

Standards for Suppliers

Our standards, to be read in
conjunction with our Conditions
of Purchase

Standards for Suppliers

Introduction



Our Standards for Suppliers are the cornerstone of our Responsible Sourcing programme and help promote supplier accountability. Respecting and protecting the fundamental human rights of all who contribute to our business is not only the right thing to do, it is essential as it embodies key values across society and promotes dignity for all. To support this, Asda is committed to upholding the United Nations Guiding Principles on Business and Human Rights and will work with suppliers to demonstrate them within our global supply chains and report against them.

At Asda, it is vital our Suppliers know and understand the risks within their own operations and supply chains. We encourage suppliers to visit, assess and monitor their facilities' performance as they are ultimately accountable for their operations. Our programme is designed to promote supplier accountability and where appropriate we look to partner with our suppliers to mitigate risks, drive remediation and improve standards for workers. Asda is committed to working with suppliers to improve labour standards within our shared supply chains and is focussed on remediating any issues in partnership with suppliers.

As a supplier to Asda, you are expected to actively work to identify and understand the risks associated with your supply chain. This includes complying with these standards and any applicable laws, regulations and agreements whilst maintaining licenses and permits as required and appropriate for your industry, geography and facility.

The Standards for Suppliers are operated by Asda Stores Limited, including Asda's trading brands and subsidiaries ("Asda"). The Standards for Suppliers apply to anyone supplying Asda with products for resale, as GNFR suppliers or any agents used, and those who provide raw materials ("Suppliers"). This applies to all tiers of our supply chain.

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Synopsis



Suppliers are accountable for compliance with our Standards for Suppliers throughout their operations and entire supply chains.

Signing a supplier agreement, accepting a purchase order, and/or providing products to Asda **constitutes acceptance of our Standards for Suppliers.**

Asda reserves the **right to audit** or inspect Suppliers' books, records, and any facilities they use **at any time.**

Asda expects Suppliers to adhere our Standards for Suppliers and may impose **consequences** up to and including termination of business for failure to comply.

Our Standards for Suppliers are updated in line with emerging risks and trends, we encourage suppliers to review these regularly.

Further guidance can be found on our [salient themes](#) and associated policies located on the [Asda Supplier Website](#).

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Champion Human Rights	<p>All suppliers are responsible for avoiding the direct or indirect infringement of any internationally recognised Human Rights. Suppliers and facilities should address adverse Human Rights impacts with which they are involved when they occur and avoid causing or contributing to these. Suppliers must mitigate and prevent impacts that are directly linked to their operation, products or services, even if indirectly.</p> <p>Suppliers to Asda should have appropriate measures in place. This includes, but is not limited to, policy commitments and due diligence processes to identify, prevent, mitigate and account for their Human Rights impacts and enable remediation.</p>
Do not use any form of Modern Slavery (incl. Forced, Underage or involuntary prison labour)	<p>Do not enter into business with any organisation knowingly supporting or is found to be involved in slavery, servitude, involuntary prison labour and forced, compulsory or underage labour.</p> <p>Ensure your compliance with the UK Modern Slavery Act 2015 and be compliant with Section 54 'Transparency in Supply Chains' public reporting requirement if your business is in scope for this.</p> <p>Engage with Asda as we work with suppliers and partners to implement best practice on Modern Slavery and Human Rights. Demonstrate commitment to address Modern Slavery issues and be aware of the indicators of Modern Slavery. Take proactive measures within your own business and supply chains to reduce the risk of occurrence and manage incidences where they may occur. Focus on vulnerable groups within your workforce and support engagement with your direct and indirect employees, representatives, suppliers and partners to protect workers and prevent exploitation.</p>

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Recruit responsibly and adhere to the Employer Pays Principle

Abide by the Employer Pays Principle. No worker, including migrant workers, should pay for a job (based on the ILO definition of recruitment fees). The costs of recruitment should be borne by the employer.

Migrant workers shall not be required to pay for their employment and should be provided with an understandable and accurate contract in their native language prior to traveling from their home country. Suppliers are expected to hold agents and labour agents to the same standards, allow workers freedom of movement without undue restrictions and comply with all applicable laws, regulations, agreements and industry requirements. Costs and fees associated with recruitment, travel and processing of migrant workers from their home community to the workplace, including through to return when the relocation is not permanent, shall be covered by the employer. Suppliers should have:

1. an explicit, clear and transparent, recruitment policy that commits to no charging of recruitment fees and related costs to workers in line with the ILO definition, irrespective of where or how they are recruited and a clear understanding of the processes and costs associated with worker recruitment and, where possible, understand where workers have outstanding debts as a result of recruitment and
2. understood and identified where recruitment fees and related costs may be occurring and developed an action plan to address these fees
3. moved to a responsible recruitment model in which the full cost of recruitment (as per the ILO definition) is borne by the employer. If any fees are identified during the period of moving to a responsible recruitment model, these could be repaid collectively by relevant labour supply chain partners with timeframes to be set depending on tier within the supply chain, country and type of supplier.

All Asda suppliers have free of charge access to the [Responsible Recruitment Toolkit](#) to support with commitment to this.

