

LifeWear

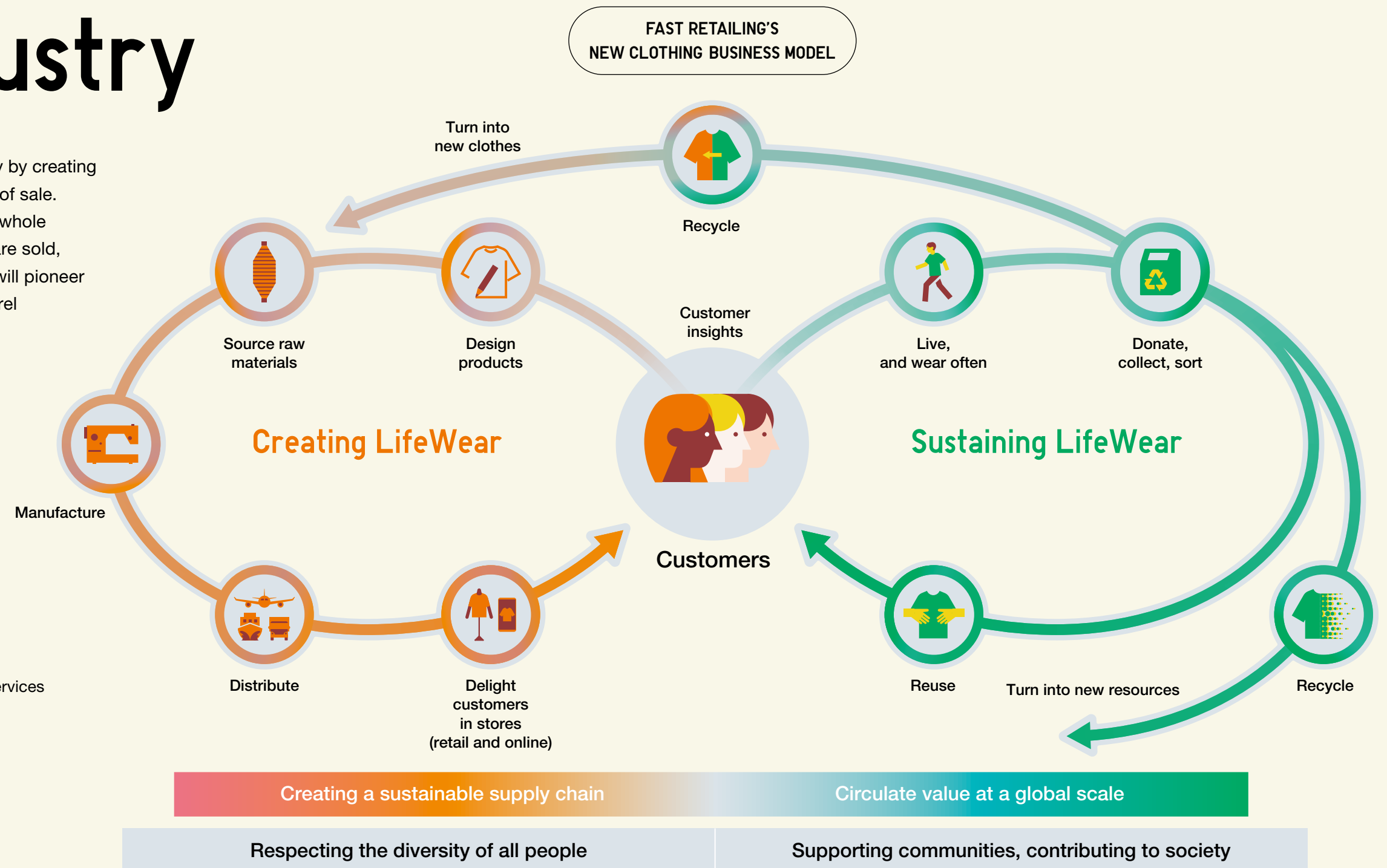
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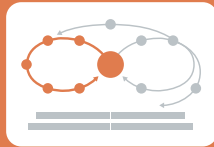
New Industry

We will enhance the sustainability of society by creating a new industry that looks beyond the point of sale. Instead, we will stay closely involved in the whole process: how clothes are made, how they are sold, and the post-sale lifecycle. In this way, we will pioneer a completely new form of sustainable apparel on the global stage.

