



Gender Pay Report
March 2018

We are glad this reporting has shined a light on an important issue and we are using it as a catalyst for change.

There are a few key factors that influence the top headline numbers – from the percentage of women in leadership positions, to the gender makeup of specific teams in the business... like tech, which is majority male, and retail and customer care, which are majority female.

The problem isn't attracting top female talent to ASOS – 64% of our current population is female and we've had more than 100,000 CVs in the past five months. We are also confident that for equivalent roles, men and women are paid the same.

So that suggests that the challenges are with specific parts of the business where there is a more significant gender imbalance and ensuring that there is a clear path for women into leadership positions.

We've taken many steps in the right direction, but there is still more to do. We also understand that meaningful change takes time and has to happen outside of ASOS as well as inside. But as a starting point, we commit to:

- Creating development and mentoring programmes to support career progression for women into leadership positions.
- Enhancing our 'Family Friendly' policies, including parental leave and flexible working, to ensure that they are best in class.
- Funding 10 scholarships per year to encourage more women to study STEM topics in universities and expand the work we are currently doing with schools and organisations like Stemettes and Girls Who Code.

And to ensure that meaningful action is taken, we will be investing a minimum of £1 million to support these efforts in the coming year.

If we do all of this right, our aspiration is to have a leadership team that is more evenly balanced and better reflects our customer base.

The gender pay gap reporting has brought all of this to the forefront, but the commitments and changes we are making are not because of the reporting. We are doing it because it's right for our ASOSers, our business, and our customers.

We want every single employee at ASOS, whoever they are, to have the confidence to be their best and do their best work. We are committed to doing everything we can to make this happen.



A handwritten signature in black ink, appearing to read 'Nick Beighton', written over a thin horizontal line.

Nick Beighton, ASOS CEO

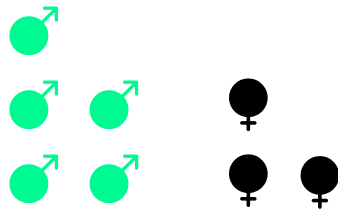


As of 6 April 2017, the UK government introduced new gender pay gap reporting legislation requiring large employers with more than 250 employees in the UK to calculate and publish their gender pay and gender bonus gaps annually.

How are gender pay and equal pay different?

Gender pay and equal pay are two very different measures.

We are publishing our gender pay stats in line with UK government regulations.



Gender Pay

Shows the difference in average pay between all men and women within a company – it's a **collective** comparison.

It's about **gender diversity** across all levels.

Focused on the diversity of workforce rather than equal pay for similar jobs – **it doesn't mean there's an equal pay issue.**

vs.



Equal Pay

Compares the pay of a man and a woman who hold the same roles within a company – it's an **individual** comparison.

It's **against the law** to pay people unequally because of their gender.

Equal Pay legislation has been around for more than 40 years.

Calculations explained

Mean

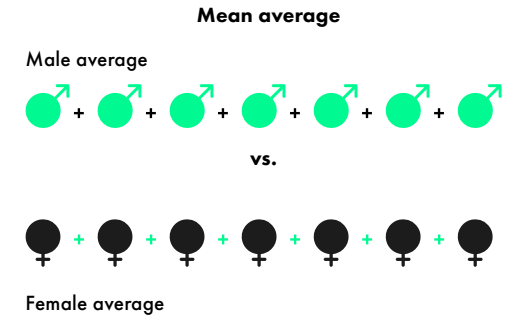
Is the difference between the average hourly rate of pay between men and women.

We take the pay data of all ASOSers employed on 5 April 2017.

This includes many different roles that have different rates of pay.

The average is worked out by adding together all the hourly rates of pay for women at ASOS, and then dividing by the total number of women. The same is done for male hourly pay. This gives us a central value of hourly pay for men and women - the mean gap displays the difference between these two averages.

These mean calculations are also applied to compare bonus pay over a 12-month period from April 2016 to April 2017.

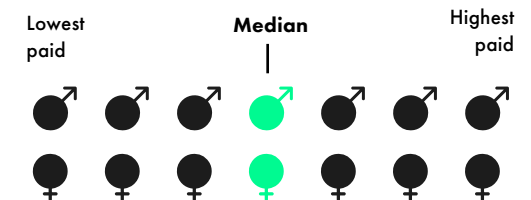


Median

Imagine all our female ASOSers stood next to each other in one line in order of lowest hourly rate of pay to highest, and imagine the same picture for our male ASOSers.

The median gender pay gap is the difference in pay between the female ASOSer in the middle of their line and the male ASOSer in the middle of their line.

The same median calculations are done by comparing bonus pay over a 12-month period ending on 5 April 2017.



