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ASOS Modern Slavery Statement

February 2020 – January 2021

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Introduction

ASOS is committed to respecting, protecting and championing the human rights of all who come into contact with our operations, including employees, supply chain workers, customers and local communities. Modern slavery is unacceptable within our business and supply chain, and combatting it is an important element of our approach to business and human rights. We accept our responsibility to increase transparency; to find and resolve problems; to review our business practices regularly; and to collaborate with others to protect the rights of workers, particularly those who are most vulnerable to abuses such as modern slavery.

This, our fifth Modern Slavery Statement, has been published in accordance with the UK Modern Slavery Act (2015). Section 54, Transparency in Supply Chains, has brought businesses into the heart of the UK's modern slavery agenda, challenging them to identify and address modern slavery and transparently report on actions taken. As an international business we welcome the increasing momentum towards mandatory human-rights due diligence in a number of countries, recognising the need for harmonisation and alignment of the existing and proposed frameworks.

As more businesses disclose their risks, findings and actions, together we add to an industry-wide discourse on tackling modern slavery, learning from one another and discovering opportunities to collaborate. At the same time, businesses should also be looking to develop ways to tackle the root causes of modern slavery in supply chains, such as lack of access to freedom of association and collective bargaining, purchasing practices, and a living wage.

The COVID-19 pandemic has brought unprecedented challenges for the fight against modern slavery. It has required various stakeholders – businesses, trade unions, governments and multilateral organisations – to re-evaluate their roles and responsibilities to protect lives and build social protection systems and business resilience to the new reality, while seeking to support businesses and the health, safety, employment and income of vulnerable workers. At ASOS, we are doing all we can to mitigate the risks to workers, and further detail on our approach is detailed in this statement.

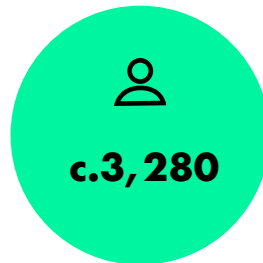
This statement details how ASOS' approach to business and human rights is helping to tackle modern slavery in our supply chain. It provides an update on the activities and commitments detailed in our fourth Modern Slavery Statement and the steps taken from February 2020 to January 2021. The statement also outlines our commitments towards mitigating the risk of modern slavery in our supply chain to 2022.

Impact of acquisition

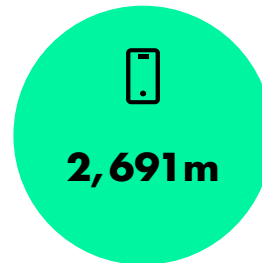
This statement does not cover acquisitions made in February 2021, but we look forward to reporting on these in future statements. Please see our public statement [here](#) for our approach to the Topshop, Topman, Miss Selfridge & HIIT supply chains.

About ASOS

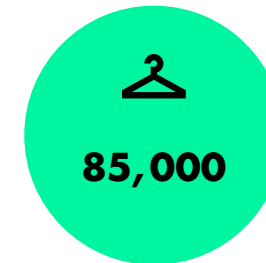
ASOS is an online shopping destination selling womenswear, menswear, footwear, accessories, gifts and beauty products to millions of fashion-loving 20-somethings in more than 200 markets.



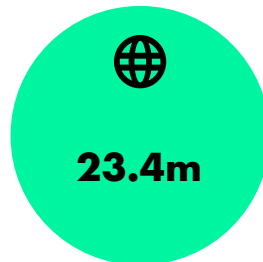
employees



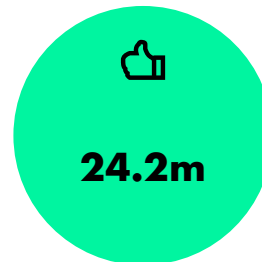
**visits to our
platforms FY2020**



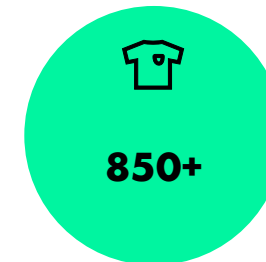
**products available to purchase
at any one time, with up to 5,000
new products a week**



**active customers
in 2020**



**followers across our
social media platforms**



third-party brands

Business Structure

ASOS is based in the UK, with its head office in London, a smaller technology office in Birmingham, and a Customer Care hub in Leavesden. Three third-party-run fulfilment centres (Barnsley, UK; Berlin, Germany; and Atlanta, USA); with investment in a fourth under way (Lichfield, UK) Five third-party-operated returns and reprocessing sites (Poland; Czech Republic; UK)

Our supply chain


ASOS Brands

ASOS Brands products are designed in-house, manufactured by third-party supplier factories and sold on our platforms. The Responsible Sourcing team manages the ASOS Brands supply chain. The Ethical Trade and Responsible Materials teams are located within this department to ensure product and raw material suppliers are selected based on ethical and sustainable, as well as commercial, criteria. Product supply chains are complex, involving a number of different manufacturing processes. ASOS maps and describes them as follows:

Tier	Definition	Example	Status
Tier 1	Main production sites	Factory which cuts, sews, finishes ASOS Brands product and ships to ASOS	Fully mapped
Tier 2	Process integral to production	Provider of one or more processes, e.g. stitching, cutting, packing, quality control, warehouses	Fully mapped
Tier 3	Enhancements to product	Provider of one or more processes, e.g. printing, dyeing, laundry, embroidery	Fully mapped
Tier 4	Fabric and components	Fabric mills, tanneries, hardware and trims	Partially mapped
Tier 5	Raw materials	Textile fibres, natural and manmade materials	Partially mapped

Supplier and factory data:

Data correct as of January 2021

-  **27 source countries**
-  **160 suppliers**
-  **930 factories (tiers 1 to 3)**
-  **174,267 workers (tiers 1 to 3), of which 49% are male, 51% female, 12% migrant**

Policies and contractual controls

ASOS Supplier Ethical Code: is aligned with the Ethical Trading Initiative Base Code and International Labour Organisation's Fundamental Conventions and defines the minimum standards we require from our suppliers. It includes what constitutes forced or compulsory labour.

ASOS Child Labour Remediation and Young Worker Policy: sets out the steps suppliers need to take to protect young workers and to make sure no children are involved in the manufacture of any of our products. If we discover child labour in our supply chain, the policy sets out our remediation process. It also prohibits the recruitment of young migrant workers through labour agents.

ASOS Migrant Worker Policy: sets out supplier requirements to safeguard the rights and welfare of migrant workers, a group that has been identified as vulnerable to exploitation and modern slavery. In 2019, we developed more detailed guidelines to accompany the policy for suppliers employing migrant workers.

ASOS Homeworker Policy: developed in 2019, this outlines our positive recognition of the role homeworkers play in our supply chain and sets our supplier requirements to protect and respect homeworkers engaged in the manufacture of our products.

ASOS Freedom of Association and Collective Bargaining Policy: newly developed in 2021, this policy expands on the freedom of association requirements outlined in our Supplier Ethical Code and recognises the role of freedom of association and collective bargaining as being fundamental for the realisation of other labour rights, setting out supplier requirements to ensure this right is protected.

Guidelines

We have also developed guidelines to support our suppliers in implementing our policies.

ASOS Accommodation Guidelines: developed in 2019, provides guidance for suppliers on the provision of accommodation for workers. Poor accommodation and associated excessive fees can be an indicator of modern slavery.

