

2017

SUSTAINABILITY REPORT

MANGO





ABOUT MANGO

6

THE SUSTAINABILITY MODEL

11

ABOUT THE REPORT

80

LETTER FROM
THE CHAIRMAN / 3

KEY DATA
2017 / 5

THE GROUP / 7

THE MANGO
CONCEPT / 9

CORPORATE
GOVERNANCE / 10

RELATIONS WITH SOCIETY
AND CUSTOMERS / 21

EMPLOYEES / 36

THE SUPPLY CHAIN / 44

ENVIRONMENTAL / 56

QUALITY AND SAFETY
IN OUR PRODUCTS / 68

FINANCIAL DATA / 73

AUDITING OF
THE REPORT / 82

INDEX OF GRI G4
CONTENT / 83

INDEX OF GLOBAL COMPACT
CONTENT / 96

INDEX OF SUSTAINABLE
DEVELOPMENT
GOALS CONTENT / 97

LETTER FROM THE CHAIRMAN

You will find the new 2017 Sustainability Report on the following pages, it has been prepared in accordance with the Global Reporting Initiative (GRI) G4 Guide created by our Corporate Social Responsibility Department. It contains the results of the work undertaken in our organization during the past year.

We are going through a period of important challenges, a fact clearly demonstrated in 2017. It is obvious that the sector is not experiencing easy moments, and although it is recovering little by little, we have also suffered the consequences. However, we are optimistic that 2018 will be a better year. It is in difficult moments when confidence in our staff, perseverance and the efforts of each employee become the best allies in order to keep growing.

However, we will also remember 2017 as a year of great achievements. I would first like to highlight the launch of our new sustainable collection - MANGO Committed - which reflects the commitment of MANGO to continue working in an environmentally-friendly manner, while keeping to the criteria of sustainable development within the fashion industry. We are very happy with the excellent response of our customers, and we have already launched two more campaigns. We are convinced that this is one of the best ways of contributing to the creation of a positive impact on our environment.



We are aware that we are directly responsible for the impact created by our commercial activities, with regard to the fundamental rights of those who comprise our supply chain, as well as for the impact of our emissions and the waste we generate. Therefore, in keeping with our sustainable development goals and the principles of the United Nations Global Compact, which we continue to support, we are working to form alliances that are durable, and which above all help us to achieve our goals in a faster and more respectful way in terms of the global agenda. These are the goals of our TAKE ACTION project, a venture that encompasses all our initiatives aimed at creating a business model in line with sustainability criteria and with processes that reduce our environmental impact.

MANGO's results at the close of 2017 revealed a 2194 million euro turnover. At the end of 2017, we were active in 110 countries with 2,190 physical stores, 211 of which are megastores. We have also launched important megastores such as those in Serrano (Madrid), Restauradores (Lisboa) and Soho (New York), these new venues contribute to improving the shopping experience within a sophisticated, contemporary space that features some of the most advanced technology. We are especially pleased with the start-up of our logistics centre in Lliçà d'Amunt (Spain), for both hanging and folded garments, and with the excellent progression of our Violeta line, not to mention the growth of our online store, which already accounts for 15,5 % of our total turnover.

All this would not have been possible without the effort and enthusiasm of each and every one of the 15,970 people in MANGO. Everything is changing rapidly, the digital world, technology, and consumer behaviour, and this means that we have to be more prepared than ever to respond to our stakeholders' expectations, just as they expect us to. We will continue to work in order to serve our franchisees, as they represent one of the fundamental foundations of our business model. We will continue cooperating in social development projects with non-governmental organizations, and taking part in the world of academia through the MANGO Chair Programme and with those entities or organizations that provide us with value and with which MANGO can also correspond in the same manner.

Finally, I would like to thank all of those who form part of the MANGO family for their work and effort. Your involvement and commitment are essential in keeping our challenges and dreams alive and in moving forward successfully. Everything that MANGO has the potential to become is in our hands.

ISAK ANDIC

Chairman



KEY DATA 2017



CUSTOMERS

83

COUNTRIES WITH
ONLINE STORES

812,723 m²

SELLING
SPACE

+6,600

MODELS DESIGNED
EACH SEASON



FINANCE

2,193

MILLION EUROS
OF TURNOVER

77%

OF SALES IN
FOREIGN MARKETS

15.5%

OF TURNOVER
IN ONLINE SALES



SUPPLIERS

+136

MILLION UNITS
MANUFACTURED

1,256

FACTORIES
USED

607

GARMENT AND
ACCESSORIES
SUPPLIERS



EMPLOYEES

80%

FEMALE
EMPLOYEES

15,970

EMPLOYEES

9.015

TRAINING
HOURS IN
HEALTH AND
SAFETY



MARKET

2,190

STORES

110

COUNTRIES IN
WHICH WE
ARE PRESENT

211

MEGASTORES



ENVIRONMENT

100

STORES IN
SPAIN WITH
TEXTILE WASTE
CONTAINERS

20,390

T CO₂ EQ.
OFFSET

50%

OF SUSTAINABLE
COTTON IN 2022

ABOUT *MANGO*

THE GROUP

THE MANGO CONCEPT

CORPORATE GOVERNANCE



THE GROUP

MANGO MNG HOLDING, S.L.U. is the parent company of a group of companies whose principal business object is the design, manufacture, distribution and marketing of clothing and accessories.

The founder of the company, Isak Andic, who is the current Chairman of the firm, founded the company under the MANGO name in Paseo de Gracia, Barcelona in 1984. MANGO is a family and single shareholder company, and one of Spain's leading multinationals within the sector.

In 2008 we launched the men's collection under the MANGO Man brand, in 2013: MANGO Kids, VIOLETA by MANGO in 2014 with a broader range of designs and larger sizes and, in early 2015, the BABY line for newborns to three year olds. We market our products through MANGO Online and the network of stores, which includes MANGO Outlet.

In 2017, turnover totalled 2,193,634 thousand euros, 77% of which corresponds to sales in external markets. At 31 December 2017, MANGO was present in 110 countries through 2,190 stores, 979 of which were company-owned and 1,211 franchises, with a total selling space of 812,723 m2. We have 15,970 employees worldwide.

MANGO is Spain's most international textile group and the second largest exporter within the sector.

In addition to the commercial activity in our stores, there is a complex logistics activity to distribute our articles and materials, as well as inverse logistics and e-commerce. These activities are principally carried out from facilities located close to Barcelona: the MANGO headquarters in Palau-solità i Plegamans, the new Lliçà d'Amunt logistics park, the distribution centres in Parets del Vallés and Palau, and the warehouses in Montcada, Santa Perpètua de Mogoda, Terrasa, Sabadell, and another one in A Coruña. We also have other warehouses to meet our distribution needs in various regions abroad: Shanghai (China), in Istanbul (Turkey), in New Jersey (USA) and in Germany and Russia. There are also administrative support and quality control at source offices in China and Turkey and, since September 2016, in South Korea also.

MORE THAN
6,600
MODELS EACH
SEASON

MORE THAN
136
MILLION ARTICLES
A YEAR

MANGO

MNG

MANGO
KIDS

MANGO
MAN

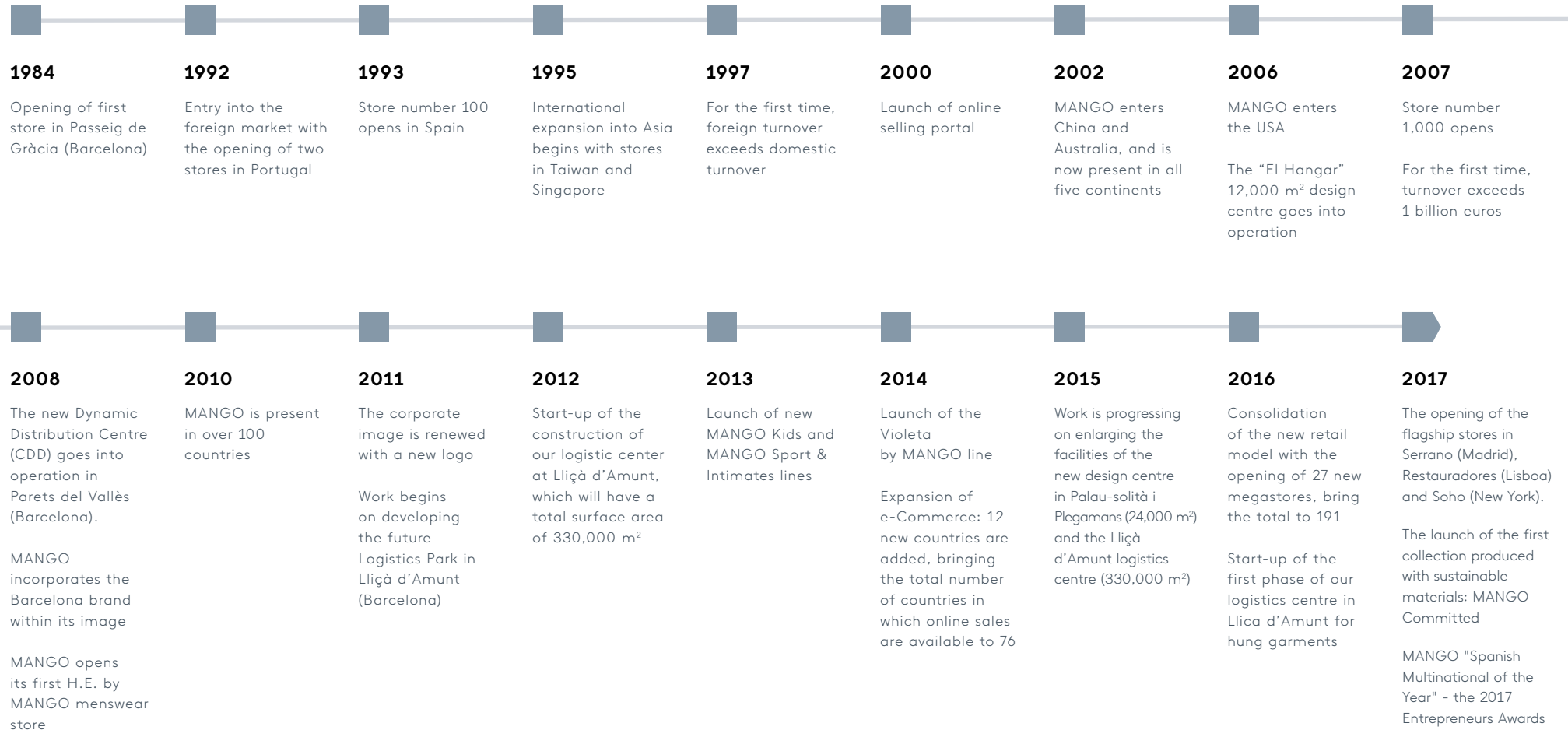
violeta
BY MANGO

MANGO
BABY

MANGO
OUTLET

MANGO.COM

History



THE MANGO CONCEPT

In 2013 we defined the route map for the next five years, a new business plan aimed at improving both the value proposal to customers and the integral operating model of the company. To achieve it, the governing bodies of the company periodically review the action plan in order to adapt it to the needs of MANGO and the situation in the markets it operates in.

Since it was founded, MANGO has always been characterised for dressing the modern urban woman, following the latest trends with its own quality designs at an affordable price.

We are committed to product design and every day we work to satisfy the needs of consumers. We have opted for a dynamic fashion model which allows stores to have renewed products featuring the latest trends.

We continue to maintain the company motto “to be present in every city in the world”, conscious that we are competing at the highest level. With a positive attitude, constant self-criticism, continuous improvement without losing sight of the values that prevail in the MANGO environment, which are our essence and our identity.



MANGO VALUES

PERSONAL

HUMILITY
POSITIVE
HONEST
RESPECTFUL

PROFESSIONAL

EFFECTIVE
KEEP IT SIMPLE
IN A TEAM
CUSTOMER-ORIENTED
COMPANY-ORIENTED



CORPORATE GOVERNANCE

MANGO is a family business whose owners are directly responsible for the day-to-day management of the organisation, therefore communication with the different spheres of the company is total and permanent.

Both the Board Members and those of the Executive Committee occupy executive positions within the organisational structure and have a wealth of experience in their respective fields. The remuneration of the two management bodies has a fixed component and a variable component based on targets reached.

In 2015 a Steering Committee was created, made up of eight members, in order to facilitate communication between the Board of Directors and the Executive Committee. This governing body is part of the company's goal to continue to increase the professionalism of the management to meet the growth needs and strengthen the two key areas of the Group: product and retail.

MANGO has an internal auditing department which continually evaluates all spheres of the organisation. Said department reports directly to the Directors of the Group.

BOARD OF DIRECTORS

Chairman ISAK ANDIC

Business lines, International Expansion, Outlet, e-business, Engineering, Social Action

Executive Vice-chairman JONATHAN ANDIC

MANGO Man, Image, Graphic Design, Communication, Commercial countries, Hangar development, Materials, Technology and Services Purchasing, Interior Design, Maintenance and Works

Executive Vice-chairman DANIEL LÓPEZ GARCÍA

Expansion, Real Estate, Retail Coordination, Franchise Management, International Retail Directors

Finance Director TONI RUIZ TUBAU

Banking Relations, Internal Auditing, Financial Planning, Management Control, Administration, Legal

Director of Operations and Strategy CARLOS COSTA ROVIRA

Import/Export, Logistics, Distribution, People, Technology, CSR, Strategy

STEERING COMMITTEE

ISAK ANDIC Chairman

JONATHAN ANDIC Executive Vice-chairman

DANIEL LÓPEZ GARCÍA Executive Vice-chairman

TONI RUIZ TUBAU Finance Director

CARLOS COSTA ROVIRA Director of Operations and Strategy

JORDI ALEX MORENO Direction of information and technology systems

ELENA CARASSO BATLLE e-Business and Customer Management Director

LUIS CASACUBERTA BAUSILI Direction of MANGO Woman

EXECUTIVE COMMITTEE (Steering Committee and the following people)

IVÁN ABAD IGLESIAS Commercial countries

VIOLETA ANDIC MAYTEK Violeta by MANGO

CRISTINA BELIL ROGER MANGO Man

MIGUEL DE LA CAPILLA BRUSTENGA Auditing and Internal Control

GUILLERMO COROMINAS PALOMAR Communication & Institutional relations

SEZAI EREN CEO Turkey subsidiary

BENITO ESCALADA ROMERO Product quality (Woman)

MARÍA JESÚS GARCÍA LECUMBERRI General Services

HUSEYIN GOLCUK SAKARYA Country Manager Turkey

ROGER GRAELL SOLE e-Commerce

SARA LEVY-LANG Country Manager France

CECILIO LOZANO ÁLVAREZ Logistics and Warehouse

LUIS MASERES GHILONI Accessories

JAIME MUR CAVERO International Retail

EVA RELLO YUBERO Woven&Knitwear production

JOAN DAVID RIVERA BOSCH Image/Brand

ENCARNACIÓN JUSTICIA RUANO Woman Product/Collection

DAVID SANCHO GRAU CEO China

ENRIC SOLER MORATA Personnel

MATTEO SGARBOSSA International Retail

LORENA SUÁREZ SÁNCHEZ MANGO Kids

THE SUSTAINABILITY *MODEL*

RELATIONS WITH SOCIETY AND CUSTOMERS

EMPLOYEES

THE SUPPLY CHAIN

ENVIRONMENT AND SUSTAINABILITY

QUALITY AND SAFETY IN OUR PRODUCTS

FINANCIAL DATA



THE SUSTAINABILITY MODEL

Every year we advance in the construction of both a structure and a solid vision in terms of corporate social responsibility (CSR), while viewing this concern as an intrinsic part of the organization, one that will lead us to a solid commitment in terms of sustainable development.

This business perception extends throughout our value chain and it takes shape in a responsible management model that is based on the search for shared value with our stakeholders.

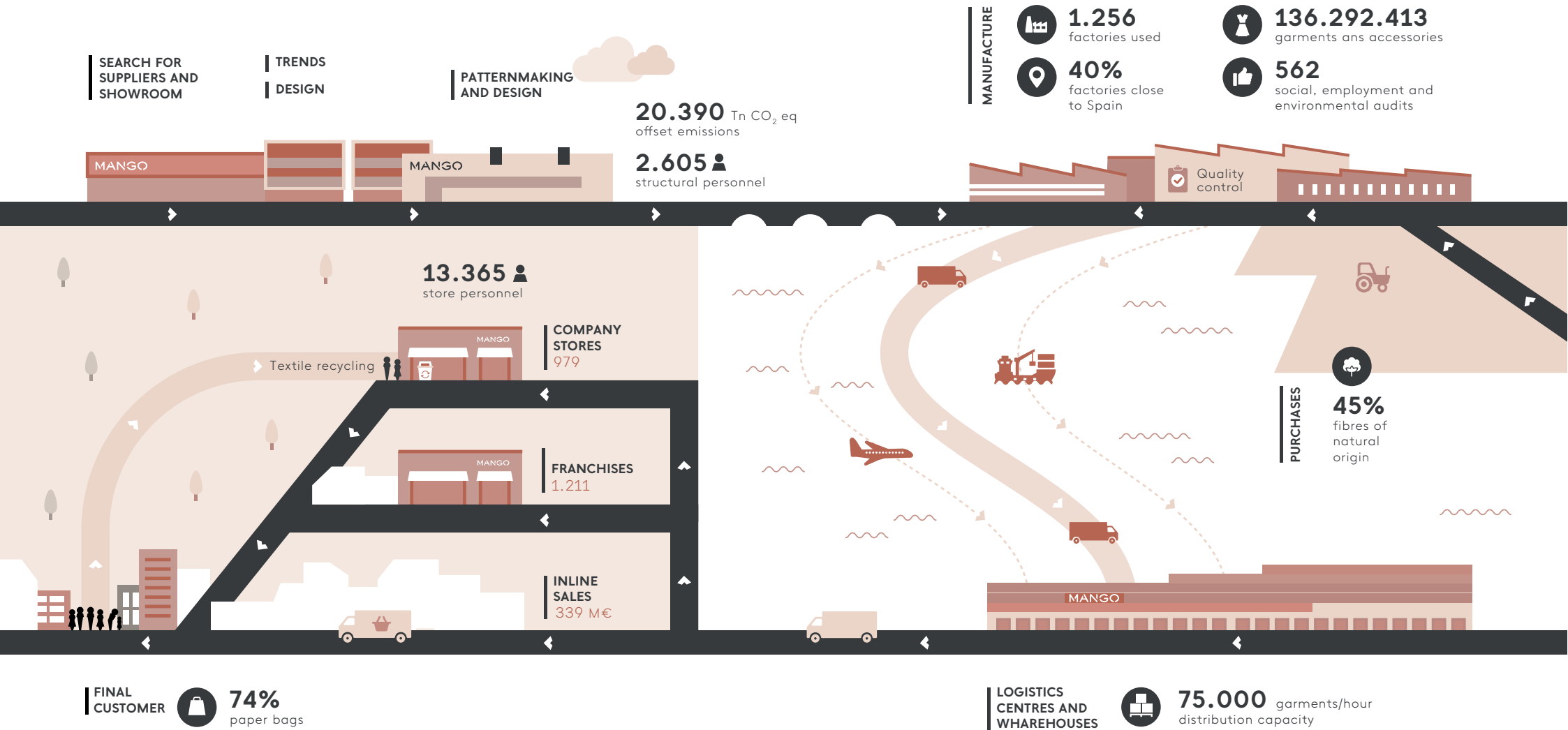
In order to ensure that those aspects relevant to our activity are being considered, we work on the management of impacts, risks and opportunities. This allows us to focus on priority issues, while working with an overall focus when it comes to the management of our strategies.

With this aim, our numerous management bodies are continually evaluating the risks that derive from the different aspects of sustainability that influence of MANGO activities, while taking all those measures necessary in their monitoring and control; this evaluation is undertaken jointly with our Internal Control, Legal and CSR departments.

These departments and government bodies also analyse the potential risks related to corruption and work to prevent situations of this type from arising. Our Corporate Compliance Code, which is periodically updated, details the group's responsible practices in all its areas of influence.



OUR VALUE CHAIN



Our stakeholders

CUSTOMERS

The reason for our existence, while their satisfaction is our main goal.

To this end MANGO offers fashion products, made with quality, good design and at an attractive price, at sales points designed to offer a positive shopping experience.

We continue to work to meet their needs and offer products according to the tastes and fashion trends of all countries where MANGO operates.

Now more than ever, we want to promote communication with our customers and make the most of every opportunity to build trust among our consumers.

SOCIETY AND OTHER SOCIAL AGENTS

Our relationship with society is based on a commitment to work with social groups of all kinds, maintaining a fluid connection with scheduled contacts.

We work with the academic and business world as well as with the public and third sectors, among others, while our participation in cooperation and development aid projects, helps us to continue advancing in all aspects.

FRANCHISES

Represent one of the basic foundations of our business model. MANGO places a comprehensive team at their disposal, one that provides an all-inclusive service: from the selection of a business area and staff training, to the business start-ups and the opening of points of sale, together with management advice and support at later stages.