Our six key areas for creating a sustainable society (Materiality)

- 1 Create New Value Through Products and Services
- 2 Respect Human Rights in Our Supply Chain
- 3 Respect the Environment
- 4 Strengthen Communities
- 5 Support Employee Fulfillment
- 6 Corporate Governance





Customer-centric Clothes Creation

MATERIALITY 1 MATERIALITY 3

POINT



Our Approach

Reflecting Customer Feedback in Product Development

Customer feedback is vital to the making of UNIQLO products. We create the products that customers really want and then use feedback to improve them each season. For instance, in FY2024, our Bra Top range became a global hit after we improved the fit and comfort based on customer comments. As a whole, customer acclaim for our women's innerwear continues to grow each year. Recently, in addition to feedback from Japan, we have also received an increasing volume of feedback and requests from stores, e-commerce operations, and customer centers from around the world. We are creating a system that enables us to rapidly visualize and commercialize this feedback to develop clothes that our customers truly need.

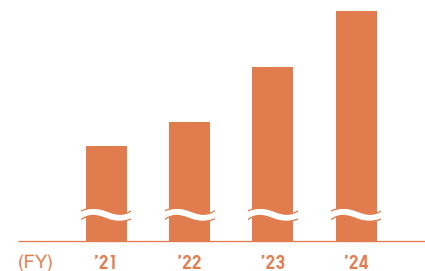
Creating Long-lasting Clothes

LifeWear emphasizes two forms of sustainability. It offers emotional sustainability via timeless designs that people can wear for a long time without growing bored. LifeWear also offers physical sustainability through the use of recycled materials as well as durability and comfort that encourages long-term wear. By improving and innovating clothing in these two ways, through LifeWear we aim to create masterpieces that will be lovingly worn for a long time. For instance, our Extra Fine Merino sweaters are made of ultra-thin fibers (roughly 25% the width of a human hair) that undergo a special anti-shrinking process to reduce pilling. These sweaters maintain their beautiful look for longer and can be machine washed at home.

Customer and Store Feedback Interactions (FY2024)

Approx. **31.40** million

Number of Customer Review Points in the Women's Innerwear Category



EXTRA FINE MERINO



Our Extra Fine Merino wool sweaters maintain their shape and color well—even after 15 washes* this sweater still looks just as great.

*Testing used a Type C (pulsator) washing machine at the Kaken Test Center following the JIS L1930 testing method
*Ironed after washing

Transitioning to Materials with Lower Environmental Impact

Fast Retailing aims to transition approximately 50% of all materials we use to recycled materials and other low-GHG materials by FY2030. We consider the use of these materials and potential clothing-to-clothing recycling options even from the product planning stage, and we place as much importance on this work as we do on improvements to quality and functionality.

We made steady progress with our 2024 products, increasing the use of low-GHG materials to 18.2% overall and 47.4% for polyester. We continue to collect UNIQLO down products that customers no longer need so we can reuse the down and feathers in new products. We have also used molecular recycling technology to recycle certain store-collected items made from high polyester blend materials. Fabric recycled through this process was used in apparel provided by UNIQLO for the Swedish national team at a major 2024 sporting event in France.

We want customers to purchase our products with greater confidence. To enable this, we are redefining the qualitative and quantitative standards that each material must meet in terms of GHG emissions, water consumption, biodiversity, human rights, and animal welfare for us to classify it as sustainable. We will also establish which materials best meet the new standards we set for our products. We started this initiative with cotton, as we procure it in large quantities, but we will swiftly move on to other materials.

Use of materials with low GHG emissions such as recycled materials

FY2024 **18.2**%
FY2030 Target **50.0**%

Percentage of recycled polyester to total polyester used

FY2024 **47.4**%



The percentage of recycled materials used is indicated on the product price tag.

*Example photo

Scan for info on recycled products (US online store)



INTERVIEW 1

Product Planning Fueled by a Desire to Provide New Value

We always think about the value we want to deliver to customers when planning UNIQLO clothing. Clothes that clearly convey new value become long-term top sellers. Each market is different, but the value people crave is essentially the same. We take all customer feedback seriously and strive to improve the comfort and fit of every piece of clothing. For example, we have incorporated feedback to improve our Mesh UV Protection Hoodie every season since we started selling the item over 10 years ago. Sales expanded even further from the Spring Summer 2023 season after we released a pocketable version with additional anti-odor functionality. Customer feedback also motivates us in our work, and we feel delighted when the products we envisioned make our customers happy.



SATOMI MATSUZAKI

Director of Global Merchandising

LifeWear = NEW INDUSTRY

WHAT IS PUFFTECH?

PUFFTECH: Our Three Key Concepts

UNIQLO listens attentively to the daily flow of customer comments and develops products from their point of view. Customers have long requested lightweight outerwear with firm and durable padding, and PUFFTECH is our answer. PUFFTECH is highly functional cutting-edge outerwear that is perfect for modern living. It can be washed at home and has impressive water-repellent functionality.

