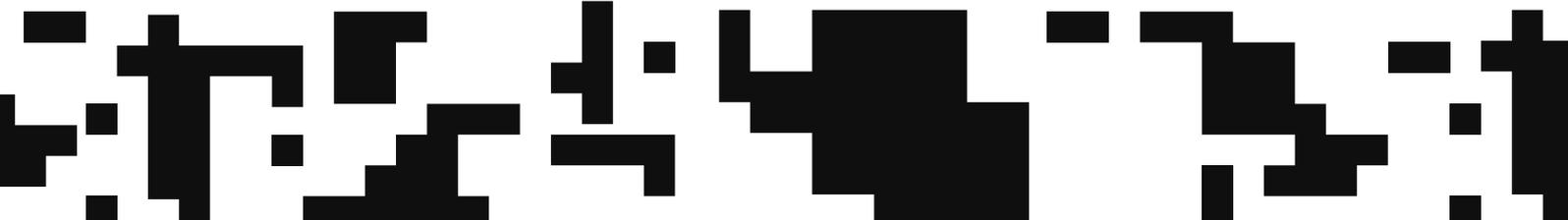


ASOS

Modern Slavery Statement

May 2021 – August 2022



Foreword

Modern slavery is a complex global issue affecting all regions, sectors, and economies. As an international business, we accept the dual responsibilities that we have: first, to conduct the necessary due diligence to tackle the risks in our own supply chain; and second, to collaborate with others to drive transparency and systemic change across the industry and beyond. Each is vital to ensure that people who have been forced into situations of vulnerability can be protected from exploitation and enjoy the right to decent work and safety.

Following the publication of our interim (sixth) modern slavery statement in June 2022, we are proud to introduce our seventh Modern Slavery Statement, published in accordance with the UK Modern Slavery Act (2015). It succeeds our fifth Modern Slavery Statement, which was published in April 2021 and looked back on events from February 2020 to January 2021.

Inevitably given the period it covered, that statement was very focused on the impact of global issues such as the Covid-19 pandemic. Yet the impact of the pandemic continues to be felt. The deepening of social and economic inequalities to which it contributed has been seen in other global humanitarian and climate crises, whether in Afghanistan, Sri Lanka, Ukraine or more recently in Pakistan, which have forced people to flee their homes or driven them into situations of vulnerability.

Against this backdrop, work to better understand modern slavery risks and strengthen efforts to combat them is as important as ever. We welcome the forthcoming updates on the global estimates of modern slavery in the report soon to be launched by the International Labour Organization (ILO), International Organization for Migration (IOM) and Walk Free Foundation, which will further highlight the extent of modern slavery globally. We also continue to support calls for stronger legal frameworks to address global systems which enable forced labour in supply chains, while strengthening our own due diligence processes at the same time.

There is still progress to be made across our own supply chain. We are committed to reviewing and improving our practices and collaborating with others to drive change across the industry. Over the period covered by this statement, we took some key steps to achieve this, including:

- Continuing to identify and mitigate modern slavery risk in our supply chain, particularly in the context of the Covid-19 pandemic.
- Publishing our Fashion with Integrity (FWI) strategy, which includes transparency as one of the key goals underpinning our approach.

- Welcoming the news of the new International Accord for Health & Safety in Bangladesh, and becoming an early signatory to this legally binding agreement.
- Renewing our strategic partnership with Anti-Slavery International (ASI) with a new 3-year agreement for ASI to support in the delivery of our Fashion with Integrity (FWI) 2030 strategy and in addressing the risk of modern slavery in our supply chain.
- Formally launching the Just Good Work (JGW) Mauritius app, which informs migrant workers on their rights and responsibilities throughout the recruitment process and during their stay in Mauritius.
- Commencing work on our human rights saliency assessment, which will form the basis of our human rights strategy.

We are pleased with the progress we've made on each of those points, and in our wider efforts to drive transparency in our approach. This year, we increased our public disclosure about our social and environmental policies, practices and impacts, becoming the top scoring UK brand out of the 250 major fashion brands and retailers reviewed in [Fashion Revolution's Fashion Transparency Index](#).

This statement sets out our approach to prevent modern slavery in our supply chain and business operations and provides an update on the steps taken from May 2021 to August 2022. We are pleased to be covering the acquisitions made in February 2021 (Topshop, Topman, Miss Selfridge and H&M) for the first time in this statement.

I would like to take this opportunity to thank all our partners, including our customers, suppliers, NGOs, audit providers and trade unions, without whom our work to protect the rights of workers in our supply chain and address the risk of modern slavery wouldn't be possible.

José Antonio Ramos,
CEO



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About ASOS

ASOS is a destination for fashion-loving 20-somethings around the world. Through its app and mobile/desktop web experience, available in ten languages and over 200 markets, ASOS customers can shop a curated edit of over 100,000 products, sourced from nearly 1000 global and local partner brands alongside a mix of fashion-led own-brand labels.

Key statistics

Our offices:

3,523 ASOS direct employees in our own operations (and 82 contractors and freelancers)

Our fulfilment centres (third-party operated):

- 4,248** in Barnsley (3412 permanent, 836 temporary)
- 1,810** in Atlanta (1,808 permanent, 2 temporary)
- 2,907** in Berlin (1,713 permanent, 1194 temporary employees)
- 1,343** in Lichfield (682 permanent, 661 temporary)

Our other sites:

- Poland **949** (373 permanent, 576 temporary)
- Doncaster **840** (531 permanent, 309 temporary)
- Czech Republic **356** (307 permanent, 49 temporary)
- Sheffield **280** (164 permanent, 116 temporary)
- Corby **116** (104 permanent, 12 temporary)
- Selby **979** (612 permanent, 367 temporary)

ASOS at a glance:

- 95.2m** orders placed FY21, +19% year on year
- Curated edit of over **100,000** products available to buy on site at any one time
- 26.7m** active customers worldwide
- No. of followers across our social media platforms –
 - Total following including venture brands: **44m**
 - Total ASOS following excluding venture brands: **26.3m**
- No. of 3rd party brands – over **1000**

Business structure

ASOS is based in the UK, with its head office in London, a smaller technology office in Birmingham, and a Customer Care hub in Leavesden. In the last reporting period, we also opened a further technology office in Belfast, Northern Ireland. We also have four third-party-run fulfilment centres (Barnsley, UK; Berlin, Germany; Atlanta, USA; Lichfield, UK) and five third-party-operated returns and reprocessing sites (Poland, Czech Republic, UK).