ASOS Migrant Worker Guidelines: provides guidance for suppliers in the implementation of our Migrant Worker Policy.

ASOS Supplier Compliance Guidelines: due for launch in June 2021, these encompass universally recognised best practice guidelines for suppliers, to support them in the implementation of and compliance with all of our policies.

Third-party brands

Other products from third-party brands are available for sale on our website ('third-party brands').

There are **850+ brands**, which make up approximately **60%** of our total business.

Our Head of Sourcing and Branded Engagement oversees our strategy to ensure the implementation of our five minimum requirements, which we expect all ASOS third-party brands to comply with.

These five minimum requirements are:

- Brands to have an **Ethical Trade Policy**, which is implemented across their supply chain.
- Brands to have **Visibility of 'tier 1'** (Cut Make Trim) factories and be willing to share a factory list with ASOS if required.
- Brands to comply with all the relevant **regional chemical regulations** in the countries they retail in.
- All brands whose products contain any animal-derived materials to have an **Animal Welfare Policy**.
- Where applicable, all brands operating in the UK to publish a **Modern Slavery Statement**.

In 2020, we updated our requirements for brands supplying ASOS with garment products manufactured in the UK, in response to new evidence of modern slavery risks in the UK garment industry. These requirements include requiring all of our third-party brands sourcing from the UK to join the Fast Forward audit programme. See pages 29-30 for further information on these requirements, and how we're supporting our third-party brands to implement them.

Procurement

Our Responsible Procurement programme covers non-stock goods and services, including outsourced customer deliveries, logistics, technology, marketing, property, cleaning and catering.

The vendors are grouped under three main categories:

- Logistics & Supply Chain
- Property & Facilities Management
- Services

Last year we transacted with **1,744** non-stock suppliers, while our **top 20 non-stock** represent **77%** of our total spend. See page 28 for further information on our Procurement programme.

Governance and collaboration

Procurement plays an instrumental role in our day-to-day business operations and delivery and supports our wider Fashion with Integrity strategy.

Policies and contractual controls

Our Ethical Trade policies have been extended in scope and are applicable to our non-stock supply chain. We ultimately reserve the right to audit our non-stock vendors and their subcontractors against our standards and policies, and will carry out such audits if we deem them necessary to review risk.

Governance

The Chief Executive and ASOS Executive Committee are responsible for ensuring ASOS meets its human rights responsibilities. Our Fashion with Integrity strategy has the full sign-off and commitment of the Executive and PLC Board, and we report to the Board on our progress against our strategic goals on a quarterly basis.

Ethical Trade and Sourcing practices, including human rights and modern slavery, are key elements of the biannual corporate risk review process, which is facilitated by the Business Assurance Team overseen by the General Counsel and Company Secretary on behalf of the ASOS plc Board. The review is performed across ASOS with the participation of ASOS' leadership team and management. We report on risks identified, along with any material changes to risks, to the Audit Committee and in our Annual Report to investors.

The following departments are responsible for carrying out day-to-day implementation of policies and procedures that support ASOS in meeting its human rights responsibilities: People Experience Team (ASOS employees), Company Secretariat (whistle-blowing), Legal (contractual terms and conditions), Procurement (Fashion with Integrity strategy within non-stock product supply chain, non-stock suppliers, outsourced logistics partners and whistle-blowing within non-stock supply chain), and Responsible Sourcing (Fashion with Integrity strategy within product supply chain and whistle-blowing within product supply chain).

**40 million people
are estimated to
be in situations of
modern slavery
worldwide**

**A quarter
of these are
children**

**Almost 3
quarters of these
are women and
girls (71%)**

Our supply chain

Source [here](#)

COVID-19 pandemic

The COVID-19 pandemic has laid bare the inequalities that exist in the global garment industry. Since the onset of the pandemic, millions of garment workers around the world have not received their regular wages, or have been laid off. These wage losses are the result of reduced levels of orders as well as order cancellations by apparel brands, unpaid leave, and state-sanctioned wage cuts. Livelihoods of millions of workers have been put at risk as they are forced into debt and unable to cover basic living costs such as food.

Many media and NGO reports have also highlighted that lay-offs, retrenchments and factory closures mean that workers are forced to accept lower pay and poorer working conditions, and are therefore more vulnerable to being forced into situations indicative of modern slavery. The pandemic also poses a risk to the decades of progress made in the fight against child labour, as widespread lockdowns, school closures and job losses heighten the risk of children being forced to join the workforce.

We recognise our responsibility and influence as a global retailer to mitigate the above risks, as the additional impacts of the pandemic on the workers in our supply chain and the wider garment industry remain uncertain and are unlikely to be truly felt for many months to come. The pandemic has illustrated the need for long-term, sector-wide improvements in order to protect workers, and we are committed to continuing to collaborate with our suppliers, partners, trade unions, NGOs and the wider industry to achieve this.

At ASOS we want to be transparent about the approach we have adopted during this time. We have been in constant dialogue with our suppliers to ensure that worker rights and safety have been protected. **Some of the steps we have taken are:**

- Shared the World Health Organisation and government-issued guidance with our suppliers on health and safety measures to protect workers from COVID-19, and asked them to report their compliance with these guidelines.
- Circulated H&S questionnaires to our own-brand suppliers, to assess the management procedures in place to manage COVID-19 as our factories began to reopen.
- Asked our suppliers specific questions on wages, e.g. whether workers have been paid or had access to any government financial support. This is in recognition of the economic risks faced by workers in the wake of the pandemic.

We also recognise that the economic risks to workers as a result of unpaid wages due to the pandemic are huge. **Some of the steps we have taken to mitigate these risks are:**

- Committed to pay for all own-brand orders, including orders that we initially cancelled during this period.
- Aligned our payment terms for our own-brand suppliers with the ACT Purchasing Practices guidelines, and have not changed or extended these as a result of COVID-19.
- Accelerated payment terms on a case-by-case basis where our suppliers felt it was necessary.

- Engaged with our suppliers individually and personally throughout this time to find mutually agreeable solutions to the issues they have been facing.

We also recognise our responsibility to the 850+ third-party brands we stock. **Some of the steps we have taken are:**

- Continued to pay in full for all stock we have brought into the business, and worked to reinstate orders where appropriate as we responded to the trading environment.
- Contacted each of our third-party brands individually to discuss possible cancellations and delays by either ASOS or our partner brand.
- Where brands have raised concerns or issues with us relating to their suppliers, endeavoured to find a positive resolution to ensure that workers are protected and fairly paid. We continue to do this on a case-by-case basis if and when issues are raised with us and ASOS can reasonably take action, for example through accelerating payments.

Notably, **ASOS endorsed the UN International Labour Organisation proposal 'COVID-19: Action in the global garment industry'**, which aims to support manufacturers to survive the economic disruption caused by COVID-19 and in turn protect garment workers' income, health and employment. We believe that this initiative will lead to systemic change as the global garment industry begins to recover from the effects of COVID-19.

We have also maintained ongoing dialogue with our partner IndustriALL Global Union throughout the pandemic and **have developed a joint statement on the next steps for the garment industry after the pandemic which can be found [here](#)**. The statement outlines several commitments to contribute to the economic recovery of the garment industry and the security of workers in ASOS' and the global garment supply chains, according to their respective roles. It also **holds ASOS accountable** for identifying the impacts on workers and maintaining dialogue with key stakeholders to achieve this.