Scan this QR code for more information



CUSTOMER VOICE /

I want outerwear with the wonderful qualities of down—without leaving fluff on my clothes.



CUSTOMER VOICE /

I want outerwear that is light, warm, and suitable for all occasions.



CUSTOMER VOICE /

I would love outerwear with a chic diamond pattern or block quilt design.



KEYWORD

3D Ultra-fine Hollow Fiber

Light, Warm, Next-gen Functional Padding

The name says it all: PUFFTECH combines fluffy materials with innovative tech. Developed with Toray Industries, PUFFTECH light and warm outerwear boasts a new high-performance filling. The filling's springy fibers have a unique 3D structure that is similar to natural down feathers but that stores greater quantities of air. The result is better heat insulation and retention and a light, airy feel. The fiber structure of this functional filling was updated in Fall Winter 2024, creating the lightest and warmest PUFFTECH in UNIQLO history.

2

KEYWORD

Easy Care

Hand Washable and Easy to Clean

Outerwear can often be tricky to clean, but PUFFTECH can be handwashed at home. Unlike down, with PUFFTECH's filling you don't have to worry about feathers poking out or deflated volume after getting wet. The key is to press, not rub, when washing so the filling doesn't collect at the edges. PUFFTECH is also easier to dry than down. Wash it, hang it up at night, and it should be ready to wear by morning*.

*Drying women's PUFFTECH compact jacket at 20°C and 65% humidity.



KEYWORD

3 Fits Modern Living

Rain Resistant, Snow Resistant, Ready for an Active Life

PUFFTECH retains heat even when the humidity is 90% or higher, including in rain or fog. It is also water-repellent, so it can withstand a light rain shower. PUFFTECH is great for the brisk nights and mornings of early fall, the gentle snowfalls of winter, and the unpredictable weather of early spring. And because it's flexible and light, you'll also feel comfortable on a heated train in winter, or at a chilly office in late summer.



Sustainable Growth Built on Trust

MATERIALITY 2 MATERIALITY 3

POINT



Our Approach

Strong Partner Relationships, Sustainable Supply Chains

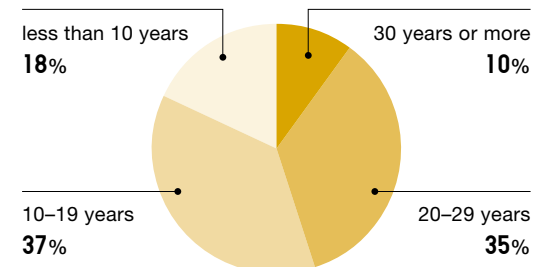
To become the world's best-loved No. 1 brand, it is vital to pursue operational growth and sustainability in tandem and build a supply chain that facilitates stable but flexible production.

The building of such a system is underpinned by the strong trust we have nurtured with the production partners to whom we outsource our fabric production and garment sewing. We share our commitment to high-quality production and proper procedures. This enables us to deliver truly great clothes to customers worldwide. We have built long-standing win-win relationships and grown together with partner factories that share our philosophy and values. In 2023, we began extending these partnerships to upstream raw materials procurement, and we are working tirelessly to stabilize quality and costs, improve lead times, reduce environmental impact, uphold human rights, and improve working environments across all processes.

We want to achieve a business model that allows us to produce and sell the right volumes of the exact products that customers want, at the exact time they want them; while minimizing impacts on people and the environment. Going forward, we will aim to build operational structures that promote further growth and make meaningful social contributions.

Length of Relationship of Top 40 UNIQLO Suppliers

This includes nearly all the suppliers that manage Fast Retailing's partner factories.



Fast Retailing's Ideal Sustainable Supply Chain



INTERVIEW 2

Ariake Project: Evolving Our Supply Chain

Our goal is to create a customer-driven digital consumer retail company that makes, transports, and sells exactly the right volume of the products that customers really want, at exactly the right time. We believe this will enable us to expand our global business while also reducing waste in the supply chain and lessening our environmental impact.

Here are four specific areas of progress. (1) Customer-driven product development (p.50-53) has improved products and generated new products for changing lifestyles. (2) We forecast demand and analyze ever-changing sales conditions as well as feedback from stores and customers to refine sales plans for individual stock keeping unit (SKU). We optimize inventory by continually linking production plans with sales plans and adjusting production volumes on a weekly basis. (3) We shorten production lead times by sharing plans and progress with production partners and effectively securing materials and production capacity in advance. We are also working with transportation partners to shorten their lead times, which will help to build a more agile supply chain management system. (4) Automated warehouses allow us to establish a distribution operation that delivers the right amount of the products that our stores need on an SKU basis.

