

UNDERTAKING

PART 8 OF THE ENTERPRISE ACT 2002 ('EA02')

UNDERTAKING TO THE COMPETITION AND MARKETS AUTHORITY ('CMA') UNDER SECTION 219 OF THE EA02 RELATING TO THE CONSUMER PROTECTION FROM UNFAIR TRADING REGULATIONS 2008 ('CPRs')

Asda Group Limited, for and on behalf of itself and its group of companies, and Asda Stores Limited, together being 'Asda',¹ voluntarily give the following UNDERTAKING to the CMA pursuant to section 219 of the EA02 (the 'Undertaking').

For the avoidance of doubt, this Undertaking does not amount to an admission that any person has infringed the law.

UNDERTAKING

- (a) In accordance with section 219(4) and section 219B of the EA02, Asda undertakes:
- (i) not to engage in any conduct in the course of its current or any future fashion retail business which contravenes paragraphs 1 to 24 below;
 - (ii) not to consent or connive in the carrying out of such conduct by a body corporate with which it has a special relationship (within the meaning of section 222(3) EA02);
 - (iii) to comply with the enhanced consumer measures (as that term is defined in section 219A of the EA02) set out in paragraphs 25-38 below.
- (b) In circumstances where, following the date of this Undertaking, any subsidiary (within the meaning of section 1159 of the Companies Act 2006) of Asda Group Limited begins promoting, supplying and/or selling Products to consumers in the UK, Asda Group Limited shall procure their compliance with this Undertaking in accordance with paragraphs (i) and (ii) below, where relevant and to the extent this Undertaking remains applicable, until such time as the subsidiary ceases to be owned or controlled by Asda Group Limited –
- (i) in the case of an existing or newly incorporated subsidiary of Asda Group Limited, from the date such subsidiary begins promoting, supplying and/or selling Products to consumers in the UK; and
 - (ii) in the case of a newly acquired subsidiary by Asda Group Limited, within six months of the date such newly acquired subsidiary begins promoting, supplying and/or selling Products to consumers in the UK.
- (c) Asda Group Limited shall provide a copy of this Undertaking to every company within its corporate group which is involved in the promotion, sale and/or supply of Products to consumers in the UK.

¹ Asda Group Limited (whose registered office address is ASDA House, Southbank, Great Wilson Street, Leeds, LS11 5AD, United Kingdom) and its subsidiaries within the meaning of section 1159 of the Companies Act 2006 and any interconnected bodies corporate within the meaning of section 223(4) of the EA02, insofar as they undertake the promotion and/or sale of fashion goods to consumers in the UK.

- (d) The requirements in this Undertaking take effect on the date of this Undertaking, unless otherwise specified.

Interpretation

'ASA' means the Advertising Standards Authority.

'ASA Codes and Guidance' means (in each case as amended, revised or replaced from time to time) the UK Code of Broadcast Advertising (BCAP Code); the UK Code of Non-broadcast Advertising and Direct & Promotional Marketing (CAP Code), Edition 12; and the ASA's Advertising Guidance, including:

- (a) The environment: misleading claims and social responsibility in advertising (published on 9 December 2021 and updated on 23 June 2023);
- (b) Misleading advertising: use of qualifications (published on 6 November 2020);
- (c) Environmental claims: Carbon offsetting and carbon neutral (published on 27 April 2021); and
- (d) Environmental claims: General "Green" claims (published on 22 December 2022).

'Asda' means Asda Group Limited registered number 01396513 and its subsidiaries within the meaning of section 1159 of the Companies Act 2006 and any interconnected trading companies within the meaning of section 223(4) of the EA02, insofar as these entities are involved with the promotion, sale and/or supply of Products to consumers in the UK.

'Clear' means-

- (a) displayed in plain language;
- (b) correct; and
- (c) not Misleading.

