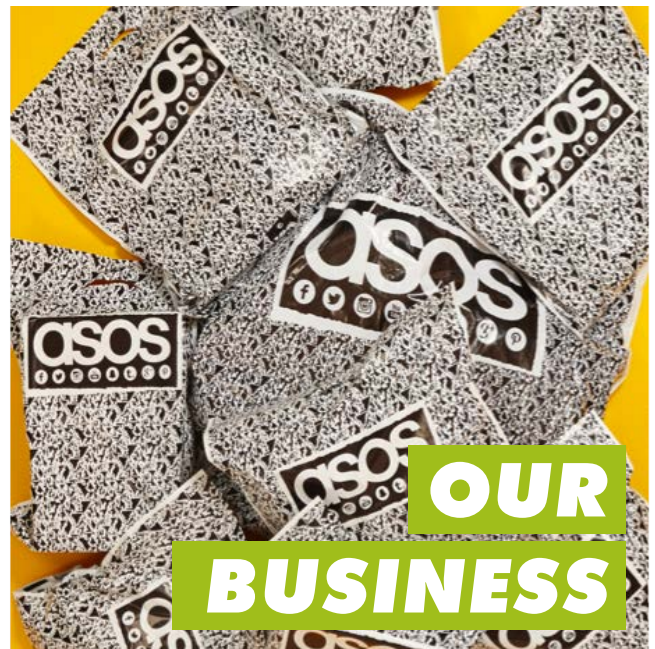


ASOS FASHION WITH
INTEGRITY

PERFORMANCE AND COMMITMENTS

FACTSHEET 2016 - 2017



ASOS FASHION WITH INTEGRITY

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 2016 to 2017 financial year, and sets out how we plan to bolster our programme for the future.

FASHION WITH INTEGRITY PILLARS



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



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



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



Investing time and resource to make a real difference.

"I'm committed to ASOS transforming how fashion impacts on people and our planet. We can do this if we're determined enough, work together, make brave decisions and continue to be open and honest about what needs to be done."

Nick Beighton, 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

2016/17

- Established a robust governance structure with 85 ASOS leaders and subject matter experts engaged in driving our Fashion with Integrity strategy.
- Improved 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.
- Developed new communications tools to raise the profile of *We’re Listening*, our confidential, independent helpline for employees.
- Launched an employee forum across all ASOS sites.

COMMITMENTS

2017/18

- Further embed the governance groups to enable accelerated progress in our Fashion with Integrity strategy.
- Develop a vision and long term goals for Fashion with Integrity.
- Extend our confidential helpline to include workers in key sourcing regions.



“This year, there’s been a step change in how we integrate the four pillars of Fashion with Integrity into our core business. Our corporate responsibility priorities have been repositioned as strategic non-negotiables, and we’ve taken steps to engage every person in the business in understanding and achieving them, and in removing barriers to faster progress.”

Louise McCabe, Director of Corporate Responsibility

OUR PRODUCTS

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

ETHICAL TRADE

ACHIEVEMENTS

2016/17

- Published our factory list and sourcing map.
- Amended our Supplier Ethical Code and incorporated it into our non-stock supplier contracts.
- Signed a Global Framework Agreement with **IndustriALL** which includes commitments to roll out a worker hotline and training on freedom of association.
- Developed a risk assessment framework and methodology for identifying risks of modern slavery in our key sourcing regions.
- Launched a project in India to develop best practice guidelines and training on hiring of contract labour.
- Partnered with SGS to conduct supply chain mapping through the Transparency-One Index.
- Kicked-off a project to build supplier capacity to manage ethical trade in their factory base.
- Reviewed our purchasing practices to identify areas for improvement as part of the ACT Purchasing Practices working group.

COMMITMENTS

2017/18

- **Transparency:** Complete mapping of tiers 2 and 3 of our supply chain and continue to publish updates every 2 months.
- **Purchasing practices:** develop a roadmap for improving our purchasing practices based on the findings of the review.
- **Audit:** partner with local non-governmental organisations and experts to continuously review and improve our audit methodology.
- **Living wage:** participate in ACT country consultations to set up industry-wide collective bargaining mechanisms on wages.
- **Freedom of association and collective bargaining:** begin implementing our commitments under **IndustriALL Global Framework Agreement**.
- **Gender:** pilot gender empowerment programme in two factories in Turkey.
- **Occupational Health and Safety:** develop focussed review of occupational health and safety on different product categories and train best practice into supply chain.
- **Modern slavery:** organise multi-stakeholder event in Mauritius in early 2018 to agree on a roadmap for improving the conditions under which migrant workers are recruited and employed, and meet other commitments as laid out in our **Modern Slavery Statement**.
- **Child labour:** build partnerships with local non-governmental organisations in high risk sourcing countries to prevent and remediate child labour.