ASOS is committed to working with other retailers and organisations to coordinate a sector-wide approach that protects vulnerable workers in the aftermath of the pandemic. **We are committed to continuing to collaborate with our suppliers, partners, trade unions, NGOs and the wider industry** as we believe that this is the best approach to achieve real improvements, through **wide-scale, multi-stakeholder collaboration** at a global and local level. We have continued our work with IndustriALL Global Union, Anti-Slavery International, ACT, the Ethical Trading Initiative, ILO Better Work and governments across the world during the pandemic and will continue to do so over the next year.

[You can read our public statement on Covid, published in May 2020 here.](#)

Our approach to business and human rights

To effectively tackle modern slavery and achieve sustainable change across our supply chain and business operations, we must be proactive in addressing the root causes of modern slavery. Our holistic approach to business and human rights seeks to tackle these root causes by empowering workers, addressing business impact, and engaging on policy and legislation. This section sets out some examples of how we adopt this approach to address modern slavery risk by:



**Empowering
workers**

**Addressing
business
impact**

**Engaging on
policy and
legislation**

Empowering workers

In October 2017, **we signed a Global Framework Agreement (GFA) with IndustriALL Global Union. This strengthens our approach to protecting the right to freedom of association and collective bargaining**, helping us to understand the challenges faced by workers and proactively prevent and resolve human rights violations. This helps us to mitigate the risk of modern slavery.

In 2021, we developed **a new Freedom of Association and Collective Bargaining Policy**, expanding on provisions previously included in our Supplier Ethical Code. This recognises the role of freedom of association and collective bargaining as being fundamental for the realisation of other labour rights, and sets out supplier requirements to ensure this right is protected across our supply chain.

As a signatory of the **UN's Women's Empowerment Principles**, ASOS is committed to advancing and empowering women in the workplace, in our supply chains and in the community.

We seek to empower workers by supporting voice and representation of workers in trade unions and improved wages through our participation with the **ACT** initiative. See further information in the 'Addressing Business Impact' section below.

Country specific initiatives:

Turkey: We launched a hotline app in partnership with IndustriALL Global Union in January 2019. It operates in Turkish and Arabic and gives workers information about their rights and access to remedy. As of January 2021, the app had been downloaded **6,804 times**. The 'my rights' section has been clicked **8,498** times.

Bulgaria: In partnership with IndustriALL trade-union affiliates, in 2020 we produced a worker rights handbook in Bulgarian. This has been distributed to workers through the two trade union confederations we worked with to develop it.

Mauritius: We have continued our work with Anti-Slavery International, IndustriALL and local NGOs on a programme of work preventing modern slavery in Mauritius affecting global garment supply chains. As part of this, we have worked with the local Mauritian Trade Union, Confederation of Workers of Public and Private Sectors (CTSP), a Bangladeshi migrant rights organisation, Ovibashi Karmi Unnayan Program (OKUP), and a Malagasy NGO EcForme to develop the pre-departure training material and smartphone app content. See spotlight on Mauritius (p 24).

Addressing business impact

ASOS follows the principle that 'we can't manage what we don't know', so **gaining visibility of our ASOS Brands supply chain is essential** to effectively identifying and addressing human rights and modern slavery impacts.

We share factory information with our customers and other stakeholders through our **interactive supply chain map and factory list**, which are updated every two months.

So far on our transparency journey, **we've mapped all our tier 1, 2 and 3 factories**, and are working towards gaining full transparency of tier 4 and 5. (See definitions on page 6).

As part of our commitment to transparency, we also participate annually in Fashion Revolution's Fashion Transparency Index Report, and in 2020 we were ranked **9th out of 200 brands**.

Our audit programme is one mechanism we use to identify and address risk, including modern slavery risks. See further information on our audit programme on page 20.

We believe that businesses should be looking to develop ways to tackle the underlying causes of modern slavery, such as purchasing practices.

ASOS is an active participant in ACT, an agreement between global brands and retailers and IndustriALL Global Union to transform the

garment, textile and footwear industry and achieve living wages for workers through collective bargaining at industry level in key garment and textile sourcing countries, supported by world-class manufacturing standards and responsible purchasing practices. We also have a commitment within our Global Framework Agreement to review the impact of our purchasing practices at worker level.

Country specific initiatives:

Bangladesh: We have been actively involved in ACT engagement in Bangladesh, in collaboration with the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), IndustriALL, IndustriALL Bangladesh Council and fellow ACT brands sourcing from Bangladesh. Brand and trade union caucuses took place in January 2021 to discuss key priorities for the country programme, finalise a terms of reference and set the stage for a joint ACT Bangladesh strategy and roadmap.

Turkey: We are part of the ACT Country Group and are working on a country strategy for Turkey for 2021 together with the other ACT brands and IndustriALL.

Cambodia: We continue to be involved in the ACT country group in Cambodia. We consult with the country group to develop the Cambodia strategy, and a supplier consultation will take place in February 2021.

Engaging on policy and legislation

In the five years since the introduction of the Modern Slavery Act in the UK, we have been pleased to see similar modern slavery and human rights due diligence legislation implemented in Australia and France, and the introduction of the Dutch due diligence law on Child Labour in 2019. We hope to see more countries and regions follow suit and pursue policy and legislation to set out the expectations for business in terms of human rights. However, we believe there needs to be more harmonisation of legislation internationally. We would welcome dialogue between national governments, NGOs and business stakeholders to introduce legislation that will compel companies to implement human-rights due diligence.

We welcome the steps the UK Government proposed in September 2020 to strengthen Section 54 of the Modern Slavery Act. However, we would like to see the Government go further and introduce mandatory due diligence legislation. This would allow the UK Government to retain its leading position in promoting responsible business conduct.

We note the developments in the EU and various European countries towards the introduction of mandatory human rights due diligence laws. The EU's proposal is expected to apply directly to all companies operating in the single market. The European Commission consultation on the proposal closed on 8 February 2021, and it is expected the law will be introduced within the next year.

We also believe that there needs to be further collective action and government support to drive systemic change and improve labour rights globally.

We believe that businesses should be looking to develop ways to tackle the underlying causes of modern slavery, such as purchasing practices. However, we believe the government have a role to play in regulating purchasing practices to build a stronger level playing field for businesses. This would help to make responsible business conduct more attainable and therefore make the garment industry more sustainable.

Internally, we have reviewed our own policies, which set out expectations for suppliers to manage modern slavery risk. See policies and contractual controls, p 7.

Country specific initiatives:

Mauritius: We maintain ongoing dialogue with the British High Commission in Mauritius on issues relating to the rights of migrant workers on the island.

“We’re committed to tackling the root causes of modern slavery by addressing the impacts of our operations, empowering workers and engaging on policy and legislation. We believe it’s time to introduce mandatory human rights due diligence legislation in this country.

Doing so would enable the UK to retain its global leadership in promoting responsible business conduct, create a more level playing field amongst businesses, and provide access to remedy for vulnerable workers.”

Simon Platts, Director of Responsible Sourcing

Anti-Slavery International Reflections



ASOS has been working with Anti-Slavery International (ASI) since 2017. As our ‘critical friend’ and key partner, we invited ASI to share its reflections on the last year, and the next steps the broader industry needs to take to ensure protection for those most vulnerable.

