

# ASOS Own-Brand Supplier Environmental Code of Conduct

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## **ASOS COMMITMENT**

This Code of Conduct sets out the standards and responsibilities that ASOS Suppliers are required to follow and implement throughout their supply chain and the minimum standards that products supplied to ASOS must meet. It applies to all T1-3 factories in ASOS Supplier and subcontractor supply chains. Please see the definitions at Appendix 1.

All ASOS Suppliers are required to comply in full with this Code of Conduct throughout their supply chain. Where differences or conflicts arise, the highest standard for protection of the environment shall apply.

For ASOS, 'Fashion with Integrity' guides our approach to business and our drive to be a more responsible company.

This Code of Conduct has been developed in line with the ASOS Fashion with Integrity (FWI) strategy, as part of our commitment to reduce carbon emissions across our value chain and increase the mix of more sustainable materials in our ASOS own-brand products, while focusing on sourcing raw materials in a way that respects the environment.

## **1.1 Environmental Management**

**1.1.1** Suppliers and subcontractors must ensure that all T1-3 factories in their supply chains comply with all relevant laws and regulations regarding the protection and preservation of the environment. This includes obtaining and maintaining all required environmental permits (e.g. discharge monitoring), approvals and registrations.

**1.1.2** Factories must adhere to all applicable laws, regulations and customer requirements regarding specific substances that are restricted (or prohibited) by law or by ASOS (please see 8.1.1 for a link to ASOS Restricted Substances List). It is the Supplier's responsibility to ensure that any T1-3 factories in the Supplier's supply chain, or organisations that manufacture or procure goods or services for ASOS, adheres to these requirements.

## **1.2 Higg Facility Environment Module Completion**

**1.2.1.** Suppliers and subcontractors must ensure all Tier 1-3 factories complete the Higg Facility Environment Module (FEM) annually, by May each year, unless specifically requested to complete the module earlier than May. Suppliers and subcontractors will be responsible for ensuring all associated T1-3 factories comply.

**1.2.2.** When completing the HiggFEM, all factories must complete the following sections, as a minimum: the Site Info & Permit section completed in full, Energy and Water sections completed up to Level 3, EMS and Waste sections completed up to Level 2.

**1.2.3.** ASOS requires strategic T1-3 factories (factories producing 250,000 units or more for ASOS per year) to pay to have their HiggFEM verified by a third party. Suppliers and factories can find out more about how to verify HiggFEM here: <https://howtohigg.org/higg-fem-verification-program/>

**1.2.4.** ASOS is committed to ensuring certain Tier 4 factories also complete HiggFEM annually. For Tier 4 factories this is not mandatory, however we do request Suppliers to support ASOS in contacting and engaging any Tier 4 factories that have provided total annual meters or units to support with this request.

## **2.1 Environmental Management Systems**

**2.1.1** Suppliers and subcontractors must identify any significant environmental impacts associated with current operations within T1-3 factories. This includes a list of environmental impacts and health & safety risks.

**2.1.2** Suppliers and subcontractors must set out environmental management activities to reduce their environmental impacts and reduce health and safety risks across T1-3 factories.

**2.1.3** Suppliers and subcontractors must appoint a senior manager, responsible for coordinating the factories' environmental management activities.

**2.1.4** Suppliers and subcontractors must offer information and opportunities to upskill workers, subcontractors and suppliers on wider environmental management activities and practices (e.g. improving efficiency of machinery or processes, energy or water saving practices etc.)

**2.1.5** Suppliers and subcontractors must ensure that each T1-3 factory has in place an Environmental Action Plan (or plans to implement one in the next 6-12 months) covering their key environmental impacts and targets to reduce them. The action plan could include energy sources, energy reduction targets, waste management and waste disposal, and water reduction targets, and wastewater treatment plans, chemical use, and air emissions (if applicable) etc.

## **3.1 Energy Use**

**3.1.1** Suppliers and subcontractors must ensure that T1-3 factories track all energy sources including but not limited to, purchased electricity, purchased steam, fuel, gas, or diesel for transportation. This information should be tracked via energy bills or meters and submitted to the HiggFEM annually.

**3.1.2** Suppliers and subcontractors must ensure that T1-3 factories have an action plan to reduce the consumption of energy sources. This can be part of the abovementioned Environmental Action Plan (point 2.1.5) and should be shared as part of HiggFEM annually.

## **4.1 Waste Management**

**4.1.1** Suppliers and subcontractors must ensure that T1-3 factories have identified all waste sources (e.g. packaging, material offcuts, excess stock etc) and develop a procedure for measuring the total volume of each waste source and should be shared as part of HiggFEM annually.

**4.1.2** Suppliers and subcontractors must ensure T1-3 factories have a system to eliminate or reduce waste by practices such as (but not limited to) modifying production and/or improving maintenance.

**4.1.3** Suppliers and subcontractors shall help T1-3 factories, whenever possible, reuse or recycle all waste sources. The volume of waste reused or recycled should be shared as part of HiggFEM

**4.1.4** All waste streams must be segregated into hazardous and non-hazardous waste and be stored separately (if applicable). Suppliers and subcontractors are responsible for ensuring training and appropriate health and safety equipment is provided to all employees handling hazardous waste at T-3 factories (if applicable).

