



13th August 2019

Business & Human Rights Resource Centre

Thank you for reaching out to us and raising these important issues, and for giving us the opportunity to respond in detail on the situation and the steps we and local partners are taking. At ASOS, we believe it is our responsibility to make sure every worker in our supply chain is respected and protected, and we are committed to tackling modern slavery risks and violations wherever they occur.

Background

We have been working with the Tex Knits factory since 2014, through the ASOS supplier Tex Services Ltd. As of the most recent business year, ASOS accounted for a significant proportion of the factory's total output.

Due to a number of ongoing issues (including Tex Services Ltd going into receivership), this factory went into liquidation on 19th July 2019. Soon afterwards we were made aware of alarming reports that a large number of workers from the Tex Knits factory were experiencing serious hardship and distress, were not being adequately protected, that outstanding wages were left unpaid, and that workers (many of whom live onsite) lacked access to basic amenities such as food, water, and electricity.

Actions we are taking

We were, and remain, deeply concerned about the situation and took immediate steps to begin remediating the issues raised. In addition to informing our Global Framework Agreement partners IndustriALL Global Union, we immediately engaged with the Business & Human Rights Resource Centre (BHRRC) to discuss how we could collaborate to resolve the situation.

We then contacted IndustriALL's local affiliates, the liquidators of the factory, the Mauritian government, and other local partners to discuss the recommendations of BHRRC and IndustriALL.

This allowed us to establish the facts on the ground and clarify the number of affected workers and their situation. Through our engagement with the liquidators and representatives of the Mauritius government we were able to ensure that the workers' electricity and water supplies were reconnected at their accommodation and that workers are provided with an ongoing food allowance. These provisions were then verified by the local trade union CTSP at our request.

CTSP has also confirmed that workers were paid wages owed for June on 2nd August. The wages for the month of July, up until 19th, are still outstanding, however we have confirmed with the liquidators that they intend to pay in full by 26th August.

While the situation on the ground is improving, there remains some way to go to ensure workers are protected. From our investigation we have discovered that 83 of the 151 workers affected are migrant workers from Bangladesh.

ASOS recognises that migrant workers are particularly vulnerable and has been taking steps to address these risks in Mauritius for a number of years (please see further information below this letter). Migrant workers often seek employment overseas in order to provide a better livelihood for themselves and their families. However, they can be at risk of debt bondage through unethical recruitment practices, subject to inferior employment terms and restrictive immigration policies, and also experience exploitation in the workplace.

Due to local legislation, migrant workers' visas in Mauritius are tied to their employment, meaning they are not able to seek alternative employment (even in the case of insolvency) without government intervention. We have therefore been engaging daily with local government as a matter of urgency in order to redeploy these workers and have also investigated placing these workers with our other suppliers in Mauritius, although these efforts have as yet been unsuccessful.

Of the 83 Bangladeshi workers, 14 currently wish to return home. We have been speaking to the government and understand that their repatriation is now underway.

19 further workers have been redeployed elsewhere on the island, and we have received written evidence of this redeployment.

We are now working with the liquidators and government to find employment for the remaining 50 migrant workers as swiftly as possible. We are also working with IndustriALL Global Union and CTSP which is providing support and assistance to those affected.

While the 68 Mauritian workers affected by this liquidation are more protected by local regulations, we nevertheless continue to have some concerns regarding the adequate and proper payment of severance pay under local law. We understand that the current precedent is for the Mauritius government to make these severance payments, and the liquidators are currently negotiating this issue with the government. We have asked the government to meet this responsibility and are continuing to monitor the situation and engage with those involved in order to ensure that workers' rights and protections remain the utmost priority.

We will continue to keep all relevant parties updated as we proceed with the next steps on this issue and welcome the continued support of the BHRRC.

Yours faithfully

Simon Platts
Sourcing Director, ASOS

Additional information about our ongoing work in Mauritius:

Over the last four years, we have been working to address the vulnerability of migrant workers in Mauritius. In January 2018, we implemented the employer pays principle in our Mauritius supply chain, which sought to end the practice of workers paying recruitment fees in order to find jobs.

In February 2018, ASOS hosted an event with the British High Commission in Mauritius to bring together local and international stakeholders to discuss the challenges in managing labour migration and agree a common framework for improving worker protection in Mauritius and beyond.

In 2019, through its Modern Slavery Innovation Fund, the UK Home Office has awarded close to £800,000 to Anti-Slavery International and its partners, including IndustriALL Global Union, which will work with ASOS to deliver the programme of activity in its Mauritian supply chain over a two-year period. The new initiative aims to ensure migrant workers have access to good working conditions, information about their rights in the workplace and safe mechanisms to raise grievances.

Through our membership of the Action, Collaboration, Transformation (ACT) initiative, we are also looking to devise a responsible factory exit protocol, to set an industry standard for brands responsibilities in situations such as this.