

Fast Retailing Way

**Corporate Philosophy, that which is the spirit of any company,
Comes before all else.**

The FR Way is our point of departure and point of arrival.

It is our ideal and reality.

Fast Retailing Way (FR Group Corporate Philosophy)

Corporate Statement

Changing clothes. Changing conventional wisdom. Change the world.

The Fast Retailing Group Mission

- **To create truly great clothing with new and unique value, and to enable people all over the world to experience the joy, happiness and satisfaction of wearing such great clothes**
- **To enrich people's lives through our unique corporate activities, and to seek to grow and develop our company in unity with society**

Our Values

- **Approaching issues from the customer perspective**
- **Embracing innovation & challenge**
- **Respecting and supporting individuals to foster both corporate and personal growth**
- **Committing to ethical standards and correctness**

Our Principles

Inspired by The Fast Retailing Group Mission and Our Values, we will:

- **Do everything possible for our customers**
- **Pursue excellence and aim for the highest possible level of achievement**
- **Achieve strong results through the promotion of diversity and teamwork**
- **Move speedily and decisively in everything we do**
- **Conduct business in a very real way based on the current marketplace, products and facts**
- **Act as global citizens with ethics and integrity**

The Fast Retailing Group Mission

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The Fast Retailing Group Mission states our reason for being as a corporate group and describes the contribution that our corporate activities can make to the world.

■ Truly Great Clothing

Everyone wants to wear great clothing. However, while it is easy to say the term “great clothing”, what constitutes great clothing differs from customer to customer. It is therefore a very broad and diverse concept. There are also undoubtedly customers who are not aware of what specifically constitutes great clothing for them personally. Given this reality, defining and creating great clothing is no simple task.

For this very reason, the Fast Retailing Group has made it our corporate mission to create “truly great clothing” that anyone would want to wear.

Throughout our corporate history, Fast Retailing has relentlessly strived to create truly great clothing. And throughout our corporate history, we have demonstrated that people from all walks of life desire truly great clothing regardless of differences in lifestyle. Over the years, we have witnessed time and time again how truly great clothing is loved ardently by a great number of people. By uniting them through a common trend or idea, truly great clothing can help bring people around the world closer, transcending national borders and differences in ethnic groups or culture.

Inspired by our mission, we, at Fast Retailing, are constantly pursuing the ultimate in great clothing, paying keen attention to customer desires at any one given time. To continue to tap the strengths of individual companies and the group as a whole in our endeavor to create truly great clothing, we unite together companies that possess the power to help us further grow our clothing-related corporate group.

■ Clothing with new and unique value

What constitutes truly great clothing? The truly great clothes that people really love are not the combination of past tastes and desires mixed in with today's sensibilities. Rather, truly great clothing must be "clothing offering new and unique value" and that value should be completely separate from the value offered by previous clothing. It is because these clothes transcend customers' preexisting concepts and propose new and unique value that they can inspire a great number of people and secure passionate and loyal customer support.

Fast Retailing continues to strive to develop truly great clothing with new and unique value. Our entire organization is committed to pioneering exciting new possibilities in clothing.

■ Experience the joy, happiness and satisfaction of wearing such great clothes

Through the creation of truly great clothing, we offer everyone the opportunity to experience the joy, happiness and satisfaction of wearing great clothing. We also strive to further enrich the joy of wearing clothes through the provision of clothing-related accessories.

Fast Retailing strives to enhance people's lives and daily living through the power of clothes.

■ Enrich people's lives through our unique corporate activities

In order to continue to provide truly great clothing, Fast Retailing conducts its corporate activities based on the specialized business concept of the "information-driven SPA" (SPA: *Specialty store retailer of Private label Apparel*), that is to say, "information-driven manufacturer and retailer." Clothing can capture the essence of an era, suggest a new way of living, and provide fresh aesthetic designs, but clothing also provides a medium to experiment with new materials and functionality. In other words, clothes are a medium of information in people's daily lives. Indeed, clothes are information.

As a company that disseminates information in the form of clothing, Fast Retailing drives all the integral steps of information gathering, editing, processing and communication consistently within the framework of our SPA manufacturer-retailer business model. We are constantly communicating information that is both innovative and invaluable, and, in turn, generating new demand from customers for our corporate activities and products.

Fast Retailing strives to fulfill an essential role in the enrichment of people's lives by conducting business according to our own unique operational concept of the "information-driven SPA".

■ **Seek to grow and develop in unity with society**

Fast Retailing provides goods and services that are safe and environmentally conscious. We adhere to prevailing laws and regulations in our business activities, and we conduct business in accordance with social rules and accepted practice. We respond in earnest to any environmental burden caused by our global operations and seek a continuous reduction of any such effect. We seek to nurture good relationships with local communities and all people with whom we are in contact. Through our business, we seek to contribute to the development of a prosperous society and to the realization of a better world.

Our Values

- **Approaching issues from the customer perspective**
- **Embracing innovation & challenge**
- **Respecting and supporting individuals to foster both corporate and personal growth**
- **Committing to ethical standards and correctness**

Our Values are the benchmark of our corporate activities. They drive the decision-making process by which we carry out our mission.

■ **Approaching issues from the customer perspective**

Our customers are of the utmost importance. Everything that we do is done to please and satisfy our customers.

Whenever we consider an issue, we always evaluate it from the customer perspective – what benefit would this bring the customer? Does this meet our customers' requirements? Naturally this applies to all retail activities involving products, sales venues, services and communications. But, even when considering organizational structure, management planning, and other management measures, we are always conscious of how any decisions might affect our customers.

Therefore, even though customers are our harshest critics, we surely know that it is our customers who ensure our continued survival.

