

## ASOS Ethical Code of Conduct

The ASOS Ethical Code of Conduct below sets out the minimum standards that ASOS requires from all suppliers who manufacture or procure goods for ASOS. They are based on the conventions of the United Nations and International Labour Organisation core standards and reflect the best practice industry standards being applied globally by a number of retailers. The code applies to all suppliers and all sites manufacturing goods for ASOS.

It is the supplier's responsibility to meet these standards and to be able to demonstrate to ASOS that it has done so. ASOS will support sites who disclose difficulties in meeting the standards and seek to work with them to put in place necessary improvements.

### 1. BUSINESS INTEGRITY

ASOS maintains the highest standards of business integrity and requires its suppliers to do likewise. There shall be no improper advantage sought, including the payment of bribes, to secure the delivery of goods to ASOS, or to influence the outcome of an independent audit or review. This includes audits that are commissioned directly by the supplier, or on behalf of other customers.

Both suppliers and sites manufacturing goods for ASOS must also commit to making sites and corresponding documents and personnel available for periodic audit or inspection. It is expected that ASOS representatives, including third-party auditors, be given complete and accurate information to enable them to make a full assessment of a site's level of compliance.

Suppliers should note that ASOS reserves the right to withdraw orders immediately and without notice if there is evidence of any form of bribery or corruption relating to a supplier or factory. ASOS also reserves the right to withdraw orders from any supplier who conceals, falsifies or withholds information relating to a site's performance.

### 2. COMPLIANCE WITH ALL APPLICABLE LAWS & REGULATIONS

Suppliers and factories that produce goods for ASOS must fully understand and comply with all applicable laws and regulations in the countries where they operate, including laws relating to employment, health and safety, and the environment.

### 3. TERMS OF EMPLOYMENT

All workers, including those on part-time, temporary or agency contracts, must have formal contracts of employment that meet local legislation. Contracts must include wages, payment frequency, deductions, benefits, working hours, holidays, notice periods, sick pay, maternity pay and any other locally required aspects of employment.

All workers must be employed voluntarily and have the freedom to leave their employment if they give their employer reasonable notice. There must not be any form of social pressure, unpaid loans or other restrictions imposed by the employer that would restrict this freedom.

All workers must be hired and treated based on their ability to carry out their work and their performance. There must not be any form of discrimination or preferential treatment in the hiring, terms of employment, levels of pay, opportunities and treatment of workers.

The factory must take the necessary measures to ensure that all employees have a legal right to work.

The factory should make every effort possible to provide regular, secure employment. The use of temporary contracts or agency labour must not be used as a means of denying workers their rights or benefits under employment law. Apprenticeships and training contracts are encouraged, but must be legally compensated and provide adequate levels of training or development.

The factory must take the necessary steps to ensure that all elements of this Code are being fully applied to workers employed through agencies.

#### **4. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING**

Workers must be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

Workers must be free to associate or to join organisations that represent them, including trade unions, without prior authorisation from management. Factory management must not prevent, or discriminate against, workers who wish to lawfully and peacefully associate, organise or bargain collectively. The decision whether or not to associate should be made solely by the workers.

Management must not attempt to influence employee representatives to work in the management's interest.

In countries where employers are formally required to consult with their employees, this requirement must be met.

Where trade union membership is unavailable to workers, the employer must enable workers to develop a parallel means of association and bargaining. This includes making adequate facilities and time available.

Employees must be allowed to stand as worker representatives on trade unions, works councils or other formal representative groups. They must not be restricted, penalised or discriminated against and must have access to management and co-workers in order to carry out their representative functions.

#### **5. WAGES AND WORKING HOURS**

##### ***Wages***

Workers must be provided wages, overtime pay, benefits and paid leave which meet or exceed legal minimum levels, and suppliers must comply with collective agreements.

Payments must be regular and made in full with clear written details given to workers of how their wages have been calculated. Overtime payments must be at a premium rate, compatible with local legislation.

Workers must be provided with all benefits they are entitled to under national or local law e.g. paid leave, bonus, sick pay.

Where the minimum wage is insufficient to provide a living wage<sup>1</sup>, factories must actively seek ways to improve wages e.g. through productivity programmes.

Where employees are paid according to their output (piece work), their wage must still meet the legal minimum wage standard. A formal, agreed piece rate calculation must be in place which ensures that workers are paid fairly and are able to meet the legal minimum wage standard, or above, within normal working hours.

### ***Deductions***

Legally required deductions that entitle employees to state benefits must be made and passed on by the employer to the State.

The cost of clothing and protective equipment required to perform work safely must be paid in full by the employer.

Deductions from wages or any other form of financial penalty must not be used as a disciplinary measure.

### ***Working hours***

Hours in excess of contracted standard hours (overtime) must be offered fairly, contracted voluntarily and paid at a premium rate. Workers must be able to refuse to work overtime without any form of penalty. Workers who refuse overtime must not be denied the opportunity to work overtime in the future.

Working hours must not exceed the maximum set under local law. Where there is no legislation governing maximum working hours, a maximum limit of 48 hours must be set for regular working with a maximum of 12 hours per week overtime. There must be adequate management systems in place to restrict overtime within these limits, except in emergency or unusual situations.

Workers must have at least one full day away from work per week on a regular basis. The working week may be extended in exceptional circumstances but employees must not work more than 12 days in any 14 day period.