'Clear and Prominent' means, having regard to the overall impression of the display in its entirety, including commonly used features of online channels (covering desktop, mobile, app-based and other formats) and physical store design, information which is:

- (a) Clear;
- (b) presented in such a way as to enable consumers to easily identify, read and understand the relevant information as a whole;
- (c) clearly visible in each location or is directly accessible as required by this Undertaking;
- (d) not obscured by other information which is shown to consumers, such as, but not limited to, information displayed in signs, banners and as pop-up text and images; and either
- (e) in close proximity to an Environmental Claim and-
 - (i) does not require consumers to take any further action to access the information (for example following a hyperlink or QR code or accessing information that is only revealed when consumers take action such as accessing text that is otherwise not displayed on the face of the screen or navigating to a particular area, including by scrolling to a different part of the display in the online context); and
 - (ii) is not displayed separately to the location of the claim (for example, on the other side of a tag or other label, on separate tags, labels or signage or only accessible by visiting a website while shopping in store); or

- (f) Where this paragraph (f) is stated to apply instead of paragraph (e), displayed in close proximity to the Environmental Claim as follows:
- (i) in an online context, via a drop-down menu (whereby a consumer may click to reveal further information, which is immediately displayed) on the same webpage or social media post on which the Product is made available to purchase, provided that the presentation of the drop-down menu complies with paragraphs (a) to (d) of the definition of Clear and Prominent;
 - (ii) in an instore context, where the relevant Environmental Claim is made on a Product Label, on the back of that Product Label or on an adjacent Product Label, provided that the location of the relevant information is properly signposted (having regard to paragraphs (a) to (d) of the definition of Clear and Prominent) on the front of the Product Label or, where the relevant information appears on an adjacent Product Label, on the first Product Label.

'Clearly and Prominently' should be interpreted accordingly and consistently.

'Environment' means the environment in general as well as specific environmental aspects including all or any parts of air, water, soil, natural vegetation, landforms, lifeforms, biodiversity and climate, and **'Environmental'** should be interpreted accordingly and consistently.

'Environmental Claim' means a claim, whether explicit or implicit, and whether made by action or omission, which suggests, or creates the impression, that Products, groups of Products (including Specific Ranges), services, processes, brands or businesses:

- (a) have a positive impact, a reduced impact or no impact on the Environment;
- (b) are less damaging to, or have a more positive impact on, the Environment than a previous version of the same Product, service or process, or than a brand or business was previously; or
- (c) are less damaging to, or have a more positive impact on, the Environment than competing Products, services, processes, brands or businesses.²

'Green Claims Code' means the CMA Guidance on environmental claims on goods and services published on 20 September 2021, as updated from time to time.

'Internal Documents' means internal policies and training materials which deal with the making and presentation of Environmental Claims (including by wording, logos, emojis, images and overall appearance) in compliance with this Undertaking.

'Misleading' means:

- (a) false or inaccurate;
- (b) based on, or subject to, assumptions, limitations, qualifications or explanations that are not disclosed as part of the Environmental Claim which contradict or change the meaning of the Environmental Claim; or
- (c) omits or fails to provide all the material information required for consumers to make an informed decision, including additional explanations necessary to enable consumers to understand a claim.

² 'Environmental Claim' should be interpreted consistently with paragraph 2.5 of the Green Claims Code, published on 20 September 2021.

'Products' means apparel, footwear or fashion accessories (which, for the avoidance of doubt, excludes prescription eyewear, haircare, bodycare, cosmetic and beauty products).

'Product Label' means (i) any label, however attached to a Product, including, without limitation, heat-seals (which for the avoidance of doubt includes any label affixed through thermal transfer) or any other labels such as sewn-in labels, removable swing tags, overrides (which sit over the Product hanger and/or the Product itself), and (ii) any packaging that a Product may be contained in or supplied with (including but not limited to polythene bags).

'Relevant Certificates' means, where applicable in relation to a Product:

- (a) final scope certificates (a document issued by an approved certification body to evidence that a facility is certified to produce Products, fabrics and/or fibres to the relevant given standard); and
- (b) final transaction certificates (a document issued by an approved certification body to evidence that the Products, fabrics and/or fibres being shipped or received were produced to the relevant given standard).

Where a certificate mentioned in either paragraph (a) or (b) is not obtained, Relevant Certificate includes any other certificates or written confirmations issued by an approved certification body or any other documents which serve the same or similar purpose as the relevant aforementioned certificate.

'Reporting End Date' means the date 2 years after the date of this Undertaking.

'Reporting Period' means the 6-month period following the date of this Undertaking (the First Reporting Period), the subsequent 6-month period ending 1 year after the date of this Undertaking, and then the 12-month period ending on the Reporting End Date.

'Specific Range' means a range or group of Products classified by reference to specific criteria relating to their impact on the Environment. For the avoidance of doubt, a range can include (but is not limited to) a collection, capsule collection or a limited release of Products (including where Products are limited by the time the Product will be available for or by the quantity of the Product available, and which may be referred to as a 'drop').

