



# PERFORMANCE AND COMMITMENTS

FACTSHEET 2015 - 2016



## OUR PRODUCTS

Respecting people and the planet with great products that our customers can trust



## OUR BUSINESS

Achieving growth in a way that adds social value and minimises environmental impacts



## OUR CUSTOMERS

Helping young people to look, feel and be their best



## OUR COMMUNITY

Investing time and resource to make a real difference



## CORPORATE RESPONSIBILITY AT ASOS

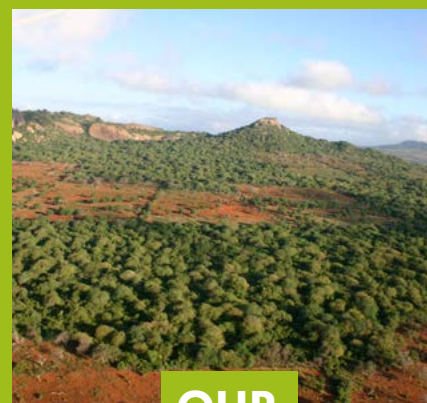
Our corporate responsibility programme, 'Fashion with Integrity', epitomises our approach to business. For ASOS, Fashion with Integrity means a transparent, responsible and proactive approach to managing the fashion industry's impact on people, animals and the environment. This factsheet summarises our Fashion with Integrity achievements during the 2015 to 2016 financial year, and sets out how we plan to bolster our programme for the future.

## FASHION WITH INTEGRITY PILLARS



### OUR PRODUCTS

Respecting people and the planet with great products that our customers can trust



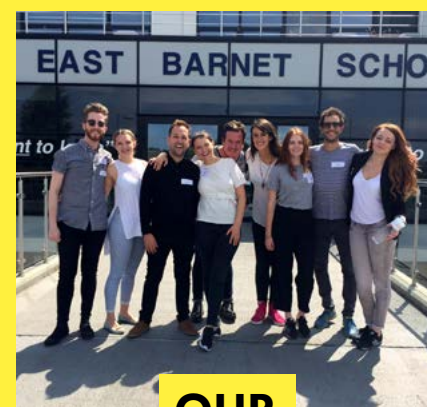
### OUR BUSINESS

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"I'm fully committed to ensuring Fashion with Integrity continues to provide the framework for how we do business at ASOS as our global operations continue to expand rapidly. The successes highlighted in this report are testament to the dedication and ambition of our colleagues, suppliers, customers and all of the expert organisations we work with to create a more sustainable and ethical industry."

Nick Beighton, Chief Executive Officer



**CHIEF EXECUTIVE OFFICER**



# FASHION WITH INTEGRITY

"A transparent, responsible and proactive approach to managing the fashion industry's impact on people, animals and the environment."

## ACHIEVEMENTS

2015/16

- Relunched our online Corporate Responsibility Report.
- Published our fourth UN Global Compact COP.
- Enhanced our business integrity due diligence process for key third party suppliers and service providers in selected countries and industries.
- Implemented more detailed reporting on gifts and hospitality received and given by ASOS employees

## COMMITMENTS

2016/17

- Improve employee and supplier understanding, engagement and compliance with Do The Right Thing so that as we continue our rapid international growth business integrity remains part of ASOS' DNA.
- Increase awareness of We're Listening, our confidential, independent helpline for employees and extend this facility to our garment supply chain.
- Firmly embed the principles of Fashion with Integrity across the whole business.
- Adopt the UN Women's Empowerment Principles.
- Develop our reporting with the inclusion of an established benchmarking tool.
- Introduce new measures to increase transparency.



**DIRECTOR OF CORPORATE RESPONSIBILITY**

"During the last 12 months, we have seen the growth of our Fashion with Integrity teams, with investment in additional skills and resource in our Sourcing and Corporate Responsibility departments, alongside increasing engagement from colleagues across the business."

*Louise McCabe, Director of Corporate Responsibility*



# OUR PRODUCTS

Respecting people and the planet with great products our customers can trust.