**4.1.5** Any and all containers of hazardous waste shall be in good condition, and not damaged in anyway which may compromise it's ability to isolate hazardous waste, and all containers much be clearly labelled (if applicable).

## **5.1 Water**

**5.1.1** Suppliers and subcontractors ensure T1-3 factories track industry water consumption and waste at the premises where its operations take place, at least annually (if applicable) and should be shared as part of HiggFEM annually

**5.1.2** Suppliers and subcontractors must ensure all water sources and water use is tracked through HiggFEM by T1-3 factories such as municipal mains, groundwater, and surface water. Where appropriate, T1-3 factories should use water meters to track consumption of water and identity processes that are heavy water users.

**5.1.3** Suppliers and subcontractors shall ensure T1-3 factories set and review targets for reducing and or recycling water consumption and should be shared as part of HiggFEM annually.

## **6.1 Industrial Wastewater Discharge**

**6.1.1** ASOS is a signatory brand of ZDHC (Zero Discharge of Hazardous Chemicals), and any wastewater should meet [ZDHC Wastewater guidelines](#) including ZDHC [MRSL \(Manufacturing Restricted Substances List\)](#).

**6.1.2** Suppliers and subcontractors shall identify wastewater discharge sources and monitor the quantity and quality of emission in accordance with local regulatory requirements, this should be shared as part of HiggFEM annually.

**6.1.3** Suppliers and subcontractors shall train at least one individual in T1-3 factories in local regulation for wastewater regulation.

**6.1.4** Suppliers and subcontractors shall ensure that it has and maintains the appropriate license and/or permit for wastewater discharge.

**6.1.5** Suppliers and subcontractors shall treat all wastewater in a fully functioning effluent treatment plant (ETP) either on-site or in a shared ETP off-site before discharge.

## **7.1 Chemicals**

**7.1.1** Suppliers and subcontractors must ensure that a business process is in place to ensure compliance with [ASOS Restricted Substance List](#) (RSL) and ZDHC [MRSL](#).

**7.1.2** Suppliers and subcontractors shall maintain a Safety Data Sheet (SDS) for all chemicals used on the premises, outlining how chemicals are to be stored and appropriate protective safety equipment to use.

**7.1.3** Suppliers and subcontractors shall ensure that all employees handling chemicals have had training on the content of the SDS, and all safety equipment is present and maintained.

**7.1.4** Suppliers and subcontractors shall ensure that a chemical spill and emergency response plan is in place and practiced on a periodic basis.

**7.1.5** Suppliers and subcontractors shall have a documented inventory of chemicals used to make products, which includes the respective chemical supplier for each chemical. Please see [ASOS Chemical Policy](#) for more information.

**7.1.6** The Supplier shall have an action plan to improve chemical management performance

## **8.1 Raw Materials**

**8.1.1** For more information on ASOS approach to sustainable materials refer to our [Sustainable Fibre Guide](#). If you do not have access to the Sustainable Fibre Guide, please contact: [SustainableSourcingTeam@asos.com](mailto:SustainableSourcingTeam@asos.com)

**8.1.1** Suppliers and subcontractors should set targets to increase the quantities of more sustainable materials (in line with ASOS FWI targets).

**8.1.2** Suppliers and subcontractors are required to comply with the ASOS Sustainable Fibre Guidelines and the additional fibre policies, including the [Cotton Policy](#) and the [MMCF Policy](#).

**8.1.3** Suppliers and subcontractors must upload all relevant certificates and evidence to the Trimco Group (Labelon) Track and Trace database, please refer to the [ASOS Sustainable Fibre Guide](#) for more information.

## **9.1 Air Emissions**

**9.1.1** Suppliers and subcontractors T1-3 factories should be aware of local and national regulatory requirements in regards to air emissions. Air emission regulations may cover fumes, gases or Particulate Matter (PM). If a factory is not meeting regulatory requirements you must inform ASOS Sustainability team at: [SustainableSourcingTeam@asos.com](mailto:SustainableSourcingTeam@asos.com), as soon as possible.

## 10.1 Animal Welfare

11.1.1 See our ASOS [Animal Derived Materials Policy](#) for more information.

## 12.1 Monitoring

**12.1.1** Suppliers and subcontractors shall maintain a complete set of records to trace the supply chain of all Products supplied to ASOS under this Code of Conduct. The Supplier shall promptly provide ASOS with full and accurate information and any records / documentation which may be requested by ASOS from time to time, including any records or documentation that may be required to verify compliance with this Code of Conduct.

**12.1.2** Terms in this Code of Conduct are monitored through T1-3 factories annual completion of the Higg FEM, alignment with other ASOS policies named in this document, and the transparency of information shared between ASOS and supplier factories.

**12.1.3** Suppliers and subcontractors are obliged to comply with the **ASOS Subcontracting Policy** to keep ASOS informed at all times of where each product is being produced and through which factory.

### Contact

For further information or questions, please contact the Sustainability team at:  
SustainableSourcingTeam@asos.com

## Appendix

### 1.0 Tier definitions

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

### 2.0 Definitions

\*Strategic factory– a factory that has over 250,000 ASOS orders annually.