# MANGO SUBMISSION







#### Clean Clothes Campaign Wage Survey

Response ID:43; Data

1. Login/Password Action

#### 2. Introduction

#### 1. Company name:

MANGO MNG HOLDING SLU

#### 2. Brands owned by company:

MANGO, HE BY MANGO, MANGO TOUCH, MANGO KIDS

#### 3. Main contact person:

Name:: XAVIER CARBONELL

Email: : XAVIER.CARBONELL@MANGO.COM Contact phone number: : +34-93-8602222

#### 3. The living wage standard

### 4. 1.1 What is your company's position on payment of the living wage to workers in your supply chain?

After many years performing social audits at the factories with Mango production and talking directly with suppliers and factory managers, we observed thatmost of the suppliers have their own remuneration policies: that is, they follow the minimum salary of the country/area but they also give allowances for accomodation, food, skill, productivity, etc. This makes that the salary of the workers increases considerably. We support and push them for that kind of policies at factories.

5. 1.2 Please give the link to the code of conduct which is used when monitoring conditions in your supplier factories. If it isn't publicly available, please upload a copy using the option below.

http://www.mango.com/web/oi/servicios/company/IN/empresa/rsc/english 2012.pdf

#### Upload option.

EF-REC-0G-005 (ENG) last .pdf

6. 1.3 Does your company agree with the definition of a living wage as given here?

Yes

If no, please provide details of how your definition of a living wage is different and give justification.

- 4. Respect for freedom of association and collective bargaining, a precondition for a living wage
- 7. 2.1 How has the right to Freedom of Association and Collective Bargaining been clearly communicated to workers in your supplier factories and subcontractors?

All suppliers received a training on the Mango Code of Conduct at Mango headquarters before starting productions. this training is given by CSR department. Freedom of Association and Collective Bargaining is a key aspect for Mango and so that we reinforce the matter thoroughly with suppliers.

Also, all suppliers, at the begining of the season receives a Manual with instructions in different aspects on quality, labelling, etc, and also about Mango CoC and the social audits procedure. this Manual is confidential so we can not upload it for your reference.

#### Percentage of supplier factories and subcontractors reached by these measures:

100%

#### Please supply an example of materials used:

## 8. 2.2 Do you support or facilitate training for workers to ensure they are aware of their right to freely associate, in conjunction with local independent trade unions or workers' rights organisations? Please supply details:

In many of the factories we work with, there is a percentage of workers who belong to workers associations or local trade unions. This is traditionally more common in some countries than in some others but Mango always supports that workers can choose freely to associate and this is also remarkable during the trainings with suppliers and factory managers.

Percentage of supplier factories reached by these measures:: 100%

## 9. 2.3 Do you provide training for management of your supplier factories and subcontractors on the right to freedom of association?

Same information as above in 2.1

Percentage of supplier factories and subcontractors reached by these measures:

100%

## 10. 2.4 Have your supplier factories and subcontractors issued the <u>Right to Organise Guarantee</u> to workers in any of your production units?

	Country:	Number of suppliers:	Details:
1:			
2:			
3:			
4.			

#### Please provide a sample of materials used in specific countries:

## 11. 2.5 Do you require supplier factories and subcontractors to sign <u>Union Access Agreements</u>? If yes, please supply details.

No, we don't so far. We will check carefully the matter.

We have open dialogue with Spanish trade unions, CC.OO. and also have contact and meetings with IndustryAll, a very close relationship and communication.

#### Number of supplier factories with agreements:

#### Please provide a sample of agreements signed:

## 12. 2.6 Does your company have an accessible, actionable and safe means by which workers can file and follow up on complaints about violations of freedom of association and collective bargaining rights? How do you monitor that this can be accessed freely by workers?:

A copy of the Mango CoC is hung on a visible place in all the factories. In the code, there is all contact information, telephone number, address, e-mail direct to CSR department.

Besides, our quality control staff, local people in each country where Mngo produces, visit oftenly the factories and have direct contact with the workers. Workers and inspectors both know that they can contact each tother in case of need.

### 13. 2.7 Have you done any work to limit the use of short term contracts in your supplier factories and subcontractors?

