

Stakeholder engagement

We are committed to actively engaging with our stakeholders.



S.172(1) statement and stakeholder engagement

The Board is accountable to its stakeholders and understands the importance of incorporating stakeholder considerations into the Board discussions and decision-making.

The Directors continue to ensure they act in a way which is in good faith and most likely to promote the success of the Group over the long term for the benefit of shareholders, and in doing so, also having regard for the Group's key stakeholders and other matters set out in section 172(1) (a) to (f) of the Companies Act 2006, being:

- the likely consequences of any decision in the long term;
- the interests of the Group's employees;
- the need to foster the Group's business relationships with suppliers, customers and others;
- the impact of the Group's operations on the community and the environment;

- the desirability of the Group maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

The Directors have identified the Group's key stakeholders to be our customers, ASOSers, shareholders, suppliers and communities. Each stakeholder group has their own individual priorities, of which the Directors are aware and have regard to. These priorities are considered, where appropriate, in the Board's decision-making. This is not only the right thing to do but is also vital in achieving the Group's long-term objectives.

Our mission is to be the world's number one destination for fashion-loving 20-somethings.

Our key stakeholders play a fundamental role in helping us achieve this mission, and therefore strong stakeholder engagement is pivotal in achieving our long-term objectives and driving long-term value creation.

Details of how we engaged with our stakeholders, considering the long-term goals for each, are set out on pages 35 to 37. How the Board considered our key stakeholders in their principal decision-making during the year can be found on page 66.



Our Customers

Why they are important...

Our goal is to create and curate products and experiences to inspire fashion-loving 20-somethings. To stay relevant to our 20-something audience, it is essential we never lose touch with what matters to them, whoever and wherever they are. It's vital we engage frequently with our customers to ensure we can provide them with what they want, when they want it. Being in regular contact with our customers helps us to tailor our product offering and content to stay relevant to our customers, which is key to our long-term success.

How ASOS engaged during the year

- Regular customer focus groups were held, where we invited groups of customers to our head office to meet with ASOSers, including members of our Management Committee and broader leadership, and talk about what they love about ASOS and what they'd love to see changed (and received letters of thanks from those who've noticed the improvements they requested made). We also conducted remote focus groups with customers in our global markets, to understand perceptions of our brand and business outside the UK.
- Engaged with customers at scale both through our NPS Customer Experience survey programme, which was expanded to capture feedback on the full end-to-end journey, and through our bi-annual target market survey, which captures perceptions and behaviours for 20-something consumers across key markets.
- Members of the Management Committee take part in regular Customer Voice sessions, whereby they hear and discuss the latest insight about our customers and our target market and what it means for our business.
- Engaged more frequently with customers and influencers on social media to inspire our customers' style choices.
- Our Design teams regularly use insight from social media platforms to understand emerging trends and stay in touch with customers.

How the Board engaged during the year

- The Board received an update on brand and customer health at the Board strategy day.
- Certain members of the Board spent time with our Customer Care colleagues to understand our customers' perceptions of ASOS, and common experience issues.
- The CEO, José, regularly engages in focus groups with customers, both in the UK and remotely in the U.S., and provides feedback to the Board.



Our ASOSers

Why they are important...

We're determined to create an employee experience like no other, where our ASOSers can be whoever they want to be. An experience that ASOSers love, where they learn, collaborate, embrace change, and can be authentic, brave, creative and disciplined in everything they do. Where ASOSers can push boundaries, challenge expectations and help drive our journey to becoming the world's number one destination for fashion-loving 20-somethings and, ultimately, our long-term success.

How ASOS engaged during the year

- Direct feedback through our employee engagement survey ASOS Vibe helped us to identify key focus areas for improvements. A full ASOS Townhall was held to share the ASOS Vibe results and initial action plan, with local action planning led by the Management Committee.
- Recruited new members to join our employee forum, the Voices Network, which continues to be a key internal driver of employee engagement, enabling two-way conversations, building a positive social partnership between ASOSers and Senior Leaders and amplifying all voices to help shape the current and future ASOS experience. We held regular townhall meetings hosted by José with all of the Management Committee on hand for Q&A to connect ASOSers with our strategic goals for FY23, provide company updates and an opportunity for our ASOSers to ask any questions they may have.
- Hosted a series of 'Meet the Management Committee' informal sessions for Leaders to get to know our refreshed Senior Leadership team, learn about their careers and hear about their roles and priorities at ASOS. Shorter videos were made available to all ASOSers.
- Launched 'Coffee Roulette', a speed networking style programme where our ASOSers could sign up to be randomly paired with an ASOSer across the business. Over 100 people were involved in the first series which launched in March 2023.
- Hosted monthly product and brand showcases with ASOSers so they can meet our top brand partners and learn about the products.

