Fashion With Integrity

Gender and Ethnicity Pay Gap Report 2020/21



Gender pay & bonus gap and pay quartiles

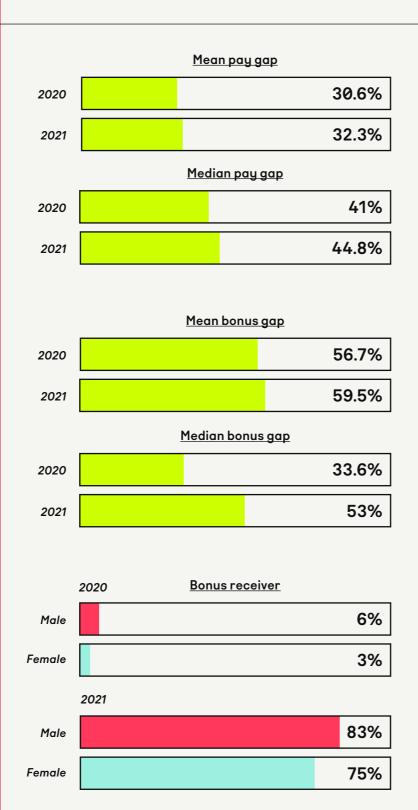
Our purpose is to give our customers the confidence to be whoever they want to be, and that goes for our people too.

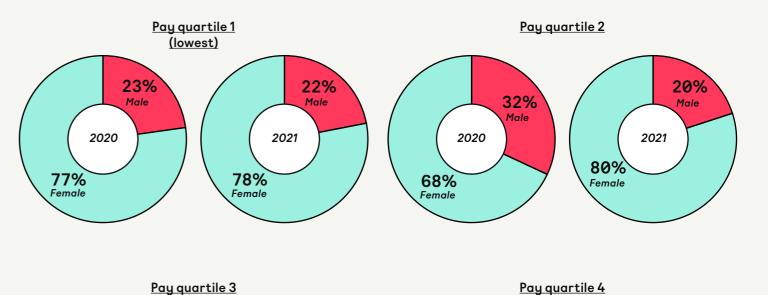
At ASOS, we believe in a world where you have freedom to explore and express yourself without judgement, no matter who you are or where you are from. A world where you value yourself and feel proud of who you are. Where individuality is a source of confidence because difference makes the world a better place.

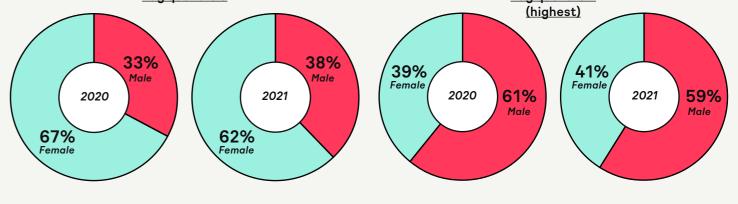
We're driving diversity, equity and inclusion (DEI) across every aspect of our business, and while we have made some significant improvements in some areas over the last 12 months, we know we have a long way to go. We are using all our data to help us lay the foundations of a truly inclusive culture and create a people experience that is like no other.



Nick Beighton, CEO





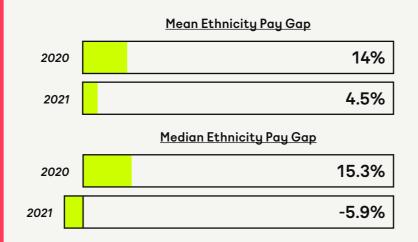


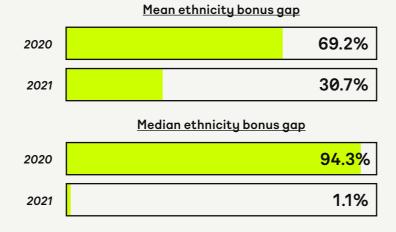
Reasons for the Gender Pay Gap

The reason for our gender pay gap is all about representation. Put simply, women are under-represented in senior roles and in higher paid functions such as Tech. Whereas men are under-represented in entry-level roles such as buying and in-house Customer Care. While we have made some progress (for example, we've hired 23% more women into leadership roles in the last 12 months), women make up 65% of the overall workforce at ASOS, but only account for 42% of our combined leadership roles and only 28% of our Tech function.

In addition, we continue to insource lots of entry-level roles mainly filled by women (and outsource lots of those filled mainly by men). For example, women make up 60% of our in-house Customer Care team and 85% of our Commercial team. Most of these roles are entry level. The other area where we have a lot of entry-level roles – Supply Chain and Logistics – is mainly filled by men. However, because this team is outsourced to a third-party supplier, their salaries are not included in the data.

