

## For Our Customers

# Providing safe, high quality products that instill confidence in customers all over the world

Our basic stance is to conscientiously and promptly respond to what our customers have to say. We strive to raise customer satisfaction by offering multiple channels for listening to the various voices of our customers.



## FAST RETAILING's Stance Toward Our Customers

# We do everything possible for our customers



**Akihito Tanaka**  
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### “How do you respond to what customers have to say?”

▼  
“We share customer feedback with all employees and appropriate divisions take prompt action.”

The FAST RETAILING Group receives nearly a hundred thousand comments centered on its core UNIQLO business from customers every year by postcard, phone and e-mail.

Using a process we introduced a few years ago, the Customer Center compiles these comments and distributes them via e-mail to every employee, every day. The appropriate divisions promptly discuss situations that require a response and report back to customers. We believe the first step for fulfilling our responsibility to customers is to establish and maintain a system for sharing what they are saying about their experiences in our stores with all employees.

For the most part, the content of customer feedback falls into three categories: Compliments, Complaints and Requests or inquiries. Of course, since our top priority is to resolve customer complaints, we strive every day to improve our operations toward our goal of “zero complaints.”

### “Do you have a way to incorporate customer requests and inquiries into your business?”

▼  
“Yes, we have established and continually strengthen a system for this purpose.”

Even though there are no direct incentives to encourage customers to submit requests or suggestions, they nevertheless provide us with tens of thousands of valuable ideas every year. This reflects the high

expectations customers have for FAST RETAILING, and it is our mission to respond with sincerity.

While we have had some measure of success in responding to customer dissatisfaction, much more needs to be done to more effectively incorporate their requests and suggestions into our business. We are looking into reinforcing our systems by enlisting the cooperation of each in-house division to sort through and analyze customer feedback so we can put them to good use in product development, marketing and the enhancing of our services.

### “What is the group-wide approach to customer satisfaction?”

▼  
“We intend to leverage our experience with UNIQLO for the Group's CS system.”

CS (customer satisfaction) also faces the challenges of globalization and Group expansion. How we receive and incorporate customer feedback into our business has become a major focus given the rapidly expanding reach of our business to every corner of the world and the rising number of Group companies through M&A and other means. Current CS activities are clearly centered on our UNIQLO operations in Japan. We have started discussing ways to utilize the expertise and experience accumulated at UNIQLO in other businesses as well as our overseas operations. Amid the cultural differences that characterize each country and Group company, we are seeking to implement CS activities that embody FAST RETAILING's value of approaching issues from the customer perspective at every Group company, anywhere in the world.

### Our Basic Principle

The customer is the paramount concern for FAST RETAILING. All corporate activities are grounded in our commitment to make our customers satisfied and happy. We will constantly focus our attention on approaching issues from the customer perspective in all sales-related activities. This naturally includes our products, sales floors, service and communication, but also encompasses the development of our organizational structure, management planning and all other management initiatives.

### Making good use of customer feedback in our business activities

#### Reflecting feedback in service enhancement and product development

UNIQLO maintains a Customer Center that responds to inquiries by e-mail, phone and fax all year round. Our stores also distribute questionnaires on service to directly

gather customer feedback.

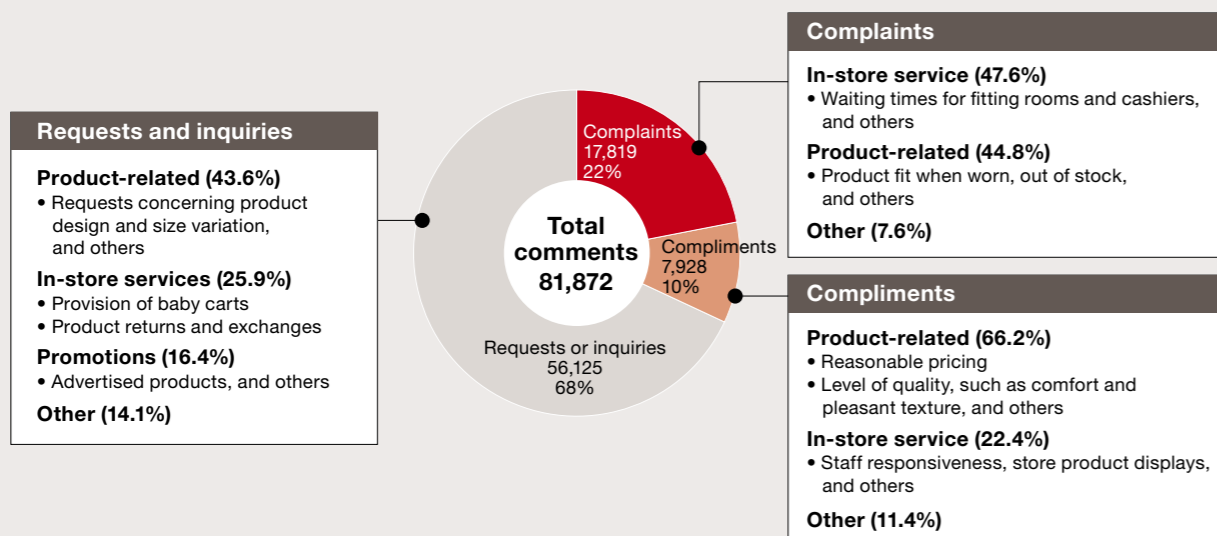
The Customer Satisfaction Department compiles these comments and promptly reports to relevant divisions and management. In FY 2008, many customers voiced dissatisfaction about waiting times for fitting rooms and cashiers, particularly during busy seasons. In response, we have issued a heads-up to all UNIQLO stores to enhance service by reviewing staff allocation and sharing success stories of how service has been improved.