What's included

Calculations of mean and median pay and of quartile pay bands are based on data from the month of April 2017, including ordinary pay and bonus pay.

Ordinary pay includes salaries, allowances, pay for leave and shift premium pay. It doesn't include pay for overtime, pay relating to redundancy/termination of employment, pay in lieu of leave or the value of benefits which are not in the form of money.

Bonus pay includes any additional payments relating to profit sharing, productivity, performance, incentive or commission. This includes bonuses paid in cash, vouchers, shares and share options. Calculations of mean and median bonus pay use bonus pay from the twelve months ending on 5 April 2017.



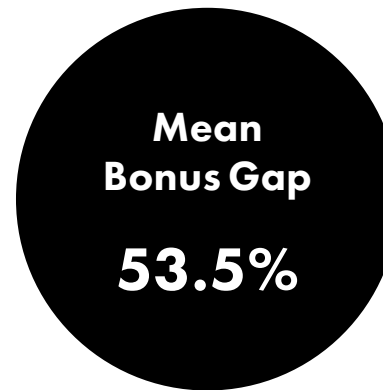
What are our results?



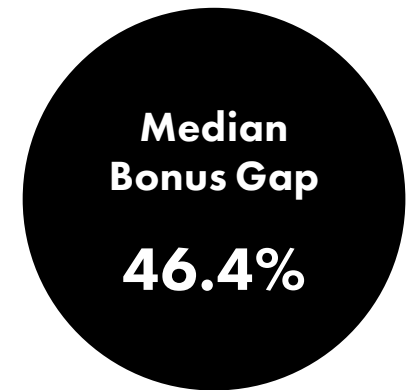
The difference in mean (average) hourly pay between all men and women



The difference in median hourly pay between all men and women

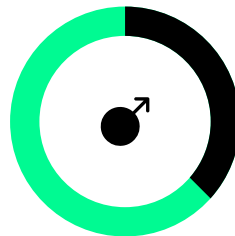


The difference in mean bonus paid to men and women

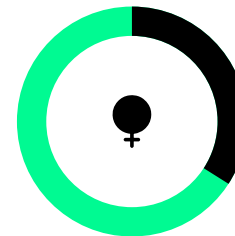


The difference in median bonus paid to men and women

The proportion of male and female employees who were paid any amount of bonus pay



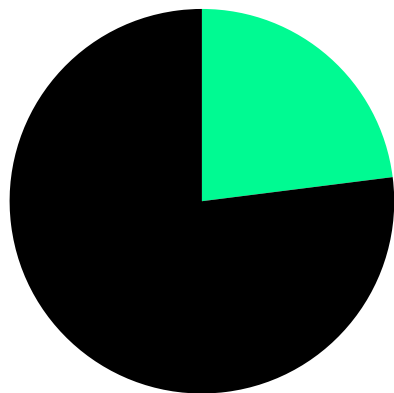
■ Men not receiving ■ Men receiving
63.4% of men at ASOS receive a bonus



■ Women not receiving ■ Women receiving
65.7% of women at ASOS receive a bonus

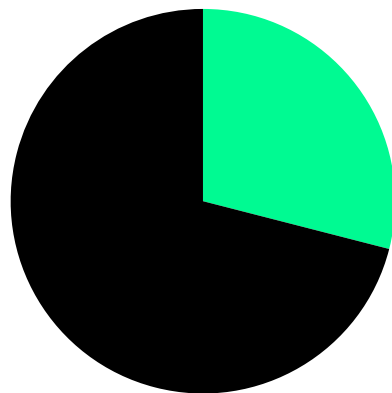
What are our results? (page 2)

The proportion of male and female employees in four quartile hourly rate pay bands ranked from lowest hourly rate to the highest hourly rate. It is done by dividing the workforce into four equal parts.



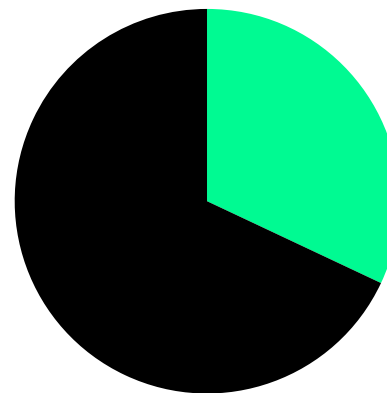
Q1

Women make up 77% of ASOSers in the lowest paid quartile



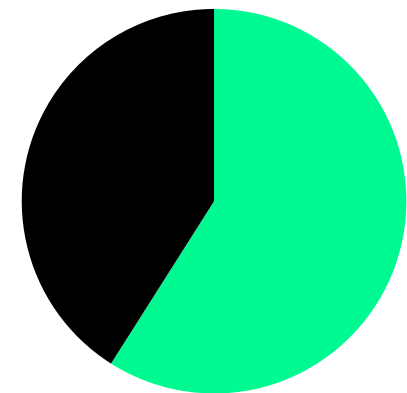
Q2

Women make up 71% of ASOSers in Q2



Q3

Women make up 68% of ASOSers in Q3



Q4

Women make up 41% of ASOSers in the highest paid quartile

■ Men ■ Women

Calculating the quartiles

All of our male and female ASOSers were ranked in order from the lowest paid to the highest paid and then split into four groups:

Q1 = the bottom 0 – 25% of the list

Q2 = the next 25 – 50% of the list

Q3 = the upper 50% – 75% of the list

Q4 = the top 75% – 100% of the list



Understanding the gap

We are confident that men and women are paid equally for equivalent roles. However, the factors below provide context to the mean and median pay gap across male and female populations at ASOS.

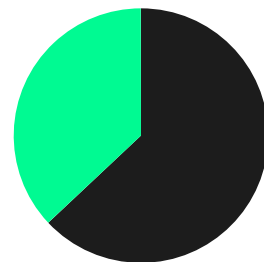
1. Insourced versus outsourced functions

We insource customer care which is comprised of mainly entry-level roles and is 63% female

Our retail team also has a large number of entry-level roles and is 85% female

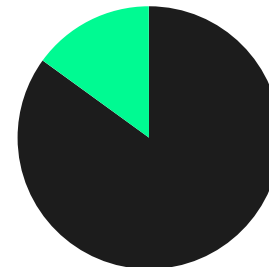
We outsource our distribution, which tends to have mainly entry-level roles, of which the majority are filled by men

This results in a gender imbalance at the entry pay level



Customer care is 63% female

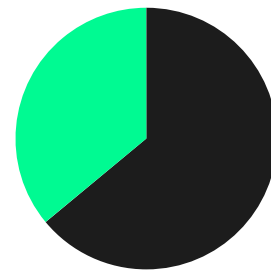
■ Men
■ Women



Our retail team is 85% female

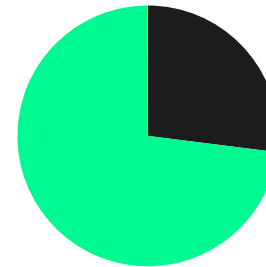
2. The gender balance in leadership roles

Although ASOS is 64% female overall, we have more men in our most senior roles with 73% of the leadership team being male



ASOS is 64% female overall

■ Men
■ Women



73% of leadership team are male

3. Women in technology

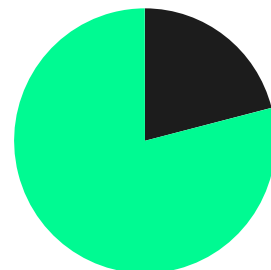
Technology is a sector that has historically attracted more men, which is a challenge that needs to be addressed at school age, rather than just in the working world

We are committed to recruiting more women into tech roles as well as encouraging women to study STEM topics in schools and universities

This challenge is larger than any one company – with only 21% of the core STEM (science, technology, engineering and maths) workforce in the UK being female* – and will require fundamental shifts in the education system and support across all UK tech businesses

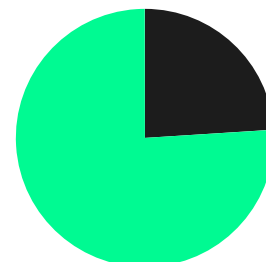
The ASOS tech team is currently 24% female

*WISE UK statistics, 2016/17. www.wisecampaign.org.uk/uploads/wise/files/WISE_Annual_Report_v81.pdf



UK - 21% of women in STEM

■ Men
■ Women



ASOS tech team is 24% female



Our commitments

Based on the key factors we have outlined as contributing to the gender pay gap at ASOS, we commit to:

- 1. Creating development and mentoring programmes to support career progression for women into leadership positions.**
- 2. Enhancing our 'Family Friendly' policies, including parental leave and flexible working, to ensure that they are best in class.**
- 3. Funding 10 scholarships per year to encourage more women to study STEM topics in universities and expand the work we are currently doing with schools and organisations like Stemettes and Girls Who Code.**

And to ensure that meaningful action is taken, we will be investing a minimum of £1 million to support these efforts in the coming year.

We understand that long term change will take time, and must involve action both inside and outside of ASOS. However, we believe this is a strong starting point and will help us work towards a business, and a leadership team, that is evenly balanced and more closely reflects our diverse customer base.