Our relationship with our franchisees is undertaken with a continual dialogue using different channels.

MANGO has grown together with its franchisees, and has become one of the most important international franchising companies.

EMPLOYEES

Our employees represent the foundations of our company; a structure formed by a team of top-level professionals, who are motivated, competitive and able to adapt to new situations.

Training and the promotion of talent, which foster an environment of constant dialogue, are essential in maintaining a staff who are willing to grow both personally and professionally within the company.

SUPPLIERS

Are an essential part of our value chain. At MANGO we are aware of the importance of a good relationship; one based on mutual trust and working together.

Training and the continual support from the different teams are vital in terms of the proper management of this chain, guaranteeing quality products, and a commitment to social responsibility. The responsible management of the chain, together with the participation of determined stakeholders contributes to transparency and continuous improvement in this area.

Our impacts, risks and commitments in sustainability

IMPACTS AND RISKS	ECONOMIC	SOCIAL AND LABOUR	ENVIRONMENTAL	PRODUCT QUALITY AND SAFETY	WORKING WITH SOCIETY
	<p>Risks of an economic nature are linked to our business activity and the sector where we operate. These aspects are evaluated on a continual basis by company management, which establishes strategies and the means for adequate management. Our economic impacts are reflected in all areas and locations: production countries, facilities and distribution channels, generating activities that contribute to the development of the areas where we operate.</p>	<p>The main risks in this area are found in our production chain, due to the environment and the characteristics of some of our manufacturing countries. We have established a code of conduct, which must be fulfilled by our suppliers, as well as a series of additional procedures in order to perform proper monitoring. This follow-up procedure is carried out both directly by our organization, and jointly with our stakeholders and external auditors.</p>	<p>The emission of greenhouse gases that derive from our activities, as well as the use of chemical products in manufacturing and the production and distribution process are the main impacts that we produce. The control of environmental aspects in our factories, energy adaptation of the facilities and sales points and optimization in transport are just some of the actions that have ensured that these impacts and their risks are identified and controlled.</p>	<p>Chemical products are used in certain manufacturing processes, the use and quantity limits of these products are regulated, and vary in accordance to the legislation of each country. Our policy in this area ensures that this risk is adequately controlled by training our suppliers, and by constantly updating our standards and controls through the use of specialized laboratories. These actions allow us to detect and eliminate garments and accessories that do not meet the aforementioned standards from our collection.</p>	<p>Our impacts on society take place in different areas (economic, labour relations, etc.), both in the countries where we manufacture our products and in the countries where we sell them. Failure to meet expectations; our own and those of different interest groups, is the main risk involved in this area. As such, we understand that cooperation and working together with our stakeholders is essential.</p>
COMMITMENT	<p>Our business operations and activities take place within an ethical framework, with a correct, responsible attitude and with the proper measures of good governance.</p>	<p>Labour relations will be undertaken in an equitable manner, by defending individual rights and basic principles.</p>	<p>Our activities will be undertaken in a manner that respects the environment, with special attention to promoting the circular economy.</p>	<p>Customers will be offered quality products, while also ensuring that these do not involve risks to their health and safety.</p>	<p>We will work together with society in the areas where we carry out our activity, extending this sense of commitment to all our partners.</p>



In 2003 MANGO signed up to the United Nations Global Compact and currently has achieved level, the highest level in reporting

All of these commitments are set out in the MANGO Code of Ethics and are contained in the business plans and targets in order to ensure the profitability and sustainability of the business over time. In addition, we have policies and procedures aligned with these policies and procedures, which are based on simple and effective management systems, which are audited both internally and externally.

With this desire to keep advancing, our aim is to work on our sustainability, in accordance with the United Nations Sustainable Development Goals. As such, we have integrated those objectives that are the most compatible and attainable in terms of our activities with the desire to help face significant economic, social and environmental challenges. Furthermore, in order to help foster the involvement of the MANGO team, we implemented internal training courses on these sustainable development goals throughout 2017.

MANGO | TAKE ACTION

The MANGO strategic corporate social responsibility plan, which goes under the name TAKE ACTION, comprises the aims established in the 2017-2020 period related to environmental aspects of the supply chain and the wellbeing of the workforce.

TAKE ACTION IS A FIRMLY HELD COMMITMENT THAT AIMS TO CREATE A BUSINESS MODEL IN LINE WITH SUSTAINABLE CRITERIA

CSR long-term



2011

Sign up to the **Voluntary Agreements Initiative** for the reduction of greenhouse gas emissions (GGE), promoted by the Catalan Office for Climate Change (OCCC), for companies who seek a voluntary agreement to reduce their greenhouse gas emissions beyond the statutory requirements.

2012

Participation in the United Nations **Rio+20** conference on Sustainable Development in Rio de Janeiro, to agree a series of measures to reduce poverty, promote social equality and protect the environment.

Signing up to the **Detox** initiative being promoted by Greenpeace to achieve the zero dumping of chemical products throughout the supply chain by 2020.

Members of the **Executive Committee of the Spanish Network of the United Nations Global Compact**.

2013

Signing of the **Accord on Fire and Building Safety in Bangladesh**, in order to improve the safety conditions of workers in clothing factories in this country
www.bangladeshsaccord.org

2014

Participation in the **Companies and Human Rights Working Group of the Spanish Network of the Global Compact** to help organisations establish human rights in their value chain.

Sign up to the **respon.cat** company initiative for the development of social responsibility in Catalonia as members of the Motor Group
www.respon.cat

2015

Launch of a **pilot project with Koopera for recycling clothing in stores:** collection of unused clothing and footwear to give it a new use and help close the loop of textile waste.

2016

Development of the **"Take Action" Strategic Plan for corporate social responsibility**, which sets out the environmental and social objectives established for 2017-2020. Key within the plan is the **first sustainable collection, MANGO Committed**, which reflects the commitment to adopt sustainable development criteria.

2017

MANGO becomes a member of **amfori Trade with Purpose** in order to strengthen its commitment with respect to social and environmental responsibility, and duty in our supply chain.

The **Carles Ferrer Salat Award** in the Environmental Category, awarded by the *Foment i Treball*.

Material aspects, key sustainability issues

In order to ensure that the report offers relevant information for different interest groups, MANGO has completed and updated the materiality study that has been undertaken over the last three years in order to identify the environmental, social, and economic issues involved, as well as those of good governance that are relevant to sustainability throughout our value chain.

This process has followed the Global Reporting Initiative (GRI) G4 version guidelines on the *Guide for the Preparation of Sustainability Reports*, while including the priorities of the company and those of its stakeholders.



1 IDENTIFICATION

In order to obtain a preliminary list of relevant topics, in 2014 an analysis was made of external sources (trends, sector requirements, etc.) and internal sources that are considered to be valid and current, as there have been no significant changes in our operations, activity, size, or in the shareholding structure and supply chain of MANGO.



2 PRIORITIZATION

In order to determine the relevance of each of the topics in the preliminary list, a stakeholder consultation process was carried out by means of an online survey.

To facilitate the updating of the information and in order to expand the sample, a new consultation process involving suppliers, customers and other social agents was implemented for this year.

As a result of this phase, a list of the relevant prioritized issues has been obtained, one that considers as essential all those with high and medium level importance for both MANGO and its stakeholders.

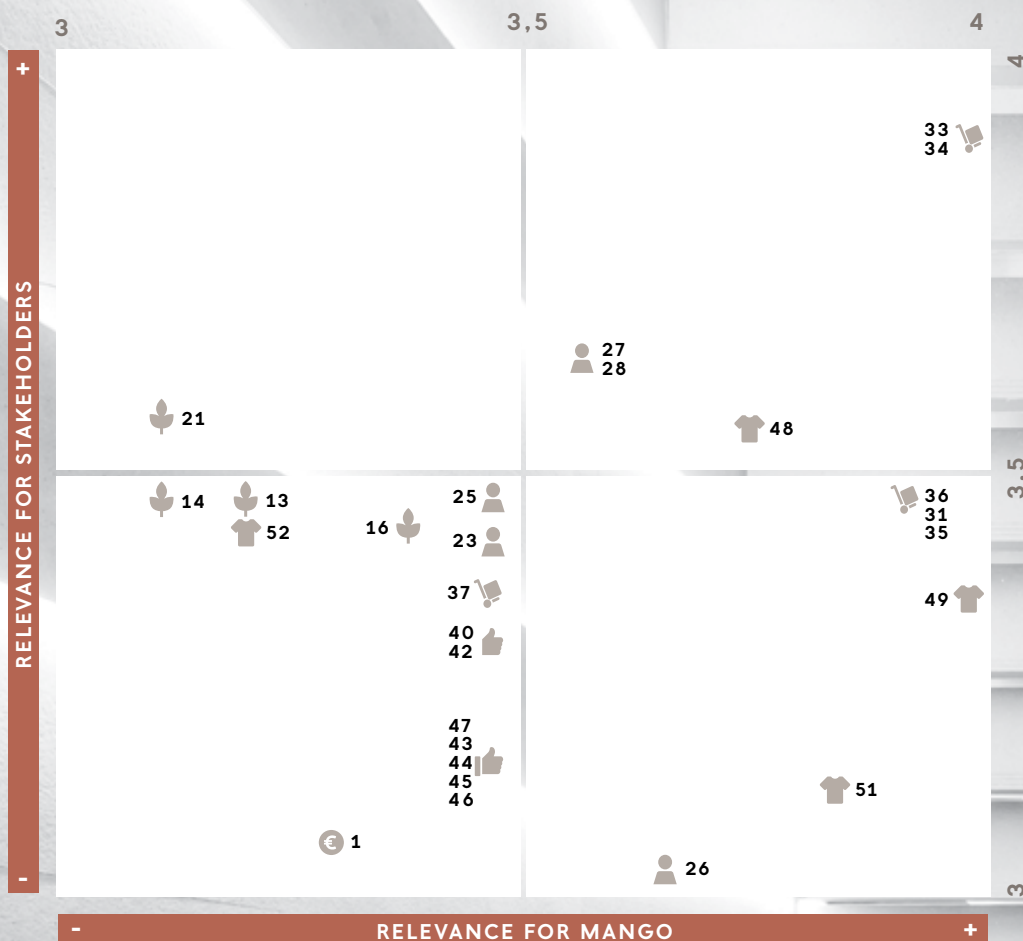


3 VALIDATION

The Corporate Social Responsibility area has evaluated the results obtained from the previous phases in order to ensure that factors of relevance (material issues) reflect those matters relevant to the context and sustainable performance of MANGO in a reasonable and balanced manner. As a result of this review, it has been considered opportune to consider the following aspects as also being materially important: economic performance, social action and the CSR Chair.

Materiality matrix

The following matrix shows the score that each relevant aspect has obtained based on two variables: relevance in business and relevance for MANGO stakeholders. In this matrix only those aspects that have turned out to be materially relevant have been detailed.



CUSTOMERS AND PRODUCTS	STAKEHOLDERS ¹	MANGO
48 Customer health and safety	3,78	3,81
52 Regulatory fulfilment	3,73	3,44
49 Product and service labelling	3,68	4,00
51 Customer privacy	3,56	3,88

SOCIETY AND BUSINESS ETHICS

39 Social initiatives and CSR Chair	3,34	3,13
40 Fight against corruption		
42 Unfair competition practices	3,66	3,63
43 Fulfilment of norms		
44 Internal code of conduct		
45 Auditing process	3,59	3,63
46 Detection of non-fulfilments		
47 Corrective action plans		

SUPPLIERS

35 Evaluation		
36 Salaries and timetables	3,75	3,94
31 Non-discrimination		
33 Child workers	3,95	4,00
34 Forced labour		
37 Evaluation of suppliers in terms of human rights	3,69	3,63

EMPLOYEES

23 Employment	3,72	3,63
25 Health and safety at work	3,74	3,63
26 Training and education	3,52	3,75
27 Diversity and equal opportunities	3,81	3,69
28 Equal gender payment policy		

ENVIRONMENT

21 Chemical products	3,79	3,38
13 Emissions	3,74	3,44
14 Effluents and wastes	3,73	3,38
16 Regulatory fulfilment	3,73	3,56

ECONOMY AND STRATEGY

1 Economic performance	3,53	3,50
------------------------	------	------

¹Average calculated according to weighted percentages of stakeholder groups.



RELATIONS WITH *SOCIETY AND CUSTOMERS*

We work to offer our customers a quality product which is safe in order to satisfy their expectations. With this objective and aware of our responsibility to society, and especially waste management, we promote a circular economy in the textile industry to give a second chance to used clothing and footwear.



THE SECOND CHANCES PROJECT

In order to contribute to textile waste reduction and to promote a circular economy in the textile industry, the CSR Department promoted the SECOND CHANCES project as part of the TAKE ACTION plan.

The SECOND CHANCES project started in 2015 as a pilot project, with the placement of textile recycling containers in the Barcelona area. As a second pilot phase, the project was extended to other major Spanish cities, to total 25 textile recycling containers throughout the country.

After this first stage, in 2017 the SECOND CHANCES project entered its first major expansion phase in Spain and Europe. In 2017 there were 100 containers in the main cities of Spain and 30 in Europe, which are shared between Germany, France, Holland, Italy, Portugal, and the United Kingdom.

In this manner, and in line with the Sustainable Development Goal for Responsible Consumption (SDG 12), MANGO has extended its responsibility as a producer of textile waste and offers its customers the opportunity to give their second-hand clothes and footwear a second chance. Customers can deposit textiles and footwear of any brand in our MANGO SECOND CHANCES containers and help close the loop of textile waste. In 2017, the SECOND CHANCES project collected more than 3 tons of used textiles and footwear and MANGO aims to exceed 1 tons by 2018.

Every item collected is donated and processed at the koopera recovery and recycling centre, where textiles are properly classified for reuse, to be re-transformed into raw materials, or recycled for new functions, such as thermal insulation, car mats or energy recovery. This ensures that all the textiles and footwear deposited in SECOND CHANCES containers are given another opportunity.

Koopera is part of a group of social initiative cooperatives and non-profit labour insertion companies promoted by the NGO Cáritas. The SECOND CHANCES project not only ensures the proper management and recycling of textile waste, but also contributes to the creation of jobs by making a sustainable and solidary economy happen. (www.koopera.org).

In 2018, a second expansion is planned at both the national and international levels of the project, with an expansion of 100 more containers.

DESTINATION OF COLLECTED GARMENTS AND FOOTWEAR IS AS FOLLOWS:

52%
LOCAL
REUSE

10%
INTERNATIONAL
REUSE

20%
RECYCLED FOR
NEW FUNCTIONS

18%
ENERGY
RECOVERY

SERVICE EXCELLENCE AND *CUSTOMER SERVICE*

20

MEGASTORES OPENED
IN 2017

We take into account all the details necessary to ensure that the shopping process is a complete customer experience. Our sales points are located on main streets and in shopping areas, and are specially designed for customer enjoyment and comfort, with selected materials to facilitate comparisons and combinations. All this is combined with specialized attention so that each customer feels well taken care of and comfortable when buying our products, in a dynamic environment with the harmonisation of space.

The megastore concept has transformed the image of its stores, making the customer's shopping experience even more rewarding: large and luminous stores where it is easier to view the collections and easier to select and try on garments. The increased space makes it possible to display all the collections offered in each store, significantly improving the customer shopping experience.

211

SHOPS IN TOTAL WITH THE
NEW MANGO MEGASTORES
CONCEPT

Customer service is provided by specially-trained staff in our stores, since we are very much aware of the daily challenge of offering our customers an excellent service. Said training focuses on customer service, the product, merchandising, trends, etc. We also have continually open communication channels with our clients, in both sales points and on social networks and in specialised departments.

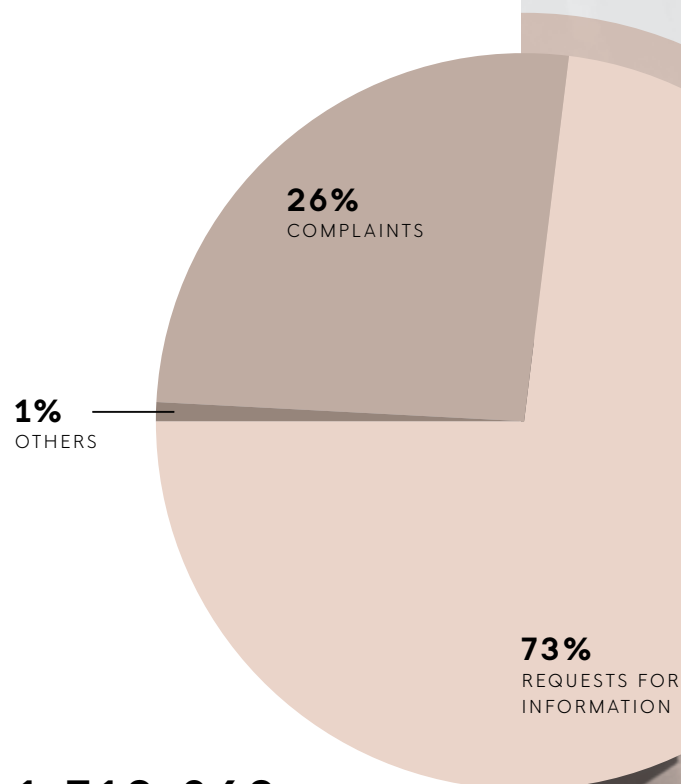
As well as our stores, customers have various channels of communication. At our headquarters, we have a specialised department to deal with any query or suggestion. The requests are attended to in 21 languages: **Arabic, Catalan, Chinese, Croat, Czech, Dutch, English, French, Greek, German, Hungarian, Italian, Korean, Norwegian, Polish, Portuguese, Rumanian, Russian, Spanish, Swedish and Turkish.**

CUSTOMER EXPERIENCE

We seek to awaken the emotions of our customers and generate a good experience when they interact with us, while ensuring a high level of satisfaction and quality of service. We no longer seek to simply provide a product or service, but to provide a memorable experience, which is why we have made a firm commitment to promote an omnichannel company culture with a customer focus, one that aims to guarantee a good experience with the brand. As a new feature, WhatsApp was added as a communications tool in Portugal in 2017.

We also seek our customers opinions on our garments and accessories in order to adapt to their tastes and requirements, translating their suggestions into the designs of our collections.

MAIN ASPECTS CONSULTED



1.713.863

REQUESTS ATTENDED
TO IN 2017

Our cards

MANGO CARD

A completely free of charge card offering an immediate 10% discount on the first purchase. Its benefits include exceptional method of payment in instalments (6 months interest-free without commissions) and the possibility of benefiting from exclusive promotions, gifts and attending brand events, showrooms, etc. In addition, MANGO collaborates with over twenty beauty and leisure firms, allowing cardholders to enjoy exclusive offers and discounts.

MANGO GIFT VOUCHER

Offers our customers a different way to give fashion as a gift. It can be acquired from any MANGO, MANGO Man, MANGO Kids and Violeta by MANGO and customers can choose the desired amount to suit any occasion. The virtual MANGO Gift Cheque for use in our online store is also available.



The continued growth of online sales

The MANGO online channel has continued to gain influence in our multichannel strategy this year, totalling 15,5% of all company sales, reaching a turnover of more than 339 million euros, a 15.4% more than the previous year. Online sales services are available in 83 countries.



15,4%
INCREASE IN
ONLINE SALES
WITH RESPECT
TO 2016

15,5%
ONLINE SALES
WITH RESPECT
TO GROUP
TURNOVER

CLOSENESS TO OUR CUSTOMERS WITH *MULTICHANNEL COMMUNICATION*

Parallel to an increase in online sales, MANGO's multi-channel initiatives, in line with the strategy of targeting customer needs and satisfaction, have gone a step further, with innovative projects to bring the offline and online world together: delivery projects from stores of online orders to provide an even faster service, or the option of paying in-store orders placed online in those countries with a marked use of cash-return payments have been an opportunity to optimize operations and increase customer satisfaction.

Our digital channels

In 2017 MANGO digital channels attracted over 450 million visits, representing a record year in all terms. We have seen the consolidation of smartphones as the main digital channel in attracting traffic, accounting for more

than 67% of visits, which adds context to the enormous improvements that mobile browsing and our App have experienced during 2017, with the redesigning of the entire purchase process in order to optimize browsing, the discovery and the shopping experience in the whole collection.

Another initiative that has been very well received has been the introduction of the digital ticket in over 300 shops in the store network. This initiative permits customers to obtain a fully digitized purchase ticket that is integrated into the customer's digital MANGO account, which improves access to both offline and online purchasing history, while providing a positive environmental impact.



MANGO is markedly active on digital platforms with over 21.5 million followers.

Presence on social media

Social media plays a key role in MANGO's communication strategy. Not only does social media allow MANGO to maintain a bidirectional communication with millions of followers, but is also key in order to share exclusive content and help connect the brand at an emotional level with its fans. Towards this end, MANGO continuously creates and adapts new content to satisfy the expectations of all users of social media where MANGO is present.