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<p>Provide a safe working environment</p>	<p>Provide a safe, clean and healthy working environment, with access to clean sanitary facilities, water and food. If living accommodation is provided, ensure it is safe and habitable for humans, this includes adequate ventilation, heating, sanitation, water supply and structural stability.</p> <p>A risk assessment should be undertaken to review any working practices with the potential to cause harm. These should be recorded, communicated and acted upon. Appropriate allowances should be made to reduce risk for workers. Procedures and safeguards should be implemented to prevent accident or injury including maintenance, monitoring, inspection, training, personal protective equipment, fire safety measures and restrictions on hazardous work for all workers.</p> <p>No harsh or inhumane treatment is allowed, including but not limited to physical punishment, harassment, threatening behaviour, and gender-based violence and abuse, including when managing grievance processes.</p>
<p>Provide access to grievance mechanisms and whistleblowing</p>	<p>All workers must have access to grievance mechanisms within your business and supply chain, ensuring any barriers which may exist are addressed to enable those who may be marginalised, disadvantaged or excluded from society the opportunity to utilise or access. Ensure all workers are aware of the Asda whistleblowing process and that it is publicised within your business.</p> <p>Asda Ethics hotline: 0800 318 405 Asda Ethics: www.asdaethics.co.uk</p>
<p>Maintain effective records management</p>	<p>Ensure all workers understand, are given, and have access to copies of their Terms and Conditions of employment prior to employment. Verify all workers eligibility to work prior to employment, as per local legislation.</p>
<p>Recognise freedom of association and collective bargaining in line with local laws and procedures</p>	<p>Respect the rights of workers to join, form or assist a trade union. Remove barriers to enable all workers to participate in committees and ensure that representation is reflective of the workforce. Where applicable, communicate the outcomes of any worker committees to the workforce.</p>

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Comply with all applicable laws	Provide compensation, wages, benefits, working hours, breaks, rest days, holidays and leave that complies with legal requirements and applicable agreements. Help workers understand these terms, do not make illegal or inappropriate wage deductions, withhold wages, delay wage payments, or pay wages irregularly. This includes compliance with all applicable laws and respect internationally recognised human rights, wherever they operate including practices for child, young or vulnerable workers.
Be Transparent	Adhere to our Transparency Policy and provide all applicable information in line with our policies, be honest and act ethically at all times. Monitor your compliance with these standards, reporting where there may be any deviations or gaps and provide updates on progress.
Communicate	We expect suppliers to readily communicate with Asda. This may take a number of forms; responding to enquiries or requests, making information available to us, provide SAQs and/or audits when requested. Suppliers should work with Asda and any audit bodies to resolve non-compliances, complete requested training, utilise and act upon any guidance or toolkits provided and participate in industry and collaborative initiatives.
Remediate any Non Compliances raised via audit or breaches of our standards	Remediate any Non Compliances raised via audit or the Asda business within the timeframe specified. Review guidance, toolkits and training to build capacity and mitigate risks.
Identify risk, continuously improve and innovate	Know your risks manage and mitigate them. Work to improve the standards of global supply chains whilst working more efficiently. Drive continuous improvement and model best practice. Utilise and interpret data to assist in the management and mitigation of risks - focusing on worker experience, continuous improvement and impact.

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Make fair decisions and do not discriminate	Make all employment decisions based on individual ability and merit. Do not tolerate any form of discrimination, harassment, victimisation or bullying.
Uphold and champion these standards throughout your supply chain	Cascade our Standards in an appropriate way within your supply chain, maintain policies, processes and management systems to demonstrate compliance with these standards. Model and promote the values of these Standards within your supply chain and align with our requirements.
Remedy	<p>All suppliers must provide workers within our shared supply chains with access to a process to enable remedy. In instances where workers are impacted by that caused:</p> <ul style="list-style-type: none">• directly,• in-directly• contributed towards by the Asda business, <p>Suppliers must define the process for remedy, how they will investigate and resolve grievances addressing root cause. Engagement with remedy must be legitimate, accessible, transparent, drive continuous improvement and champion best practice with the rights holder at its core. All must be based on dialogue with rights holders and impacted groups.</p>

Suppliers are required to inform the Asda business of any of the following issues within 48 hours of their identification:

- Business Critical and Critical non-compliances raised on an ethical audit
- Suspected or substantiated child labour
- Suspected or substantiated Modern Slavery, involuntary prison labour
- Allegations of physical or sexual violence
- Allegations of illicit recruitment fees or debt bondage
- Significant fire within or impacting a facility e.g., causing the closure of a production line for more than 6 hours
- Significant building structural issues
- Major injury (life-altering) or fatality of a worker
- Unauthorised subcontracting of production

Reporting concerns

If you have knowledge of any other violations of Asda's Standards for Suppliers or the laws of any jurisdiction, you are encouraged to report the issue to:

- Asda
- appropriate Governmental authorities
- relevant third-party programme or industry association

Anonymous and confidential reporting

To report a concern anonymously relating to the Asda business or its supply chain, please contact:

Asda Ethics hotline: 0800 318 405

Asda Ethics: www.asdaethics.co.uk

Online Resources



For additional programme details and Responsible Sourcing policies please follow the links below:

George Apparel suppliers please use this [link](#) to access the George Clothing supplier website

IPL suppliers please use this [link](#) to access the IPL supplier website

All other suppliers please use this [link](#) to access the Asda supplier website

More questions?

Contact your Asda Responsible Sourcing Manager at Responsiblesourcingqueries@asda.co.uk