'Spot Check Reporting Period' means, in relation to new Product listing spot checks in accordance with paragraph 26(e) of this Undertaking, each period of 3 months following the date of this Undertaking until the Reporting End Date.

'Supplier Due Diligence Process' means the process by which Asda takes reasonable steps to ensure the accuracy of a Product's composition or manufacturing process, in circumstances where Asda makes or intends to make an Environmental Claim in relation to that Product.

'Training Implementation Date' means the date 6 months after the date of this Undertaking.

'UK' means the United Kingdom of Great Britain and Northern Ireland.

In this Undertaking:

- (a) a reference to a month is to a calendar month;
- (b) a working day refers to a day other than a Saturday, Sunday, or other public holiday in the UK;

- (c) any deadline provided for in the Undertaking refers to 17:00 hours London time on the relevant day;
- (d) where a deadline provided for in the Undertaking ends on a non-working day, the reference shall be taken to mean the deadline falling on the following working day;
- (e) a reference to a 'website' includes all online formats (including desktop, mobile and app-based formats) by which Products are offered for sale and/or supply; and
- (f) words in the singular include the plural and words in the plural include the singular, unless the contrary intention appears.

A. Scope of the Undertaking

- (a) This Undertaking applies to Asda's fashion retail business through which Products are made available to consumers in the UK by whatever means (including online (covering desktop, mobile, app-based and other formats) and in store).
- (b) For the avoidance of doubt-
 - (i) without prejudice to Asda's wider obligations under consumer protection law, this Undertaking does not apply to any Environmental Claims relating to third-party branded Products as Environmental Claims in respect of such products were not identified during the CMA's investigation; and
 - (ii) except to the extent provided in paragraphs 14-16, this Undertaking does not apply to Asda's corporate strategies or targets relating to Asda's impact on the Environment.

B. Environmental Claims: general provisions

1. Subject to paragraph 2 below:

- (a) any new Environmental Claims made by Asda from the date of this Undertaking will not be Misleading. This includes, but is not limited to, Environmental Claims made on Asda's website or another website, on social media, in store, on a Product or elsewhere.
- (b) to the extent that Asda may have made any Misleading Environmental Claims prior to the date of this Undertaking, and to the extent that Asda has not already done so, within 2 months from the date of this Undertaking, Asda will:
 - (i) either remove them, and not replace them, from all websites and, where applicable, in store, or amend them to ensure they are no longer Misleading; and
 - (ii) remove and not replace any Misleading Environmental Claims made in social media posts published by Asda during the 30 calendar days prior to the date of this Undertaking or amend them to ensure they are no longer Misleading.

For the avoidance of doubt Asda need not remove or amend social media posts published more than 30 calendar days before the date of this Undertaking, unless these posts (including stories) have been pinned or otherwise specifically brought to the attention of consumers during that 30-day period.

2. To the extent that Misleading Environmental Claims are made or may have been made on Product Labels:

- (a) in respect of Products held in stock (whether in-store, in a distribution centre or otherwise) or which have been ordered but not yet received, in each case at the date of the Undertaking; and
- (b) which cannot at the date of the Undertaking be feasibly amended or removed, either at all or without incurring a disproportionate cost,

then nothing in this Undertaking will require such Product Labels to be removed or amended provided that in store Asda Clearly and Prominently (other than in respect of paragraph (e) and paragraph (f) of the definition of Clear and Prominent, neither of which apply to this paragraph) displays a message that informs the consumer that further information about Environmental Claims is available at a listed web address or through a listed QR Code.

C. Specific types of Environmental Claim

- 3. Without prejudice to the generality of the obligations in paragraphs 1 and 2, Asda also agrees to the specific provisions set out in paragraphs 4 to 24 below.

Use of imagery and icons

- 4. Asda will not use any visual signs, including but not limited to icons, logos and imagery, that are Misleading Environmental Claims or that contribute to an Environmental Claim being Misleading.

Environmental Claims that are dependent on consumer action

- 5. Where Asda makes any Environmental Claim where the basis for the claim relies on particular action by consumers, for example needing to dispose of a Product in a particular way, or for the consumer to take a specific action for the Environmental benefit of the Environmental Claim to be realised, a summary of this aspect of the claim must be set out Clearly and Prominently unless this would be readily apparent from the context. Any further information regarding this aspect of the Environmental Claim (for example further information about specific disposal instructions) must be Clearly and Prominently set out and paragraph (f) of the definition of Clear and Prominent shall apply to this further information instead of paragraph (e) of the definition.