Please provide details of your policy and its impacts in relevant countries: : Short term contracts are not a common practice in our factories; some apprenticeship contracts apart for the training period for workers before an indefinite contract.

How has any of this work impacted on workers ability to receive seniority bonuses?: : If observed, we push and encourage the supplier to avoid short term contracts to guarantee the bonuses. the most common comment from suppliers is that they train the workers and they need skilfull workers so they prefer to keep them as long as possible. This concept helps to promote long term contracts and no the others.

- 14. 2.8 Is there anything else you would like to tell us about work you have done so far, or work you are planning, to promote the right to freedom of association in your supply chain?
- 5. Dialogue and negotiation with labour rights organisations
- 15. 3.1 Please provide details of any active collaborative work undertaken with independent trade unions or labour rights organisations in your sourcing countries:

As mentioned before, we contact directly with CC.OO. who we have often meetings with and also we have strengthe the contact in the last months with IndustryAll. We have some proposal for a project in Morocco, still unders discussion and planning.

- 16. 3.2 Have any of your collaborations resulted in unions or bargaining processes starting within your supplier factories?
- 6. 4. Benchmarks for a minimum living wage
- 17. 4.1 Does your company have internal figures that it uses to benchmark living wages for each sourcing country or region?

No

If yes, please provide details of how these were developed and how they are used:

18. 4.2 Please provide information about the figures you are using to benchmark a living wage in your 3 main production countries or regions.

	Country/region	Living wage benchmark
1.		
2.		
3.		

## 19. 4.3 Please give details of the number of your supplier factories in Asia that are currently paying the Asia Floor Wage.

	Country/region	Number of supplier factories paying Asia Floor Wage
1.		
2.		
3.		
4.		
5.		

#### 7. Purchasing practices that make living wages possible

## 20. 5.1 Is your company doing work to limit the use of subcontractors in your supply chain and/or consolidate your supplier factory list? Please provide details:

Mango does not work with intermediaries companies. From the begining, Mango policy is working and dealing directly with the final supplier. All the suppliers know and sign in the agreement that no subscontaction is allowed and this is checked by external auditors as well as Mango inspectors.

## 21. 5.2 Does your company operate a policy of buyers favouring supplier factories that consistently meet a <u>high wage standard</u>? How?

In point 8 of our CoC we plead for a living wage and better remuneration conditions for workers. The fulfiment is checked during the audits.

#### 22.

Are other incentives provided for buyers or supplier factories to work towards a living wage for workers? : We insist in that point during the trainings on Mango CoC.

How is this monitored?: During social audits and controls at factories. checking documents, with interviews, etc

## 23. 5.3 Does your company break down and calculate whether FOB prices per piece are sufficient to allow for compliance with the wage standard your company has set out in its code of conduct?

During the audits, external and internal, all "weak" matters are checked thoroughly and remuneration in the cases of being by piece is also monitored to check the compliance with the regulations on the matter.

## 24. 5.4 Does your company operate a policy of buyers favouring supplier factories that support the establishment and functioning of genuine trade unions, and those with collective bargaining agreements?

The supplier must support and respect the collective bargaining agreements or any union afiliation as part of Mango CoC but we have not established any policy favouring it.

## 25. 5.5 Please provide information about any other work your company has done / is planning to do on improving your purchasing practices, in relation to wages.

We always push the suppliers to better working conditions for the workers so that all thir rights are assured, not only following the legislation but also promoting good practices and incentive the workers.

#### 8. Living wage projects

#### 26. Please provide details of any projects here. Please note you can cut and paste long pieces of

#### text into these small boxes if necessary:

	Project 1	Project 2	Project 3	Project 4
Location:				
Number of factories and workers involved:				
Living wage benchmark used:				
Partnerships:				
Wage increase achieved:				
Details of process:				

#### 27. Please upload any useful supporting documentation here:

#### 9. New Page

28. 7.1 Have you publicly supported calls from civil society and unions to increase the minimum wage to a living wage standard in your production countries? Have you made this position clear towards governments and employers associations?

