



MANGO

SUSTAINABILITY
REPORT
2010

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1. LETTER FROM THE MANAGING DIRECTOR

LETTER FROM THE MANAGING DIRECTOR

This Sustainability Report, the Group's seventh, has been drawn up in accordance with the "G3 Guide" of the Global Reporting Initiative (GRI), and once again audited externally. It offers a balanced overview of the activities of various areas of our organisation: economic, social and employment aspects, the environment, cooperation with society and health and safety in our garments, corresponding to the commitments included in our Code of Ethics. Once again, this Report has been drawn up by our Corporate Social Responsibility department.

From an economic perspective, at the close of 2010, the Group employed 9,775 people and was present in 102 countries through 1,757 stores. Turnover totalled 1,269,523 thousand euros, representing an 11% increase on the previous year. It is worth noting that 81% of turnover corresponds to sales outside Spain. In 2010, the number of stores worldwide increased by 380, many of these corners in department stores, which entails a learning process in order to maximise sales through this channel. Our expansion policy has focused mainly on China and Russia, although we are still growing in Europe and in the rest of the world. The forecast for new store openings during 2011 is established at approximately 600.

In the municipality of Lliçà d'Amunt, located approximately 33 km from Barcelona, we have reserved a site to enlarge our logistical base. On 29 April 2011, we started work on this new logistics centre, which will have a central warehouse of 250,000 m² surrounded by another seven warehouses, connected to each other by means of tunnels. For us it is very important to invest in the area where we began our business activity more than two decades ago, thus increasing the economic activity of the region too.

During 2010 we obtained Made in Green certification, awarded by the Textile Technology Institute (AITEX). Among other aspects, this certification entails the third party auditing of all our garment and accessory production plants and the verification of various raw materials used in our production, something we have been doing for some time now. In 2011, I had the opportunity to travel to China and to participate in various audits, where I was able to see for myself the effort required by our internal and external teams to audit the production processes of raw materials, and I would like to take this opportunity to thank them for this. I believe that we are making progress in our commitment to society, since this involves new challenges for our company. Said certification will appear on all our labels and in other company information.

In the environmental sphere, we have completed the study which contains all the greenhouse gas emissions, direct and indirect, produced by our business activity. This will help us optimise and finalise our policy in this area. It is worth noting that we are offsetting the emissions produced in our offices and warehouses and in the transport of our personnel throughout the world through the Zero CO₂ initiative, implemented by ECODES, with a wind energy project in India, which consists of generating clean and renewable wind-generated energy in the regions of Maharashtra and Gujarat. This has been awarded the International Voluntary Carbon Standard (VCS), in order to guarantee the quality, thoroughness and transparency of the project.



Recently, we held a fashion show at the Georges Pompidou National Art and Culture Centre in Paris to present our new Autumn/Winter 2011 collection, in order to highlight our main business activity, which is design and styling. We are also continuing to support new initiatives through the "El Botón-MANGO Fashion Awards", the biggest in the sector, which in its latest edition was won by Lena Lumelsky, the designer of Belgian nationality.

Our company policy is to continue improving in economic, social, employment, environmental and human rights aspects, with a long-term vision that supports the principles of the United Nations Global Compact we have signed up to.

Enric Casi

Enric Casi
Managing Director

2. SCOPE AND PROFILE OF THE REPORT

The scope of this sustainability report covers the consolidated group Mango, which is formed by MANGO MNG HOLDING S.L. and its subsidiary companies. The report will duly note if any information included in it does not fall within this scope.

This report corresponds to the 2010, financial year and has been prepared in accordance with the G3 Guidelines for the elaboration of sustainability reports of GRI.

We have continued to structure this report on the basis of our Code of Ethics, since we believe that this way of explaining the various aspects of sustainability makes it easier to understand our organisation and its philosophy. Consequently, we have included certain concepts in sections of the report that are classified differently in the Guide, referenced appropriately.

In accordance with our sustainability model, we have carried out an external verification on the format, content and procedures contained in this report in order to continue to provide transparency and make progress in RSC aspects. For this reason, and in accordance with the contents set out in the report and the aforementioned verification, our level of application for the same is: A+, according to the provisions specified in the actual Guide.

All aspects that affect the sustainability of our organisation are reflected in this report, in addition to any information and relevant

aspects along these lines, having been selected by adopting the criteria established in the aforementioned Guidelines, the characteristics of our organisation and the expectations of interest groups. In cases where complementary information for a certain aspect is not available, this will be specified in the corresponding point.

For the purposes of simplification and standardisation, the information on our staff is supplied by dividing them into two main groups: on the one hand, we have store staff and, on the other, the rest of the staff, whom we refer to as structural staff.

All information originates from the Annual Accounts and the various accounting and management records of the company. Whenever estimates are made, these are calculated on the sound and reasonable bases indicated in the corresponding point.

All pictures of production centres in this report were taken during inspection and monitoring visits to our suppliers' installations.

All amounts unless stated otherwise are in thousands of euros.



3. DESCRIPTION OF MAIN SUSTAINABILITY IMPACTS, RISKS AND OPPORTUNITIES

Sustainability aspects

The main aspects of the organisation with regard to sustainability are contained in the different agreements established in our Code of Ethics, which constitutes our framework of reference in this respect. Although aspects such as risk, opportunity and performance relating to such impact are set out in detail in each point in this report we set out below an overview of the most significant ones:

Financial aspects

At present, the global economy is in a period of variable period, a trend which will continue in the medium term. From a financial and company perspective, it is worth noting that the main risks of the same are inherent to the activity and the sector in which the company operates. However, the figures and results, described in this report and in the Annual Accounts of the group confirm its sound financial-economic position and future projection.

The Board of Administration and the Executive Committee periodically reviews such risks, determining the most appropriate strategy for the company at all times, deciding upon investments based on the criteria of profitability and opportunity, adapting these to the present and future needs of the company. It is worth noting that control mechanisms have been established for such risks, including the aforementioned management bodies in addition to the Internal Control department, which continually evaluates and monitors them.

The forecast evolution is based on awareness of the action plan, its own economic and financial conditions, and the environment in which the company finds itself. In our view, the forecasts made in accordance with said parameters presents a highly favourable outlook that forecast the continuance of an increased presence in the market, in addition to the economic and financial equilibrium of the company with good profitability.

Social and employment aspects

Our main risks in terms of sustainability with regard to such aspects, lie in possible non-compliance with our Code of Ethics, principally with regard to spheres external to the same, in particular compliance with the Code of Conduct established for our suppliers. In this regard, the actual system of production and quality determines a specific profile of supplier and certain plant characteristics imply a more controlled level of risk. Furthermore, we have progressively established procedures, both internal and external, to control and monitor these risks both directly by our organisation and jointly with our interested parties.

Environmental aspects

The main environmental impact of our company is external, given that all the production and transport activities as well as a significant part of the sales made in stores (franchises), are carried out by companies external to our organisation. The monitoring of environmental aspects in production plants, undertaken in both internal and external audits, together with a rationalisation of various installations, of goods deliveries and the installations of retail premises makes this impact, and the risks derived from it, identifiable and controllable.

Aspects of cooperation with the society

Our activity gives rise to different impacts, in the countries in which we manufacture our products and in the countries in which we market them, on aspects such as the generation of economic activity and employment and, consequently, the quality of life and conditions of our employees, the employees of franchisees and those of the various manufacturing organisations that work for our company. The main risk that is derived from this activity is failing to meet the expectations, both our own and those that different interest groups have placed upon our organisation, with regard to such aspects. This is why we believe that cooperation and working alongside our interested parties, is fundamental for evaluating and monitoring said risk as we are doing at the moment.

Quality and safety aspects

The possible presence of hazardous substances in our garments and accessories is a risk inherent to the manufacturing sector. Notwithstanding the above, our policy in this sphere, the instructions to our suppliers and the continual monitoring of the same by specialised laboratories means that this risk is controlled in a appropriate way at all times, detecting and eliminating from our collection any garments or accessories that do not comply with our standards.

Risk Control, Board of Administration, Executive Committee, CSR Department and Internal Control

As described in financial aspects, the Board of Administration and the Executive Committee continually evaluate the risks to our organisation derived from sustainability, taking whatever measures are necessary for their monitoring and control. Said monitoring and control is carried out jointly with the Internal Control and Corporate Social Responsibility departments.

Furthermore the aforementioned departments, in addition to the Board and the Committee, analyse the possible risks relating to corruption, taking whatever steps are necessary to ensure such types of situation do not occur. The personnel that make up these departments are specially trained to monitor and control such aspects.

4. PARTICIPATION AND COMITMENTS OF INTEREST GROUPS

At the Mango organisation we always try to meet the expectations of our interest groups, working together each one, by taking their concerns and initiatives on board.

With regard to the commitment and communication procedures with the interest groups that have been adopted by our organisation during the period covered by the report, it is worth highlighting the following aspects:

NGOs, trade unions and other organisations

This fact has been reflected and is contained in the present sustainability report and in several previous reports. It is worth noting that this commitment has a key impact on our supply chain. Relations with such organisations over the last year have been fluid due to constant communication and the periodic updating of information. It is also worth mentioning that some of them participate directly in the monitoring of said production chain by contributing their experience and vision in this area.

Suppliers

The relationship and work system with our suppliers is described in detail in the sections: *product and the production system* (p.18) and *characteristics of our suppliers* (p.43). As described in the aforementioned points, the relationship with our suppliers is a long-term one based on a system of joint planning and implementation, together with a direct technical support in their manufacturing plants.

We are currently at the final stages of implementing a programme of production control, monitoring and support in which our suppliers will dispose of an IT tool that will provide them with constant information on general processes such as the season planning and the specifications of all the models. This tool is interactive and bidirectional, and therefore allows the supplier to make any type of query or comment. This tool will speed up and complement the information available in this area, simplifying the work of both our quality control teams and suppliers. This tool, which is already partially operational, will be fully operational in the coming seasons.

“ The relationship with our suppliers is a long-term one based on a system of joint planning and implementation, together with a direct technical support in their manufacturing plants. ”

On a periodic basis suppliers visit our central offices, which enables us to maintain more direct and personal contact with each one, and consequently study various aspects of production and their business in more detail. Said contacts are complementary to the technical support provided by our quality control teams, which is carried out on a continual basis at their installations.

Furthermore, they also receive, on an initial visit before production starts, comprehensive information relating to our organisation's procedures (production, CSR, etc.).

Franchisees

The relationship with and participation of franchisees in various management areas of the company is continuous. Our company

has specialised departments to provide support to franchisees in the aforementioned areas. Furthermore, a team made up of our supervisors and coordinators visit their stores on a continual basis, offering them advice on all necessary aspects.

We also work together on the trends and specific characteristics of their country or region in order to offer a better service in each store and for each business. In each new season, work sessions are held at our offices in order to analyse and decide together which garments and accessories are most suitable for their store, in accordance with its characteristics and location.

“ The group of employees and collaborators is one of the foundations that has made the growth and activity of our organisation possible. Consequently, the mechanisms of communication and dialogue are diverse, and its participation in the day to day management of the business is encouraged. ”

The guarantee of specific margins in their business, Mango's ownership of the stock until it is sold by the franchisee and the transfer of stock between stores whenever necessary, among other management support aspects, (merchandising, window displays, etc.) are also fundamental elements on which this relationship is based.

Customers

The satisfaction and loyalty of final customers is one of the main reasons our organisation exists. Well designed, large stores stocked with goods selected to allow customers to choose and combine garments with ease, in addition to specialised service makes purchasing our products a pleasant experience. Exhaustive quality control at all stages of the production chain ensures that our garments and accessories are suitable for any occasion. We also have permanent channels of communication with our customers through our stores and a department that offers permanent and specialised customer service.

Communities and society

We participate with society on a constant basis through various mechanisms. At our organisation we try to attend to all the requests to participate at various national and international conference days, seminars and congresses promoted by different organisations: NGOs, public administrations, enterprises, universities, etc. We also provide support to all the social action projects we consider to be appropriate and in accordance with our philosophy in this regard.

Shareholders

As described in the section on corporate governance, Mango is a family group with two principal shareholders who control and participate directly in the administration and management of the company. Consequently, communication with regard to the various areas, situations and decisions of the company is total and continuous at all levels. This group of shareholders also includes the members of the Board of Administration, made up of the two aforementioned shareholders and five additional administrators, all of them partners and executive directors who have been trained within the company and consequently have experience in the sector. It is worth noting that the members of the Board of Administration are the sole shareholders of the group.

PARTICIPATION AND COMMITMENTS OF INTEREST GROUPS

Employees

The group of employees and collaborators is one of the foundations that has made the growth and activity of our organisation possible. Consequently, the mechanisms of communication and dialogue are diverse, and its participation in the day to day management of the business is encouraged. The above was principally carried out through various proposals, such as: the conducting of surveys on the work climate of our organisation, with a direct dialogue with shareholders and administrators in periodic meetings called "if I were President" and through the suggestions box and the employee webpage.



5. THE MANGO GROUP

- Introduction
- Brief historical review
- Business activity and basic characteristics
- Organisation
- Product and the production system

INTRODUCTION

MANGO MNG HOLDING, S.L. is the head of a group of companies dedicated to the design, manufacture, distribution and marketing of garments and accessories for women through the fashion distribution chain MANGO/MNGO. Since 2008, the Group has also a men's collection under the brand H.E. by MANGO.

At the end of the 2010 financial year, the group was represented in 102 countries with 1,757 stores. Of these, 707 were the company's own and 1,050 were franchises.

The consolidated turnover for the 2010 financial year amounted to 1,269,532 thousand euros, while the consolidated profit for the same period reached 101,164 thousand euros. It is particularly worth noting that 81% of the total turnover corresponds to sales to foreign markets.

As at 31st December 2010, the group employed a total of 9,775 staff.

The most significant business figures for recent financial years are as follows:

DESCRIPTION	2006	2007	2008	2009	2010
Net turnover	942,355	1,020,356	1,100,705	1,145,156	1,269,523
Net profit	124,039	129,139	143,258	148,016	101,164
Number of stores	995	1,094	1,228	1,390	1,757
Number of countries	89	89	90	97	102
Sales to foreign countries (%)	74%	76%	77%	78%	81%
Average number of employees	5,901	6,973	7,865	8,132	8,690

The Annual Accounts have been prepared with International Financial Reporting Standards (IFRS), pursuant to the legislation in force this year. Net turnover for 2009 and 2010 includes all turnover concepts.

BRIEF HISTORICAL REVIEW

In 1984 Mango opened its first shop on the Paseo de Gracia (Barcelona). A year later, the company had five outlets in Barcelona and from this point on, with the opening of a shop in Valencia, it began its expansion in the domestic market. What was initially a small team had begun to grow: by 1988, the company had 13 sales outlets in Spain.

In 1992, the company took its first steps outside the domestic market with the inauguration of two stores in Portugal. The following year, the company opened its 100th store in Spain and, two years later, the business management system, based on specialised and co-ordinated teams, was successfully introduced – and is still in place today.

We can differentiate between two stages in the history of our company:

In the first, from 1984 to 1995, we gradually gained a greater knowledge of the business and consolidated our product and store concept, and implemented the Just In Time philosophy in the distribution area, obtaining a certain critical mass on the Spanish market.

In the second stage – from 1996 to the present, we have reinforced the values of our team and increased our investment in a new concept of complete logistics based on speed, information, and technology. During this stage, we have opened bigger stores and increased the rate of store openings in other countries.

We are now opening stores at a rate of more than three per week and, as at 31st December 2010, we have 1,757 stores around the world.

The forecast number of new store openings for 2011 is about 600, and we will enter the following markets for the first time: Angola, Bermuda, Cambodia, Ghana, Guadeloupe, Monaco and Yemen.

“ At the end of the 2010 financial year, the group was represented in 102 countries with 1,757 stores. Of these, 707 were the company's own and 1,050 were franchises. The consolidated turnover for the 2010 financial year amounted to 1,269,532 thousand euros. ”

THE MANGO GROUP

BUSINESS ACTIVITY AND BASIC CHARACTERISTICS

Although diverse factors influence and explain the business and growth of our organisation, we highlight below three points we consider fundamental to this process:

The people

Staff with human warmth and a motivated team with a solid, open and flexible attitude.

The concept

A well-defined product arising from the relationship between our own design, styling, and quality, a specific target – to dress women in the latest trends, both for their day-to-day and occasional needs.

Our own technology

As a basis for logistics, for improving all company processes and information systems, developed a team of engineers, analysts, etc.

All of this in order to achieve:

Our business dream

“To be present in every city in the world”, aware that we are competing at the highest level and without ever losing the values that are a basic part of Mango: humility, harmony and human warmth.



ORGANISATION

The operational structure of the organisation is shown in the following organisation chart:

PARTNER-ADVICE OF ADMINISTRATION

PRESIDENT

Isak Andic

EXECUTIVE VICE-PRESIDENT

Nahman Andic

MANAGING DIRECTOR

Enric Casi

Corporate image

Damián Sánchez

Design, purchase and production and quality

Salvador Vallés

Communication, property management, franchises management and support and licences & co-branding

Daniel López

Expansion

Isak Halfon

Corporate social responsibility, buildings maintenance and stores management

Nic Olivé

EXECUTIVE COMMITTEE MANAGERS

Manufacturing production

Eva Rello

Accessories

Puri Campos

Design coordination

Judit Ventura

Logistics and warehouse

Ceci Lozano

H.R. and organisation

M^a Jesús García

Internal auditing, CSR auditing, legal affairs, subsidiaries management and import / export

Miguel de la Capilla

Information systems and new technologies

Eduardo Risso

Operations and e-business

Elena Carasso

CHARACTERISTICS OF THE PRODUCT AND PRODUCTION SYSTEM

The main characteristics of our product and our production system are the following:

Production system

There are two different production systems in our organisation:

The first of these consists of designing a product, outsourcing its manufacture and acquiring it when it is complete. In this case, suppliers are in charge of buying all the primary materials for production. Internally, we refer to this type of supplier as manufacturers.

In the second system we also design the garment but, in contrast to the first, our organisation purchases all the primary materials used to make the garment, and later sends it to the supplier to be made up. Internally, we refer to this type of supplier as production workshops.

These names are exclusively for internal use, since the suppliers have exactly the same characteristics. The decision to use one system or the other depends on geographical factors (proximity) and technical factors (specialisation of production).

The production percentages for each of the systems in the 2010 financial year were approximately:

Production by manufacturers: 70.61%
Production by workshops: 29.39%

The volume of garments and accessories manufactured during the 2010 financial year totalled approximately eighty-six million two hundred thousand units.

Control and monitoring

All of the above manufacturers and production workshops follow and sign our Code of Conduct and are subject to quality control inspections.

Ownership and exclusivity

The Mango organisation does not have direct or indirect shareholdings in any garment or accessory manufacturer, or production workshop. Likewise, none of these works exclusively for our organisation.

Characteristics of the product

All of the garments and accessories are designed around the idea of collections and matching items, so a planning procedure taking into account production and distribution is an essential part of the process, together with high standards of quality at all stages, from controls at source to the final point of sale.

Our garments and accessories are of high-to-medium quality and always seek to maintain the same manufacturing standard (a constant level of quality, the same characteristics, etc.), which means that a single model is only ever produced by one manufacturer or one production workshop, except in very specific cases where the legislation limits production due to the source and quotas.

Manufacturing time

For the reasons indicated above, our manufacturing period lasts for an average of three to four months: from order placement to receipt of the merchandise.

Scheduling

Before each season, we plan what will be sent to each store and order production based on this criterion. If finally there is a difference with the sales forecast, the regulation of the deliveries or exchanges between stores is carried out from our warehouse and central services. If there are surpluses in stores at the end of a season, these are sold with discounts and promotions.

Number of suppliers

During the 2010 financial year, the number of suppliers and production plants worldwide involved in the production of garments and accessories was:

DESCRIPTION	nº of suppliers	nº of plants
Garments	162	354
Accessories	66	79

It is worth noting that suppliers may carry out production at more than one production plant. Furthermore, some of these production plants may be used alternately at different times, according to the technical characteristics of the product of each season, and may on occasions vary in accordance with the same criteria.

