

UNIQLO has established its Environmental Policy and Environmental Guidelines and will develop a medium-term environmental plan

Basic Approach

UNIQLO is committed to compliance with environmental laws and regulations and to the continuous reduction of the environmental impact of its activities. With its SPA (pg. 18) model, this commitment applies to every business process, from product planning to production, distribution, sales, and disposal.

Our Initiatives

Energy and Resource Efficiency at Stores

UNIQLO stores have carried out full-fledged energy and resource efficiency initiatives guided by an energy efficiency manual for stores developed by the head office and the Tokyo headquarters. An energy efficiency campaign run by all its stores in FY 2003 successfully reduced power consumption by approximately 10%. The successful campaign also raised awareness of costs and energy and resource efficiency issues. UNIQLO has thus continued the initiative.

Reducing Use of Packaging On Shipment from Factories

UNIQLO is working to reduce the use of polyethylene shipping packages used to maintain product quality when shipping products from factories. In FY 2006, it switched, on a trial basis, from packaging individual pieces to packaging multiple pieces for certain products. This reduced the number of packages it used by two million.

The initiative was expanded to other product items by its production partners in FY 2007, resulting in a further reduction of ten million packages.

At Stores

UNIQLO uses shopping bags made of paper and of polyethylene at its stores. In line with the strengthening of the Containers and Packaging Recycling Law, UNIQLO has switched to materials

that do not give off noxious gases and that make shopping bags lighter.

In FY 2007, UNIQLO reduced the weight of its polyethylene shopping bags, resulting in a further reduction of approximately 350 tons of material used compared to the previous year.

Additionally, in December 2007 UNIQLO introduced polyethylene shopping bags using the "Nano Hybrid Capsule 2 (NHC2) additive." These were researched and developed by Professor Masahiko Abe at the Science and Engineering Department of the Tokyo University of Science. NHC2 helps increase the strength of the bag and reduces its weight by roughly 20% and CO₂ emitted during incineration by about 40%. This new shopping bag thus reduces about 60% of CO₂ emitted altogether compared to the previous model.

Reducing Environmental Impact in Distribution

In an effort to build a highly efficient distribution system, UNIQLO constantly works to improve or revamp distribution flows. In addition, UNIQLO is working to reduce the weight of cardboard boxes used in product transport to improve distribution loading efficiency.

In FY 2006 UNIQLO reduced the weight of packing boxes of every shape by an average of approximately 10%. It also teamed up with its distribution partners to begin collecting hangers following delivery and reusing them at production sites overseas.

Environmental Policy and Environmental Guidelines

In October 2007, UNIQLO formulated a new Environmental Policy and Environmental Guidelines to further promote initiatives to reduce its environmental impact. UNIQLO has a plan to apply the policy and guidelines to companies operating UNIQLO business overseas and carry out effective and efficient

environmental protection initiatives for the entire UNIQLO business.

Measuring Environmental Impacts

In FY 2007 UNIQLO began measuring the major types of environmental impacts associated with its business activities. The results (pg. 29) will be used in future environmental protection activities.

All-Product Recycling Initiative

Thanks to UNIQLO's customers' support, the one-month recycling initiative in September 2007 for all UNIQLO products resulted in the collection of approximately 430,000 products.

Breakdown

- Reuse (assistance for refugee camps): about 90%
- Recycling into fuel (power generating fuel): about 9%
- Material recycling (for industrial rags and insulation): about 1%

(See Special Report on page 2 for more information.)



Collected UNIQLO Products

Complaints

In February 2007 a UNIQLO store received complaints from a neighboring company due to a cleaning subcontractor mistakenly running wastewater used for cleaning into a water channel. UNIQLO apologized to the companies, ordered the subcontractor to recover the wastewater, and confirmed that the recovery was completed. UNIQLO then discussed with the subcontractor the causes of the incident and ways to prevent it from recurring.

Main Environmental Impacts in the UNIQLO Business*1

		Planning	Production	Distribution	Sales	Use/disposal
In	Energy	Head office Power consumption 4,991,013kWh Gas usage 7,827m ³				
		Head office Copy paper usage 7,586,913 sheets				
	Supplies, etc.			Stores Power consumption 115,152,009kWh		
				Containers and packaging usage 4,703t		
Out	Emissions into atmosphere	Head office CO ₂ emissions (power consumption and gas usage) 3,517t-CO ₂				
				Stores CO ₂ emissions (power consumption) 48,940t-CO ₂		
	Waste emissions and recycling	Head office Total combustible waste (paper, etc.) 185t Incombustible waste (waste plastic, etc.) 4t		Stores General waste 17,139t		Customers Collected products through All-Product Recycling Initiative 132t

*1 About figures
 • The figures shown are basically of the FY 2007.
 • Data of some tenant stores are not included.
 • All the head office data other than gas usage related is of the head office in Yamaguchi Pref. and the Tokyo headquarters.

Future Improvements

UNIQLO plans to carry out even more initiatives to reduce its environmental impact based on its Environmental Policy and Environmental Guidelines. This includes formulating a medium-term environmental plan.

In FY 2008, it is planning to introduce the new polyethylene shopping bag that substantially reduces CO₂ emission to overseas UNIQLO stores and some FAST RETAILING Group companies in Japan.

TOPICS Cool Biz*2 Conference 2007

UNIQLO and the Energy Conservation Center jointly sponsored the Cool Biz Conference 2007 held at Omotesando Hills in Tokyo to further raise awareness of Cool Biz. At the conference UNIQLO announced the results of a survey on the awareness of Cool Biz and communicated the importance of preventing global warming and reducing CO₂ emissions by increasing energy efficiency. The survey was spearheaded by the PR Dept. at UNIQLO and was designed to ascertain whether Cool Biz had taken root. Previously, the survey targeted only males but in FY 2007, its scope was expanded to include housewives and working women.



Naoki Otoma, UNIQLO COO, presents the result of the survey.

*2 "Cool Biz" was selected as the new name of the "Sho ene look" (energy saving business outfit) campaign by the Ministry of the Environment from approximately 3,200 entries and put into official use in June 2005.