These efforts have helped us to reduce unnecessary inventory and to control product shortages. We will accelerate our efforts, capitalizing on our comprehensive in-house management of the entire clothes-making process from production and distribution to warehousing and retail.



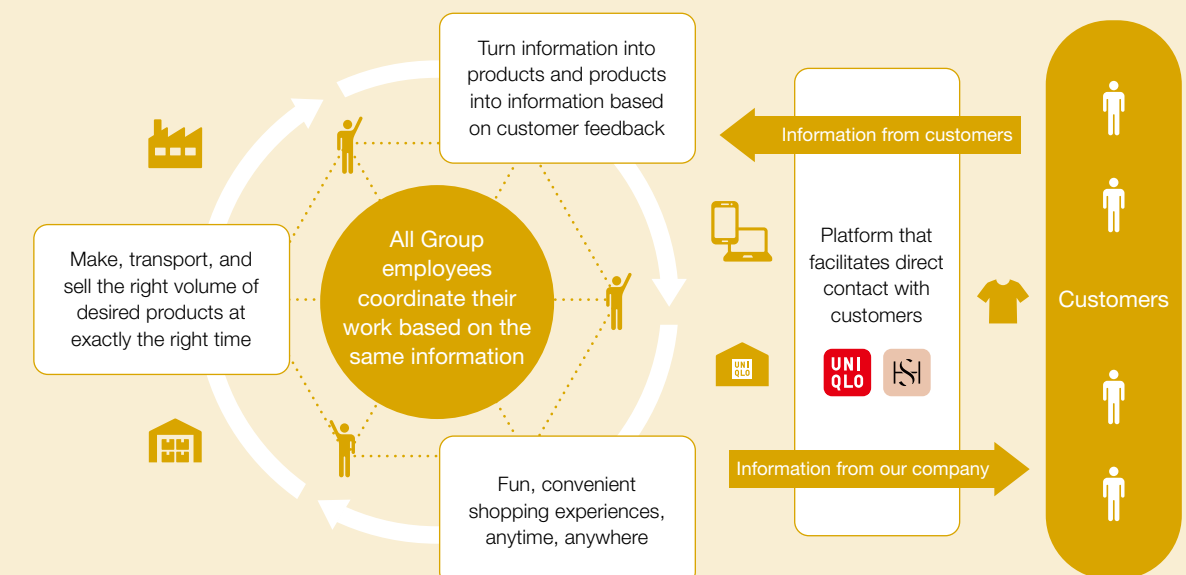
DAI TANAKA

Group Executive Officer,
Overseeing Ariake Project
Fast Retailing Co., Ltd.



Automated warehouses boost supply chain efficiency

Customer-driven Product Development and Supply Chain Reform





UNIQLO partner factory for down products

Disclosure of
Production
Partners List



Pursuing Traceability, Increased Supply Chain Transparency

Our strong partnerships with factories enable us to manage the entire supply chain in-house, applying our own quality, procurement, production-control, and human rights standards to all processes from raw materials procurement to garment sewing. We aim to build direct relationships with factories throughout the supply chain that share our values and manufacturing standards. Since Spring Summer 2023, we have been able to track the entire commercial flow across all processes and products from the country of origin of raw materials to the specific garment factory. For cotton products, we only do business with spinning mills that share our values, and we have built a system that allows us to specify and trace the origin and quality of cotton used starting at the product planning stage. In FY2024, we expanded this system to cover wool and cashmere, and will extend it to all materials in the future.

Building a Sustainable Supply Chain Through Enhanced Monitoring

To protect human rights and working environments in the supply chain, Fast Retailing requires garment factories and fabric mills to comply with our Code of Conduct for Production Partners and has monitored compliance since 2004. This includes third-party auditing of human rights violations, working environments, and environmental conservation. Audit results are communicated to factory management and support is provided to resolve and prevent the reoccurrence of any issues. In addition to garment factories and fabric mills, in 2023 we started monitoring

spinning mills, thus further strengthening measures for upholding human rights in the supply chain and improving working environments. Fast Retailing has a zero-tolerance policy for issues that seriously violate human rights. Zero-tolerance issues include child labor, forced labor, and other most serious violations. In FY2024, zero-tolerance issues were identified at six factories, which was fewer than FY2023. We discussed with these six factories remediation and prevention of reoccurrence. We confirmed that three of the six have implemented improvements.