Technology and cross-docking assortments

Cross-docking assortments of garments and accessories prepared by our suppliers to stores increased during 2010 and accounted for approximately 20% of total production. To use this system, close communication and collaboration is required with our suppliers, logistics operators, and stores. Therefore, we have developed a computer platform allowing individual users to send and receive information based on their needs. This also allows us to carry out full monitoring of our supply chain.

Subcontracting

Our control policy and production characteristics ensure that the manufacture of garments is not subcontracted by manufacturers and production workshops.

By subcontracting, we mean a commissioned supplier's use of a third company for all or part of the production without Mango's knowledge or certification. Although our suppliers generally cover the entire production process (cutting, producing, ironing, packaging, etc.), on occasion there are special processes that a supplier may not do, and which are carried out by other specialist companies, such as embroidery. In these cases, Mango is aware of the production and certifies it. When this production begins to take on a certain importance, these suppliers come to form part of our control and monitoring system.



6. CORPORATE SOCIAL RESPONSIBILITY (CSR) IN THE MANGO GROUP

- Our sustainability model
- Timeline and stages of the process
- The Mango Group Code of Ethics

OUR SUSTAINABILITY MODEL

The ethical and sustainable behaviour of any organisation is the product of the human qualities of the people that form part of it at every level. This is why the values of our team are very important. Therefore, our Code of Ethics is based on certain fundamental values established in our organisation and on other principles of reference.

We also want to develop and implement this set of values in all of our fields of influence, both internal and external, because we believe that our responsibility extends to our entire supply chain. Therefore, we have steadily developed instructions, policies, and action codes related to social, work and environmental aspects, all with the desire to improve and move forward.

We also believe that such policies, codes and actions have to be supported by efficient management systems and finally verified internally and externally, and all information about the results and objectives achieved made available.

Finally we are convinced that we are acting as responsibly as we can in order to meet the expectations of our main interest groups: employees, shareholders, suppliers, customers and society as a whole. Our desire is to work together with all of them in the establishment and implementation of our CSR policies.

STAGES AND TIMELINE OF THE PROCESS

Our organisation has basically moved through two different stages:

First stage (1984-2000)

During this initial period, we obtained a written commitment from our manufacturers and producers to observe a series of social, work and environmental aspects. These aspects were collected in a document that specified some general instructions for compliance. These instructions were broadened in the second step to make up the current Code of Conduct.

During this stage we also began to collaborate on a series of social action projects. These projects basically consisted of providing assistance in one-off international crisis situations by working with different organisations to deliver clothes and on campaigns for different causes (health, welfare, etc.). These actions are still carried out today, along with developmental projects in different areas and countries of the world.

In relation to the environment, during the 1999 financial year we set up a good practice program. In the 2001 financial year, an environmental diagnosis study was carried out, which became the starting point for all later developments in these areas.

Second stage (2001- Present)

Since 2001, we have been strengthening all aspects of CSR in our organisation.

In November 2001, we negotiated an agreement so that a single top-level European laboratory, the Textile Technology Institute, AITEX, would guarantee that our garments and accessories do not contain substances that are harmful for health.

In 2002, we initiated contact and discussion with the interested parties. In February of the same year, we signed an agreement with the NGO SETEM (which is the coordinator of the Clean Clothes Campaign in Spain), with the aim of establishing a framework of mutual cooperation and openness that has allowed us to move forward and consolidate different aspects of CSR.

“ In June 2010, we obtained “Made in Green” certification. Awarded by the Textile Technology Institute (AITEX), said certification guarantees in all garments and accessories: compliance with the international standard for hazardous substances, the Oeko-Tex Standard 100, the manufacture in productions plants with an environmental management system and respect for the human and universal rights of employees. ”

In March 2002, we created the Department of Corporate Social Responsibility, whose aim is to establish and coordinate CSR policies and actions within our organisation.

In April 2002, we signed the United Nations' Global Compact agreement. This agreement - announced by the Secretary General of the United Nations, Kofi Annan, at the World Economic Forum in Davos (Switzerland) in January 1999 - called on companies to adopt ten universal principles in the fields of human rights, labour laws, the environment and corruption.

The agreement brings together companies, international workers' associations and NGOs with United Nations organisations and other bodies in order to encourage collaboration and create a fairer global framework with room for everybody.

The principles established by the agreement are as follows:

Human rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. avoid getting involved in human rights abuses.

Labour standards

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. adopt initiatives to encourage greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

Corruption

10. Businesses should fight corruption in all forms, including extortion and bribery.

CORPORATE SOCIAL RESPONSIBILITY (CSR) IN THE MANGO GROUP

Ever since we signed up to the Compact, a progress report on the different principles established in the same has been produced every year. In our case, the Sustainability Report has been the document used, given that it includes all these aspects. Said progress report (sustainability report) is available for each year on the United Nations Global Compact webpage.

It is also worth emphasizing our participation as speakers at various sessions regarding the practical application of the principles, addressed at other signatory organisations of the Compact, in addition to providing information to other companies. Furthermore, during 2008 we participated in the drafting of a Guide for the Responsible Management of the Supply Chain, published by the Global Compact Network in Spain and, during 2010, we also participated in the CSR guidelines for franchise companies, drafted by the company MRW and the Global Compact.

In June 2002, we created a Code of Ethics to express our organisation's policies and objectives, as well as international law and the principles and philosophy of the Global Compact in relation to aspects of CSR. In this Code, we establish five major commitments in the economic, social, work, environmental, social cooperation, and product quality and safety spheres.

The Code of Ethics was the point of reference used for developing, writing and introducing the Code of Conduct in June 2002, compliance with which is mandatory by our suppliers. This Code includes the applicable agreements and recommendations of the International Labour Organisation (ILO).

In June 2002, internal audits began for checking supplier (manufacturers and production workshops) compliance with the Code of Conduct, and external audits began in December 2003.

In June 2005, we drafted the Group's first sustainability report, corresponding to the 2004 financial year.

Since 2006, we have strengthened our collaboration with the trade union organisation Comisiones Obreras (CCOO), specifically with the Textile and Chemical Federation (FITEQA), principally on aspects such as the structure and content of our sustainability report and on the monitoring and verification of the production plants we work with. Said monitoring and verification is carried out directly at the production plants by FITEQA (CCOO) in collaboration with our external auditors.

In July 2006 we signed an agreement with the GREENPEACE organisation in order to work together on aspects relating to hazardous substances and on the principle of precaution. This agreement sets out the policies for the monitoring and diffusion of said practices and systems in order to inform other interested organisations and encourage advances in legislation until the highest levels of protection for persons and the environment are obtained.

We also gave our support to the aforementioned organisation in defence of stricter demands in the European REACH regulations. This support took the form of the design and manufacture of a silk handkerchief, which was offered as a gift by GREENPEACE to all

members of the European Parliament. Furthermore, in April 2011 we gave our support to a GREENPEACE initiative for the European Union to reach an agreement to reduced greenhouse gases 30% by 2020.

In September 2006, we signed an agreement with the College of International Business (ESCI), part of the Pompeu Fabra University (UPF), through which the MANGO Chair for Corporate Social Responsibility was created, its aim being encourage research in various aspects of Corporate Social Responsibility at international level. During the first years of operation of the Chair, various meetings have been held with individual and organisations that work in the sphere of CSR, and various studies in this area have been produced. All of these may be consulted on the webpage of the Chair (<http://mango.esci.es>).

Within this university-enterprise environment, we have collaborated since 2007 and 2008, respectively, on two masters degree courses. The first of these is a masters course in retail with the aforementioned College of International Business (ESCI), part of the Pompeu Fabra University, specifically aimed at management in stores. The second is a masters course in fashion and design management with the Higher School of Design (ESDI) and the Autonomous University of Barcelona (UAB) which covers aspects relating to the creation of collections and all aspects of management. We believe we have contributed academic knowledge and professional experience, given that executives and managers of Mango are giving lectures directly alongside the teaching staff of said schools.

Towards the end of the 2006 financial year, we made the initial contacts for cooperation with the Ministry of Health and Consumer Affairs (through the National Consumer Council) and other business groups, bodies and representatives of fashion designers in the sector, in order to consider the creation of certain guidelines for the standardisation of garment sizes in Spain. We have continued with this collaboration during the 2010 financial year.

In September 2007, we participated for the first time in the international initiative, Multi-fibre Agreement (MFA), a forum whose principal aim is dialogue, collaboration and joint effort among various organisations (companies, public institutions and social organisations) in order to advance in CSR areas, in particular with local employees and communities, in the various production areas within the textile sector. In February 2010, Mango assumed responsibility for coordinating the Morocco group for a period of one year.

In November 2008, we signed a cooperation agreement with the Foundation for the Adoption, Fostering and Defence of Animals (FAADA), belonging to the international coalition Fur Free Alliance (FFA) in which we ratified and reinforced the policies and commitments previously established in our organisation regarding the use of animal fur.

In April 2009, we initiated contacts with the ECODES Ecology and Development organisation on all issues concerning the policy, control and monitoring of greenhouse gas emissions which we generate in our activities. Said contacts materialised in 2010 and from May of the same year and 2011, ECODES has verified the calculation of Mango's greenhouse gas emissions over the last two years. For this

reason, ECODES has awarded the ZeroCO2 label which accredits said verification, and has confirmed our organisation's commitment in this area. Furthermore, Mango has offset its greenhouse gas emissions for 2009 at its production plants, offices and personnel transport through a project of ECODES involving the installation of a wind-generated energy project in India.

During 2010, initial contacts were made with the climatic change department of the Generalitat de Catalunya with a view to signing up to a system of voluntary agreements relating to the emission of greenhouse gases.

In 2011, we joined the Transparency Programme, which is a pioneering global initiative aimed at helping large companies with their CSR policies. The project consists of involving and helping a group of their supply companies, based in Catalonia, to allow them to incorporate CSR in their company management through various types of initiatives. The programme is being run by the Council of Chambers and the Generalitat de Catalunya with the collaboration of the Global Reporting Initiative (GRI):

In June 2010, we obtained "Made in Green" certification. Awarded by the Textile Technology Institute (AITEX), said certification guarantees in all garments and accessories: compliance with the international standard for hazardous substances, the Oeko-Tex Standard 100, the manufacture in production plants with an en-

vironmental management system and respect for the human and universal rights of employees.

THE MANGO GROUP'S CODE OF ETHICS

As mentioned above, our Group's Code of Ethics is based on a series of essential values and policies set down in our organization, together with other aspects and principles of reference. The contents of the code are set out below:

Values and policy

In order to achieve our company's objectives, we must combine enthusiasm, creativity and continuous education with the organisation's established values:

- Harmony (as the opposite of conflict, etc.)
- Humility (as the opposite of high-handedness, arrogance, pride, etc.)
- Human warmth (as the opposite of indifference, bitterness, etc.)

These values are displayed in all our facilities as a reflection of our commitment to them.

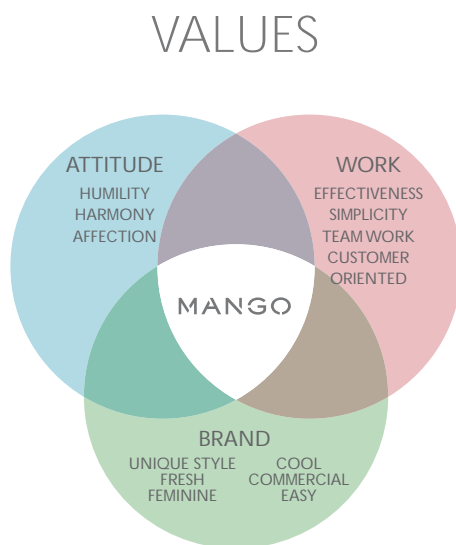
In order for our work to be successful at the heart of our organisation, we must also observe the following aspects, which complement the values set out above:



CORPORATE SOCIAL RESPONSIBILITY (CSR) IN THE MANGO GROUP

- Honesty and mutual respect.
- Perseverance, responsibility and spirit of cooperation.
- Curiosity to learn and continually improve.
- Innovation and creativity.
- Teamwork and common purpose.
- Satisfaction and enthusiasm for a job well done.
- To see change as opportunity rather than danger.
- To simplify tasks and minimise bureaucracy.
- To practice what one preaches.

All these values are also related to other areas and functions in the organization, according to the chart below:



Ethical principles of the Mango group

1.- The Mango group makes a commitment to develop all business operations and activities within an ethical framework. We understand business ethics to refer to a moral, correct and reasonable attitude to all business decisions or actions, always within the applicable legal framework.

2.- The Mango group makes a commitment to carry out all of its working relationship within a framework of fairness, and to defend, at all times, the basic rights and principles of individuals. Therefore, the Mango organisation:

- Will not employ anybody who is below the legal working age and will not use any type of forced or compulsory labour.
- Will guarantee that its employees carry out their work in safe, healthy environments.
- The employees will have the right to association and recognition of collective bargaining.
- Will not permit any type of discrimination of its employees for reasons of race, nationality, religion, disability, sex, sexual orientation, political association, or affiliation.
- Will not permit any type of physical or psychic disciplinary methods as well as any form of harassment or physical or psychological abuse.

- Will ensure that the salary received by the employees complies with the job carried out and current legislation as well as with the hours worked.

3.- The Mango group undertakes to respect the environment while it conducts all of its business.

4.- The Mango group undertakes to offer all its customers a standard of excellence in all its products, and ensure that they do not involve risks for their health or safety.

5.- The Mango group undertakes to collaborate, promote and work with all social groups, at local, national and international levels, in the societies in which its business is conducted.

Relationship between franchisees and the Mango group's Code of Ethics

Adherence to the Code of Ethics of the Mango organisation by all franchisees.

The Mango organisation undertakes to ensure mandatory compliance by all franchisees with the code of practice.

Relationship between manufacturers and production workshops and the Mango group's Code of Ethics

The Mango organisation has drawn up a specific Code of Conduct, compliance with which will be mandatory for manufacturers and production workshops, based on its Code of Ethics.

Adherence to the Mango organisation's Code of Conduct by manufacturers and production workshops.

The Mango organisation undertakes to ensure mandatory compliance with this Code of Conduct by all manufacturers and production workshops that supply it with garments and accessories.

Framework of corporate social responsibility

All aspects mentioned in this Code of Ethics, which the Mango group commits to and acts on, make up the framework of the Group's Corporate Social Responsibility.



7. ECONOMIC DIMENSION AND INDICATORS

- Preparation of Annual Accounts and external audit
- Basic figures
- National and international expansion
- Economic performance indicators

PREPARATION OF ANNUAL ACCOUNTS AND EXTERNAL AUDITS

The Annual Accounts of the individual companies and the Mango group have been prepared in accordance with the Generally Accepted Accountancy Principles, with the aim of providing a faithful representation of these.

The Annual Accounts have been prepared in line with International Financial Reporting Standards (IFRS), pursuant to the legislation in force for this year.

All companies that fall within the legal requirements have been checked through an external audit.

The group of companies made up of MANGO MNG HOLDING, S.L. and subsidiary companies has also been co-audited by two independent auditing companies, for greater transparency. The companies that have carried out this co-audit are: PriceWaterhouseCoopers Auditores S.L. and AUREN AUDITORS-CONSULTORS BARCELONA S.A.

BASIC FIGURES

The main economic figures relating to the development of our group are set out below, together with the main economic performance indicators. This information is taken from the consolidated financial registers and other accounting and management records.

RESULTS

DESCRIPTION	2006	2007	2008	2009	2010
Net turnover	942,355	1,020,356	1,100,705	1,145,156	1,269,523
Interannual variation (%)	6.09%	8.28%	7.87%	4.04%	10.86%
EBITDA	197,052	229,212	191,848	192,821	186,904
Interannual variation (%)	40.28%	16.32%	(16.30%)	(0.51%)	(3.07%)
EBIT	165,156	190,629	143,433	132,119	119,971
Interannual variation (%)	44.62%	15.42%	(24.76%)	(7.89%)	(9.19%)
Net profit	124,039	129,139	143,258	148,016	101,164
Interannual variation (%)	20.17%	4.11%	10.93%	8.32%	(31.65%)

BALANCE

DESCRIPTION	2006	2007	2008	2009	2010
Net worth	506,940	532,688	561,248	623,385	657,810
Interannual variation (%)	(9.6%)	5.08%	5.36%	11.07%	5.52%
Total balance	1,419,034	1,755,742	1,933,063	1,975,821	2,160,483
Interannual variation (%)	26.07%	23.73%	10.1%	2.21%	(9.35%)
Net worth percentage of total balance	35.72%	30.34%	29.03%	31.55%	30.45%

ECONOMIC DIMENSION AND INDICATORS

STORES

DESCRIPTION	2006	2007	2008	2009	2010
Total number of stores at the end of the financial year	995	1,094	1,228	1,390	1,757
Number of own stores	313	381	489	583	707
Number of franchises	682	713	739	807	1,050
Number of countries with stores open	89	89	90	97	102

OTHER INFORMATION

DESCRIPTION	2006	2007	2008	2009	2010
Percentage of sales in international stores	74%	76%	77%	78%	81%
Number of employees as at 31/12	6,454	7,786	8,425	8,662	9,775

NATIONAL AND INTERNATIONAL EXPANSION

The expansion of the Mango group continued during the 2010 financial year with the opening of 464 new stores throughout the world. At the end of the 2010 financial year, we were represented in 102 countries.

As at 31st December 2010 the group had 707 own stores and 1,050 franchises. The total selling space of the chain is 429,754 m² of which 220,387 m² corresponds to company stores (51.78%) and 209,376 m² corresponds to franchise stores (48.72%).

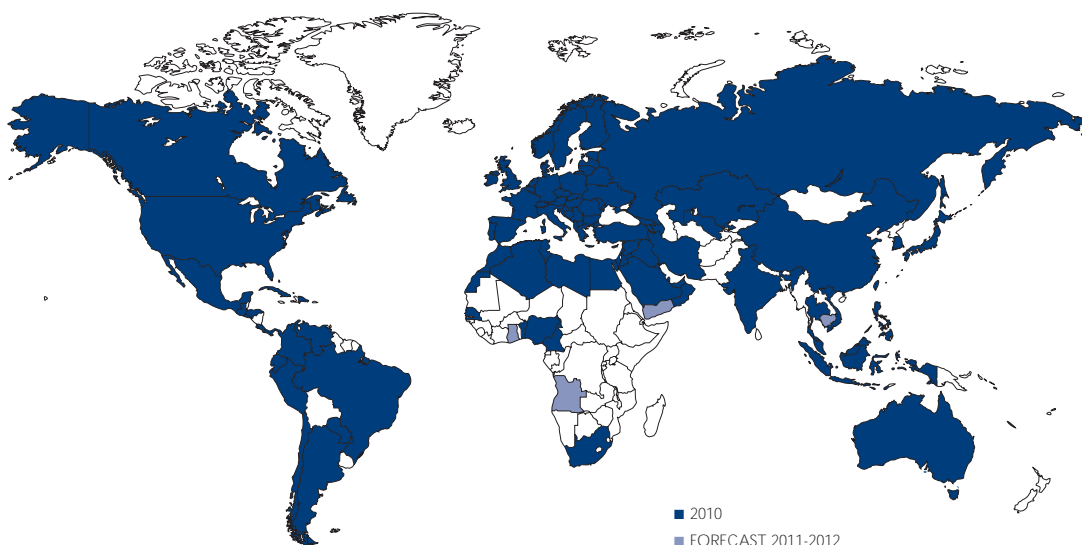
The franchise system is used in countries where the cultural and administrative characteristics are different to ours and it is therefore more appropriate that people in their own country manage the

stores. This management system is also used where there is a good location and when the characteristics of the market make it more appropriate.

Below are shown the most relevant data to our expansion in recent years:

Mango in the world

The following chart shows the countries where we are currently represented, together with the planned openings in new countries for 2011-2012.