Goods for Resale – ASOS-owned brands

Products from ASOS-owned brands, including venture brands Topshop and Topman, are designed in-house, manufactured by third-party supplier factories, and sold on our platforms and through wholesale partnerships. Our Ethical Trade team sits under the Commercial ESG & Sustainability department and works closely with the Sustainability, Sourcing and Commercial teams to ensure product and raw material suppliers are sourced responsibly based on ethical, sustainable, and commercial criteria. Our product supply chains are complex and involve a number of different manufacturing processes.

We source from:

- **27** source countries tiers 1-3.
- [Map](#).
- **203** suppliers.
- **1033** factories (tiers 1 to 3) involving nearly **222,796** workers, of which **44%** are male, **56%** are female, **6%** are migrant.

ASOS maps and describes them as follows:

Tier	Definition	Example	Status
Tier 1	Main production sites	Factory which cuts, sews, finishes ASOS Brands product and ships to ASOS	Fully mapped
Tier 2	Process integral to production	Provider of one or more processes	Fully mapped
Tier 3	Enhancements to product	Provider of one or more processes	Fully mapped
Tier 4	Fabric and components	Fabric mills, tanneries, hardware and trims	Partially mapped
Tier 5	Raw materials	Textile fibres, natural and manmade materials	Partially mapped

More detail on our target to map down to Tier 5 of our supply chain, and our progress to date, is available in our [latest Fashion with Integrity Progress Update report](#).

Goods for Resale – Partner brands

We have over 1,000 brands currently in our third-party portfolio, accounting for around 54% of total ASOS sales.

Our Branded Engagement team oversee our branded engagement programme to ensure that our brand partners are aligned with ASOS' expectations and ways of working.

In 2020, we introduced an additional requirement for brands supplying ASOS with products manufactured in the UK. All third-party brands sourcing from the UK are required to join the Fast Forward labour standards improvement programme, which we co-founded in 2014. See pages 7 and 9 for further information on Fast Forward and our work in the UK.

Goods not for Resale (Procurement)

Procurement plays an instrumental role in our day-to-day business operations and delivery and supports our wider Fashion with Integrity strategy.

Our responsible procurement programme covers non-stock goods and services, including outsourced customer deliveries, logistics, technology, marketing, property, cleaning, and catering. The vendors are grouped under three main categories:

- Supply Chain & Logistics.
- Property and Facilities Management.
- Services.

Last year we transacted with 1,550 non-stock suppliers, with our top 20 non-stock suppliers representing 69% of our total spend. See page 15 for further information on our Procurement programme.

Fashion with Integrity

In September 2021, we launched our refreshed Fashion with Integrity strategy for 2030, with four key goals: Be Net Zero, Be More Circular, Be Transparent and Be Diverse. More detail on our goals and targets is available in [our strategy paper on our plc website](#).

As part of this, we have committed to develop and publish a wide-ranging human rights strategy and implementation report every year from 2023. Building on our modern slavery reporting, this will set out our strategy and progress on living wage, access to remedy, freedom of association, and gender empowerment, all of which are key to ensuring human rights are protected and respected, and modern slavery is prevented. We will also share draft plans with Labour Behind the Label, part of the Clean Clothes Campaign – a network of trade unions and NGOs dedicated to improving working conditions as well as sharing with our partners Anti-Slavery International and IndustriALL Global Union.

We are increasingly seeing calls for and the implementation of new human rights and environmental due diligence laws across the world. This upcoming and new legislative environment will oblige companies to undertake human rights and environmental

due diligence across their supply chains. To comply with these obligations, we will need to fully map our supply chains to the raw material level, to ensure that goods are not tainted with forced labour. This level of visibility is crucial to leading improvements in working conditions and reducing the risk of modern slavery.

This why **Be Transparent** is one of our key goals within our Fashion with Integrity strategy. We are committed to achieving full transparency of our own supply chain down to Tier 5 by 2030. A full view of our supply chain will also enable us to conduct collective monitoring and effective implementation, to hold ourselves to account and to track our impact.

As part of our commitment to transparency, we also participate annually in Fashion Revolution's Fashion Transparency Index report. We are proud to have increased our public disclosure about our social and environmental policies, practices and impacts from 47% in 2021 to 51% in 2022. ASOS is also the top scoring UK brand out of the 250 major fashion brands and retailers reviewed in the Fashion Transparency Index 2022.

[The full report is freely available on the Fashion Revolution website.](#)

Our approach to due diligence

ASOS own-brands

For ASOS, due diligence refers to a systematic way of ensuring the implementation of our code of conduct, to identify and address the risks present in our supply chain. This forms a key part of our ways of working with our suppliers. Without the appropriate processes, our supply chain and procurement are at greater risk of the occurrence of modern slavery.

“Human rights due diligence involves the actions taken by a company to both identify and act upon actual and potential human rights risks for workers in its operations, supply chains and the services it uses.” Ethical Trading Initiative

To make sure our due diligence process is effective, we work with our suppliers, factories, trade unions and other civil society organisations. We take both a top-down (ASOS-led) and bottom-up (worker-led) approach to ensure workers are treated with respect and have a safe working environment.

We use different due-diligence tools to support our commitment in this area, including:

- Policies and contractual controls.
- Robust standard operating procedures, including our factory audit programme.
- Training and workshops for suppliers and partners.
- Risk Management and Internal Audit programmes.

