

Fast Retailing Group Human Rights Initiatives

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About Fast Retailing



Theory



J BRAND

HELMUT LANG

PRINCESSE tam•tam
PARIS

COMPTOIR DES
COTONNIERS

UNIQLO EXPANDS GLOBALLY

Global Total
(As of August, 2022)

25 countries/areas

2,394 Stores



JAPAN
809 STORES

GREATER CHINA
996 STORES

SOUTH KOREA
122 STORES

SOUTH ASIA, SOUTHEAST ASIA & OCEANIA
293 STORES

NORTH AMERICA
59 STORES

EUROPE
115 STORES

UNLOCKING THE POWER OF CLOTHING

We believe we can turn the power of clothing into a force for good.

By designing, making and selling good clothing,
we can make the world a better place.

Good clothing means simple clothing, high in quality, and built to last.

It's clothing that enriches the lives of people
who wear it by giving them comfort, protection and pleasure.

It is produced in a way that is harmonious with nature,
without excessive burden on the environment.

Good clothing is made by people of diverse backgrounds
working with energy and enthusiasm, under conditions
where their health, safety and human rights are respected and upheld.

And we will extend this same spirit to our customers and all our stakeholders,
working with them to aspire to a better society where we all thrive.

This is our promise: to always work toward a better, more sustainable society.

◆ Our 3 impact areas

People



Made by people of diverse backgrounds
working with energy and enthusiasm,
under conditions where their health, safety and human
rights are respected and upheld.

Planet



Produced in a way that is harmonious with nature,
without excessive burden on the environment.

