



ASOS Raw Cotton Sourcing Policy

Date issued: July 2022

This Policy applies to all ASOS Own Brand Suppliers and Third-Party Branded Suppliers (together "Suppliers").

EXPECTATION

- ASOS's ambition is to source **100% more sustainable cotton by 2025** (examples of which are set out in the table below).
- **This includes better cotton, organic and recycled cotton (guidance for other types of more sustainable cotton is set out in the table below).**
- ASOS's Raw Cotton Sourcing Policy ("**Policy**") mandates that as a minimum, Suppliers must declare the country of origin of all raw cotton used in the manufacturing of products supplied to ASOS.

BACKGROUND

This Policy sets out the standards and responsibilities that Suppliers must follow and implement throughout their supply chain and the minimum standards that their products supplied to ASOS must meet.

ASOS's Ethical Trade Programme aims to ensure that the rights of workers in our supply chain are respected and protected. Prohibition of all forms of modern slavery, including child labour, forced labour, bonded labour and the protection of human rights is fundamental to who ASOS are and what ASOS stands for. This forms a key part of ASOS's [Code of Conduct for ASOS Own Brand Suppliers](#) and ASOS's [Third-Party Brands Ethical Policy](#) for Third-Party Branded Suppliers.

Over the past decade, there has been substantial evidence of the widespread use of forced and child labour to harvest the cotton fields in Uzbekistan. ASOS recognises that in 2022 the International Labour Organization (ILO) and the Cotton Campaign both announced that systematic forced labour has been eliminated in Uzbekistan. However, the Cotton Campaign reported findings that cases of coercion and interference by local authorities, as well as individual cases of forced labour, continue. Therefore, ASOS will engage in conversations with the relevant global bodies and organisations such as the ILO, the Cotton Campaign and the Better Cotton Initiative ("**Better Cotton**") to discuss the potential of future cotton sourcing from Uzbekistan. Until further communication and/or updates to this Policy, sourcing cotton from this region remains prohibited. We acknowledge that Better Cotton are exploring implementation programmes in Uzbekistan, however, until we have greater visibility of practices in the field, we will continue to ban cotton from Uzbekistan.

Turkmenistan has also been identified as having issues indicative of modern slavery. In addition, ASOS are concerned by reports of human rights abuses being perpetrated against Uyghurs and other Turkic and Muslim majority peoples in the Xinjiang Uyghur Autonomous Region and other parts of China. ASOS supports Better Cotton's decision to cease all field-level activities in the Xinjiang Uyghur Autonomous Region, due to an increasingly untenable operating environment. ASOS shall also continue to engage with and are signatories of the Call to Action on Human Rights Abuses in the Uyghur region.

The use of organised forced and child labour is completely unacceptable and is prohibited. Suppliers must ensure that they take the necessary steps to ensure that the protection of the rights and



freedoms of individuals throughout their supply chains (and those individuals in any third parties within the Supplier's supply chain) are upheld.

ASOS therefore prohibits the use of cotton sourced from Uzbekistan, Turkmenistan and the Xinjiang Uyghur Autonomous Region in products supplied to ASOS. Suppliers must communicate this to their supply chain and procure that any entity in their supply chain does not knowingly source cotton from these regions.

For more information on Uzbekistan and Turkmenistan cotton industry please refer to <http://www.cottoncampaign.org/>.

For more information on the Xinjiang Uyghur Autonomous Region, please refer to <https://enduyghurforcedlabour.org/>.

THE ASOS COMMITMENT

This Policy has been developed from the ASOS Fashion with Integrity strategy, as part of our sustainable sourcing strategy to procure 100% more sustainable cotton by 2025 (examples of which are set out in the table below). Suppliers must identify the source of raw cotton and must disclose the sustainable cotton type and raw cotton fibre country of origin used in the manufacturing of products supplied to ASOS. Suppliers must also provide required documentation (such as relevant certifications set out in the table below) as may be requested by ASOS from time to time, to verify the types of cotton being used in the products. In addition to this, Suppliers who wish to supply more sustainable cotton to ASOS must meet one or more of the standards relating to more sustainable cotton as set out in the table below.

OUR SUPPLIERS' COMMITMENT

In order to comply with this Policy, Suppliers must follow these steps:

- No sourcing from prohibited regions including Uzbekistan, Turkmenistan, and the Xinjiang Uyghur Autonomous Region (as set out in the Background);
- Be able to show that they have identified the country of origin of raw cotton intended for use in ASOS products or used in the manufacturing of products supplied to ASOS, by providing ASOS with the applicable documentation as may be requested by ASOS from time to time; **and**
- Products **delivered** to ASOS from Spring 2025 (at the latest), must demonstrate compliance with one of the standards relating to more sustainable cotton as set out in the table below.

ASOS has defined more sustainable cotton as cotton meeting any of the following industry standards. This applies across ASOS Own Brand Suppliers and Third-Party Branded Suppliers.