Use of Filters and other navigational tools

- 6. Asda will not use a name or other descriptive aspect for filters, drop-down menu options, or other ways of navigating to groups of Products (each being a navigational tool), where the word(s) used in such a navigational tool amount to a Misleading Environmental Claim being made in respect of the characteristics (such as, for example, the nature, fabric or fibre composition, specification or origin) of some or all of the Products shown to consumers using the navigational tool.

Specific Ranges

- 7. To the extent that Asda sells or supplies a Specific Range, or any Products as part of a Specific Range, Asda will set out the criteria for inclusion of Products in Specific Ranges on its website and in store Clearly and Prominently (other than in respect of paragraph (e) and paragraph (f) of the definition of Clear and Prominent, neither of which apply to this paragraph) in an easily identifiable and accessible location.
- 8. Where Asda makes any Product within a Specific Range available to purchase, including in-store, on any website or directly from social media (that is, without redirection to Asda's website), including where Asda makes any Environmental Claim that a Product is

within a Specific Range, Asda will provide, at a minimum, a Clear and Prominent summary of the criteria for inclusion in the Specific Range, including any minimum thresholds that may be part of those criteria, and access to the further details (for example, stating a web address where further information can be found, such as through a hyperlink or QR code, depending on the medium) on the relevant webpage, social media post or Product Label and for these purposes paragraph (f) of the definition of Clear and Prominent applies instead of paragraph (e) of the definition.

9. When advertising or marketing a Specific Range, or a Product as being within a Specific Range, including on social media, Asda will provide, at a minimum, a Clear and Prominent summary, taking into account any limitations of time and space, of the criteria for inclusion in the Specific Range, including any minimum thresholds that may be part of those criteria, and access to further details (for example, stating a web address where further information can be found, such as through a hyperlink or QR code, depending on the medium).
10. Where inclusion of a Product in a Specific Range is predicated on that Product containing certain types of fabric, each fabric must be referred to objectively by reference to its intrinsic characteristics (for example, that it is recycled or organic) rather than only by a more subjective or ambiguous description (for example, that such a Product is made from 'eco fabrics', 'sustainable fabrics', 'environmentally-conscious nylon' or 'responsible cotton').
11. Asda will not market, advertise or label a Product as part of a Specific Range unless the Product meets all the relevant criteria for inclusion.
12. Asda will ensure that any Products hyperlinked to or referenced (for example, in a social media post or on an in-store poster), as part of the advertising or marketing of a Specific Range and stated (explicitly or by implication) to form part of that Specific Range, meet the criteria for inclusion in that Specific Range. For the avoidance of doubt, the landing page for any hyperlinks or references included in such advertising or marketing and which is stated (explicitly or by implication) to relate exclusively to a Specific Range should only show Products offered within the applicable Specific Range.
13. Where Asda introduces or re-names a Specific Range after the date of this Undertaking, Asda will not refer to or give a name to that Specific Range such that the reference or name amounts to a Misleading Environmental Claim, or otherwise contributes to an Environmental Claim being Misleading.

Targets

14. Where Asda makes Environmental Claims to consumers which are based on, or which reference, one or more targets relating to Asda's impact on the Environment, Asda will set out Clearly and Prominently a summary of the nature of the target and a link or other access to further details (for example, stating a web address where further information can be found, such as through a hyperlink or QR code, depending on the medium). For the avoidance of doubt, Asda should only make Environmental Claims which are based on, or which reference, such targets where it has a clear and verifiable strategy in place to meet them.
15. The further details referenced in paragraph 14 above will include Clear and Prominent information about:
 - (a) what the target is aiming to achieve;
 - (b) the date on which the target is expected to be met; and

(c) the key ways by which Asda intends to achieve the target.

16. Environmental Claims which are based on, or which reference, targets relating to Asda's impact on the Environment will be promptly removed or updated, if the relevant targets are either changed such that the Environmental Claim becomes Misleading or can no longer be met.