## ACHIEVEMENTS

2015/16

## COMMITMENTS

2016/17

### ETHICAL TRADE

- Developed a Migrant and Contract Worker Policy.
- Strengthened our Supplier Ethical Code to better protect vulnerable worker groups from exploitation and forced or compulsory labour.
- Revised our Child Labour Policy to reinforce ASOS' position on forced or compulsory labour to minimise the risk of children being trafficked or employed.
- Revised all of our supplier policies and guidelines to ensure suppliers understand and meet their responsibilities under the UK Modern Slavery Act (2015)
- Delivered workshops and conferences to 56 suppliers in UK, China, Turkey and Mauritius.
- Carried out 430 factory visits to monitor how factories are performing against our standards and provide support where required.
- Conducted 11 detailed factory, accommodation and labour agent audits in Mauritius and implemented improvement plans to provide greater protection to migrant workers.
- Collaborated with Verite and several other brands to develop a modern slavery training workshop for employees and suppliers.
- Enrolled all of our UK factories onto the Fast Forward audit programme, which includes a Modern Slavery assessment.
- Complete a forced and compulsory labour review and revision, where relevant, of internal human resources and procurement policies.
- Develop a Supplier Ethical Code for all non-stock suppliers.
- In conjunction with a number of other brands work with Verité, to create a map of modern slavery and trafficking risks of the garment industry's main sourcing countries.
- Pilot a worker feedback survey in 17 Turkish factories.
- Develop best practice guidelines and training on hiring of contract labour in Northern India.
- Deliver training on social insurance take up to workers in Chinese factories.
- Develop multi-stakeholder engagement around the issue of migrant recruitment and working conditions in the Mauritian garment sector.
- Roll out the modern slavery training workshop to employees, management teams, fulfilment centre personnel and suppliers.
- Partner with an external organisation to support extensive mapping of our supply chain.
- Build supplier capacity to manage ethical trade in their factory base.
- Continue to review and improve our sourcing practices.
- Publish our product supplier factory list

# OUR PRODUCTS

Respecting people and the planet with great products our customers can trust.

## ACHIEVEMENTS

2015/16

## COMMITMENTS

2016/17

### SUSTAINABLE SOURCING

- Launched our 'Sustainable Leaders at ASOS' training programme for retail and marketing employees, in collaboration with the Sustainable Fashion Academy.
- Held a supplier summit for 20 suppliers to communicate our sustainable sourcing goals and set out how we can work together to achieve them.
- Drove increased customer engagement and sales of sustainable fashion and beauty products through our Eco Edit platform and associated Instagram account
- Collaborated with the industry on initiatives such as the WWF Ganges Leather Buyers Platform, to go faster and further as a group of brands on priority environmental issues
- Made accelerated progress towards our 2020 goal of 80% more sustainable cotton in our collections - our 2016 autumn/winter range contains 44% more sustainable cotton as defined by the Better Cotton Initiative.
- Achieve 70% more sustainable cotton in our ranges.
- Ensure 100% of our cellulosic fibres do not come from ancient or endangered forests.
- Increase the volume of our own-label products in Eco Edit and launch new sustainable products for customers.
- Join the Sustainable Apparel Coalition and increase understanding of the environmental impacts in our supply chain (garment makers, mills and processors) through benchmarking with the HIGG Index.



**SOURCING  
DIRECTOR**

"This year has been a hotbed of engagement and innovation across our teams - individuals wanting to do the right thing and teams making meaningful commitments. Our customers remain at the heart of everything we do - fuelling us to continuously improve our buying habits so that our customers don't have to change theirs."

*Simon Platts, Sourcing Director*

# OUR BUSINESS

Achieving growth in a way that adds social value and minimises environmental impacts.

## ACHIEVEMENTS

2015/16

### ENVIRONMENT

- Reduced carbon intensity, as measured by grams per customer order by approximately 4% compared to the previous year.
- Signed off a new carbon strategy which aims to reduce our energy consumption and delivery and packaging emissions, and to increase our renewable energy usage.
- Completed energy audits of all our UK premises.
- Converted all of the lighting at our Barnsley fulfilment centre to low emission LED alternatives, cutting our lighting electricity consumption by 76%.
- 45% of European orders (excluding UK) now fulfilled from our German Eurohub, reducing stock and vehicle movements and emissions across Europe.
- Completed a renewable energy appraisal at Eurohub 2 so that renewable energy generation can be factored into the new building design.
- Carried out a desktop environmental assessment to benchmark our top 100 non-stock suppliers with the aim of developing supplier environmental scorecards.
- Set up a customer clothes recycling scheme in partnership with Duddle, a package delivery company, and TRAIID, a UK charity who is reducing the social and environmental cost of the textile industry. TRAIID will receive funds from clothes donated by ASOS customers that are sold in its shops.
- Expanded our waste compliance programme to cover a further 10 territories.
- Recycled 298 tonnes of cardboard and sent 388 tonnes of plastic to be transformed into manufacturing pellets at our returns processing site in Selby.