Countries of exports

The main foreign countries in which we have sold during the 2010 financial year (with their export quotas indicated as a percentage of turnover) are as follows:

Nº	Country	Percentage	Nº	Country	Percentage	Nº	Country	Percentage
1	Spain	19%	36	South Korea	0.51%	71	Latvia	0.13%
2	France	9.87%	37	Kazakhstan	0.51%	72	Luxembourg	0.13%
3	Turkey	8.95%	38	Canada	0.49%	73	Syria	0.12%
4	Germany	6.01%	39	Czech Republic	0.49%	74	Malta	0.11%
5	Russia	5.41%	40	Japan	0.45%	75	Tunisia	0.11%
6	United Kingdom	3.91%	41	Romania	0.38%	76	Venezuela	0.1%
7	People's Republic of China	3.17%	42	Finland	0.37%	77	Estonia	0.09%
8	Portugal	3.15%	43	Andorra	0.36%	78	Georgia	0.09%
9	Saudi Arabia	3.09%	44	Thailand	0.35%	79	Honduras	0.09%
10	Italy	2.05%	45	Bulgaria	0.34%	80	Macedonia	0.09%
11	United States	1.87%	46	Ireland	0.32%	81	Oman	0.09%
12	Holland	1.85%	47	Azerbaijan	0.31%	82	Costa Rica	0.07%
13	Switzerland	1.8%	48	India	0.31%	83	Moldova	0.07%
14	UAE	1.74%	49	Chile	0.3%	84	Dominican Republic	0.07%
15	Austria	1.66%	50	Vietnam	0.3%	85	Aruba	0.06%
16	Belgium	1.59%	51	Slovakia	0.29%	86	Guatemala	0.06%
17	Singapore	1.07%	52	Egypt	0.27%	87	Kosovo	0.06%
18	Poland	1.02%	53	Belarus	0.26%	88	Panama	0.06%
19	Malaysia	0.98%	54	Serbia	0.25%	89	Senegal	0.06%
20	Ukraine	0.83%	55	Iran	0.24%	90	Albania	0.05%
21	Kuwait	0.77%	56	Bahrain	0.23%	91	Ivory Coast	0.05%
22	Hungary	0.75%	57	Peru	0.23%	92	Mauritius	0.05%
23	Lebanon	0.71%	58	Lithuania	0.2%	93	Nigeria	0.05%
24	Philippines	0.65%	59	Morocco	0.19%	94	Argentina	0.04%
25	Greece	0.62%	60	Uzbekistan	0.19%	95	Benin	0.04%
26	Norway	0.6%	61	Australia	0.18%	96	El Salvador	0.04%
27	Qatar	0.59%	62	Brazil	0.18%	97	Iraq	0.04%
28	Colombia	0.56%	63	Ecuador	0.18%	98	Montenegro	0.04%
29	Indonesia	0.55%	64	Libya	0.17%	99	Netherlands Antilles (Dutch)	0.03%
30	Taiwan	0.55%	65	Slovenia	0.16%	100	Algeria	0.03%
31	Mexico	0.54%	66	Jordan	0.16%	101	Cameroon	0.03%
32	Sweden	0.54%	67	Armenia	0.15%	102	Gibraltar (UK)	0.03%
33	Cyprus	0.52%	68	Bosnia-Herzegovina	0.15%	103	Paraguay	0.03%
34	Croatia	0.52%	69	South Africa	0.15%	104	Cuba	0.02%
35	Israel	0.52%	70	Denmark	0.14%		Total	100%

ECONOMIC DIMENSION AND INDICATORS

Time frame and development of exports by country

The following table illustrates the development of its presence in different countries:

Countries		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1	Albania										
2	Algeria										
3	Andorra										
4	Argentina										
5	Armenia										
6	Aruba										
7	Australia										
8	Austria										
9	Azerbaijan										
10	Bahrain										
11	Belarus										
12	Belgium										
13	Benin										
14	Bosnia-Herzegovina										
15	Brazil										
16	Bulgaria										
17	Cameroon										
18	Canada										
19	Chile										
20	Colombia										
21	Costa Rica										
22	Croatia										
23	Cuba										
24	Cyprus										
25	Czech Republic										
26	Denmark										
27	Dominican Rep.										
28	Ecuador										
29	Egypt										
30	El Salvador										
31	Estonia										
32	Finland										
33	France										
34	Georgia										
35	Germany										
36	Gibraltar (UK)										
37	Greece										
38	Guatemala										
39	Holland										
40	Honduras										
41	Hong Kong (China)										
42	Hungary										
43	Iceland										
44	India										
45	Indonesia										
46	Iran										
47	Iraq										
48	Ireland										
49	Israel										
50	Italy										
51	Ivory Coast										
52	Japan										
53	Jordan										
54	Kazakhstan										
55	Kenya										
56	Kosovo										
57	Kuwait										
58	Latvia										
59	Lebanon										
60	Libya										
61	Lithuania										
62	Luxembourg										
63	Macao (China)										
64	Macedonia										
65	Malaysia										
66	Malta										
67	Mauritius										
68	Mexico										
69	Moldova										
70	Montenegro										
71	Morocco										
72	Netherlands Antilles										
73	Nigeria										
74	Norway										
75	Oman										
76	Panama										
77	Paraguay										
78	Peoples Rep. of China										
79	Peru										
80	Philippines										
81	Poland										
82	Portugal										
83	Qatar.										
84	Romania										
85	Russia										
86	Saudi Arabia										
87	Senegal										
88	Serbia										
89	Singapore										
90	Slovakia										
91	Slovenia										
92	South Africa										
93	South Korea										
94	Spain										
95	Sweden										
96	Switzerland										
97	Syria										
98	Taiwan										
99	Thailand										
100	Tunisia										
101	Turkey										
102	UAE										
103	Ukraine										
104	United Kingdom										
105	United States										
106	Uzbekistan										
107	Venezuela										
108	Vietnam										

Information about branches and offices abroad

As at 31st December 2010, the company structure (foreign branches), which supports the Mango group's sales network, is as described below:

Subsidiary company	Date established/ acquired	Business activity	Country	% share
MANGO FRANCE S.A.R.L.	15/11/1995	Clothing sales	FRANCE	100
MANGO DEUTSCHLAND GMBH	13/09/1996	Clothing sales	GERMANY	100
MNG MANGO UK LTD	22/04/1997	Clothing sales	UNITED KINGDOM	100
MANGO TR.TEKSTILTIC LTD.STI.	21/07/1997	Clothing sales	TURKEY	100
MANGO NEDERLAND B.V.	13/11/1997	Clothing sales	HOLLAND	100
MANGO BRASIL COMERCIAL LTD.	16/12/1997	Clothing sales	BRAZIL	100
MANGO MERITXELL S.A.	19/06/1998	Clothing sales	ANDORRA	32
MNG MANGO BELGIQUE SPRL	29/01/1999	Clothing sales	BELGIUM	100
MANGO SUISSE S.A.	10/06/1999	Clothing sales	SWITZERLAND	100
MANGO ÖSTERREICH HANDELS GMBH	31/08/1999	Clothing sales	AUSTRIA	100
MANGO HUNGARY KFT	11/10/1999	Clothing sales	HUNGARY	100
MANGO POLSKA Sp.z.o.o.	08/11/1999	Clothing sales	POLAND	100
MANGO (CZ) S.R.O.	29/12/1999	Clothing sales	CZECH REP.	100
MANGO DANMARK APS	28/02/2000	Clothing sales	DENMARK	100
MANGO NORGE, AS	11/05/2000	Clothing sales	NORWAY	100
MANGO HONG KONG LIMITED S.A.	29/10/2003	logistics	HONG KONG (CHINA)	99
MANGO SVERIGE AB	02/07/2004	Clothing sales	SWEDEN	100
SHARPE KNIGHT (MANCHESTER) LTD.	19/11/2004	Clothing sales	UNITED KINGDOM	100
DISTEX USA INC.	03/03/2005	logistics	UNITED STATES	100
MANGO NY INC.	09/03/2005	Clothing sales	UNITED STATES	100
MANGO ITALIA S.R.L.	26/09/2005	Clothing sales	ITALY	100
MANGO ONLINE INC.	25/10/2005	Clothing sales	UNITED STATES	100
MANGO GARMENTS AND ACCESSORIES TRADING LTD.	29/06/2006	logistics	CHINA	100
MANGO JAPAN LTD	27/07/2006	Clothing sales	JAPAN	100
MNG MANGO CANADA CORPORATION	11/09/2006	Clothing sales	CANADA	100
MANGONOR COMERCIO DE VESTUARIO S.A.	20/12/2007	Clothing sales	PORTUGAL	100
MANGO SLOVENSKO S.R.O.	26/02/2007	Clothing sales	SLOVAKIA	99,91
MANGO GARMENTS HELLAS, S.A.	28/02/2007	Clothing sales	GREECE	100
MANGO RUSSIA	15/03/2007	Clothing sales	RUSSIA	100
S.A.S MANGO HAUSSMAN	23/03/2007	Clothing sales	FRANCE	100
MANGO SUOMY OY	25/04/2007	Clothing sales	FINLAND	100
MNG MANGO IRELAND, LTD	26/11/2007	Clothing sales	IRELAND	100
IL CERRETO	19/12/2007	Clothing sales	ITALY	100
MANGO GARMENTS RUMANIA S.R.L.	17/07/2008	Clothing sales	ROMANIA	100

ECONOMIC DIMENSION AND INDICATORS

Sales network (by country)

The foreign sales network consists of our own stores (through the branches) and franchises. As at 31st December 2010, the Mango group had 1,757 stores, 1,456 of which were located abroad.

The growth of the number of stores by country over the last ten years, broken down into Mango's own stores and franchises, is set out in the following tables:

	Own shops	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1	Andorra	2	1	1	1	1	1	1	2	2	2
2	Argentina	6	4	-	-	-	-	-	-	-	-
3	Austria	5	5	7	7	7	9	9	9	9	10
4	Belgium	9	9	9	8	8	9	10	10	10	11
5	Brazil	5	4	4	3	3	3	3	3	1	1
6	Canada	-	-	-	-	-	6	6	6	6	6
7	Chile	4	4	4	-	-	-	-	-	-	-
8	Czech Republic	1	2	3	3	3	3	4	5	5	5
9	Denmark	1	1	1	2	2	2	2	3	4	3
10	Finland	-	-	-	-	-	-	1	1	4	5
11	France	21	23	25	26	30	34	39	46	67	63
12	Germany	19	18	18	17	18	25	33	43	45	53
13	Greece	-	-	-	-	-	-	2	2	3	4
14	Holland	6	6	6	6	10	11	12	12	16	31
15	Hungary	4	4	4	4	5	5	7	8	10	9
16	Ireland	-	-	-	-	-	-	-	3	5	5
17	Israel	10	9	9	9	1	1	-	-	-	-
18	Italy	-	-	-	-	-	2	2	4	7	43
19	Japan	-	-	-	-	-	9	7	8	12	10
20	Norway	3	3	3	3	3	3	4	4	4	8
21	Poland	1	1	1	1	1	3	3	5	5	6
22	Portugal	1	1	2	4	5	5	19	20	22	22
23	Rep. of China	-	-	-	-	-	-	2	5	18	59
24	Romania	-	-	-	-	-	-	-	1	2	2
25	Russia	-	-	-	-	-	-	-	6	8	11
26	Slovakia	-	-	-	-	-	-	2	2	2	3
27	Spain	120	116	117	120	127	137	151	182	193	195
28	Sweden	-	-	-	1	2	2	2	4	5	4
29	Switzerland	1	1	1	1	1	1	1	8	9	9
30	Turkey	14	14	14	15	17	23	32	48	54	66
31	United Kingdom	12	11	13	15	17	19	19	30	46	53
32	United States	-	-	-	-	-	-	8	9	9	8
	Total own	245	237	242	246	261	313	381	489	583	707

“ The Annual Accounts have been prepared in line with International Financial Reporting Standards (IFRS), pursuant to the legislation in force for this year. ”



ECONOMIC DIMENSION AND INDICATORS

	Franchises	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1	Albania	-	-	-	-	1	1	1	1	1	1
2	Algeria	-	-	-	-	-	-	-	1	1	1
3	Andorra	2	2	2	2	2	2	3	3	3	3
4	Argentina	-	-	-	-	-	-	-	-	3	3
5	Armenia	-	-	-	-	1	1	1	1	2	2
6	Aruba	1	1	1	1	1	1	1	1	1	1
7	Australia	-	2	4	9	9	10	9	10	11	7
8	Austria	5	6	6	5	5	4	4	4	7	9
9	Azerbaijan	-	-	-	1	1	1	1	2	2	6
10	Bahrain	-	-	-	-	-	-	-	-	4	4
11	Belarus	-	-	-	-	-	-	-	-	2	4
12	Belgium	1	1	1	1	1	2	2	4	4	8
13	Benin Republic	-	-	-	-	-	-	-	-	-	1
14	Bosnia-Herzegovina	-	-	-	-	1	1	2	2	2	3
15	Brazil	-	1	1	2	2	3	3	4	6	8
16	Bulgaria	-	1	1	2	2	3	3	4	6	8
17	Cameroon	-	-	-	-	-	-	-	-	-	1
18	Canada	-	-	-	-	6	-	1	-	-	-
19	Chile	-	-	-	5	6	6	6	8	8	10
20	Colombia	-	-	-	-	1	3	6	7	8	13
21	Costa Rica	1	1	2	2	2	2	2	2	2	1
22	Croatia	-	1	3	4	5	7	9	10	12	13
23	Cuba	2	2	2	2	2	2	2	2	2	2
24	Cyprus	4	4	4	4	4	4	5	5	6	6
25	Czech Republic	-	1	1	1	2	2	2	2	2	2
26	Denmark	-	1	1	-	-	-	-	-	-	-
27	Dominican Rep.	1	1	1	1	1	1	1	1	1	2
28	Ecuador	-	1	2	2	2	2	2	3	4	4
29	Egypt	-	-	-	-	1	2	4	4	6	6
30	El Salvador	-	-	-	1	1	1	1	1	1	1
31	Estonia	-	-	-	1	1	1	1	2	2	3
32	Finland	-	-	-	-	1	4	3	3	-	-
33	France	21	25	29	36	40	43	38	39	50	59
34	Georgia	-	-	-	-	-	-	-	1	1	1
35	Germany	4	10	22	28	31	26	21	17	20	33
36	Gibraltar	-	-	-	-	-	-	-	-	1	1
37	Greece	8	9	9	8	9	13	10	10	10	9
38	Guatemala	-	-	-	-	-	-	-	-	1	1
39	Holland	4	9	9	8	4	4	3	3	7	9
40	Honduras	-	-	1	1	1	1	1	2	2	2
41	Hong Kong (China)	3	4	7	7	8	9	10	10	10	8
42	Hungary	-	-	-	1	1	2	2	2	1	2
43	Iceland	1	1	-	-	-	-	-	-	-	-
44	India	1	1	2	2	3	5	6	6	8	15
45	Indonesia	3	4	4	5	7	7	9	11	19	12
46	Iran	-	-	-	-	-	-	-	-	1	2
47	Iraq	-	-	-	-	-	-	-	-	1	1
48	Ireland	3	4	4	5	7	6	5	-	-	-
49	Israel	5	5	1	1	9	11	18	25	25	25
50	Italy	1	2	9	11	12	11	11	11	14	21
51	Ivory Coast	-	-	-	-	-	-	-	-	1	1
52	Japan	15	18	20	22	19	8	-	-	-	-
53	Jordan	1	1	2	2	2	2	2	2	2	3
54	Kazakhstan	-	-	1	1	2	2	3	3	5	10
55	Kenya	-	-	-	-	-	-	2	2	-	-

	Franchises	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
56	Kosovo	-	-	-	-	-	-	1	1	1	1
57	Kuwait	4	4	4	4	4	5	6	6	7	8
58	Latvia	1	1	1	1	1	1	2	2	4	4
59	Lebanon	4	4	4	4	5	5	5	6	8	8
60	Libya	-	-	-	-	-	1	1	1	2	2
61	Lithuania	1	2	2	3	3	3	3	5	6	6
62	Luxembourg	1	2	2	2	2	2	2	2	2	2
63	Macao (China)	-	-	-	1	1	2	2	3	2	2
64	Macedonia	1	1	1	1	1	1	1	1	1	1
65	Malaysia	4	6	6	7	12	16	19	20	19	18
66	Malta	2	3	3	3	3	2	2	2	2	3
67	Mauritius	-	-	-	-	-	-	-	-	-	1
68	Mexico	9	11	11	11	17	26	25	25	24	22
69	Moldova	-	1	1	1	1	1	1	1	2	2
70	Montenegro	-	-	-	-	-	1	1	2	1	1
71	Morocco	1	1	2	2	2	2	2	3	2	3
72	Netherlands Antilles	-	-	-	-	-	-	-	-	1	1
73	Nigeria	-	-	-	-	-	-	-	-	1	2
74	Oman	1	1	1	1	1	1	1	2	2	2
75	Panama	-	-	-	-	1	1	1	1	1	1
76	Paraguay	-	-	-	-	-	-	-	-	-	1
77	Peru	2	2	2	2	3	3	4	4	5	7
78	Philippines	3	4	4	4	5	9	14	15	17	18
79	Poland	1	1	1	3	5	8	15	16	19	22
80	Portugal	49	48	48	46	51	51	37	38	37	38
81	Qatar	2	2	2	2	2	2	4	7	7	7
82	Rep. of China	-	3	10	17	19	30	41	48	46	67
83	Romania	1	1	1	2	3	3	4	7	7	8
84	Russia	2	9	16	20	28	44	49	53	54	62
85	Saudi Arabia	11	14	15	18	24	24	28	33	38	44
86	Senegal	-	-	-	-	-	-	-	-	-	1
87	Serbia	-	-	1	2	3	4	5	4	4	5
88	Singapore	8	9	9	9	9	10	10	10	11	15
89	Slovakia	1	1	3	3	3	3	1	2	3	3
90	Slovenia	2	2	1	1	1	3	4	4	4	4
91	South Africa	-	-	-	-	-	1	2	3	5	7
92	South Korea	2	4	7	10	12	14	19	-	7	9
93	Spain	101	96	98	108	113	115	109	104	101	106
94	Sweden	1	1	2	1	-	-	-	-	2	13
95	Switzerland	5	6	10	10	10	9	9	4	5	11
96	Syria	-	-	-	-	-	2	2	3	5	5
97	Taiwan	6	10	12	12	14	19	24	26	25	25
98	Thailand	3	4	4	5	5	6	6	6	6	6
99	Tunisia	-	1	1	1	2	2	2	2	3	3
100	Turkey	1	1	-	-	-	-	-	-	-	-
101	UAE	11	14	15	18	24	24	28	33	38	44
102	Ukraine	3	4	5	5	5	5	5	5	7	11
103	United Kingdom	0	2	8	5	6	2	1	-	-	13
104	United States	-	-	-	-	-	9	8	11	3	81
105	Uzbekistan	-	-	-	-	-	1	1	1	1	2
106	Venezuela	3	3	2	2	2	2	2	2	2	3
107	Vietnam	-	-	-	1	1	1	3	5	5	7
Total franchises		330	392	462	522	605	682	713	739	807	1.050
Total stores (Own + franchises)		575	629	704	768	866	995	1.094	1.228	1.390	1.757

Agreements with foreign companies

Our policy has always been to remain independent in terms of decision-making. We do not therefore have local partners in any of the countries in which we operate.