#### Initiatives for Enhancing CS

UNIQLO has implemented a Service Attendant Program to place specialists in both customer service and sales in the stores. We also established the CS Store Awards and CS Staff Awards to recognize staff and stores on the basis of a point system that reflects compliments received during daily operations. To provide every customer with a pleasant and enjoyable shopping experience, UNIQLO has been optimizing its store environments by installing wheelchair accessible ramps and restrooms, providing baby carts and allowing guide dogs.



#### Summary of Customer Feedback in FY 2008



### Delivering safe products that instill a sense of assurance

#### Thoroughly controlling quality and safety right up to delivery to the customer

UNIQLO has selected the most stringent of existing safety standards in countries and regions where we conduct business, including the United States and the European Union, and incorporated them into the UNIQLO Global Quality and Safety Standards. Quality and safety control staff within the Production Department at the headquarters and Shanghai Office take the lead in a collaborative effort with partner factories in confirming compliance for all UNIQLO products. Information gathered in this process is shared with related departments, and the Customer Care for Product Quality Department handles responses to customer inquiries. UNIQLO also distributes a monthly safety report across the entire company for training staff engaged in the planning, design and production of products and for improving product quality.

#### Quality and safety are upheld through the outstanding expertise and accumulated experience of the takumi

At UNIQLO, resident takumi at overseas offices in China and other countries undertake onsite technical guidance, process management and personnel development. (See pp. 9–12 for more information on the takumi.)

#### Voluntary product recalls

In September and November 2008, we conducted two voluntary product recalls due to flaws discovered in products. UNIQLO seriously acknowledges the concern and inconveniences that customers face as a result of repeated product recalls and therefore intends to further strengthen its inspection system and thoroughly restructure its quality and safety control system to prevent recurrences.

#### Summary of voluntary product recalls in 2008

- September 2008**
  - Recalled products:** Boa fleece blanket + bag, Boa fleece room shoes
  - Reason for recall:** Presence of metallic particles from brush bristles
  - Number of defective items:** 17 (1 out of 16,184 total items sold; 16 out of an inventory of 63,189 items)
- November 2008**
  - Recalled product:** KIDS (GIRLS) Stretch Slim Straight Jeans
  - Reason for recall:** Confirmed heart-shaped rivets (decorative metal parts) were attached ineptly, causing part of the inside of rivets to protrude
  - Number of defective items:** 11 (2 out of 64,998 total items sold; 9 out of an inventory of 16,145 items)

#### Ensuring safety through multiple quality inspections by third-party bodies

Every material used by UNIQLO is subject to safety inspections by public, third-party inspection bodies and include sampling tests for dye fastness\*1 and residual formalin\*2. UNIQLO also runs pre-production inspections at the stage of mass production and conducts a pre-shipment examination of all products before they leave the factories. Moreover, pre-shipment audits are conducted in collaboration with third-party inspection bodies to confirm inspections are being faithfully carried out at partner factories.

\*1Dye fastness test: Durability test specifically for dyed products  
 \*2Formalin (formaldehyde) test: Formaldehyde is used as an anti-shrink, anti-crease softener in the processing of natural fibers. It has been specifically linked with incidents of rashes and skin allergies for those with delicate skin.