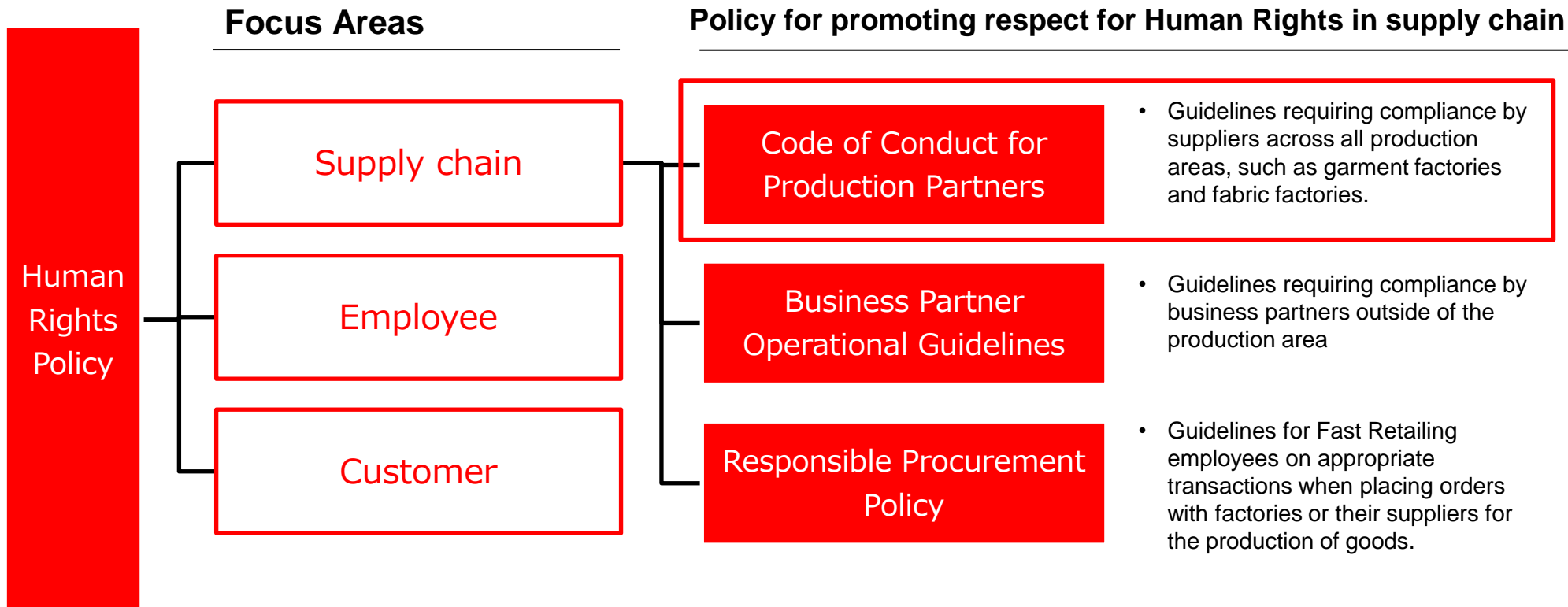
Community



Extend this same spirit to our customers and all
our stakeholders,
working with them to aspire to a better society
where we all thrive.

Policy and Promotion

- In response to the UN Guiding Principles on Business and Human Rights, “**the Fast Retailing Human Rights Policy**” was established in July 2018, identifying supply chain, employees, and customers as 3 focus areas
- In the supply chain, we have “**Code of Conduct for Production Partners**”, “**Business Partner Operational Guidelines**”, and “**Responsible Procurement Policy** (for internal use)” to promote compliance with respect for human rights.