Other key levers of change we focus on are:

- Empowering workers (see page 9).
- Addressing business impact (see page 10).
- Engaging on policy and legislation (see page 10).

Policies and contractual controls

As part of our Ethical Trade programme, we have developed several policies and guidelines to ensure workers are respected and protected across our supply chain. Our policies are contractually binding, helping us to manage the risks in our supply chain and to set out remediation steps when issues are found.

We continually review and update our policies and guidelines to ensure they achieve the right results. The following policies are publicly available:

- [ASOS Child Labour Remediation and Young Worker Policy.](#)
- [ASOS Code of Conduct.](#)
- [ASOS Freedom of Association and Collective Bargaining Policy.](#)
- [ASOS Homeworking Policy.](#)
- [ASOS Migrant Workers Policy.](#)
- [ASOS Responsible Exit Policy.](#)

We also have three further policies which are not yet publicly available:

- [ASOS Factory Auditing Policy.](#)
- [ASOS Timebound Remediation Policy.](#)
- [ASOS Unapproved Subcontracting Policy.](#)

Guidelines

We work closely with our suppliers and supply chain partners to help them in meeting our standards. We have developed a series of guidelines to support suppliers in implementing our policies.

ASOS Accommodation Guidelines: Set to launch this year, these guidelines are based on international standards and outline ASOS' expectations regarding worker accommodation standards. Poor accommodation and associated excessive fees can be an indicator of modern slavery.

ASOS Migrant Worker Guidelines: Set to launch this year, this provides guidance for suppliers in the implementation of our Migrant Worker Policy.

ASOS Supplier Ethical Guidelines: Replacing the ASOS Supplier Ethical Code, the Supplier Ethical Guidelines form part of ASOS' new audit tool (see page 7). Launched in 2022, the Supplier Ethical Guidelines provide suppliers with detail on the standards they will be audited against during ASOS audits and supports them in the implementation of and compliance with all of our policies.

Brand partnerships

Prior to onboarding we ask all our brand partners to complete a Self-Assessment Questionnaire (SAQ). The SAQ was introduced into the Partner Brand onboarding process in 2018 and is continually updated to keep pace with industry and regulatory developments, most recently in March 2022. The SAQ sets out and assesses brands against the ASOS minimum requirements and asks for disclosures concerning brands' social and environmental compliance practices.

Our SAQ asks brands to provide us with detail about their supply chain transparency and modern slavery due diligence, including:

- Audit processes for Tier 1 and beyond, including affiliation with any third-party audit partners.
- Visibility of any homeworkers in their supply chain.
- Sourcing regions.

We assess our brand partners against our minimum requirements, which are:

- To have an Ethical Trade Policy which covers the fundamental human and labour rights of the workers in their supply chain and is implemented across their supply chain.
- To have visibility of their 'Tier 1' (Cut Make Trim) factories and be willing to share a factory list with ASOS if required.
- To be committed to signing the [Transparency Pledge](#) by 2025.
- To be chemically compliant in the countries they retail in and comply with our [Restricted Substance List](#).
- To have an Animal Welfare Policy which covers the five freedom rights of animal welfare, only if their products contain any animal-derived materials.
- To publish a Modern Slavery Statement where applicable for all brands operating in the UK.

Goods not for resale

Our Ethical Trade policies have been extended in scope and are applicable to our non-stock supply chain. All non-stock suppliers are required to answer our ESG questionnaire before onboarding and are strongly encouraged to enrol with our ESG monitoring partner, EcoVadis (see more info on page 15).

Where relevant, we ultimately reserve the right to audit our non-stock vendors against our standards and policies and will carry out such audits if we deem them necessary to review risk.

Factory audit programme

Our audit programme is one mechanism that we use to identify, assess, and address risks throughout our supply chain, including modern slavery risks.

We're mindful of the limitations and subjectivity of audits. Several media reports and civil society journals have highlighted challenges, as every auditor takes a subjective approach to issues in different factories, regions, and countries which results in inconsistency and can contribute to a culture of negligence. However, our audit programme is a critical enabler in the discovery and management of modern slavery risks throughout our supply chain, and something we continue to prioritise.

We are committed to the ongoing improvement of transparency in our supply chain and addressing the associated risks. To help us with this further down our supply chain, in March 2022 we launched an SAQ for our Tier 3 units. This means that suppliers are now required to share information on Tier 3 units including worker numbers, employment contracts, wages, working hours, health and safety, and accommodation. While we do audit some Tier 3 sites on a case-by-case basis, these SAQs form the basis of our future visits, along with helping us to gather baseline information to feed into our wider ethical trade strategy.

We use a combination of our own in-country teams and third-party audit providers to identify risk at factory level against our ethical trade policies (see page 6). Key audit providers we partner with are The Reassurance Network, ELEVATE, Sustainable Compliance Management, and the Accord. Another key partner of ours is ILO Better Work, which runs in-country programmes in Bangladesh, Cambodia, and Vietnam to improve compliance in our factories through assessments. ILO Better Work also runs advisory and training sessions in our factories in Madagascar.

In 2014 we became a founding member of the Fast Forward initiative and our Tier 1 to 3 factories in the UK are audited through this audit methodology. In addition, we require all brand partners sourcing from the UK to join the Fast Forward audit programme.

Most of our audits are unannounced, but in some cases, they may be announced or semi-announced. This may be due to the nature of the audit programme we use in certain regions, or due to the impacts of the Covid-19 pandemic which can mean additional health and safety planning is required ahead of conducting an audit.

All Tier 1 and Tier 2 factories in our supply chain are audited at least once a year. Between May 2021 and August 2022, together with our third-party auditors, we carried out 649 unannounced and semi-announced audits across Tier 1 and 2 of our supply chain, which accounts for nearly 90% of our Tier 1-3 supply chain and covers 64% of the total workforce. We take a continuous improvement approach and look to work with our suppliers to ensure corrective actions have been implemented. Building on our annual audits of Tier 1 and Tier 2 facilities, we are now collecting SAQs from our Tier 3 suppliers on an ongoing basis.