Reflections from Anti-Slavery International – “build back better” is not enough, the fashion industry needs full reform.

Anti-Slavery International and ASOS have been working in partnership since 2017, with Anti-Slavery acting as a ‘critical friend’ to advise the company on how it addresses modern slavery risks within its global supply chain. After an extraordinary year for the fashion industry, with Covid-19 exerting a profound effect on the entire sector, ASOS asked Anti-Slavery International to share its reflections on the lessons learnt and the way forward for the industry.

Covid-19 further exposed the gross and embedded inequalities in our global society. The pandemic has not affected everyone equally. The people who face limited options in their normal circumstances – because they are poor, discriminated against, marginalised, and largely unprotected by national laws – have been the hardest-hit victims of the pandemic. This

played out first in the initial shocks of Covid-19, and now as vaccines are being rolled out disproportionately around the world.

This inequality has been felt particularly acutely by people working in the fashion industry. Workers in the garment sector were left unemployed, unpaid, or in debt after global fashion brands cancelled billions of dollars’ worth of orders in the first months of the pandemic. As a result, millions of people have found themselves suddenly more vulnerable to forced labour and human trafficking. Every day, stories of garment workers’ suffering emerge worldwide: for example, unionised workers being unjustly targeted in layoffs.

ASOS, too, cancelled and delayed orders early in the pandemic, before reversing this decision in May 2020, when it committed to pay in full for all orders previously cancelled. This decision happened after ASOS concluded it would enjoy a better-than-expected trading environment amid Covid-19, and following ongoing engagement with Anti-Slavery International,

IndustriALL Global Union, and labour rights groups.

Looking industry-wide, the overwhelming response of fashion brands demonstrated that operating responsibly is not a boardroom or operational priority. Responsible business shouldn't exist only when the prevailing trading conditions allow. Even allowing for the startling speed with which the pandemic upended global supply and demand, the kneejerk response we saw from some businesses – and the resulting human cost – demonstrated that companies must commit to operating responsibly and respecting workers' rights.

Responsible businesses in the fashion industry have a clear opportunity to learn lessons from the devastation caused to workers through Covid-19, and to use their cultural and commercial power to reform the sector. But this reform must go beyond the “building back better” cliché. The fashion sector's business model must be overhauled, in order to challenge the injustices and imbalance of power that underpin the industry. As Anti-Slavery has argued, the industry's reliance on quick-turnaround goods at low cost, outsourcing, and complex and fragmented supply chains have created conditions that enable forced labour to thrive.

We cannot depend on solution-by-slogan when trying to fix a global business model that has injustice built into its structure. There are a number of fundamental areas that brands must address to truly ensure workers can enjoy their right to decent work and to end injustices.

First, brands must **publicly support the movements towards mandatory human rights and environmental due diligence**, following ASOS's example. Many businesses have already supported the movement in the EU, and we hope to soon see comparable support for the UK movement by UK businesses, associations, and initiatives, including the British Retail Consortium and Ethical Trading Initiative. These laws can

only be effective in driving a 'race-to-the-top' among the industry and rebalancing power between workers and companies if liability and access to justice are integrated into the laws. As we move towards binding due diligence requirements, companies must make sure that their approaches reflect these movements' objectives, focussing upon equitable outcomes for workers rather than tick-box measures.

Fashion brands must provide and support **remedy for harm caused during Covid-19** – making sure workers receive lost payments and benefits, including severance packages – and work with suppliers to rehire workers who lost their jobs during the crisis. The Clean Clothes Campaign estimates that between US\$3 and 5.8 billion is still owed to workers for the first three months of the pandemic alone.

Brands must **reform the purchasing practices and business strategies** that left workers vulnerable to the kind of business shocks we saw during the pandemic. **Living wages** cannot only be a promise on paper: they must become embedded in the industry, with labour costs and social protection benefits ringfenced in pricing, and support for national movements towards securing living wages in all countries. Companies like ASOS already operating under Global Framework Agreements with global unions must continue to uphold these agreements, and move further to **embed freedom of association through supply chains**, making sure that all workers – in stock and non-stock, such as delivery drivers and those working in packaging warehouses – can enjoy their right to collective bargaining. Workers, trade unions and credible worker representative groups, such as migrant organisations, must be able to participate in business decision-making. We will not be able to work towards an end to labour exploitation and forced labour if workers are unable to work collectively to find solutions to labour abuses, air grievances and ensure a clear path towards remediation.

Brands must be able to know and show who is making their clothes – urgently **advancing mapping and traceability of all products in their supply chain, and disclosing this information** publicly. China's gross human rights abuses of the Uyghurs taint a fifth of the global cotton supply with offences that legal experts have concluded amount to crimes against humanity and genocide; this has exposed the need for brands to know where the cotton in their supply chains comes from. And traceability can't only be about cotton farms: no brand can claim to be conducting business responsibly if it cannot map and disclose with confidence all tiers of its supply chain. Without disclosure, workers do not know which companies have the responsibility and leverage to redress abuses.

ASOS has committed to many of the above steps and has made progress in many areas, and Anti-Slavery International will continue to urge the company, together with the rest of the industry, to embed these priorities and take further action in the months and years ahead. Critically, ASOS - like any company looking to make an impact in this space - must ensure that these commitments amount to tangible action and allocate the appropriate resources to achieve its objectives.

Let's move beyond the easy "build back better" cliché: we need to see businesses take the above changes to heart as a permanent way of doing business, not as a short-term attempt to show all's well in the wake of global tragedy.

The devastation the pandemic caused for garment workers harshly exposed the need to overhaul the fashion sector's business model. Let's go beyond "building back better" clichés, and have genuine reform to put people before profit.

Living wages and freedom of association must be enjoyed by all workers – from factories to delivery drivers – in fashion supply chains

Brands must provide and support remedy for harm caused to workers during Covid-19

Transparency of supply chains remains a priority - brands must map and disclose their suppliers and trace their raw materials

We need the whole industry in a race-to-the-top: brands should support mandatory human rights and environmental due diligence legislation, with liability for a failure to prevent harm

ASOS Brands

Audit programme

Our audit programme is one mechanism we use to identify and address risk, including modern slavery risks. In September 2019, we increased the scope of our audit programme to include 100% of tier 2 factories globally, as well as 100% of tier 1. This means that, from September 2019, **61%** of tier 1-3 factories involved in the manufacturing and any processing of our final products are now audited on an annual basis. We are committed to the ongoing improvement of transparency in our supply chain and addressing the associated risks.

While we're mindful of the limitations of audits, our audit programme is a critical enabler in the discovery and management of modern slavery risks throughout our supply chain.

We use a combination of our own in-country teams and third-party audit providers to identify risk at factory level against our policies and indicators of modern slavery (see diagram 2). This enables our head office and in-country teams to take immediate action and mitigate risk across our supply chain. Our audit methodology also assesses modern slavery risks under the heading 'employment is freely chosen', one of the clauses of the Ethical Trading Initiative base code.

There are a number of examples of non-conformances included within that code, covering a wide range of specific issues that are indicative of modern slavery, such as: retention of ID/passport; involuntary or forced overtime; payments through third parties; accommodation tied to employment; monitoring and control of labour providers; recruitment fees;

unknown recruitment actors; insufficient HR systems; evidence of restriction of movement; and retention of wages for any reason.