Our campaigns

The Communication Department is responsible for transmitting the values that differentiate MANGO through cross-cutting, innovative campaigns with a 360 content applied to different channels. The brand is markedly active on digital platforms, and currently has over 21,5 million followers.

The renowned photographer Mario Sorrenti was commissioned to shoot with an exceptional cast (Amber Valletta, Anna Ewers, Mica Arganaraz, Frederikke Sofie and Olivier Martinez) in the two main 2017 Spring/Summer and Autumn/Winter seasons. MANGO undertook other image projects throughout the year with the same importance, such as "A Story of Uniqueness": a campaign that invites the celebration of the authenticity of each individual, which is expressed not only in images but through a selection of authentic statements, where diversity and a feeling of community have been major factors and to which the firm has given continuity through different initiatives in successive seasons.



Relationship with the communications media

The Department of Public Relations maintains a constant relationship with different media channels, informing them about MANGO's most outstanding news in order to build, manage and enhance the brand image. Fashion is a stimulating industry and a constant flow of content is created from the Public Relations and Press team, while these departments foster connections in the sector and promote the creation of experiences and events for the MANGO community.

The main objective is to publicize the brand in a positive way in order to attain its growth and success through effective communications management.

The Committed Collection

MANGO Committed is a sustainable fashion collection that has been carefully designed for both men and women, and which comprises fashion garments made with a reduced environmental impact. This collection is always photographed in natural surroundings, and MANGO has included fabrics such as organic and recycled cotton, Tencel® and modal in these designs, which combine with low environmental impact dyes in a palette of neutral tones, creating a timeless and avant-garde collection.

This commitment to sustainability forms part of TAKE ACTION, a project that encompasses all those initiatives that are aimed at creating a business model in

line with sustainable criteria and processes that have a reduced environmental impact. The initiative also includes other actions such as "Second Chances", a garment and footwear take-back project applied in selected stores, with the aim of recycling and reusing second-hand items to help close the loop, while reducing textile waste.

Today's world is in a process of constant change, and so are we. We work garment by garment, towards a future of more ethical and sustainable fashion through a collection presented twice a year in the different Spring/Summer and Autumn/Winter seasons.

Flagship Openings

MANGO continued with its strategy of expansion and new flagships throughout 2017. These new spaces are characterized by a new architectural and interior design concept - The Line, which comprises sophisticated and contemporary environments designed to reflect the brand's personality.

This new image has been introduced in stores in cities such as Madrid, Lisbon and New York, with the intention of unifying all our lines in a larger, more dynamic space, while significantly improving customer experience.

MANGO opened a new flagship store on Madrid's commercial 'golden mile' of Serrano. The premises have a sales area of 2,000 m², which is divided into four floors that stock the Woman, Man and Kids lines. In order to recover the original layout of the building, a wide space has been created in which materials and textures have been combined, lending an eclectic look and feel.

Coinciding with the 25th anniversary of our Portugal signing, an event that marked the beginning of our international expansion in 1992, a new flagship store has been opened in La Praça dos Restauradores in Lisbon, in the singular Teatro Edén, an Art Deco building, which was designed by the architects Cassiano Branco and Carlo Florencio Dias in 1931. The premises have a sales area of 1,000 m² and are divided into three floors, which each house one of our Woman, Man and Kids clothing lines.

MANGO has celebrated these openings with the media and in the company of personalities from the world of fashion and brand partners like #MANGOGirls Julia Restoin, Jeanne Damas, Yasmin Sewell, Camille Charrière, Diletta Bonaiuti, Lucy Williams, Blanca Miró and Natalie Joos.

In New York, the company has also reopened its US flagship store in Soho on 561 Broadway Avenue, one of the city's main commercial areas. This time the brand has gone further in its store concept, reflecting the evolution of the brand and interior design of its new sales points. This area of some 600 m² has been designed to blend into the character of the historic district where it stands and connect with the industrial roots of the building itself.

These new openings include technological innovations that MANGO is introducing in its new sales points, such as digital testers, the e-ticket, the Pay & Go payment functionality or specific areas for Click & Collect.



MANGO X Primavera Sound 2017

This is not the first time that MANGO has been active on the music scene, helping to provide an ideal balance between music and aesthetics. The brand reinforces its link with musical culture by sponsoring one of the most international music festivals, "Primavera Sound", Barcelona. MANGO participates at this event as one of the main sponsors, while innovating with the unique "MANGO House" concept: a space where visitors experience innovation, music and fashion with live sessions, this area also acts as a meeting point for all those attending this internationally-renowned festival.



OUR SOCIAL ACTION TO CONTRIBUTE TO THE *WELFARE OF SOCIETY*

At MANGO we believe that we have an obligation to the communities where we operate, and over the years we have continued to develop a wide range of social initiatives by providing support, volunteer programmes and clothing donations in order to help achieving a fairer and more supportive society.



© Foundation Vicente Ferrer

Financial collaborations

THE VICENTE FERRER FOUNDATION

We finance the creation of a centre for training and the production of textile crafts in Anantapur (India). The aim of this project is to provide training and create employment for women with disabilities, so providing them with an income that allows them to lead an independent life.

THE VITA MUNDI FOUNDATION

We finance a supplementary feeding project for people living in a permanent shanty town in Ganeshnagar, Bombay. The project provides support for approximately 100 families. Women from these families also receive classes and are taught to read and write, as well as basic arithmetic.

THE SPANISH ASSOCIATION AGAINST CANCER (AECC)

MANGO supports cancer research through chairs in order to investigate its causes and behaviour, and research prevention, diagnosis, treatment and patient monitoring procedures. This year, a research grant was provided for Dr. Alexandre Calon of the Institut Hospital del Mar d'Investigacions Mèdiques (IMIM) on oxaliplatin, an anti-neoplastic commonly used in the treatment of patients with colorectal cancer.

JOSEP CARRERAS INTERNATIONAL FOUNDATION

We collaborate with the Foundation by financing the Spanish Register of Bone Marrow Donors (REDMO), which aims to create a database of donors and patients.

BARRAQUER FOUNDATION

Supporting the ophthalmological expeditions the Foundations carries out to Southern Hemisphere countries. The eye care expeditions being promoted mainly focus on combating cataracts, the principal cause of blindness in developing countries, and on supplying eyewear.

THE HOMAC FOUNDATION

We participate in two projects in Ethiopia. We finance training in cutting and sewing at the Comboni Women's College professional school in Awasa, and also participate in the purchase of medical equipment for a rural hospital.

THE HUMANITARIAN FOUNDATION A.G.H.

We aid the foundation through the financing of textile training centres for women, while supporting the operation and maintenance of a kindergarten located on the Brazani, Mang'ola Mission (Tanzania).

THE NATURA BISSÉ FOUNDATION (RICARDO FISAS FOUNDATION)

We support an innovative project to help the most commonly diagnosed pathologies in students with learning difficulties, such as dyslexia and attention deficit hyperactivity disorder (ADHD).

THE FERO FOUNDATION

We support a research project that seeks to discover the importance of the dynamics of chromatin in the development of cancer, in a research programme led by Dr. Sandra Peiró, the main researcher at the VHIO (Vall d'Hebron Institute of Oncology).

DOCTORS WITHOUT BORDERS

MANGO is a strategic partner of this NGO and the funds allocated directly support this organisation's Emergency Unit. This unit responds immediately to any emergency, and it constantly monitors alerts, whether due to epidemics, natural phenomena or armed conflicts.

THE ARED FOUNDATION

The foundation works to help people at risk of social exclusion attain access to full citizenship, promoting their independence through training processes and comprehensive accompaniment. MANGO finances 15 industrial training grants for women in the process of social reintegration.

THE FOOD BANKS FOUNDATION

The company finances the purchasing of continuity milk for the entire year, which is consumed by babies from 0-3 years of age in dining halls and social attention centres in Barcelona, it also aids with the purchase of baby food.

SANT JOAN DE DEU HOSPITAL

MANGO has financed two new rooms for the new paediatric cancer centre being built next to the hospital. The Sant Joan de Deu Hospital in Barcelona is a renowned centre in the treatment and investigation of childhood cancer that seeks to create the Pediatric Cancer Centre (Barcelona), a hospital for the treatment of childhood cancer. This centre would be able to aid up to 400 child cancer patients. It would be the first onco-paediatric centre in Europe.

Volunteer work

DREAMING AWAKE FOUNDATION

MANGO employees took part in a day of volunteering with the children assisted by this foundation, who live in foster homes provided by the Catalan Regional Government.

Other social projects

In order to increase our positive impact on society, in 2017 we donated non-marketable clothing to different organizations for charitable purposes. We also give our employees the opportunity to actively take part in different social campaigns throughout the year, such as solidarity events and other types of participatory initiatives with socially-beneficial objectives, including solidarity markets, TEAMING (voluntary micro-donations of € 1 per month), blood donor campaigns, and food and toy collection campaigns at Christmas, etc.

THE MANGO *CORPORATE SOCIAL* RESPONSIBILITY CHAIR

The MANGO Chair is used to study and create debate on the role that companies should play in society. This initiative was created in 2006 through a participatory agreement with the Higher School of International Trade (ESCI-UPF), which is attached to the Pompeu Fabra University (Barcelona).

Its main objectives are to further knowledge about corporate social responsibility and to analyse the

sustainability of economic and business activities, while combining academic rigor and practical, real-world applications. The cooperation between the university and business worlds has established a connection that is used to expand knowledge in the business sector and generate opinion of general interest.

In addition to this desire to create, share knowledge and further discussion and

debate, we also consider that the Chair should be a point of union and meeting between those companies, institutions and entities involved in CSR, and that these organisations should contribute to the projects and investigations undertaken.

The projects, activities and other details may be consulted on its webpage <http://mango.esci.upf.edu>.

Research projects: water footprint calculation

The aim of these projects is to analyse relevant aspects in terms of sustainability and this is the main activity of the Chair. These initiatives are carried out by specialized teams in each subject and published in the form of working documents.

Among the projects undertaken in 2017 is the water footprint calculation of a pair of jeans (denim).

In order to discover the volume of water used to produce denim jeans, an analysis of our water footprint was made. Following ISO 14046: 2014 reference standard procedure, the use of water used in the manufacture of this product was calculated, starting from cotton production and denim weaving, through to manufacture and finishing in different areas, as well as final transport to the organization's warehouses.



Training course: measuring the social impact of organisations

Among the activities carried out during 2017, the organization of the fourth year of the course: "Drivers of CSR: Sharing to Improve", was a noteworthy event, which this year focused on measuring the social impact of organizations. The course was aimed at directors and CSR managers from public and private organizations, and its goal was to accrue information in order to quantify the impact caused by organizations in society. The interactive sessions combined expert presentations and practical group work.

Social audit manual

Due to its awareness of the importance of correct value chain management with respect to organizations, in 2015 the Chair initiated a project that involved the preparation of a social audit manual that is applicable to any business sector or company size, which includes the main aspects used in making verifications of this type. As an addition to the manual, specific files on relevant producer countries have been prepared in a progressive manner. This information includes applicable legislation, and good practices that go beyond these. Both the manual and the files are updated constantly.

In 2017, the third file on Vietnam was drafted. This has been added to those already produced on Morocco and Turkey. In 2018 files on Portugal and China will be made.

Advisory council

The aim of the Advisory Council is to advise the MANGO Chair in its activities. This Council is made up of key individuals within the sphere of CSR linked to organisations which represent the business, administrative, social and academic world. The main role of the Council is to identify relevant issues in order to feed the work areas promoted by the Chair.



EMPLOYEES

Our employees are an essential active that help us reach our goals and overcome challenges. For this reason we take great importance to ensuring their health and safety. Towards this objective, in 2017 we adhered to the Declaration of Luxemburg in order to better the working conditions of our employees and strengthen our commitment to them.



QUALITY OF EMPLOYMENT AND WELL-BEING *OF PERSONS*

We are committed to creating a framework of trust in which employees are able to grow and develop professionally. Stability, dialogue, training, personal development, conciliation and recognition are the pillars on which we build this trust.

Profile of our workforce

To guarantee an efficient management in line with the growth of the group, based on the quality of employment and well-being of persons, we ensure continuous improvement in various spheres.

15,970

WORKFORCE



2,605
STRUCTURAL
PERSONNEL

13,365
STORE
PERSONNEL

36%

SPANISH
WORKFORCE

80%
WOMEN

61%
WOMEN
STRUCTURAL
PERSONNEL

84%
WOMEN STORE
PERSONNEL

29.82

YEARS AVERAGE
EMPLOYEE AGE

81%
SPAIN: BETWEEN
26 AND 56 YEARS

85%
FOREIGN COUNTRIES:
BETWEEN 16 AND
35 YEARS

100%

WORKFORCE COVERED BY
COLLECTIVE AGREEMENT
AND CORRESPONDING
EMPLOYMENT LEGISLATION

**WORKFORCE WITH
FIXED CONTRACTS**

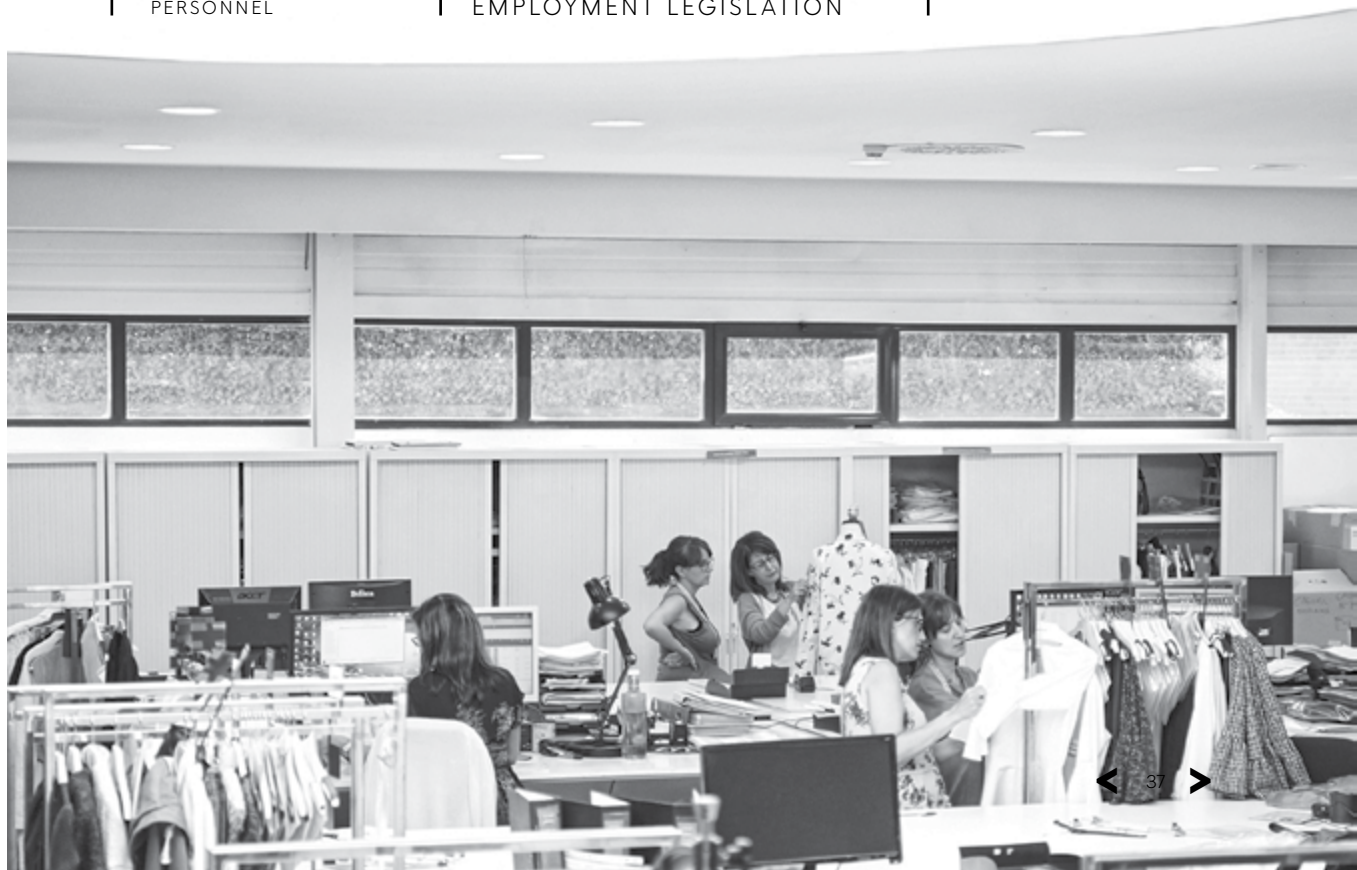
66%
SPAIN

70%
FOREIGN
COUNTRIES

**WORKFORCE
FULL-TIME**

47%
SPAIN

56%
FOREIGN
COUNTRIES





A diverse environment with equal opportunities

Our organisation is characterised by the cultural diversity that has resulted from the internationalisation of the business. Equal opportunities is a commitment inherent to personnel management and is implemented through various tools.



220

EMPLOYEES WHO HAVE
BENEFITED FROM MATERNITY
AND PATERNITY LEAVE

100%

EMPLOYEES WITH
ENTITLEMENT TO
MATERNITY AND
PATERNITY LEAVE

100%

RETURN TO WORK
RATE AFTER THE
LEAVE PERIOD

73%

RETENTION RATE
AFTER THE LEAVE
PERIOD

57

DIFFERENT NATIONALITIES AT OUR HEADQUARTERS
AND IN OUR SPANISH STORES





Numerous benefits

FLEXIBLE HOURS FOR PERSONAL REASONS

TEMPORARY SUSPENSIONS FOR PERSONAL REASONS

EXTENDING THE LENGTH OF TIME TO ATTEND TO NECESSARY MEDICAL VISITS

INTENSIVE WORKING DAY ON FRIDAYS AND ON THE EVES OF MAJOR PUBLIC HOLIDAYS FOR STRUCTURAL PERSONNEL BY MUTUAL AGREEMENT WITH THE EMPLOYEES

There are some advantages and benefits for employees which contribute to improve their well-being.

The remuneration model is complemented by various benefits: free group transport, which covers different routes and working hours, subsidised canteens, special agreements, discounts, etc.

The international nature of our organisation facilitates the geographical mobility of any employees who request this. In addition, when new positions to be covered become available, staff are offered the opportunity to request a change of department.

Permanent dialogue

Various channels exist to promote group cohesion and keep employees permanently informed, in order to improve the day-to-day operation of the organisation and make employees part of our projects. For example, “If I were Chairman” is a meeting with elected representatives from each department. The conclusions, changes and improvements agreed are published and notified to all employees in internal company bulletins.

INTERNAL SURVEYS

EMPLOYEE WEBSITE

SUGGESTIONS BOX

CONFLICT RESOLUTION SERVICE TO IDENTIFY, MEDIATE IN AND RESOLVE BY INDEPENDENT MEANS ANY INTERPERSONAL CONFLICTS, WHEREVER NECESSARY

Remuneration policy

For the different categories of employees the salaries paid are, on average, above those of the sector. In 2017 the proportion between the starting salary established by MANGO and the wage agreement was 52% for Spain. In the case of structural personnel, salaries are reviewed according to the performance and personal development of each employee twice a year. In stores, the system is based on a fixed salary and a variable component in accordance with the turnover of the store.

All employees, both full-time and part-time, have the same rights and company benefits. (G4-LA13)

The remuneration policy of MANGO adopts the principle of equal opportunities, with no differences between the salary paid to male and female employees within the same employment category.

The minimum notice period in relation to organisational changes, including notifications specified in the collective bargaining agreement, is fifteen days.

Involvement with youth employment and the integration of vulnerable persons

We support students, allowing them to complete their training with work placements at MANGO. During 2017, 354 interns were recruited at our headquarters and in stores in Spain, 22% of whom were finally recruited, in collaboration with various schools and universities.

We have been working with the CARES Foundation Special Employment Centre in order to create jobs for people with disabilities or who are at risk of exclusion since 2008. In 2017, 236 people worked in our facilities; 46% make up the permanent staff, while the rest are assigned to promotional campaigns and become part of the permanent staff as new positions arise. 92.6% of our permanent staff have been diagnosed with some form of mental, physical or mental disorder. The activity is part of the preparation of eCommerce orders that we send around the world. www.fundacioncares.com

We are committed to internal promotion

The vast majority of directors and managers of teams are promoted internally, the result of a deliberate policy in this regard and of a motivated and flexible workforce able to take on new responsibilities.

PROMOTIONS

159

EMPLOYEES AT
HEADQUARTERS

1,519

EMPLOYEES IN
STORES

354

INTERNS
RECRUITED

22%

INTERNS
INCORPORATED
AS PERMANENT
STAFF

CONTINUOUS IMPROVEMENTS IN *HEALTH AND SAFETY* AT WORK

The aims of the MANGO Health and Safety Policy are the development and promotion of strategies that improve working conditions for the physical, mental and social health of employees, and to promote and consolidate safe and healthy work habits.