■ **Embracing innovation & challenge**

“Innovation and challenge” is the fundamental spirit that has supported the growth of Fast Retailing to date. Innovation and challenge are at our core. Without such, we could not generate lasting developments for our company or ensure the happiness of our employees.

To us at Fast Retailing, “innovation” is all about questioning our past practices, conducting in-depth reviews of our business structures, and improving on the fundamentals to generate change for the future.

For us, “challenge” means that we always face adversity and competition head on.

Consistently striving for the highest standards imaginable, Fast Retailing will continue to uphold this fundamental spirit of innovation and challenge.

We will continue to pursue this spirit of innovation and challenge in all areas and at all levels of our organization from top management through to individual departments, sales venues, and right down to the daily activities of our employees.

■ **Respecting and supporting individuals to foster both corporate and personal growth**

People are the main drivers of any company. The employees at Fast Retailing share in our spirit and support our style of business operations. We work to create an environment that enables each and every one of our employees to thrive in their individual roles, to boost their strengths as individuals through their professional work, and to deepen their sense of pride and confidence. We believe that a company cannot grow and expand independently of its individual workers. Likewise, employees cannot flourish in the absence of corporate growth. Fast Retailing aims to be a company that grows together with its people, achieving outstanding success for both.

As a result, Fast Retailing contributes to the creation of abundant human resources through the consistent nurturing of outstanding personnel.

■ **Committing to ethical standards and correctness**

Corporate dishonesty can suddenly ruin the value of a brand that has taken years to build. Fast Retailing places great importance on the “correctness” of all its corporate activities, be it our style of management, our negotiating attitude, or the attitudes and opinions of our employees. Insisting upon correctness is our corporate stance.

A sound corporate stance and sound corporate activities are the very foundations upon which corporate trust and reliability are built. Naturally, we make every effort as a company to embrace the rule of law and uphold fairness. We also seek to act fairly towards each and every one of our employees.

We want customers to purchase our products and services based first and foremost on our corporate stance rather than the actual physical goods. To be a company worthy of outstanding products and services, Fast Retailing strives to earn universal respect and warm regard.

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- **Pursue excellence and aim for the highest possible level of achievement**
- **Achieve strong results through the promotion of diversity and teamwork**
- **Move speedily and decisively in everything we do**
- **Conduct business in a very real way based on the current marketplace, products and facts**
- **Act as global citizens with ethics and Integrity**

Our Principles set forth the way of thinking that all employees and associates of the Fast Retailing Group should uphold in their daily activities.

■ Do everything possible for our customers

Our operations are conducted for the benefit of our customers. This goes without saying in our stores where employees are in direct contact with customers. But even in those workplaces where customer contact is not direct, everything we do is in some way linked to the customer.

In our daily work, we always consider how our particular area of responsibility might help maximize customer enjoyment and satisfaction. Our customers hold our fate in their hands. Therefore, everything we do is for our customers.

■ Pursue excellence and aim for the highest possible level of achievement

We always aim for excellence in our individual work. In such a pursuit, we set the highest professional goals and seek the highest level of accomplishment. Even if the actual result does not meet the target, we learn and progress a great deal by trying our very best to reach high goals. Setting low goals only serves to limit our individual possibilities.

As long as we continue to put all of our heart and soul into an effort to achieve high goals, we firmly believe that we will be able to achieve our goals some day.

■ Achieve strong results through the promotion of diversity and teamwork

The Fast Retailing group is comprised of a number of companies each with differing operations and distinct departments. These companies employ men and women of varied backgrounds each with a vital role to play. The Fast Retailing group is diverse, but we are united in the pursuit of a common goal.

Organizational effectiveness is achieved when companies, departments and people all divide responsibility yet cooperate to attain a common goal. If the entire organization pools its strengths and demonstrates solid teamwork, then what was perceived as being impossible can become possible.

Fast Retailing actively promotes teamwork by recognizing the important role that each person plays in the team and fostering empathy and trust among colleagues. We capitalize on the diversity of our many employees to generate powerful synergies and optimize our resources to achieve the highest possible results.

■ Move speedily and decisively in everything we do

Speed is key to the creation of added value in any business. To us, the significance of “speed” is being faster than anyone else and accomplishing work swiftly. We are in the business of speed - making sure we can provide our customers with the products and services that they desire in a timely and swift manner.

In order for Fast Retailing to be able to react swiftly to changes in the world and continue to lead the market, it is imperative that we speed up our operational activities. To be victorious in business, you must be the first to market, take speedy action, and boost efficiency. Therefore, we are always aware of the need for speed whatever the area of business. We dare to determine, decide and execute swift decisions without fear of making mistakes.

Indeed, speed is signified in the very name of our company – Fast Retailing.

■ Conduct business in a very real way based on the current marketplace, products, facts

Fast Retailing is in the business of selling products directly to customers, so the place and point of sale are crucial for us. This means that we always focus closely on the current marketplace, products and facts. We strive to conduct our business in a very real way, inspired by the direct observation of the current marketplace, products and facts. We are very attentive to what is happening in our stores

with our products and customers. We are constantly analyzing problems and possibilities. One of our primary tasks is to examine our stores, products and customers with our own eyes, ears and minds and take appropriate action. We work tirelessly to create even more attractive products and sales venues.

■ **Act as global citizens with ethics and integrity**

Fast Retailing is a global corporation seeking to make the experience of wearing clothes a joyous and satisfying one for people around the world. We, as members of that corporation, believe that each and every one of us should be outstanding businesspeople as well as human beings with ethics and integrity.

Every country and group has its own culture, social habits and conventions. We take great care to understand the societies with which we are associated and to respect their social customs. We also pay attention to issues facing the international community and the global environment. In this way, we act as global citizens whom people can trust and rely upon.