Our local teams help us develop a much deeper understanding of local issues. Through direct relationships with our suppliers, we can effect more progress.

Between February 2020 and January 2021, together with third-party auditors, we carried out **332 unannounced audits across tiers 1 and 2** of our supply chain, giving visibility of working conditions in our factories. Due to the pandemic, we have been unable to meet our target of auditing all tier 1 and 2 sites globally in 2020. However, we have been in constant dialogue with our suppliers to ensure worker rights and safety are protected during this period. See pages 10-11 for further information on our approach to addressing risks associated with COVID-19.

We believe in continuous improvement and in working with our suppliers to ensure corrective actions have been implemented. **We are committed to delivering unannounced audits of all tier 1 and tier 2 sites around the world at least once per year**

In January 2021 we implemented a Timebound Remediation policy for all tier 1 factories, to aid in helping us meet our external obligations on human rights due diligence and ensure that our suppliers and factories honour their commitment to ensure that workers producing ASOS products are respected

and protected. Factories fall in scope of the policy if critical issues are present and no improvements are made over a 3-6 month period. The policy allows ASOS to place a limit on business growth and/or begin a responsible exit process for factories which fall in scope of the policy. Responsible exit means ASOS has a duty of care to ensure that an exit of a factory will be done in a manner that reduces any negative impacts on the workers and the long-term viability of the site.

Due diligence

ASOS' approach to risk assessment comprises desk-based research, supply chain mapping, auditing and stakeholder engagement. Since 2017, we have partnered with [Anti Slavery International](#), which acts as our 'critical friend', helping to ensure that our human rights due diligence process is robust and that we're continuously reviewing and mitigating risks in our supply chain.

Over the past 10 years, ASOS has developed ethical trading policies (see p 7) and mitigation strategies to protect vulnerable workers across our supply chain (see p 26-27) and reduce the risk of modern slavery.

ASOS sourcing map

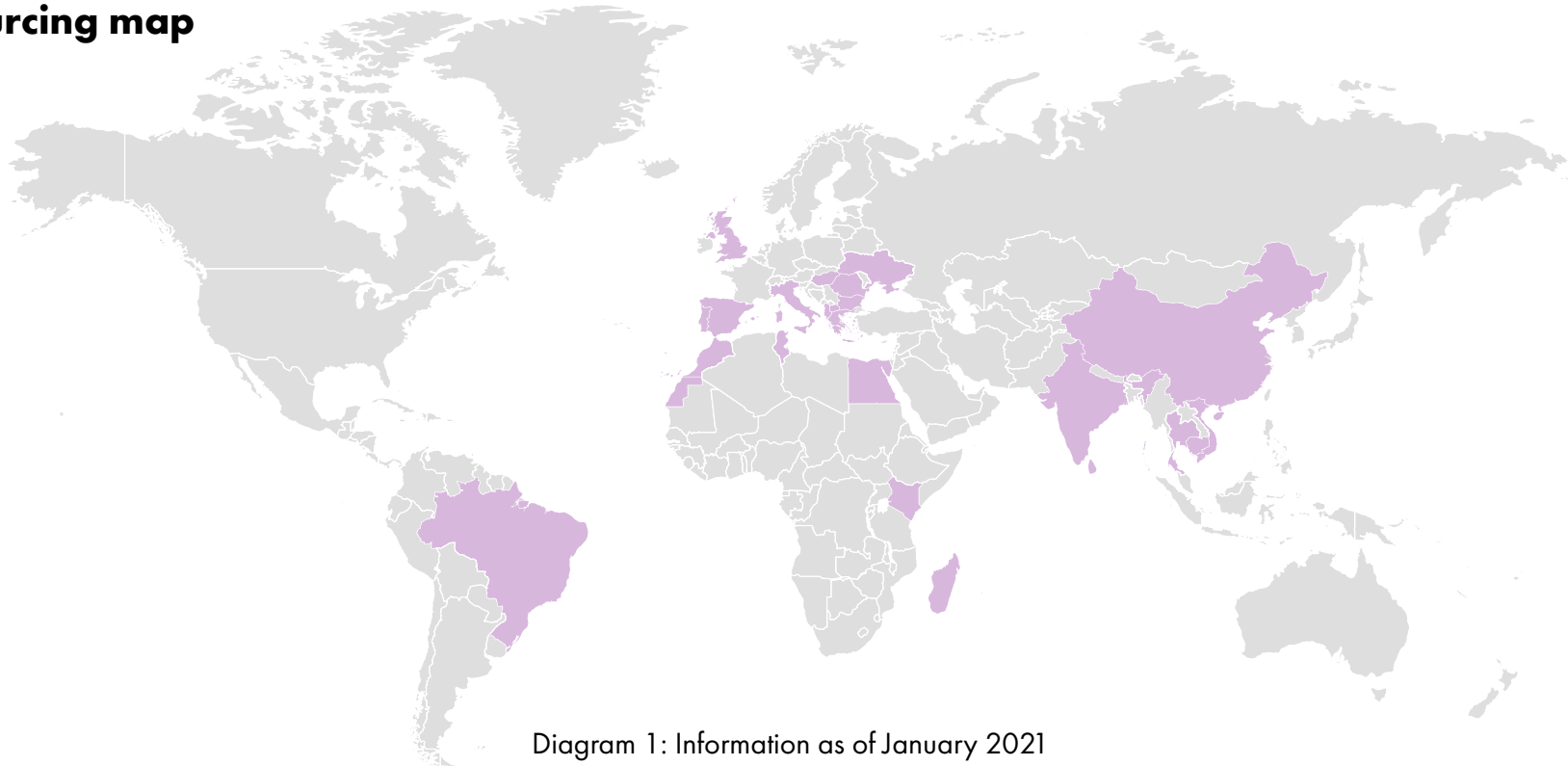


Diagram 1: Information as of January 2021

ASOS recognises indicators of modern slavery such as the following*:

- Recruitment fees, deposits for work and deceptive recruitment practices
- Restriction of movement at work or in accommodation
- Harsh and inhumane treatment
- Withholding worker documentation
- Cash-in-hand, withheld or delayed payments
- No access to grievance mechanisms
- Accommodation tied to employment
- Poor working of accommodation conditions
- Forced or excessive overtime
- Human trafficking
- Lack of work permit

*Please NOTE this list is not exhaustive. For more information on the further indicators we look for, head [here](#).

Diagram 2

Spotlight issues

Uyghur forced labour

In our previous [modern slavery statement](#) we acknowledged the risk of modern slavery and human rights violations in Xinjiang, targeting the Uyghur population and other Turkic and Muslim-majority peoples on the basis of their religion and ethnicity.

The [Coalition to End Forced Labour](#) in the Uyghur Region also publicly released the 'Brand Commitment to Exit the Uyghur Region' (Call to Action) in July 2020. ASOS is a signatory of the Call to Action and we are working to meet the associated commitments, including steps to assist suppliers to finding alternative sources of fabrics, and terminating all business relationships in the Uyghur region. After conducting a thorough review of our supply chain in July 2020, we identified two factories in our supply chain who's parent companies had links to the Uyghur region and therefore took swift steps to responsibly disengage between November 2020 and January 2021.