OUR PRODUCTS

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

SUSTAINABLE SOURCING

ACHIEVEMENTS

2016/17

- Set out our commitment to transition to a circular economy in fashion by signing the Global Fashion Agenda at the Copenhagen Fashion Summit.
- The graduation of 70 ASOS retail and marketing employees from the Sustainable Leaders at ASOS training programme in collaboration with the Sustainable Fashion Academy.
- Made accelerated progress towards our 2020 goal of 95% more sustainable cotton in our collections – with 44% verified sustainable cotton sourced by June against our 2017 target of 70%.
- Launched our wood and wood pulp policy and working with suppliers to ensure wood, paper and cellulosic fibres in our ASOS products and our office is not sourced from ancient or endangered forests.
- Joined the Sustainable Apparel Coalition (SAC) and completed our first environmental self-assessment, with 30% of our factories (including wet processing units) also completing their own self-assessment.
- Joined the European Clothing Action Plan (ECAP) and collaborating with industry partners to address environmental challenges at every stage of the clothing life cycle.
- Set sustainable fibre targets, including increased use of recycled polyester, water-based leather alternatives and more sustainable cotton.
- Developed guidance on chemical management and restricted substances for all brands sold through asos.com.
- Introducing supplier scorecards to assess the sustainability performance of our suppliers.
- Offered sustainably made products, including swimwear with recycled nylon and denim with recycled cotton from post-consumer waste, with press and social media promotion supporting customer engagement and sales.
- Presented our sustainability strategy to over 230 suppliers and factories in the UK, China, India and Romania, and setting out how they can help us achieve our sustainability goals.
- Mapped the tanneries in our leather supply chain prior to a programme of ethical trade inspection.
- Joined the European Clothing Action Plan (ECAP) to collaborate with the industry to address the environmental challenges at every stage of the European clothing industry's life cycle.
- Sustainable fibre KPIs put in place, including recycled polyester, water based PU and more sustainable cotton.

OUR PRODUCTS

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

SUSTAINABLE SOURCING

COMMITMENTS

2017/18

Materials

- Achieve 85% more sustainable cotton in our ranges in 2018, as part of our commitment to source 95% more sustainable cotton by 2020 and 100% by 2025.
- Increase our uptake of a broad range of sustainable materials including organic and recycled fibres, and leather alternatives.
- Ensure 100% of our cellulosic fibres do not come from ancient or endangered forests.
- Review our leather supply base to increase participation of Leather Working Group certified (LWG) tanneries. Currently 26% of our leather comes from a LWG tannery (by value).
- Complete a systematic product transparency pilot in India and Turkey to give visibility of the full supply chain.
- Sustainable Apparel Coalition: 50% of our manufacturing facilities (by volume), and 30% of fabric mills to benchmark their sustainability performance by completing the Higg Index facility environmental module.
- Provide our top 50 suppliers with a sustainability scorecard benchmarking their performance.
- Build visibility of chemical usage in our production, moving beyond compliance to improve input chemistry and reduce environmental impact.

Capability

- Extend 'Sustainable Leaders at ASOS' training programme to 80 employees taking, the total to 200.
- Launch sustainable materials e-learning to all ASOS employees.
- Develop and deliver training in circular fashion design and best practises to our product development teams.
- Extend training on sustainable materials and chemical management to third party brands trading with ASOS.

Circularity

- Develop an ASOS customer take-back/recycling programme in the UK.
- Announce our circular fashion pledge within the Global Fashion Agenda 2020 Commitment (December 17). This follows our existing commitment to the European Clothing Action Plan (ECAP), which focuses on sustainable design, materials, manufacture and recycling.



"We're working towards full visibility of our entire supply chain, all the way back to raw material"

Alice Strevens, Head of Ethical Trade

OUR BUSINESS

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

ACHIEVEMENTS

2016/17

- Increased the scope and accuracy of our carbon emissions reporting across the business.
- Collected and recycled 352 tonnes of cardboard and 458 tonnes of plastic mail packaging from our customers.
- Fulfilled 85% of European (excluding UK) orders through our German Eurohub to reduce stock and vehicle movements across Europe.
- Offset carbon emissions from employee business travel and data centres by purchasing carbon credits in reforestation projects.
- Engaged an independent agency to carry out a study of our mail packaging in order to identify ways to minimise environmental impact.
- Extended our waste compliance programmes to cover additional territories.
- Continued our desktop assessments of non-stock suppliers to review their environmental credentials.
- Developed an in house tool to measure the carbon emissions generated by customer deliveries as part of a Responsible Carrier Strategy.

COMMITMENTS

2017/18

- Launch a Sustainable Warehousing Strategy to minimise energy use and reduce the environmental impacts of our distribution centres.
- Support delivery partners engaged with our Responsible Carriers programme to find ways of reducing emissions from customer deliveries.
- Carry out an audit of plastic usage in ASOS head office and identify ways to reduce waste and increase recycling.
- Begin to 'close the loop' on packaging by diverting post-consumer packaging waste from returns reprocessing centres directly to the manufacturer of ASOS mailbags.
- Identify ways to design increased recyclability into ASOS packaging.
- Continue to increase the accuracy and transparency of our carbon emissions data.