- The Production and Sustainability Departments are mainly responsible for promoting these policies, with advice and supervision from the Human Rights Committee and the Business Ethics Committee.



Code of Conduct for Production Partners

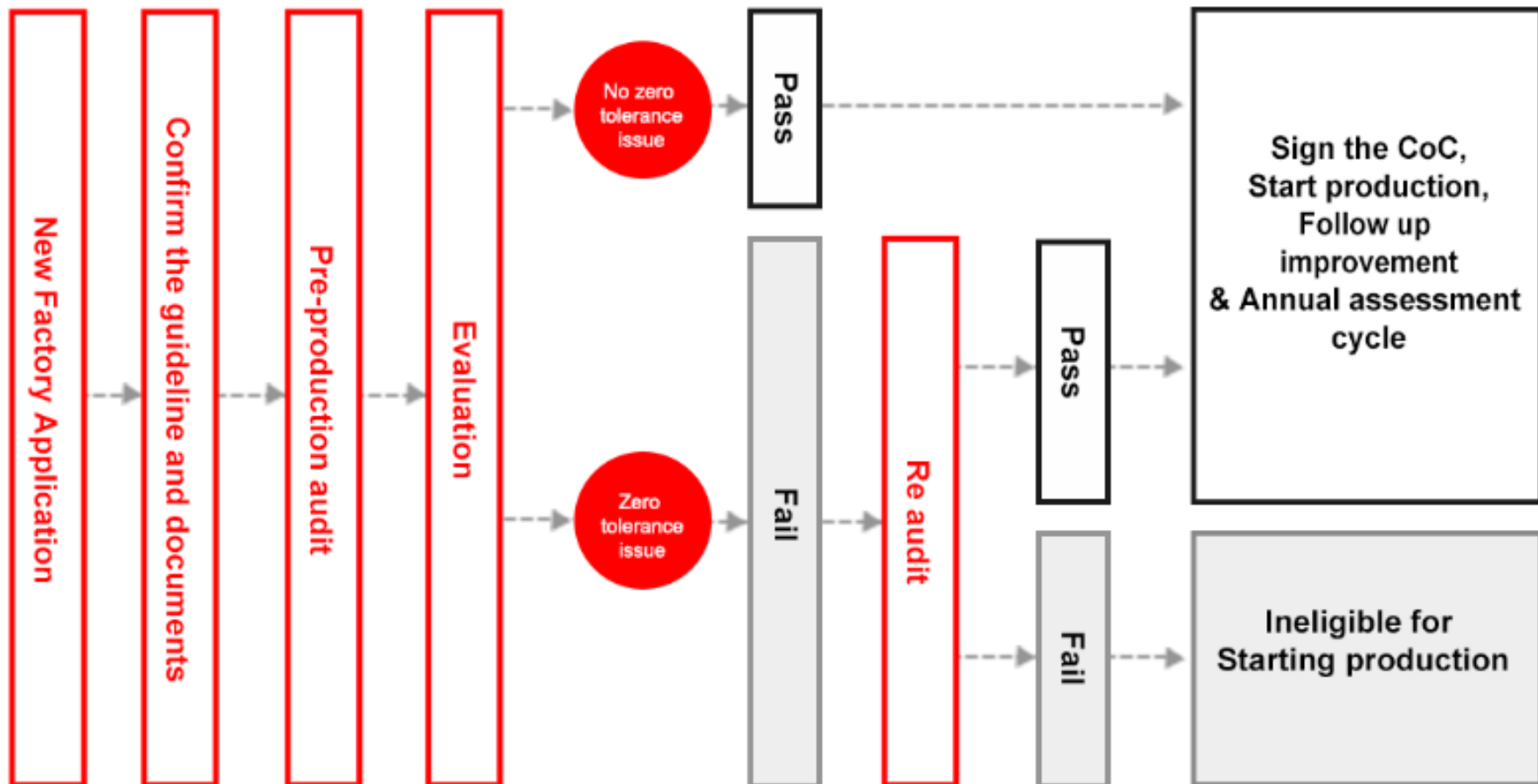
- Established in 2004. We require every production partner to comply with the code of conduct and **start doing business with them only after they sign the code of conduct.**
- **We also require our production partner signatories to the Code of Conduct for Production Partners to cascade its rules upstream to any of its own suppliers involved in a process within our supply chain.**
- In September 2016, our Code of Conduct was revised to align with international standards; we clarified requirements for wages and benefits in consultation with Fair Labor Association (FLA)