To address this risk in our own supply chain:

- **We sent letters to our own-brand suppliers and third-party brand suppliers** to outline ASOS' position and actions required by suppliers to prevent the use of forced labour in their supply chains.
- **Developed a process to sense-check all newly onboarded suppliers and tier 1-3 factories** to ensure no links to the Uyghur region and forced Uyghur labour.
- **Responded to an enquiry from the Chair of the Foreign Affairs Select Committee** regarding our supply chain and links to the Uyghur Region. Our response is published [here](#).
- **We hosted a workshop for third-party brands on this specific issue** (see page 30 for further info) and hosted a follow-up event to share learnings and agree next steps.

Modern Slavery Innovation Fund

As reported in our previous statement, in 2019 ASOS joined Anti-Slavery International, IndustriALL Global Union and local organisations from Bangladesh and Madagascar, who were awarded funding from the UK Home Office under its Modern Slavery Innovation Fund, to tackle risks of modern slavery in global supply chains in Mauritius. It is an example of a proactive collaboration of NGOs, trade unions and corporate partners coming together to protect migrant workers from modern slavery in global supply chains. The project uses innovative technological solutions making migrant workers in, or travelling to, Mauritius less vulnerable to modern slavery.

The Migrant Resource Centre (MRC) is a critical enabler in ensuring migrant workers' access to remedy. Migrant workers working in global supply chains are at high risk of exploitation and often face barriers when accessing remedy independent of their employer.

The MRC addresses these vulnerabilities and ensures migrant workers can access the same level of rights and protection as all other workers. It is a global model which serves as a valuable case study that can be replicated across different supply chains and migration corridors.

Long-term viability of the MRC is dependent on broader engagement in the country, so we are pro-actively working with Anti-Slavery International and IndustriALL Global Union to encourage other brands to support the centre. Over the next year, we also plan to encourage other brands to connect their workers to the app and pre-departure training, in order to drive systemic change across the industry.

In the last reporting period we have:

- **Developed pre-departure training content for migrant workers** travelling to Mauritius from Bangladesh and Madagascar, in collaboration with local NGOs (Ovibashi Karmi Unnayam Program (OKUP) in Bangladesh, and EcForme in Madagascar), to ensure they understand their universally recognised rights, and have relevant information should they face exploitative practices.
- **Developed an innovative smartphone app for migrant workers**, through which the workers can be better informed on their rights and responsibilities as well as file complaints and grievances about their working conditions in a way that doesn't put them at risk of repercussions from their employers. The content has been developed in collaboration with IndustriALL's local affiliate Confederation of Workers of Public and Private Sectors (CTSP), with Fifty Eight, a B Corp working across supply chains to achieve work that enhances quality of life, free from exploitation, developing the app technology.
- **Helped establish a trade-union-based Migrant Resource Centre (MRC)** in Mauritius, through which workers are able to file complaints and grievances about their working conditions in a way that doesn't put them at risk of repercussions from their employers.

UK risk

Over the past few years, there have been multiple exposés and reports on illegal practices and conditions indicative of modern slavery in the Leicester garment industry. In June 2020, Labour Behind the Label reported that during the pandemic, workers were being paid less than the minimum wage and factories were putting workers at risk of COVID-19 infections by failing to implement COVID-19-safe working practices.

Workers in these factories are predominantly migrant. They are particularly vulnerable to exploitation because of language and community integration barriers, a lack of support mechanisms (such as trade-union membership), and higher unemployment rates. There have also been allegations of links to modern slavery and trafficking. These factors mean that workers are willing to accept exploitative conditions in exchange for a job, and fear speaking out in case their migrant status is used against them.

ASOS has long been a leader in tackling modern slavery in UK garment supply chains; in 2014, we became a founding member of the Fast Forward collaborative audit and improvement programme with New Look and allianceHR. As of January 2021, the programme has grown to include more than 10 brands committed to using this methodology to expose and address systemic issues within the UK garment manufacturing sector. It is a continuous improvement programme which involves pre-audit training and access to guidance and resources to support supply chain businesses to achieve and improve the ethical treatment of their workers and collaborative working amongst the brands involved. All of ASOS' UK factories (tier 1 & 2) are audited using Fast Forward.

As with all modern slavery risks in our supply chain, ASOS is committed to collaborating with others in the UK to drive change on a systemic level. In December 2018, some of Britain's biggest fashion retailers joined forces

with enforcement bodies through the Apparel and General Merchandise Public and Private Protocol (AGM PPP), which committed signatories to work together to raise awareness to prevent worker exploitation, protect vulnerable and exploited workers and disrupt exploitative practices and help bring criminals to justice. In October 2020, recognising the continued need to address unethical practices in the UK fashion industry, a wider group of stakeholders, incorporating supply chain, civil society, trade and public bodies, came together to work collaboratively within the AGM PPP structure.

Members of the AGM PPP are committed to working collaboratively through a number of workstreams with the objectives to:

- **Develop an integrated approach** to tackle the underlying problems that led to exploitation of workers and promote good practice.
- **Enhance co-operation and collaboration between stakeholders**, helping to raise awareness, and disrupting exploitative practices within UK AGM supply chains.
- **Develop a 'Protocol Accord'**, which will be an enforceable agreement with accountable commitments signed by all stakeholders.

In order to ensure we continue to effect change in the UK, ASOS is committed over the next year to:

- **Continue to work within the AGM PPP** and help it achieve its objectives.
- **Support a community-led/trade-union worker remediation programme** within Leicester.
- **Continue to collaborate with our brand partners** and ensure the implementation of our enhanced criteria for UK sourcing (see page 29).

Progress report

Vulnerable workers	What's the issue?	Steps taken February 2020-January 2021
Migrant workers	Migrant workers paying recruitment fees may be trapped in bonded labour and be subjected to inferior employment terms. Labour recruiters create an additional layer between employers and workers, leaving workers exposed to deceptive or coercive recruitment practices. Migrant workers also often do not understand their rights in the destination country and the terms of their employment.	<ul style="list-style-type: none"> Developed smartphone app and pre-departure training for workers considering migration to Mauritius to support ethical recruitment. Established trade-union-based support centre for migrant workers in Mauritius, providing grievance advice and case management.
Minority groups, including refugees	Refugees are particularly vulnerable to human trafficking and forced, bonded and compulsory labour. Refugees may not have access to legal means of employment, therefore increasing vulnerability.	<ul style="list-style-type: none"> In November 2020, we signed the Call to action on human rights abuses in the Uyghur Region in the apparel and textiles sector in response to the human rights abuses faced by Uyghurs in Xinjiang in China. Responsibly exited 2 apparel factories which had parent company links to Uyghur Forced Labour and will continue to conduct the necessary due diligence and ensure no existing or newly on-boarded factories are linked to the Uyghur region. Sent letter to all own-brand and third-party brand suppliers outlining ASOS' position and actions to prevent the use of forced labour within our supply chain. See spotlight on Uyghur labour on page 23 for more information.
Homeworkers	Homeworkers often lack recognition as workers, as the work they do is often informal, and they are not likely to be organised in trade unions or other workers' organisations. Homeworkers often don't receive the same rights and protection as other workers.	<ul style="list-style-type: none"> Finalised the ASOS Homeworker Policy. Continued to work to map our homeworking supply chain using self-assessment questionnaires. 100% of our suppliers have completed and returned our questionnaires, and we have mapped approximately 3,000 declared homeworkers to date.

