



asos

FASHION

WITH INTEGRITY

OUR 2030 PROGRAMME

The Team

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Responsible Sourcing
Director

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Head of Corporate
Responsibility

INTRODUCTION

1



**Fashion with Integrity
has guided our
approach to business
since 2010. Now it's time
for even bolder action**

2



**We've worked to renew
our commitment to FWI
by setting four
ambitious new 2030
targets**

3



**We've conducted a
materiality assessment
and engaged with all our
stakeholders to identify
the most important issues
for our business**

OUR FWI 2030 AMBITION

We are simplifying the core pillars of Fashion with Integrity and doubling down on two pillars and four 2030 goals

FASHION WITH INTEGRITY



PLANET

Key 2030 Goals

1

*Be
Net Zero*

2

*Be
More Circular*



PEOPLE

Key 2030 Goals

3

*Be
Transparent*

4

*Be
Diverse*

AGENDA

OUR PROGRESS

OUR PROCESS

OUR 2030 AMBITION



Over the past decade we have focused our work in these areas



Our Products

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

Our sourcing strategy focuses on three key areas: ethical trading, sustainable sourcing and animal welfare



Our Business

Achieving growth while minimizing our operational environmental impact

Our biggest operational impacts are carbon emissions from the transportation of our goods, the running of our buildings and packaging waste



Our Customers

Giving young people the confidence to be whoever they want to be

We reflect the needs of our customers to help them look, feel and be their best, ensuring our products and communications were responsible, inclusive and celebrate diversity



Our Community

Investing time and resources to make a real difference in our local communities

Our diverse community work all centres on our brand purpose: to give people the confidence to be who they want to be

Our Product Highlights

A relentless focus on our product supply chain ensuring transparency, appropriate working conditions, freedom from slavery and access to remediation



In 2014, we co-founded the Fast Forward auditing programme to address issues specific to UK manufacturing

We have encouraged our brand partners to sign up to Fast Forward, and last year we introduced additional new requirements for third-party brands supplying ASOS with garment products manufactured in the UK



Our supply chain is fully mapped to Tier 3 and publicly disclosed every three months, and audits are carried out at least once per year for Tier 1 and Tier 2 facilities

We're consistently ranked among the top brands globally for transparency by the Fashion Transparency Index



In 2017, we became the first ecommerce brand globally to sign a Global Framework Agreement with IndustriALL Global Union, affirming our support for Freedom of Association

Our Product Highlights

We led the way on ethical trading, reducing modern slavery and improving human rights and we have driven progress on switching to more sustainable fibres



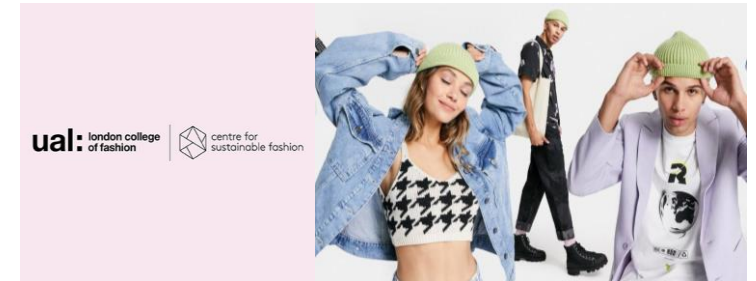
We have published 5 modern slavery statements, which have been recognised as industry best practice by the UK Home Office



We have made great progress in switching to more sustainable fibres across ASOS brands, with circa 30% of our products using more sustainable fibres

Pre-pandemic we achieved just under 85% verified more sustainable cotton across our business

The latest ASOS denim ranges use 50% less water during the laundry phase



In 2018 we started work with the Centre for Sustainable Fashion to develop an education programme for circular design

In 2020 we launched our first ever ASOS Design Circular Collection as a proof-of-concept for circular fashion

Our Business Highlights

We have reduced our operational environmental impact by reducing our emissions...



We issued our **first carbon emission report in 2012** and have reported our operational carbon emissions every year since

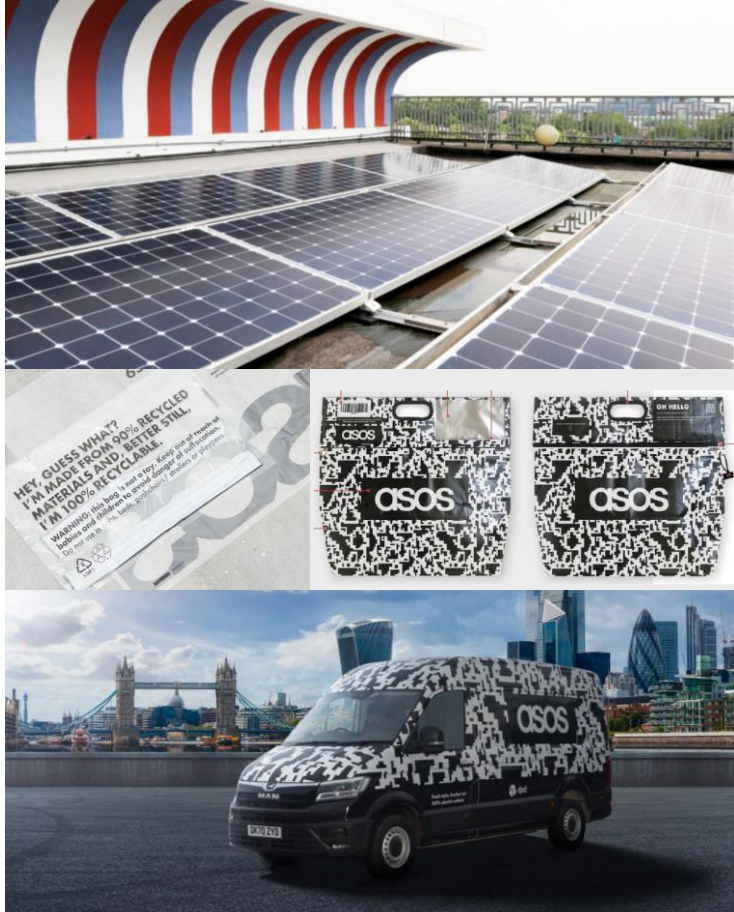
In 2015/16 we launched our Carbon 2020 programme with the goal of reducing our operational carbon emissions per order every year until 2020. **Our emissions reduced by 45%** since 2015/16 to FY20

In FY20, not only did emission intensity fall **but absolute emissions reduced by 13% compared to the year before**, driven largely by a drop in CO2 associated with customer deliveries and returns

Increased the number of parcels delivered using electric vehicles, with over 2 million UK orders fulfilled with EVs since 2019

Our Business Highlights

And we have reduced our impact on plastic waste



Our sourcing of renewable electricity has increased to 75% and we've installed solar panels on top of our offices in Camden

Our garment and mailing bags are made out of 90% and 80% recycled content

All our cardboard boxes are made from 100% recycled materials and are 100% recyclable

We have reduced own-brand garment packaging by nearly 40%

Our Customer Highlights

We give young people the confidence to be whoever they want to be through the public-facing partnerships we create, the products we sell and how we communicate to customers



Proud partners of the British Paralympic Association since 2015

Committed to making our shopping experience more accessible for customers with disabilities



Promotion of LGBTQ+ rights and acceptance through collaboration with partners including London Pride, GLAAD, and Exist Loudly

Offering inclusive sizing in all our ASOS collections

Our Community Highlights

We have supported the communities who support us



We have partnered with the Prince's Trust, for over 10 years and raised over £1 million for the charity, as well as helping 650+ young people through our partnership programmes

With Centrepoin, the ASOS Foundation was one of the original founding funders of the charity's National Youth Homelessness Helpline, which has supported over 15,000 young people since its launch in 2017

We raised over £300,000 via charity fundraising products to donate directly to local NHS Trusts, NHS Charities Together & The Care Workers Charity

Recently launched a partnership with OnSide Youth Zones, part-funding the development and early year running costs of a new Youth Zone in Barnsley

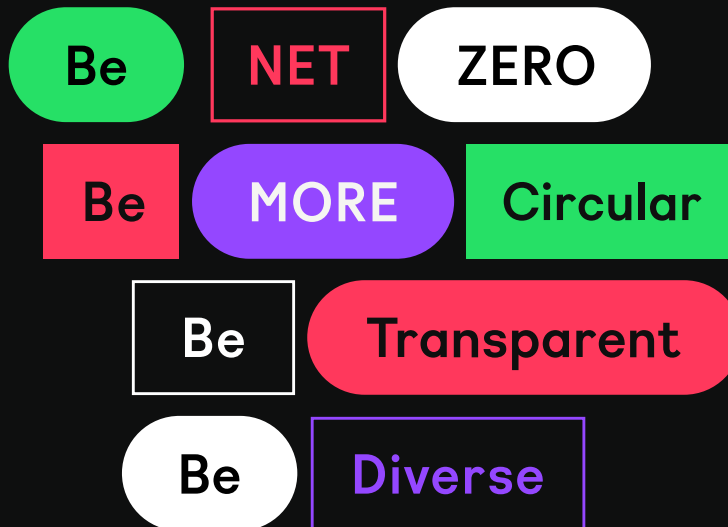
We launched a collaboration with Oxfam to raise money for their international Covid-19 response effort through the sale of face masks in the summer of 2020 raising a total of £230,000 for Oxfam's global relief effort

In Summary

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Fashion with Integrity has guided ASOS
since 2010

We've set four ambitious
new targets:



AGENDA

OUR PROGRESS

OUR PROCESS

OUR 2030 AMBITION



Fashion with Integrity is an integral part of our strategy for becoming the **#1** destination for fashion-loving 20-somethings worldwide