We have continued the implementation of our Timebound Remediation policy for all Tier 1 and Tier 2 factories. This policy helps us to meet our obligations on human rights due diligence,

while ensuring our suppliers and factories honour their commitment to ensure that workers producing ASOS products are respected and protected.

In February 2022, we launched a [Responsible Exit Policy](#) to uphold our commitment to acting responsibly. This policy formally sets out the key steps that we take to help prevent any adverse impacts on our workers, suppliers, and factories. Responsible Exit means ASOS has a duty of care to ensure that an exit of a factory will be done in a manner that reduces any negative impacts on the workers and the long-term viability of the site.

In June 2022, we launched a new audit methodology to ensure we meet our external obligations on human rights due diligence and can monitor our supply chain to meet our Fashion with Integrity commitments. Our new audit methodology provides consistency between auditors and regions through a list of 202 assessment points formulated in line with the ASOS Code of Conduct. It provides guidance and enables cross-checking for auditors through detailed assessment points on high-risk issues such as:

- Harassment.
- Discrimination.
- Forced labour.
- Freedom of association.

It also takes into consideration best practice, such as having a collective bargaining agreement in place that sets wages higher than minimum wage.

Trainings & workshops

Training in Mauritius: In May 2022, local IndustriALL trade union affiliate CTSP conducted in-factory training for workers in our Mauritian supply chain on the Just Good Work Mauritius app (see more information on the app on page 10). The training covered how to access and download the app; how to use the app confidently and effectively; the advantages of the app; and how to use the app to report any grievances. We plan to extend this training to the rest of our Mauritian supply chain over the coming months. An animation on the app was also developed to help promote and encourage its use. It specifically targets migrant workers and is available to view in English, Bangla and Malagasy. The animation will be used to disseminate knowledge on the app among migrant workers via local partners and social media channels, to reach as many migrant workers as possible.

Induction training: We have developed induction training for newly onboarded suppliers and factories which includes a section on Modern Slavery to give a general overview and a practical checklist for factories to pre-screen on-site. So far, this has been completed by 4 Vietnam suppliers and 22 China suppliers.

Future training: Training continues to be a key focus for us. Over the next year, we plan to:

- Relaunch our business-wide online modern slavery training.
- Provide focused training to our internal teams including our 3rd party logistics providers, procurement and operations teams who deal with day-to-day non-stock supplier engagement.
- Provide training to workers within major non-stock locations on labour rights and grievance mechanisms, in collaboration with grassroots organisations.

Risk Management, Assurance, and Internal Audit

Our Risk Taxonomy identifies all categories of risk applicable to ASOS. It is used by the business when assessing the risk landscape and identifying risks requiring further management and escalation. For each category, the Audit Committee has set a risk appetite and the level of control and assurance they expect for managing risk in each area. The Taxonomy categories include “FWI Strategy and Programme Management” and “Ethics, Conduct and Integrity”.

Our Risk Management processes ensure risks across our business are collated and oversight is maintained at the highest levels. Risks are reviewed periodically and our largest organisational (Principal) risks, including “Ethical Trade Issues in Our Supply Chain”, are presented to the Audit Committee on a bi-annual basis, and are reported in our Annual Report.

ASOS’ Internal Audit function identifies the greatest risks to the organisation and works with functions to create a plan of work for the following year aimed at addressing these risks. It then monitors and updates the Plan through a process of continual risk assessment. Areas of work identified could include workforce related risks. Audits are completed to assess controls over identified risks and remedial actions are agreed with management where gaps or deficiencies are identified. Management’s completion of agreed actions is also monitored and reported to the Audit Committee quarterly.



Our progress so far

Empowering workers

Empowering workers in our supply chain is about more than just providing them with information on their human rights. It's also about providing the structures that allow them to have a voice, raise any issues they face, and access effective remedy. It is therefore key that our approach to empowering workers supports the strengthening of democratic institutions, such as trade unions, and encourages social dialogue in all its forms.

Freedom of Association and Collective Bargaining Policy

To support this, in 2021 we developed a new Freedom of Association and Collective Bargaining Policy, expanding on the provision in our Code of Conduct and Supplier Ethical Guidelines. This policy recognises the role of freedom of association and collective bargaining as being an enabling right that is fundamental to the realisation of other labour rights, including the prevention of modern slavery, and sets out supplier requirements to ensure this right is protected across our supply chain.

Global Framework Agreement

We continue to implement our commitments under our Global Framework Agreement (GFA) with IndustriALL Global Union, signed in 2017. This strengthens our approach to protecting the right to freedom of association and collective bargaining, helping us understand the challenges faced by workers and proactively prevent and resolve human rights violations. This helps us to mitigate the risk of modern slavery. Our GFA also commits us to building relationships with national trade unions

to enable an environment for freedom of association and collective bargaining and allows trade union affiliates in sourcing countries to raise issues within our supply chain through IndustriALL. We are currently in the process of renegotiating our current GFA with a view to strengthening the right of workers to freedom of association and providing a clearer complaint resolution mechanism.

Whistleblowing

In our supply chain we have country-specific helplines including the Accord (RSC) in Bangladesh; the Migrant Resource Centre in Mauritius (see page 10); and our IndustriALL hotline in Turkey. In addition to this, during every audit our auditors share their phone number and contact details with all workers.

In the last reporting period, we have received 17 whistleblowing reports in Turkey, India, Ukraine, the UK, Mauritius, Madagascar, Cambodia, and Bangladesh. 7 are closed, and 10 remain open. The issue areas include unfair dismissal, wages, harassment, and discrimination. For open cases, we are taking the necessary steps to investigate, such as liaising with our partners on the ground and our suppliers.