We have had the opportunity of meeting trade unions representatives at the factories to have long discussions on the key points of the Code as living wage is. They are always invited to follow all the audit procedure together with us/external auditors so that we can give transparency to the process and also receive their feed-back.

29. 7.2 As part of this work, have you issued a public statement assuring country governments that you will not relocate production as a result of minimum wage legislation that ensures a living wage?

We will always encourage suppliers to work hard towards better living conditions for workers but we have not issued any public statment (apart from Mango Sustainability Report available on the website) to country governments.

#### 10. Transparency

30. 8.1 Does your company publish a full public list of supplier factories, and sub contractors, their locations and products?

Mango gives every year the list of factories to CCOO representative in Spain and we publish the total number of factories. Link to the Report already given in the point 1.

Do you have plans to publish a full list in the future?

It is under consideration

31. 8.2 Does your company publish impact reports on projects related to wages?

no

#### 11. Collaborative working

32. 9.1 Please provide details of your involvement with any multi-stakeholder initiative projects working to improve wages:

As mentioned before, we have on the table a project in Morocco but it's not started yet.

## 33. 9.2 Please provide details of any work you have initiated outside an MSI, directly with other companies which has improved wages:

#### 34. Supporting documents:

#### 12. 10. A clear route map for implementing a living wage for all workers

## 35. 10.1 Has your company developed a strategy for delivering a living wage in your supply chain? Is this a public commitment?

Yes, we have this commitment mentioned in point 8 of Mango CoC and we check the compliance on the same through internal and external audits.

#### 36. 10.2 Does this strategy have a time scale? If yes, please state.

Continously encouraging for it, specially with new suppliers starting to work for the company.

## 37. 10.3 What consultation have you carried out on this strategy, both within and outside your company?

We always consider the advices and suggestions from different stakeholders we work with and also following guidelines of international initiatives.

## 38. 10.4 How will you ensure that vulnerable workers, such as homeworkers or migrant workers are also included in efforts to increase wages?

The most vulnerable matters are specially considered while the audit process in each factory having in mind the cultural and social peculiarities of each country. All workers must receive equal treatment and should be also considered in all policies applied in the factory. This is monitored by checking documents and with private interviews with these workers.

## 39. 10.5 Is there anything else you would like to tell us about your work on the living wage that hasn't been covered in this survey?

#### 13. Further questions about your supply base

## 40. 1. What are your main production countries? Please state percentage of total production per country and the number of supplier factories.

	Country	Percentage of production	Number of suppliers
1	CHINA	41.66%	
2	TURQUÍA	12.40%	
3	SOUTH KOREA	9.38%	
4	SPAIN	7.69%	
5	MOROCCO	5.87%	
6	BANGLADESH	5.81%	
7	INDIA	5.42%	
8	VIETNAM	3.88%	

## 41. 2. What kind of trade partners are part of the sourcing structure? Please indicate an approximate % of volume share of your production:

Production at factories owned by your company: : 0% Orders placed directly to supplier factories: : 100% Orders placed through agencies or intermediates: : 0%

Other::%

#### 42. If other, please specify.

#### 43. 3. What is the length of time that you have been working with your current suppliers?

	% of suppliers
More than 5 years:	70%
2-5 years:	20%
Less than 2 years:	10%

#### 44. 4. How many sites did you use to produce your goods in 2012?

First tier suppliers: : 264 Sub contracted suppliers: : 0

## 45. 5. How many supplier factories do you trade with where you have a regular production share of more than 25%?

Number of suppliers:: 60%

#### Response Location

Country:	Spain
Region:	56
City:	Vilanova I La Geltru
Postal Code:	
Long & Lat:	Lat: 41.223, Long:1.7257



#### **CODE OF CONDUCT**

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### CODE OF CONDUCT SOCIAL, LABOUR AND ENVIRONMENTAL FOR MANUFACTURERS OF GARMENTS AND ACCESSORIES FOR THE MANGO GROUP

This Code is based on the principles and philosophy of the United Nations Global Compact, as well as the rights stipulated in the Universal Declaration of Human Rights and the United Nations Convention of the Rights of the Child. Equally, all the applicable conventions and recommendations of the International Labour Organisation (ILO) are included (particularly conventions 1, 29, 75, 81, 87, 98, 100, 105, 111, 122, 131, 135, 138, 154, 155, 159, 177, 182 and 183, and recommendations 35, 90, 111, 143, 146, 164, 168, 184 and 190).