1. Truly global retailer

2. The ASOS Brands

Design that can't be found anywhere else

3. The ASOS Platform

One platform with all the relevant product, all of the time

4. The ASOS Experience

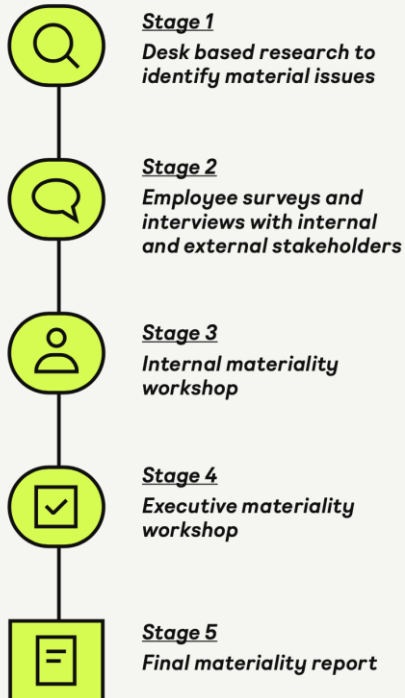
Inspiring, exciting, friction-free and personalised

5. Effective, efficient and sustainable model

Our process has been highly collaborative

MATERIALITY ASSESSMENT

Our materiality process



Carried out by an external reporting expert in line with the industry standard approach to sustainability strategy development based on guidance provided by The Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB)

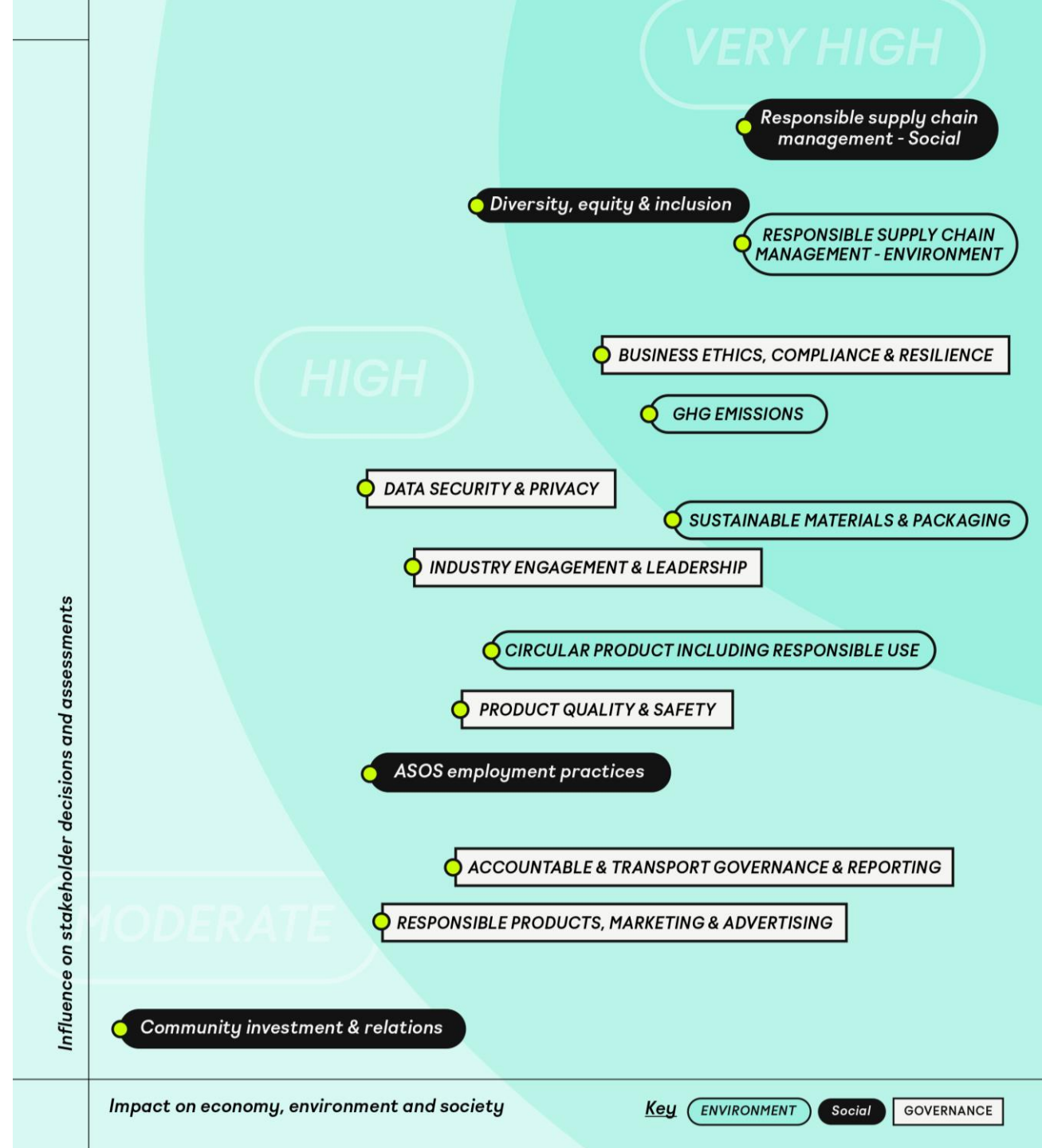
Process involved engagement with employees, investors, global brand partners and suppliers, and human rights and fashion sustainability organisations, to identify the most important areas of focus

FORMULATION OF AMBITIONS AND PLANS

- ✓ Formulated through a collaborative internal process
- ✓ A cross-functional team developed proposals based on the materiality assessment, analysis of our FWI programme so far, extensive consumer insights, benchmarking against competitors, and reviews of anticipated regulatory changes
- ✓ Roadmaps and plans for achieving the ambitions were also formulated and costed
- ✓ The proposals extensively debated at Exec level to ensure that the ambitions are stretching but achievable

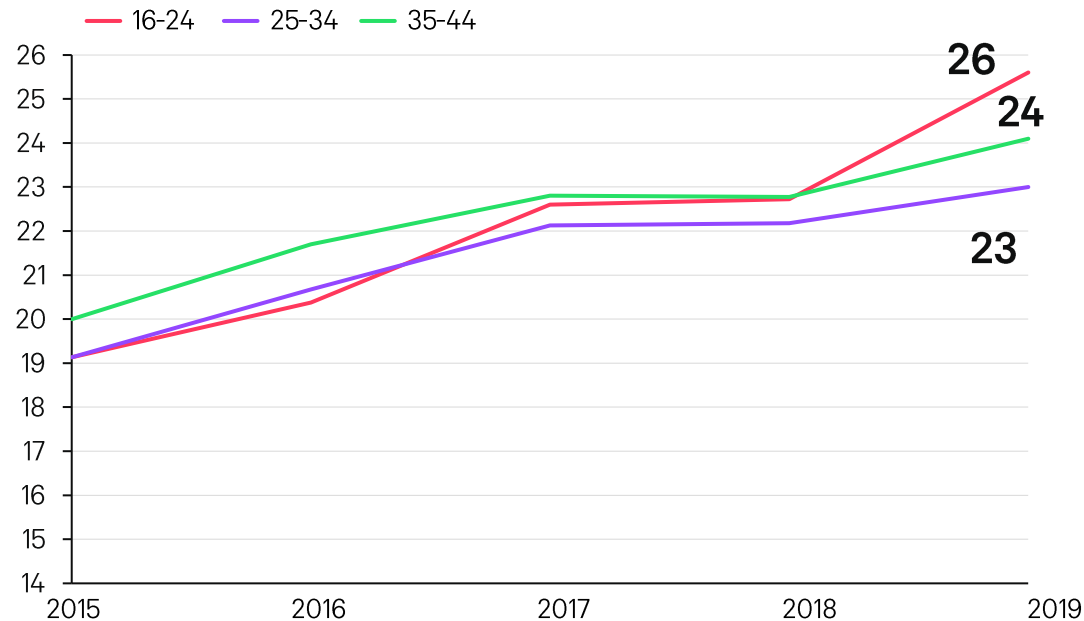
We used the Materiality Assessment to prioritise issues

- We identified Responsible Supply Chain Management; Business Ethics, Compliance & Resilience; DEI; GHG Emissions; Sustainable Materials & Packaging; and Circular Product (including responsible use) as our most material issues
- This is not an exhaustive list of issues. Some are combined into one – e.g., environmental supply chain covers water use, chemical compliance and animal welfare policies
- Issues we haven't included in our four goals are still important and we will continue to tackle them through our wider programme under Fashion with Integrity

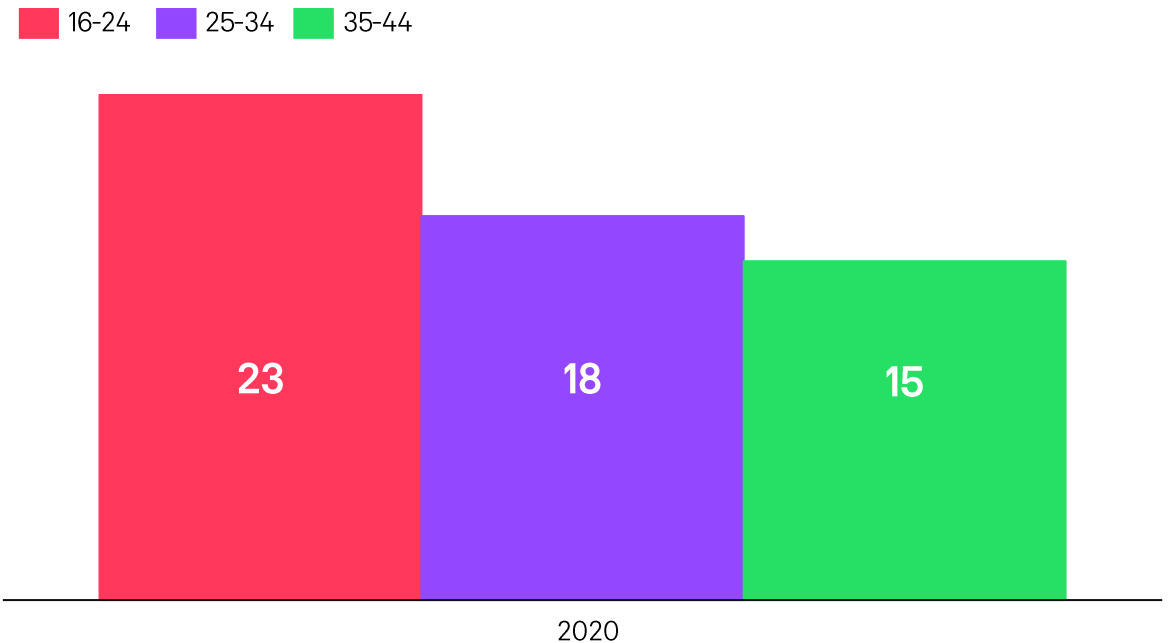


Consumers increasingly state that they want brands to produce eco-friendly products, and this is especially true for younger consumers

