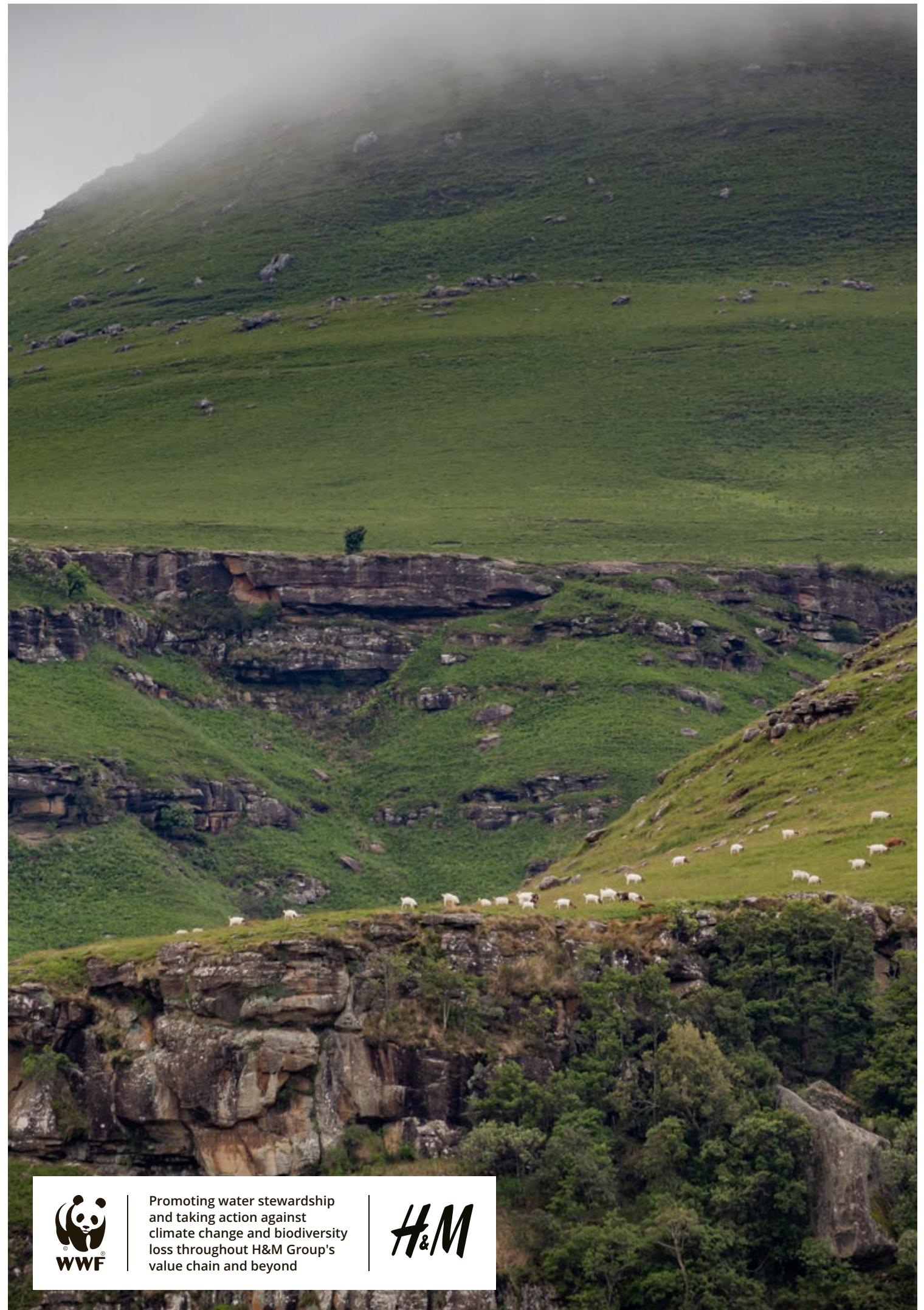
Photo credits:

Peter Chadwick 2011 (p. 1);
Charlotta Järnmark / WWF-Sweden (p. 2); Don Getty / WWF (p. 4); Chris Martin Bahr / WWF (p. 5, water); Troy Enekvist / WWF Sweden (p. 5, soil); WWF-US / Clay Bolt (p. 5, flower); WWF-India (p. 6); James Suter / Black Bean Productions / WWF-US (p. 8); Negin (p. 7); WWF (p. 7); Adriano Gambarini / WWF-Brazil / Instituto Mamirauá (p. 9); Thomas Cristofoletti / WWF-US (p. 10); Yuri Samsonov/Shutterstock (p.10, water); WWF (p. 11); James Morgan / WWF-US (p. 13 woman); H&M (p. 13); Charlotta Järnmark / WWF-Sweden (p. 14); Greg Armfield / WWF-UK (p. 15); Ashley Cooper / naturepl.com / WWF (p. 16); Adam Oswell / WWF (p. 17); WWF Indonesia (Trees, p. 18); Angus Burns / WWF (p. 19, view); Michel Gunther / WWF (p. 19, birds); Ola Jennersten /WWF /N /TT (butterfly); Achin Phulre / WWF India (woman farmer p. 20); Angus Burns (p. 20, birds and frog); Dr. Daushik Ghosh / WWF India (cotton-loaded vehicle) p. 20; Angus Burns (p. 22, sheep); Asim Hafeez / WWF-UK (p. 22, cotton); Vivek R. Sinha / WWF (p. 23, tiger); Angus Burns (p. 23, horse); WWF Indonesia (women); Julian Hahne (p. 24); Mallory Graves / WWF-Greater Mekong (p. 24, men); WWF Sweden / PC Anto (p. 27); PC Anto (p. 27, women); Dr. Daushik Ghosh / WWF India (hands and soil p. 28); WWF Sweden / PC Anto (p. 28, poster); Lumko Mboyi (p. 31, sheep); WWF South Africa p. 31, men); Angus Burns (p. 31, river); WWF South Africa (p. 32); Denis Lomme (p. 32); Stockholm +50 Business & Biodiversity Roundtable (p. 34); WWF Business & Biodiversity Forum, Paris 2023 (p. 35); WWF Cambodia (p. 38); Angus Burns (p. 40); Charlotta Järnmark (p. 41); Angus Burns, (p.42–43 and back cover).





PARTNERSHIP RESULT REPORT WWF & H&M GROUP 2021-2025



Promoting water stewardship
and taking action against
climate change and biodiversity
loss throughout H&M Group's
value chain and beyond

H&M