Gender Policy

In addition to our existing policies, we have developed a Gender Policy which will be launched in the coming months, to further our commitment to empowering women in our supply chain. The implementation process will begin with three key sourcing countries, in collaboration with local stakeholders.

Case studies

UK – working with community organisations and trade unions to empower workers

Reports about garment industry worker exploitation in Leicester have persisted for several years. A recent report by the Nottingham Rights 2022 Lab highlighted that this is partly due to workers' financial precarity and insufficient multi-agency collaboration at a local level. A key recommendation from the report is the need to improve community-based support, advocacy, and advice for workers.

We recognise the role community outreach needs to play in educating and engaging workers about their rights and providing support in accessing these. Over the past year we have been involved in several initiatives to achieve this, including:

- Fashion-Workers Advice Bureau Leicester (FAB-L) – Officially launched in January 2022, FAB-L is a community run initiative, funded by brands including ASOS and trade unions. The initiative is focused on making a positive impact on the lives of workers by offering free support on a range of issues including workers' rights. The project has been a success, helping to resolve issues for over 70 workers relating to welfare rights, housing, and reclaiming missing and unpaid wages. As the project develops it will increase its services to include IT training and English classes for workers. We will be making the FAB-L project our main grievance mechanism for our UK supply base.
- Workplace Support Agreement – Trade unions are a key part of the solution in addressing workers' rights and improving working conditions. To support this, the Trade Union Congress (TUC), along with trade unions GMB Midlands and Unite East Midlands have worked together to create a Workplace Support Agreement (WSA), an agreement between a supplier and trade union to provide access to the

factory and its workforce to strengthen industrial relations in the garment sector in Leicester. Currently in its very initial stages, in June 2022 we introduced key suppliers to GMB Midlands with an agreement to work together to use their expertise in helping factories strengthen their worker representation. We are committed to implementing WSAs in our UK supply chain and will ensure the learnings are shared to ensure wider adoption of WSAs in the sector.

- Apparel General Merchandising Public and Private Protocol (AGM PPP) – We have been a member of the AGM PPP which has an objective to develop a 'Protocol Accord'. This is an enforceable binding agreement between brands, suppliers and trade unions with commitments signed by stakeholders with the overall objective of preventing worker exploitation and ensuring accountability. The protocol includes a series of commitments, including responsible purchasing practices, a tripartite governance structure consisting of representatives from trade unions, manufacturers, and brands to oversee the agreement, and a dispute complaints mechanism. Many iterations have been developed which has culminated in brands agreeing to enter a series of negotiations with trade unions to develop the terms of the agreement. We are taking a leading role in this process and are working with stakeholders to deliver a final draft agreement signed by all parties.
- Joint Responsibility Initiative: We will be signing the Joint Responsibility Initiative once a version has been agreed on by all parties. We are continuing to play a convening role in the AGM PPP, helping bring stakeholders together to create an agreement that works for everyone and has a positive impact on the UK garment industry and its workers. We will be encouraging our brand partners to work with us on developing this agreement.

Mauritius – providing migrant workers with access to remedy

Mauritius continues to be a key focus of our ethical trade programme and modern slavery strategy. 68% of workers in our Mauritian factories are migrant workers recruited predominantly from Bangladesh, Madagascar, India, or Sri Lanka, who are at risk of exploitation during the recruitment process.

In October 2021, ASOS committed to provide financial backing to enable Anti-Slavery International to continue supporting the Migrant Resource Centre (MRC) in Mauritius, including by providing technical advice, monitoring, and learning support to the MRC's staff. The MRC was set up in 2019 in partnership with Anti-Slavery International and local trade union Confederation des Travailleurs des Secteurs Publique et Privé (CTSP), affiliated to IndustriALL Global Union. It supports migrant workers individually and collectively by providing information and advice, facilitating remedy, and providing them with a safe space to interact freely and openly with each other. To further address risks of exploitation, an independent channel has been established for migrant workers to report workplace violations that may otherwise go unresolved. Beyond grievance resolution, the MRC has also helped to increase knowledge among migrant workers on their rights through monthly awareness raising sessions. The MRC was formally opened in February 2022, with ASOS, Anti-Slavery International and CTSP and joined by local

and international stakeholders, including migrant workers, to celebrate the progress the MRC has made.

In February 2022, we also formally launched the Just Good Work (JGW) Mauritius app, funded by ASOS. The app informs migrant workers on their rights and responsibilities throughout the recruitment process and during their stay in Mauritius. It provides information on life in Mauritius, contact numbers of organisations and authorities should they need help, as well as an independent channel where they can raise grievances that have not been addressed by their employers. Grievances raised via the app go directly to the Migrant Resource Centre and CTSP, but the app also points workers in the direction of other support services they can access, such as the Ministry of Labour.

The content was developed in collaboration with CTSP and Anti-Slavery International. Fifty Eight, a B Corp working across supply chains to achieve work that enhances quality of life, free from exploitation, developed the app. It is available for workers in Madagascar and Bangladesh considering migration to Mauritius, and workers in Mauritius itself. From its official launch in February 2022, to the end of the project in May 2022, the app has been downloaded by 65 people in Mauritius, 23 in Bangladesh and 45 in Madagascar. As detailed on page 7, we are keen to encourage further downloads of the app through in-factory training and with the support of local partners and social media.

Addressing business impact

Supply chain mapping

Transparency underpins everything we do at ASOS. It is the foundation to delivering long-term, tangible benefits for people in the fashion supply chain and advancing human rights. It's therefore one of the key goals of our Fashion with Integrity programme. We follow the principle that 'we can't manage what we don't know', so gaining visibility of our ASOS-owned brand supply chain is essential to effectively identify and address human rights and modern slavery risks and is a key element of our approach to risk assessment.