Working Environment Monitoring Results at Garment Factories (Evaluation of Partner Factories)

Grade	Main description	Group (UNIQLO)	
		FY2023	FY2024
No important issues or zero-tolerance items	Important issues or zero-tolerance items were not observed	417 (234)	422 (280)
Important issues observed	Serious violations of the Code of Conduct (including insufficient provision of overtime pay, failure to grant statutory leave, failure to pay wages during paid leave, failure to pay social insurance premiums, long working hours, failure to provide breaks as stipulated in laws and regulations, failure to conclude employment contracts or provide adequate content)	85 (38)	63 (34)
Zero-tolerance items observed	Extremely serious violations of the Code of Conduct (including child labor, forced labor, oppression and harassment, discrimination, inadequate safety precautions in buildings, obstructing the formation of unions, unjustifiably dissolving strikes, taking retaliatory action against employees who file complaints, failure to pay wages, not meeting the minimum wage)	14 (5)	6 (1)

Steady Reductions in GHG Emissions

Fast Retailing is working to reduce greenhouse gas emissions from its stores and its supply chain, all part of its 2050 net-zero GHG target. We have declared that by FY2030, our intention is to reduce emissions at our stores and main offices by 90%, and emissions from the manufacturing of raw materials, fabric, and garments for UNIQLO and GU products by 20% (compared with FY2019 levels). These targets have been certified under the Science Based Targets (SBT) framework.



Fast Retailing was selected as an A-List company for the second consecutive year by the international environmental non-profit Carbon Disclosure Project (CDP) in recognition of the transparency and leadership exhibited in our climate change initiatives.



Promoting the use of solar power generation at partner factories

SCOPE 1,2

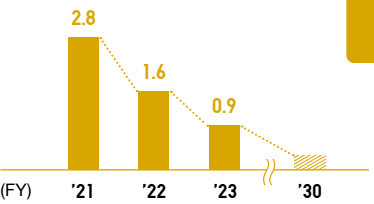


Promoting the Introduction of Renewable Energy Globally

In FY2023, GHG emissions from our stores and offices declined by 69.4% compared with the FY2019 base year. We are working to conserve energy in stores and offices by introducing LED lighting and controlling after-hours usage as well as introducing air-conditioning control systems that automatically maintain temperature levels. Meanwhile, we are working toward 100% renewable energy by FY2030. By promoting procurement in each market, we boosted renewable energy usage to 67.6% in FY2023. Our businesses in some European markets, Canada, and Singapore have already achieved this 100% renewable target.

GHG Emissions in Company-operated Facilities

(Unit: 100,000 t-CO₂e)



Scope 2: Calculated on a market base

FY2030
GHG emissions
target

90%
reduction
(vs. FY2019)

SCOPE 3

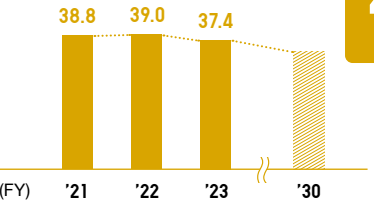


Working With Partner Factories to Reduce GHG Emissions

GHG emissions from our supply chain declined by 10.0% in FY2023 compared with FY2019, steady progress toward our target. At major partner factories, which account for roughly 90% of UNIQLO and GU production, Fast Retailing promotes energy-saving measures and encourages the replacement of coal with renewables. We conduct quarterly monitoring and reviews on GHG emission reduction plans, and work with factories to resolve issues as part of our close partnerships. Based on specific needs, we may introduce partners to suppliers who can aid their transition away from coal boilers, or introduce funding sources.

GHG Emissions in the Supply Chain

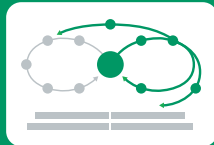
(Unit: 100,000 t-CO₂e)



Scope 3: Emissions related to the manufacture of raw materials, fabric, and garments for UNIQLO and GU products

FY2030
GHG emissions
target

20%
reduction
(vs. FY2019)



A Society That Treasures Its Clothing

MATERIALITY 1 MATERIALITY 3 MATERIALITY 4

POINT



Our Approach

Encouraging Long-term LifeWear Usage

We see the increasing legislation and growing awareness around sustainability issues as an opportunity. We do not dispose of unavoidable leftover stock and continue to sell it in the following season and beyond. We also take responsibility for our clothes after they have been sold, giving them new leases on life over a long period through reuse and recycling initiatives. LifeWear's intrinsic high quality and basic designs are all part of our effort to create a society that does not discard clothes.

A Circular Business Model That Reuses or Recycles All Products

REUSE: Since 2006, we have been collecting clothes that customers no longer wear and delivering them to people in need worldwide in refugee camps, disaster zones, and other locations. Additionally, in 2023 we launched the UNIQLO Pre-Owned Clothes Project.