The management of occupational risk prevention at MANGO are established in the Risk Prevention Plan and form part of the overall system of company management. This plan contains the company's commitment to provide a secure and healthy working environment for employees and collaborators and defines the goals and procedures in order to achieve this.

As a result of this commitment, in June 2017, MANGO committed itself to the Declaration of Luxembourg, which contributes to promoting individual development and fostering active participation, so improving working conditions.

	STRUCTURAL	STORE
NUMBER OF ACCIDENTS IN RELATION TO NUMBER OF EMPLOYEES	0.002	0.012
AVERAGE DURATION OF SICK LEAVE (DAYS)	20.00	20.51
ABSENTEEISM RATE	3.88%	5.11%
ABSENTEEISM RATE IN FOREIGN COMPANY STORES		6.10%



8,274

STORE EMPLOYEES
TRAINED IN
OCCUPATIONAL RISK
PREVENTION

741

STRUCTURAL
EMPLOYEES TRAINED IN
OCCUPATIONAL RISK
PREVENTION

TRAINING AND PERSONAL DEVELOPMENT OPPORTUNITIES



2,103

PARTICIPANTS IN
TRAINING ACTIVITIES



20,907

HOURS OF TRAINING

Our training and personnel development policy aims to allow the organisation to achieve its strategic goals. To achieve this we have a Training and Development department which promotes the required aspects, both in terms of technical skills and professional abilities.

Retail training is given worldwide and in the training department at the company headquarters. The “on-the-job” induction plan “Design your future at MANGO” and annual appraisal and development Interviews help managers to appraise and mentor each member of their team on a constant basis.

We continued to strengthen the role of leaders in 2017 with an Executive Development Plan for promotions to positions of responsibility.

We recognised the importance of roles of responsibility as key to professional excellence and to the development of persons. Personalised training and mentoring events are the tools used to adapt to this new situation.

We promote the development of internal talent

The management of internal talent is a strategic goal to facilitate and encourage the growth and development of employees, by putting them at the heart of the action. The main projects promoted in 2017 are:

APPRAISAL AND DEVELOPMENT PROCESS

We have consolidated the use of a new online appraisal tool which allows us to measure the contribution of value of employees, in order to identify and develop talent in each area. This allows us to improve the management of talent using information obtained in appraisal processes and respond to concerns about development and growth within our teams.

TEAM COHESION WORKSHOP

This workshop is based on group work through different participation dynamics. It aims to implement specific action plans to improve group cohesion and increase the sense of belonging to MANGO.

COACHING AND MENTORING

Coaching processes are structured to help coachees-employees develop themselves within a specific area. The coaching agenda works on very specific issues to address the performance of an employee in their job. To achieve this, specific targets and an action plan are established. Mentoring processes are aimed at a more overall development, focusing on more strategic issues and long-term development. The mentoring agenda is very flexible, since it focuses on responding to the needs and overcoming the challenges that emerge in the professional life of the mentee.

MANAGING CHANGE AND TRANSFORMATION

We have helped different teams diagnose their current situation. Working with these teams, we have developed a series of initiatives to help bring them closer to their vision/desired situation, in order to increase productivity, satisfaction and improve their results as a team.

INITIATIVES FOR DEVELOPING NEW OPPORTUNITIES

We are helping professionals develop during the process of changing work positions and responsibilities, in order to help them overcome the new challenges and professional opportunities.

KNOWLEDGE CAPSULES

Developed internally, their aim is to meet the specific needs of our employees with regard to recruitment, leadership, feedback, team management, motivation and self-leadership.

NEW TRAINING INITIATIVES

LEADERSHIP DEVELOPMENT PROGRAMME

Its goal is to increase self-awareness and self-management, identifying the image and beliefs of what it means to be a leader, promoting development conversations through Feed-back and Feed-forward processes, while providing management skills to enhance staff functionalities and sustain its contribution to the organization.

MINDFULNESS FOR SELF-MANAGEMENT

This course is focused on improving the relaxation of body and mind and controlling one's thoughts to reduce stress levels.

Employees increase their levels of well-being, reducing stress and anxiety, building positive relationships with their environment, so developing an emotional intelligence that allows them to control themselves in any circumstances and increasing their empathy to others and common goals.



THE SUPPLY *CHAIN*

We promote the creation of strategic alliances with organizations that guarantee an efficient and responsible management of the supply chain. Through these connections we intend to make a difference in the future of our company while aligning ourselves with the Sustainable Development Goals.



EFFICIENT AND RESPONSIBLE MANAGEMENT OF *THE SUPPLY CHAIN*

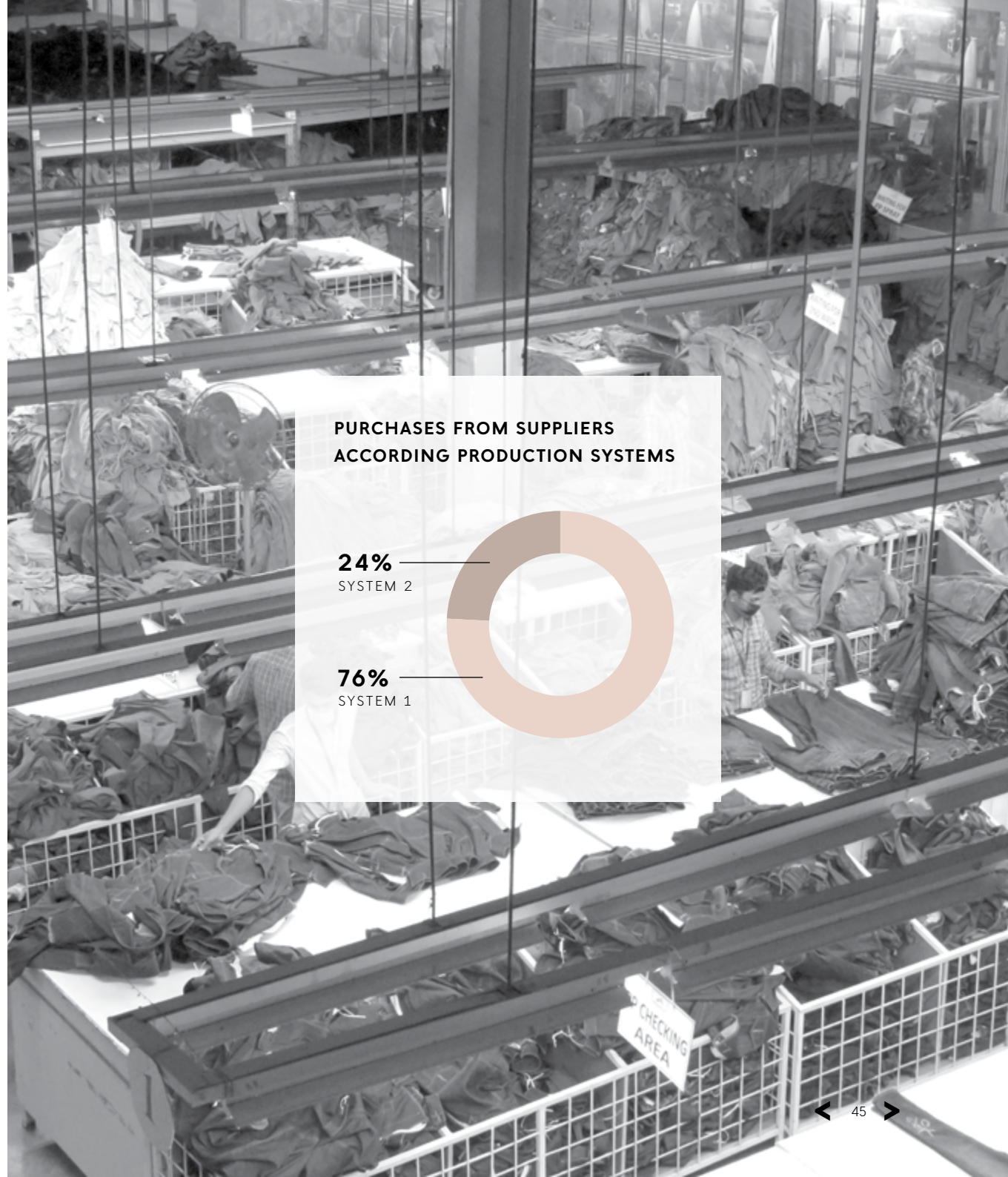
Within the Take Action Plan 2017-2020 we have established specific goals with respect to the efficient and responsible management of the supply chain. These objectives include improving traceability, increasing the scope of social audits and other types of suppliers, promoting strategic alliances with other organizations and strengthening our commitment to transparency with stakeholders.

Collaboration with our suppliers is on a long-term basis, with permanent dialogue, joint analysis and planning of all aspects of production and quality control.

SYSTEM 1: Consists of designing the product, ordering its manufacture and purchasing it once finished. In this case, the supplier is responsible for purchasing all the raw materials for production.

SYSTEM 2: In this case, all the raw materials used in the garment are purchased by MANGO and subsequently sent to the suppliers for manufacture.

The characteristics of the suppliers are exactly the same in both systems. The use of one system or the other basically depends on geographical factors (proximity) and technical factors (specialisation in manufacture).



PURCHASES FROM SUPPLIERS ACCORDING PRODUCTION SYSTEMS

24%
SYSTEM 2

76%
SYSTEM 1



Profile of our suppliers

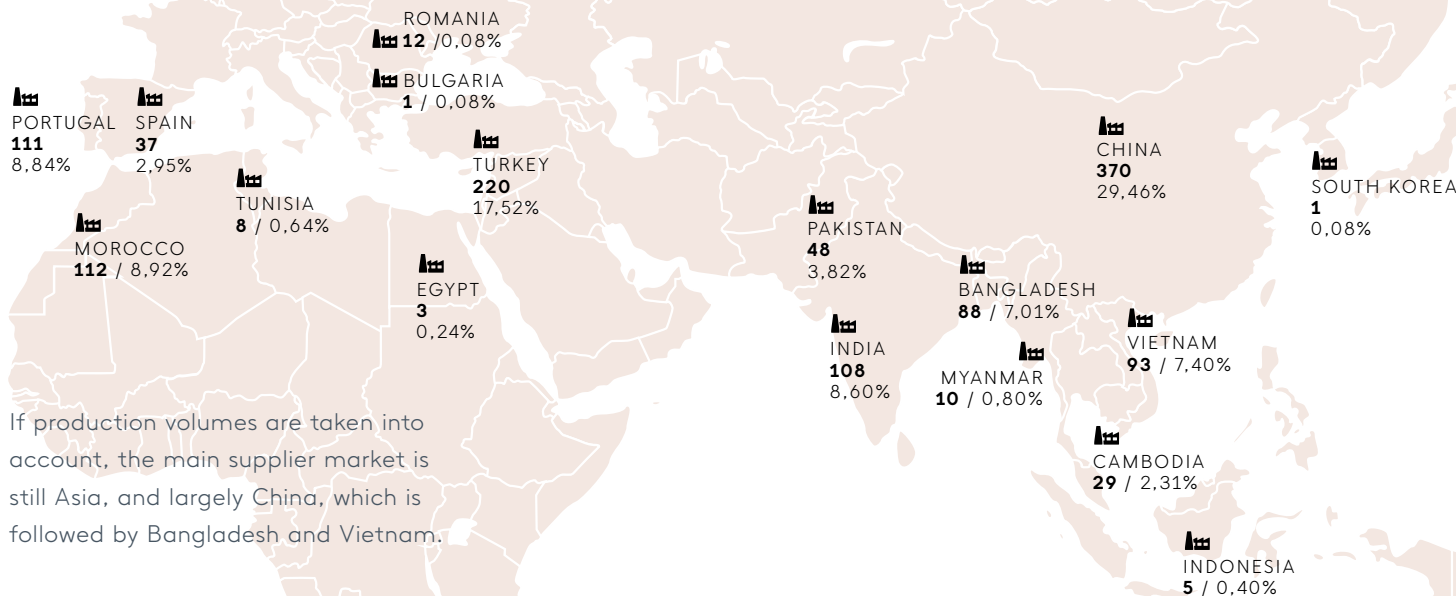
The suppliers may work with more than one factory for the manufacture of our different collections. Some of these may be used in a discontinued manner over time, depending on product characteristics.

According to product type, we differentiate between garment suppliers and accessory suppliers (footwear, leather goods, costume jewellery, belts, glasses, etc.).

MANGO has no direct or indirect shareholding in any manufacturer of garments or accessories. Similarly, none of the suppliers work exclusively for our organisation. Every year, we provide the Spanish trade unions with a list of the garment and accessory factories we are working with.

All our garments and accessories are labelled, indicating the country of manufacture.

PRODUCTION FACTORIES BY COUNTRY



If production volumes are taken into account, the main supplier market is still Asia, and largely China, which is followed by Bangladesh and Vietnam.

Morocco ranks in fourth place as the main African country. The latter is still an important country for MANGO, as we have been working with suppliers there for many years, and it has been the most stable country during this period. Turkey, Portugal and Spain are also among the top ten countries that provide services to MANGO, which helps to encourage production in nearby markets.

1,256
FACTORIES USED

40%
OF PRODUCTION FACTORIES
ARE CLOSE TO SPAIN (EUROPE,
MOROCCO AND TURKEY)



607

SUPPLIERS OF GARMENTS
AND ACCESSORIES

492 GARMENTS SUPPLIERS
115 ACCESSORIES SUPPLIERS
156 NEW SUPPLIERS



136,292,413

GARMENTS AND ACCESSORIES WERE
MANUFACTURED FOR MANGO



SUPPLIERS ALIGNED WITH *OUR COMMITMENTS*

Within MANGO, the Supplier Management & Sourcing Department works together with CSR, the Quality Department, purchasing teams and other departments involved in the selection of new suppliers through the analysis and prior verification of our production centres. This ensures that MANGO requirements are met in all areas before order confirmation.

We prioritise consolidating the relationships of trust with suppliers, ensuring their codes of conduct are in line with our own corporate social responsibility commitments, in order to inculcate and ensure good practices from an employment, social and environmental perspective in the supply chain.

The social, employment and environmental Code of Conduct for garments and accessory manufacturers is a mandatory requirement, given that this is included in the commercial contract they sign with MANGO. This is based on the principles and philosophy of the United Nations Global Compact, the Universal Declaration of Human Rights and the United Nations Convention on the Rights of the Child. It also includes all the applicable conventions and recommendations of the International Labour Organisation (ILO) that apply (in particular conventions: 1, 29, 75, 81, 87, 98, 100, 105, 111, 122, 131, 135, 138, 154, 155, 159, 177, 182 and 183, and recommendations: 35, 90, 111, 143, 146, 164, 168, 184 and 190).

Social, employment and environmental Code of Conduct for manufacturers of garments and accessories for the MANGO Group

1. CHILD LABOUR

Manufacturers shall not use child labour in accordance with the criteria established in the ILO conventions. Furthermore, our policy on child labour is based on the United Nations Convention on the Rights of the Child.

2. FORCED AND OBLIGATORY LABOUR

Manufacturers shall not use any form of forced or obligatory labour.

3. HEALTH AND SAFETY AT WORK

Manufacturers shall guarantee their employees a working environment which is secure (fire prevention, machinery, etc.) and healthy (light, ventilation, hygienic conditions, etc.) and also comply with all the provisions stipulated in the applicable legislation in this regard. In addition, they shall guarantee that said conditions are extended, wherever applicable, to all the facilities allocated to their employees. Furthermore, in the case

of denim manufacturers, they shall not use the fading technique known as sandblasting, which consists of the use of pressurised sand, given the risk to the health of the employees who perform this process.

4. FREEDOM OF ASSOCIATION

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

5. DISCRIMINATION

Manufacturers shall not discriminate in employment and recruitment practices based on the grounds of race, nationality, religion, disability, gender, age, sexual orientation, political association or affiliation or any other situation.

6. DISCIPLINARY MEASURES, HARRASMENT AND ABUSE

Manufacturers shall not use corporal punishment, physical or

psychological abuse and/or any other type of harassment.

7. WORKING HOURS

Manufacturers shall comply with the applicable legislation and industry regulations with regard to hours worked. Overtime will always be voluntary and appropriately remunerated.

If overtime is worked, a maximum of two hours per day will be accepted. In exceptional circumstances this limit may be modified in the aforementioned situations if reasonable and logical, and at all times with the mutual agreement of the employee, provided the annual total does not exceed the maximum of two hours of overtime per week envisaged in the legislation.

8. REMUNERATION

Manufacturers will guarantee that salaries strictly comply with the legislation. In addition, the statutory minimum wage will be interpreted

as said minimum, and not the recommended level.

9. SUBCONTRACTING

Manufacturers may only carry out production in factories authorised and audited by MANGO.

10. ENVIRONMENT

All manufacturing activity shall be carried out respecting the environment and, at all times, complying with the envisaged legislation and regulations. All manufacturers shall sign the MANGO document committing to restrictions on chemical products.

11. COMPLIANCE WITH THE CURRENT LEGISLATION

Manufacturers must also comply with the applicable legislation for matters not envisaged in the above points.

12. OTHER ASPECTS

COMMUNICATION

A copy of the present code must be displayed in the main personnel entrances and exits at the manufacturer's facilities, both in English and in the local language. The aforementioned copy must contain a contact e-mail address of the MANGO CSR department in case any employee requires or wishes to make use of the same.

AREA OF APPLICATION

All the above points are of mandatory compliance for all manufacturers who work with MANGO. In order to achieve this goal, manufacturers shall authorize MANGO to carry out, either itself or via third parties, inspections to ensure the application of the present code. In addition, they shall allow the supervisors access to the documentation and all means necessary to achieve said goal. Such audits may be carried out according to schedule or without prior notice.

ACCEPTANCE AND COMMITMENT ON THE PART OF MANUFACTURERS

All manufacturers accept and undertake to comply with all the points specified in the present Code, and any possible subsequent modifications to the same, by signing and stamping all the pages of one copy, which shall always be available at MANGO.

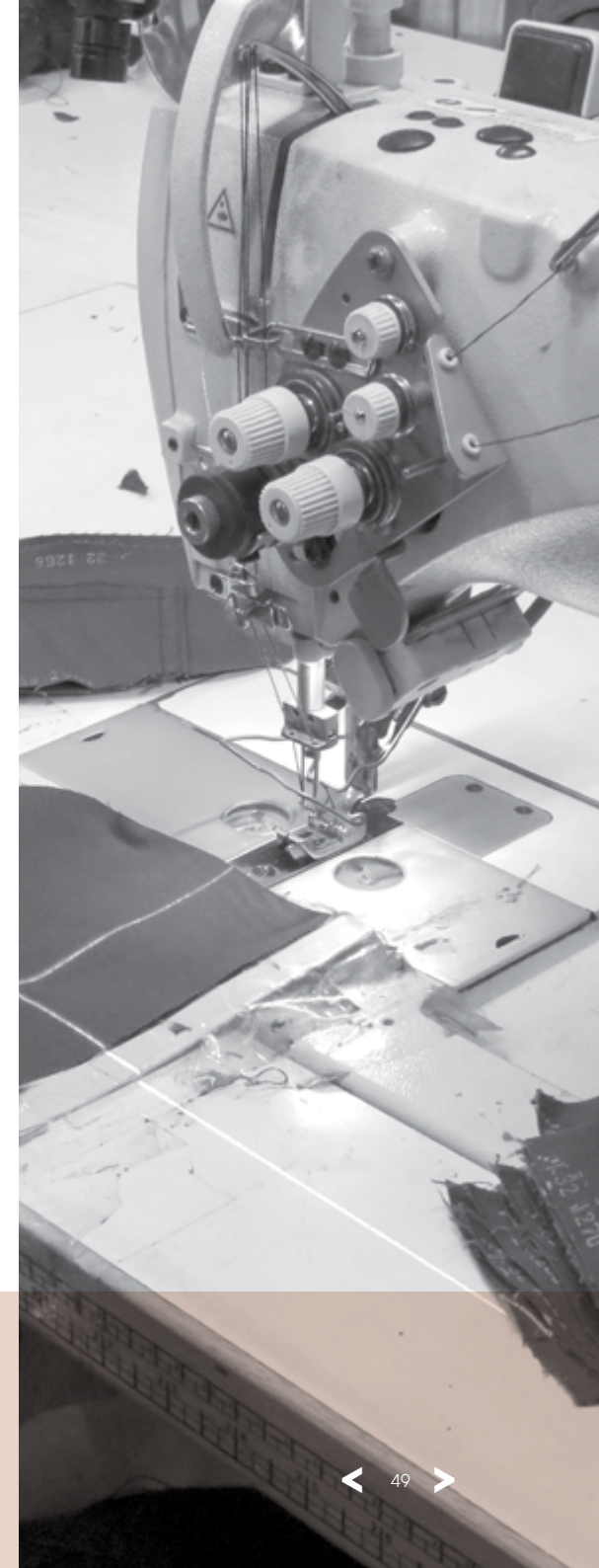
AUDITING

The Code will be periodically audited at the different factories and facilities of the suppliers, both internally and externally. Said auditing may be carried out jointly with other organisations.