% CONSUMERS WANTING BRANDS TO PRODUCE ECO-FRIENDLY PRODUCTS¹



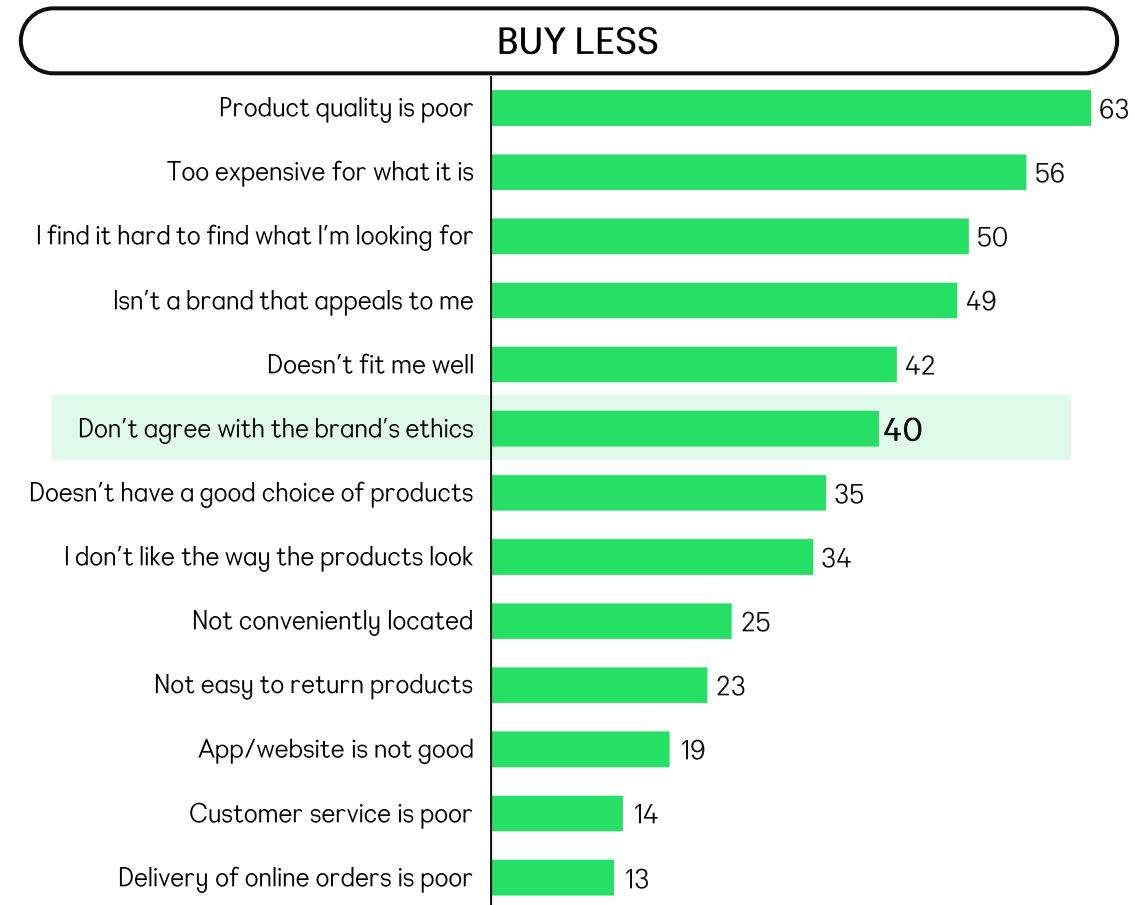
% CONSUMERS SAYING THAT KNOWING A PRODUCT IS ENVIRONMENTALLY FRIENDLY WOULD INCREASE THEIR LIKELIHOOD OF BUYING²



¹ Which of these things do you most want your favourite brands to do / provide? (Max. 3 answers. Global Web Index, UK, US, DE, FR, AU, RU, IT & SA panels) ² When shopping online, which of these features would most increase your likelihood of buying a product? Global Web Index, UK, US, DE, FR, AU, RU, IT & SA panels

A significant share of our customers have indicated that brand ethics influence their purchase decisions

Reasons for shopping more/less with a retailer recently shopped with – UK ASOS Customer Panel Under 30, % Respondents



1 In the future, do you expect that you will buy more, about the same, or less clothing from the following retailers? What are the main reasons you anticipate buying more from [RETAILER] in the future. Can select up to 3. What are the main reasons you anticipate buying less from [RETAILER] in the future. Can select up to 3.

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OUR 2030 AMBITION

We are simplifying the core pillars of Fashion with Integrity and doubling down on four 2030 goals

FASHION WITH INTEGRITY



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Key 2030 Goals

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PEOPLE

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Be
Diverse

Break

PLANET

1

Be Net Zero

ASOS will achieve Net Zero carbon emissions across its value chain by 2030, driven by emission reduction targets, and will be carbon neutral in its operations by 2025

Be Net Zero



ASOS will achieve **Net Zero carbon emissions** across its **value chain** by 2030, driven by emission reduction targets, and will be **carbon neutral** in its operations by 2025

KPIs to measure our success



1. Reduce Scope 1 and 2 emissions/order by 87% by 2030 vs 2018/19 baseline
2. Reduce own-brand product emissions/£profit by 58% by 2030 vs 2018/19 baseline
3. Reduce transportation emissions/£profit by 58% by 2030 vs 2018/19 baseline
4. Two-thirds of third-party brands (by emissions) signed up to setting targets in line with SBTi requirements by 2025

These targets have been calculated in collaboration with The Carbon Trust and have been submitted the Science-Based Targets initiative for verification.