ECONOMIC DIMENSION AND INDICATORS

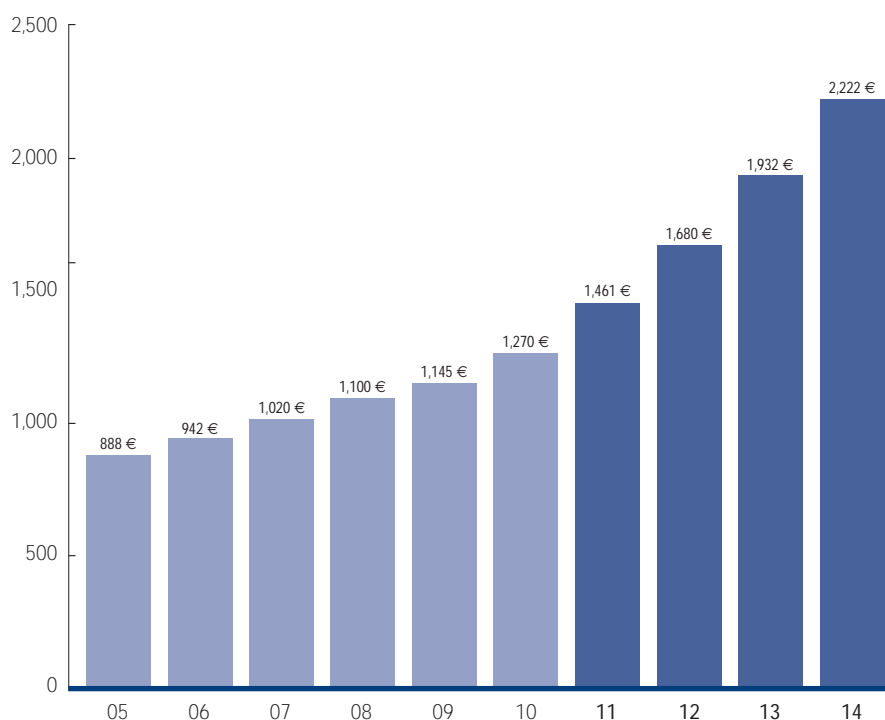
ECONOMIC PERFORMANCE INDICATORS

The main economic performance indicators for the last financial years are set out below:

CONSOLIDATED GROUP MANGO MNG HOLDING, S.L. AND SUBSIDIARY COMPANIES

TURNOVER (1) (2)

The sales turnover for the MANGO MNG HOLDING, S.L. consolidated group and subsidiary companies, and the forecast for the coming financial years is as follows:



(1) Figures in millions of euros.

(2) The figures correspond to retail sales minus VAT for Mango's own stores, plus the wholesale sales to franchises.

■ To date ■ Forecast

Sales by geographic area

The breakdown of sales by geographical area over the last financial years is as follows:

GEOGRAPHICAL AREA	2006	2007	2008	2009	2010
Spain	272,937	287,246	253,162	255,965	258,113
Rest of EU	353,343	364,493	446,388	430,956	457,767
Rest of the world	316,075	368,617	401,155	458,233	553,643
Net turnover	942,355	1,020,356	1,100,705	1,145,155	1,269,523

Sales by business type

The breakdown of sales by business type over the last financial years is as follows:

SALES BY BUSINESS TYPE	2006	2007	2008	2009	2010
Sales in own stores	485,759	552,949	647,326	684,727	753,962
Sales to franchises	456,596	467,407	453,379	460,428	515,561
Net turnover	942,355	1,020,356	1,100,705	1,145,155	1,269,523

Cost of sales and gross margin

The gross margin over the last financial years is as follows:

DESCRIPTION	2006	2007	2008	2009	2010
Gross margin (%)	57.5%	62.18%	61.65%	61.15%	59.75%

The percentage of purchases made on the local Spanish market has accounted for approximately 6% of all purchases, (raw materials, fittings, accessories, etc).

Staff costs

Staff costs over the last financial years are as follows:

DESCRIPTION	2006	2007	2008	2009	2010
Salaries	117,119	143,374	165,807	171,098	195,546
Social Security	32,733	38,871	42,308	41,034	45,216
Total	149,852	182,245	208,115	212,138	240,762

Geographical distribution of staff costs

The geographical distribution of staff costs over the last financial years is as follows:

GEOGRAPHICAL AREA	2006	2007	2008	2009	2010
Spain	91,412	108,992	118,511	116,379	125,456
Rest of EU	46,722	54,875	65,790	67,414	76,981
Rest of the world	11,718	18,378	23,814	28,345	38,325
Total	149,852	182,245	208,115	212,138	240,762

ECONOMIC DIMENSION AND INDICATORS

Equity providers

The evolution of debts acquired with outside equity providers over the last few financial years and their relation to the total balance is as follows:

ITEM	2006	2007	2008	2009	2010
Short-term debts with banks	276,566	83,475	328,578	425,739	550,242
Long-term debts with banks	439,651	867,532	785,966	706,488	652,423
Total debt	716,217	951,007	1,114,544	1,132,227	1,202,665
Cash and banks and short-term financial investments	625,056	686,914	806,582	930,670	906,766
Total net debt	91,161	(264,093)	(307,962)	(201,557)	(295,899)
Total balance	1,419,034	1,755,742	1,933,063	1,975,821	2,160,483
Net debt / balance (%)	6.42%	(15.04%)	(15.93%)	(10.20%)	(13.69%)

Variations in reserves

The variation in reserves produced in the 2009 financial year is as follows:

STATUS OF OWN FUNDS MOVEMENTS	Share capital	Share premium	Parent company reserves	Reserves in companies in consolidation	Conversion differences	Year results	Minority Interests	Total
Balance at beginning of year 2010	22,233	139,785	4,447	342,770	(33,866)	148,016	29,989	653,374
Distribution in 2010	0	0	0	148,016	0	(148,016)	0	0
Profit for the year 2010	0	0	0	0	0	101,164	2,488	103,652
Income and expense recognized directly in equity	0	0	0	0	5,694	0	0	5,694
Variation of change in scope of consolidation	0	0	0	(5,947)	0	0	0	(5,947)
Others	0	(7)	0	13,521	0	0	(16,301)	(2,787)
Distribution of Dividends	0	0	0	(4,600)	0	(75,400)	0	(80,000)
Closing balance 2010	22,233	139,778	4,447	493,760	(28,172)	25,764	16,176	673,986

Tax on profits

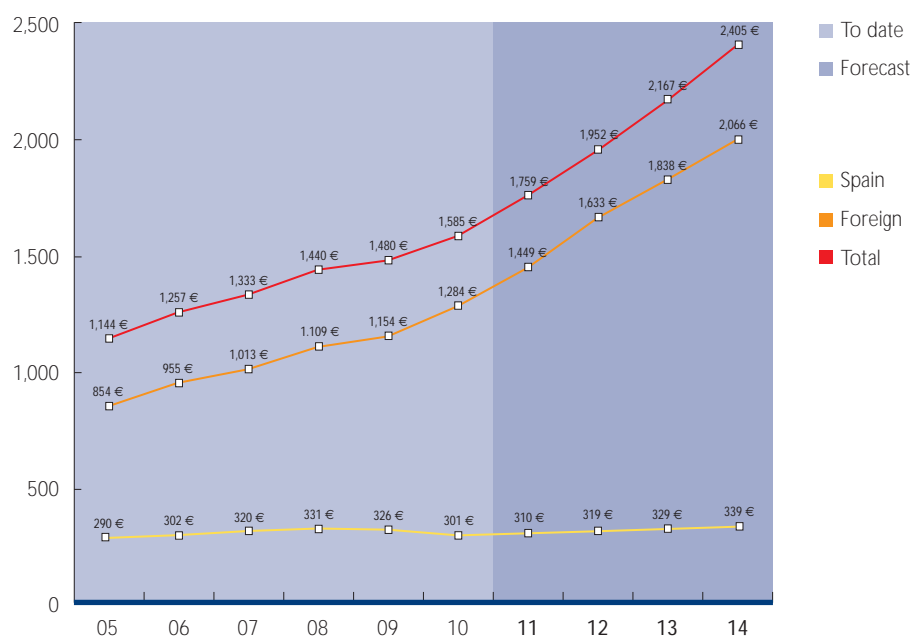
The breakdown of tax on profits over the last financial years is as follows:

GEOGRAPHICAL AREA	2006	2007	2008	2009	2010
Spain	20,016	28,616	(34,734)	(28,986)	7,379
Rest of EU	1,515	2,226	3,563	2,121	287
Rest of the world	436	954	451	392	1,617
Total	21,967	31,796	(30,720)	(26,473)	9,283

MANGO CHAIN

TURNOVER (1) (2)

The turnover for Mango chain stores together with the forecast for the coming financial years is as follows:



(1) Figure in millions of euros.

(2) The figures correspond to retail sales minus VAT for Mango's own stores and in franchisees.

Chain export figure

The chain's export figure and the percentage of sales over the latest financial years is as follows:

	2006	2007	2008	2009	2010
Net turnover	1,257,344	1,333,127	1,440,981	1,480,321	1,585,310
Sales in foreign markets	952,407	1,039,573	1,111,065	1,154,127	1,284,101
Sales in foreign markets (%)	75.74%	77.98%	77.1%	78%	81%

8. WORK AND SOCIAL DIMENSION AND INDICATORS

- Management areas and activities
- Internal sphere
- External sphere
- Code of conduct

MANAGEMENT AREAS AND ACTIVITIES

As specified in our sustainability model, we understand that our responsibility goes beyond just our relationship with our employees, and includes our whole production chain. For this reason, we make a clear distinction between two areas of responsibility: an internal and an external sphere.

INTERNAL SPHERE

Mango's good working environment is partly due to the opportunities generated by the company's considerable growth and partly to a team made up of employees with human qualities, who are motivated, flexible, and capable of adapting to changes and making the most of them.

The main social and work aspects carried out inside our organisation that also help to create this atmosphere are as follows:

ONGOING DIALOGUE

Ongoing dialogue is maintained between our employees and the shareholders and administrators, along with the organisation's management, through meetings called "If I were President".

These work like so:

- Employees from each department elect a representative by secret ballot. This representative cannot be a team leader or manager of the same department.
- The elected person calls all the employees of the department to a meeting in which he or she collects all the ideas, suggestions, changes or improvements, in order to present them at the meeting.
- Finally, these representatives meet with the management, shareholders and administrators to present and discuss the different proposals.

The conclusions, changes and improvements that are agreed on are published and communicated to all employees through the company's internal newsletters.

It is worth noting that a high percentage of the operational improvements proposed in these meetings become actual changes (timetable changes, holiday calculations, broadening and improvement of services, safety improvements, ergonomics, and comfort at the workplace, etc.).

In order to encourage participation in this dialogue, it is worth noting that during April 2007, a survey on the work climate of our organisation was conducted by an external organisation. 2,380 people responded to the survey (69% of the workforce), which provided us with a solid and accurate base for implementing improvement measures that will contribute to the success of our organisation. It is worth noting that said measures have continued to be applied from the moment the results of the survey were obtained until the present day.

Furthermore, the so-called "employee's portal" is available to employees via the intranet. This aims to provide a service to

internal Mango personnel (currently at the central offices), by supplying them with detailed and up to date information on human resources administration, recruitment and training. Employees are able to manage various tasks from this portal: personal data, holiday calendar, salary queries, applications and queries regarding training course, information on vacant posts, etc.

Conflict resolution services

During the first quarter of 2008, the so-called Conflict Resolution Service went into operation, based on the Ethical Code and on the values of the organisation. Its aim is to guarantee a working environment in which the aforementioned values take precedence, by identifying, intervening in and resolving conflicts wherever necessary. Any employee who finds themselves in a situation of conflict and who feels that the intervention of the company is required may request this from their managers or by notifying a member of the Conflict Resolution Service. The employee in question may do this in writing, by telephone, via e-mail or by addressing one of its members directly.

Wellness programme

As in the above case, during 2008 the so-called Wellness Programme went into operation. Its aim is to improve the physical, psychological and emotional well-being of our employees at Mango headquarters, creating a working environment which aligns professional development with personal growth. This programme operates on four levels: workshops aimed at all managers and employees, through conferences and via a specific site on the intranet.

Ongoing contribution of ideas and suggestions

Initiatives called "brainstorming" and "the suggestion box" are in place to enable all employees to contribute their ideas and proposals in order to generate a more efficient organisation.

Policy of remuneration according to situation

In the case of structural staff (approximately 1,717 employees), salaries are evaluated, adapted and incentivised according to the circumstances of each employee twice a year. The system for the sales team in stores is based on a fixed wage plus a variable depending on the store turnover.

It is worth noting that the salaries paid by our organisation for the various categories of employees are generally above the average basic salaries for the sector. Specifically, for 2010, the relationship between the starting standard salary established by Mango and

the minimum salary according to the collective agreement was approximately 49.90% higher for Spain. Besides, the salaries are increased with incentives and promotions, which increase this difference substantially.

"Ongoing dialogue is maintained between our employees and the shareholders and administrators, along with the organisation's management, through meetings called "If I were President"."

All employees, whether part-time or full-time have the same rights and social benefits. Furthermore, there is no type of difference or salary discrimination between men and women.

WORK AND SOCIAL DIMENSION AND INDICATORS

All Mango employees are covered by a collective agreement and the corresponding employment legislation.

Promoting and simplifying the reconciling of family life with work

There is a strong focus on this area and a series of added advantages:

Maternity/Paternity

After maternity leave and for one year, under certain circumstances the company allows parents to change their working hours without having to request a reduction in working hours.

Maternity/paternity benefit during leave of absence is also complemented to ensure that employees continue to earn 100% of their wage. The company also pays out supplementary wages in full while the employee is on maternity/paternity leave.

For structural staff, the mother can choose between reducing her working day by one hour during the lactation period or save these hours and use them after maternity leave, giving her an additional 19 days' leave, as established by current legislation.

The organisation applies reductions of working hours and leaves of absence in accordance with the legislation.

Working flexibility

Flexibility of working hours is allowed for employee personal reasons, as are temporary suspensions of contract for these same reasons. The employee's position is maintained in all of these cases. The organisation also extends the time allowed for necessary doctor's visits.

By mutual agreement with structural staff, these employees work half an hour extra each day so that they can finish at midday on Friday and have a longer weekend.

Employees also work continuous shifts on the day before certain public holidays. In departments or sections where operations allow, continuous shifts are worked the whole year round.

Financial contributions

The company gives out a personal special occasion card and financial gift to all employees who marry, become a common-law couple, or have a child.

Free group transport

A transport system is in place covering the main cities and routes from which our staff travel to work. This system covers different arrival and departure times, with the added advantage of avoiding the need for private vehicles. This service is used by approximately 60% of employees.

Subsidising of dining rooms

The company's central offices have several dining rooms with all the services to cover different options: bringing in food prepared at home or using the catering service provided by the company. This is a quality service prepared in our own kitchens. Employees pay 30% of the cost. Over 600 meals are served every day. Employees can also purchase food in the dining rooms and take it

home with them, in which case, it is supplied in appropriate plastic packaging.

Work stability

At the end of the 2010 financial year, 70.64% of the organisation's total employees in Spain (on average) were on permanent contracts, as broken down below:

	Structural staff	Store staff
Temporary	3.84%	35.01%
Permanent	96.16%	64.99%

The permanent employees abroad, at 31st December, amounted (on average) to 65.28% and the temporary to 34.72%.

Furthermore, full-time employees make up 60.50% of the workforce and part-time employees 39.50%. In the case of foreign subsidiaries, these percentages amount to 66.94% and 33.06% respectively.

Equality of opportunities

This is promoted because of our strong belief in the abilities of our employees. There are two relevant aspects in the profile of our team:

45.54% of management positions in our organisation are held by women. The percentage of employees by sex is as follows:

	Structural staff	Store staff
Men	35.71%	12.31%
Women	64.29%	87.69%

The average age of our employees is as follows (1):

Structural staff	Store staff	Total business
35.10	28.12	31.30

(1) Data for Spain

The division by groups of age of the workers is as follows:

INTERVALE	Spain	Abroad
[16-25]	21.27%	52.10%
[26-35]	55.53%	40.76%
[36-45]	18.25%	6.31%
[46-55]	4.05%	0.77%
[56 and forward]	0.90%	0.06%

The undesired average staff turnover for the 2010 financial year was approximately 4.04% for central office employees, to 4.44% for stockroom employees and 17.41% for store employees. The staff rotation of store employees is understandably high in the current economic climate.

At present, it is worth noting that around 41 people are working with us, both internally and externally, with some disabilities.

Cultural diversity

Our organisation is characterised by cultural diversity due to the globalisation of our business. People of different nationalities work together at our central offices and in the stores and offices of different countries. The nationalities of the employees at our central offices are as follows (25): Albania, Andorra, Belgium, Brazil, Bulgaria, Chile, Colombia, Cuba, Dominican Republic, El Salvador, France, Germany, Ireland, Italy, Japan, Mexico, Morocco, Netherlands, Peru, Romania, Spain, Sweden, Ukraine, Uruguay and the USA.

Workplace mobility

The international nature of our organisation also allows for the geographical mobility of employees who request this. In addition, when new internal positions arise, staff are offered the possibility of requesting a change of department.

Internal promotion

Almost all of the organisation's managers and team leaders have been promoted internally as part of a firm commitment in this direction and as a result of a motivated and flexible team that is able to take on new responsibilities.

It should be pointed out that 12.54% of the employees at the central offices have opted for a position in a higher category during the past year. The figure for internal promotions of store staff is 13.18%.

Active policy and ongoing dialogue in health and safety at work

The development and promotion of strategies and actions that improve work conditions through the physical, psychiatric and social well-being of employees is an objective sought within the sphere of health and safety at work. In order to achieve this, we have a multidisciplinary team made up of technical and medical personnel specialised in health monitoring, safety, ergonomics, psychosociology and industrial hygiene. Management of the prevention of risks in the workplace is established in the Prevention Plan and forms part of the general management system of the company. This Prevention Plan sets out the company's commitment to provide a safe and healthy working environment for employees and collaborators and defines the objectives, responsibilities, resources and procedures required to achieve this. Said Prevention Plan is produced by planning the annual prevention activity, supervised every quarter in order to ensure its compliance.

Some of the activities implemented during 2010 were as follows:

Risk Prevention Training

Training in risk prevention for store personnel in Spain is performed via the Intranet. In order to ensure training is carried out, it is

monitored by requesting the resulting certificates of said training. In 2010 a selection of stores was made, and a total of 1,213 certificates were requested.

TRAINING ON RISK PREVENTION 2010 FOR STRUCTURAL STAFF	Number of people trained
Initial training for logistics personnel	411
Training for users of data screens	167
Ergonomics training for Logistics personnel	2
First Aid training	33
Forklift truck training	40
Risk Prevention training for Maintenance personnel	1
Risk prevention training for users of moving platforms	14
Implantation of PRN manual	22
Training in fire fighting measures	16
Risk Prevention training for non-logistics warehouse personnel	13
Risk Prevention training for window dressers	16
Safety Training for using hand tools	7
Risk Prevention training for gardener	1
Training for using automatic external defibrillator	9
Total number of people trained	752

Evaluation of risks

The identification and evaluation of the risks associated with employment positions is part of the cycle of continuous improvement in the company management.

In order to prevent such risks, or, where this is not possible, minimise them, evaluations are made for new work positions, while the evaluations of existing work positions are kept up to date. This allows us to fulfil our aim to continue improving the health and safety conditions of employees.

During 2010, a total of 71 work positions of data screen users were evaluated, 6 new work positions were evaluated (initial risk assessment), the evaluations of 5 work positions were verified and 42 stores in Spain were visited. Evaluations of the lighting conditions

WORK AND SOCIAL DIMENSION AND INDICATORS

in 1,412 work positions were also carried out, while in 2010 a thermal comfort study was also carried out in 159 work positions.

Risk notifications

Adopting the policy of the active employee participation, a system exists allowing employees to notify any situation that represents a risk or any proposal that improves working conditions. During 2010, a total of 67 risk notifications were received.

Safety visits and work inspections

Every quarter safety visits are made to all sections of the Logistics department, store materials logistics department, building maintenance and conservation department and the production delivery department in order to check and guarantee the existence of optimal working conditions and to encourage safe conduct.

The aim of such visits focuses on identifying new risks associated with the work position, determining specific needs relating to the training of employees in risk prevention, reinforcing efficient and safe conduct and improving work procedures in collaboration with managers.

Safety visits are performed using a checklist that gives a percentage compliance score.

Below we provide comparative information on the percentage compliance scores for 2009 and 2010.

	2009	2010
Logistics	92.23%	95.69%
Store materials logistics	91.41%	95.30%
Building maintenance and conservation	-	83.68%
Production delivery	89.52%	89.27%

Development of the Prevention of Risks in the Workplace Manual

The Prevention of Risks in the Workplace Manual contains procedures that are designed and implemented in order to manage risk prevention within the company.

In order to guarantee the optimal management of risk prevention, these procedures are reviewed continuously and regenerated in accordance with any new requirements that arise.

Health monitoring

The company's Medical Service carries out periodic monitoring of the state of health of our employees. Guaranteeing confidentiality of personal data, the conclusions derived from medical check-ups are provided with regard to the suitability of an employee for his/her work position. Thus, wherever necessary, improvements are made to the means of protection or working conditions in order for such workers to carry out their duties in a satisfactory manner.