CORRECTIVE ACTION

Any situation which implies non-compliance with the above points shall require corrective action by the manufacturer, within an established period not exceeding six months. It should be noted that MANGO will participate in said corrective action by providing technical support. In cases where the corrective action has not been applied within the aforementioned period or in the event of serious social emergencies or other significant events and the manufacturers have not taken the required corrective measures immediately, the MANGO group will proceed to cancel any relationship with said manufacturer.

Contact e-mail: lg_rsc@MANGO.com





Traceability of the supply chain

Every year we work on improving our internal tools for the management of information regarding our production factories in order to continue advancing towards a better traceability in our supply chain.

Our policy of control and the characteristics of our production processes do not allow the

subcontracting of the production of our garments and accessories. Subcontracting is the derivation to a third company of part of the production without knowledge or authorization of MANGO. All our suppliers have unified production process. In some occasions there are specific processes which a single supplier cannot offer and therefore such processes may be carried out by a third specialized company, for example processes as embroidery, printing or

washing. In these cases, such production factories are known and authorized by MANGO.

Traceability audits were initiated in 2017. These audits consist of unannounced visits to the factories by MANGO staff to ensure that the production of each collections is carried out in those factories that have been previously assigned and approved by the brand.

Quality control

Given the nature of our production system, we have quality control teams which periodically visit the different factories, carrying out both quality control and any other aspect related to production. While carrying out said monitoring, our experts check whether any aspect of our Code of Conduct is being breached.

Auditing process

We use external social audits as the control basis for the implementation of the MANGO Code of Conduct. These checking procedures are carried out in supplier production centres. These audits may be of an initial type (for new factories), follow-up (for the review of specific non-conformities) or maintenance (every one or two years, depending on the country).

THE PROCEDURE FOR THE INITIAL SOCIAL AUDITS IS AS FOLLOWS:

- › Interview with factory managers and/or factory owners
- › Exhaustive inspection of the factory installations
- › Selection of a sample of employees in order to carry out interviews
- › Review of all pertinent documentation
- › Closing meeting

WHEREVER TRADE UNION REPRESENTATIVES EXIST IN FACTORIES, THE ENTIRE PROCESS IS CARRIED OUT JOINTLY WITH THEM.



189

AUDITS ACCORDING
TO BSCI FRAMEWORK

429

EXTERNAL SOCIAL AUDITS
ACCORDING TO MANGO
CODE OF CONDUCT

373

INITIAL AUDITS

56

FOLLOW-UP AUDITS

We have certain internal management tools which allow quick and up-to-date access to the database of the suppliers' factories. All of them must declare their production factories and assign one of the confirmed collections to each one. This way, all the departments involved in the process have access to this information: Purchasing teams, Quality and CSR, among others. Once a collection has been assigned to a new factory, the social auditing procedure will be conducted by the external auditors.

In July 2017, MANGO joined forces with Amfori, the leading global trade association dedicated to open, sustainable trade. By applying the amfori Business Social Compliance Initiative (BSCI) we work together to improve the social performance of our supply chain. Being a member of amfori involves following and applying the BSCI Code of Conduct, a system based on the same principles as the MANGO Code of Conduct.

Amfori is an important partner for MANGO in terms of improving traceability and optimizing efforts for the undertaking of audits. Many of the factories that produce MANGO collections are already part of the BSCI and it is expected that the number of factories within this system will continue to increase.

Using the BSCI platform and working together with other member brands has advantages, such as increasing bargaining powers with factories, optimizing costs and reducing the stress of audits for factories. For more information, visit: www.amfori.org.

The external audits carried out in the production centres are undertaken by different first level auditing companies. On certain occasions, the internal CSR audit team may also participate in the external audits or perform the follow-up of a specific aspect of the Code of Conduct.

As in previous years, representatives of the International Industrial Division of the CC.OO trade union make joint visits to some factories in Asia. The main aim of such visits is to check the progression of the employees' situation in textile factories and to learn at first hand about the role of the trade union representation in the same.

amfori 
Trade with purpose

INITIAL AUDITS PER GEOGRAPHICAL AREA

COUNTRY	AUDITED FACTORIES	%AUDITS
TURKEY	155	27.6%
CHINA	142	25.3%
BANGLADESH	71	12.6%
INDIA	56	10.0%
VIETNAM	36	6.4%
MOROCCO	33	5.9%
PAKISTAN	18	3.2%
SPAIN	16	2.9%
CAMBODIA	14	2.5%
MYANMAR	14	2.5%
PORTUGAL	4	0.7%
INDONESIA	1	0.2%
RUMANIA	1	0.2%
TUNISIA	1	0.2%
TOTAL	562	100.0%

Other Audits

In 2017, a pilot project was carried out to verify the implementation of the MANGO Code of Conduct in the production centres of suppliers that were not responsible for our final products. We have also evaluated the production centres of our main suppliers for hangers, dummies and interior design items in China.

Evaluation of RESULTS

After the social audit, the results are evaluated, in line with the authorisation criteria for MANGO production centres.

MANGO applies a policy of zero tolerance in situations of child labour, forced labour, serious risks to employee health, foreign workers in an irregular situation or unethical behaviour.

If a breach in the Code of Conduct is detected, an action plan and a calendar are established to determine a subsequent review in follow-up audits for those non-conformities detected. If adequate corrective actions have not been taken to resolve them, or there are significant deficiencies, the appropriate measures will be taken with respect to the factory and/or supplier. Of all audits performed, factory rejection occurred in only 1.3% of all cases.

A large number of those non-compliances detected in the audits are concentrated in the following areas: work hours, health and safety at work and payment.

With regard to Child Labour, it is worth noting that no cases were encountered of workers younger than 15 years old working in the factories of MANGO suppliers. The breaches in this point correspond to not having established a policy against child labour, not keeping a copy of the workers' identification documents, overtime of young workers, etc.

In the case that any incident is notified by local trade unions the analysis and resolution of the corresponding incident is carried out jointly by MANGO and trade unions and any organizations involved with which we have agreements regarding CSR issues.

On many occasions the breaches detected are due to lack of information or the ignorance of the supplier in question. To this end specific training programmes have been developed for suppliers at their origin location.

Supplier Workshops

In 2017, MANGO began a training at origin programme, which was undertaken directly by our CSR team. All the suppliers and factory managers from two of our main production countries were invited. Two training courses were held in India (Delhi and Bangalore) and three in China (two in Shanghai and one in Guangzhou). One of their aims is to open a channel of direct dialogue with suppliers in order to discuss internal procedures each country, clarify doubts and receive proposals. For next year, training courses have been planned in Bangladesh and Turkey. The feedback received has been very positive and the plan is to continue, applying this 'at origin' format.

New suppliers visit the MANGO headquarters where they receive training from the all the departments involved in the manufacturing process of collections. The CSR department offers direct training on the implantation and monitoring of the Code.

Alliances

Partnerships with other organizations are essential for MANGO in order to ensure an efficient and responsible management of the company's supply chain. Our strategy is to continue our reliance on alliances and achieve our aims in accordance with the Sustainable Development Goals.





Accord on fire and building safety in Bangladesh

An independent and legally binding agreement between brands, unions and NGOs, which has been designed to secure a safe garment industry in Bangladesh. The agreement monitors the remediation of over 1,600 factories with more than 100 engineers, who perform up to 500 follow-up inspections each month. Each factory covered by the agreement is inspected approximately once every three or four months. The secretariat conducts specific remediation review meetings with the signatory companies in order to identify those high-priority factories where the remediation process needs to be accelerated.

**LAST YEAR, THOSE MANGO FACTORIES
INSPECTED BY THE AGREEMENT EXPERTS
REVEALED AN AVERAGE CORRECTION RATING
OF 83%.**

MANGO recently announced its commitment to continue with the work of the Agreement by signing the new Transition Accord; this involves an extension of three more years, which

will help to complete the remediation plans in their entirety. For more information visit www.bangladeshaccord.org.

Human rights and guiding principles

The Ruggie Framework to protect, respect and remedy provides practical recommendations to implement this approach to the human rights that apply within the companies. At MANGO we are developing internal management mechanisms that will serve as tools to measure and evaluate the application of human rights in all our spheres of activity, both internal and external. We are also working to improve the channels of communication with our stakeholders.

Our system of audits is key to the implementing the Guiding Principles of the UN on companies and human rights in the supply chain.

ENVIRONMENT AND SUSTAINABILITY

We are conscious of our responsibility towards the environment and hence work to reducing our environmental impact. For this reason we have set the objective to increase our support to sustainable fibers in all our products; within the next years we aim for 50% of the cotton used in our garments to support the use of sustainable fibers.



TOWARDS A MORE *SUSTAINABLE FASHION*

Objective: 50% of sustainable cotton in 2022

MANGO is committed to the use of sustainable fibres, and has formalized this commitment in the TAKE ACTION plan of its 2017-2020 CSR policy.

The aim of the company is to increase the proportion of sustainable fibres in its collections. MANGO is therefore committed to ensuring that in 2022, 50% of its cotton supports the cultivation and use of cotton from a sustainable origin.

MANGO JOINS THE BETTER COTTON INITIATIVE

In line with this objective, MANGO has taken the necessary steps to join the **Better Cotton Initiative** (BCI) in order to strengthen its commitment to support sustainable cotton. By joining this initiative, MANGO is committed to supporting good practices within the cotton sector and to promoting the acquisition of cotton grown in a more sustainable manner. The membership of MANGO to the BCI was formalized in February 2018.

COMMITTED AND TAKE ACTION COLLECTION

The launch of the MANGO Committed fashion collection represents MANGO's first public step towards the commitment to ensure that 50% of all its cotton is sustainable by 2022. The firm has already launched two Committed capsules for women and men (spring/summer, autumn/ winter 2017) with neutral tones, to create a timeless, avant-garde collection.

Furthermore, the Committed collection is produced in close proximity (Spain, Morocco, Portugal, Turkey) with sustainable materials that aim to make MANGO's commitment to sustainability visible.

The Committed collection is not intended to act as a one-time, sustainable fashion initiative. The aim of the company is to increase the use of sustainable fibres of all types in its collections. These garments, which incorporate fibres or sustainable production criteria, and which form part MANGO's general collection, are identified under the TAKE ACTION name.





117,672,237 m²

OF FIBRES USED

55%

SYNTHETIC CHEMICAL
FIBRES

45%

NATURAL ORIGIN
FIBRES

THE USE OF SUSTAINABLE FIBRES AND MATERIALS

Committed and TAKE ACTION garments include materials such as organic cotton, recycled cotton, sustainable production cotton, recycled polyester, recycled wool, and TENCEL® among others. All the sustainable fibres used in MANGO collections are certified according to international standards, in order to verify their origin and sustainable characteristics. Those certificates most applied are GOTS (Global Organic Textile Standard), OCS (Organic Content Standard), GRS (Global Recycled Standard) and the RCS (Recycled Content Standard).

In 2017 MANGO produced over 4 million garments with sustainable characteristics. This represents 3% of MANGO's entire production including all its lines. MANGO expects to double this percentage in 2018.

The water footprint of a standard pair of MANGO jeans

Jeans are known to be garments whose manufacture involves extensive water consumption. In order to evaluate and help reduce water consumption in the manufacture of jeans, MANGO decided to carry out a water footprint study of jeans as part of its TAKE ACTION plan.

The investigation aimed to discover how much water is consumed during the manufacturing process of a pair of jeans. This first phase of the study is used as a basis to determine those points with the greatest potential for the reduction of water consumption in the production of these garments, and others like them.

The calculation of this water footprint takes into account the use of water for the production of jeans; from the cultivation of cotton, to the manufacture of Denim fabric, their manufacture, finishes, and finally their delivery to facilities and stores. The study is based on a standard pair of MANGO jeans produced in Morocco.

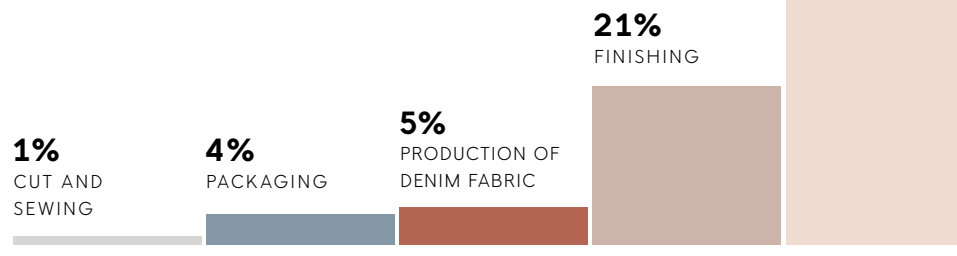
MANGO carried out this study in cooperation with the MANGO and the UNESCO Chair in Life Cycle and Climate Change, both of the ESCI-UPF Barcelona university.

RESULTS

The production of a standard pair of MANGO jeans in Morocco involves the consumption of **1.71 m³** (1,700 L) of water, taking into account the consumption of water from cotton cultivation to the arrival of the jeans in shops.



DISTRIBUTION OF THE WATER FOOTPRINT OF A STANDARD PAIR OF MANGO JEANS PRODUCED IN MOROCCO.



A simplified calculation tool to publicise the evaluation of water use in the textile sector has been prepared and published by the MANGO Chair of CSR and the UNESCO Chair in Life Cycle and Climate Change.

For more details about this water footprint study, visit the MANGO Chair website at:

<http://mango.esci.upf.edu/DOCS/Manuals-i-guies/Huella-hidrica.pdf>

DETOX Initiative

The aim of the DETOX initiative is to challenge the leading clothing brands to make the required changes, together with their suppliers, to eliminate hazardous substances throughout the supply chain of products by 1 January 2020.

As we are aware of the importance of transparency and access to information to ensure the attainment of this goal, we have used our website to publish reports on the monitoring and progress of the initiative, lists of restricted substances in both products and manufacturing processes, and the reports of results.

Following the same selection criteria and guidelines taken in previous phases, in 2017 we sampled water from wet processes from our suppliers in China and India. In this fourth phase we analyzed the wet processes of approximately 22% and 24% of the production in China and India respectively, which represents 8% of our global production. These are added to the 16%, 26% and 38% of all wet process analyses undertaken in previous years.

For more details about the project and its progress, visit the Company section on the MANGO website:
<https://shop.mango.com/es>

SUPPLIER DETOX WORKSHOP

During this last stage of the MANGO DETOX project, the MANGO CSR Department organized CSR workshops for suppliers at origin with the aim of communicating directly with them in order to reinforce MANGO's CSR priorities, reviewing issues of social compliance and sustainability, including the DETOX project.

The countries selected for these initial CSR workshops were China and India, as these countries are MANGO's main suppliers. In 2018, MANGO will continue with these CSR workshops in Bangladesh and Turkey.

In December 2012 we committed to Greenpeace and its DETOX initiative. Our commitment to DETOX has been positively evaluated by Greenpeace, which in 2016 classified MANGO as being in "Evolution mode" at the DETOX Catwalk.

Following the circular economy

MANGO recognizes the need for projects and actions to help our transition to a circular economy. With the aim of helping research to attain this goal, in 2017 MANGO worked with CREAMFUTUR, together with 13 public and private bodies, in a project called "Citizens and the Circular Economy".

This project has two objectives:

- 1. To analyze the behaviour, attitudes and perceptions of Spanish citizens with respect to sustainability and the adoption of the practices of the circular economy.**
- 2. To identify good practices in public administration and the private sector around the world in order to accelerate the implementation of the circular economy.**

CREAMFUTUR is a private foundation promoted by the Catalan Government and the private business university ESADE. It aims to identify future business opportunities through the analysis of current consumer behaviour patterns and predict how they will evolve in the future.

With projects like this and SECOND CHANCES (see the chapter on Our Relationship with Society and Customers) MANGO aims to raise awareness and help in the transition to a circular economy.



"Foment i Treball" Award

In November 2017, MANGO was awarded the Carles Ferrer Salat Award *Foment i Treball* in the Environment category. This award distinguishes those companies that have made changes to an existing product or service that entail improvements in environmental behaviour with respect to similar alternatives. MANGO received this award for initiatives made as part of its TAKE ACTION plan, such as the SECOND CHANCES initiative for the collection and recycling of used clothing or the Committed collection, which was produced using sustainable fibres.

MINIMISATION OF ENVIRONMENTAL IMPACT

Evaluation and improvements in waste management

We have a Packaging Waste Prevention Business Plan (PEP), approved by the management, which provides a framework within which certain policies are established for the reduction and optimal use of product packaging.

Our commitment to the environment and the promotion of a circular economy has led us to separate and collect the waste products created in all our facilities and points of sale so that they can be valued and recycled. The waste generated is managed by specialized external companies. MANGO is adhered to the integrated waste management systems established in certain countries (Green Dot systems).

Special waste materials (waste associated with office technology and maintenance: toner, fluorescent, batteries, aerosols, solvents), which represent less than 1% of the waste generated, are properly managed in accordance with their characteristics.

TYPE	QUANTITY	MANAGEMENT METHOD
CARDBOARD AND PAPER	3,743 TN	Recycling (V11)
ORDINARY	495 TN	Management by a waste collection centre (T62)
WOOD	264 TN	Recycling and reuse (V15)
RECOVERABLE MIXED	90 TN	Recovery (V99)
OTHERS	39 TN	Recycling and reuse (V14, V41, V44)

We use boxes of 100% recycled or recyclable material, without metal parts and with paper seals, this ensures the boxes are correctly and completely recycled when they are no longer in conditions to be reused.

Resource consumption

OFFICES AND DISTRIBUTION CENTRES

Our commitment to the environment is also a part of the planning and design process in our new facilities through the application of eco-efficiency criteria. The main measures applied include energy recovery from warehouse robots, the use of rainwater for sustainable irrigation and the use of low thermal transmission materials to prevent heat from entering the buildings.

We also offer a free transport service for staff from different facilities in our central headquarters. This transport provision operates from the most important nearby cities and covers all shifts and time schedules. To adapt this service to staff needs, internal surveys are carried out to see which routes and areas are in greatest demand. This service represents a saving of those indirect emissions that are associated with staff travel.



32%

OF OUR EMPLOYEES USE THE
FREE TRANSPORT SERVICE

CONSUMPTION OF RESOURCES IN OFFICES AND DISTRIBUTION CENTRES



22,160 MWh

ELECTRICITY CONSUMPTION



2,812 MWh

GAS CONSUMPTION



35,714 m³

WATER CONSUMPTION

SUSTAINABILITY CRITERIA IN SHOPS

We are committed to managing shop-based activities - whether our own or franchised stores, in the most balanced manner and with the least environmental impact possible.

Electricity consumption at company stores

42,125 MWh
Spain

69,962 MWh
Abroad

Electricity consumption at franchises

9,714 MWh
Spain

73,509 MWh
Abroad

Lighting

LED lighting is used in all new stores and is being gradually installed in other shops.

We use lighting control systems outside of shop opening hours.

Air conditioning

The air-conditioning units are high performance hot/cold units and are used to obtain greater power with less consumption.

Air curtains are installed in store entrances, where applicable, this creates a thermal barrier that improves the conservation of air temperatures.

Materials

We use less environmentally-aggressive materials that are longer-lasting and that require less maintenance.

The parquet flooring we use must be certified by the Programme for the Endorsement of Forest Certification Schemes (PEFC), which ensures sustainable forest management.

Reuse

All product transfers between points of sale, as well returns to central warehouses are made using re-utilized cardboard boxes.

Part of the furniture for outlet stores comes from other installations, while the plastic coat hangers used in sales points and deliveries are re-used during sales campaigns.

Bags

74% of MANGO's commercial bags are made from paper. Commercial bags given to our clients are made from recycled paper, or paper certified by the PEFC organisation.

Our plastic bags are all made from recycled plastic and are only used in some outlets and during sales campaigns.



CALCULATION, OFFSETTING AND REDUCTION OF *GREENHOUSE GAS EMISSIONS*

Calculation of our carbon footprint

We conducted the study internally using a calculation tool designed in-house to consider all the key factors associated with the company's emissions.

For the past 8 years we have carried out a comprehensive study and calculation of greenhouse gas emissions. The study includes all the categories of emissions in accordance with international protocols: scope 1 (emissions emitted directly by the company, like those from our own vehicle fleet), scope 2 (indirect emissions associated with the generation of electricity acquired and consumed by the company) and scope 3 (other indirect emissions over which the company has no control, such as emissions associated with the supply chain or employee commuting to work). The calculation includes CO₂ emissions from the production of raw materials and the manufacture of garments and direct logistics, covering emissions from the manufacture of garments and their storage in warehouses to their final destination in the store.

To standardise the individual impact of each gas on climate change, emissions of different greenhouse gases have been converted into a “single currency”: the CO₂ equivalent. This conversion is based on the Kyoto “warming potential” of greenhouse gases. Equivalent CO₂ emissions are calculated using conversions factors annually updated by the Ecology and Development Foundation (ECODES), which has verified this analysis and awarded MANGO the ZeroCO₂ label for production and logistics. All the emissions factors applied are taken from published international databases (Ecoivent 3.2 and IEA).