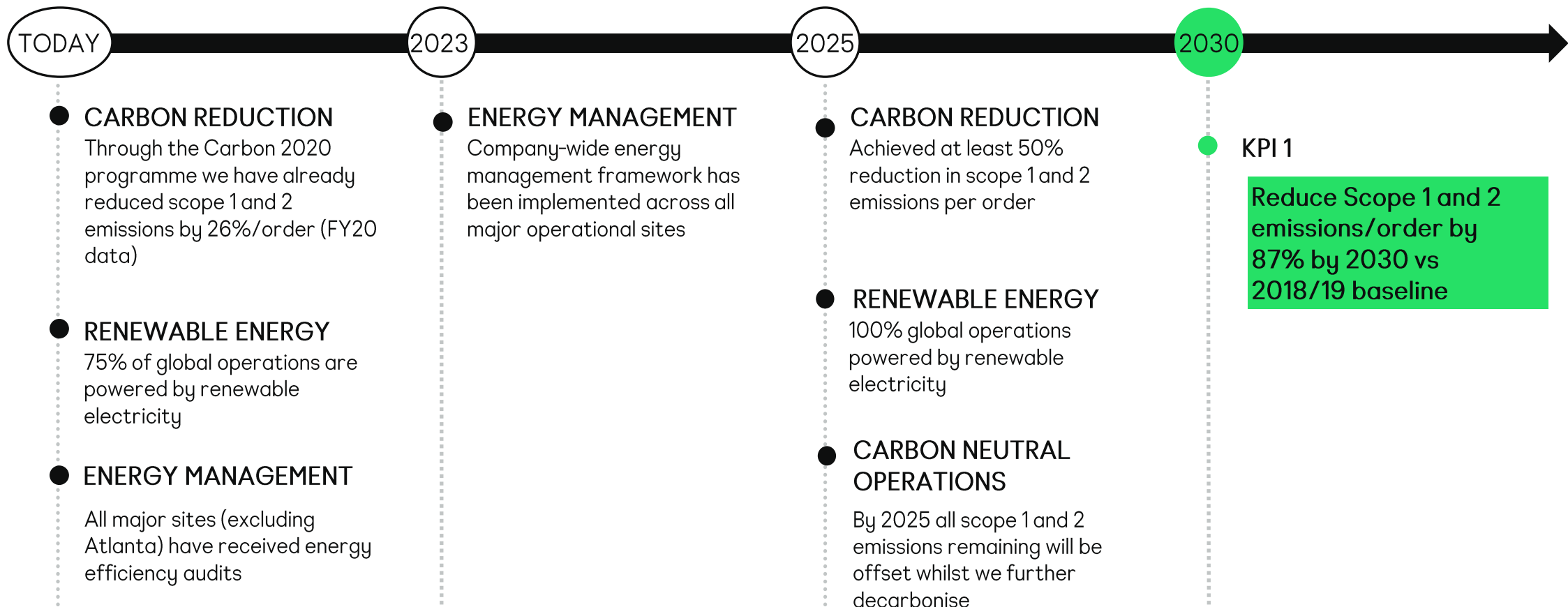
Working with



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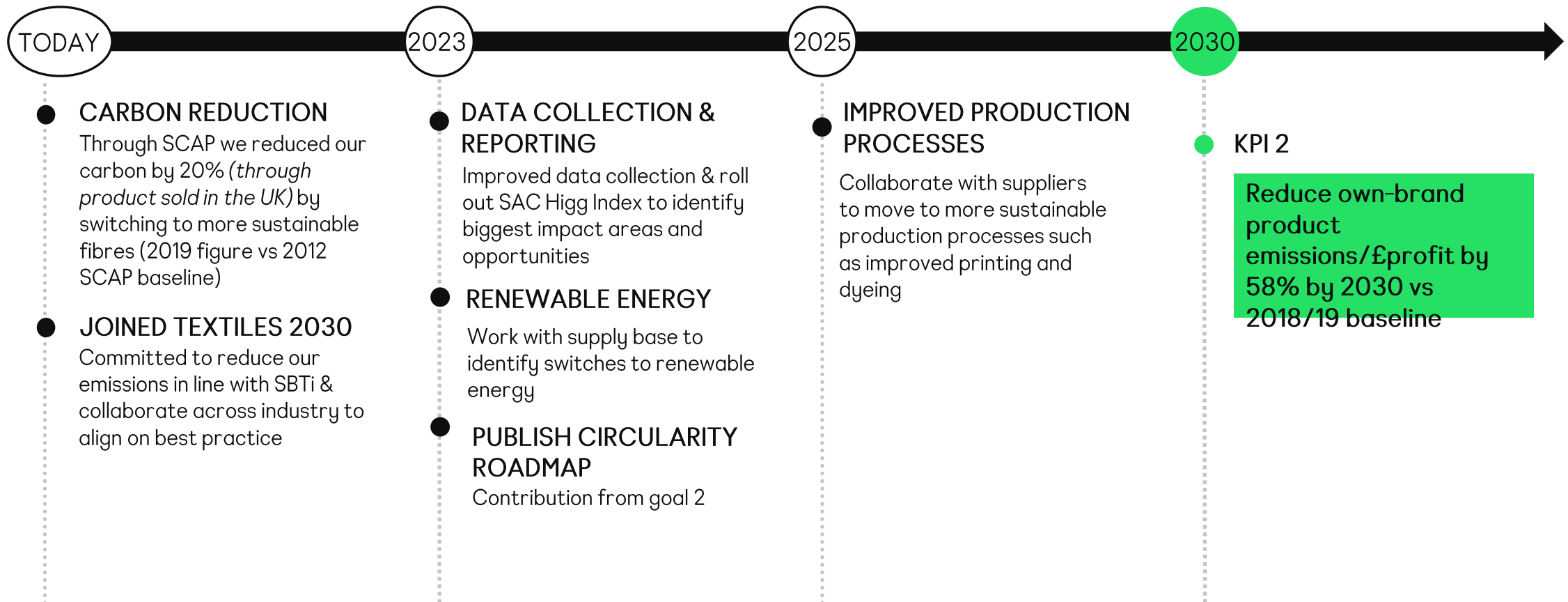
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Key milestones



2 Reduce own-brand product emissions/£profit by 58% by 2030 vs 2018/19 baseline

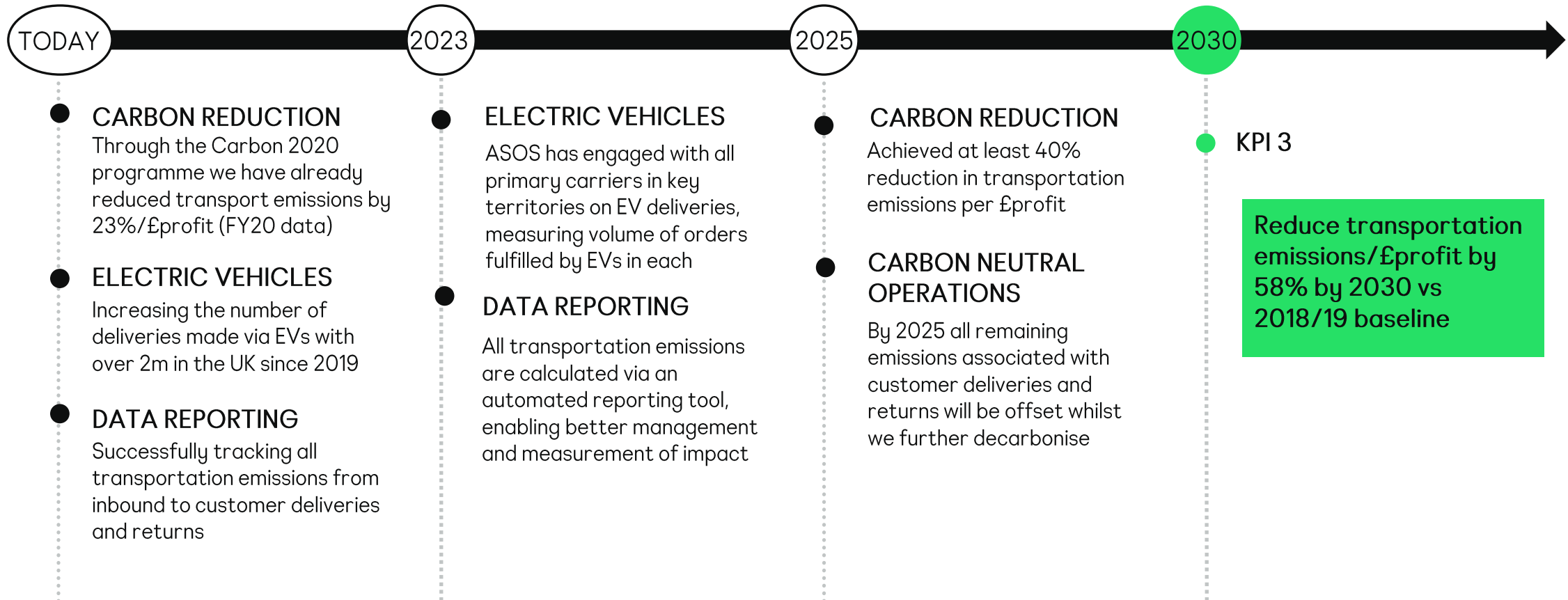
Key milestones



3 Reduce transportation emissions/£profit by 58% by 2030 vs 2018/19 baseline

27

Key milestones



4 Two-thirds of third-party brands (by emissions) signed up to setting goals in line with SBTi requirements by 2025

Key milestones



IN SUMMARY



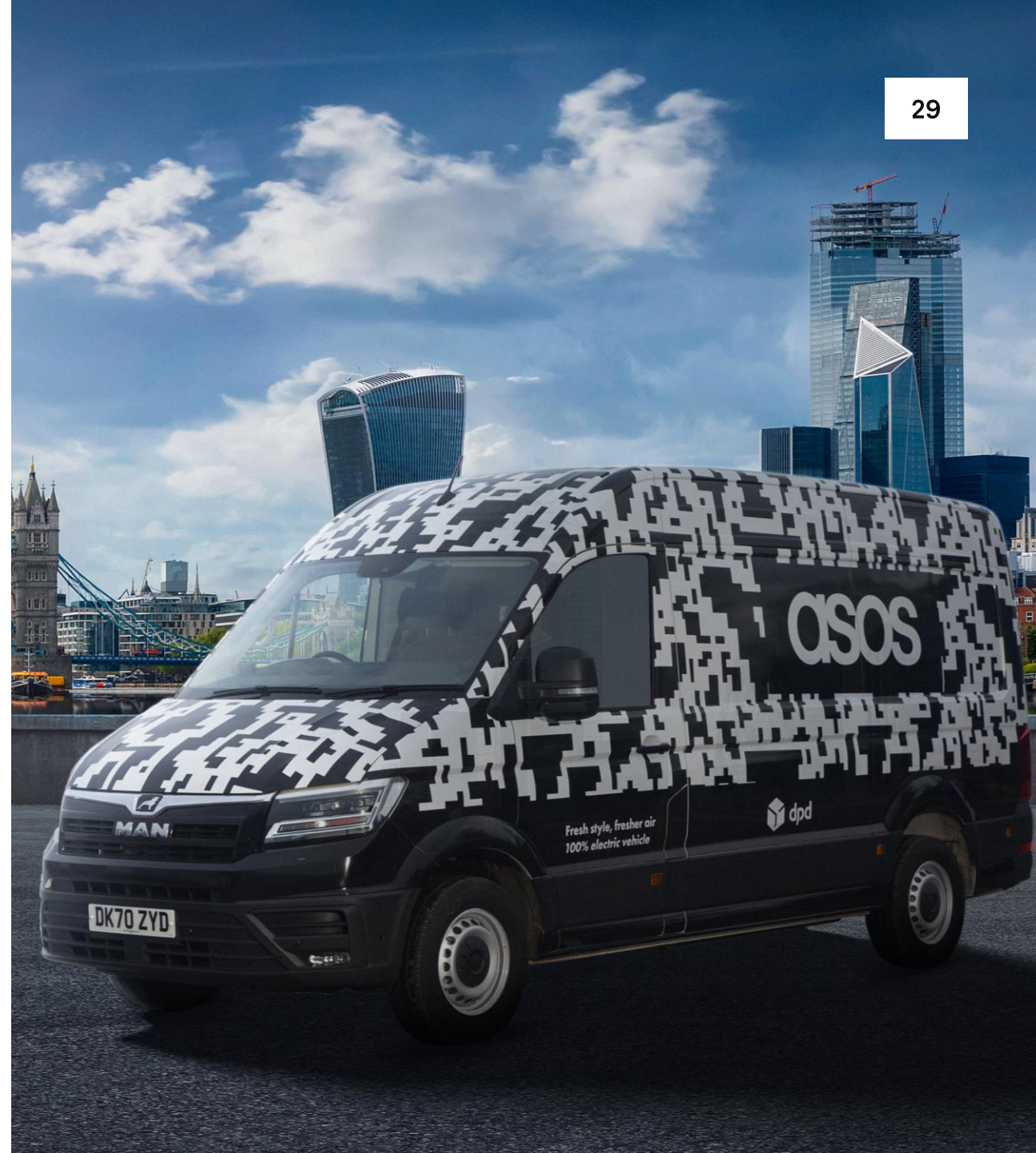
We will become a Net Zero business by 2030, driven by our newly calculated carbon reduction targets



We will achieve carbon neutral operations by 2025, covering scope 1 & 2 emissions, deliveries and returns



Our targets have been submitted to the SBTi for verification



PLANET

2

Be More Circular

By 2030, ASOS will have shifted towards more circular systems, ensuring 100% of our ASOS own-brand products and packaging are made from more sustainable or recycled materials, prioritising circular design, and facilitating product recovery programmes