Contract, agency, outsourced HR functions and temporary workers	Contract, agency and temporary workers are often less secure in their employment, may have fewer rights in the workplace and are therefore more vulnerable to exploitation. Labour recruiters create an additional layer between employers and workers, leaving workers exposed to deceptive or coercive recruitment practices.	<ul style="list-style-type: none"> Continued to monitor the risks associated with employing contract workers through our audit programme, such as delayed payments, failure to pay bonuses and a lack of written contracts.
Children and young workers	Children and young workers are more vulnerable to forms of modern slavery such as forced and compulsory labour as well as human trafficking. Inadequate HR processes mean that young workers may be employed and enter the workplace without sufficient checks to ensure their age, ability and safety.	<ul style="list-style-type: none"> 1 child completed our child labour remediation programme, which covers schooling of the child, the payment of a living wage to their family, and close monitoring of the child to ensure their wellbeing. The child is now continuing with a 2.5-year sustainable education programme funded by ASOS Set up a Child Friendly Space in 1 China factory, benefitting 27 families, with The Centre for Child Rights & Business support.
Gender	Women are particularly vulnerable to exploitation, human trafficking and bonded labour. Women may be more likely to be victims of forced labour exploitation due to more women in informal work, marginalisation and lack of access to education.	<ul style="list-style-type: none"> Pilot anti-harrassment training due to launch in China was delayed by the pandemic, but we plan to launch this in 2021. See page 35 for more information.

Procurement

We recognise that we have a responsibility and an opportunity to embed ethical procurement practices within both stock and non-stock operations.

We aim to drive visibility, promote integrity and mitigate risk in our non-stock supply chain and business operations.

In order to achieve this, we have partnered with a third party, EcoVadis, whose auditing and ratings include labour and human rights.

- We will identify any new suppliers providing services in areas of risk, such as deliveries, logistics, cleaning, catering etc, in the on-boarding process and direct them to EcoVadis to be audited.
- We will also ensure that existing suppliers of these services provide evidence of a recent audit (within the past 12 months), or direct them to EcoVadis to be audited.
- We will produce downstream reporting to enable follow-up actions and continuous improvement.

We work with The Re-Assurance Network (TRN), which carries out full on-site audits of our returns centres in Poznan and Swiebodzin in Poland. These audits include:

- Policies and procedures
- Site tour
- H&S/working conditions
- Wages and working hours
- Interviews with workers
- Environmental checks

- Agency policies/procedures and accommodation standards, including verification of agency management systems, and accommodation visits.

CIPS Corporate Ethics Mark

ASOS Procurement is proud to display the CIPS Corporate Ethics Mark. This shows our commitment to ethical sourcing and supplier management. We have achieved this annually since 2019 and are listed on the CIPS Corporate Ethics Register.

Every member of the Procurement team, including leadership and non-sourcing staff, has completed online training and tests that cover the following areas:

- Ethics
- Fraud
- Bribery and corruption
- Modern slavery
- Impact of procurement on the environment



Third-party brands

The ASOS third-party brands family continues to represent a significant proportion of sales on ASOS.com. As of January 2021, ASOS sells 850+ third-party brands, which represent approximately 60% of our total sales. ASOS aims to share the same holistic approach to human rights due diligence with third-party brands as with ASOS Brands suppliers.

Due diligence

5 minimum requirements: Our five minimum requirements (see page 8) form the core of our strategy and provide the framework within which we expect third-party brands to begin addressing instances of modern slavery within their supply chains. Compliance with these minimum requirements is overseen by the Brand Engagement team and sits within the wider context of the work delivered by the ASOS Ethical Trade team.

Following new evidence of modern slavery in UK garment factories and increased risks due to the economic impacts of the pandemic, we introduced additional new transparency requirements in [August 2020](#). These requirements consist of four commitments and currently apply to brands supplying ASOS with garment products manufactured in the UK.

The commitments for these brands are:

- **Signing the Transparency Pledge,** joining ASOS, H&M, Inditex, Next, Pentland Brands and numerous others in regularly and publicly disclosing a list of manufacturing sites in their supply chain.

- **Mapping and having visibility on all parts of their UK garment manufacturing supply chain,** and providing evidence of visibility to ASOS.
- **Identifying risks within their supply base and strategies to mitigate this risk** and, if necessary, sharing this information with ASOS so it can support the partner with addressing these issues.
- **Joining the Fast Forward auditing programme** and committing to tackle any issues identified through this process.

Progress towards the requirements is overseen by the Brand Engagement team, with the aim to have all 40 brands to whom the requirements apply to be compliant by March 2021.

Our Brand Self-Assessment Questionnaire (SAQ) helps us to identify the number of brands meeting our requirements and establish the baseline for brands addressing modern slavery. In 2020, we reviewed the questions within our SAQ to improve the quality of the data we collect. We will start rolling out this new version in the second half of our financial year as we introduce our Extranet platform, which will help streamline communications with our brands.

As part of the review of our SAQ, we have revised our pre-onboarding assessment process to gain visibility of prospective brands earlier in the process, identify non-compliance and systemically introduce a time-bound improvement plan should they not meet our minimum requirements in full. We have also updated our policies for third-party brands to further embed our requirements within our contractual agreements.

This year, the proportion of brands with a completed SAQ has decreased from **99%** to **96%** – this is due to the new brand onboarding process being delayed to July 2020, due to the impacts of covid. During this period, we onboarded **77** brands, of which **50%** were Face + Body. As the team returned from furlough, outstanding SAQs were collected from brands onboarded during this period. However, Face + Body brands have remained without an SAQ, as we are planning to roll out a beauty-specific questionnaire in the coming months.

We recognise that the minimum requirements are only the first step in truly mitigating risk and providing remedy for workers. By driving action on transparency and continuing to engage our brands to move beyond compliance, we hope to create a movement within the industry where key players are working collectively and collaboratively with ASOS to address modern slavery risks.

Third-party brand engagement and training

- **In September 2020, we hosted a virtual event for all brands** to whom UK requirements apply. Representatives from the Transparency Pledge coalition and the Fast Forward programme joined the event to introduce their initiatives and answer questions from brands.
- **In November 2020, we organised a Q&A session with Human Rights Watch** to provide further guidance on how to sign and align with the Transparency Pledge.
- **In December 2020, we hosted two virtual workshops for our 13 brands who signed the Modern Slavery Pledge in 2019.** In the first workshop, Anti-Slavery International delivered an in-depth presentation about forced labour of the Uyghur people in Xinjiang and risks posed to the fashion industry. The second workshop, supported by ACT, focused on purchasing practices. Both workshops enabled brands to share learnings, with Whistles and New Look respectively presenting their experiences on the topics of the Uyghur crisis and purchasing practices.

Raising awareness and training

Raising awareness and training

In September 2018, we launched an online training programme on modern slavery for internal ASOS employees, developed in partnership with Anti-Slavery International. The training covers what modern slavery is, the challenges ASOS faces, what we're doing to address the risks, and what our employees can do to help tackle modern slavery in their daily lives. We plan to update and relaunch the training in 2021.

ASOS Brands



In the UK, all suppliers and factories are required to attend a Fast Forward training session. Training provides information for employers on how to embed good management systems for legal and ethical compliance, and includes a session on modern slavery.