## COMMITMENTS

2016/17

### CARBON 2020

- As part of our new carbon reduction strategy we have agreed the following ambitions:
  - Install renewable technology to generate at least a proportion of our own electricity at all ASOS owned or leased buildings.
  - Run all ASOS buildings on electricity from 100% renewable sources.
  - Undertake energy audits of all of our buildings every 2 years. The findings will be used to identify business cases for investment in further energy efficiency opportunities.
  - Identify and support innovative delivery partners and packaging suppliers who are developing ways to reduce the environmental impact of customer packaging and deliveries.
  - Offset carbon emissions from employee business travel and data centres by purchasing carbon credits in reforestation projects.

### ENVIRONMENT

- Fulfil 90% of European (excluding UK) orders through our German Eurohub to reduce stock and vehicle movements across Europe.
- Continue to review all of our packaging with our suppliers to ensure that we are providing the most effective solutions to customers with the least environmental impact.
- Continue to extend our waste compliance programmes to cover additional territories.
- Continue our desktop assessments of non-stock suppliers to review their environmental credentials.
- Increase transparency and accuracy of carbon emissions reporting

# OUR CUSTOMERS

Helping young people to look, feel and be their best.

## ACHIEVEMENTS

2015/16

- Designed formal wear for 600 British Paralympic athletes and support staff to wear at the Rio 2016 Paralympics.
- Created a Paralympic legacy and increased awareness of disability through volunteer employee engagement opportunities.
- Worked with the anti-bullying charity, The Diana Award, to produce teaching resources to help open up discussions with young people about body image issues which have been downloaded almost 20,000 times since its launch in September 2015.
- Provided an online support service which helped over 7000 young adults with eating disorders during the period June 2015 to May 2016, as part of our ongoing relationship with eating disorders charity, Beat.

## COMMITMENTS

2016/17

- Extend our Paralympic Legacy to increase the visibility of disabled young adults in fashion.
- Increase the accessibility of ASOS' websites and mobile sites.
- Promote awareness of cultural intelligence and equality and ensure these are reflected in our products and communications.
- Support the roll out of the Diana Award self-esteem roadshow across the UK, reaching 2,760 young people directly, and 13,000 indirectly.
- Continue to build increased visibility and opportunity for young people.
- Extend our partnership with the eating disorders charity Beat to enable them to recruit an additional member of staff to assist with online support services for young adults with eating disorders.
- Undertake workshops with young people attending Haverstock school, Camden to encourage the importance of being healthy, body confident and choosing clothes that fit rather than changing body shapes to fit clothes.
- Continue to publish articles on diverse and inspirational young men and women across ASOS content.
- Continuously improve the fit of our garments so that we can deliver the right fit, first time to every customer.

"As a business we were immensely proud to see the ParalympicsGB team wearing the formal and ceremonial kit we designed for them at the Rio 2016 Paralympics, and would like to congratulate ParalympicsGB on their achievements. This is an ongoing partnership which, as part of our Celebrating Diversity programme, seeks to raise the profile of young adults with disabilities."

*Louise McCabe, Director of Corporate Responsibility*



**DIRECTOR OF CORPORATE RESPONSIBILITY**

# OUR COMMUNITY

Investing time and resource to make a real difference.

## ACHIEVEMENTS

2015/16

### EMPLOYEES IN THE COMMUNITY

- **Payroll Giving:** more than 17.5 % of employees make regular donations from their pay to charity - we received our fourth Platinum Quality Mark for Payroll Giving in April.
- **Payday Pennies:** launched in 2014, 11% of employees now donate the pennies from their salary directly to the ASOS Foundation.
- **Give a Day Away:** our employees volunteered 2,258 hours to give time and expertise to our community programme partners or to their chosen charity or community group.
- **ASOS Active and ASOS Engage:** employees undertaking sponsored challenges and organising fundraising events contributed more than £22,578.41 to the ASOS Foundation.