#### 1. CHILD LABOUR

Following the criteria observed in ILO conventions manufacturers will not use child labour. Our policy on underage workers is based on the United Nations Convention on the Rights of Children.

#### 2. FORCED AND OBLIGATORY LABOUR

Manufacturers will not use any sort of forced or obligatory labour.

#### 3. HEALTH AND SAFETY IN THE WORKPLACE

Manufacturers will guarantee their employees a workplace that is safe (fire prevention, machinery, etc.) and healthy (light, ventilation, hygienic conditions, etc.) also complying with any legislations applicable in this regard. They will also guarantee that these conditions extend, if applicable, to all installations for employees.

In addition, in the case of denim manufacturers, the fading technique known as sandblasting which consists in the use of pressurised sand, will not be used given the risk it poses to the health of the workers carrying it out.

#### 4. FREEDOM OF ASSOCIATION

Manufacturers will respect the rights of their employees to associate, organise or negotiate collectively without suffering any sort of sanction as a result.

#### 5. DISCRIMINATION

Manufacturers will not discriminate in labour and hiring practices as a result of race, nationality, religion, disability, gender, age, sexual orientation, political association or affiliation or any other situation.



#### **CODE OF CONDUCT**

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#### 6. DISCIPLINARY MEASURES, HARASSMENT AND ABUSE

Manufacturers will not use corporal punishment, physical or psychological abuse and/or any other type of abuse.

#### 7. WORK TIMETABLE

Manufacturers will comply with the applicable legislation and regulations of their industry regarding hours worked. Overtime will always be voluntary and suitably compensated.

#### 8. SALARIES

Manufacturers will guarantee that salaries comply strictly with all legislation. Equally the minimum legal wage will be considered the legal minimum, but not a recommended wage level.

#### 9. SUBCONTRACTING

Manufacturers may only carry out production in factories authorized and checked by Mango.

#### **10. ENVIRONMENT**

All manufacturing activity will be carried out respecting the environment and complying with the planned legislation and regulation. All manufacturers must agree to the document committing to the restrictions on chemical products by Mango.

#### 11. COMPLIANCE WITH CURRENT LEGISLATION

Manufacturers must also comply with applicable legislation in everything not included in the points above.

Contact details: rsc@mango.com



#### **CODE OF CONDUCT**

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#### **OTHER ASPECTS:**

#### COMMUNICATION

A copy of this code will be displayed at the main personnel entrances and exits of the installations of the manufacturer, both in English and in the local language. The copy mentioned will include a contact mail address at Mango in case any worker wishes or needs to make use of it.

#### SPHERES OF APPLICATION

All the points mentioned are compulsory for all manufacturers working with the Mango Group.

In order to attain this objective, manufacturers will authorize the Mango Group to carry out checks, either themselves or through a third party, for the monitoring of the application of this code. In addition it will provide supervisors with access to documentation and to all the necessary means to do so. These audits may be carried out either according to schedule or without prior warning.

#### **ACCEPTANCE AND COMMITMENT ON THE PART OF MANUFACTURERS**

All manufacturers will accept and commit to compliance with all the points specified in this Code, and possible subsequent action, by signing and sealing all the pages of a copy which will always be available at the Mango organisation.

#### **VERIFICATION**

The application of the Code in the different factories and installations of the manufacturers will be checked regularly, internally and externally; this verification may be carried out jointly with other organisations (NGOs, etc.).

#### **CORRECTIVE ACTIONS**

Any situation which implies the non-compliance with the points mentioned above should be corrected by the manufacturer, no later than six months. It should be stated that Mango will take part in these actions providing technical support.

In the event these corrections have not been applied within the period stated or in the case of serious situations involving social emergencies or other major aspects and the manufacturer is not taking the necessary measures for their immediate correction, the Mango Group will cancel any relationship with the manufacturer in question.