Third-party brands




See page 30 for more information on the training we have undertaken for our third-party brands.

Collaboration and stakeholder engagement

Partnerships are integral for ASOS in addressing modern slavery risks. Key organisations and initiatives we partner with are:

Partner	Who?	Issues/ Areas of work	Working together
ACT 	ACT is a ground-breaking agreement between global brands, retailers and trade unions to transform the garment, textile and footwear industry and achieve living wages for workers through collective bargaining at industry level linked to purchasing practices	Living wage/ purchasing practices	As an active participant in the ACT initiative, we assessed our purchasing practices within the ACT framework and became the first ACT brand to survey our suppliers against ACT's Supplier Purchasing Practices Assessment
Anti-Slavery International 	A leading NGO working to eradicate all forms of slavery throughout the world	Modern slavery risks in our supply chain	We've partnered with Anti-Slavery International since 2017. It supports us on our human rights due diligence process and currently on our Mauritius programme. In October 2020 we also joined many other brands and signed the Anti-Slavery International charter , which sets out basic measures that states, NGOs, businesses and societies must take to end slavery across the globe

Partner	Who?	Issues/ Areas of work	Working together
<p>The Centre (formerly known as CCR CSR)</p> 	<p>Child rights consultancy, working with businesses on child rights in their supply chain</p>	<p>Child labour in China</p>	<p>The Centre has continued to support us on child labour remediation in China</p>
<p>EcForme</p> 	<p>Malagasy NGO delivering skills building services and access to employment, to the poorest populations in Antananarivo and throughout Madagascar, for the purposes of improving their living conditions</p>	<p>Migrant labour in Mauritius</p>	<p>We've been working together to develop pre-departure orientation training for migrant workers considering migration to Mauritius from Madagascar</p>
<p>Fast Forward</p> 	<p>Initiative to address UK-specific issues and ensure UK factories are fully compliant with legal requirements, and work towards achieving best-practice industry standards</p>	<p>Modern slavery risk in the UK</p>	<p>We've continued to use the Fast Forward audit methodology in the UK to ensure our factories are fully compliant with legal requirements</p>
<p>ILO Better Work</p> 	<p>A partnership between the UN's International Labour Organisation and the International Finance Corporation, a member of the World Bank Group bringing governments, global brands, factory owners, and unions and workers together to improve working conditions in the garment industry and make the sector more competitive</p>	<p>Factory services including assessments, advisory sessions and training in Cambodia, Vietnam and Bangladesh</p>	<p>Better Work conducts assessments in all factories in scope in Cambodia, Vietnam and Bangladesh, as well as overseeing a holistic improvement process in the majority of these factories</p>

Partner	Who?	Issues/ Areas of work	Working together
IndustriALL Global Union 	Global trade union representing 50 million workers in 140 countries in the mining, energy and manufacturing sectors	Empowering workers	We've had a Global Framework Agreement (GFA) with IndustriALL Global Union since 2017, strengthening our approach to protecting the right to freedom of association and collective bargaining
KADAV (Women's Solidarity Foundation) 	Women's rights organisation	Child labour in Turkey, gender	Kadav has continued to support on child labour remediation in Turkey. It also works with us on our gender programme, helping us develop training content, and coordinate and support trainers
Ovivashi Karmi Unnayan Program (OKUP) 	Community-based migrant rights organisation working to protect and promote the rights of migrant workers, support survivors of labour trafficking and raise awareness of migrants' perspectives in the migration discourse	Migrant labour in Mauritius	We've been working together to develop pre-departure orientation training for migrant workers considering migration to Mauritius from Bangladesh

Other key partners include:



Our ongoing commitments

We remain committed to tackling the root causes of modern slavery by empowering workers and protecting vulnerable groups, addressing business impact, and engaging on policy and legislation. We're also committed to ensuring that there are no un-remediated cases of modern slavery or child labour in our supply chain through the implementation of our modern slavery programmes.

Our commitments for the next year are:

Auditing:

- Continue to implement our robust our robust auditing and beyond Audit Programme
- Roll out new policies and guidelines, including the ASOS Freedom of Association and Collective Bargaining Policy, ASOS Accommodation Guidelines, ASOS Migrant Worker Guidelines and ASOS Supplier Compliance Guidelines.
- Continue to audit tiers 1 and 2 annually, and tier 3 where we deem it necessary to review risk.
- Work to gain visibility of tier 4 and 5.

Legislation:

- Actively engage with key policymakers on legislation, in support of human rights due diligence legislation.
- Continue to take steps to implement our human rights due diligence processes, in line with all current and forthcoming legislation.

Gender empowerment:

- Continue the expansion and delivery of increasing gender empowerment through the development of a specific gender programme in Morocco in 2021/2022, with a view to scale and roll out as part of ASOS' global gender programme in future.
- Work with a local NGO in China to provide pilot 'Building Gender Friendly Workplace' training for select factories in our supply chain.
- Develop a Gender Policy by end of 2021 to be part of our ethical trade policies suite.

Purchasing practices and living wage:

- Continued engagement and implementation of ACT commitments, ensuring that the stated public criteria on Purchasing Practices are met as per the December 2021 deadline, specifically the implementation of ring-fencing labour cost model and ensuring progress on paying a living wage throughout our entire supply chain.

Assessment of effectiveness

The next year will bring many challenges as the impacts of the COVID-19 pandemic are felt. ASOS is committed to working with other retailers, brands and organisations to coordinate a sector-wide approach that protects vulnerable workers in the aftermath of the pandemic.

Supply chain transparency is a fundamental aspect of our approach to eliminating modern slavery in our operations, and something we continue to prioritise. With issues as complex and hidden as modern slavery, it becomes even more important to shine a light on problem areas if we are to address them effectively. By mapping our supply chain and sharing information within our sector and beyond, we make it more likely that issues will be identified and addressed. We are proud to have ranked highly among the biggest global fashion and apparel brands and retailers for transparency in the 2020 Fashion Transparency Index, and will continue to work to gain further visibility over the next reporting period.

As we gain more visibility of our supply chain and further risks of modern slavery are identified, we recognise that we will need to continually renew our efforts to minimise negative human rights impacts on vulnerable people in our supply chain. Our responsibility as a brand is to ensure that our due diligence systems are sufficiently robust to avoid complicity with any such abuses and to remediate any instances of modern slavery we identify. We are committed to continuing to increase compliance across the ASOS Brands supply base, delivering on our commitments to the protection of human rights, worker voice and empowerment. We will also continue to engage and share our ambitions with our third-party brand partners.

As a fast-growing global organisation, it's crucial that we measure how effective our interventions to empower workers, address business impact and engage with policy and legislation are in delivering long-term impact. We must remain particularly aware of emerging risks and be alert to the dynamic nature of both modern slavery and the impacts of our own operations.

Our modern slavery work cannot stand still. We will continue to assess, develop and extend our approach to modern slavery, both in the breadth of approach across the Responsible Procurement programme and Brand Engagement programme, and in the depth of work within ASOS Brands product-sourcing regions. We will continue to work with our partners and other brands to reduce risks of modern slavery wherever they occur.

ASOS's Modern Slavery Statement February 2020 – January 2021 was approved on behalf of the ASOS Board of Directors on 12th April 2021.



Nick Beighton CEO, ASOS PLC