- Refreshed our approach to digital internal communications and:
 - strengthened engagement through our Viva Engage (formerly Yammer) platform with activity trebling since last year; and
 - launched 'The Edit' weekly newsletter providing ASOSers with everything they need to know, be that business performance, key upcoming activities, new campaigns, employee initiatives, events, training programmes and other important organisational updates.

How the Board engaged during the year

- José continued his monthly 'CEO coffee chats' where 10 to 15 of our ASOSers can sign up each month and meet with him to discuss any matters that our ASOSers feel important.
- In February 2023, our Chair, Jørgen, and José hosted a fireside chat with ASOSers to discuss their career insights and experiences – a shorter recording was made available to those who couldn't attend.
- Nick Robertson attended and presented at our Leaders Day in March 2023 and reflected on ASOS' journey so far.
- Karen Geary, whilst in her capacity as designated employee engagement representative, met with our employee representative group, the Voices Network, in September 2022 to discuss Executive pay and remuneration decisions that had been made and strategy going forward. Key views were fed back to the Board.
- Since being elected designated employee engagement representative in April 2023, Jørgen attended two Voices Network meetings to discuss various matters such as our ASOS Strategy, ASOS Vibe, our Diversity, Equity & Inclusion Strategy and an additional Voices Network meeting specifically relating to the customer care team following feedback from the ASOS Vibe survey.
- Jørgen visited our Leavesden office to conduct focus groups with our ASOSers regarding life at ASOS, spent time with the Customer Care Leadership team and attended a full Customer Care team cascade meeting focusing on their progress delivering their strategic priorities so far and celebrating team success.



Stakeholder engagement continued



Our Shareholders

Why they are important...

A key objective for the Board is to create value for shareholders. Our mission, purpose, values and strategy strive to deliver long-term, profitable growth for our shareholders.

How ASOS engaged during the year

- Regular calls and meetings were held between shareholders and the CEO, Interim CFO, and/or Investor Relations team throughout the year.
- Our Chair, Jørgen, held several meetings and calls with major shareholders to discuss governance matters.
- Our Investor Relations team organised roadshows and conferences with institutional investors following key events such as our full year and half year results.
- All shareholders have an opportunity to ask questions or represent their views at any time through the dedicated Investor Enquiries email address.
- Whilst appointed as Remuneration Committee Chair, Karen Geary led a shareholder consultation process in September 2022 to gauge investor sentiment regarding remuneration practices and policies.

How the Board engaged during the year

- Following any investor engagement by a Board member, that Board member provides shareholder feedback at Board meetings.
- The Board receives feedback from our corporate brokers and Investor Relations team regarding market reaction and investor views after announcements and roadshows.
- The Investor Relations team provide the Board with a market update at each scheduled Board meeting, which includes shareholder feedback.
- All shareholders have an opportunity to ask questions or represent their views formally to the Board at the Annual General Meeting.



Our Suppliers

Why they are important...

Maintaining close working relationships and open dialogue with our suppliers and brand partners is key to creating and curating the most relevant product range for fashion-loving 20-somethings.

How ASOS engaged during the year

- We collaborated closely with our suppliers to optimise inventory levels through data-driven demand forecasting and demand-sharing initiatives, ensuring that we maintain the right-sized inventory to meet customer demand while minimising excess stock.
- Our dedicated Ethical Trade team operates globally, engaging in due diligence with our supply base and local and international stakeholders to manage region-specific ethical risks.
- We continued our industry-leading factory audit programme and continued to support our suppliers in the remediation of any issues identified during these audits to ensure that any corrective action plans had been implemented.
- We conducted workshops in Morocco and Sri Lanka with women's rights and labour rights organisations. We formed a network of grassroots women's organisations from different regions in Morocco and rolled out our gender equality policy across our whole supply chain.
- We continued our partnership with the Fashion Workers Advice Bureau (FAB-L) and introduced FAB-L and the GMB union to our factories in the UK to build relationships with suppliers.
- We continued our partnership with The Centre for Child Rights and Business, conducting a pre-assessment and two-day workshop in an eyewear factory to educate them on workplace harassment.
- We partnered with GoodWeave International, a non-profit organisation that promotes transparency in global supply chains. We are initially focused on supporting three of our primary suppliers based in India to ensure that products are free of child, forced and bonded labour.