OUR CUSTOMERS

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

ACHIEVEMENTS

2016/17

- Designed and produced the ceremony and formal wear for 600 Paralympics GB athletes and staff at the Rio 2016 Summer Paralympic Games.
- Worked with the anti-bullying charity, the Diana Award, to produce and run sessions to help open up discussions with young people about body image issues, over 650 students between 13 - 18 years old benefitted from the programme in the last 12 months.
- Working with youth homelessness charity Centrepoin to provide essential mental health services for young adults at risk across London and Yorkshire.
- Partnering with the UK's eating disorders charity, Beat, to provide an online support service which helped more than 10,000 people with eating disorders in the last 12 months.
- Increased the accessibility of ASOS' websites and mobile sites.
- Promoted cultural intelligence and equality to ensure these are reflected in our products and communications.
- Ensured protection and empowerment of customers and models through our own Model Welfare policy and guidelines on digital manipulation.
- Worked with experts to train our employees on body image and health.
- Communicated and celebrated diverse and inspirational young men and women in ASOS Magazine, with a focus on achievements.
- Hosted Come and Try sessions where students from Haverstock School in Camden played wheelchair basketball with British Paralympic Association coaches.

COMMITMENTS

2017/18

- Extend our partnership with the British Paralympic Association to include the PyeongChang 2018 Winter Paralympic Games and the Tokyo 2020 Summer Paralympics.
- Continue to support the eating disorder charity, Beat, to extend its support to over 25,000 people next year.
- Continue to support the Diana Award, to provide positive body image and self-esteem programmes to secondary schools across the UK.
- Develop a diversity and inclusion strategy to which allows us to better represent and empower 20-somethings.
- Create partnerships with charities Stonewall and GLAAD, that enable us to show our support for LGBTQ+ equality and better represent and understand our customers.
- Introduce measures to positively impact the mental health and wellbeing of the lives of 20-somethings.

"We continue to celebrate diversity at ASOS and this year I've been especially impressed with the content produced by the ASOS magazine, website and social teams. This continues to celebrate and reflect the diversity of our 20-something audience within a changing landscape of gender, self-expression and body confidence."

Louise McCabe, Director of Corporate Responsibility



OUR COMMUNITY

Investing time and resource to make a real difference.

ACHIEVEMENTS

2016/17

- Achieved Gold Award 2016 for Payroll Giving.
- Increased employee volunteering by 69%.
- As a founder member of 'Geared for Giving', helped launch a national campaign to ensure that every UK employee has access to a payroll giving scheme by 2020.

ASOS Foundation

- Built our second Udayan Care home in Kurukshetra which includes a computing skills training space and community mentoring centre.
- Grew our partnership with Centrepoin, helping to provide essential mental health services to homeless young adults.
- Enabled Centrepoin to launch the UK's first homelessness prevention helpline for 16- to 25-year-olds.
- Trained 70 young unemployed people with The Prince's Trust and recruiting 14 graduates of this year's Get into Fashion and Get into Technology courses.
- Awarded 104 young people Prince's Trust development grants for equipment to enable them to access work or training.
- Delivered emergency water supplies by truck to 4000 primary and secondary school pupils in Kenya.

COMMITMENTS

2017/18

- Introduce team volunteering in our international offices.
- Continue to support the Geared for Giving campaign to make payroll giving available to more UK employees.
- Further develop our community programmes in Barnsley, Camden and Birmingham.
- Introduce a community programme in Leavesden, where our new customer care centre is based.
- Develop young talent with Fashion Awareness Direct by hosting workshops and developing careers advice sessions.

ASOS Foundation

- Begin work on our third Udayan Care home for abandoned and orphaned children.
- Install solar panels on 3 Udayan Care homes.
- Provide funding for a Udayan Care computer training facility in Kurukshetra.
- Launch a water, sanitation and hygiene project for 4,000 school children in Kasigau, Kenya.
- Develop our partnership with Centrepoin by supporting a group for LGBTQ young adults.



"The ASOS Foundation has gone from strength to strength in 2017. I'm particularly proud of our partnership with Centrepoin, the UK youth homelessness charity. Funding from the ASOS Foundation has enabled Centrepoin to provide mental health support and to launch the UK's first national homelessness prevention helpline for young adults."

Louise McCabe, Director of Corporate Responsibility

ASOS FASHION WITH INTEGRITY

2016/17 AT A GLANCE

SECOND

most visited fashion website
on the planet

79.6m
operating profit

3579
EMPLOYEES

2%

reduction in carbon intensity
(grams per customer order)

44% more

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

264,895

**tonne carbon
footprint**

£108,000

raised and donated for the
ASOS Foundation through
employee sample sales

15.4m
ACTIVE CUSTOMERS

487

factory audits
carried out

FURTHER INFORMATION

Our online corporate responsibility report is available at
www.asosplc.com/corporate-responsibility

Please email **cr@asos.com** to share your feedback on our corporate responsibility approach.