

Business Partner Operational Guidelines

Introduction

The Fast Retailing Group (“FR Group” or “We”)’s mission is to produce truly great clothing to contribute to the way of life of people all over the world, and to seek to grow and develop our company in unity with society. To accomplish this mission, the FR Group believes it is necessary to approach issues from the customer’s perspective and commit to ethical standards and correctness in order to build equitable and fruitful relationships with Business Partners who believe in our mission. Accordingly, the FR Group has established these Business Partner Operational Guidelines (“Guidelines”) to explicitly state the general principles that we request our Business Partners (as defined below) understand, and adhere to.

1. Scope of Application

- ① These Guidelines shall apply globally to all corporations, organizations, and individuals who transact with the FR Group or who provide goods or services on behalf of the FR Group (“Business Partners”). Business Partners shall request all parties (“Related Business Parties”) they themselves transact with, if those transactions are related to our Business Partners’ transactions with the FR Group to comply with these Guidelines.
- ② If Business Partners agree with the FR Group to adhere to more stringent requirements, said more stringent requirements shall apply.

2. Implementation

- ① The FR Group will contract with Business Partners who will comply with these Guidelines, and Business Partners’ adherence to these Guidelines will be a factor in considering future transactions with them.
- ② In order to monitor compliance, The FR Group may request Business Partners and Related Business Parties to participate in questionnaires, participate in audits, and submit relevant documents (collectively “Audits”) In addition, if Business Partners and Related Business Parties have violated or are violating these Guidelines (or if there are concerns of violations), Business Partners and Related Business Parties must comply with Audits from the FR Group.
- ③ If Business Partners violate these Guidelines, the FR Group may suspend its transactions with them. In addition, if Related Business Parties violate these Guidelines, the FR Group can request the Business Partners who have transactions with the relevant Related Business Parties to reconsider their transactions with the Related Business Parties, and if violations are not corrected, the FR Group may suspend its transactions with the Business Partners.
- ④ FR Group will conduct Audits within the limits set forth in all applicable local laws.

3. Notices of Violation and Remedial Measures

If Business Partners or any of their Related Business Parties violate these Guidelines (or if there are concerns of violations), Business Partners must immediately notify the FR Group. In addition, they must take corrective action and report their said actions to the FR Group.

4. Regarding Revisions to these Guidelines

These Guidelines may be revised from time to time, taking into account changes in societal expectations. In the event we revise these Guidelines we will disclose our changes on the FR Group Homepage.

Basic Principles

Business Partners shall comply with the following Basic Principles.

1. Compliance with Laws and Regulations

- ① To comply will all applicable laws and regulations.
- ② To prevent against dishonest activities and violations of laws and regulations by both their company and employees, and to build a system of monitoring/governance that can quickly discover and respond to any problems that arise.

2. Ensuring the Quality and Safety of Products and Services

- ① To ensure that the products and services comply with all the safety standards set forth in the national or regional laws or regulations where business activities are conducted, and to be committed to the quality controls set forth in the contracts entered into with the FR Group.

3. Anti-Corruption and Commercial Bribery

- ① To not pay any bribes and avoid making facilitating payments (including illegal or unofficial payments to facilitate administrative procedures such as customs and VISA procedures) or other unauthorized payments to public or government officials.

- ② To not give any counterparties (including FR Group companies) any grants, presents, or remuneration, or provide business entertainment that violate relevant laws or regulations, or exceed societal standards.

4. Unfair Transactions

- ① To obey anti-competition laws and avoid actions that would inhibit free and equal competition.
- ② To not engage in transactions with FR Group directors or employees resulting in (or appearing to result in) conflicts of interests. To not engage in transactions with FR Group companies resulting in the breach of the agreements executed with third parties or the infringement of the rights of third parties.
- ③ To conduct business activities in an ethical and transparent manner. while respecting business practices of each country and region.

5. Respect for Human Rights

- ① To respect each employee's human rights and diversity, and to not unlawfully discriminate in the employment, compensation, promotion, or termination of employees; based on their ethnicity, race, nationality, place of origin, age, gender, religion, thought, sexual preference, disability, maternity, marital status or any other unlawful reason.
To not engage in violence, slander, defamation, intimidation, various types of harassment, or other actions that infringe on the human rights of others.
- ② To not engage in forced labor, the employment of children under the minimum age for employment defined by laws of relevant countries and regions., or human trafficking.

6. Labor and the Workplace Environment

- ① To pay salaries and overtime payments equal to or exceeding the minimum wage specified in the applicable laws of relevant countries and regions.
- ② To comply with working hour limits, including overtime work or days-off, required by the laws of applicable countries and regions.
- ③ To provide a safe and clean workplace environment for all employees involved in business activities.
- ④ To respect the rights of employees to organize into labor unions or engage in peaceful collective bargaining and negotiations.

7. Information Security

- ① To strictly manage personal information and the non-public information of the FR Group and other counterparties, to prevent its disclosure to third parties, and to not use it for unapproved reasons in accordance with applicable laws of relevant countries and regions.
- ② To take appropriate safeguards against cyber-attacks to prevent damages resulting from the disclosure of information.

8. Protection of Intellectual Property

- ① To appropriately manage your own intellectual property so it is not infringed or unlawfully used by third parties.
- ② To not infringe (such as through unauthorized or inappropriate use) the intellectual property rights of third parties.

9. Symbiosis with Society

- ① As a participant in regional societies, understand cultures and customs, and to work and contribute to their development. In the context of international society, to understand issues and to work toward their resolution
- ② To be resolute in the face of antisocial forces, refuse all unfair demands, and eliminate all contact with them.

10. Consideration for Earth and the Environment

- ① To minimize harm to the environment and living things, while protecting the safety and health of individuals.
- ② To recognize the importance of the environment as a whole and engage in environmentally and societally sustainable business management; in various business activities, such as in the context of the emissions of greenhouse gasses, the management and disposal of waste and chemicals, the efficient use of water, energy, and other natural resources, and the promotion of biological diversity.

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