### UK PROJECTS

- Set up a new partnership with Centrepoin, funding mental health services for homeless young adults in London.
- Partnered with Barnsley College to fund the Enterprise Programme to develop young people's business ideas and employability skills, and iTrust which provides local business start-ups with grant and mentor support.
- Delivered our second Prince's Trust 'Get Into IT' technology programme, resulting in six graduates being offered 12-month contracts in ASOS' IT Department and three from the pilot programme being offered permanent roles.
- Trained 66 young people through our 'Get Started with Fashion', 'Get Started with Customer Care' and 'Get Into Web Design' programmes in partnership with the Prince's Trust.
- Awarded 49 Young People with development grants via the Prince's Trust for equipment to enable them to access work or training.
- Provided ongoing support to 'Call to Create' at the Roundhouse in Camden including circus, dance, poetry and music for young adults, and running two more coding clubs for 11- to 14-year-olds.
- Supported the delivery of Arrival Education's 'Success for Life' programme for young people with potential for success who are disengaged from learning due to challenging circumstances, and we set up ASOS employee mentoring opportunities

### KENYA PROJECT PIPELINE

- Provided fresh water to an additional 3,800 people in rural Kenya by installing a 6km water pipeline.
- Equipped 62 students who attended our Kenyan Stitching Academy with professional manufacturing skills that will enable them to get jobs in the industry or to establish small businesses.
- Created extra classroom space at Buguta Secondary School and a rainwater catchment system was installed on the roof.
- Set up a Stitching Academy Hub which offers programme graduates low-cost space and equipment to rent so they can start up their own businesses.
- Launched the 'Pipeline Roadshow', a programme of community workshops in rural villages including women's health, free eye care clinics and training in financial management for women and families.

### INDIA PROJECTS

- Supported 72 children at Udayan Care homes throughout Delhi and Greater Noida
- Opened our first purpose-built Udayan Care home for 12 orphaned or abandoned girls in India
- Bought land for our second Udayan Care home in Kurukshetra which will include space for a community mentoring centre.



# OUR COMMUNITY

Investing time and resource to make a real difference.

## COMMITMENTS

2016/17

### EMPLOYEES IN THE COMMUNITY

- Increase the number of ASOS employees donating skills and time to social projects.
- Maintain the Platinum Payroll Giving Quality Mark.
- As a founder member of 'Geared for Giving', participate in a national campaign to ensure that every UK employee has access to a payroll giving scheme by 2020.
- Increase support for the ASOS Foundation to enable greater impacts for disadvantaged young adults.

### UK PROJECTS

- Launch Centrepoint volunteer opportunities for ASOS employees to increase awareness of homelessness and mental health issues in the community.
- Deliver our third Prince's Trust 'Get Into IT' technology programme and launch our first 'Get Into Retail' programme offering 50% roles to graduates who complete the course.

### KENYA PROJECT PIPELINE

- Extend Project Pipeline to provide fresh drinking water for more of the Kasigau community.
- Develop the 'Pipeline Roadshow', a programme of community workshops in rural villages including women's health, free eye care clinics and training in financial management for women and families.

### INDIA PROJECTS

- Complete our second Udayan home in Kurukshetra which will include space for a community mentoring centre.



**DIRECTOR OF CORPORATE  
RESPONSIBILITY**

"I was delighted to attend the opening of our Udayan Care family home for 12 orphaned girls in India. The first of five homes planned, it was funded by the ASOS Foundation through the generosity of ASOS employees, suppliers and customers."

*Louise McCabe, Director of Corporate Responsibility*



## 2015/16 AT A GLANCE

**SECOND**

most visited fashion website  
on the planet

**63.0m**  
**operating profit**

**2700**  
EMPLOYEES

**4%**

reduction in carbon intensity  
(grams per customer order)

**44% more**

Sustainable cotton contained in  
2016 AW range as defined by  
the Better Cotton Initiative

**48,336**  
**tonne carbon  
footprint**

**£250,000**

raised to build a Udayan Care  
home in India

**12.4m**  
ACTIVE CUSTOMERS

**45**

brands sold on our sustainable  
productsplatform the Eco Edit

### FURTHER INFORMATION

Our online corporate responsibility report is available at  
**[www.asosplc.com/corporate-responsibility](http://www.asosplc.com/corporate-responsibility)**

Please email **[cr@asos.com](mailto:cr@asos.com)** to share your feedback on our corporate responsibility approach.