We share factory information with our customers and other stakeholders through our [factory list](#), which is updated on a quarterly basis to ensure the most up-to-date data is published and reflects Tiers 1-3 of our supply chain. By disclosing this information, we hope to encourage greater openness and accountability across the fashion industry. Our supply chain can also be found on the [Open Apparel Registry](#).

As mentioned on page 5, transparency will be a key focus in our future reporting as a fundamental aim of our Fashion with Integrity strategy. We are committed to continuing our work to full public transparency of every ASOS own brand product, which will be key to be able to ensure workers' rights are respected, to hold ourselves to account and to be able to publicly track our impact. We're committed to building full visibility of our supply chain and have currently mapped Tiers 1-3 and will continue to improve on our visibility of Tier 4 (see table on page 4 for our tier definitions). We're committed to achieving full transparency down to Tier 5 for our own supply chain by 2030 at the latest by investing in the necessary technology and working with our partners.

More detail on our target to map down to Tier 5 of our supply chain, and our progress to date, is available in our [latest Fashion with Integrity Progress Update report](#).

Purchasing Practices

All workers in our supply chain are entitled to a wage earned during legal working hour limits that meets the basic needs of themselves and their families, including some discretionary income. We view our purchasing practices as an essential enabler to helping us achieve a living wage for our supply chain workers.

In 2015, ASOS joined forces with international brands and retailers, alongside IndustriALL Global Union, to be part of the ACT (Action, Collaboration, Transformation) initiative. Through our participation in ACT, we have signed a Memorandum of Understanding with IndustriALL Global Union that commits us to working with others in the sector to improve wages in key garment sourcing countries through collective bargaining. Together, ACT signatories have agreed sourcing and buying commitments that are linked to the achievement of an industry-wide collective agreement.

Within the ACT framework, we have conducted internal and external surveys on our purchasing practices, covering areas including sourcing strategy, forecasting & capacity planning, price negotiations, changes to orders and terms of payment. Findings from these surveys are used to identify areas for improvement and set internal targets.

Engaging on policy & legislation

UK legislative landscape

Since its introduction in 2015, the UK Modern Slavery Act has done an enormous amount to drive conversations around and improve awareness of modern slavery. However, we believe that the UK now also needs to keep pace with these international developments by introducing its own mandatory human rights and environment due diligence legislation. This will mean businesses can be held to account for not doing enough to stop all forms of human rights abuses – including modern slavery – and in turn ensure that victims have access to justice, while also creating a level-playing field.

In April 2021, our then-CEO highlighted the need to build upon the 2015 Modern Slavery Act in his [opinion piece](#) for The Times, publicly supporting the introduction of legislation modelled on the failure to prevent mechanism successfully utilised in the 2010 UK Bribery Act. Since then, we have continued to engage in conversations around the introduction of such legislation at EU and UK level. Anti-Slavery International continues to work with ASOS on calling for stronger legal frameworks to address the global systems which enable forced labour in supply chains. Our 'critical friendship' with Anti-Slavery International provides its advocacy team with best practice and learnings for an evidence base to campaign for stronger legislative developments and industry-wide change.

As part of these advocacy efforts, we called on the UK Government to introduce a 'Business Human Rights and Environment Act', which would be a mandatory human rights and environmental due diligence law, modelled around the UK Bribery Act.

This bill would:

- Help to level the playing field between businesses.
- Ensure companies are obliged by law to take meaningful action to eliminate forced labour in their operations and supply chain, and to hold those accountable which fail to prevent abuses through liability provisions.
- Strengthen access to justice and remedy for workers.

In October 2021, ASOS was one of the 36 businesses, investors, business associations and initiatives operating in the UK to sign a [statement](#) calling on the government to introduce this law.

New Legislative Landscape

In our last Modern Slavery statement, we publicly showed our support for the introduction of mandatory human rights due diligence legislation, and we have welcomed the implementation of human rights legislation elsewhere in recent years: most recently with the Act on Corporate Due Diligence in Supply Chains (2020) in Germany.

We have outlined some of the legislative frameworks which will be shaping industry wide change in modern slavery prevention in following reporting years:

- **In the EU:** In February, the European Commission announced its proposal for a mandatory human rights and environmental due diligence law. The due diligence framework will require companies to undertake due diligence to identify, prevent, mitigate and remedy human rights and environmental risks and impacts across their value chains.
- **Import controls:** The US introduced the Uyghur Forced Labor Prevention Act in June 2022, which bans all companies from importing goods tainted with Uyghur forced labour into the United States of America. Additionally, alongside the publication of the due diligence proposal in the EU, the European Commission (EC) also published a [communication on decent work worldwide](#) announcing 'the Commission is preparing a new legislative instrument to effectively ban products made by forced labour from entering the EU market'.

We will continue working with civil society organisations and other businesses in our efforts to call for stronger legal frameworks to prevent forced labour in global supply chains, whilst also strengthening our due diligence processes.

Our partnerships

Partnerships are integral to help us address risks, including modern slavery risks, and industry collaboration will be a key driver of sustainable change across the industry.

We partner with a wide range of key organisations and initiatives, detailed below. More information on how we work with these partners is available on our plc website, [here](#).



Spotlight on Anti-Slavery International

We are proud to have announced a three-year partnership with Anti-Slavery International this year, until 2025. Anti-Slavery International is the world's oldest human rights organisation and has acted as our 'critical friend' since 2017. The partnership provides us with support in delivering our Fashion with Integrity 2030 programme, and with guidance and advice on how to meaningfully address the risks of modern slavery within our supply chain.

Anti-Slavery International's intersecting strategic areas of ending child slavery, migration and trafficking, and modern slavery and climate change, form the focus of our partnership

each year. This aligns with our modern slavery strategy by focusing on specific groups that we have identified as vulnerable to the risk of modern slavery in our supply chain. This includes migrant workers, and minority groups including refugees and children.

Our partnership will help us to develop ongoing due diligence and worker-centered solutions, going beyond tick-box compliance. In turn, we will provide learnings and best practice to support Anti-Slavery International's business and human rights advocacy in driving for legislative reform and industry-wide change.