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<sup>1</sup> A living wage is the minimum hourly income necessary for a worker to meet basic needs. These include shelter (housing) and other incidentals such as clothing and nutrition. Note that a legal minimum wage may not meet these basic needs.

## 6. EMPLOYING YOUNG WORKERS

Factories must have effective systems in place to check the ages of all recruited employees and must hold copies of official documentation for every worker that verifies their date of birth. In countries where official documents are not available to confirm the exact date of birth, the factory must verify workers' ages using an appropriate and reliable assessment method.

All workers must be at least 15 years old, or meet the legal minimum age of employment if this is higher.

Young workers between the minimum age of employment and 18 years old can be employed, provided there are adequate precautions to protect them. They must not be employed at night, work overtime or carry out any form of hazardous work<sup>2</sup>.

If children are found to be working directly or indirectly for the supplier, the supplier must immediately inform ASOS who will support a solution that puts the best interests of the child first.

*For further information, refer to the ASOS Young Worker and Child Labour Policy.*

## 7. WORKING ENVIRONMENT

Factory managers and supervisors must treat all workers with respect and dignity at all times.

Management must implement a culture where all workers feel safe and are respected by their colleagues. The need for a respectful and dignified working environment must be communicated so everyone understands the boundaries of acceptable behaviour.

Any form of discrimination, preferential treatment, verbal abuse or any other form of behaviour that is disrespectful or intimidating must be thoroughly investigated. If proven, it must be dealt with through a formal disciplinary process.

All discipline must follow a formal disciplinary procedure which sets out a step-wise process for investigating and improving inappropriate actions or behaviours. All disciplinary actions must be handled professionally and fairly and must be documented. Employees undergoing discipline must have the right to a fair appeal.

There must be a process for employees to formally raise grievances with management. Employees who raise grievances must not be penalised or intimidated.

## 8. HEALTH AND SAFETY

Adequate measures must be in place to protect the health and safety of all people at factory site and any other supplier workplaces, including temporary workers and workers on agency contracts. This must include a formal and regular assessment of risks and a corresponding programme of improvement. The specific risks to vulnerable workers e.g. young workers, pregnant workers or workers with disabilities must be assessed separately.

Management's responsibility does not end with providing safe systems of work. Management must also ensure that safe working systems are understood through formal and informal training and that

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<sup>2</sup> All aspects of local law must be complied with relating to the employment of young workers. In some countries this includes a specific risk assessment.



they are being followed. It is appropriate to use the disciplinary process for anyone who wilfully puts themselves or their colleagues at risk.

#### ***Occupational Safety***

Exposure to potential safety hazards must be controlled through proper design, engineering, management systems, maintenance, safe work procedures and training. Where hazards cannot be adequately controlled by these means, workers must be provided with protective equipment. Workers shall not be disciplined for raising safety concerns.

#### ***Emergency Preparedness***

Emergency situations and events are to be predicted and assessed e.g. fire, explosion, flooding, earthquake. Emergency plans and responses must be developed and practiced e.g. evacuation procedures, worker training and drills, fire detection and fire fighting, adequate exit facilities.

#### ***Occupational Injury and Illness***

Measures must be in place to manage, track and report occupational injury and illness, including provisions to: encourage worker reporting; record cases of injury and illness; provide necessary medical treatment; implement corrective actions to eliminate causes; facilitate the return of workers to work.

#### ***Industrial Hygiene***

Worker exposure to chemical or biological hazards must be identified, evaluated, and controlled. Workers must be made aware of the hazards associated with any substances or processes. When hazards cannot be adequately controlled, workers' health must be protected by appropriate personal protective equipment and/or by limiting exposure.

#### ***Physically Demanding Work***

Exposure to the hazards of physically demanding tasks must be identified evaluated and controlled e.g. manual handling; heavy or repetitive lifting; prolonged standing; highly repetitive tasks. Adequate training must be given to ensure that employees adopt safe working practices.

#### ***Machine Safeguarding***

Production and other machinery must be evaluated for safety hazards. Physical guards, isolation switches and barriers must be provided and properly maintained where machinery presents an injury hazard.

#### ***Sanitation, Food, and Housing***

Workers must have access to clean toilets, potable water and hygienic food storage/preparation and eating facilities. Where provided, worker dormitories must: be well maintained, clean and safe; have sufficient emergency exits, hot water for bathing and showering; have adequate heat and ventilation; provide reasonable personal space and personal freedom.

### **9. ENVIRONMENTAL MANAGEMENT**

Suppliers must comply with all relevant laws and regulations regarding the protection and preservation of the environment. This includes obtaining and maintaining all required environmental permits (e.g. discharge monitoring), approvals and registrations.

Factories must also adhere to all applicable laws, regulations and customer requirements regarding specific substances that are restricted (or prohibited) by law or by ASOS.

In sourcing suppliers, we will consider their environmental performance and, in particular their commitment to minimising harmful impacts of their operations on the community, environment and natural resources.

Areas our suppliers must assess and manage include:

**Waste management:** Elimination or reduction of waste by practices such as modifying production, improved maintenance, materials substitution, conservation, recycling and re-use of materials.

**Energy and water reduction:** Reduction of the consumption of water, electricity, gas, oil and other fuels through improved employee awareness, investment in energy/water saving equipment, improvement in production efficiency, use of rainwater and recycled water etc.

**Hazardous Substances:** Safe handling, movement, storage, use, recycling or reuse and disposal of hazardous chemicals and other materials.

## CONTACTS

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