Claims based on specific parts of a Product's life cycle

17. Where Asda makes an Environmental Claim in relation to a Product, process or service, which is not based on all aspects or all parts of the Product's life cycle, to the extent necessary to ensure the Environmental Claim is not Misleading, Asda will Clearly and Prominently set out:

- (a) a summary of the parts or aspects of the life cycle to which the Environmental Claim relates; and
- (b) any further information relating to the Environmental Claim, and paragraph (f) of the definition of Clear and Prominent shall apply to this further information instead of paragraph (e) of the definition.

Fabric composition

18. Asda will not make a claim, including in labelling, filters (and other navigational tools as referred to in paragraph 6), advertising or marketing, that a Product is 'recycled' or 'organic' where the Product contains fibres (which, for the avoidance of doubt, excludes components such as fasteners, buttons, zippers and threads) that are not recycled or organic respectively, unless the proportion of non-recycled or non-organic fibres is negligible.

19. In addition to paragraph 18, where Asda describes, lists or in any other way refers to a Product as being made with or otherwise containing fibre which is 'recycled' or 'organic', or where Asda makes Environmental Claims which are based on, or reference a Product's fabric composition, Asda will also Clearly and Prominently set out:

- (a) the specific percentage of 'recycled' or 'organic' fibres contained within that Product, as indicated in relevant evidence obtained in the course of the Supplier Due Diligence Process; or
- (b) the minimum percentage of 'recycled' or 'organic' fibres that that Product must contain, as indicated by appropriate testing or relevant evidence obtained in the course of the Supplier Due Diligence Process.

For the avoidance of doubt, paragraph (f) of the definition of Clear and Prominent shall apply to the provision of the percentage information required under this paragraph instead of paragraph (e) of the definition.

On-product claims

20. Asda will not use or refer to a third-party affiliation or accreditation scheme when promoting a particular Product (including in a Product's title or description), and will not refer to such third-party affiliation or accreditation scheme when referring to that Product's characteristics (such as, for example, fibre or fabric composition), unless that affiliation or accreditation scheme signifies that the Product has certain characteristics (such as, for example, its fibre or fabric composition).

21. For the avoidance of doubt, and provided Asda complies with paragraph 22 below, paragraph 20 does not prevent Asda from:

- (a) informing the public and consumers about Asda's affiliation or accreditation;
- (b) including a Product within a Specific Range as a result of the affiliation or accreditation, so long as Asda states Clearly and Prominently, in relation to the individual Product, that the Product's characteristics (such as, for example, its fibre or fabric composition) may not be affected by this affiliation or accreditation where this is the case; or
- (c) informing consumers that purchasing a Product may indirectly support a third-party affiliation or accreditation scheme (for example by contributing credits to a mass balance chain) where this is the case, provided that Asda states Clearly and Prominently, in relation to the individual Product, that the Product's characteristics (such as, for example, its fibre or fabric composition) may not be affected by the relevant affiliation or accreditation where this is the case.

Affiliations and accreditations

22. Where Asda makes an Environmental Claim which is based on, or which references, an affiliation with, participation in, or any other form of association or collaboration with a third-party or accreditation scheme, Asda will provide, at a minimum:
- (a) a Clear and Prominent summary of the Environmental benefits which can properly be associated with this affiliation and/or accreditation (such summary taking into account any limitations of time and space);
 - (b) details about the nature of any material connection Asda has to that third-party or accreditation scheme;
 - (c) a reference to further details (for example, stating a web address where further information can be found, such as through a hyperlink or QR code, depending on the medium); and
 - (d) a Clear and Prominent link to the third party's and/or accreditation scheme's website.

For the avoidance of doubt, paragraph (f) of the definition of Clear and Prominent shall apply to the information required under this paragraph 22 instead of paragraph (e) of the definition.

Overall impact on the Environment

23. Environmental Claims, including those which are based on, or which reference, the matters set out above in paragraphs 4 to 22, will not create a Misleading impression about the overall impact of Asda's fashion retail business as a whole on the Environment.

Comparisons

24. Environmental Claims which use comparative terms (for example, stating that something is 'more sustainable' or 'less harmful' or 'better') will:
- (a) unless this is readily apparent from the context, set out Clearly and Prominently at least a summary of the basis for any comparisons made; and
 - (b) not be Misleading.

D. Processes and Procedures relating to Environmental Claims

25. Without prejudice to paragraph 2, Asda will ensure that it has appropriate mechanisms in place to prevent Misleading Environmental Claims from being made, and to comply with this Undertaking.

