

Ethical Trading

Marks & Spencer believes that its customers have the right to expect that Marks & Spencer products will provide them with truly aspirational levels of quality and value without exploiting the people who work for their suppliers. That's why a summary of the company's ethical standards called the Marks & Spencer Global Sourcing Principles forms part of the contract between Marks & Spencer and their suppliers.

The company's technologists regularly visit suppliers and where they want extra assurance about Marks & Spencer standards on child labour, safety, pay, terms of employment, and working hours 'ethical audits' are used. Many of these audits are conducted as part of the company's participation in the Ethical Trading Initiative which brings together groups representing government, business, trade unions and human rights groups.

Global Sourcing Principles

For many years Marks & Spencer has sought to ensure that its goods are produced in good working conditions. This supports the company's core principles of providing its own workforce with meaningful jobs and providing customers with high quality products. Marks & Spencer and the company's suppliers have found from experience that when people are treated with respect, in decent working conditions and fair rates of pay, then both they and their companies benefit from increased commitment and productivity. Customers benefit too from goods offering better quality and value.

Achieving this objective has come through the development of agreed standards between the company and suppliers, a regular pattern of visits and a policy of continual improvement - backed up by strict sanctions when standards are not met. Increasing global expansion and international competition have brought new challenges. As a major retailer selling diverse product ranges under the company's own exclusive brand in more than thirty countries, Marks & Spencer now works with many different suppliers from around the world.

Most of Marks & Spencer's suppliers have suppliers of their own, who in turn may themselves be supplied by others. It would be impossible for Marks & Spencer to control the working conditions of each of the vast number of people who contribute in some way to what eventually becomes a Marks & Spencer product. However, the company is determined to do what it can to ensure adherence to the principles that they believe in. They have therefore published their company-wide Global Sourcing Principles. These principles clearly require all direct suppliers - ie those with whom Marks & Spencer directly contract for both goods and services - to ensure their facilities accord with what Marks & Spencer believe to be acceptable standards, and to be continually improving. The company enforces these principles firmly among direct suppliers and encourage their implementation further down the supply chain.

Marks & Spencer takes great care in choosing the companies who supply them directly with goods and services and with whom they aim to build long term partnerships. From the start they require each supplier to implement their Global Sourcing Principles, which establish a minimum acceptable entry standard. But as their business relationship develops, Marks & Spencer expect the supplier steadily to raise standards and improve working conditions, taking account of internationally recognised standards.

Supplier's Responsibility

Together with each supplier Marks & Spencer establish a set of standards, which includes specifications appropriate to the industries and countries producing the goods. It is the supplier's responsibility to achieve and maintain these standards.

Workforce Rights

The people working for Marks & Spencer suppliers are to be treated with respect, and their health, safety and basic human rights are to be protected and promoted. Each supplier must, as a minimum, fully comply with all relevant local and national laws and regulations, particularly with regard to:

- Working hours and conditions, rates of pay and terms of employment.
- Minimum age of employment

Moreover, whatever the local regulations, workers should normally be at least 15 years old; as a norm, they should be free to join lawful trade unions or worker's associations.

Production Sites and Labelling

Suppliers of goods must agree with Marks & Spencer in advance the production site or sites to be used for each order and no subcontracting of the orders from these agreed locations is allowed. All goods must be labelled with their country of origin.

Regular Assessment

All production sites are to be regularly visited and assessed by Marks & Spencer suppliers and by the companies own staff. Together they will strive for continual improvement.

Environmental Responsibility

At the very least, suppliers must meet all relevant local and national regulations. In addition, Marks & Spencer expect them steadily to improve their environmental performance by aiming to comply with international standards.

Dedicated Production Units

Once Marks & Spencer have established significant levels of business with a supplier, they expect that supplier to produce their goods in units, and with workers, dedicated to Marks & Spencer orders.

Commitment to Extending Principles through the Supply Chain

Marks & Spencer expect their suppliers to adopt similar principles in dealing with those who, in turn, supply them. Suppliers must not only apply these principles at all times, but must also be able to show they are doing so. Marks & Spencer will take action against suppliers who do not comply, which may involve cancelling their orders and ceasing to trade.