During 2010 in accordance with our commitment towards the healthcare of our employees, the number of medical check-ups was

increased to 788 for structural staff and 330 for store personnel in Spain.

Other actions carried by the Medical Service include the tetanus and flu vaccination campaigns (3 and 197 people respectively) and the promotion of healthcare by carrying out specific checks.

Furthermore, as every year, an epidemiological study was carried out in order to determine the causes of illnesses and establish the lines of action in order to improve the health of all of our employees.

STRUCTURAL STAFF ACCIDENTS	2009	2010
Nº Accidents / Nº Employees	0.024	0.002
Average duration of sick leave (days)	13.36	15.32

SPANISH STORE STAFF ACCIDENTS	2009	2010
Nº Accidents / Nº Employees	0.021	0.018
Average duration of sick leave (days)	12.51	16.50

Analysis of accidents in the workplace

Risk Prevention in subsidiaries

In our subsidiaries, in order to comply with legal requirements, the same aims and strategies as for Spain are adopted with regard to risk prevention; however, it is carried out by local consultants coordinated by the Health and Safety department.

We collaborate with local companies which specialise in Health and Safety, who are responsible for advising the Health and Safety department on occupational risks. These companies periodically evaluate the existing risks in stores in the country. Based on this evaluation, they draft a plan of action which includes the required corrective measures. To resolve any outstanding issues, they collaborate with the departments involved in order to find a solution.

The Health and Safety department, in turn, manages other issues relating to Health and Safety, such as store staff training, inspections, emergency plans and other procedures.

During 2010, risk evaluations were carried out in 123 stores. In addition, Risk Prevention training was given to 468 people and management training to 31 store management personnel (supervisors and store managers).

Absenteeism

Absences of structural and store staff in Spain for common illness, accident, maternity, marriage, and other reasons (medical visits, personal matters, etc.) in 2009 and 2010 are as follows:

STRUCTURAL STAFF	2009	2010
Sick leave	3.08%	2.43%
Absent due to IA	0.18%	0.20%
Maternity leave	1.64%	1.46%
Leave authorisations for marriage	0.12%	0.11%
Other reasons	1.11%	1.02%
TOTAL	6.13%	5.22%
STORE STAFF IN SPAIN	2009	2010
Sick leave	2.15%	2.25%
Absent due to IA	0.15%	0.16%
Maternity leave	2.39%	2.92%
Leave authorisations for marriage	0.09%	0.10%
Other reasons	0.35%	0.37%
TOTAL	5.13%	5.8%

Furthermore, the total absences for 2010 in own stores abroad amounted to 6.95%.

Ongoing training

We have established a broad policy of ongoing training in our organisation. To achieve this, we have a training department that promotes the aspects needed to ensure the smooth running of the organisation, covering both technical needs (language, office automation, merchandising, etc.) and human needs (personal growth, values, team management, etc.). Most of this training is carried out in classrooms at the central offices. This team collaborates with the various heads of department to deal with and encourage requests to undertake professional, university, and similar studies.

A total of 71,687 hours' training was carried out in 2010 and attended by 5,711 individuals.

Additional advantages for our employees

The most important aspects of these are:

- A discounts policy, both in the purchase of clothing and accessories in our stores and through agreements with a range of companies for all our employees (sales of cars, insurance, trips, gyms, shows, etc.).
- The organisation of various markets for our employees where garments, accessories, furniture, and home decor objects are sold at symbolic prices once the season has ended.
- Through the granting of interest-free loans in certain personal circumstances.
- By allowing the use of installations for diverse activities, such as courses to obtain driving licenses, etc.

The practice of the culture of mistakes

Our organisation encourages a climate of trust and communication, working in teams, and learning from our mistakes.

This, combined with an informal relationship (at our central offices, nobody uses formal address) and lack of hierarchical treatment, has allowed us to obtain high levels of satisfaction in the workplace. Together with the human qualities of our employees, this has made Mango's staff one of the three basic pillars of the success and growth of our organisation.

"The development and promotion of strategies and actions that improve work conditions through the physical, psychiatric and social well-being of employees is an objective sought within the sphere of health and safety at work."

EXTERNAL SPHERE

"Our products and our production system largely determine the characteristics of our manufacturers and production workshops, and the relationship we have with these in certain aspects, such as: manufacturing time, price of garments, technology, capacity, quality, organisation, professionalism, international experience, etc."

Characteristics of our suppliers (manufacturers and production workshops)

As explained above, the nature of our products and our production system largely determine the characteristics of our manufacturers and production workshops, and the relationship we have with these in certain aspects, such as: manufacturing time, price of garments, technology, capacity, quality, organisation, professionalism, international experience, etc.

New suppliers are incorporated every new season to cover the new technical needs and increases in production: number of items and amounts per item.

We have established a long-term collaboration with our suppliers (we have suppliers who been working with us for over twenty years), and there is ongoing communication, analysis and joint planning of all aspects of production as well as quality control, carried out by our technicians on-site at the factory or production workshop.

PROFESSIONAL CATEGORY	Training hours	No. of trained people
Head of department	6,564	505
Administrative personnel	10,942	842
Technicians	15,318	1,179
Workers and tradesmen	5,252	404
Logistics personnel	5,689	438
Store personnel	27,922	2,343
TOTAL	71,687	5,711

WORK AND SOCIAL DIMENSION AND INDICATORS

Geographical distribution

The number of garment and accessories suppliers, at 31 December 2010, stands at 162 and 66 respectively. The purchase in units by country is as follows:

COUNTRY	Purchase quota
China	40%
Vietnam	20%
Turkey	14%
Morocco	13%
India	4%
Indonesia	3%
Pakistan	3%
Bangladesh	1%
Others	2%
TOTAL	100%

Labelling

All our garments and accessories, without exception, are labelled indicating the country in which they have been made.



CODE OF CONDUCT FOR MANUFACTURERS AND PRODUCTION WORKSHOPS

To ensure that all our manufacturers and production workshops fully comply with labour and social standards, the Mango group has established a compulsory Code of Conduct for them.

A copy of this code, signed by each supplier, is available at our offices.

The Code is based on the guidelines and recommendations of the ILO and is set out below:

SOCIAL AND WORKING PRACTICES FOR MANUFACTURERS (SUPPLIERS OF FINISHED GOODS: GARMENTS AND ACCESSORIES. HEREINAFTER MANUFACTURERS) AND PRODUCTION WORKSHOPS (HEREINAFTER WORKSHOPS) OF GARMENTS AND ACCESSORIES FOR THE MANGO GROUP

0.- INTRODUCTION

This code of working practices is based on the fundamental rules of the ILO agreements, in addition to other values and principles of the Mango group.

1.- CHILD LABOUR

Manufacturers and factories shall not use, or support child labour, in accordance with the definition established in the agreement of the ILO.

2.- FORCED AND COMPULSORY LABOUR

Manufacturers and factories shall not use any kind of forced or compulsory labour.

3.- HEALTH AND SAFETY AT WORK

Manufacturers and factories, in consideration of the general knowledge that exists concerning the risks in its industry in general, in addition to any other specific risks that may exist in its activity, shall establish a healthy and safe place of work, and shall take the necessary steps in order to prevent risks, accidents and injuries occasioned during the work activity or associated to it, by means of limiting, as far as is reasonably practical, the causes of risks inherent in said working environment.

4.- FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

Manufacturers and factories shall respect the right of its employees to associate, organise themselves or bargain collectively, without any form of sanction as a consequence of this.

5.- DISCRIMINATION

Manufacturers and factories shall not employ or protect any form of discrimination based on race, nationality, religion, disability, gender, sexual orientation, political association or affiliation, in the recruitment, remuneration, training, promotion, dismissal or retirement of its personnel.

6.- DISCIPLINARY MEASURES, HARASSMENT AND ABUSE

Manufacturers and factories shall not use, or support the use of physical punishment, mental or physical coercion, such as verbal, physical, psychological or sexual abuse, or any other type of harassment.

7.- WORKING HOURS

Manufacturers and factories shall comply with the legislation and rules applicable to its industry in terms of hours worked.

8.- REMUNERATION

Manufacturers and factories shall guarantee that salaries are paid in strict compliance of the law.

9.- THE ENVIRONMENT

All activities of the manufacturers and factories shall be performed in a way that fully respects the environment.

10.- COMPLIANCE WITH CURRENT LEGISLATION

The manufacturers and workshops shall, in all respects, comply with the current legislation in the different applicable areas.

11.- SCOPE OF APPLICATION OF THE CODE

All the aforementioned points are also compulsorily applicable to all manufacturers and factories that work with the Mango group.

In order to meet this objective, manufacturers and factories shall authorise the Mango group to undertake inspections, either by itself or via third parties, in order to ensure compliance of this code. Furthermore, they shall allow supervisors access to documentation and the necessary means to ensure the viability of this process.

12.- IMPLEMENTATION OF THE CODE

The Mango group agrees to take positive steps in order to implement the Code and to incorporate it into all of its operations and to make it an integral part of its overall philosophy and general policy.

The Mango group shall make all the agreements it makes with manufacturers and factories on the observance of the aforementioned code.

13.- ACCEPTANCE AND COMMITMENT ON THE PART OF MANUFACTURERS AND WORKSHOPS

All manufacturers and factories shall accept and undertake to comply with all aspects specified in this code by signing and stamping all copies of the applicable documentation. A signed copy shall be kept in the Mango organisation at all times.

14.- MODIFICATIONS AND UPDATES

Any modifications or updates to this code shall be made by means of annexes, and shall take the provisions of the previous point into account.

15.- MONITORING APPLICATION OF THE CODE

The Corporate Social Responsibility department, jointly with the departments involved in the contracting and management of manufacturers and factories, shall undertake visits for monitoring purposes in accordance with the established criteria at any given moment, in accordance with a programme.

In order to undertake said monitoring of manufacturers (in accordance with their production characteristics) will at all times

CODE OF CONDUCT FOR MANUFACTURING AND PRODUCTION WORKSHOPS

provide information on the factories in which garments and accessories are produced, so that the Mango organisation, in accordance with the provisions established in this point, may monitor the compliance of this code. Furthermore, it shall be the obligation of these organisations (manufacturers) to inform the different production plants, at the beginning of the production activities, of the need to observe this code of conduct and to agree to it by signing said code.

16.- COLLABORATION WITH NON-GOVERNMENTAL ORGANISATIONS (NGOs) AND OTHER BODIES

The Mango group shall reach agreements through mutual collaboration with various NGOs in order to consolidate and advance such aspects in a positive manner. In view of this objective, visits to the manufacturers and workshops' facilities shall be made jointly with representatives of the NGOs with the aim of working together as much as possible and in accordance with the legislation applicable to each country on aspects that may be achieved within a framework of mutual collaboration. Said visits may coincide with the supervision and monitoring visits. Furthermore, said visits shall also aim to offer transparency and information on our policies concerning social corporate responsibility at the various manufacturers and production factories.

17.- CORRECTIVE ACTION

Any situation involving the failure to comply with the aforementioned points shall require immediate corrective action on the part of the manufacturers and factories. In case it is necessary undertaking and monitoring the mentioned corrective actions on the part of the Mango organisation, those corrective actions will be defined together with manufacturers and factories in order to establish a calendar. (1)

“ For 2011, the main objective will be to maintain the criteria and percentages of audits obtained in 2010, both in garment and accessories production plants, and in the volumes of audits of raw materials and fittings production plants envisaged in the Made in Green certification. ”

(1) Clarification: Mango will participate by offering its technical support.

In the case of serious situations of social emergency (child labour, forced labour, etc.) or other significant aspects at the

manufacturers and factories with whom we work, and where the necessary corrective action is not taken immediately by the own manufacturer and factory, the Mango group shall cancel any relationship it has with them for the aforementioned reasons.

Sandblasting

The Mango does not and shall not use the wearing technique for jeans known as sandblasting, consisting of a jet of pressurised sand, owing to the potential risks to workers who perform this process. Mango, through the internal and external audits it conducts on its production chain, is able to confirm that this technique is not used and alternative techniques which do not represent any risk to workers are used in its place.

Monitoring the code

To monitor our Code of Conduct, we carry out a series of actions and controls at different times in the factories and garment production workshops to ensure full compliance:

Prior selection of suppliers, taking into account different aspects of CSR

Before we begin business with the suppliers, an initial analysis and check are carried out to ensure that they meet all of the points on our Code of Conduct in all their workplaces.

Quality control

Additionally, because of the characteristics of our production system, we have quality-control teams (technical specialists hired by Mango on a full-time basis), who live in the production areas themselves. Each day, these teams visit different factories and workshops.

The main task of these teams is to carry out controls not only on the quality and number of items produced, but also on any other production-related aspect.

While they are monitoring production, since 100% of their time is spent with the suppliers, the teams can also continuously observe that our Code of Conduct is being met.

Training

The internal training on the Code of Conduct and its spreading, information, control and implementation to the other departments (quality control department, buying department, etc.) rose approximately to 1,000 hours. This training is directly given by CSR auditing department.

Internal audits

The CSR Auditing department also carries out controls and audits to verify supplier compliance with the code of conduct. These audits include the following steps:

- Meeting with the owners and/or managers of factories and workshops to obtain the necessary information on labour, social and environmental aspects.
- A comprehensive review including a photographic and film record of the factory's installations.
- Selection of a sample group of employees from the supplier's personnel lists and/or directly from the production line, and subsequent interview covering all aspects of our codes of conduct and procedures, particularly those affecting the review of wages (minimum wages, payment of extra hours, etc.).
- If there are any unions, the abovementioned procedures will be carried out in conjunction with the respective representatives.
- The process ends with a report on compliance with our Code of Practice and a document specifying recommendations for any applicable measures. If the audit results in the specification of any corrective measures, a schedule for their implementation will be drafted.

External audits

The external auditing of our suppliers are carried out by AUREN AUDITORS-CONSULTORS BARCELONA, S.A., a company recommended to us by the non-governmental organization SETEM. The external audit uses the procedure set out below:

- Meeting with the owners and/or managers of factories and workshops to obtain the necessary information about the different labour, social and environmental aspects, and their procedures.
- A comprehensive review including a photographic and film record of the factory's installations.
- Selection of a sample group of employees from the supplier's personnel lists and/or directly from the production line, and subsequent interview covering all aspects of our codes of conduct and procedures, particularly those affecting the review of wages (minimum wages, payment of extra hours, etc.).
- If there are any unions, the aforementioned procedures will be carried out in conjunction with the respective representatives.
- The process concludes with issue by the external auditor of a certificate of compliance with our Code of Practice on the part of the supplier, as well as a document specifying recommendations for any applicable measures. If the audit results in the specification of any corrective measures, a schedule for their implementation will be drafted.



Internal and external audits situation

It is worth noting that quality control, in addition to an internal and external audit, is being carried out in all the countries in which we manufacture garments and accessories. The percentage of workshops and production plants that have been audited, at the time of this report, is approximately 94% for garments and 95% in the case of accessories. In this regard, the internal and external audits pending correspond to new production plants that have been added on a periodic basis each season. It should also be noted that, once an initial check with regard to CSR aspects has been carried out by the Purchasing and the Quality Control Department in order to authorise production start-up, internal and external audits will be carried out within a deadline of three months after said initial authorisation. Furthermore, the aforementioned audits also focus on the periodic maintenance of workshops and production plants audited previously.

It should be pointed out that in order to obtain Made in Green certification (see page 23), approximately 50% of the suppliers for raw materials and fittings from whom we purchase materials directly have been externally audited, in accordance with the system envisaged in the certification (the most significant ones by order of importance in terms of the purchase amount).

It is worth noting that the Mango organisation provides the different organisations it collaborates with in the supply chain with a list of the garment fabrics it works with, for information purposes.

Results of the audits

The breaches of our Code which have been identified in the various audits in production plants (initial or maintenance audits) during the stated period and those for which a report has been issued, is described below:

COUNTRY	Number of Breaches	Code Points Breached
China	13	3, 7, 8, 10
India	2	3, 8, 10
Indonesia	1	7, 10
Morocco	3	3, 8, 10
Turkey	5	3, 7, 10
Vietnam	16	3, 7, 8, 10
Others	3	3, 10

In all cases where the Code is breached, a deadline is established for its remedy, as envisaged in the Code. It is also worth noting that some production plants may have incurred in more than one breach.

In cases where the incident has been notified by a local trade union, the analysis and resolution of the same is carried out in conjunction with the same and the participating organisations with whom we have a CSR agreement.

CODE OF CONDUCT FOR MANUFACTURING AND PRODUCTION WORKSHOPS

At all times, the recommendations refer to aspects of minor importance which do not at any time relate to a breach of the Code, for example: repainting the signposting of certain elements of the premises, requesting greater detail in certain documents, the automisation of certain processes, cleanliness and order in certain areas of the production plant, registers or breakdowns in addition to the principal information, etc. Periodic monitoring of these recommendations is carried out.

Objectives

For 2011, the main objective will be to maintain the criteria and percentages of audits obtained in 2010, both in garment and accessories production plants, and in the volumes of audits of raw materials and fittings production plants envisaged in the Made in Green certification.



9. ENVIRONMENTAL DIMENSION AND INDICATORS

- Environmental impact
- Environmental management policy and systems
- Management areas and activities
- Internal sphere
- External sphere
- Environmental performance indicators

ENVIRONMENTAL IMPACT

The starting point of our organisation's development in this area was in 1999, when we installed a programme of best environmental practice.

During the 2001 financial year, a complete environmental diagnostic study was carried out as part of this program. This study was carried out by PriceWaterhouseCoopers and was used to ratify compliance with the appropriate legislation and to reinforce the organisation's sustainability strategy.

ENVIRONMENTAL MANAGEMENT POLICY AND SYSTEMS

During 2008 an internal environmental management system was created and put into operation at our facilities and distribution centres in Spain, known as the Mango Environmental Management System (SGMM). This includes all the aspects envisaged in the ISO 14001 certification, since we have now opted for our own management system, which is more specific than the one envisaged in the standard. This sets out our environmental policy, a description of the system and the management and verification of the same in the different areas of the company including, among others, aspects such as training, good environmental practice guidelines, communication, etc.

MANAGEMENT AREAS AND ACTIVITIES

The nature of our business activity implies two clearly differentiated areas in relation to environmental management: an internal and an external sphere.

From the point of view of the internal sphere, essentially this activity is carried out at our installations, in the products and in the stores; from the point of view of the external sphere, the activity is carried out by our manufacturers and in the areas of distribution and supply, since our production and logistics are handled by third party companies.

We consider stores to be part of internal management, whether they be Mango own stores or franchises, because the systems, materials and operating procedures are the same.

INTERNAL SPHERE

In accordance with our policy, we have put into operation a series of best environmental practices within this sphere. The most significant of these are described below:

Product, containers and packaging

Our organisation has a container and packaging waste prevention plan in place, which has been approved by the company administration. The following actions have taken place so far within the framework of this plan:

We have minimised the thickness of the boxes down to the technical limit that prevents breakage and crushing.

We have also minimised the individual packages for garments and accessories in terms of dimensions and density, while retaining their capacity to avoid breakage and to be processed by the distribution machinery.

We have minimized the size of the labels, to just the size that allows them to be read correctly.

It is worth noting that all internal shipments are made using reused boxes.

It is also worth pointing out that all the boxes used are made with 100% recycled material. To facilitate recycling, all the seals are paper-based, eliminating any metallic elements (staples, etc.).

Finally, our organization adheres to the waste and packaging management systems established in the different countries in which we operate (green point systems and others).

• Cross-docking assortments and reduction of containers and packaging

In recent years, there has been a significant reduction in packaging as a result of the preparation of the cross-docking assortments of garments and accessories in the distribution of garments, which currently account for approximately 20% of production, that is, almost all of a season's first batch of deliveries to stores.

In this system, suppliers prepare and pack, according to our instructions, specific assortments of garments and accessories which arrive at shop with the original boxes and packagings:

- This system reduces packaging used in direct shipments to almost half.
- This also reduces energy consumption by avoiding the need to sort goods again at our installations.