RECYCLE: In 2020, we started selling recycled down products as part of our clothes-to-clothes recycling campaign. Collected clothing not fit for reuse is recycled as building insulation, soundproofing materials for cars, and more.

REDUCE: We began offering RE.UNIQLO STUDIO clothing repair and remake services in stores around the globe in 2022. Our ultimate aim is to help reduce excess waste, greenhouse gas emissions, and resource use throughout the product lifecycle by caring for clothes in this way.

REDUCE

Reducing Waste

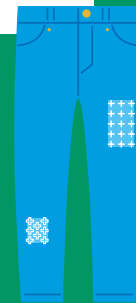
RE.UNIQLO STUDIO offers clothing repair and remake services. Our online store promotes the long-term use of clothes and features videos on how to take care of them.



RE.UNIQLO STUDIO



A product care video



A new life as new clothes

RECYCLE

Clothes-to-clothes Recycling

Down and feathers are removed from donated items and recycled into new down products. We have also started a molecular recycling initiative for certain items made from a high polyester blend.



A Hybrid Down Jacket made with recycled down and feathers

Collect and Sort

We collect clothes that customers no longer need through in-store RE.UNIQLO boxes, and sort them for recycling or reuse.



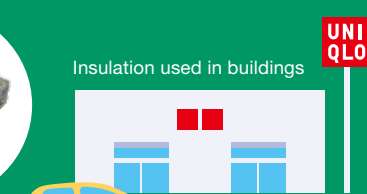
RECYCLE

Clothes-to-materials Recycling

Collected items that cannot be reused as clothes are given a new life in other ways, for example as insulation for buildings or soundproofing materials for cars.



A new life as new materials



Soundproofing materials for cars

REUSE

Extending Clothing's Lifespan

Clothes that can be reused are carefully categorized and donated according to specific recipient needs. In 2023, we also launched a trial project for the sale of pre-owned clothes.



Supporting refugees



Selling pre-owned clothes



Customers

Scan for more information on RE.UNIQLO initiatives



Breathing New Life Into Clothing

RE.UNIQLO STUDIO offers clothing repair and remake services for a fee, so that people can enjoy wearing their clothes for longer. The idea stemmed from a clothing upcycling workshop held by customers and staff at a UNIQLO store in Berlin, Germany, in August 2021.

Thanks to positive customer feedback, we have expanded our repair and remake services worldwide, and as of October 2024, we offered RE.UNIQLO STUDIO services in 51 stores in 22 markets. We offer services that range from stitching holes and replacing buttons to creative repairs and embroidery. Our efforts to breathe new life into beloved clothing using traditional Japanese *Sashiko* stitching techniques are attracting attention for their

sustainability. Our remake initiative, which creates unique pieces by upcycling defective or damaged clothing, is also proving popular.

We also provide information and conduct awareness-building activities on clothing repair and remaking. On International Repair Day in October 2024, we held events and workshops at RE.UNIQLO STUDIO locations in eight markets worldwide to familiarize customers with clothing repair, care, and upcycling.

We will accelerate our efforts to create a world in which wearing clothes with care and love is the norm.



Stores featuring
RE.UNIQLO STUDIO

51 stores in **22** markets
(As of October 31, 2024)

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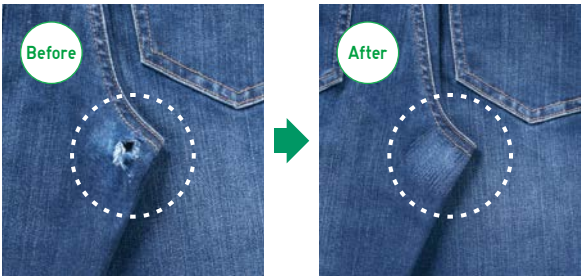
35 stores in **16** markets
(As of October 31, 2023)



The RE.UNIQLO STUDIO in the UNIQLO TAUENTZIEN Global Flagship Store in Germany. An upcycling workshop held at this store sparked a global initiative.

REPAIR

Repair damaged areas so your clothes can be worn and loved for even longer.



Fix damage such as rips in down items, holes in knitwear, and frayed crotches in jeans.

REMAKE

Remake your UNIQLO favorites into fresh new items or customize them however you like.



Enjoy customized embroidery such as initials and more.

Creating Clothing With New Value:
The UNIQLO Pre-owned Clothes Project

The UNIQLO Pre-Owned Clothes Project is part of our RE.UNIQLO campaign to encourage the development of a circular society. We carefully wash and re-dye clothes selected from collection boxes in stores across Japan and then sell them as clothes offering fresh value.