Since 2010 mango has been part of the voluntary agreements programme, promoted by the catalan regional government, which involves producing an annual inventory of greenhouse gases emissions and drafting a reduction policy and, wherever applicable, offsetting emissions.

Greenhouse gas emissions

0.5%
SCOPE 1

26.6%
SCOPE 2

72.9%
SCOPE 3

376,789

TOTAL EMISSIONS

Tn CO₂ eq



50.24%
GOODS
TRANSPORT



0.15%
NATURAL GAS
IN NATIONAL
OFFICES AND
WAREHOUSES



1.24%
TRANSPORT
OF RAW
MATERIALS



2.23%
ELECTRICITY
IN OFFICES/
WAREHOUSES



2.94%
EMPLOYEE
TRANSPORT



6.69%
ELECTRICITY IN
PRODUCTION



11.81%
PRODUCTION
OF RAW
MATERIALS



24.36%
ELECTRICITY
IN STORES

Tn CO₂ eq

Offsetting of emissions

Since 2009, we have offset the emissions generated in our offices and those derived from employee transport. We choose offsetting projects close to our manufacturing regions in order to stimulate sustainable development in our areas of influence.

The latest compensated emissions correspond to 2016 and amount to 20,390 CO₂ TN eq. These were compensated by our work with the projects mentioned below.



All the projects have been awarded the Clean CO₂ offsetting certificate.

PROJECT 1

The Darica Hydroelectric Plant (Turkey).

Located in the Mesudiye District in the Province of Ordu in Turkey, this plant seeks to supply around 99MW of electricity from a renewable source through the use of water. It has been estimated that the project generates 327,609 MWh of electricity per year, reducing about 209,722 TN of CO₂. The project also provides more benefits, as it helps to create jobs, improve energy efficiency and expand health and education services, among others, so helping in the transition towards clean and renewable energy use.

PROJECT 2

Micro-hydroelectric plants (China)

This project involves one hundred small and micro hydroelectric plants, with an installed capacity ranging from 0.5 to 15 MW each, and which are all located in the provinces of Sichuan, Chongqing, Yunnan and Guizhou. These mini-plants allow the production of emission-free energy in rural and mountainous areas of southwestern China. The plants use natural waterfalls and do not require a containment dam to generate sustainable energy. These mini-plants help reduce the use of firewood for light and heating, which results in decreased deforestation, soil erosion, while moderating air pollution.

QUALITY AND SAFETY IN *OUR PRODUCTS*

We have developed a standard of chemical substances that must be complied with by all suppliers to guarantee that our products are free of any harmful substances to health.



OUR STRICT CONTROL OF QUALITY AND *SAFETY STANDARDS*

MANGO quality and safety standards are highly demanding and are applied in all production processes, from concept development in our articles to the purchasing of materials and manufacture, through to consumption. Furthermore we have procedures and regulations which ensure strict compliance with the applicable legislation and other relevant recommendations.



Control of hazardous substances

At MANGO we have always ensured compliance with all legislation which, with regard to hazardous substances, is applicable in the different countries in which we market our products: garments, footwear and all types of accessories.

But we wanted to take one step further, by creating a standard for chemical substances that must be met by our suppliers – this assures that our clothes and accessories contain no harmful substances.

Since 2001, we have implanted a system of controlling hazardous substances which places high quality standards on our suppliers

and their factories, which is reflected in the end product.

All suppliers sign a document, as part of the commercial contract, on the MANGO regulation concerning the use of hazardous products and substances during manufacture. Once production has begun and prior to its shipment, a sample of each model/colour is taken and sent to a laboratory for exhaustive analysis.

100% of our collections are analysed in accordance with the MANGO standard on the use of hazardous products and substances.



THE TEXTILE TECHNOLOGICAL INSTITUTE – AITEX

(www.aitex.org)

Is a renowned Spanish laboratory that has helped to create the standard. It performs all garment analyses to ensure the proper homogenization of the test methods and to facilitate the monitoring and management of results. This laboratory, of recognized international prestige, is the only laboratory in Spain that belongs to the Swiss organization Oeko-Tex.

***Compliance with all of
the above requirements
is a pre-requisite in order
to be able to work with
MANGO as a supplier.***

MANGO HEALTH AND SAFETY STANDARD IN PRODUCTS

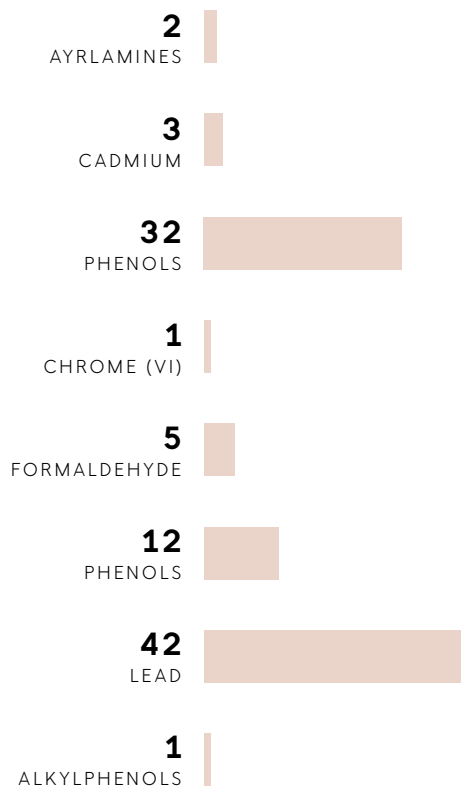
This standard, drawn up by the CSR team in collaboration with Aitex experts in the field, is a detailed manual on every substance analysed in the product, in addition to the applicable legislation, testing methods, toxicology, etc. It is reviewed twice-yearly and updated in accordance with changes in the legislation and other MANGO recommendations concerning chemical substances. The applied limits are stricter than the current legislation. For more information, visit the company website. www.mango.com

Prior to commencement of a new season, all our suppliers receive an updated version of the standard to take into consideration when purchasing the materials for the final production, therefore guaranteeing the product at source. There is also a training plan for new suppliers on the key aspects of this policy.

PARAMETERS	APPLICABLE LIMITS	AREA OF APPLICATION	TARGET LIMITS	TESTING METHODS
ALKYPHENOLS	100 ppm	Textiles and leather	0.2 ppm	Solvent Extraction, GC-MS (AP) & LC-MS (APEO) analysis.
ANTIMONY	5 ppm	Polyester textiles	1.0 ppm	ISO 105-E04 acid perspiration extraction & ICP analysis.
ARYLAMINES (AZOIC DYES)	20 ppm	All products	0.1 ppm	EN 14362-3: 2012. ISO 17234-1:2010; ISO 17234-2:2011 → Leather. EN 14362-3-GB/T 17592- GB/T 23344 (4-aminobenzene)
ARSENIC	Not detected (0.06 ppm)	All products	0.06 ppm	ISO 105-E04/ acid perspiration extraction & ICP analysis. (Extractable)
BENZENES AND TOLUENES-CARRIERS	1.0 ppm	Polyester textiles, silk and wool	0.1 ppm	Solvent Extraction & GC-MS analysis.
BOCIDES	Not detected (1.0 ppm)	Natural textile fibres	1.0 ppm	Extraction/ Derivation followed by GC-MS analysis.
CADMIUM	5 ppm	Textiles, including synthetic leather	1.0 ppm	EN 1122-2001/ Acid Digestion followed by ICP analysis. (Total)
	75 ppm	Natural Synthetic leather, metal products		
DISPERSE DYE ALLERGENS	50 ppm	Synthetic textile fibres	1.0 ppm	DIN 54231
PHENOLS (PCP, TECP)	0.05 ppm	Textiles and leather for babies	0.02 ppm	Solvent Extraction & GC-MS analysis.
	0.5 ppm	textiles and leather > 3 year		
ORGANIC TIN COMPOUNDS (TBT, DBT, TPHT, DOT)	100 ppm	Textile products	0.5 ppm	Extraction/ Derivation followed by GC-MS analysis.
CHROME (VI)	0.5 ppm	Leather products for babies	0.5 ppm	DIN 53314-1996 UNE EN 17075:2008
	3 ppm	Leather products		
DIMETHYLFUMARATE (DMFU)	Not detected (0.1 ppm)	Textiles and leather	0.1 ppm	Solvent Extraction & GC-MS analysis.
FORMALDEHYDE	16 ppm	All textiles and leather for babies	5 ppm	Textiles: JIS L1041: 2000/ EN ISO 14184-1:2011 Leather: ISO 17226-1
	75 ppm	All textile and leather products that come into direct contact with the skin		
	300 ppm	All textile and leather products that do not come into direct contact with the skin.		
PHthalates	One: 500 ppm Sum ≤ 1000 ppm	PVC, flexible plastics and plastisol prints.	0.3 ppm	CEN-ISO-TS 16181, TS 16181 EN 15777, EN 14372 Solvent Extraction & GC-MS analysis.
SHORT CHAIN CHLORINATED PARRAFINS	Not detected (100 ppm)	Textiles and leather	0.3 ppm	Solvent Extraction & GC-CE analysis.
PESTICIDES	Not detected (0.05 ppm)	Natural textile fibres and leather	0.05 ppm	Extraction/ Derivation followed by GC-MS analysis.
PFCS (PERFLUOROCARBONS)	1 µg/m² PFOS	Textile products	0.001 ppm	Solvent Extraction & GC-MS analysis.
	Others: 0.1 ppm			
LEAD	5 ppm	Textile products excluding synthetic leather	1.0 ppm	EN 1122-2001/ Acid Digestion followed by ICP analysis. (Total)
	90 ppm	Synthetic leather, natural leather and metals		
MERCURY	Not detected (0.006 ppm)	All products	0.006 ppm	ISO 105-E04 acid perspiration extraction & ICP analysis. (Extractable)
NICKEL	Not detected (0.2 µg/cm²/week)	Metals which may be ingested in the human body	0.2 µg/cm²/week	UNE-EN 12472:2006 + A1: 2010 1811:2011+A1:2015 UNE-EN 16128:2011
	0.5 µg/cm²/week	For other metal products		

FINAL INCIDENTS DETECTED FROM ALL GARMENT AND ACCESSORIES COLLECTIONS

All of them were managed individually, implementing the appropriate measures in each case.



The use of chemical substances begins in the production of raw materials and continues throughout the production process, which is why supervision from source is essential. For this reason, MANGO signed a cooperation agreement with Greenpeace as part of its DETOX project, which aims to eliminate all hazardous chemical products used in production processes. In addition, an internal "re-check" of substances procedure has been developed, which consists of taking random production samples as soon as they arrive at our warehouses. Since 2016 we carry out "re-check" on all dyed garments.

Other practices

In addition to controlling the use of hazardous substances, we have implanted other practices:

PVC

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

ANIMAL WELFARE

All hides used in garments and accessories originate from animals destined for the human food chain. For several years now, our organisation has not used rabbit fur either, even if sourced as stated above, or that of any type of exotic animal, or angora wool.

SANDBLASTING

As stated in the MANGO Code of Conduct, sandblasting, a practice used to produce a used look in denim garments, is banned, owing to the risk it entails to the health of workers performing this task.

LABELING

In compliance with the current legislation, all our garments and accessories are labelled, indicating the country of manufacture, composition, wash and care guidelines, etc.



FINANCIAL *DATA*

With a vocation for a sustainable business, we work to ensure economic profitability, financial strength and solvency. Our way of working is based on the principles of transparency and good governance and we strive to create value through an efficient and responsible management of our economic resources.



KEY FIGURES

The annual accounts of the MANGO group (Consolidated Group) have been drafted in accordance with Generally Accepted Accounting Principles and have been drafted in accordance with the regulations stipulated in the International Financial Reporting Standards (IFRS), pursuant to the current legislation.

All companies subject to the requirements in the legislation have been externally audited. The group of companies that make up MANGO MNG HOLDING, S.A.U. and subsidiary companies have been jointly audited by two auditing companies, for the purpose of providing greater transparency. The companies which conducted said joint auditing were: PricewaterhouseCoopers Auditores, S.L. and Auren Auditores SP, SLP.

The figures shown are taken from consolidated financial statements and other accounting registers and the group management.

All amounts, unless otherwise stated, are expressed in thousands of euros.

(G4-9)

RESULTS	2015	2016	2017
NET TURNOVER	2,327,045	2,260,751	2,193,634
EBITDA	170,662	77,304	114,840
NET PROFIT	11,874	(60,940)	(33,166)

(G4-9)

BALANCE	2015	2016	2017
EQUITY	749,232	706,512	620,342
TOTAL BALANCE	2,273,090	2,214,760	2,032,287
PERCENTAGE OF EQUITY OUT OF TOTAL BALANCE	32.96%	31.90%	30.52%

(G4-EC1)

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED	2015	2016	2017
FINANCIAL VALUE	2,442,479	2,337,276	2,298,976
FINANCIAL VALUE DISTRIBUTED	2,299,573	2,259,057	2,203,626
FINANCIAL VALUE RETAINED	142,906	78,219	95,350

Economic performance indicators

The figures shown below correspond to the consolidated group MANGO MNG HOLDING, S.A.U. and subsidiary companies.

VENTAS POR TIPO DE NEGOCIO	2015	2016	2017
SALES IN COMPANY STORES	1,693,992	1,668,157	1,610,205
SALES TO FRANCHISES	633,052	592,594	583,429
NET TURNOVER	2,327,045	2,260,751	2,193,634

(G4-6, G4-8)

SALES BY GEOGRAPHICAL REGIONS	2015	2016	2017
SPAIN	454,796	481,427	525,443
EUROPEAN UNION	972,136	959,803	940,339
REST OF THE WORLD	900,111	819,520	727,852
NET TURNOVER	2,327,045	2,260,751	2,193,634

(G4-EC1)

STAFF COSTS	2015	2016	2017
SALARIES	343,077	333,611	334,267
SOCIAL SECURITY AND OTHER SOCIAL EXPENSES	81,160	80,074	79,346
TOTAL	424,238	413,685	413,613

DISTRIBUTION OF STAFF COSTS

GEOGRAPHICAL REGIONS	2015	2016	2017
SPAIN	183,320	184,618	191,545
EUROPEAN UNION	170,225	168,371	167,759
REST OF THE WORLD	70,691	60,695	54,309
NET TURNOVER	424,238	413,685	413,613

COST OF SALES AND GROSS PROFIT	2015	2016	2017
GROSS PROFIT	55.6%	53.1%	56.1%



CHANGES IN RESERVES

STATEMENT OF CHANGES IN EQUITY	SHARE CAPITAL	ISSUE PREMIUM	OTHER RESERVES	FINANCIAL YEAR PROFIT	ADJUSTMENT FOR CHANGE IN VALUE	TOTAL
BALANCE AT CLOSE OF 2016 FINANCIAL YEAR	22,233	139,778	588,010	(60,940)	17,431	706,512
DISTRIBUTION 2016 FINANCIAL YEAR	0	0	(60,940)	60,940	0	0
PROFIT 2017 FINANCIAL YEAR	0	0	0	(33,166)	0	(33,166)
DIVIDENDS	0	0	0	0	0	0
OTHER OVERALL PROFIT FOR FINANCIAL YEAR	0	0	(18,562)	0	(34,296)	(52,858)
VARIATION DUE TO CHANGES IN CONSOLIDATION PERIMETER	0	0	(146)	0	0	(146)
BALANCE AT CLOSE OF 2017 FINANCIAL YEAR	22,233	139,778	508,362	(33,166)	(16,865)	620,342

(G4-EC1)

SUPPLIERS OF CAPITAL	2015	2016	2017
SHORT-TERM DEBTS WITH CREDIT INSTITUTIONS	(76,911)	(147,905)	(128,125)
LONG-TERM DEBTS WITH CREDIT INSTITUTIONS	(897,993)	(789,275)	(655,683)
TOTAL DEBT	(974,904)	(937,180)	(783,808)
EQUITY AND SHORT-TERM INVESTMENTS	446,428	351,540	368,714
TOTAL NET DEBT	(528,476)	(585,640)	(415,094)
TOTAL BALANCE	2,273,090	2,214,760	2,032,287
NET DEBT/BALANCE (%)	(23.24%)	(26.44%)	(20.42%)

PROFIT ON TAX

GEOGRAPHICAL REGIONS	2015	2016	2017
SPAIN	(9,604)	(31,897)	(11,147)
EUROPEAN UNION	1,061	(1,241)	(386)
REST OF THE WORLD	1,238	617	617
TOTAL	(7,259)	(32,521)	(10,916)

NATIONAL AND INTERNATIONAL EXPANSION

(G4-6, G4-8)

The MANGO group has continued to expand during the 2017 financial year, with a presence in 110 countries and a total of 2,190 stores with a total surface area of 812,723m².

77%

SALES IN FOREIGN MARKETS

2,190

STORES

979

COMPANY
STORES

1,211

FRANCHISES

466,019 m²
COMPANY STORES

346,704 m²
FRANCHISES

The franchise system is operated in countries where the cultural and administrative characteristics are different to our own and for this reason it is more convenient for the management to be carried out in the same country. In addition, this management system is applied in cases where there is a prime location and when the nature of market makes it more appropriate, even in countries where company stores exist.

MANGO in the world by geographical regions

□ Company stores
■ Franchises
▣ TOTAL STORES

57

ÁFRICA

	□	■	▣
ALGERIA	0	2	2
BURKINA FASO	0	1	1
CAMEROON	0	1	1
DEMOCRATIC REP. OF THE CONGO	0	1	2
EGYPT	0	7	7
EQUATORIAL GUINEA	0	2	2
IVORY COAST	0	2	3
NAMIBIA	0	3	4
NIGER	0	4	4
REPUBLIC OF MAURITIUS	0	4	1
SENEGAL	0	1	1
SOUTH AFRICA	0	25	25
TUNISIA	0	4	4

208

AMÉRICA

	□	■	▣
NETHERLANDS ANTILLES	0	2	2
ARGENTINA	0	3	3
BERMUDA	0	2	2
BOLIVIA	0	2	2
CANADA	0	1	1
CHILE	0	55	55
COLOMBIA	0	47	47
COSTA RICA	0	3	3
CUBA	0	2	2
ECUADOR	0	7	7
EL SALVADOR	0	2	2
UNITED STATES OF AMERICA	1	1	2
GUATEMALA	0	3	3
MEXICO	3	23	26
NICARAGUA	0	1	1
PANAMA	0	3	3
PARAGUAY	0	1	1
PERU	0	38	38
DOMINICAN REPUBLIC	0	2	2
SURINAME	0	1	1
VENEZUELA	0	5	5

1,524

EUROPE

	□	■	▣
ALBANIA	0	2	2
ANDORRA	3	5	8
ARMENIA	0	3	3
AUSTRIA	14	5	19
AZERBAIJAN	0	4	4
BELARUS	0	6	6
BELGIUM	12	44	56
BOSNIA-HERZEGOVINA	0	2	2
BULGARIA	2	0	2
CROATIA	13	1	14
CYPRUS	0	6	6
CZECH REPUBLIC	10	0	10
DENMARK	4	0	4
ESTONIA	0	2	2
FINLAND	6	0	6
FRANCE	136	76	212
GEORGIA	0	2	2
GERMANY	85	89	174
GIBRALTAR (RU)	0	1	1
GREECE	6	4	10
HUNGARY	7	0	7
IRELAND	7	0	7
ITALY	57	19	76
KOSOVO	0	2	2
LATVIA	0	4	4
LITHUANIA	0	6	6
LUXEMBOURG	1	0	1
MACEDONIA	0	2	2
MALTA	0	1	1
MOLDOVA	0	1	1
MONTENEGRO	0	1	1
NETHERLANDS	22	16	38
NORTH CYPRUS	0	1	1
NORWAY	5	1	6
POLAND	21	0	21
PORTUGAL	33	23	56
ROMANIA	11	0	11
RUSSIA	82	70	152
SERBIA	0	3	3
SLOVAKIA	3	4	7
SLOVENIA	0	2	2
SPAIN	250	132	382
SWEDEN	6	0	6
SWITZERLAND	12	13	25
TURKEY	102	0	102
UKRAINE	4	8	12
UNITED KINGDOM	41	8	49

401

ASIA

	□	■	▣
ARAB EMIRATES	0	17	17
CAMBODIA	0	2	2
CHINA (PEOPLES REPUBLIC OF)	10	28	38
HONG KONG (CHINA)	3	0	3
INDIA	0	5	5
INDONESIA	0	18	18
IRAN	0	8	8
ISRAEL	0	47	47
JAPAN	0	1	1
JORDAN	0	4	4
KAZAKHSTAN	0	19	19
KOREA (SOUTH)	6	0	6
KUWAIT	0	6	6
KYRGYZSTAN	0	2	2
LEBANON	0	5	5
LIBYA	0	3	3
MALAYSIA	0	27	27
MONGOLIA	0	4	4
MYANMAR	0	2	2
OMAN	0	2	2
PAKISTAN	0	5	5
PALESTINIAN TERRITORIES	0	1	1
PHILIPPINES	0	35	35
QATAR	0	9	9
SAUDI ARABIA	0	61	61
SINGAPORE	1	14	15
SRI LANKA	0	2	2
SYRIA	0	1	1
TAIWAN	0	20	20
THAILAND	0	23	23
UZBEKISTAN	0	1	1
VIETNAM	0	9	9

INFORMATION ON FOREIGN SUBSIDIARIES

(G4-7)

The company structure (foreign subsidiaries) at 31 December 2017 which supported the commercial and logistics network of the MANGO group is described below:

Agreements with foreign companies

Our policy seeks to maintain an independent decision making capacity, which is why we do not have local partners in any country in which we operate.

