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AI Ethics Strategy Lessons From H&M Group

Kornberger et al., MIT (2025)

Context

Companies typically follow a linear, rule-based path to AI ethics: identify universal values, define applications, then formalise codes of conduct. But this creates what philosopher G. Anders calls a "Promethean gap", where our ethical frameworks lag behind our technological capabilities.

In this MIT Sloan Management Review article, the authors explore how H&M Group has spent six years embedding responsible AI use across the firm through a strategy that combines governance with culture-building. Their head of AI strategy describes the approach as needing to reach "both brains and hearts," recognising that formal procedures alone are insufficient for AI's complexity.

Key Insights

Debate concrete examples, don't seek perfection

- H&M created an "Ethical AI Debate Club" using fictional but realistic dilemmas
- Context-specific cases help employees build practical and transferrable ethical reasoning skills
- Sessions are tailored to business functions, making it easier to identify ethical issues in their own work
- Example: AI chatbot collected sensitive data (e.g. fears, disorders) from young customers in fashion advice chats

"Rules are tools": Pursue evaluation, not judgment

- H&M's digital ethics principles (e.g. fairness) pose questions rather than prescribe answers
- Shift emphasis from judgment (is this good or bad?) to evaluation (what are the consequences for different stakeholders?)
- Each evaluation builds on the last, creating learning loops that gradually strengthen ethical reasoning

Make space for ethical infrastructures

- Cross-functional groups collectively reflect on moral dilemmas in psychologically safe environments
- Participants are assigned standpoints rather than choosing their own, forcing perspective-taking
- Ethical debate is embedded into awareness-raising sessions across teams, not confined to one committee



The goal is building collective moral reasoning at firm-level, not just individual conscience.

Implications

- How do you operationalise AI ethics on an ongoing basis across all levels of the organisation?
- What real AI dilemmas (and approaches taken to resolve them) from your organisation can you use to strengthen your team's responsible decision-making? How often are these discussed?
- How can stakeholders affected by your AI interventions (e.g. customers or users) flag concerns, and how are those concerns factored into design decisions?
- When ethical concerns surface, is the escalation path clear or are issues dealt with case-by-case?