



MONSOON · *Accessorize*

ETHICAL TRADING REPORT 2011-2012
SUMMARY



L.O.V.E.

The MONSOON
ACCESSORIZE
Trust



As we approach our 40th year, our commitment to high **ethical standards** remains as strong as ever. This is rooted in our heritage as a company that began sourcing **hand-crafted products** from India in the **1970s**.

While we may have grown into a much larger company, we want to ensure that everyone involved in making our products is fairly treated and properly rewarded.

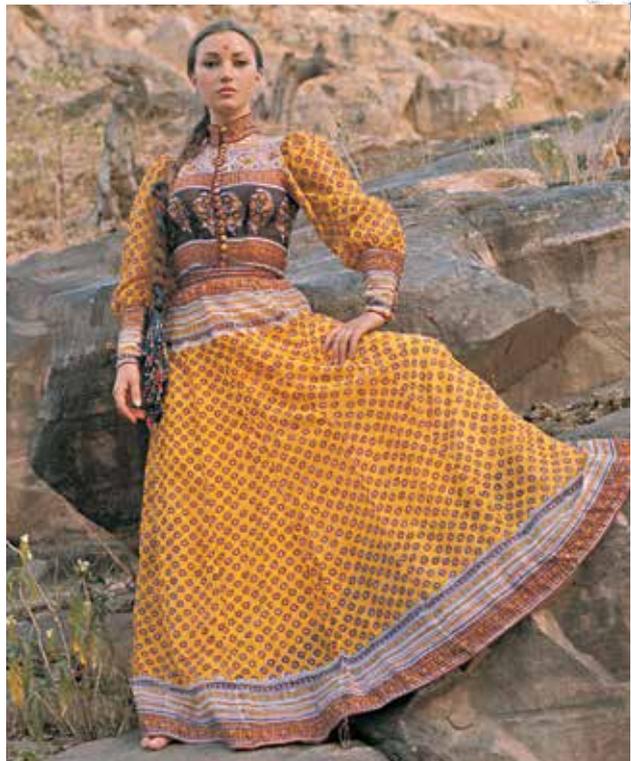
We also aim to support vulnerable communities in our supply chain through the **Monsoon Accessorize Trust**. Established in 1994, the Trust helps over 10,000 women and children every year through education, healthcare and income generation projects (www.monsoontrust.org).

In 2011, we continued our sponsorship of **Estethica** - the ethical fashion space at London Fashion Week, and launched our **Monsoon Trust Boutique** collection, with the goal of creating livelihoods for disadvantaged craft producers (www.monsoon.co.uk/boutique).

We do not claim to have all the answers but are committed to working with suppliers to build a business that is both commercially sustainable and ethical.

I am very pleased that the **ETI** has recognised our efforts and awarded us **'Leader'** or **'Achiever'** status against all of its assessment criteria.

PETER SIMON, CHAIRMAN/FOUNDER



Jane Seymour, Monsoon 1970s



Hand-block printing, India





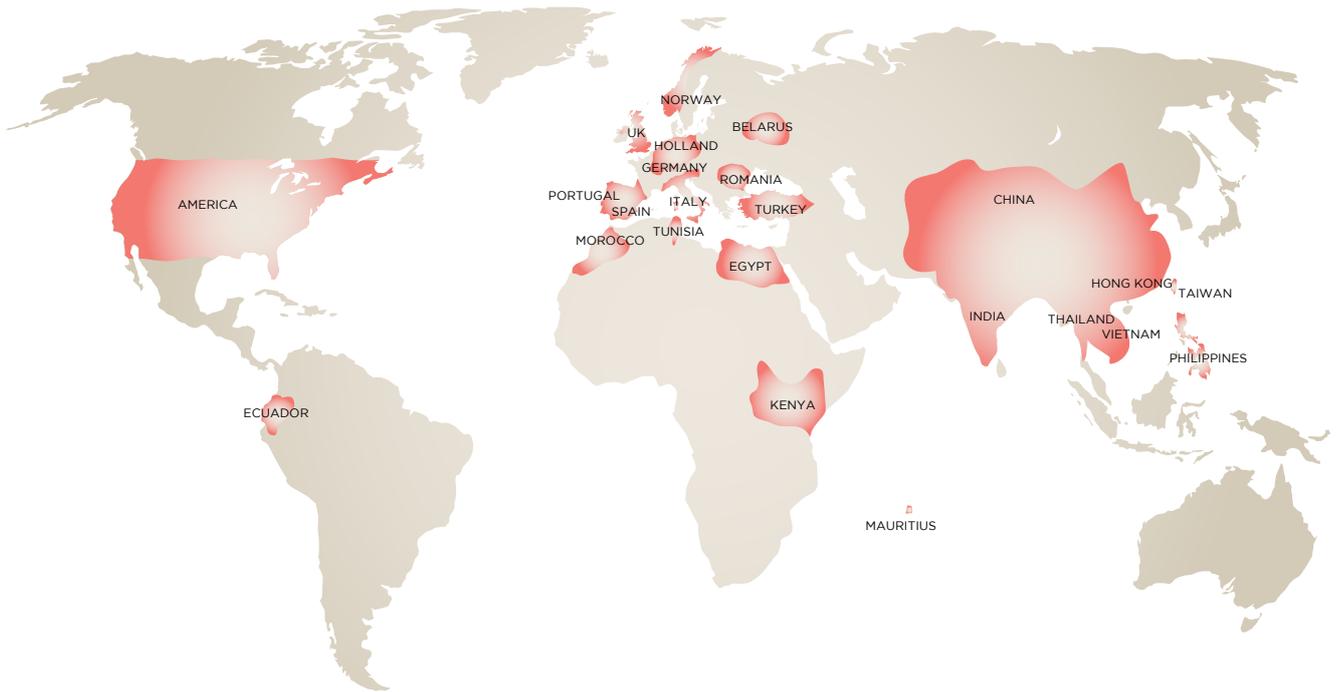
Introduction

At Monsoon Accessorize, we are committed to ensuring high ethical standards throughout our supply chain.