SUBSIDIARY COMPANY	DATE OF INCORPORATION	ACTIVITY	COUNTRY	% HOLDING
MANGO FRANCE S.A.R.L.	15/11/1995	Fashion Retail	France	99.99
MANGO DEUTSCHLAND GMBH	13/09/1996	Fashion Retail	Germany	100
MNG MANGO UK LTD.	22/04/1997	Fashion Retail	United Kingdom	100
MANGO TR. TEKSTIL TIC LTD. STI.	21/07/1997	Fashion Retail	Turkey	99.91
MANGO NEDERLAND B. V.	13/11/1997	Fashion Retail	The Netherlands	100
MANGO MERITXELL S.L.	19/06/1998	Fashion Retail	Andorra	100
MNG MANGO BELGIEQUE SPRL	29/01/1999	Fashion Retail	Belgium	99.99
MANGO SUISSE S.A.	10/06/1999	Fashion Retail	Switzerland	100
MANGO ÖSTERREICH HANDELS GMBH	31/08/1999	Fashion Retail	Austria	100
MANGO HUNGARY KTF	11/10/1999	Fashion Retail	Hungary	100
MANGO POLSKA SP. Z.O.O.	08/11/1999	Fashion Retail	Poland	100
MANGO (CZ) S.R.O.	29/12/1999	Fashion Retail	Czech Rep.	99.91
MANGO DANMARK APS	28/02/2000	Fashion Retail	Denmark	100

SUBSIDIARY COMPANY	DATE OF INCORPORATION	ACTIVITY	COUNTRY	% HOLDING
MANGO NORGE. AS	11/05/2000	Fashion Retail	Norway	100
MANGO HONG KONG LIMITED	29/10/2003	Fashion Retail	Hong Kong (China)	99
MANGO SVERIGE AB	02/07/2004	Fashion Retail	Sweden	100
DISTEX INC.	03/03/2005	Fashion Retail	United States	100
MANGO NY INC.	09/03/2005	Fashion Retail	United States	100
MANGO ITALIA S.R.L.	26/09/2005	Fashion Retail	Italy	100
MANGO GARMENTS AND ACCESSORIES TRADING LTD.	29/06/2006	Fashion Retail	China	100
MANGONOR COMERCIO DE VESTUARIO S.A.	20/12/2007	Fashion Retail	Portugal	100
MANGO SLOVENSKO S.R.O.	26/02/2007	Fashion Retail	Slovakia	99.91
MANGO GARMENTS HELLAS. S.A.	28/02/2007	Fashion Retail	Greece	100
MANGO RUSSIA	15/03/2007	Fashion Retail	Russia	100
S.A.S. MANGO HAUSSMAN	23/03/2007	Fashion Retail	France	100
MANGO SUOMY OY	25/04/2007	Fashion Retail	Finland	100
MNG MANGO IRELAND. LTD.	26/11/2007	Fashion Retail	Ireland	100
MANGO GARMENTS RUMANIA S.R.L.	17/07/2008	Fashion Retail	Romania	100
MANGO GARMENTS AND ACCESSORY (CHINA) LTD.	12/01/2011	Fashion Retail	China	100
MANGO KOREA LTD.	03/04/2012	Fashion Retail	South Korea	100
MANGO MODA D.O.O.	24/01/2013	Fashion Retail	Croatia	100
MANGO SRB D.O.O. BEOGRAD	30/04/2013	Fashion Retail	Serbia	100
MANGO LUXEMBOURG S.A.R.L.	13/05/2013	Fashion Retail	Luxembourg	100
MANGO UKRAINE TOV	06/08/2013	Fashion Retail	Ukraine	100
MANGO OPERACIONES MEXICO S DE RL DE CV	06/02/2014	Fashion Retail	Mexico	99.99
VLT MODA TEKSTIL IC VE DIS TIC	10/02/2014	Fashion Retail	Turkey	100
MANGO BULGARIA EOOD	19/02/2014	Fashion Retail	Bulgaria	100
MÉXICO SERVICIOS DE GESTIÓN DE RL DE CV	26/02/2014	Fashion Retail	Mexico	99.99
MANGO ONLINE CANADA CORPORATION	14/03/2017	Fashion Retail	Canada	100

ABOUT *THE REPORT*

AUDITING OF THE REPORT

INDEX OF GRI G4 CONTENT

TABLE OF CONTENTS OF THE
GLOBAL COMPACT

TABLE OF CONTENTS OF
THE SUSTAINABLE
DEVELOPMENT GOALS



Period covered

2017
(from 1 January to 31 December)

Scope

The information corresponds to the MANGO consolidated group, made up of MANGO MNG HOLDING, S.A.U. and subsidiary companies.

Standards of reference

The report, drafted by the CSR department of MANGO with the collaboration of numerous professionals from various areas of the company, follows the G4 Global Reporting Initiative (GRI) Guidelines for drafting sustainability reports, in accordance with the “In accordance – Core” option and also includes aspects of the Apparel and Footwear supplement (RG Version 3.0/AFSS Pilot Version). It also fulfils the principles of the United Nations Global Compact and indicates which Sustainable Development Goals

we are contributing to with the activities described.

For greater consistency and credibility, the content of the report has been satisfactorily reviewed by the team of analysts of the Spanish Network of the Global Compact. The report fulfils the requirements of the Communication on Progress (COP) Policy of the Global Compact and the criteria to obtain the advanced level, the highest reporting classification awarded by the Global Compact.

As a new feature, we have used the CSR strategic plan, TAKE ACTION, as the common theme throughout the different chapters that cover all our policies and sustainable actions in all aspects: with regard to our supply chain, our concern for the environment, with regard to employees and in relation to the company and other stakeholders. By doing so, we wish to reflect the transversal nature of CSR throughout the company.

In order to determine which aspects are relevant to MANGO, a multi-stage

process was carried out. All the material aspects of the sustainable performance of our organisation are contained in this report, in addition to the established indicators in the aforementioned guidelines and others which have been developed given the nature of the company and the expectations of our stakeholders.

External auditing

TÜV Rheinland Group was the external company chosen to audit and review the information contained in the report, in accordance with GRI G4 Guidelines. The Audit Report can be consulted on the page that follows the present document.

Contact information

Any suggestion, contribution or comment by users or stakeholders of MANGO on the content of the same, or on aspects relating to our corporate social responsibility, can be made at lg_rsc@mango.com or directly at our company headquarters:

MANGO MNG HOLDING, S.A.U.

c/ Mercaders 9-11, Polígono Industrial Riera de Caldes
E- 08184 Palau-solità i Plegamans, Barcelona, Spain

AUDITING OF THE REPORT



INDEX OF GRI G4 CONTENT

BASIC GENERAL CONTENTS

STRATEGY AND ANALYSIS		PAGE OR DIRECT RESPONSE				OMISSIONS	EXTERNAL AUDITING
G4-1	Declaration of the principal decision maker of the organisation on the importance of sustainability for the organisation and its strategy to deal with this issue.	2-3					✓
PROFILE OF THE ORGANISATION		PAGE OR DIRECT RESPONSE				OMISSIONS	EXTERNAL AUDITING
G4-3	Name of the organisation.	5					✓
G4-4	Main brands, products and services of the organisation.	5					✓
G4-5	Location of the headquarters of the organisation.	65					✓
G4-6	Countries in which the organisation operates and number of countries in which the organisation carries out significant operations.	58-61					✓
G4-7	Nature of ownership and legal form.	5,62					✓
G4-8	Markets served (with breakdown by geographical region, sector and types of customers and end users).	58-61					✓
G4-9	Size of the organisation.	4, 58					✓
G4-10	Size of the workforce.	29					✓
		AVERAGE EQUIVALENT WORKFORCE					
		MEN					
		WOMEN					
		TOTAL					
		2,892	2,820	2,708			
		9,905	9,592	9,421			
		12,797	12,412	12,129			

PROFILE OF THE ORGANISATION	PAGE OR DIRECT RESPONSE			OMISSIONS	EXTERNAL AUDITING
	WORKFORCE AT 31 DECEMBER	2015	2016	2017	
	STRUCTURAL PERSONNEL	2,727	2,465	2,605	
	% STRUCTURAL PERSONNEL	16%	16%	16%	
	MEN	1,128	919	1,016	
	WOMEN	1,599	1,546	1,589	
	% MEN	41%	37%	39%	
	% WOMEN	59%	63%	61%	
	STORE PERSONNEL	13,896	13,265	13,365	
	% STORE PERSONNEL	84%	84%	84%	
	MEN	2,352	2,268	1,470	
	WOMEN	11,544	10,997	11,895	
	% MEN	17%	17%	11%	
	% WOMEN	83%	83%	89%	
	TOTAL	16,623	15,730	15,970	
	MEN	3,480	3,187	3,194	✓
	WOMEN	13,143	12,543	12,776	
	% MEN	21%	20%	20%	
	% WOMEN	79%	80%	80%	
	EMPLOYEES BY CONTRACT TYPE AND GENDER	2015	2016	2017	
	TEMPORARY	5,127	4,760	5,055	
	% TEMPORARY	31%	30%	32%	
	MEN	1,041	871	874	
	WOMEN	4,086	3,889	4,181	
	PERMANENT	11,496	10,970	10,915	
	% PERMANENT	69%	70%	68%	
	MEN	2,439	2,316	2,336	
	WOMEN	9,057	8,654	8,579	
	TOTAL	16,623	15,730	15,970	

PROFILE OF THE ORGANISATION	PAGE OR DIRECT RESPONSE			OMISSIONS	EXTERNAL AUDITING
	EMPLOYEES BY CONTRACT TYPE IN SPAIN	2015	2016	2017	
	STRUCTURAL PERSONNEL IN SPAIN	100%	100%	100%	
	TEMPORARY	14%	7%	10%	
	PERMANENT	86%	93%	90%	
	STORE PERSONNEL IN SPAIN	100%	100%	100%	
	TEMPORARY	34%	35%	36%	
	PERMANENT	66%	65%	64%	
	EMPLEADOS POR TIPO DE JORNADA Y GÉNERO	2015	2016	2017	
	FULL-TIME	10,366	9,170	8,463	
	% FULL-TIME	62%	58%	52%	
	% FULL-TIME IN SPAIN	59%	55%	47%	
	% FULL-TIME FOREIGN COUNTRIES	64%	60%	56%	✓
	MEN	2,614	2,251	1,278	
	WOMEN	7,752	6,919	4,471	
	PART-TIME	6,257	6,560	7,507	
	% PART-TIME	38%	42%	47%	
	% PART-TIME IN SPAIN	41%	45%	53%	
	% PART-TIME FOREIGN COUNTRIES	38%	40%	44%	
	MEN	866	936	571	
	WOMEN	5,391	5,624	3,915	
	TOTAL	16,623	15,730	15,970	

PROFILE OF THE ORGANISATION		PAGE OR DIRECT RESPONSE			OMISSIONS	EXTERNAL AUDITING
		EMPLOYEES BY COUNTRY AND GENDER	2015	2016	2017	
		SPAIN	5,617	5,471	5,735	
		% SPAIN	34%	35%	36%	
		MEN	1,431	1,295	1,361	
		WOMEN	4,186	4,176	4,374	
		TURKEY	284	240	123	
		MEN	48	43	28	
		WOMEN	236	197	95	
		CHINA	1,856	1,680	1,707	
		MEN	612	573	574	
		WOMEN	1,244	1,107	1,133	
		UNITED STATES	83	45	39	
		MEN	29	17	14	
		WOMEN	54	28	25	
		OTHER COUNTRIES	8,783	8,294	8,366	
		MEN	1,360	1,259	1,233	
		WOMEN	7,423	7,035	7,133	
		TOTAL	16,623	15,730	15,970	
G4-11	Percentage of employees covered by collective bargaining agreements.	29				✓
G4-12	Description of supply chain of the organisation.	34-36, 39-40				✓
G4-13	Significant changes during the period covered by the report on the size, structure, ownership and supply chain of the organisation.	There were no significant changes to the size, share structure or ownership or supply chain of the organisation, resulting in a change in the strategic model of the company.				✓
G4-14	Precaution principle.	12-14, 45-46				✓
G4-15	List of economic, environmental and social charters, principles or other initiatives which the organisation has signed up to or adopted.	14-16, 43, 46				✓
G4-16	List of associations (for example, industrial associations) and organisations for national or international promotion the organisation belongs to.	14-16				✓

ABOUT MANGO

MATERIAL ASPECTS AND COVERAGE		PAGE OR DIRECT RESPONSE	OMISSIONS	EXTERNAL AUDITING
G4-17	Scope of the report.	64		✓
G4-18	Description of the process to determine the content of the report and the coverage of each aspect.	16-18		✓
G4-19	List of the material aspects identified during the process of defining the content of the report.	17-18		✓
G4-20	Scope of each material aspect within the organisation.	STATUTORY COMPLIANCE	Within the organisation	✓
		CHEMICAL PRODUCTS	Within and outside the organisation	
		SOCIAL – EMPLOYMENT PRACTICES		
		EMPLOYMENT	Within the organisation	
		HEALTH AND SAFETY AT WORK	Within the organisation	
		TRAINING AND EDUCATION	Within the organisation	
		DIVERSITY AND EQUAL OPPORTUNITIES	Within the organisation	
		EQUAL PAY BETWEEN MEN AND WOMEN	Within the organisation	
		SOCIAL – HUMAN RIGHTS		
		NON-DISCRIMINATION	Outside the organisation	
		CHILD LABOUR	Outside the organisation	
		FORCED LABOUR	Outside the organisation	
		EVALUATION	Outside the organisation	
		SALARIES AND WORKING HOURS (SECTOR-BASED SUPPLEMENT)	Outside the organisation	
		EVALUATION OF SUPPLIERS WITH REGARD TO HUMAN RIGHTS	Within and outside the organisation	
		SOCIAL - SOCIETY		
		LOCAL COMMUNITIES	Outside the organisation	
		FIGHTING CORRUPTION	Within and outside the organisation	
		UNFAIR COMPETITION	Outside the organisation	
G4-21	Scope of each material aspect outside the organisation.	STATUTORY COMPLIANCE	Contained in the remainder	✓
		CODE OF CONDUCT (SECTOR-BASED SUPPLEMENT)	Within and outside the organisation	
		AUDITING (SECTOR-BASED SUPPLEMENT)	Within and outside the organisation	
		DETECTION OF BREACHES (SECTOR-BASED SUPPLEMENT)	Within and outside the organisation	
		CORRECTIVE ACTION PLANS (SECTOR-BASED SUPPLEMENT)	Within and outside the organisation	
		SOCIAL – PRODUCT RESPONSIBILITY		
		HEALTH AND SAFETY OF CUSTOMERS	Within and outside the organisation	
		LABELLING OF PRODUCTS AND SERVICES	Within and outside the organisation	
		CUSTOMER CONFIDENTIALITY	Within and outside the organisation	
		STATUTORY COMPLIANCE	Within the organisation	

MATERIAL ASPECTS AND COVERAGE		PAGE OR DIRECT RESPONSE	OMISSIONS	EXTERNAL AUDITING
G4-22	Consequences of the re-expression of information of previous reports and their causes.	There is no re-expression of information of previous reports.		✓
G4-23	Significant changes to the scope of the coverage of each aspect with regard to previous reports.	There are no significant changes in the coverage of each aspect. We have chosen the indicators that best explain each aspect.		✓
PARTICIPATION OF STAKEHOLDERS		PAGE OR DIRECT RESPONSE		EXTERNAL AUDITING
G4-24	List of stakeholders associated with the organisation.	11-12		✓
G4-25	Basis for the selection of stakeholders.	11-12		✓
G4-26	Approach of the organisation to the participation of stakeholders.	11-12 In the main, the relationship with stakeholder groups is based on periodic contact throughout the year, allowing open and transparent dialogue on the monitoring of joint issues and projects.		✓
G4-27	Key issues and aspects arising from the participation of stakeholder groups.	11-12, 16-18		✓
PROFILE OF THE REPORT		PAGE OR DIRECT RESPONSE		EXTERNAL AUDITING
G4-28	Reporting period of the report (for example, fiscal or calendar year).	64		✓
G4-29	Date of the last report (if applicable).	The date of the most recent previous report is June 2016, corresponding to the 2015 financial year.		✓
G4-30	Frequency of presentation of the reports (annual, two-yearly, etc.).	Reports are presented annually.		✓
G4-31	Point of contact to resolve any queries that may arise in relation to the content of the report.	65		✓
G4-32	"In accordance" option of the Guidelines.	64		✓
G4-33	Policies and practices regarding the external auditing of the report.	64-65		
GOVERNANCE		PAGE OR DIRECT RESPONSE		EXTERNAL AUDITING
G4-34	Structure of the governance of the organisation.	8-10		✓
ETHICS AND INTEGRITY		PAGE OR DIRECT RESPONSE		EXTERNAL AUDITING
G4-56	Values, principles, standards and regulations of the organisation, such as codes of conduct or ethical codes.	14, 36-38		✓

SPECIFIC BASIC CONTENT

CATEGORY: FINANCE

ASPECT: ECONOMIC PERFORMANCE

		PAGE OR DIRECT RESPONSE	OMISSIONS	EXTERNAL AUDITING
G4-DMA	General information on the management approach.	57-58		✓
G4-EC1	Direct economic value generated and distributed.	58-60		✓

ASPECT: ECONOMIC PERFORMANCE

MATERIAL ASPECT: EMISSIONS

G4-DMA	General information on the management approach.	43-44, 50, 52				✓
G4-EN15	Direct greenhouse gas emissions (Scope 1)	GREENHOUSE GAS EMISSIONS (TN CO ₂ EQ.)	2015	2016	2017	Emissions of biogenic CO ₂ in metric tonnes of CO ₂ equivalent: N/A. ✓
G4-EN16	Indirect greenhouse gas emissions from energy generation (Scope 2)	SCOPE 1	1,636,25	1,655,57	1,855,78	✓
		SCOPE 2	101,465,71	103,868,71	100,192,90	
G4-EN17	Other indirect greenhouse gas emissions (Scope 3)	SCOPE 3	158,450,34	256,498,61	274,740,12	Emissions of biogenic CO ₂ in metric tonnes of CO ₂ equivalent: N/A. ✓
		TOTAL	261,552,30	362,022,89	376,788,79	

MATERIAL ASPECT: EFFLUENT AND WASTE

G4-DMA	General information on the management approach.	19-20, 47-48					✓
		47-48					
		TYPE	2015	2016	2017	VÍA DE GESTIÓN	
		CARDBOARD AND PAPER	2.872 TN	3.041 TN	3.743 TN	Recycling (V11)	
G4-EN23	Total proportion of waste managed by type and treatment method.	ORDINARY	425 TN	462 TN	495 TN	Management by a collection centre (T62)	✓
		WOOD	577 TN	190 TN	264 TN	Recycling and reuse (V15)	
		ASSESSABLE MIXTURES	131 TN	144 TN	90 TN	Recovery (V99)	
		OTHER	22 TN	88 TN	39 TN	Recycling and recovery (V14, V41, V44)	

ABOUT MANGO

		PAGE OR DIRECT RESPONSE	OMISSIONS	EXTERNAL AUDITING
ASPECT: STATUTORY COMPLIANCE				
G4-DMA	General information on the management approach.	47-48		✓
G4-EN29	Monetary value of significant fines and number of non-monetary fines for breach of environmental legislation and regulations.	At the date of this report, MANGO has not been fined or penalised for breach of the environmental legislation and regulations.		✓
ASPECT: CHEMICAL PRODUCTS				
G4-DMA	General information on the management approach.	53		✓
OWN INDICATOR	Actions to eliminate harmful chemicals throughout the supply chain and to control discharges.	45-46, 53-54, 56-57		✓
OWN INDICATOR	Chemical substances analyzed on the product.	54-56		✓
CATEGORY: SOCIAL PERFORMANCE				
SUBCATEGORY: EMPLOYMENT PRACTICES AND HUMANE EMPLOYMENT				
ASPECT: EMPLOYMENT				
G4-DMA	General information on the management approach.	29-31		✓
G4-LA2	Levels of returning to the workplace following maternity or paternity leave, broken down by gender.	31		✓
G4-LA3	Policies and practices regarding temporary and part-time workers.	29-30 100% of employees exercised their right to maternity/paternity leave in 2016, 217 in total; 173 women and 44 men, and 100% returned to work following their leave entitlement. 12 months after returning, 120 women and 39 men remained in their jobs. This represents a retention rate of 69.4% in the case of women and 88.6% in the case of men.		✓
AF22	Policy relating to the use and selection of recruitment agencies.	29		✓
AF24	Policy about the use and selection of employment agents.	36-38		✓

