

FAST RETAILING Group's Approach to CSR



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Making the world a better place through planning, producing and selling clothing, one of the basic necessities of life, is the FAST RETAILING Group's essential approach to CSR. We also need to ensure that our activities are always informed by compliance and corporate ethics, the preconditions to CSR. We also recognize the importance of sufficient communication with and accountability to stakeholders, achieved by building management systems with appropriate checks and balances and establishing fair and sound corporate governance practices.

Based on these principles, we are committed to fulfilling our social responsibilities in the following ways.

- As an SPA (pg. 18) company, we will strive to control product quality and reduce environmental impact throughout our supply chain. If a malfunction or defect occurs, we will swiftly provide relevant information to those inside and outside the company and take appropriate action.
- We will continually take innovative approaches so that in making our products and providing services to customers, we use the least amount of resources, take the longest-term view, and make the greatest possible contribution, both to the economy and to society as a whole.
- We will not only ensure a safe and healthy work environment and offer our employees opportunities for career development, but we will also require our business partners to

comply with laws and regulations regarding labor and the environment and show respect for human rights.

- We, in our CSR activities, will not only increase corporate value and strengthen our brands, but also make positive contributions to society.

In FY 2007, UNIQLO started a recycling initiative covering all of our products. It collected its products that were no longer needed by customers and, in cooperation with UNHCR and NGOs, donated the majority of them to refugee camps in Thailand and Nepal, recycling the rest as environmentally friendly energy sources and textile products. This initiative enables UNIQLO to meet clothing-related needs around the world with the support of its various stakeholders and to help protect the environment, so that I believe the initiative will continue to open up new possibilities for FAST RETAILING Group's CSR activities.

We also introduced the FAST RETAILING Group Code of Conduct to group companies and conducted activities to enhance compliance awareness.

As a part of UNIQLO's efforts to ensure that the workplace provides meaningful work to each and every employee, it introduced a Regional Full-Time, Regular Employee Program and further promoted the employment of persons with disabilities.

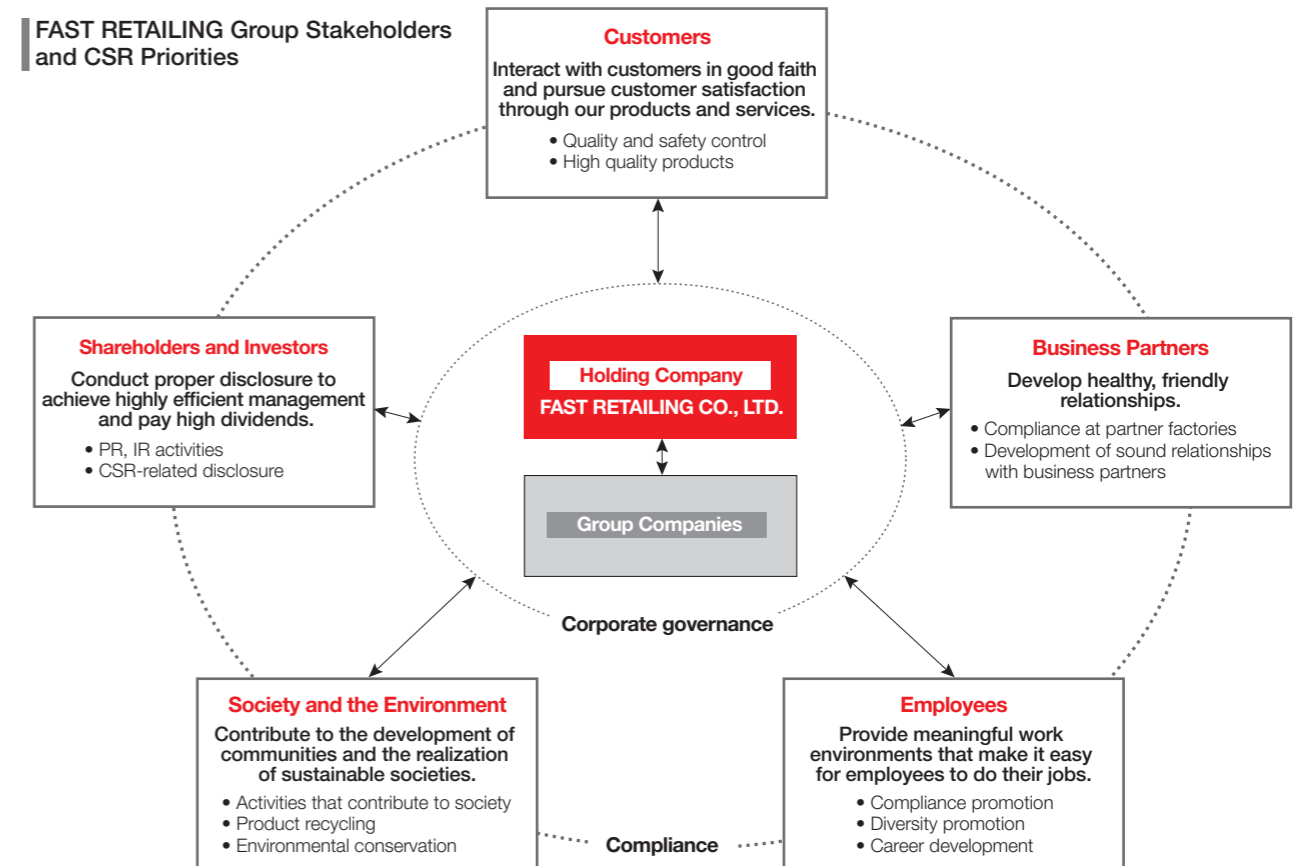
In FY 2008, we plan to formulate and begin carrying out a medium-term CSR plan, which will serve as a compass for promoting CSR activities.

Goals in the medium-term CSR plan will include the following.

- To establish a system to continually reduce the environmental impact of the processes in our supply chain, including review of the use and allocation of resources, with the goal of achieving highly efficient operations.
- To leverage our business model of designing, producing, and selling clothing around the world in a large number of stores and allow every employee to contribute to society.
- To propose alternative work styles and create a workplace that takes into consideration work-life balance.

We will actively communicate with stakeholders, listening to a variety of opinions and criticisms, in order to practice more transparent group management.

FAST RETAILING Group Stakeholders and CSR Priorities



CSR Promotional Framework

The CSR Committee is the linchpin of FAST RETAILING Group's framework for promoting CSR. The CSR Committee, which meets every two months, was established in November 2005 when we converted to a holding company structure. It identifies and discusses issues pertaining to the environment and social contribution, compliance, diversity, and quality and safety control system, in order to promote the FAST RETAILING Group's CSR activities.

FAST RETAILING's Group CSR Department serves as the committee's secretariat, promoting CSR activities at the group level in coordination with the department responsible for CSR at each group company.