BE MORE CIRCULAR



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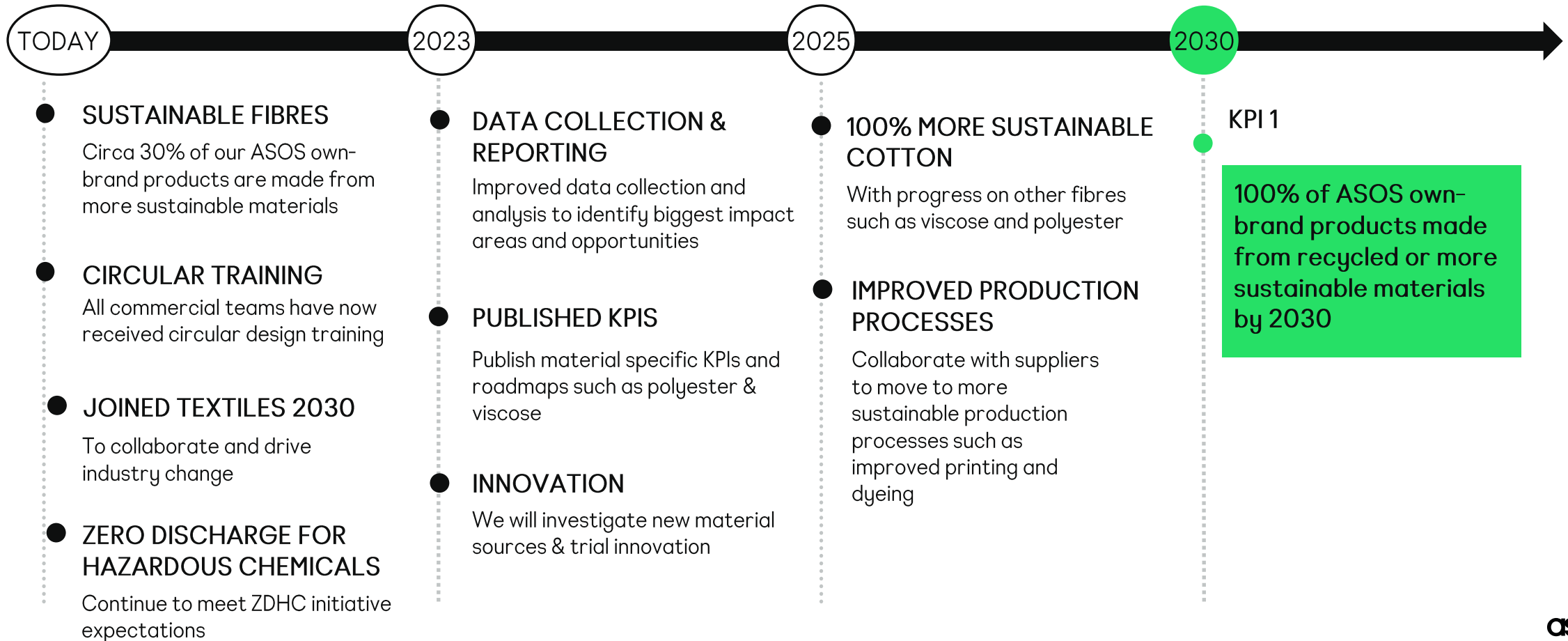
KPIs to measure our success



1. 100% of ASOS own-brand products made from recycled or more sustainable materials by 2030
2. ASOS commits to defining a public facing circularity strategy by 2023 to allow us to embed circular design principles by 2030
3. 100% of own-brand packaging will be made from recycled materials and be widely recyclable by 2025
4. Facilitate programmes for recycling and reuse in key markets by 2030

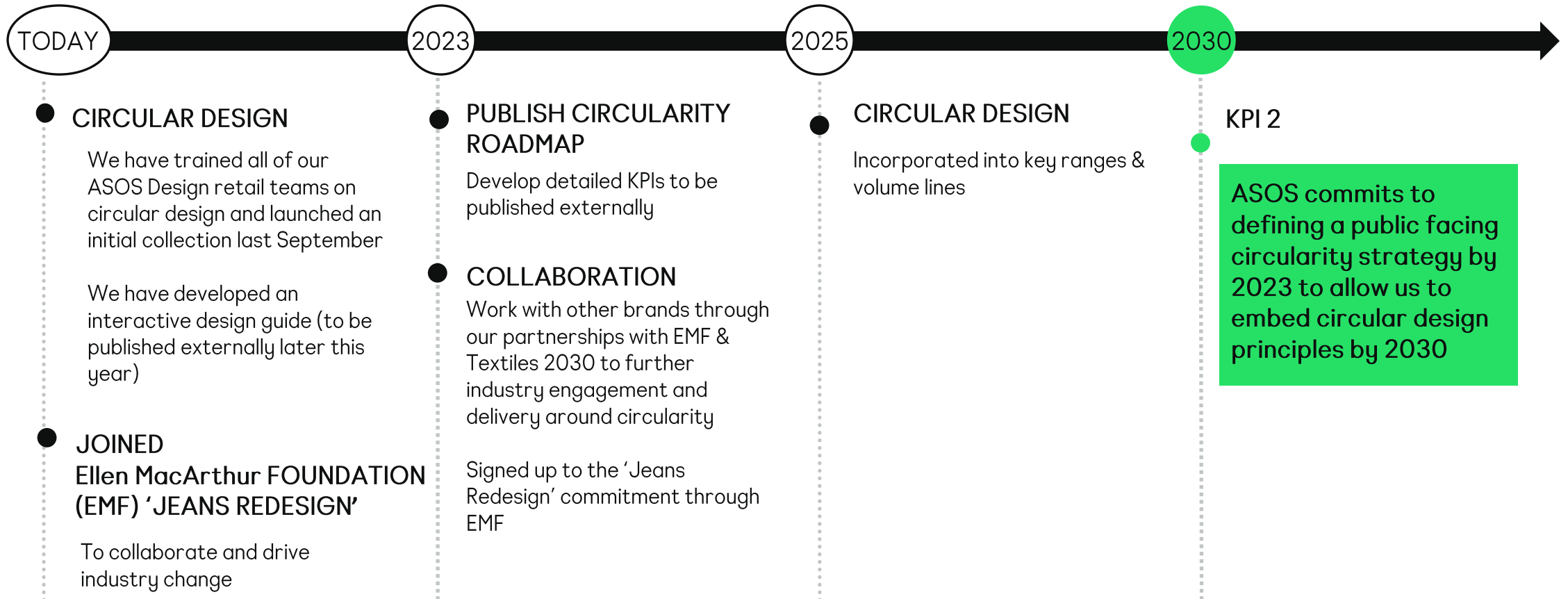
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Key milestones



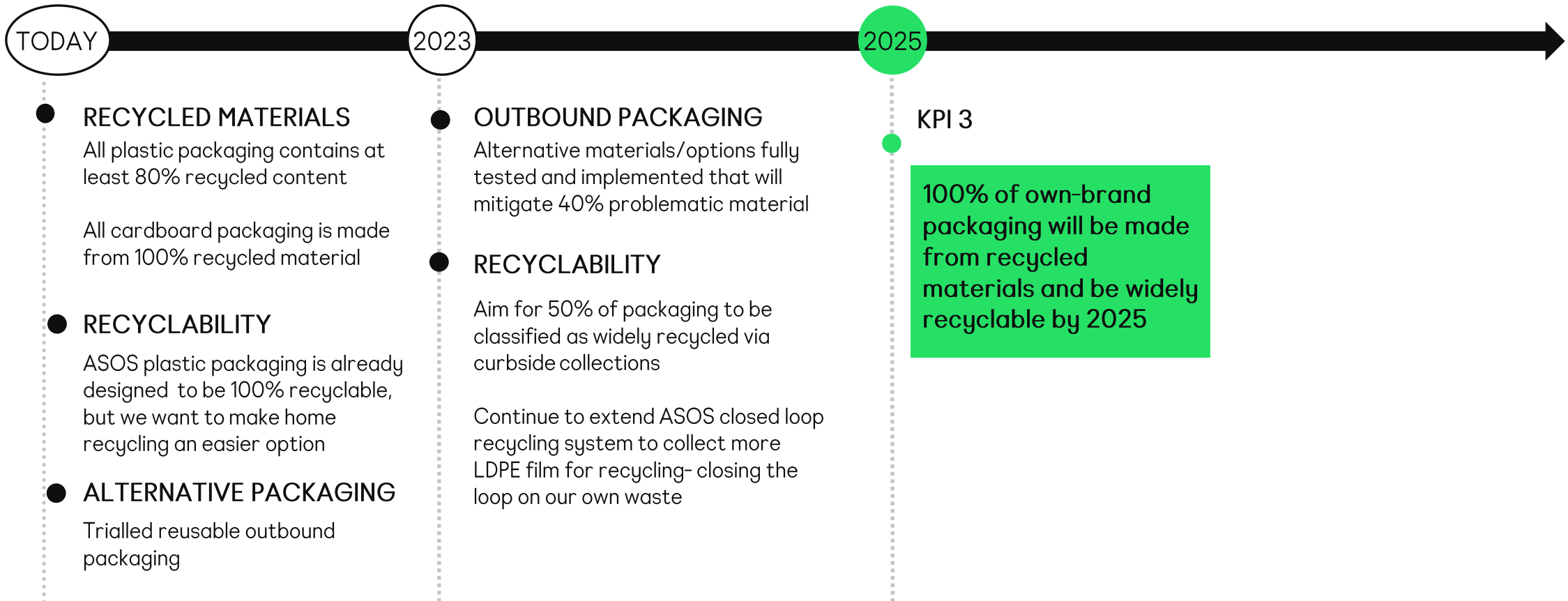
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Key milestones



