

For Our Business Partners

Establishing good relationships with our business partners

Our Basic Principle

FAST RETAILING is committed to the "ethical standards and correctness" of all its corporate activities, be it our style of management, our negotiating attitude, or our ways of thinking. Naturally, we make every effort as a company to embrace the rule of law and uphold fairness. We also seek to act fairly toward each and every one of our employees and business partners.

Monitoring workplace conditions at partner factories

UNIQLO works together with about 70 production partners located primarily in Asia, such as in China, Vietnam and Bangladesh, on improving safety control and production efficiency and in pursuing higher product quality.

We also regularly monitor production to ensure the right working conditions are in place, carry out improvement measures and appropriately disclose information. (For more details, see pp. 17–23 of the Special Contents section.)

45 cases examined by the Business Ethics Committee

The Business Ethics Committee

To develop equal and friendly relationships with its business partners, UNIQLO CO., LTD. established the Business Ethics Committee and formulated its Guidelines for the Prevention of Improper Behavior Based on Superior Bargaining Positions* in 2004. This was intended to raise employee awareness and review corporate activities to eliminate wrongdoing. The committee initiated group-wide projects in 2009. The manager of the CSR Department heads the committee, comprised of full-time and external auditors, corporate lawyers, and representatives of relevant departments. In FY 2009, 45 cases were received by the committee. As a result, we examined whether any contracts were unilaterally terminated or reduced in scope and whether financial burdens were being fairly divided after certain conflicts emerged. We conducted hearings for both our company and business partners, and examined all the facts before coming to a decision or making results known.

* Improper Behavior Based on Superior Bargaining Positions: Abuse of superiority in a position to the disadvantage of another party or parties, including the imposition of unreasonable terms that would not be accepted in equal partnership(s).



217 business partners surveyed

The 6th business partner survey

Every fiscal quarter, FAST RETAILING CO., LTD. and UNIQLO CO., LTD. survey all departments to identify any issues that may have arisen with business partners. An annual business partner survey has also been administered since 2003 to confirm whether partners experienced problems with any employee or anyone in management during the year.

FY 2009 results of business partner survey

- **Implementation:** August to October 2009
- **Subject:** Major business partners of FAST RETAILING and UNIQLO
- **Responses:**
 - 134 out of 202 companies (domestic) (rate: 66%)
 - 83 out of 135 companies (overseas) (rate: 61%)
- **Questionnaire items:**
 - Attitudes and responses of our employees (existence of kickbacks, behavior in meetings, etc.)
 - Attitude toward negotiations (changes in business terms, deliveries made outside the contract, enforced discounts, etc.)
- **Comments from survey:**
 - Usually employees dress casually in meetings.
 - Occasionally a meeting is scheduled unilaterally or held without an advance appointment.
 - Environmental and human rights protection these days are company responsibilities. The company must therefore take steps toward including these responsibilities with its initiatives, which seem limited to quality and enhancing safety.