26. Without prejudice to the generality of the preceding paragraph this includes:

Supply chain

- (a) Asda will apply the Supplier Due Diligence Process and will take all reasonable steps to monitor the operation of the Supplier Due Diligence Process, in compliance with the provisions below.
- (b) The Supplier Due Diligence Process must include:
 - (i) ensuring that the supplier is required, and able, to provide Relevant Certificates on request;
 - (ii) within 3 months from the date of this Undertaking and thereafter at least once per year conducting spot checks on a representative sample of Relevant Certificates and reviewing such Relevant Certificates, as well as more regular spot checks of these matters (the frequency of which is to be informed by Asda's previous engagement with the supplier, the availability of previous credible substantiation, and the outcome of previous checks);
 - (iii) obtaining confirmation from a supplier that they have read, understood and will comply with Asda's policies and contractual terms in respect of making Environmental Claims and the requirements of the Specific Ranges as follows:
 - (1) for new orders placed with current suppliers (as at the date of this Undertaking), within 3 months of the date of this Undertaking;
 - (2) for every new supplier, prior to a Product from that supplier being placed on the market; and
 - (3) for all suppliers, whenever Asda makes any material change to its policies and/or contractual terms in respect of making Environmental Claims.
 - (iv) prior to a Product being offered for sale to consumers, obtaining one or more of the following from the supplier:
 - (1) all Relevant Certificates;
 - (2) a declaration by the supplier that the Product information is accurate and correct.
- (c) Where any aspect of the Supplier Due Diligence Process referred to in paragraph (b) above is either (i) not complied with and is not remedied, or (ii) errors identified pursuant to the process are not rectified, within 10 working days beginning from the date when Asda first knew of the issue, Asda will remove the corresponding Environmental Claim(s) from any marketing, advertising, or offers of sale for the Product, including, where relevant, removing the Product from the relevant Specific Range.

Product listings

- (d) Asda will implement systems (whether automated or manual) to ensure that, where Asda is making an Environmental Claim about Products:
 - (i) its Product listings and Product descriptions are accurate (including as regards the Product's composition);
 - (ii) where the Products are included in a Specific Range, each Product included in the range meets the criteria for inclusion in that range; and

- (iii) the Environmental Claim is not Misleading.

Compliance with this paragraph (d) may include (but is not limited to) implementing automated software solutions, requiring spot checks in accordance with paragraph 26(e) below, and requiring prompts to be given to employees during the product listing and advertising processes.

New Product listings spot checks

- (e) Within 5 working days from the date of this Undertaking, Asda will commence spot checks of at least 5% of new online Product listings in respect of which any Environmental Claim is made using an automated tool or any tool or mechanism which has a similar effect, at least once every week, to identify whether any online Product listings on any Asda website may contain errors that constitute Misleading Environmental Claims (and in such a case to take the actions specified in paragraph 26(h) below).

Other requirements

- (f) Asda will ensure that any new form of Environmental Claim it intends to make, insofar as it is not governed by the standards set out in its Internal Documents, is reviewed by its internal compliance or legal function, and its compliance with this Undertaking is confirmed by the relevant function.
- (g) Asda will comply with the Policy and Training measures requirements in paragraphs 27 to 32 below.
- (h) If, pursuant to paragraph 26(e) above, Asda identifies an Environmental Claim which is Misleading, Asda will, as soon as reasonably practicable, and in any event no later than 10 working days of becoming aware of it, remove the Environmental Claim, or amend it such that it is no longer Misleading.

E. Policy and Training measures

- 27. Asda will put in place Internal Documents within 6 months from the date of this Undertaking.

For the avoidance of doubt, the Internal Documents will reflect and reference the requirements of this Undertaking, consumer protection law, the CMA's Green Claims Code, and the ASA Codes and Guidance.