The first trial was a 12-day pop-up inside UNIQLO HARAJUKU in October 2023. The store attracted more customers than anticipated. People enjoyed the experience of searching through pre-owned clothes, each with their own look and feel, to find the pieces they liked best. Customer feedback was positive: they “found fashionable products that didn’t feel old,” “felt comfortable buying quality pre-owned clothes,” and said “the dyed products were high quality.”

Due to popular demand, pre-owned clothing trial sales were also held at our UNIQLO PARK Yokohama Bayside, TENJIN, Setagaya Chitosedai, and Maebashi Minami IC stores, and we plan to extend the initiative even further going forward.

Pre-owned clothing items not only add unique accents to coordinated outfits but also play an important role in reducing clothing waste. LifeWear can be loved over many generations because it is simple, high-quality everyday wear. Establishing a stable supply chain will certainly be a challenge, but we are determined to continue this initiative and facilitate a longer life for every piece of clothing we make.



Pop-up at UNIQLO Harajuku store

Clothes that have been dyed and remade



Overdyeing for a fresh, new look



Carefully washed clothes for reuse



Washed pre-owned clothes for reuse

LifeWear =
NEW INDUSTRY

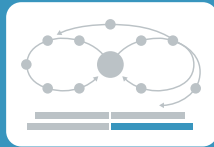
INTERVIEW 3

Expanding Our Unique Circular Economy

European customers are keen to wear their favorite clothes for a long time. The idea for RE.UNIQLO STUDIO came from customer suggestions in Europe and is now expanding worldwide. I have been involved from the beginning and know that customers really appreciate our decision to grow these activities as part of our business. Promoting sustainability requires the participation of many stakeholders. I want our actions to encourage greater change by inspiring society and our customers. The pre-owned clothing market continues to grow, and I would like to further expand our trials of pre-owned clothing sales as part of our aim to help establish a circular economy.



MARIA LEDOUS
UNIQLO EUROPE LIMITED
Sustainability Manager



Clothing That Improves Lives

MATERIALITY 1 MATERIALITY 4

POINT



Our Approach

Peace and Stability are Vital to Sustainable Growth

The retail industry can only survive in stable economic and social environments. The same applies to production bases. Global society is currently grappling with serious challenges, like poverty, refugee crises, growing environmental impacts, terrorism, and regional conflict. As a global company, we are actively working to help solve social issues through the effective use of our stores, staff, products, and expertise. We are currently accelerating our efforts in the following focal areas: providing support to refugees and other people in difficult circumstances; participating in local environmental protection and conservation activities; educating young people

and creating opportunities for them to engage; providing disaster relief; and developing cultural and athletic initiatives.

We assign sustainability officers to each market to better understand regional needs and issues and devise concrete solutions and action plans. We have also formed partnerships with like-minded companies, organizations, and individuals to inspire activities that contribute to sustainable societies.

The apparel industry depends on peace. Fast Retailing's overarching mission is to make people's lives more enjoyable, more comfortable, and more fulfilled through LifeWear.

Promoting Multifaceted Refugee Support

Since 2006, Fast Retailing has worked with UNHCR, the UN Refugee Agency, to provide clothing aid for people forced to flee worldwide. In 2011, we formed a global partnership with UNHCR to facilitate comprehensive solutions to issues that refugees face, strengthening that partnership in 2023.

Our four-pronged refugee support approach comprises emergency aid, clothing support, self-reliance, and employment. Through our RE.UNIQLO program, 58.97 million items have been donated to refugees and others as emergency aid and clothing support. Our self-reliance programs have played an important role in helping refugees forge more independent lives. In 2022, together with UNHCR we launched a livelihood support project in Cox's Bazar refugee camp in Bangladesh. The project teaches sewing skills and provides stipends to refugee volunteers. Our employment activities include hiring refugees in UNIQLO stores in Japan, the USA, and Europe and providing training to facilitate stable, long-term employment.



Number of used clothing items donated
(2006 to August 2024)

Approx.
58.97 million

*Includes non-refugee beneficiaries

Together with UNHCR, we refurbished or newly established five production centers at the refugee camp in Cox's Bazar in Bangladesh, enabling refugee women to receive stipends as volunteers for making sanitary products.



A Charity T-shirt Project to Promote Peace

The PEACE FOR ALL project embodies our sincere hopes and actions for world peace. Since June 2022, we have been selling T-shirts emblazoned with peace-related messages. These shirts are designed on a volunteer basis by various public figures who share our vision. As of end December 2024, 42 contributors including Tadao Ando, Wim Wenders, KAWS, and Haruki Murakami have participated in the production of 44 T-shirt designs, all of which are currently available. All profits from the T-shirt sales (20% of the retail price) are donated to three organizations: UNHCR, Save the Children, and Plan International. By the end of November 2024, we had donated over ¥1.8 billion for emergency humanitarian assistance and other international activities.