- We strengthened our approach to Branded supplier due diligence, introducing additional minimum requirements into our screening processes for prospective brands, and mandating annual self-assessment for all existing brands, for greater transparency of extended supply chains.
- We maintained transparent communication with our suppliers, minimising the impact on ASOS and our partners following the reduction of trade credit insurance, offering alternative solutions where appropriate and providing clarity of strategic direction.
- We continued to engage with our key brands to maintain and build our strong relationships.
- We commenced a 'brand listening model' – where we engage quarterly with our key brands to serve, discuss and validate key qualitative and quantitative insights. This framework and feedback loop will be key to our ongoing relationships with our key brand partners.

How the Board engaged during the year

- Through our ESG Committee, the Board monitors the way we manage our supply chain to ensure we continue to operate responsibly in line with our Fashion with Integrity commitments.
- Through the Audit Committee, the Board receives updates on trade credit insurance impacts and actions taken.
- The Board received updates on our supply chain network.
- The Board reviewed our supply chain challenges and opportunities.



Our Communities

Why they are important...

Operating responsibly in everything we do is not just incredibly important to our business and our people, it is also key to driving positive outcomes for the communities in which we operate. From the way we manage our supply chain, to how we address environmental challenges such as plastic waste, it all matters. We want to be a force for good, so we can support the people who support us. That's why we've continued to actively engage with local communities, charities and government – helping drive positive change.

How ASOS engaged during the year

- We continued our partnership with Fashion Minority Report to support the professional development of young creatives across the UK.
- In partnership with national anti-bullying charity, Ditch The Label, we developed a free unconscious bias module for UK schools to educate students on challenging harmful stereotypes.
- The ASOS Foundation ("Foundation") continued to partner with charities to provide infrastructure, training and support to enable disadvantaged young people to reach their potential in the UK, Kenya and India.
- The Foundation launched a new partnership this year with an East London Fashion Education charity Caramel Rock. The funding enabled 60 young people to access a BTEC fashion course as well as additional guidance to help them break into the industry. Since the programme launch over 20 ASOSers have been actively involved in mentoring Caramel Rock students.
- This year the Foundation's support of Centrepoint surpassed the £2m milestone since the partnership began in 2016. This year, alongside continuing to support their dedicated Helpline for young people at risk of homelessness, we have been funding the improvement of their Young Persons Portal. An online tool to aid young people access services. Alongside the funding, a group of volunteers from our Tech team have been providing pro bono support to help implement improvements to the portal.
- In Barnsley, we continued our partnership with Onside Youth Zones, and received exciting news that planning permission has been granted for the building of their first Youth Zone in Yorkshire. The Centre aims to be a safe and aspirational place for young people, with first class sports, arts, performance and enterprise facilities. The Foundation has pledged £1.2m to support this project which is planned to commence the building phase later in 2023.



- We have also become a Major Corporate Sponsor of the Barnsley Youth Choir, a registered charity formed to inspire and change lives through music.
- To help celebrate multiculturalism and diversity, ASOS sponsored the third 'Gender Project' exhibition, by Italian artist Veronique Charlotte, at the Alte Münze, Berlin. A week-long multimedia exhibition exploring the meaning of gender identity, gender expression and gender equality through portrait exhibitions, immersive experiences, performances, talks and DJ sets.
- Also in Berlin, we returned to support Christopher Street Day again this year, bringing along our biggest group of ASOSers and partners yet in celebration of the LGBTQ+ community, and our charity partnership with Safe Space Alliance. Our funding is helping the charity to expand its directory of safe spaces for the LGBTQ+ community across the globe and strengthen the safety interventions and support it offers members.
- We continued to engage with the Government on key policy issues including the proposed Online Sales Tax, which was formally ruled out in the Chancellor's Autumn Statement in November 2022.
- ASOS.com Limited donated £300,000 to the Foundation.

How the Board engaged during the year

- The Board received feedback on the work of The Foundation through the ESG Committee.