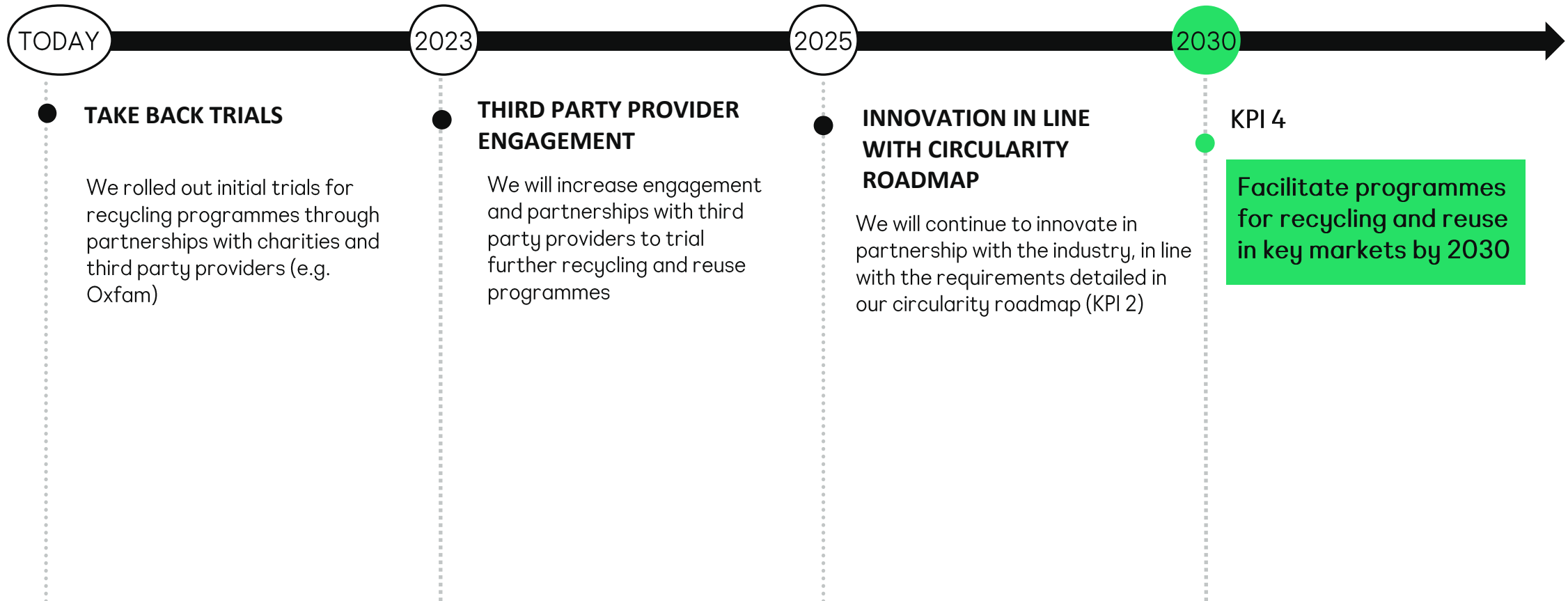
3 100% of own-brand packaging will be made from recycled materials and be widely recyclable by 2025

Key milestones



4 Facilitate programmes for recycling and reuse in key markets by 2030

Key milestones



IN SUMMARY



100% of ASOS own-brand products will be made from recycled or more sustainable materials by 2030



Circularity will not be limited to fabrics. Our goal also involves circular design and recovery programmes



Collaboration across industry is the key, to share and tackle the challenges and barriers for a truly circular fashion industry



PEOPLE

3

Be Transparent

By 2030, ASOS will have led improvements on human rights and transparency within our own supply chain and the wider fashion industry

BE TRANSPARENT



By 2030, ASOS will have led improvements **on human rights and transparency** within our own supply chain and the wider fashion industry

KPIs to measure our success



1. 100% of ASOS own-brand products will have supply chains mapped to raw material level by 2030, extending its existing supply chain mapping
2. Customers will be able to easily view and interact with information on the sustainability credentials of 100% of ASOS own-brand products by 2030
3. 100% of third-party brands on ASOS will have committed to the Transparency Pledge and new ASOS Ethical Trading policy by no later than 2025
4. From 2023, ASOS will publish annual human rights strategy and implementation reports, focused on freedom of association, gender empowerment, wages, and modern slavery, for independent monitoring by existing partners and external campaign groups

- 1 100% of ASOS own-brand products will have supply chains mapped to raw material level by 2030, extending its existing supply chain mapping

Key milestones

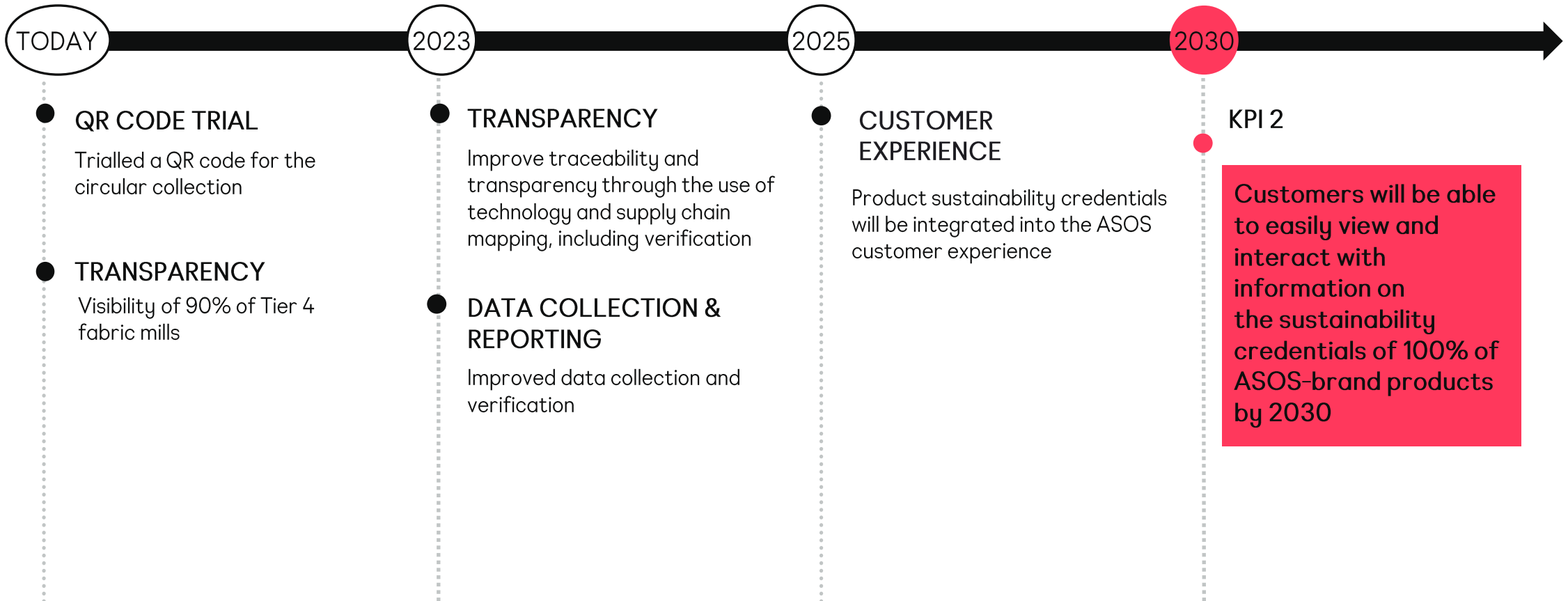


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Customers will be able to easily view and interact with information on the sustainability credentials of 100% of ASOS-brand products by 2030

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Key milestones



3 100% of third-party brands on ASOS will have committed to the Transparency Pledge and new ASOS Ethical Trading policy by no later than 2025

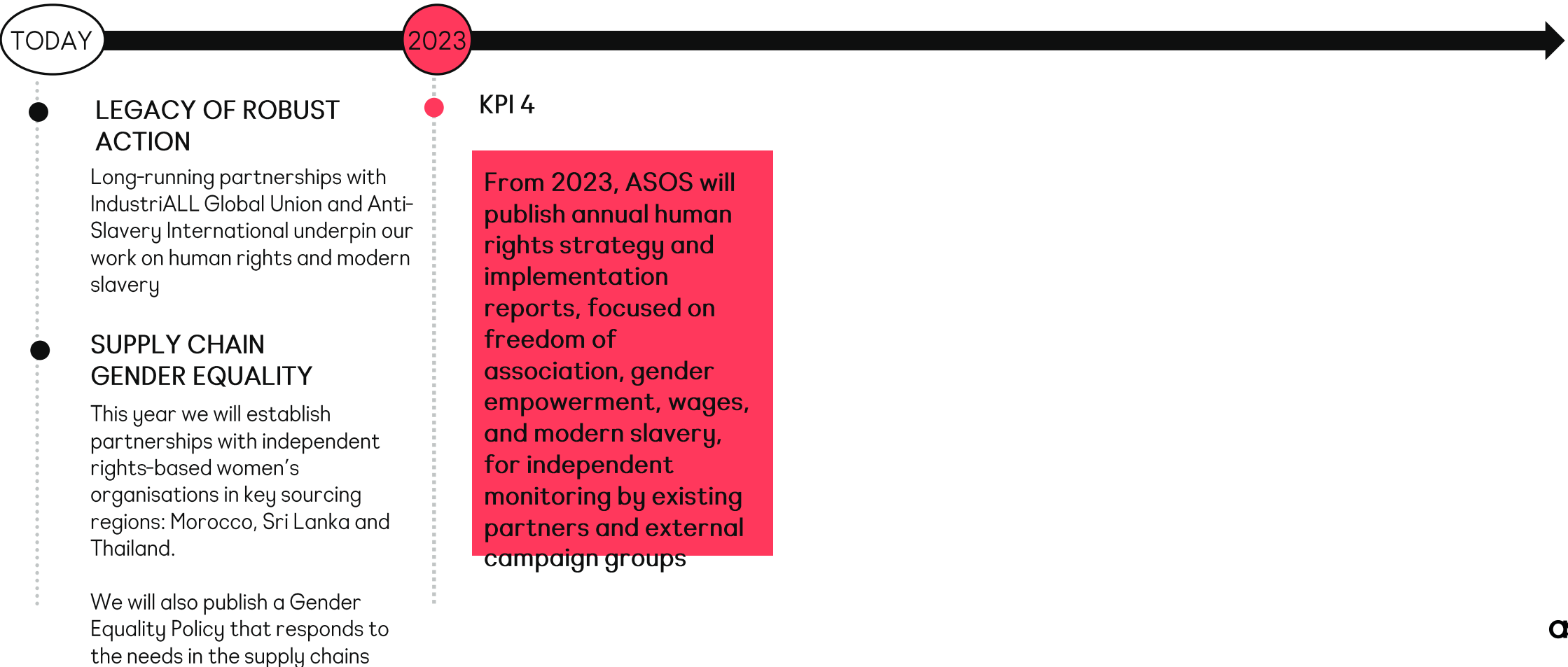
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Key milestones