This year's key updates

<p>Modern Slavery Working Group</p>	<p>In January 2022, we signed a new three-year agreement with Anti-Slavery International. To complement this, we formed an internal Modern Slavery Working Group (MSWG) within ASOS, featuring key internal stakeholders from different areas of the business, including Ethical Trade, Sustainability, Procurement, People Experience, Sourcing, Supply Chain, Security and Legal.</p> <p>The MSWG will be charged with moving our modern slavery agenda forward across the business. It currently meets on a quarterly basis to discuss the strategy, review progress, and agree key priorities for the next quarter.</p>
<p>Goods for Resale (Own-buy)</p>	<p>Xinjiang</p> <p>As a brand signatory to the Coalition's Call to Action to Exit the Uyghur Region, we have continued to work to meet our associated commitments. Over the last reporting period we have:</p> <ul style="list-style-type: none"> ● Re-shared letters to our ASOS-brand suppliers and brand partners on our position and requirements to prevent the use of forced labour in supply chains. ● Exited one China garment factory and withheld the onboarding of 2 factories due to parent company links to the Xinjiang Aid Project. ● Shared a US Customs update for suppliers to reiterate our requirements regarding products linked to XUAR and the shipment to ASOS's Atlanta fulfilment centre. ● Exited one China export company which was located in Xinjiang. ● Issued internal comms to our commercial teams on the issues in XUAR and the changes to US legislation (the Uyghur Forced Labour Prevention Act). <p>Child Labour</p> <p>Child labour remains a risk, and young workers of legal working age are more vulnerable to forms of forced and compulsory labour, as well as human trafficking. To address these risks, in the last reporting period:</p> <ul style="list-style-type: none"> ● During unannounced audits in China between July – Aug 2021, seven children aged between 5 and 10 were observed playing on the production floor while their parents were working nearby in three factories. To remediate this, we engaged with The Centre for Child Rights and Business (The Centre) to strengthen the three factories' management and workers' awareness and knowledge on the risk and prevention of children in the workplace, as well as child labour, to improve their Human Resources Management. ● We set up a child friendly space in one of our factories in China on 1st Aug 2021 for 9 children aged between 5-10 years old with the support of The Centre. Free childcare and meals are provided during working hours. ● We have also continued to implement our child labour remediation programme for previously identified cases of child labour: <ul style="list-style-type: none"> → In China, we entered the third year of our sustainable education sponsorship for a child in senior high school with the support of The Centre in China. → In Turkey, we currently have 10 children in our child labour remediation programme. All cases were disclosed in previous reporting periods.



India

In 2021, we identified a breach of our Code of Conduct with workers underpaid the legal minimum wage since April 2020 in Karnataka, India; this was part of a widespread and much-reported issue in the province. We worked with our supply chain partners in Karnataka to ensure all outstanding arrears have been paid to the workers.

Sri Lanka

We identified a further breach in Sri Lanka in 2020, where part of the wages due to workers had not been paid as a result of Covid-19. In 2021, we worked with our suppliers and factories to ensure there were no outstanding arrears and have now confirmed that 100% of wages have been paid. This has now also become a minimum requirement for any new factory to be onboarded.

We have also been monitoring the situation in Sri Lanka closely, as it experiences its worst economic crisis since gaining independence in 1948. We adopted a proactive approach to managing the impact of this crisis on workers. Establishing a clear picture of the situation on the ground was a vital initial step in ensuring the safety of employees undertaking ASOS production. All suppliers operating in the country were asked to reach out to their factories to enquire about:

- Safety.
- Worker transportation.
- Whether workforce shortages were anticipated and plans factories had in place should this occur.
- Whether wages and social security were being paid on time.
- Whether workers were being granted the freedom to join demonstrations and whether strikes were anticipated.
- Whether current orders and production pressures were manageable.
- Whether the increase in the cost of fuel was impacting the ability of the factories to transport goods to shipping ports.

Consistent communication has been maintained with the supply base regarding these issues.

Bulgaria

In June 2022 we held a supplier and factory workshop in Bulgaria. The purpose of this was to refresh them on our ethical standards and policies, sourcing strategy, and sustainability requirements. This also included a Q&A session where they could raise any questions or concerns directly with ASOS.

Migrant workers

Anti-Slavery International has been working with ASOS since 2019 to address the risk to migrant workers in its supply chain in Mauritius, as spotlighted on page 10. Together, we have focused on providing information to migrant workers on their rights and supporting their access to remedy. Following the success of the launch of the Migrant Resource Centre in Mauritius, we have been continuing to work with Anti-Slavery International to support migrant workers in our supply chain.

Anti-Slavery International has begun work to identify ASOS sourcing countries with the highest risk of modern slavery of migrant workers and is working on the development of an action plan, focused on access to remedy, in response. This plan will be adapted to local contexts to help prevent and remedy exploitative practices and to make sure migrant workers know and can access their rights.

Reporting

We take part in several key public reports to share our progress. These include:

- The Workforce Disclosure Initiative (WDI).
- United Nations Global Compact.
- Uyghur Coalition Report.
- Baptist World Aid.
- Fashion Revolution Fashion Transparency Index (see page 5).
- ASN World Bank.