- 28. Asda will provide copies of its proposed Internal Documents (in draft) to the CMA for review prior to finalisation within 2 months from the date of this Undertaking. Where within 1 month of receipt of the Internal Documents, the CMA requires reasonable changes or raises concerns Asda will promptly make appropriate changes to the proposed Internal Documents or provide a written explanation to the CMA as to why the changes are not reasonably possible or reasonably required.
- 29. Asda will put in place a training programme on the provisions of this Undertaking and the Internal Documents, and on how to comply with them, and ensure that staff involved in the following activities receive training by the Training Implementation Date (and thereafter at least annually):
 - (a) those involved in writing Product descriptions and other in-store and/or web based and social media content;

- (b) those involved in Product, range and brand advertising activities, including those involved in devising and listing Products for sale on Asda's website;
 - (c) those involved in Product sourcing and supply chain; and
 - (d) those involved in reviewing any Relevant Certificates, or otherwise verifying the fabric composition of Products.
30. Asda will ensure that any person taking on the functions set out in paragraph 29 above after the Training Implementation Date, will be trained within 1 month from the date of acquiring these functions.
31. Asda will ensure that it regularly, and at least annually, reviews the effectiveness of the Internal Documents and its training and, when necessary, implements all changes that are required or desirable to ensure compliance with this Undertaking, having regard to any updates to the guidance documents issued by the CMA or the ASA.
32. If, at any time during the Reporting Period, Asda makes material amendments to the Internal Documents, Asda will notify the CMA of the change (together with a summary of the change) at the next applicable Reporting Period.

F. Recording and monitoring compliance

Record keeping

33. From the date of this Undertaking until the Reporting End Date, Asda will maintain sufficient records to allow it to demonstrate that it has complied with this Undertaking. The records will include, but not be limited to:
- (a) any checks undertaken pursuant to paragraph (26)(e) above, including:
 - (i) the number of Product listings checked;
 - (ii) the number of errors found and details of the errors; and
 - (iii) the date each error was (a) found and (b) removed or amended;
 - (b) all documents arising out of, and which record, the contractual (and/or other) arrangements between Asda and its suppliers including the results of any spot checks conducted in accordance with the Supplier Due Diligence Process;
 - (c) all Relevant Certificates and other forms of substantiation held as a result of the Supplier Due Diligence Process;
 - (d) copies of its Internal Documents including any changes made during the Reporting Period, and all additional training materials drafted in connection with the training referred to in paragraph 29 above, details of the training provided to staff including records of any person who has been trained, the date each person was trained and any additional records arising out of the training (for example, where applicable, test results, certificates or follow-up training);
 - (e) details of any changes or additions made to the training programme following its annual review or any additional or other review that Asda has carried out; and
 - (f) copies of the Internal Documents including any changes made and any representations made by the CMA.

Monitoring and reporting compliance

Reports in relation to Reporting Periods

34. Within 20 working days of the end of the First Reporting Period, Asda will provide the CMA with a report on the steps Asda has taken since the date of the Undertaking to comply with the requirements of the Undertaking. This report will contain a declaration on behalf of Asda by one of Asda's statutory director, ESG director or Board Member, or an

executive director of Asda's fashion retail business, being duly authorised to provide the declaration on behalf of Asda, that to the best of their information, knowledge and belief, and having made all reasonable enquiries, all Environmental Claims that may have been Misleading have been removed from any website, social media channel, in store or any other place where such claims may be accessed by consumers and over which Asda has control. If this declaration cannot be given, the relevant person detailed in this paragraph will provide a written confirmation that this is the case and the reasons why it cannot be given.

35. From the date of this Undertaking, until the Reporting End Date, Asda will, within 20 working days of the end of each Reporting Period, provide the CMA with a report containing the matters specified in paragraphs 36 and 37.
36. A general declaration by Asda's statutory director, ESG director or Board Member, or an executive director of Asda's fashion retail business, being duly authorised to provide the declaration on behalf of Asda, that, to the best of their information, knowledge and belief, and having made all reasonable enquiries:
- (a) a list of all new types of Environmental Claims made during the Reporting Period that are not covered by the Internal Documents has been reviewed by Asda and Asda has satisfied itself that the Environmental Claims are not Misleading;
 - (b) Asda has complied with the Supplier Due Diligence Process during the Reporting Period;
 - (c) upon request by the CMA, any substantiating evidence will be made available/provided to the CMA within 20 working days of that request (or such other time as may be agreed by the CMA);
 - (d) the training referred to in paragraph 29 above has been delivered to all those individuals referred to in that paragraph by the Training Implementation Date; and
 - (e) any Environmental Claims identified during any Spot Check Reporting Period as Misleading, have been removed or amended within 10 working days of being identified, in accordance with paragraph 26(h),

provided that, if any of the declarations listed in (a) to (e) above cannot be given, the relevant person detailed in this paragraph will provide a written confirmation that this is the case and the reasons why such declaration(s) cannot be given.