- 4 From 2023, ASOS will publish annual human rights strategy and implementation reports, focused on freedom of association, gender empowerment, wages, and modern slavery, for independent monitoring by existing partners and external campaign groups

Key milestones



IN SUMMARY



Transparency is a key tool to empower consumers, to let them understand all the implications of their choices



100% of ASOS own-brand products supply chains mapped to raw material level by 2030



100% of third-party brands on ASOS will have committed to the Transparency Pledge and new ASOS Ethical Trading policy by 2025



PEOPLE

4

Be Diverse

By 2030, we'll drive diversity, equity and inclusion across every aspect of our business, with a focus on leadership representation and ensuring every ASOSer can be their authentic self at work

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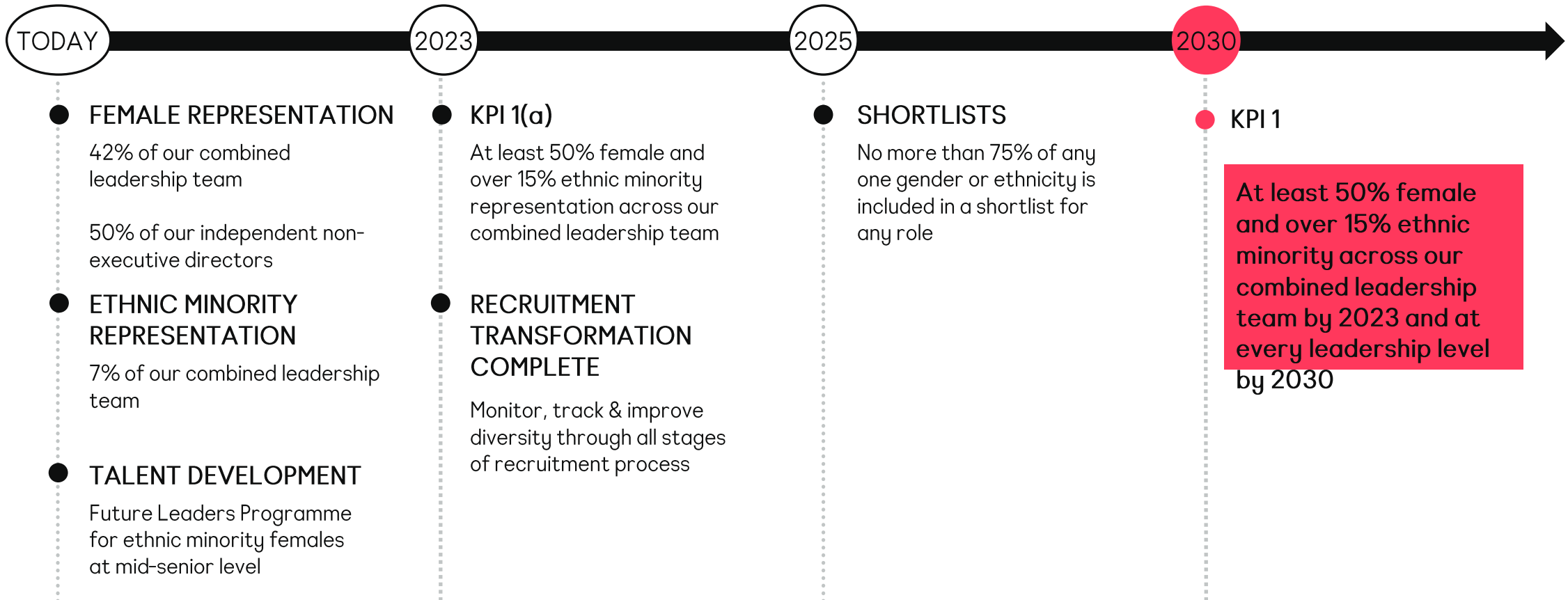
KPIs to measure our success



1. At least 50% female and over 15% ethnic minority representation across our combined leadership team by 2023 and at every leadership level by 2030
2. Over 40% female representation in Engineering, Product and Science (Technology) roles by 2030
3. Zero statistically significant differences in engagement scores and functional attrition rates across all demographics from 2030, with all ASOSers able to be their authentic selves at work
4. We'll publish a Diversity, Equity and Inclusion strategy and roadmap for the ASOS platform, our customers and our people by 2023

- 1 At least 50% female and over 15% ethnic minority representation across our combined leadership team by 2023 and at every leadership level by 2030

Key milestones

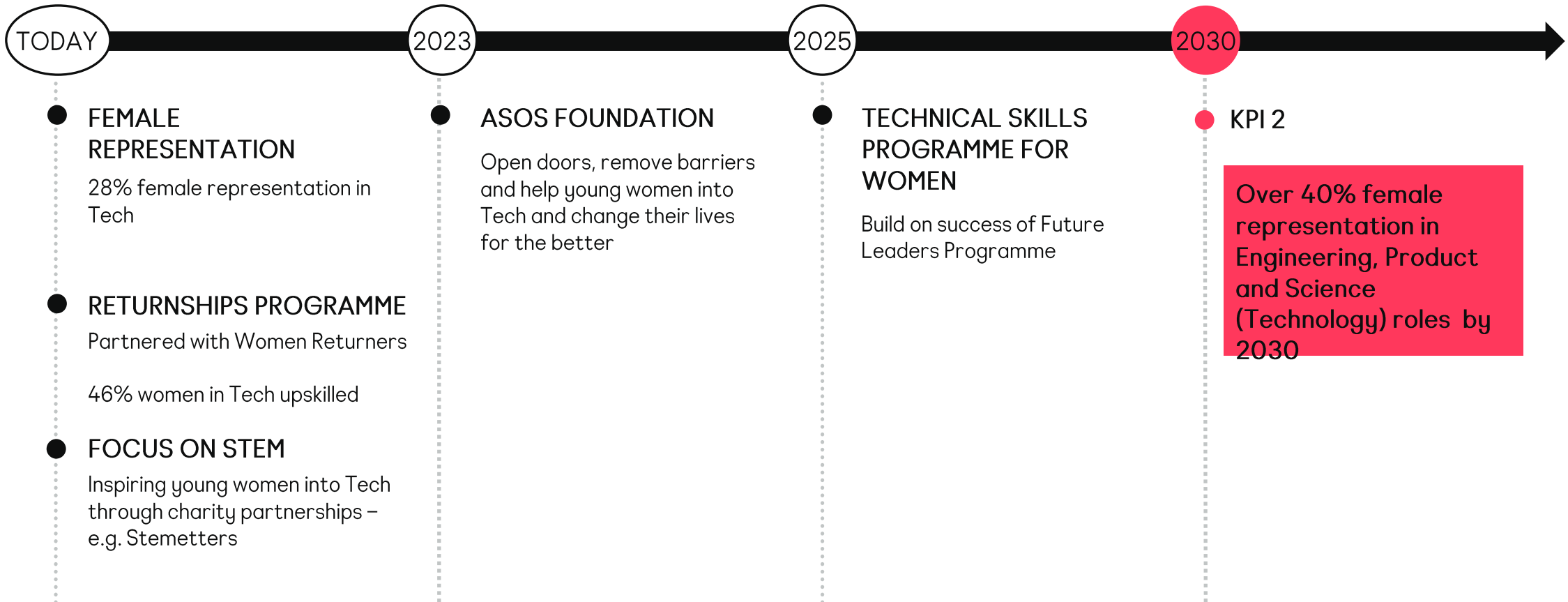


2

Over 40% female representation in Engineering, Product and Science (Technology) roles by 2030

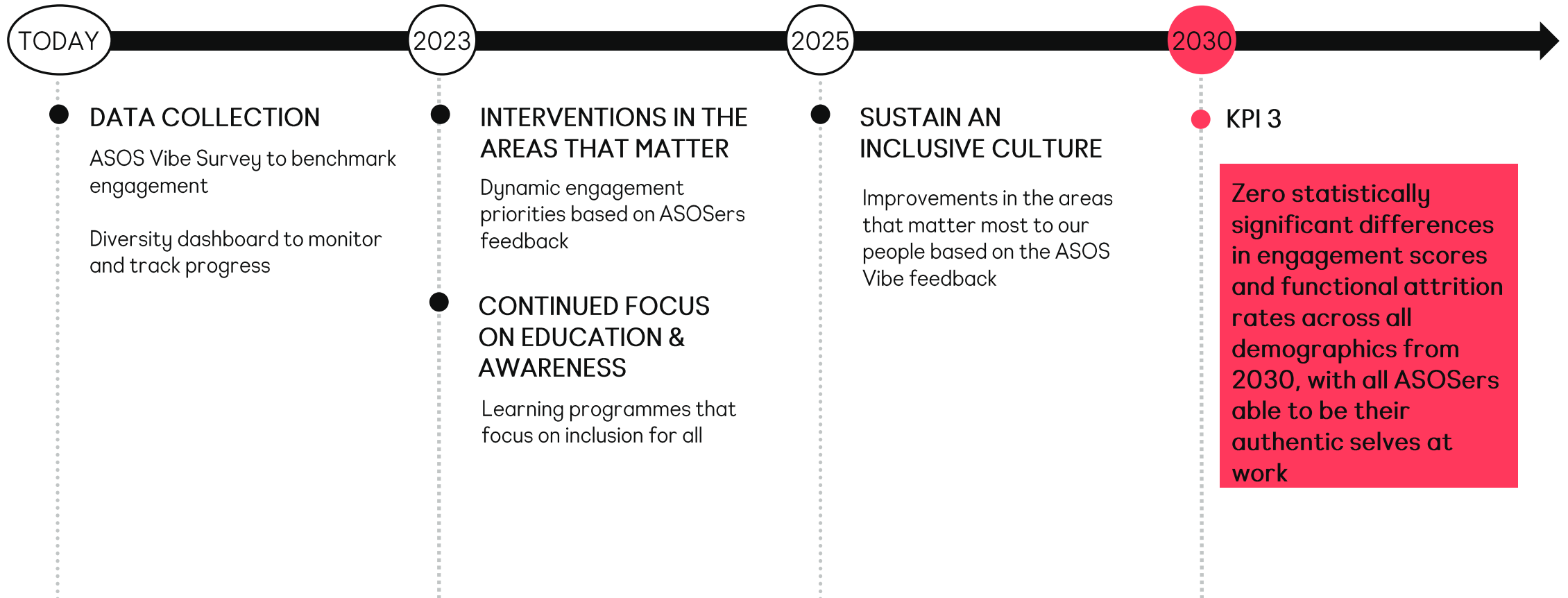
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Key milestones