Currently, this method is only applicable to the first batch of deliveries of a given season to the stores. This is because restocking is done from the central warehouses. For technical reasons, this type of distribution applies only to folded garments, representing approximately 80% of the collection.

Own installations and logistics centres

• Business centres

The organisation's business activities are conducted in a series of facilities in Spain: its central offices at Palau-solità i Plegamans (warehouse and offices), Sabadell (warehouse), Montcada i Reixac (warehouse) and Terrassa (warehouse). There are also warehouse facilities outside Spain: Hong Kong and Shanghai (China), New Jersey (USA) and Turbina (Turkey). Apart from that, there are some other installations:

During 2006, a 12,000 m² design centre, close to the current central offices, called the HANGAR went into operation. This building has been designed according to eco-efficiency criteria, including the following: electronic temperature control, closed refrigeration circuit, optimisation of natural light.

Furthermore, since 2010 the warehouse located in Terrassa (Barcelona) has centralised and unified the management of materials sent to stores: consumables, interior decoration furniture and window display and advertising materials. Its functions include

ENVIRONMENTAL DIMENSION AND INDICATORS

the control and reception of materials returned from stores owing to refurbishments or end of season returns, in order to inspect and select the different materials in order to reuse them in stores.

During 2008, a new, fully-automated logistics centre incorporating state of the art technology went into service in Parets del Vallès (Barcelona), thus allowing the company to increase its distribution capacity significantly. The design of this facility has been adapted to its surroundings in order to minimise its visual impact. It is also planned to install solar panels connected to the national grid on the roof of the building to produce renewable energy. It is worth noting that in early 2008 an adjoining warehouse was acquired in order to increase its capacity.

During February 2011, infrastructure works commenced on our future Lliçà d'Amunt Logistics Park. This project dates back to 1999 with the acquisition of 1,218,761 m² in the Can Montcau district in this municipality, 294,095 m² of which was loaned to the Lliçà d'Amunt Town Council. Mango will dispose of approximately 330,000 m², of which 280,000 m² will be dedicated to industrial use, including the logistics centre and 60,000 m² on services. Mango will dedicate 10,000 m² of this 60,000 m² to creating an outlet with other brands. The entire project represents an investment of 360 million euros with completion forecast within 10 years.

All our installations have a selection and collection system, via authorised managers, of different materials: paper, cardboard, batteries, toners, organic materials, fluorescents etc. Campaigns are periodically developed with the training department on the correct use of these materials.

• Classification, packaging and distribution

Our picking and packing system uses a software system that enables us to optimise the contents of the boxes that are sent to the shops from the distribution centres, so that they are sent as full as possible.

No boxes are used to transport garments on clothes hangers between the supplier and our centres. This practice applies to all the means of transport used. The same technique is used for road transport between our distribution centres and the nearest stores.

Stores

This is a sector where the characteristics of the point of sale and product presentation are crucial. Aspects such as illumination, space, climate control, etc. are basic elements involved in the adequate management of our business.

Our organization commits itself to managing this area with the highest possible balance with the least possible environmental impact. To achieve this, we have carried out a series of steps aimed fundamentally at reducing consumption and the sustainable use of materials in stores, as well as store maintenance. The main measures introduced in the various areas include:

• Lighting

We continue to put special emphasis on reducing electricity consumption (see point on greenhouse gas emissions on pages 54 and 55), and on the durability of materials and their impact, both

during their stage of usage and when they are withdrawn from the stores.

For several years now, we have been replacing lighting based on halogen spot lights with brighter and more energy-efficient metal halide lamps. The variation in consumption associated with this change of system has resulted, until 2010, reduction of approximately 45,18% in refurbished stores. Furthermore, the estimated life of this material is four times greater than with the previous system and offers a similar proportion in the reduction of waste.

The change to less powerful lighting has had led to a direct and linear reduction in the heat accumulated in stores. As a consequence, the cooling requirements have decreased by the same proportion.

In addition, a series of pilot trials are being conducted in stores for a new system of lighting inside the store: Light-emitting Diodes (LEDs), which last four times longer than halogen lamps, consume less (approximately 50%) and also require less maintenance. Once these trials have concluded and their applicability has been determined, they will be progressively installed in all stores. It is worth noting that we are already replacing the neon fluorescent lamps in the exterior signs of stores with this new lighting system (LEDs).

• Materials used in the construction of the stores

We continue to insist on the use of natural materials. The floors of our stores are made mainly out of natural stone, currently basalt. It is not necessary to use any aggressive treatment to clean this stone, which can be cleaned simply using water with a minimum concentration of neutral soap. Maintaining them gives a further advantage, as the designs and ridges on the surface hides possible stains, such that they naturally blur with time.

“ During 2006, a 12,000 m² design centre, close to the current central offices, called the HANGAR went into operation. This building has been designed according to eco-efficiency criteria, including the following: electronic temperature control, closed refrigeration circuit, optimisation of natural light. ”

We are gradually replacing the wood used in stores for more durable materials with lower maintenance requirements (metals, etc.). However, wherever parquet flooring is used in stores, PEFC (Programme for the Endorsement of Forest Certification) certification is requested, which ensures it originates from environmentally, economically and socially sustainable forestland.

Finally, it is worth noting that the “anti-graffiti” liquid protection used on the store facades is made of 100% natural wax.

• Construction details and adaptations to specific features of the stores

Due to the elimination of the halogen lamps, we have done away with specific construction details known as cavities, which themselves implied an increase in cooling power. Since April 2004, this system has not been used, resulting in an additional reduction in the heating and cooling power required.

It is worth noting that as we are adapting to the aspects described in this point for each store, we are also adapting the characteristics of each one by also incorporating state-of-the-art technologies.

• Re-use

Regarding to re-using materials it is worth noting that the end-of-season returns of garments and accessories from the stores to our warehouses take place in re-used boxes. This same practice is applied to all the shipments of seasonal textiles between the different stores.

All our stores located in Spain and Portugal collect the coat hangers which they receive. These are subsequently sent to an operator to be re-used in production.

Similarly, some of the furniture used in stores that sell stock from previous seasons (outlets) comes from other stores and installations.

During 2009, a system was implanted to reuse the plastic coat hangers used in the store stockrooms and in the stores during the sale period. This change has resulted in a reduction in consumption of 75%.

Furthermore, the coat hangers used in stores during the normal season are made from high quality and durable wood, and require little maintenance.

• Selective collection

In all our stores, selective collection of materials is carried out, and they are subsequently placed in the corresponding containers. As previously specified, we adhere to waste and packaging management systems in the different countries where we operate (Green Dot and other systems).

• Bags

All the bags that are issued to our customers have sustainable forest management certification issued by the Forest Stewardship Council (FSC) organisation.

• Sustainable point of sale

During 2011 we also participated in the project of developing a practice guide to energy efficiency point of sale of clothing and accessories. For the above has created a classification based on the facilities and technical specifications of the same.

EXTERNAL SPHERE

The main environmental aspects within this sphere are described below:

Distribution and supply

Our organisation does not have a transport fleet for distribution; all logistics activities are contracted out to third party companies. Notwithstanding the above, it is worth noting that the entire process is supervised and monitored from our headquarters in a coordinated manner with our operators and transport companies.

Consequently, the entire circuit and all the stages included within the same are fully optimised at every point of the distribution chain, with regard to times and load volumes, according to the international infrastructure currently available, in order to generate the lowest possible environmental impact. Notwithstanding the above, we have completed the first phase of a study to measure greenhouse gas emissions in our organisation, which will be used to complete this information and consequently take action in points where it is possible to make any improvements.

• Reception of finished goods

With regard to the manufacture and reception of finished goods from manufacturers, this is always established in each production area and goods are sent, virtually in their entirety, using complete containers in large volumes by sea. In nearby production countries where sea transport does not operate, they are transported in lorries. Furthermore, in production countries and regions where stores exist and the system is operative, the manufactured goods are distributed to these stores by grouping them in the corresponding country directly with the remaining production manufactured in other regions, in order to prevent unnecessary movements.

• Deliveries to stores (initial deliveries and stock replacements)

As far as deliveries to stores are concerned, it is worth noting that these are made from the various warehouses, replacing the garments and accessories on a periodic basis, according to sales, through deliveries of fully optimised and complete loads. On the other hand, the initial deliveries of season goods are made almost entirely by preparing assortments under the cross-docking system, as described above, with the consequent advantages represented by this system in every aspect. It should also be noted that this system is being applied to all garments and accessories where it is technically possible.

• Transport companies

It is also worth noting that we make every effort to ensure that a single transport company covers the maximum number of different destinations, in order to unify deliveries to the maximum. All the transport companies used are top level companies with established environmental policies.

Manufacturers, suppliers and product

With regard to the above point, it should be noted that all clothes-making activity is done via third parties, which are not owned by the organisation, and which are located in different countries.

One priority in this area is the implementation of environmentally friendly practices in all our areas of influence. These practices are related to two fundamental aspects of the manufacturers and factories:

- Directly checking the correctness of their different production phases when the internal and external inspections of suppliers are carried out (treatment of water used in their processes, textile remainders, boxes, etc.).
- Verification of the use of dangerous and noxious substances in raw materials, as specified in our manufacturing instructions, which also set out the applicable international legislation, as specified in point 11 of this report.

ENVIRONMENTAL DIMENSION AND INDICATORS

Greenhouse gas emissions

• Calculation of emissions

During 2009, we completed the first phase of a study on greenhouse gas emissions in our organisation, which will be published during the first quarter of 2010. This study on greenhouse gas emissions in our organisation was completed during 2010 and 2011, according to the following stages:

PERIOD COVERED	Stage I	Stage II	Period of realization
2009	From finished product to its sale in store	From manufacture of raw material to finished product	2010/2011
2010	From finished product to its sale in store	From manufacture of raw material to finished product	2011

This study includes the all the categories of greenhouse gas emissions made by Mango according to the international protocols, in other words: level 1 (direct emissions), level 2 (indirect emissions associated with electricity) and level 3 (other indirect emissions).

It is worth noting that Ecology and Development Foundation (ECODES) has made a verification of the study in different moments during 2010 and 2011, and has awarded Mango with the CeroCO₂ label of production and logistics (calculated and verified).

Furthermore, Mango has offset its greenhouse gas emissions at its production plants, offices and personnel transport through a project of the ECODES Foundation itself in India involving the installation of a wind-generated energy.

This study has two aims: firstly, to reveal the impact and the possible improvement actions and measures we are going to adopt in this regard, and secondly, what reductions can be achieved as a consequence of such improvements. As described above, both supply and distribution and store aspects are already highly optimised, therefore the reduction in the impact may be minor in these areas. In accordance with the above, and depending on the results, our organisation will study the way in which to improve those aspects which lead to a reduction in emissions and to establish a policy to offset any remaining aspects using the most efficient means at any given moment.

“ It is worth noting that Ecology and Development Foundation (ECODES) has made a verification of the study in different moments during 2010 and 2011, and has awarded Mango with the CeroCO₂ label of production and logistics (calculated and verified). ”

This survey was conducted through the Chair Mango Social Responsibility (see page 22). Following a standard protocol and managed by a team of research and environmental analysis of international prestige: Research

Group Environmental Management (GIGA)⁽¹⁾. The ultimate goal of this study was to create a methodology and a simple calculation as a guide to other distribution companies.

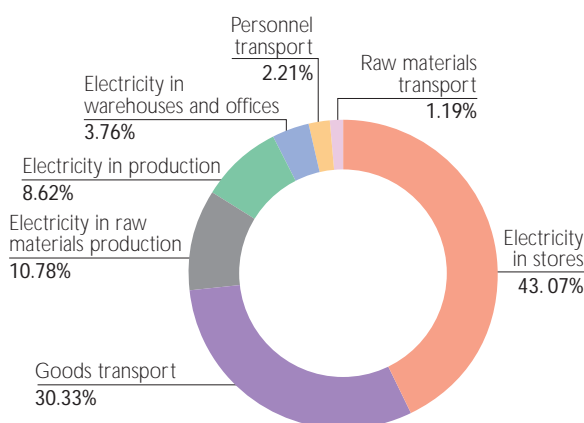
(1) UNESCO chair in life Cycle and climate change.

• Study results

The results of the study in all phases by 2010 is described in summary form below:

Total emissions of greenhouse gases, for the said year 2010 amounted to 205,162.470 tons/year, on the other hand the distribution of these emissions is as follows:

EMISSIONS



• Reduction of emissions

In addition to the aforementioned project conducted by the Chair, we have analysed and carried out a series of energy efficiency actions in the refurbishment of Mango stores throughout the world, in order to reduce energy consumption. It should also be borne in mind that all such energy efficiency criteria are also adopted in new stores, with the consequent reductions this implies.

The summary of the energy saving results and the consequent reduction in greenhouse gases produced in refurbished own stores are set out below:

PERIOD 2008-2010	Reduction in energy consumption	Reduction in greenhouse gas emission	
	Percentage of total	Percentage of total	Percentage of stores
Refurbished own stores	8,852,743.3 Kwh	2.59%	6.01%

The forecast reduction of energy consumption in its own renovated outlets for the period 2011-2015 amounted to 13,342,702 kwh.



It is worth highlighting that franchise stores adopt their own policy for refurbishing installations, and for this reason these are not included in the above information.

ENVIRONMENTAL PERFORMANCE INDICATORS

The main environmental performance indicators are described below:

Internal emissions

Given our type of activity, we do not generate virtually any greenhouse gas emissions. Notwithstanding the above, the most significant emissions are described below:

• Boilers

The only emissions of this kind are limited to the gases produced in the combustion of natural gas in heating boilers. We currently have seventeen boilers in our installations at "El Hangar", Montcada, Palau, Parets, and Terrassa. Their emissions are constantly checked in order to always maintain them within the legally established limits. The consumption of gas in 2010 was 5.25 GWh/year.

• Employee Transport

As regards our staff commuting to the different installations, we have a free shared transport system from the main nearby cities, covering the different workday start and finish times. As mentioned before, this is used by 60% of the employees.

• Consumption in stores and premises

Emissions generated in stores and premises correspond to the source of the electrical energy generated which is consumed in

these locations. The system, specifications and measures adopted to reduce lighting consumption have been described previously. The power consumption of its own sales in Spain in 2010 amounted to 25.04 Gw/year. Also, the estimated consumption for its own sales outside of Spain amounted to 49.45 Gw/year.

External emissions

• Production at production plants and workshops

Emissions generated in the manufacture of our garments and accessories are fundamentally those generated in the manufacture and transport of raw materials, as well as in the generation of electricity consumed in the manufacture of the same, as mentioned above (see point). During the 2010 financial year, a total of 86,200,000 garments and accessories were manufactured. Since we do not have our own production plants or plants that work exclusively for us, this consumption is proportional to the garments and accessories manufactured for our organisation at each production plant.

• Goods transport

Externally, our greatest impact focuses on goods transport by road, air and sea. All the aspects relating to the supply and distribution of garments and accessories have been described above (see point distribution and supply).

• Consumption in stores

As far as franchise stores are concerned, these are considered within the scope of company owned stores, since the materials used and the characteristics of the premises is managed centrally from our headquarters.

Waste indicators

As commented in point about installations and logistic centres, we have a packaging and packing waste plan approved by the administration. The most significant waste is described below:

• Paper

The type of waste product of which we generate most is paper and cardboard, which is used mainly for transport packaging of our goods.

In 2010 consumption and recycling in our head office and in the other distribution centres stood at 1,550 tonnes.

• Other waste

Due to the nature of our business we generate virtually no special waste. The most significant is: toners, batteries and fluorescents. They all follow established checks and monitoring procedures, managed by authorized organizations. For the financial year 2010, in our head office and other distribution centres, the volumes of waste of these products stood at:

Toners	Batteries	Fluorescents
980 units	210 kg	250 kg

ENVIRONMENTAL DIMENSION AND INDICATORS

Energy consumption indicators

• Offices and distribution centres

Below, we detail the consumption of electricity and water at our head office and other distribution centres:

Electricity

The electricity consumption produced in our offices and distribution centres worldwide totalled 14.50Gw/year.

Water

The water consumption (m³) produced at our central offices and warehouses in Spain totals 11,250 m³ and 14,991 m³ respectively.

• Franchised outlets

On the other hand, the estimated consumption of franchise stores in Spain and outside Spain for 2010 totalled 7.93 Gw/year and 64.95 Gw/year respectively.



10. SOCIAL COOPERATION DIMENSION AND INDICATORS

- Customer service
- Human resources
- Communication
- Animal fur policy
- Awards received during the reporting period
- International Award for emerging designers fashion "Button-MANGO Fashion Awards"
- Protection personal data
- Social action

CUSTOMER SERVICE

One of our fundamental commitments is to provide a service to society as a whole, in the following areas:

Stores

One of our organisation's priorities is service to our customers, including advice, suggestions, complaints etc and also obtaining customers' opinions on our offer so that we can adapt to their tastes and requirements.

Customer service is provided in the stores directly through our specially trained personnel. This training (theoretical-practical) is focused on the areas of customer service policy, the offer, merchandising, trends, the company's philosophy etc. The training is always adapted to the employee's role.

We are very aware of the fact that our store personnel have to face the daily challenge of offering an excellent service to our clients and to find a solution to their needs.

Central offices

Our central offices include a specialized customer service department to respond to any enquiry, problem or suggestion. Requests are dealt within Mango's five official languages: Spanish, English, French, German and Catalan.

In 2010, a total of 100,157 requests were handled. The main means of communication used were as follows:

Fax / letter	Via chat	Telephone calls	E-mails/ Websites
1%	4%	32%	63%

The source of these enquiries varied: direct from customers, from stores, from head office staff, etc. The main themes were as follows:

Suggestions	Congratulations	Complaints	Request for information
1%	1%	19%	79%

In addition, numerous calls were received from students requesting information about Mango for research projects. Mainly these were design, marketing, advertising, economic science and business students.

Store design

Our stores are designed with comfort and enjoyment in mind. Mango stores project the spirit of our people and our clients: a dynamic environment resulting in a harmonious space, a selected product, displayed in small collections so that they can be easily appreciated, selected and tried. Comfortable stores, spacious and luminous, with a spirit of boutique rather than that of a chain, to make shopping a real experience.

HUMAN RESOURCES

Conscious that Mango's greatest asset is its people, we promote continuous improvement as the basis of daily management. We want our professionals to develop within the company and to take on increasing responsibility with time. By doing this, we achieve greater professional and personal satisfaction as well as greater motivation in day-to-day work.

The growth of the Mango organisation has made it possible to create a large number of positions across the world in recent years.

Job applications at our head office have been received via the following means:

Mango Websites	Other Websites	Pres advertising	Schools & universities	Employment fairs
45%	48%	5%	1%	1%

We also support students from different centres and universities, completing their training via work experience in the different departments of our organisation. In this regard, Mango is committed to the incorporation of interns as a recruitment process. During 2010, 211 interns were recruited both at our headquarters and in our stores in Spain. 28% of interns who completed their practical training last year were recruited by the company. In 2010, there were 100 collaborating schools, including business schools, design schools, national and international universities, high schools, etc.

COMMUNICATION

Publicity

The Communications Department renews our image every season, as well as planning our media globally, adapting the global strategy to the characteristics of each country and with a focus on building the loyalty of our clients.

In our publicity, we communicate the values that differentiate our brand: the latest trends, quality and style.

Communication through different media

Our press office maintains a constant flow of communication with different media, supplying any information that they need. In the financial year 2010 a total of 200 press communications were carried out, and around 90 media interviews.

Also, during that same financial year, a total of 75 institutions and schools visited our installations.

Seminars and conferences

Our involvement with society is also carried out through the communication of our business philosophy and our experience. We participate in different conferences and seminars (60 during 2010), organised at the various universities and institutions that request our presence. The topics covered are varied, but the most frequent are those related to our corporate social responsibility policies, our logistics system, our growth and internationalisation, etc.

SOCIAL COOPERATION DIMENSION AND INDICATORS

Hits at our websites

During 2010, all our websites were merged into a single website: www.mango.com, which received 52,078,270 hits during this period.

ANIMAL FUR POLICY

All skins used in our clothing and accessories come from animals that form part of the human food chain.