We are proud to be a founder member of the **Ethical Trading Initiative** (ETI) (www.ethicaltrade.org) and all our suppliers are required to sign up to our **Code of Conduct**. This is based on the ETI Base Code and sets minimum standards relating to health & safety, working hours, wages and other factors such as freedom of association.

Our business is now truly global and we source from 15 countries. We do not own or operate our own factories but work with a network of about **180 international suppliers** with over 280 manufacturing sites. Over 90% of our products are made by suppliers in **India** and **China** with the remainder in countries such as Turkey, Vietnam, Italy and Romania.

While our supply chain has grown and diversified, we still depend upon Indian crafts to give many of our products that unique Monsoon look and feel.



Map: Monsoon sourcing countries 2011-12





Our Mission

Our mission is to operate a commercial business with a strong ethical culture, where all suppliers have a genuine commitment to ethical trade.

We aim to create long-standing, sustainable relationships and have worked with many of our suppliers for over 20 years.

How We Work – Ethical Trade

All our suppliers are risk assessed and required to sign up to our ethical **Code of Conduct** before starting to work with us. Through our monitoring visits and third party audits, we then help our suppliers to identify and address issues found.

Our approach is to work with suppliers to implement improvements since we believe this is to the benefit of the workers and drives up standards over time. We do not advocate a ‘cut and run’ approach and support suppliers in developing **corrective action plans** to ensure that our ethical standards are met.

However, if necessary improvements are not made within an agreed time frame, or if serious breaches occur, we are prepared to take our business elsewhere.

In 2012, we joined SEDEX to help minimise duplication and ‘audit fatigue’ amongst suppliers. Our overall goal is to move ‘Beyond Audit’ where suppliers take full ownership of their own ethical programmes. To this end, we invest significant resources in training suppliers through seminars and on-going support.

However, we recognise that safeguards and verification systems are needed and have a confidential complaints mechanism in place so that workers can raise concerns. We also work with NGOs to verify audit findings in difficult cases and to help us to address complex issues.





Our Performance

Our performance overall is assessed by the ETI on an annual basis against the following criteria:

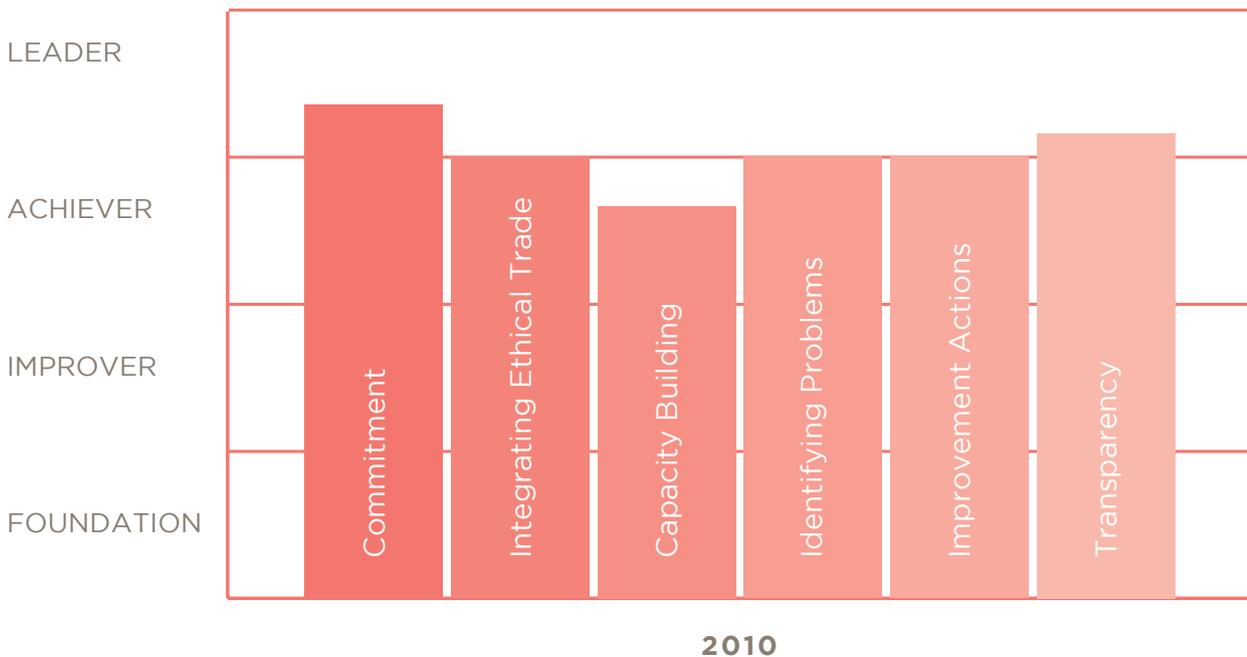
- Commitment to ethical trading
- Integrating ethical trade into company culture and business practices
- Capacity building for suppliers and others
- Identifying problems in the supply chain
- Improvement actions
- Transparency

In 2010, we were awarded **‘Leader’** status by the ETI against the ‘commitment’ and ‘transparency’ criteria (see below). We were awarded **‘Achiever’** status on all other criteria.¹

We are committed to continuous improvement so as to maintain and raise standards over time.



ETI Assessment of Monsoon Accessorize Performance



¹ At the time of publication, we had not yet received a 2011 assessment from the ETI so have included the 2010 assessment.