Zero statistically significant differences in engagement scores and functional attrition rates across all demographics from 2030, with all ASOSers able to be their authentic selves at work

Key milestones



PLAY VIDEO

4

We'll publish a Diversity, Equity and Inclusion strategy and roadmap for the ASOS platform, our customers and our people by 2023

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Key milestones

TODAY

2023

- OUR PRODUCT
Diverse & inclusive ranges
- CHARITY PARTNERSHIPS
ParalympicsGB
EXIST LOUDLY
Ditch the Label
- OUR PLATFORM
Accessibility audit & improvements

● KPI 4

We'll publish a Diversity, Equity and Inclusion strategy and roadmap for the ASOS platform, our customers and our people by 2023

IN SUMMARY



Supports attraction and retention
and enables better decision making



We will drive DEI across every aspect
of our people experience



We will drive DEI across every aspect
of our customer experience



Governance & Reporting Framework

ESG Governance

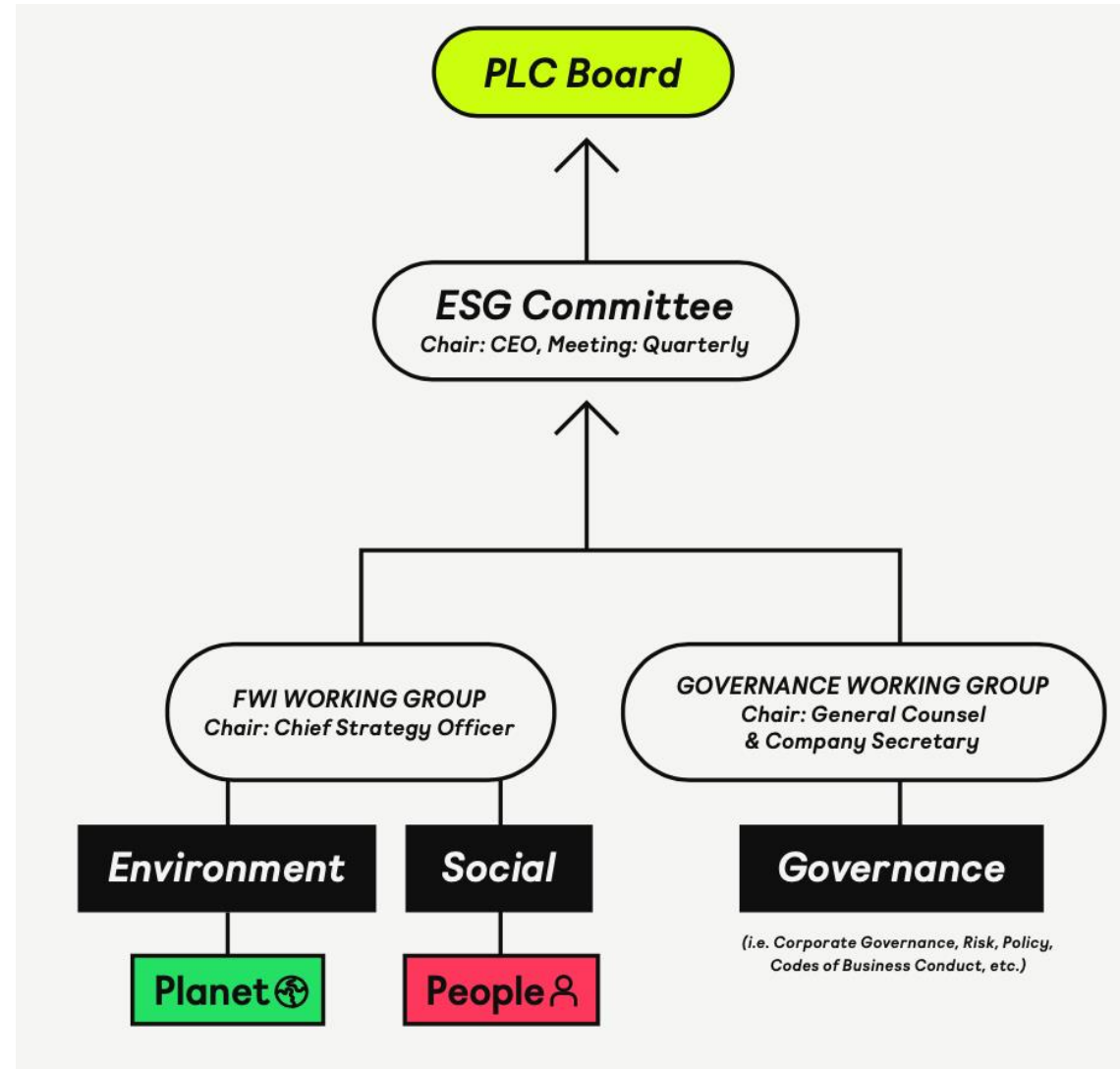
Underpinning this strategy, its goals and KPIs is a new approach to ESG governance and reporting

Creating a new approach to ESG governance will ensure the effective delivery of the strategy and management of ESG risk

Three, new, distinct groups will be formed:

- ESG Committee
- FWI Working Group
- Governance Working Group

To move Fashion with Integrity forward at ASOS, we'll measure progress against our 2030 goals in leadership objectives and increase our focus on sustainability alongside business outcomes in reviews



Reporting and benchmarks

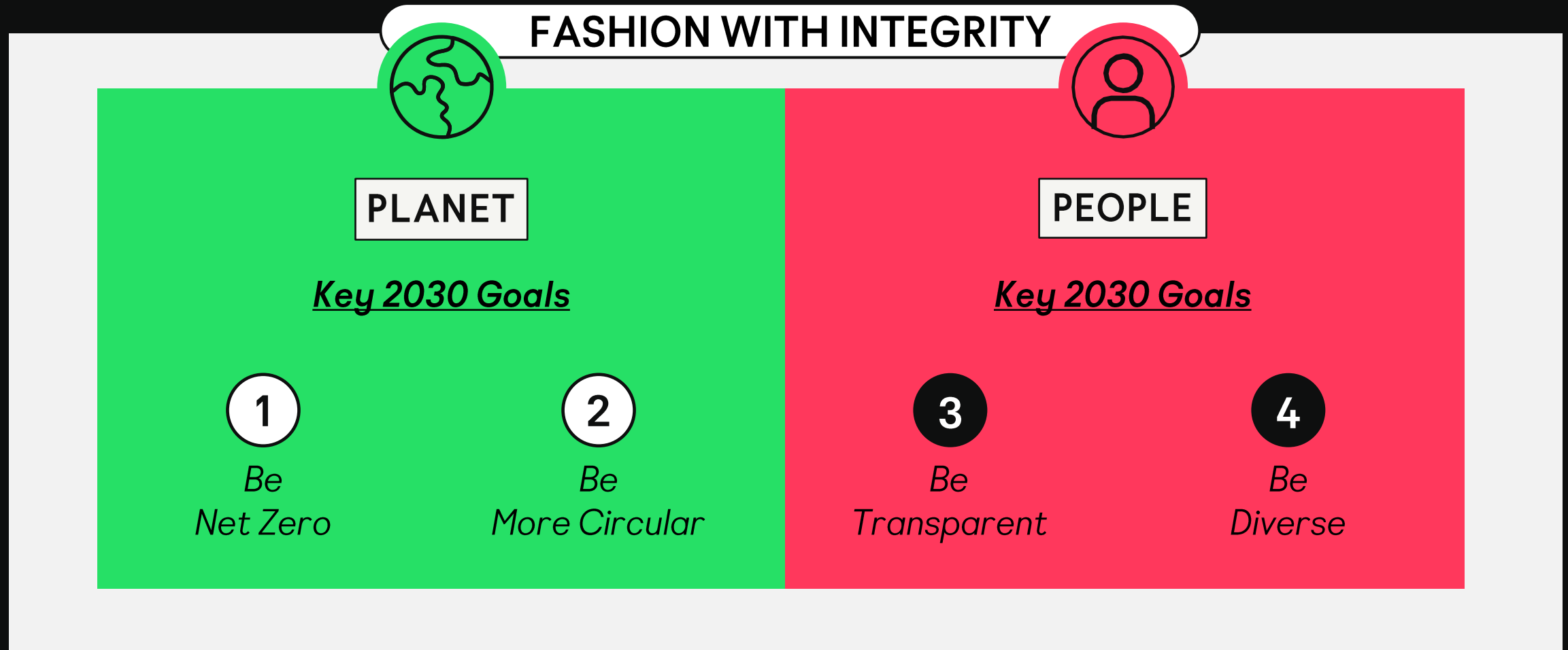
Our approach to reporting will provide transparency on progress and performance through regular annual updates

- Annual progress reporting will be aligned to half-year results (e.g. FY21 reported at H1 FY22) and in line best practice reporting guidelines such as GRI
- We will continue to report to key industry bodies and benchmarks such as the Fashion Transparency Index, Textiles 2030 and the Ellen MacArthur Foundation
- From 2022 will respond to CDP and align annual reporting to TCFD requirements whilst continuing to engage in other ESG benchmarks such as MSCI and Sustainalytics



Summary

We're reinforcing our commitment to Fashion with Integrity by setting four ambitions new 2030 goals.



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Q & A