37. In respect of each Reporting Period, details of:
- (a) the roles or functions, together with the corresponding number, of the individuals who have undertaken the training referred to in paragraph 29 during the Reporting Period;
 - (b) any action taken to remove or alter Misleading Environmental Claims about a particular Product or Products in accordance with the Supplier Due Diligence Process as required pursuant to paragraph 26(c) above; and
 - (c) any removal or amendments to targets as may have been required under paragraph 16 above.

Reports in relation to Spot Check Reporting Periods

38. In respect of the spot checks required in accordance with paragraph 26(e) above, within 10 working days of the end of each Spot Check Reporting Period, Asda will provide the CMA with a report setting out:

- (a) the number of spot checks carried out (and whether these were done online or in store, where applicable);
- (b) the number of listings reviewed;
- (c) the number of Environmental Claims identified to be Misleading; and
- (d) the number and details of any Environmental Claims removed or amended (including details of the Environmental Claim identified and the action taken).

BY SIGNING THIS UNDERTAKING, ASDA GROUP LIMITED, FOR AND ON BEHALF OF ITSELF AND ITS GROUP OF COMPANIES AND ASDA STORES LIMITED ARE AGREEING TO BE BOUND BY THE TERMS OF THIS UNDERTAKING. IF, HAVING SIGNED THIS DOCUMENT, ASDA BREACHES ANY PART OF THE ABOVE UNDERTAKING, IT IS AWARE THAT IT MAY BE THE SUBJECT OF AN APPLICATION TO THE COURT FOR AN ENFORCEMENT ORDER UNDER SECTION 215 OF THE EA02.

ANNEX — Undertaking timetable

Paragraph numbers refer to the main Undertaking.

Period from Undertaking date	Action
Immediately	The provisions set out in Part B (paragraph 1(a)) and C
5 working days	Commencement of spot checks (paragraph 26(e)).
2 months	Deadline for providing proposed Internal Documents to the CMA (paragraph 28).
	Deadline for removing or amending any existing Misleading Environmental Claims (paragraph 1(b), subject to Paragraph 2).
3 months	1st Spot Check Reporting Period — within 10 working days of the end of this 3-month period, Asda will provide a spot check report to the CMA, in accordance with paragraph 38.
	Deadline for commencing spot checks and first obtaining supplier confirmations, under the Supplier Due Diligence Process (paragraph 26(b)).
6 months	Deadline for implementing policies and training materials set out in Internal Documents (paragraph 27).
	Training Implementation Date - deadline for ensuring staff receive the appropriate training (paragraph 29).
	First Reporting Period — within 20 working days of the end of this 6-month period, Asda will provide the CMA with the general declaration described at paragraph 36 and the report described at paragraph 35.
	2nd Spot Check Reporting Period — within 10 working days of the end of this 6-month period, Asda will provide a spot check report to the CMA, in accordance with paragraph 38.
9 months	3rd Spot Check Reporting Period — within 10 working days of the end of this 9-month period, Asda will provide a spot check report to the CMA, in accordance with paragraph 38.
1 year	2nd Reporting Period — within 20 working days of the end of this 1-year period, Asda will provide the CMA with the general declaration described at paragraph 36 and the report described at paragraph 35.
	4th Spot Check Reporting Period — within 10 working days of the end of this 1-year period, Asda will provide a spot check report to the CMA, in accordance with paragraph 38.
1 year, 3 months	5th Spot Check Reporting Period — within 10 working days of the end of this 1-year, 3-month period, Asda will provide a spot check report to the CMA, in accordance with paragraph 38.
1 year, 6 months	6th Spot Check Reporting Period — within 10 working days of the end of this 1-year, 6-month period, Asda will provide a spot check report to the CMA, in accordance with paragraph 38.
1 year, 9 months	7th Spot Check Reporting Period — within 10 working days of the end of this 1-year, 9-month period, Asda will provide a spot check report to the CMA, in accordance with paragraph 38.

Period from Undertaking date	Action
2 years	<p>3rd Reporting Period — within 20 working days of the end of this 2-year period, Asda will provide the CMA with the general declaration described at paragraph 36 and the report described at paragraph 35.</p> <p>8th Spot Check Reporting Period — within 10 working days of the end of this 2-year period, Asda will provide a spot check report to the CMA, in accordance with paragraph 38.</p> <p>Reporting End Date – Record keeping obligations under paragraph 33 cease.</p>