Suppliers must obtain all applicable industry standard certificates and evidence, as may be requested by ASOS from time to time and provide these to ASOS as set out in the “**Verification and Due Diligence**” section below.

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| Better Cotton Initiative | Better Cotton is our preferred <u>minimum standard</u> for cotton sourcing. |
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| | <p>Better Cotton’s mission is to help cotton communities survive and thrive, while protecting and restoring the environment. Better Cotton is sourced via a system of mass balance and is not physically traceable to end products.</p> <p>More information: https://bettercotton.org/</p> |
| Organic Cotton | <p>Prohibition of toxic and persistent synthetic agrichemicals (pesticides, defoliants and fertilizers) and genetically modified seeds.</p> <p>ASOS accepts GOTS (Global Organic Textile Standard) and OCS (Organic Content Standard) certifications for organic cotton.</p> <p>More information: https://global-standard.org/</p> <p>https://textileexchange.org/standards/organic-content-standard/#:~:text=The%20Organic%20Content%20Standard%20(OCS,to%20increase%20organic%20agriculture%20production.</p> |
| Recycled Cotton | <p>ASOS aspires to use postconsumer waste (e.g., used garments) but pre consumer/ industrial waste (mill waste) is acceptable as an alternative.</p> <p>ASOS accepts GRS (Global Recycled Standard) or RCS (Recycled Claim Standard) Certifications.</p> <p>More information: https://textileexchange.org/standards/recycled-claim-standard-global-recycled-standard/</p> |
| Other types of more sustainable cotton | <p>ASOS is reviewing a number of other more sustainable cotton options, including ‘In-Conversion Organic’ and US Cotton Trust Protocol (USCTP). If Suppliers intend to source other types of cotton, please contact the Sustainability Team to discuss this so we can support you.</p> <p>“In-conversion” or “transitional” cotton is the cotton produced during the interim period whilst a farm is converting to organic. Whilst the necessary certification is gained, the cotton can be certified as “in-conversion”.</p> <p>Please review our Sustainable Fibre Guide for more information on certified sustainable cotton we accept</p> |

VERIFICATION AND DUE DILIGENCE

There are different requirements for verification for ASOS Own Brand Suppliers and Third-Party Branded Suppliers, outlined as follows:

ASOS Own Brand Suppliers



1. ASOS Own Brand Suppliers must provide a breakdown of any more sustainable cotton that they provide to ASOS, upon ASOS' request. A template will be provided by ASOS and will require information to be provided on an Option ID level.
2. ASOS Own Brand Suppliers must ensure that up-to-date scope/facility level certificates are uploaded onto the Trimco Group (Labelon) Track and Trace portal. ASOS Own Brand Suppliers must ensure that these certificates cover all products containing sustainable materials that are supplied to ASOS. For all purchase orders ("**PO(s)**") containing sustainable materials, where required by the certification scheme, ASOS Own Brand Suppliers must also ensure that they apply for transaction certificates within the timeframes set by the relevant certification body and must ensure that these Transaction Certificates are uploaded onto the Trimco Track and Trace portal.
3. Better Cotton guidance
 - ASOS Own Brand Suppliers must follow the Better Cotton guidance (found on <https://bettercotton.org/>) for using the Better Cotton platform to associate Better Cotton Claim Units (BCCUs) with ASOS products and POs.
 - All cotton sourced using the Better Cotton route must be declared in this way.
 - The ASOS Own Brand supplier and / or mill must add the **Supplier name, ASOS department and relevant ASOS PO(s) number(s)** to the transaction reference.
 - ASOS may reject the transaction reference and ask the supplier and/or mill to resubmit the BCCU if the details requested by ASOS have not been added.

ASOS Third-Party Branded Suppliers

1. ASOS Third-Party Branded Suppliers must be able to provide evidence to ASOS that they have their own existing systems in place for the verification of scope / facility level certification of sustainable materials.
2. Only sustainability claims that can be substantiated with the necessary certification and transaction certificates by the ASOS Third-Party Branded Suppliers can be shared in the copy on the product display page on ASOS.com.
3. All ASOS Third-Party Branded Suppliers must be able to share the required evidence with ASOS, as may be requested by ASOS from time to time.

CONSEQUENCES FOR BREACHING THIS POLICY

In the event that a Supplier breaches any term of this Policy, ASOS shall be entitled to rely on the remedies set out in the ASOS Supplier Agreement.

ASOS reserves the right to conduct a full audit of a Supplier's records, at any time, to ensure they meet the requirements set out in this Policy, including to monitor that the Supplier has maintained an up-to-date record of its sources of raw cotton. All Suppliers must ensure they carry out their own due diligence across their own supply chain.

CONTACTS

For further information, please contact the ASOS Sustainability Team at Sustainablesourcingteam@asos.com