INTERNATIONAL DISTINCTIONS AND AWARDS RECEIVED DURING THE PERIOD

In 2010, the Mango organisation received the "Best Ideas of the Year" award, given out by Actualidad Económica for the creation of the "EL BOTÓN-MANGO FASHION AWARDS".

In 2010, the Mango organisation also received the award given out by the Women Together organisation. The award was given out in recognition of our efforts to develop and apply social responsibility policies within our company, with our commitment to fight poverty and to protect the environment and, in particular, for our contribution to the definition, diffusion and implementation of corporate social responsibility through the creation of the Corporate Social Responsibility Chair in the College of International Business (part of the Pompeu Fabra University).

The Mango organisation also obtained the 2010-CSR Companies with the most future certification, granted by the CRF Institute, which accredits the guaranteeing of its stakeholders the profitability of the company by integrating sustainability in its strategy in a clear and unequivocal way.

In 2010, our president was awarded the "dedal de oro 2010". Dedales de Oro Awards are a benchmark of the awards delivered in Spain. These awards are aimed at the fashion world and try to encourage the careers of professionals, both nationally and internationally.

"EL BOTÓN-MANGO INTERNATIONAL FASHION AWARDS" FOR EMERGING DESIGNERS

During November 2006, Mango announced the creation of the first Spanish award aimed at supporting young talents in international fashion, known as the "EL BOTÓN – MANGO FASHION AWARDS". This award has the support, in the form of co-organisers, of five of the most prestigious European design schools, such as Central Saint Martins School of Art and Design, in London, Institut Français de la Mode, in Paris, Istituto Marangoni, in Milan, Royal Academy of Fine Arts, in Antwerp, and Escola Superior de Disseny, in Barcelona.

With this event, Mango wishes to create a project that will provide opportunities, stimulate creativity and help promote the international projection of young fashion talent. In October 2010, the prize was awarded for the second time; the event is held every eighteen months, in order to alternate the different spring-summer and autumn-winter seasons.

PERSONAL DATA PROTECTION

All information concerning personal data, both internal and external, used in our organisation is protected in accordance with the

provisions of the different applicable regulations and legislation. No incidents in this nature occurred during the period of reference

SOCIAL ACTION

Our commitment to society means that we actively participate in different social projects, directly, or via specialist organisations. We have funded projects in underdeveloped and other countries through non-economic initiatives such as garments donations and collaborations with central offices staff, etc.

In the financial year 2004, we specified our policy for future collaboration. In this area, our activity is aimed mainly at supporting basic training in underdeveloped countries, because we believe that progress in these countries must necessarily be founded on this. We will also continue to work on projects with which we identify or which have a special sensibility within our organisation.

"During November 2006, MANGO announced the creation of the first Spanish award aimed at supporting young talents in international fashion, known as the "EL BOTÓN – MANGO FASHION AWARDS". With this event, MANGO wishes to create a project that will provide opportunities, stimulate creativity and help promote the international projection of young fashion talent."

Below, we highlight the most important projects in which we collaborated in the financial year 2010

Financial collaboration

• VICENTE FERRER FOUNDATION

Mango financed the construction of 30 dwellings, 16 dwellings adapted to the disabled and 6 schools in Anantapur, India. Housing provides dignity, while the schools provide education, two fundamental aspects which, in the rural area in which they live, thus preventing migration to the cities.

• ACTIVE AFRICA

Mango collaborated with this organisation in the financing of two projects: the construction of the second phase of three complementary classrooms in a school in Mnoma-Lobimbi, Dowa, in Malawi. The aim is to improve access to education for children who live in rural areas and to encourage the autonomy and independence of the population.

• HOMAC FOUNDATION

Mango financed the construction of 5 dwellings in Almata, Tigray, Ethiopia. The dwellings are for communities who suffer extreme poverty and, in most cases, are given to women who look after several children.

• G3t PRIVATE FOUNDATION

Mango collaborated with this foundation in the funding of the second phase of a secondary school: Mutumba, Karusi (Burundi). The aim of the foundation is to improve the infrastructure of this school, in order to grant children in a rural area access to secondary education.

• AFRICA VIVA FOUNDATION

Mango financed the construction of three healthcare and consultancy rooms at the Alitena clinic in Mekelle, Ethiopia. The project is part of a programme of prevention and assistance to persons affected by HIV/AIDS in the region. The project aims to reduce the negative effects of this disease by creating participative counselling, training and quality care.

• MÉDICOS SIN FRONTERAS

Mango is assisting with the emergency funds of this organisation, in order to provide the medical assistance required in the emergencies that have arisen in Haiti and Pakistan.

• ACCIÓ NATURA FOUNDATION

Mango is collaborating in the prospection of wells and the construction of a school in Mumbuluma, Kafue National Park, Zambia.

• UNITED FAMILIES

Mango financed the construction of 9 rural state schools. It has also provided school materials for children in the region of Esteli, Ecuador. The aim of this Foundation is to achieve the integral and sustainable development by attending to basic health and education needs.

• + TREES FOUNDATION

Mango is participating in its second congress, the International Friends of Trees International Meeting. The aim is to raise environmental awareness.

• FOUNDATION ARED

Mango is participating in an employment reintegration project by funding 5 employment scholarships in the dressmaking sector. This training aims to promote the social reintegration of women from prison or social services.

• ÀGATA GROUP

Mango collaborated in financing the rent of its premises in Barcelona. The aim of this centre is to act as a meeting point for women suffering from breast cancer, where they can receive psychological support and information and meet other women suffering from the same illness and others who have survived it.

• JOSEP CARRERAS INTERNATIONAL FOUNDATION

Mango is supporting the Foundation's programme for a Spanish Register of Bone Marrow Donors. The aim of the programme is to search and create a database in order to find matches between donors and patients.

• ACAB ASSOCIATION

Mango collaborated with this association, which aims to tackle anorexia and bulimia, in its "reemprender el camino" project by financing three workshops aimed at those who have completed the treatment and who are now outpatients. The aim of this collaboration is to support and favour the integration of such persons in their academic, social and working environments, by promoting protection factors and preventing relapses.

• MARE DE DÉU DE MONTSERRAT FOUNDATION

Mango collaborates with this foundation, whose aim is to promote the spiritual, social, cultural and ecological values of the Montserrat

Monastery. The foundation aims to serve as a useful tool for the development and utility of the monastery.

• AURIA PRIVATE FOUNDATION

Mango collaborates with this Foundation, whose aim is to work towards integrating persons with mental disabilities into the work environment and to help users take up employment posts, by supporting their incorporation and personal development.

• EDSI, TEXTILE DESIGN - FOUNDATION

To support our fashion products and the new technologies in the sector, Mango is helping to fund the 1st International Design and Innovation Congress in Catalonia organised by this foundation belonging to ESDI.

• SHE FOUNDATION

Mango is supporting this foundation aimed at promoting healthy living among young people through the acquisition of healthy habits. It is financing the training at the Vilatorrada college in Barcelona.

Solidarity sales in stores:

• PLAN FOUNDATION

The sale of a t-shirt designed by Hannibal Laguna in collaboration with Elle Magazine (Spain). The action is in favour of the victims of Haiti: the funds will be spent on helping the construction of a school.

• INTERMÓN OXFAM

The sale of a bag designed by Scarlett Johansson, our season catalogue model, in favour of the victims of Haiti. The proceeds will be allocated to the projects the foundation carries out in healthcare, nutrition and reconstruction.

• CARUMANDA ASSOCIATION

Sale of a solidarity CD, "Canción para un niño de la Calle" (Song for a street child), in stores in Spain and Portugal. The proceeds will be spent on improving social justice through education.

• FERRO FOUNDATION

As part of International Cancer Week, Mango collaborated with Jordi Labanda in the creation of a solidarity t-shirt on sale in all its stores in Spain. The proceeds will be spent on cancer research and treatment.

Voluntary collaborations:

• DREAMING AWAKE FOUNDATION

Mango organises a leisure activity with the children cared for by this Foundation, which aims to provide a response to the shortcomings and threats faced by children who live in shelter homes approved by the Autonomous Government of Catalonia.

• EXIT FOUNDATION

Mango's collaboration with this foundation consists of advising and providing information to young people concerning the different employment positions available in the job market and the basic requirements that a person who decides to work needs to meet.

SOCIAL COOPERATION DIMENSION AND INDICATORS

This is achieved through visits and talks organised in conjunction with the Human Resources department.

• “CASAL DELS INFANTS”

Mango collaborates with this organisation by offering training visits to young people at the risk of social exclusion. They are given advice on the types of jobs that exist at the company, on how to look for work, conduct a work interview, etc., key issues for those entering the recruitment process for the first time.

Collaboration with workplace integration organisations

• RAVALTEX

Mango collaborates with this organisation by sending them the garment alterations requested by its customers in the stores of Barcelona. This organisation also produces samples for the Public Relations department.

METAS (DESIGN AND CLOTHING FOR THE HOME) ASSOCIATED WITH THE SEED FOUNDATION

Mango collaborates with this organisation by sending them the garment alterations requested by its customers in one of our stores in Madrid.

FOUNDATION CARES

Mango collaborates with this foundation since 2008 in the employment integration of disabled people contracting them in Montcada i Reixac (Barcelona) premises. These employees are responsible for good reception, location, packing, inspection, boxing, delivering and the company's online Outlet returns.

Mango contracts the services of the following specialist work centres:

GASPAR DE PORTOLÀ FOUNDATION, GRAPHIC-ARTS - ICARIA, SIFU GROUP and PRESIDENT AMAT ROUMENS FOUNDATION (FUPAR).

Non-financial collaborations

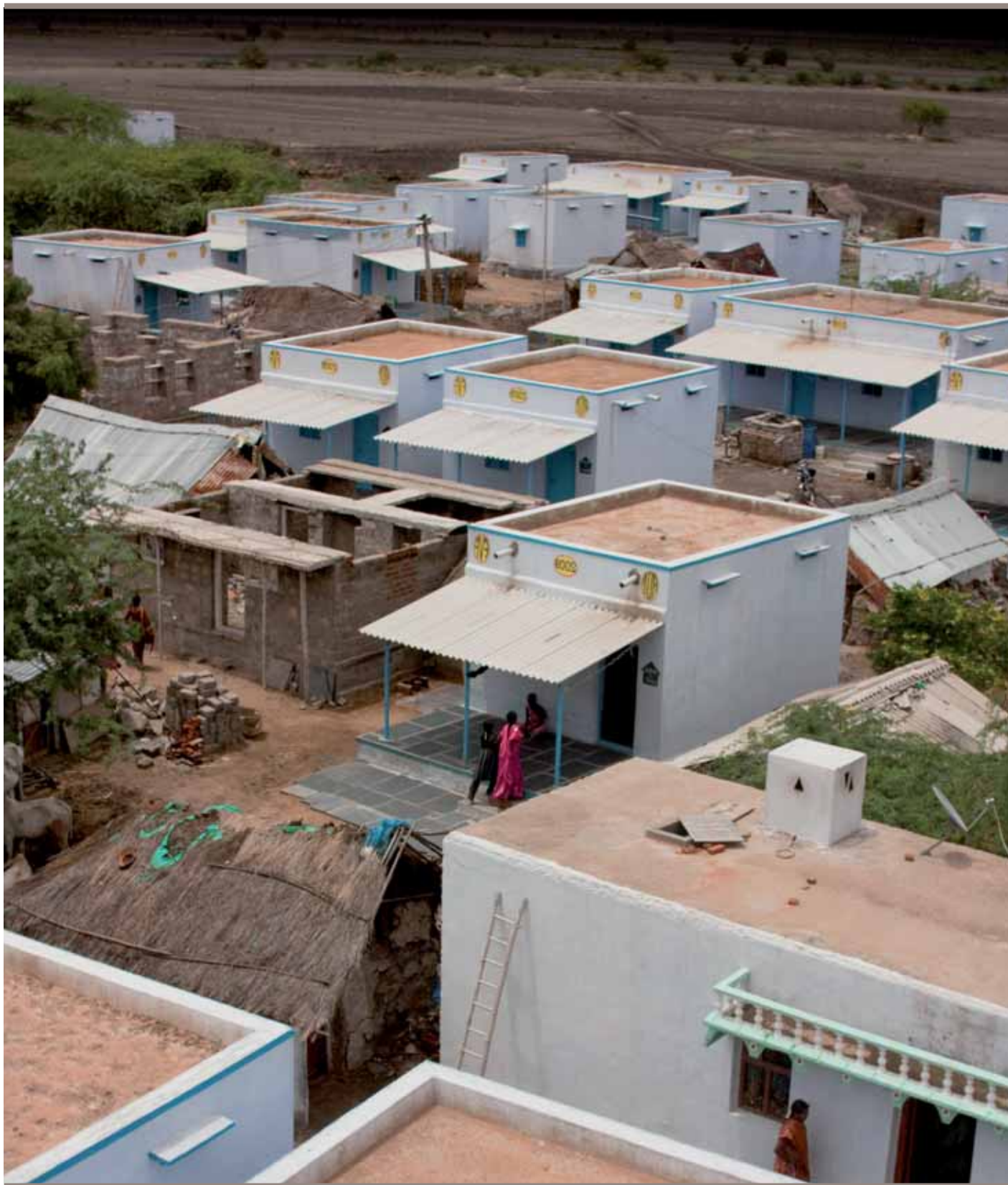
• Clothing deliveries

During the 2010 financial year, Mango donated clothing to various charity organisations. These types of donations are made to national and international charity organisations.

• Other collaborations with personnel

In addition to supporting charity events, social collaborations are encouraged among the company's employees, such as: charity flea markets, campaigns for donating blood, campaigns for collecting food and toys at Christmas, etc.





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11. QUALITY AND SAFETY OF GARMENTS AND ACCESSORIES DIMENSION AND INDICATORS

- Quality management systems / relationship with the RSC
- Control of harmful substances
- New aims
- Mango chemicals standard

QUALITY MANAGEMENT SYSTEMS/RELATIONSHIP WITH CSR

Since 2001 we have operated under a quality system, in accordance with International Standard ISO 9001:2000, which affects all the departments that come into direct contact with the product during any of its stages.

This system is also based on certain aspects that are now strong points of our management system, and which we consider fundamental for the future development of the system. These include:

- Certain quality control equipment which monitor and provide support to suppliers, both from our central offices and directly in the production plants. It is worth noting that such direct monitoring is carried out by teams that live and work in the main production areas through displaced technical offices.
- Continuous homologation and verification of supplier production plants, in accordance with the provisions established by our quality management system: Quality Mango System (QMS), carried out directly by the aforementioned teams.
- Updating, issuing instructions to and constantly monitoring our suppliers with regard to the physical characteristics (compositions, shrinkage, etc.) of the fabrics and trimmings used in our garments and accessories.
- Continuous updating and optimisation of the procedures, for the purposes of continuous improvement.

It is also worth noting that we are currently completing the implementation of an interactive and bidirectional IT application between suppliers and our design, purchasing and quality control teams that will make it possible to manage all information relating to general procedures, specific procedures relative to the season and all aspects relating to each model ordered (pricings, patternmaking, technical supervision, comments, timing, etc.). This tool, which is at the final testing stage, will provide considerable support to management tasks already implemented in the aforementioned spheres, to both suppliers and our organisation.

This system, together with the aspects set out in the sections relating to the characteristics of our product, establishes high standards of quality among our suppliers and their production plants (capacity, experience, internationalisation, organisation, etc.), which is reflected in all areas and in CSR also, an area in which the aforementioned teams offer their continual support.

CONTROL OF HARMFUL OR HAZARDOUS SUBSTANCES

Applicable legislation

At the Mango organisation we have always ensured compliance with all the legislation on hazardous substances that is applicable in the different countries in which we market our products.

However, beyond the legislation, protecting the environment and the health of individuals are commitments we identify with and

are committed to; for this reason, since the commencement of this project, we have implemented other actions that go beyond strict compliance with the legislation.

Area of Application

This area includes all hazardous substances, identified as being harmful above certain levels, on which the Mango organisation carries out monitoring and control. It is worth noting that specifications in certain physical characteristics of fabrics (shrinking, decolorations, etc.) also exist, and are determined by and form part of other monitoring and control areas.

Production systems

As specified in the group's sustainability report, there are two different production systems involving different management and substance control and analysis procedures:

Manufacturers

The first consists of designing the product, ordering its manufacture and purchasing it once finished. In this case it is the supplier itself which acquires all the raw materials for its process. Internally, we refer to these suppliers as manufacturers, which principally come from south east Asian countries such as the Indian region, as do the raw materials used for their manufacture (yarn, fabrics, etc.).

Production workshops

The second system also involves designing the garment, however, unlike the first, all the raw materials used in it are acquired by our organisation and later sent to these suppliers for their manufacture. Internally, these suppliers are referred to as production workshops, which principally come from countries in North Africa and Eastern Europe. Unlike the previous system, the origin of the raw materials is not these countries, instead they are mainly of European origin since our organisation acquires them from markets close to the countries/regions of manufacture.

Manufacturers' raw materials

All suppliers of finished products receive written instructions from Mango on the legislation with regard to the use of products and substances in the manufacture of the raw materials that they acquire. Once production is underway, we monitor these substances by means of exhaustive control of the same in all our articles.

This verification process is carried out through the selection, on the part of our organisation, of certain garments and/or accessories from each reference, in accordance with established statistical criteria, and sending these to the laboratory for comprehensive analysis. This laboratory issues a certificate for all our articles (1)

(1) AITEX (which is the only laboratory in Spain certified by the Swiss organisation Oeko-Tex).

In this system, the selection of references for analysis is always carried on final production garments and accessories, since changes in the fabrics and their components and the materials acquired by the supplier can occur during the design process and initial production trials.

The aforementioned instructions for suppliers include substances that are both regulated and unregulated by the laws of the various

countries. The latter are included as recommendations, given that reports and specialised studies have classified them as being potentially hazardous under certain conditions. Monitoring and control is also carried out on such substances, in the same way as with regulated substances, in accordance with specific statistical criteria.

During the 2010 financial year, of the garment and accessory collections manufactured, the following incidents were detected:

TYPE OF SUBSTANCE	No. of cases
Cadmium	6
Azoic dyes (arylamines)	53
Phenolic compounds	17
Chromo (VI)	16
Formaldehyde	46
Lead	135

In 100% of cases the garment or accessory was withdrawn from the collection and no longer sold.

In cases where manufacturers provide Oeko-Tex certification for certain garments or accessories, the analysis described for this type of production is not carried out according to the information below.

Raw materials in production workshops

Unlike the previous system, since our organisation acquires the raw material directly, we ask our suppliers for Oeko-Tex certification for all textiles. Said certification is issued by laboratories in each country authorised by the Swiss organisation Oeko-Tex. Once said certification has been obtained, we send the raw materials to suppliers for manufacture.

It is worth noting that Oeko-Tex involves a much more extensive control than the one envisaged in the legislation of the various countries, since monitoring is carried out on a greater number of substances identified by this organisation and because of the application of lower tolerance limits than those envisaged in the legislation in certain substances. It should also be pointed out that Oeko-Tex is the most prestigious and demanding international reference in the research, identification, evaluation of tolerances and control of hazardous substances in textiles (further information is available at www.oeko-tex.org).

No incident has been detected in 2010 with this system since we do not accept any raw material without this certificate.

Reason for using two different systems

The reason for applying different management systems, depending on the system of manufacture described above, is simply for operational purposes.

When we started our business activity, we only used one method of manufacture: the direct purchase of raw materials and their subsequent dispatch to workshops for their manufacture. When we asked ourselves which would be the best system of controlling such substances, we discovered that many of our suppliers already possessed these certificates, since the raw materials principally originated from Europe and this was a widely known and used system of certification. Consequently we extended this requirement to all suppliers that did not possess them.

Subsequently, in parallel to the previous system, we began to purchase finished products, in which the supplier was directly responsible for the acquisition of raw materials. When we considered the system for controlling substances we found that the application of the Oeko-Tex certification represented a major difficulty, fundamentally for the following reasons:

- The system may be based on certification of any of the different production stages (spinning, dyeing, etc.) prior to manufacture and without the need to certify the final garment. The characteristics of the suppliers (basically garment manufacturers) and their geographical location makes this very difficult from an administrative and information gathering perspective.
- The above, together with the initial absence of laboratories in our production areas considerably increased the time period for obtaining the final certificate (all monitoring had to be carried out at laboratories in Europe).