<p>Brand partners</p>	<p>In May 2022 we launched our Modern Slavery Handbook. This document was developed by Anti-Slavery International to support our brand partners in understanding what modern slavery is, what can be done to help prevent it, and how to meaningfully report about the actions taken, following current legal requirements and best practice.</p>
<p>Goods not for resale (GNFR)</p>	<p>Anti-Slavery International has begun work this year to advise ASOS on critical areas of risk within its GNFR (non-stock) supply chain and to co-develop solutions to address these challenges. The initial stages of this work have involved a high-level risk assessment, with policy and procedure review and consultation with both our Operations and Procurement teams. This has allowed us to assess areas of risk and develop recommendations for strengthening our due diligence procedures.</p> <p>Our priority this year will be delivering training on modern slavery to our procurement, operations, and 3rd party logistics teams in partnership with Anti-Slavery International. This will support our teams in their individual roles in identifying and addressing any labour rights issues in our supply chains and enable meaningful ongoing engagement with our suppliers.</p> <p>Through our ESG partner, EcoVadis, we have made improvements with our supplier risk assessments by agreeing corrective action plans and encouraging continuous improvement in all key GNFR suppliers.</p> <p>EcoVadis is the world’s largest provider of business sustainability ratings. EcoVadis evaluates how well a company has integrated the principles of sustainability into their business and management system through policies, actions and results.</p> <p>Experts review documents and information from supplier’s company and public sources (e.g. specialized media, NGO reports) to rate a company’s management system under four themes: environment, labor & human rights, ethics and sustainable procurement.</p> <p>Based on the assessment results, we can work with suppliers and develop corrective action plans to strengthen the performance of the supplier’s company. EcoVadis also provides resources and tools to suppliers so they can continuously improve (e.g. online training, scorecard debriefs).</p> <p>We also now include ESG as an evaluation criterion in our tender process.</p>

Spotlight on Ukraine

Ukraine

We have been working to strengthen our existing human rights due diligence processes (see page 6), in the context of the crisis in Ukraine. We continue to work closely with our partners to monitor and take a proactive response to prevent risks related to the war.

Currently, ASOS sources from two factories in Ukraine, employing approximately 228 workers. The factories reopened in May 2022 after initially closing in February. We have been in regular contact with our suppliers in the country since the invasion began. We suspended audits at the end of January due to the deteriorating situation and made the decision to proceed with desktop reviews. We understand the limitations of desktop reviews but believe this may be the best solution while we are unable to physically audit.

ASOS' partner-operated returns center in Poland has organised the following aid to support the people of Ukraine:

- Friends and family of the Ukrainian workforce have been offered free accommodation in Poznań. Free transport is available to and from the border of Ukraine to the accommodation.
- 15,000 food parcels have been assembled and shipped to Ukraine.
- Arranged the transport of mattresses from the UK to Ukraine, including customs clearances.

As of July 2022, all refugees that came to stay in the accommodation have been offered employment.

ASOS is committed to working to prevent refugee exploitation, supporting the employment of refugees in our supply chain and ensuring that refugees are:

- Employed on the same terms as all other workers.
- On employment terms that meet all local legal requirements.
- Employed on a formal basis.
- Subject to fair and safe working conditions.

However, we recognise that refugees are particularly vulnerable to:

- Discrimination.
- Less favourable employment terms.
- Involuntary labour.
- Child labour.
- Other issues indicative of exploitation.

To address these risks, we sent a statement to our European suppliers and brand partners regarding our expectations on the employment of refugees in our supply chain and have shared guidance to respond to the risk of exploitation of this group.

We have also been engaging with our partners, the Ethical Trading Initiative and Anti-Slavery International. We are and will continue to support our Eastern Europe supply base where we can, to manage the risk of exploitation from occurring within supply chains, and to support employment of those displaced.

We are working with Anti-Slavery International in the development of more detailed and context-specific guidelines for suppliers in supporting refugees displaced from Ukraine, which will also be used as a guide for the wider industry.

We are also working to map stakeholders on the ground who can support us in monitoring working conditions while we can't audit, such as trade unions and NGOs, and continue to engage with the wider industry on this issue. Just Good Work, which developed our Mauritius app, have also expanded their app routes in response to the Ukraine crisis. We have encouraged our Eastern European suppliers to use this app, which provides job-seekers and those already in employment with the information they need to understand their rights, safe recruitment and general life in Poland and Romania. The app also signposts people to local organisations that offer support and advice on the ground.

Our forward commitments

We are now designing the next phase of our Modern Slavery strategy and working closely with our critical partner Anti-Slavery International on the development of impact indicators for this strategy. These indicators will be developed as part of an impact framework which will shape our future modern slavery reporting. This will enable us to communicate our progress on our work to address modern slavery risks and to report on our progress against our commitments.

In May 2022, we also started work on our Human Rights Saliency Assessment. As a part of the process, we will focus on the risks posed to society at large (saliency issues), rather than to businesses (materiality issues). Saliency is the combination of severity and likelihood and will help us prioritise our human rights risks which can cause harm to people. The saliency assessment will form the basis of our Human Rights Strategy and Modern Slavery Strategy and will be in line with the United Nations Guiding Principles (UNGPs) on Business and Human Rights.

One of the key focus areas in the revised Modern Slavery Strategy will be the climate crisis and its impact on human rights.

Assessment of effectiveness

Modern slavery is a complex, multi-faceted issue which requires a sector-wide approach to address effectively.

We are committed to continuing to uphold our responsibility to regularly review our policies, due diligence, and risk assessment processes to strengthen our approach to modern slavery. This allows us to identify, assess, and address risk, to tackle modern slavery from its root causes and protect the human rights of the people in our business and supply chain.

We'll continue to:

- empower the workers in our supply chain
- widen the scope of due diligence to engage and share our ambitions with our brand partners and GNFR suppliers
- address the business impact of our operations
- engage on policy and legislation

- train employees within our business and our key partners on Modern Slavery
- strengthen our human rights due diligence framework
- implement our industry-leading audit programme.

As a fast-growing organisation, it is crucial that we measure how effective our efforts are in delivering long-term sustainable change and tackling modern slavery from its root causes. Our work on developing impact indicators with Anti-Slavery International will allow us to do so by reviewing our progress and shaping our future strategy.

We look forward to sharing our progress against our commitments in our next statement.

ASOS's seventh Modern Slavery Statement May 2021-August 2022 was approved on behalf of the ASOS Board of Directors on 18th October 2022.