ASPECT: HEALTH AND SAFETY AT WORK			PAGE OR DIRECT RESPONSE	OMISSIONS	EXTERNAL AUDITING																																																																																												
G4-DMA	General information on the management approach.	31-32 Principal activities implemented for the prevention of occupational risks: • Risk assessment. We identified and assessed the risks associated with the employment positions as part of the cycle of continuous management improvements, making progress in all aspects of the health and safety of employees. These assessments are conducted both in offices and warehouses at the headquarters, and in stores. Similarly action plans with preventive and/or corrective measures were drafted, managing work inspections, emergency plans and other procedures. Another of our aims is to ensure that the services rendered by external companies or personnel, contracted or subcontracted, are executed according to the safety measures established by the legislation and/or our internal regulations. Periodically, safety visits are made to work centres to verify and guarantee optimal working conditions and promote safe work habits. • Risk Notification. To involve employees in the continuous improvements, there is a procedure allowing them to notify any situation of risk or make any suggestion to improve the working conditions. We make available to them an internal document to notify the Risk Prevention department of any incident in this regard, and in this way proceed to apply measures to eliminate or minimise it. • Health monitoring. Health monitoring activities are carried out by the company's Medical Service, which is part of the Occupational Risk Prevention department. In stores this is conducted through a network of healthcare centres. In addition to necessary medical attention, periodic check-ups, vaccination campaigns, etc., personalised activities are carried out to promote healthy living, such as monitoring chronic processes or advice on healthy habits. In addition, we give our employees first-aid training.																																																																																															
		<table><tr><th colspan="2">ACCIDENT RATES</th><th>2015</th><th>2016</th><th>2017</th></tr><tr><td rowspan="2">NUMBER OF ACCIDENTS IN RELATION TO NUMBER OF EMPLOYEES</td><td>Structural personnel</td><td>0,007</td><td>0,010</td><td>0,002</td></tr><tr><td>Store personnel</td><td>0,015</td><td>0,016</td><td>0,012</td></tr><tr><td rowspan="2">AVERAGE DURATION OF SICK LEAVE (DAYS)</td><td>Structural personnel</td><td>13,55</td><td>16,67</td><td>20,00</td></tr><tr><td>Store personnel</td><td>13,85</td><td>27,02</td><td>20,51</td></tr></table>	ACCIDENT RATES		2015	2016	2017	NUMBER OF ACCIDENTS IN RELATION TO NUMBER OF EMPLOYEES	Structural personnel	0,007	0,010	0,002	Store personnel	0,015	0,016	0,012	AVERAGE DURATION OF SICK LEAVE (DAYS)	Structural personnel	13,55	16,67	20,00	Store personnel	13,85	27,02	20,51	<table><tr><th colspan="2">ABSENTEEISM (SPANISH WORKFORCE)</th><th>2015</th><th>2016</th><th>2017</th></tr><tr><td colspan="2">STRUCTURAL PERSONNEL</td><td>4.24%</td><td>4.01%</td><td>3.88%</td></tr><tr><td colspan="2">SICK LEAVE</td><td>1.93%</td><td>1.87%</td><td>1.94%</td></tr><tr><td colspan="2">LEAVE OWING TO INDUSTRIAL ACCIDENTS</td><td>0.08%</td><td>0.04%</td><td>0.04%</td></tr><tr><td colspan="2">MATERNITY/PATERNITY LEAVE</td><td>1.56%</td><td>1.44%</td><td>1.31%</td></tr><tr><td colspan="2">MARRIAGE LEAVE</td><td>0.08%</td><td>0.09%</td><td>0.09%</td></tr><tr><td colspan="2">OTHER LEAVE</td><td>0.59%</td><td>0.57%</td><td>0.26%</td></tr><tr><td colspan="2">STORE PERSONNEL</td><td>4.11%</td><td>4.58%</td><td>5.11%</td></tr><tr><td colspan="2">SICK LEAVE</td><td>1.43%</td><td>1.91%</td><td>2.3%</td></tr><tr><td colspan="2">LEAVE OWING TO INDUSTRIAL ACCIDENTS</td><td>0.17%</td><td>0.23%</td><td>0.17%</td></tr><tr><td colspan="2">MATERNITY/PATERNITY LEAVE</td><td>2.19%</td><td>2.11%</td><td>2.27%</td></tr><tr><td colspan="2">MARRIAGE LEAVE</td><td>0.09%</td><td>0.08%</td><td>0.08%</td></tr><tr><td colspan="2">OTHER LEAVE</td><td>0.23%</td><td>0.24%</td><td>0.14%</td></tr><tr><td colspan="2">ABSENTEEISM (WORKFORCE IN FOREIGN COMPANY STORES)</td><td>4.95%</td><td>5.6%</td><td>6.11%</td></tr></table>	ABSENTEEISM (SPANISH WORKFORCE)		2015	2016	2017	STRUCTURAL PERSONNEL		4.24%	4.01%	3.88%	SICK LEAVE		1.93%	1.87%	1.94%	LEAVE OWING TO INDUSTRIAL ACCIDENTS		0.08%	0.04%	0.04%	MATERNITY/PATERNITY LEAVE		1.56%	1.44%	1.31%	MARRIAGE LEAVE		0.08%	0.09%	0.09%	OTHER LEAVE		0.59%	0.57%	0.26%	STORE PERSONNEL		4.11%	4.58%	5.11%	SICK LEAVE		1.43%	1.91%	2.3%	LEAVE OWING TO INDUSTRIAL ACCIDENTS		0.17%	0.23%	0.17%	MATERNITY/PATERNITY LEAVE		2.19%	2.11%	2.27%	MARRIAGE LEAVE		0.09%	0.08%	0.08%	OTHER LEAVE		0.23%	0.24%	0.14%	ABSENTEEISM (WORKFORCE IN FOREIGN COMPANY STORES)		4.95%	5.6%	6.11%	✓
		ACCIDENT RATES		2015	2016	2017																																																																																											
NUMBER OF ACCIDENTS IN RELATION TO NUMBER OF EMPLOYEES	Structural personnel	0,007	0,010	0,002																																																																																													
	Store personnel	0,015	0,016	0,012																																																																																													
AVERAGE DURATION OF SICK LEAVE (DAYS)	Structural personnel	13,55	16,67	20,00																																																																																													
	Store personnel	13,85	27,02	20,51																																																																																													
ABSENTEEISM (SPANISH WORKFORCE)		2015	2016	2017																																																																																													
STRUCTURAL PERSONNEL		4.24%	4.01%	3.88%																																																																																													
SICK LEAVE		1.93%	1.87%	1.94%																																																																																													
LEAVE OWING TO INDUSTRIAL ACCIDENTS		0.08%	0.04%	0.04%																																																																																													
MATERNITY/PATERNITY LEAVE		1.56%	1.44%	1.31%																																																																																													
MARRIAGE LEAVE		0.08%	0.09%	0.09%																																																																																													
OTHER LEAVE		0.59%	0.57%	0.26%																																																																																													
STORE PERSONNEL		4.11%	4.58%	5.11%																																																																																													
SICK LEAVE		1.43%	1.91%	2.3%																																																																																													
LEAVE OWING TO INDUSTRIAL ACCIDENTS		0.17%	0.23%	0.17%																																																																																													
MATERNITY/PATERNITY LEAVE		2.19%	2.11%	2.27%																																																																																													
MARRIAGE LEAVE		0.09%	0.08%	0.08%																																																																																													
OTHER LEAVE		0.23%	0.24%	0.14%																																																																																													
ABSENTEEISM (WORKFORCE IN FOREIGN COMPANY STORES)		4.95%	5.6%	6.11%																																																																																													
G4-LA7	Employees with high incidence or elevated risk of illness due to their professional activity.	No company employees carry out an activity with an elevated risk of serious illness.			✓																																																																																												
AF31	Initiatives and programmes to respond to, reduce and prevent muscular and spinal complaints.	31-32			✓																																																																																												

		PAGE OR DIRECT RESPONSE	OMISSIONS	EXTERNAL AUDITING
ASPECT: TRAINING AND EDUCATION				
G4-DMA	General information on management approach.	32-33		✓
G4-LA10	Skills management and continuous training courses that improve the employability of workers and help them manage the end of their professional careers.	32-33		✓
AF5	Strategy and scope of efforts to increase the skills of managers, employees and other members of the workforce in order to improve social and environmental performance.	32-33		✓
ASPECT: DIVERSITY AND EQUAL OPPORTUNITIES				
G4-DMA	General information on the management approach.	29-31		✓
G4-LA12	Composition of management bodies and breakdown of workforce by professional category, gender, age, ethnic minority and other diversity indicators.	29, 31		✓
37				
EMPLOYEES BY AGE GROUP				
2015 2016 2017				
SPAIN				
16-25 YEARS 20.8% 16.9% 18%				
26-35 YEARS 47.2% 50.1% 45%				
36-45 YEARS 25.7% 26.5% 29%				
46-55 YEARS 5.3% 5.4% 7%				
> 56 YEARS 1.1% 1.2% 2%				
ABROAD				
16-25 YEARS 45.6% 38.7% 41%				
26-35 YEARS 43.7% 49.6% 44%				
36-45 YEARS 9.4% 10.2% 13%				
46-55 YEARS 1.1% 1.4% 2%				
> 56 YEARS 0.2% 0.2% 0.3%				
WOMEN IN MANAGEMENT AND MIDDLE MANAGEMENT ROLES				
STRUCTURE 58% 61% 61%				
STORES 88% 88% 87%				
AF32	Actions to tackle gender-based discrimination.	37		✓
ASPECT: EQUAL PAY BETWEEN MEN AND WOMEN				
G4-DMA	General information on the management approach.	30-31		✓
G4-LA13	Relationship between the basic salary for men and the one for women, broken down by key areas of activity.	31		✓

SUBCATEGORY: HUMAN RIGHTS		PAGE OR DIRECT RESPONSE	OMISSIONS	EXTERNAL AUDITING
ASPECT: NON-DISCRIMINATION				
G4-DMA	General information on the management approach.	37		✓
G4-HR3	Number of cases of discrimination and corrective measures adopted.	No cases of discrimination were recorded during the reporting period.		✓
ASPECT: CHILD LABOUR				
G4-DMA	General information on the management approach.	36, 41-42		✓
G4-HR5	Identification of centres and suppliers with a significant risk of cases of child exploitation, and the measures adopted to help abolish child exploitation	41, No cases of child labour were registered during the reporting period.		✓
ASPECT: FORCED LABOUR				
G4-DMA	General information on the management approach.	36, 41-42		✓
G4-HR6	Centres and suppliers with a significant risk of being the source of forced labour, and the measures adopted to help eliminate all forms of forced labour	No cases of forced labour were recorded during the reporting period. Following the auditing protocol, every factory is audited in order to identify possible breaches in this aspect.		✓
ASPECT: EVALUATION				
G4-DMA	General information on the management approach.	39-43		✓
G4-HR9	Number of sites that have been subjected to inspections or impact evaluations in relation to human rights	40-41		✓
ASPECT: EVALUATION OF SUPPLIERS WITH REGARD TO HUMAN RIGHTS				
G4-DMA	General information on the management approach.	36-42		✓
G4-HR11	Significant negative impact in terms of human rights, real or potential, on the supply chain and measures adopted	36-39, 42-43		✓
ASPECT: SALARIES AND WORKING HOURS				
G4-DMA	General information on the management approach.	37		✓
AF 26	Policy relating to working hours, including the definition of overtime and actions to prevent excess working hours.	37, 41-42		✓






SUBCATEGORY: SOCIETY		PAGE OR DIRECT RESPONSE	OMISSIONS	EXTERNAL AUDITING
ASPECT: FIGHTING CORRUPTION				
G4-DMA	General information on the management approach.	11		✓
G4-SO4	Communication and training policies on fighting corruption	11		✓
ASPECT: UNFAIR COMPETITION				
G4-DMA	General information on the management approach.	12-13		✓
G4-SO7	Number of lawsuits for claims relating to monopolistic practices and those against free competition and their outcomes.	No cases against free competition or monopolistic practices we recorded during the reporting period.		✓
ASPECT: COMPLIANCE				
G4-DMA	General information on the management approach.	11		✓
G4-SO8	Monetary value of significant fines and number of non-monetary fines for breach of the legislation and regulations.	No fines or non-monetary penalties for breach of the legislation and regulations were received.		✓
ASPECT: SOCIAL ACTION AND CSR CHAIR				
G4-DMA	General information on the management approach.	19-20, 25, 27		✓
OWN INDICATOR	Projects and activities.	25-28		
ASPECT: CODE OF CONDUCT				
G4-DMA	General information on the management approach.	36-38		✓
AF1	Content and scope of the code of conduct.	36-38		✓
AF7	Number and location of work environments covered by the code of conduct.	36, 38		✓
ASPECT: AUDITING PROCESS				
G4-DMA	General information on the management approach.	39-40		✓
AF8	Number of audits conducted and percentage of workplaces audited.	40-41		✓
ASPECT: DETECTION OF BREACHES				
G4-DMA	General information on the management approach.	39-42		✓
AF4	Policy and procedures for receiving, investigating and responding to complaints and reports.	39-40		✓
ASPECT: CORRECTIVE ACTION PLANS				
G4-DMA	General information on the management approach.	41-42		✓
AF16	Prácticas de remediación para abordar los incumplimientos o no conformidades detectadas.	41-42		✓



SUBCATEGORY: PRODUCT RESPONSIBILITY		PAGE OR DIRECT RESPONSE	OMISSIONS	EXTERNAL AUDITING
ASPECT: HEALTH AND SAFETY OF CUSTOMERS				
G4-DMA	General information on the management approach.	53-54, 56-57		✓
G4-PR1	Percentage of significant products and service categories for which the impact and the health and safety of customers is evaluated in order to promote improvements.	53, 57		✓
ASPECT: LABELLING OF PRODUCTS AND SERVICES				
G4-DMA	General information on the management approach.	20-22, 57		✓
G4-PR4	Number of breaches of the regulations and voluntary codes relating to information and labelling of products and services.	No complaints with regard to labelling were received during the reporting period.		✓
ASPECT: CUSTOMER CONFIDENTIALITY				
G4-DMA	General information on the management approach.	All information with regard to personal data used in our organisation are protected in accordance with the stipulations of the different applicable laws and regulations.		✓
G4-PR8	Number of complaints on the violation of privacy and the leak of customer data.	No complaints with regard to the violation of privacy and the leak of customer data were received during the reporting period.		✓
ASPECT: COMPLIANCE				
G4-DMA	General information on the management approach.	53-54		✓
G4-PR9	Monetary value of significant fines resulting from breaches of the regulations concerning the supply and use of products and services.	There were no cases of fines for breach of the regulations with regard to the supply and use of products and services during the reporting period.		✓

TABLE OF CONTENTS OF THE GLOBAL COMPACT








PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT	PAGE OR DIRECT RESPONSE	GRI (G4) GUIDELINES
PRINCIPLE 1 Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.	31-33, 48-55	Human Rights sub-category: all aspects. Society sub-category: local communities.
PRINCIPLE 2 Businesses should make sure that they are not complicit in Human Rights abuses.	48-55	Human Rights sub-category: all aspects.
PRINCIPLE 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	39, 48-55	G4-11 Employment practices and humane employment sub-category: relations between workers and the management. Human Rights sub-category: freedom of association and collective bargaining.
PRINCIPLE 4 Businesses should uphold the elimination of all forms of forced and compulsory labour.	48-55	Human Rights sub-category: forced labour.
PRINCIPLE 5 Businesses should uphold the effective abolition of child labour.	48-55	Human Rights sub-category: child labour.
PRINCIPLE 6 Businesses should uphold the elimination of discrimination in respect of employment and occupation.	38-40, 48-55	G4-10 Employment practices and humane employment sub-category: all aspects. Human Rights sub-category: non-discrimination.
PRINCIPLE 7 Businesses should support a precautionary approach to environmental challenges.	48, 57-67	Environment category: all aspects.
PRINCIPLE 8 Businesses should undertake initiatives to promote greater environmental responsibility.	48, 57-67	Environment category: all aspects.
PRINCIPLE 9 Businesses should encourage the development and diffusion of environmentally friendly technologies.	48, 57-67	Environment category: all aspects.
PRINCIPLE 10 Businesses should work against corruption in all its forms, including extortion and bribery.	12	Society sub-category: Fighting corruption and Public Policy.

TABLE OF CONTENTS OF THE SUSTAINABLE DEVELOPMENT OBJECTIVES

PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT	BUSINESS THEME	INDICATOR DESCRIPTION	GRI INDICATOR (G4)
 END POVERTY IN ALL ITS FORMS EVERYWHERE	Economic inclusion	General information on the management approach	G4-DMA
 END HUNGER, ACHIEVE FOOD SECURITY AND IMPROVED NUTRITION AND PROMOTE SUSTAINABLE AGRICULTURE	Infrastructure investments	Economic performance	G4-EC1
 ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES	Air quality	Emissions	G4-EN15, G4-EN16, G4-EN17
	Health and safety at the work place	Employees with incidence or elevated risk of illness due to their professional activity	G4-LA7
	Waste management	Effluent and waste	G4-EN23
	Economic inclusion	General information on the management approach	G4-DMA
	Gender equality	Diversity and equality of opportunities	G4-LA12
 ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS	Equal pay between men and women	Igualdad de retribución entre WOMEN y MEN	G4-LA13
	Infrastructure investments	Economic performance	G4-EC1
	Non discrimination	Non discrimination	G4-HR3
	Parental leave	Employment	G4-LA3
 ENSURE AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER AND SANITATION FOR ALL	Waste management	Effluent and waste	G4-EN23

PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT		BUSINESS THEME	INDICATOR DESCRIPTION	GRI INDICATOR (G4)
	ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL	Infrastructure investments	Economic performance	G4-EC1
		Abolish child exploitation	Child exploitation	G4-HR5
		Diversity and equality of opportunities	Diversity and equality of opportunities	G4-LA12
		Earnings, salaries and benefits	Employment	G4-LA2
		Economic inclusion	General information on the management approach	G4-DMA
		Economic performance	Economic performance	G4-EC1
		Elimination of forced labour	Forced labour	G4-HR6
	PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL	Employee training and education	Training and education	G4-LA10
		Employment	Profile of the organisation	G4-10
		Equal pay between men and women	Equal pay between men and women	G4-LA13
		Freedom of association	Profile of the organisation	G4-11
		Non discrimination	Non discrimination	G4-HR3
		Health and safety at the work place	Health and safety at the work place	G4-LA7
		Parental leave	Employment	G4-LA3

ABOUT MANGO

PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT		BUSINESS THEME	INDICATOR DESCRIPTION	GRI INDICATOR (G4)
	BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION AND FOSTER INNOVATION	Economic performance	Economic performance	G4-EC1
	REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES	Equal pay between men and women	Equal pay between men and women	G4-LA13
	ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS	Air quality	Emissions	G4-EN15, G4-EN16, G4-EN17
	TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS	Air quality	Emissions	G4-EN15, G4-EN16, G4-EN17
	CONSERVE AND SUSTAINABLY USE THE OCEANS, SEAS AND MARINE RESOURCES FOR SUSTAINABLE DEVELOPMENT	Air quality	Emissions	G4-EN15, G4-EN16, G4-EN17
	PROTECT, RESTORE AND PROMOTE SUSTAINABLE USE OF TERRESTRIAL ECOSYSTEMS, SUSTAINABLY MANAGE FORESTS, COMBAT DESERTIFICATION AND HALT AND REVERSE LAND DEGRADATION AND HALT BIODIVERSITY AND LOST	Air quality	Emissions	G4-EN15, G4-EN16, G4-EN17
	PROMOTE PEACEFUL AND INCLUSIVE SOCIETIES FOR SUSTAINABLE DEVELOPMENT, PROVIDE ACCESS TO JUSTICE FOR ALL AND BUILD EFFECTIVE, ACCOUNTABLE, AND INCLUSIVE INSTITUTIONS AT ALL LEVELS	Abolition of child labour	Child labour	G4-HR5
		Anti-corruption	Fighting Corruption	G4-SO4
		Compliance with laws and regulations	Statutory compliance	G4-EN29, G4-SO8, G4-PR9
			Unfair competition	G4-SO7
		Ethical and legal behavior	Customer Confidentiality	G4-PR8
			Ethics and integrity	G4-S6
			Non-discrimination	G4-HR3
		Protection of privacy	Customer Confidentiality	G4-PR8

SUSTAINABILITY REPORT

2017

Contents, design and layout

MANGO

lavola