For such reasons, with this system of production, we opted for direct control on the finished garment, monitoring the substances contained in the legislation of the various countries and additional ones without obtaining, in this system, the aforementioned certification. This process is much more operative, in this case, both for the final supplier of the garment and for our organisation.

New aims

Throughout this time we have gained more experience and improved our monitoring and control systems. However, the most important factor has been the collaboration and participation of our suppliers of both raw materials and finished goods, which in the end has been one of the driving forces behind this entire joint project.

We now have new European Union legislation with regard to the regulation of toxic substances: the REACH (registration, evaluation and authorisation of chemical substances) programme; notwithstanding this and irrespective of any agreements of final progress this may incorporate, the aim of the Mango organisation is to achieve higher levels of protection in this area. For this reason we aim once again to extend the monitoring to a greater number of substances (which in our opinion, although not regulated, could under certain conditions have implications for the environment and for human health) and to reduce their limits.

Extended number of substances

Many of these were already included in the instructions to our suppliers as recommendations, even though analytical control

is carried out on them; with effect from this proposal the recommendation will become an obligation. Other substances will be included with immediate effect as a result of information and studies we have obtained throughout this period.

OSPAR+ List

It is worth noting that extending the monitoring and control carried out on certain substances, as described above, together with the non-application of others owing to the technical characteristics of our products, has also, in part, been implemented in order to achieve the monitoring and control of all the substances included in the OSPAR+ list. However, our controls also include other substances in addition to the ones contained in this list.

Reduction of tolerance limits

Since the beginning of this project we have worked together, and have managed to control the presence the substances in our garments and accessories, with a Spanish laboratory of renowned international prestige: AITEX (Textile Technology Institute), which is also the only laboratory in Spain certified by and which forms part of the prestigious Swiss organisation Oeko-Tex (more information at www.aitex.org).

As already mentioned in other sections, said organisation is the international reference in the identification of substances and in the determination of their hazard limits, at all times applying the strictest demands and highest standards of rigour. For this reason, and based upon this experience, we have decided that the limits established by this organisation (more demanding for certain substances than those contained in various laws) shall be the ones we apply from now on. Thus, in the relevant aspects, we shall treat the two management and substance control systems described above in the same way.

In the event that any legislation, present or future, states a limit lower than the quoted standard, we will apply the latter.

Ultimate aim: the non-presence of certain substances

Until now our system has been based on instructions and controls focusing on not exceeding the limits that we have progressively established. In part, this has been an approach based on complying with the legislation.

However, with experience and observation of the results obtained over these years we have confirmed that in virtually all the control analyses carried out that such substances were not detected in our garments and accessories. Only on very specific occasions have we observed the presence of some of these: in some cases within the tolerance limits envisaged in the legislation or our own standards for non-legislated substances, and in others above such limits, which has resulted in the non-commercialisation of the article in accordance with the specifications of this report.



Since it is our intention to advance progressively in such aspects, we have also decided to completely eliminate certain substances from our production processes, focusing our system more on elimination and substitution, and consequently on the principle of precaution. We will achieve this progressively, since we need to obtain all the

historic information in this respect and to inform our suppliers in an appropriate manner.

Starting

In our organisation there are two seasons each year: Spring-Summer and Autumn-Winter. On the date of this report, June 2011, we were finishing the season production Autumn-Winter 2011 and working on the designs of Spring-Summer season 2012.

The different stages mentioned before are detailed as follows:

STAGE	AREA	DATE OF APPLICATION
1	Compliance with the legislation (limits) + control of some other aspects not included in the legislation (substances and limits).	Situation until 30 June 2007
		
2	Reduction in the limits envisaged in the legislation to Oeko-Tex levels + control of some additional aspects to existing ones not included in the legislation (substances).	Current situation
		
3	Non-presence of certain substances + control of some other aspects envisaged and not envisaged in the legislation (substances and levels).	With effect from the full implementation of stage 2, and as we dispose of more information and find technical and operative solutions for the various substances with a possible presence. Said substances and dates will be notified progressively in our reports.

QUALITY AND SAFETY OF GARMENTS AND ACCESSORIES DIMENSION AND INDICATORS

LIST OF SUBSTANCES ON WHICH MONITORING AND CONTROL IS CARRIED OUT BY THE MANGO ORGANISATION

Raw materials in production workshops

As mentioned before, the Oeko-Tex certificate is requested in this case. The verified substances are the ones included in this system

(more information available at www.oeko-tex.org). The internal coding for this system is: EF-RSC-OG-009/1.

Manufacturers' raw materials

In this case, the verified substances as per Standard EF-RSC-OG-009/1, are detailed as follows:

No.	PARAMETERS	APPLIED LIMIT VALUES	AREA OF APPLICATION	TESTING METHOD
1	Azoic dyes (arylamines)	No detection (20 ppm)	In textiles/leather	Textiles: EN 14362-1 LFGB 64 B 82.02-2 Leather: ISO/TS 17234 LFGB 64 B 82.02-3 Polyester: EN 14362-2 LFGB 64 B 82.02-4 PAAB: LFGB 64 B 82.02-9 China: GB/T 17592- GB/T 19942
2	Formaldehyde	75 ppm	In textiles/leather	Textiles: JIS L1041: 2000/ EN ISO 14184-1:1999 Leather: ISO 17226, GB/T 19941
3	Phenolic compounds (PCP, Tccp, OPP)	No detection (0.02 ppm)	In textiles/leather	35 LMBG 82.02.08:2001
4	Chrome (VI)	3 ppm	In textiles/leather	ISO 17075:2007
5	Disperse dye allergens	50 ppm	In polyester, acetate and triacetate textiles	DIN 54231
6	Short chain chlorinated paraffins	10,000 ppm	In textiles/leather	Solvent Extraction & GC-MS analysis.
7	Cadmium	0.1 ppm	In textiles/leather	EN 1122-2001/ Acid Digestion followed by ICP analysis.
8	Lead	1 ppm 100 ppm	In metal fittings/accessories (costume jewellery)	EN 1122-2001/ Acid Digestion followed by ICP analysis
9	Arsenic	No detection (0.06 ppm)	In textiles/leather and metal fittings/accessories	ISO 105-E04/ acid perspiration extraction & ICP analysis.
10	Mercury	No detection (0.006 ppm)	In textiles/leather	ISO 105-E04 acid perspiration extraction & ICP analysis.
11	Nickel	0,5 mg/cm ² /week	In metal fittings/accessories (costume jewellery)	EN1811:1998 & EN 12472:1998.
12	Biocides (1)	0.1 ppm	In textiles/leather	Extraction/ Derivation followed by GC-MS analysis.
13	Antimony trioxide	30 ppm	In polyester textiles	ISO 105-E04 acid perspiration extraction & ICP analysis.
14	Organic tin compounds (TBT, DBT)	1.0 ppm	In textiles/leather	Extraction/ Derivation followed by GC-MS analysis.
15	Pesticides (2)	No detection (0.05 ppm)	In natural fibre textiles	Extraction/ Derivation followed by GC-MS analysis.
16	Organochlorinated compounds	1.0 ppm	In polyester textiles, silk and wool	Solvent Extraction & GC-MS analysis.
17	Nonylphenol ethoxylates (3)	No detection	In textiles/leather	Solvent Extraction, GC-MS (AP) & LC-MS (APEO) analysis.
18	Dimetilfumarato	No detection (0.1 ppm)	In textiles/leather	Solvent Extraction & GC-MS analysis.

(1) According to the list, includes: triclosan, BIT, Kathon, IPBC, DTTB.

(2) According to the list, includes: 2,4,5-T, 2,4-D, Azinophosmethyl, Azinophosethyl, Aldrine, Bromophos-ethyl, Captafol, Carbaryl, Chlordane, Chlordimeform, Chlorfenvinphos, Coumaphos, Cyfluthrin, Cyhalothrin, Cypermethrin, DEF, Deltamethrin, DDD, DDE, DDT, Diazinon, Dichlorprop, Dicrotophos, Dieldrin, Dimethoate, Dinoseb and salts, Endosulfan, Endrine, Esfenvalerate,

Fenvalerate, Heptachlor, Heptachloroepoxide, Hexachlorobenzene, Hexachlorocyclohexane, Hexachlorocyclohexane, Lindane, Malathion, MCPA, MCPB, Mecoprop, Metamidophos, Methoxychlor, Mirex, Monocrotophos, Parathion, Parathion-methyl, Phosdrin/Mevinphos, Propethamphos, Profenophos, Quinalphos, Toxaphene, Trifluralin.

(3) This class of soaps must not be used in the production (washing) of our garments.

It should be noted that the list and systems described above may be modified in the future, owing to amendments to legislation or the inclusion of new countries, or changes to the internal policy of the organisation.

Various substances exist in the Oskar+ list which, because of their characteristics and the characteristics of Mango production are not included in our garments or accessories. These unused substances, together with those specified in the above table make up the total of the aforementioned list.

PVC

All our fabrics are PVC free. However a percentage of accessories (certain bags, purses and belts) that are still manufactured in this material, owing to fashion trends. Furthermore, certain garment prints, for technical reasons, are also manufactured in this material.

In spite of the fact that this material is not currently legislated for in textiles, we believe it appropriate to continue reducing its use and replacing it with other materials or other types of plastic with production processes that are less harmful to the environment.

The process will be implemented by product families progressively over the coming seasons, as we encounter technical solutions that adapt to the characteristics of our designs.

PVC in stores and general materials

Although its present use is negligible it will also be replaced in all interior design and window display materials in stores and in purchases of general materials for the organisation (stationery, etc.), in which the present situation is as before.

Agreement with the GREENPEACE organisation

Furthermore, in order to make progress in all these aspects, and also in the principle of precaution, we have collaborated with the Greenpeace organisation and reached an agreement to support and publicise all these aspects. This agreement was reached in July 2006 by means of a public presentation. Said agreement sets out the commitments of Mango in this respect and will create a platform to monitor and spread these practices and systems in order to inform other interested organisations and encourage advances in legislation until the highest levels of protection for persons and the environment are obtained.

We also gave our support to the aforementioned organisation in defence of stricter demands in the future European REACH regulations. This support took the form, among some other actions, of the design and manufacture of a silk handkerchief, which was offered as a gift by Greenpeace to all members of the European Parliament.

Monitoring and control systems

The monitoring and control of compliance of these requirements will be implemented in different stages:

- Awareness and written declaration, on the part of suppliers, of compliance with the specified standards in all fabrics and

materials that are supplied to us directly or form part of garments and accessories.

- Selection of a sample of each production and verification of the standard by the *Instituto Tecnológico Textil (AITEC)* + issue of the certificate for the garment or accessory once it has been analysed and approved. Such samples will be taken in a managed and random manner in accordance with the following criteria:

a) Substances covered by the legislation: one sample per composition type and per colour type.

b) Substances not covered by the legislation but included in the Mango standards: random sample in accordance with pre-established selection criteria.

- This sampling system aims to defend the suitability of the system, with all its inherent limitations. However, within the same fabric production other production batches with slightly different characteristics may exist.

- Furthermore, with effect from 2011 our external auditors will certify both the analysis of samples and the validity of the established system.

Compliance with all that is specified above is an indispensable requisite for working with the Mango group as a supplier. All our suppliers sign a document to this effect, detailing all the legislation and processes to be complied with.

Specifications Manual Of Hazardous Substances

June 2007, we developed a specifications manual of these substances, which contains additional information with regard to their characteristics. This manual is available on our webpage (www.mango.com/empresa/responsabilidadsocialcorporativa).

Made In Green Certification

In June 2010 Mango has been certified Made in Green issued by the *Instituto Tecnológico Textil (Aitex)*. This certification ensures that all our clothes and do not contain chemicals harmful to health, according to the highest standards of international market and which are manufactured in production facilities with an adequate system of environmental management and with respect and universal human rights of workers.

Organic Cotton

The Mango organisation is at the completion stage of analysing the technical aspects necessary to incorporate this type of cotton in its manufacture for the forthcoming seasons.

Future Commitment

The Mango organisation will continue to operate with the aforementioned policy within the ambit of controlling and monitoring hazardous substances, improving safety conditions and environmental impact, making progress on all aspects wherever this is possible and at all times providing information on the results obtained and the actions taken.

SHAREHOLDERS AND GOVERNING BODIES

Mango group activity is undertaken through a series of companies directly, and by working with other companies that provide support in other areas of management: property, logistics, etc.

This group of companies is the direct or indirect property of two principle partners: Isak Andic Ermay and Nahman Andic Ermay and, in a minority capacity, of the remaining members of the Board of Administration. It is worth noting that the members of the Board of Administration are the sole partners of the group.

Said individual partners, apart from being the group owners, are directly and personally involved in its daily management. We can therefore say that the Mango organisation is a multinational group but that it has characteristics of a family-owned and managed business.

The administrative organ of the group is the Board of Administration, on which the highest responsibility falls.

BOARD OF ADMINISTRATION

The aforementioned Board of Administration is made up of the President: Isak Andic, the Vice-President: Nahman Andic, the Managing Director: Enric Casí, and five more people: Nicolás Olivé (corporate social responsibility, buildings maintenance and stores management), Salvador Vallés (design, purchase&production and quality), Daniel López (licences&co-branding, communication, property management and franchise management and service), Damián Sánchez (corporate image) and Isak Halfon (head of expansion).

This Board meets periodically. All its members are individuals with responsibilities within the structure of the organisation, and with considerable experience in their different areas. Said structure is reflected by the organisational chart found in the organisation section of this report.

The remuneration of Board members includes a fixed sum, plus a variable sum based on the targets achieved.

EXECUTIVE COMMITTEE

The Executive Committee is made up of all the members of the Board of Administration plus the following persons: Eva Rello (manufacturing production), Puri Campos (accessories), Judit Ventura (design coordination), Ceci Lozano (logistics and warehouse), María Jesús García (human resources and organisation), Miguel de la Capilla (internal auditing, CSR auditing, legal affairs, subsidiaries management and import/export), Eduardo Risso (information systems and new technology) and Elena Carasso (operations and e-business).

This Board meets periodically. As with the members of the Board of Administration mentioned above, all the remaining members of the aforementioned Committee are people who hold executive posts within the structure of the organisation and who have considerable experience within their respective fields. Said structure is reflected by the organisational chart found in the organisation section of this report.

The remuneration of Committee members includes a fixed sum, plus a variable sum based on the targets achieved.

INTERNAL AUDIT

Mango group has an internal audit department which carries out continual evaluation of all areas of the organisation. Said department reports directly to the general management and the administrators of the group.

We believe that the information collected and presented in this report will meet the expectations of our organisation's different interest groups.

The current sustainability report is available at the Mango website (www.mango.com).

Any suggestions, contributions or comments by Mango users and interest groups on the contents of the report, or aspects relating to our corporate social responsibility can be sent using the appropriate section of the website, via rsc@mango.com or directly to our head office.

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INDEPENDENT REVIEW OF THE 2010 SUSTAINABILITY REPORT ISSUED BY MANGO MNG HOLDING, S.L. AND ITS SUBSIDIARY CORPORATIONS (MANGO GROUP)

To the Management of MANGO MNG HOLDING, S.L. and its subsidiary corporations (Mango Group).

This document is the result of the review drawn up by AUREN on the contents of the 2010 Sustainability Report issued by MANGO MNG HOLDING, S.L. and its subsidiary corporations (Mango Group). This report is an independent review that covers the points listed by the GRI version 3.0 (G3) (from now onward GRI-G3) based on its guidelines.

SCOPE

The review was based on the following premises:

- That the contents of the Report were adapted to GRI-G3 guidelines and to the actual indicators used in the Report to reflect the activities of MANGO MNG HOLDING, S.L. and its subsidiary corporations (Mango Group) in 2010.
- That the qualitative data related to the GRI-G3 indicators were properly checked against information supplied by internal collaborators or third parties.
- That the information and the results given in this year's Report by MANGO MNG HOLDING, S.L. and its subsidiary corporations (Mango Group) complied with the targets set in the 2009 Report

MANGO MNG HOLDING, S.L. and its subsidiary corporations (Mango Group) were responsible for the drawing up of the MANGO Sustainability Report and its contents, and for maintaining and adapting the internal management and control systems from which the information in the Report was drawn. AUREN was responsible for issuing an independent review, based on assurance processes and standards that are defined in accordance with the criteria specified in this review.

The review was drawn up at the exclusive request of MANGO MNG HOLDING, S.L. and its subsidiary corporations (Mango Group) as outlined in our letter of engagement.



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ASSURANCE STANDARDS AND PROCESSES

AUREN examined and made a detailed analysis of all of the information made available to check its veracity and that the GRI-G3 guidelines had been followed. The data analysis carried out was based on the following report auditing and assurance standards, and the management systems: International Standard on Assurance Engagements (ISAE 3000), Accountability 1000 Assurance Standard (AA1000), AUREN Auditors' in-house methods and the Guidance on work performance review of Sustainability Reports issued by the Institute of Censores Jurados de España.

The method used gave rise to the following lines of action

- Meeting with the Corporate Social Responsibility Department of MANGO MNG HOLDING, S.L. and its subsidiary corporations (Mango Group) to find out about the company's scope of activity in this area, the details of its Social Responsibility Programme and how it was implemented across the corporate structure.
- Meetings held with individuals from the company who were able to provide essential information that made it possible to check whether the guidelines were being followed.
- Review of the documents on information management, analysis, collection and assurance systems in terms of their bearing and relevance in the writing of the Report. This included a review of the company's internal documents and policies, and determining the extent to which the principles and standards contained in them were actually applied.
- Analysis of the actions undertaken by MANGO MNG HOLDING, S.L. and its subsidiary corporations (Mango Group) with regard to its stakeholders, the validity of the workflow established with them, the channels of communication used to maintain a dialogue with them and the specific activities carried out with them. We also based our conclusions on all of the company records made available to us and on the points of view of these stakeholders from our conversations with them.
- On-site audit of the company's workplaces, with particular emphasis on those that had the most employees, to ensure that the health and safety standards related to the guidelines in the Report were met.
- Assessment of the relevance and integrity of the information presented in the Report.
- Exhaustive check of the information disclosed in the Report that was related to each of the GRI-G3 guidelines. To do so, data samples were analysed using statistical tools for qualitative and quantitative data analysis.



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INDEPENDENCE

The review was drawn up in accordance with the independence standards set out in the Code of Ethics of the International Federation of Accountants (IFAC).

CONCLUSIONS

Based on all of the above, the following conclusions were reached:

- The 2010 Sustainability Report issued by MANGO MNG HOLDING, S.L. and its subsidiary corporations (Mango Group) covers the basic recommended contents to be included in sustainability reports, as described in the Global Reporting Initiative GRI-G3. In accordance with the self-assessment that the company did by following these guidelines, it attained an A+.
- The internal systems, procedures and processes designed for the preparation, collection and drawing up of the Report by following the guidelines established by the GRI-G3 were reviewed and found to be appropriately focused for such purposes.
- The reference indicators were prepared in accordance with the conditions and criteria set out in the guidelines. The data that backs up each of the indicators is reliable and there are no discrepancies in terms of accuracy and coherence.

Has not revealed any evidence that causes us to believe that the report contains errors or has not been prepared, in all significant aspects, in accordance with the GRI-G3. Have implemented additional procedures to those described in the report could have highlighted other issues on which we would have informed.

Barcelona, 21 June, 2011

AUREN

Antoni Gómez Valverde
Partner

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SO.5 (P) Position in public policies and participation in the implementation of the same and in lobbying activities.	N/A
SO.6 (A) Total value of the financial contributions and contributions in kind to political parties or to related institutions, by country.	N/A
Aspect: Unfair competition	
SO.7 (A) Total n° of actions owing to causes related to monopolistic practices and those counter to free competition and their results.	N/A
Aspect: Lawful conduct	
SO.8 (P) Financial value of significant penalties and fines and total n° of non-financial penalties derived from non-compliance of laws and regulations.	N/A
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(P) Principal.

(A) Additional.

The paper used for the elaboration of this Sustainability Report is certified by FSC.