Ethnicity Pay Gap & pay quartiles

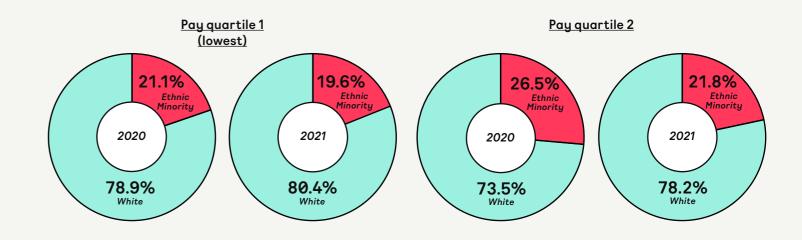


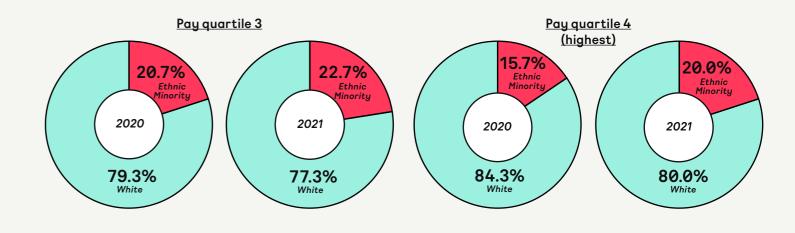


Pay Gap by ONS category

(gap stated in comparison to the White ethnic group as a whole)

Ethnic group	Mean pay gap		Median pay gap	
	2020	2021	2020	2021
Asian/Asian British	3.5%	-6.1%	-5.7%	-32.3%
Black/Black British	26.3%	17.0%	35.3%	13.4%
Mixed/Multiple Ethnic Groups	15.8%	15.2%	25.2%	14.1%
Other Ethnic Group	17.2%	-5.6%	11.4%	-17.7%





Reasons for the Ethnicity Pay Gap

While we have made significant progress in closing our overall EPG over the past year, we still have a pay gap for different ethnic groups. Ethnic minority ASOSers are under-represented at leadership level. This is our single biggest driver of our pay gaps, and while we have increased the number of ethnic minority ASOSers holding leadership positions by 45% since August 2020, we still have much more work to do. Ethnic minority ASOSers make up 19.2% of the overall workforce; however, they only account for 7% of our combined leadership roles.

In addition, we also have unequal representation of different ethnic minority groups across different functions. For example, we have more Asian/Asian British ASOSers in higher paid roles in Tech and more Black/Black British ASOSers in entry level roles in our Customer Care and Commercial teams.

It's important to note that we do not currently hold ethnicity data for 11.3% of ASOSers, this cohort is therefore excluded from the EPG calculations. In the last 12 months, we have increased the number of people declaring their ethnicity data by 23%; however, cleaning up our data to ensure we have an accurate demographic picture of ASOS remains a focus for us.

How we're making a difference

While we continue to focus on reducing our Pay Gaps, we recognise that the Gender and Ethnicity Pay Gap (GPG and EPG) data is only one measure of building a truly inclusive culture where all ASOSers feel confident to be whoever they want to be, bring their best selves to work and deliver great results.

We remain pragmatic that we aren't able to transform overnight; we've made some good progress but still have work to do. This year we have launched our 2030 Fashion with Integrity Strategy. Through our Be Diverse goal, we'll drive DEI across every aspect of our business, with a focus on leadership representation and ensuring every ASOSer can be their authentic self at work. Our initial targets are achieving 50% female and over 15% ethnic minority representation across our combined leadership team by 2023, and at every leadership level by 2030.



Jo Butler, Chief People Officer

Our strategic themes that directly tackle both the GPG and EPG are built into our wider DEI plans as follows:

- Cleaning up our data to ensure we have an accurate picture of the demographic make-up of ASOS.
- Empowering both women and ethnic minority ASOSers into leadership through external recruitment and targeted internal progression to achieve our 2023 and 2030 targets as detailed above. Our Future Leaders programme, which targets ethnic minority women currently at mid-senior level, is one way that we're already addressing this imbalance.
- Championing more women in technology through specific talent acquisition strategies to broaden our talent pool at all levels, gender balanced shortlists and unconscious bias training. We will have more than 40% female representation in engineering, product and science (technology) roles by 2030. Building on the success of our Future Leaders programme, we plan to launch a Technical Skills Development programme for Women in engineering and science.
- Building a truly inclusive culture beyond the protected characteristics through education and engagement. We will have no difference in engagement scores and functional attrition rates across all demographics from 2030, with all ASOSers able to be their authentic selves at work

- Supporting families through flexible working and continuous improvements to policy and benefits. We will launch a package of policies to provide crucial support, including paid leave, to colleagues of all genders and circumstances going through health-related life events that require time off work or flexible working arrangements. These new policies will provide support to any ASOSer experiencing: pregnancy loss, fertility treatment, the menopause, and wider healthrelated life events such as cancer treatment or gender reassignment surgery.
- We are implementing a market-based approach to managing base pay. This data-driven approach reduces the impact of judgements about individuals.

Click below for more information on our:

Fashion with Integrity Strategy