【Code of Conduct items】

1. Legal Requirements
2. Legal Requirements
3. Forced Labor
4. Coercion and Harassment
5. Discrimination
6. Health and Safety
7. Freedom of Association
8. Wages and Benefits
9. Working Hours
10. Environmental Protection
11. Documentation and Communication
12. **Monitoring and Compliance**
13. **Corrective Action**
14. Subcontracting and Procurement
15. Transparency and Integrity

Monitoring and Evaluation of Production Partners

- Regularly monitors the compliance status of **all garment factories and core fabric mills** through workplace monitoring.
- If a Code of Conduct violation (zero-tolerance/serious issue) is detected, the matter is escalated to the Business Ethics Committee to determine whether to terminate or modify our business relationship. We discuss solutions with the factory and confirm the completion of improvements.



Hotline for factory workers : Overview

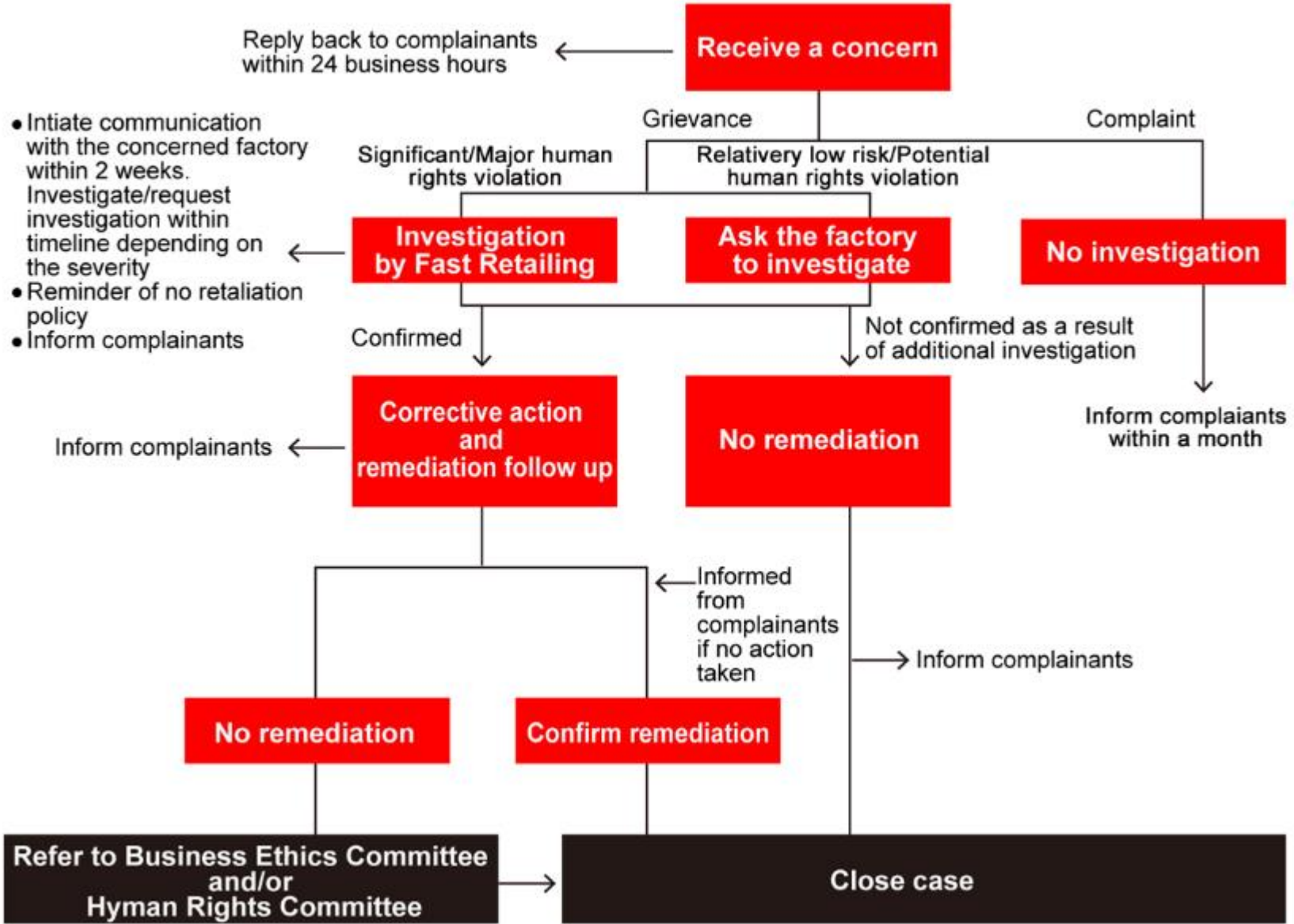
- Ask factories to establish their own mechanism to address employees' grievances as part of proper business management following FLA's standards. Compliance with the requirements is confirmed through workplace monitoring
- **In addition, workers can consult directly with FAST RETAILING through our hotline,** in case the factory's grievance mechanism is not operating properly

◆ Hotline for factory workers

- **Target** : Employees and organizations representing a group of individuals at core garment factories and fabric manufacturers
- **Place** : Shanghai, Ho Chi Minh City, Dhaka, Jakarta, Tokyo, and other locations
- **Communication tool** : SMS, email, phone or other tools
- **Language** : Workers can contact Fast Retailing directly in local languages
- **Recipient** : Fast Retailing Sustainability Department at each production site
- **Others** :
 - ✓ Display FR Hotline posters in a location visible to workers inside factories
 - ✓ Explain to employees how to raise grievances
 - ✓ We ensure there is no disadvantage or retaliation against workers who raised grievances

Hotline for factory workers : After receiving a consultation

Fast Retailing Hotline Communication Flow



- Intiate communication with the concerned factory within 2 weeks. Investigate/request investigation within timeline depending on the severity
- Reminder of no retaliation policy
- Inform complainants