In September 2024, the renowned international photography collective Magnum Photos joined the campaign to contribute T-shirt designs. For the launch, we held joint photo exhibitions in 10 major cities, including London and New York. The photographs showcased the activities conducted by the organizations receiving PEACE FOR ALL donations and the daily lives of people who benefit from those donations. This allowed us to convey to customers exactly where and how the support they generate through PEACE FOR ALL T-shirts is being used.

We are determined to propel our PEACE FOR ALL project forward and help create a better world.

PEACE FOR ALL



CRISTINA DE MIDDEL

Total funds raised from sales of T-shirts
(From project start to end November 2024)

¥1,883,684,400

Total number of
T-shirts sold worldwide **6,278,948**

Scan for more
information



INTERVIEW 4

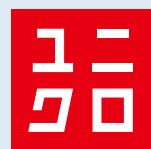
Tackling Big Global Challenges Head-on

Refugee crises represent one of the world's biggest challenges. Fifteen years ago, there were 43 million refugees or internally displaced persons globally. Today, there are more than 120 million. Among global companies, we are one of the very largest supporters of refugees. We offer clothing support, financial support, and self-reliance programs in the hope of creating a virtuous cycle. A portion of the proceeds from PEACE FOR ALL is funding a self-reliance initiative for Rohingya refugee women. So far, we have refurbished or established five production centers together with UNHCR and taught sewing skills to 570 refugee women, who now use those skills to produce essential daily goods and earn stipends. Our aim is to ensure these initiatives can help refugees develop economic and social independence and forge new opportunities.



KOJI YANAI

Group Senior
Executive Officer & Director
Fast Retailing Co., Ltd.



UNIQLO NEXT GENERATION DEVELOPMENT PROGRAM

Nurturing Future Generations

UNIQLO has introduced various initiatives that expand the horizons of young people who will lead our future. These include work experience programs in UNIQLO stores, outreach classes on clothes recycling, and camps and trips focused on sports and art. One important part of this work is our UNIQLO Next Generation Development program, which enlists world-class athletes (including UNIQLO Global Brand Ambassadors) and organizations to promote the development of future leaders through sports.

Topics include guidance on athletics, leadership skills, and even sustainability. Children have the chance to interact with top-class athletes in their respective sports, learning positive life lessons and growing as leaders of a sustainable tomorrow. We will continue our activities to support youth development worldwide.

More information on
Global Brand Ambassador
initiatives available here



UNIQLO GLOBAL BRAND AMBASSADOR

AYUMU HIRANO

UNIQLO LifeWear Day 2023
with Ayumu Hirano

Held in Yamagata, Japan, in March 2023, snowboarder Ayumu Hirano shared his approach and his wealth of technical knowledge. Children learned about the impact of climate change on snowy mountain regions.

UNIQLO GLOBAL BRAND AMBASSADOR

ROGER FEDERER

Around the World
with Roger Federer

Roger Federer has hosted UNIQLO events that enrich young people through art, tennis, and culture, in New York (August 2023), Shanghai (October 2023), and a Paris suburb (May 2024).



UNIQLO GLOBAL BRAND AMBASSADOR

ADAM SCOTT

UNIQLO Adam Scott Junior Championship

UNIQLO sponsors the American Junior Golf Association (AJGA) and hosts a junior golf tournament with professional golfer Adam Scott. Three annual tournaments have been held since 2022 featuring a total of 234 junior golfers.

UNIQLO GLOBAL BRAND AMBASSADOR

SHINGO KUNIEDA & GORDON REID

ITF UNIQLO Wheelchair
Tennis Clinic with Shingo
Kunieda and Gordon Reid

Held in Fukuoka, Japan, in April 2023 to support the future of wheelchair tennis. These two champions coached 14 of Japan's best young players, aged 9-17, offering advice on technique as well as mindsets for practice and matches.

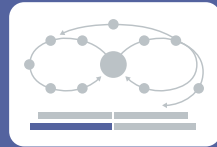


ATSUTO UCHIDA

JFA UNIQLO Soccer Kids

JFA UNIQLO Soccer Kids mini festival events have been held across Japan for children aged six and under since 2003. These events were expanded beyond Japan in 2014, with over 300,000 children participating to date.





Personal Growth, Corporate Growth

MATERIALITY 5

POINT



Our Approach

Globally Active Talent Driving Growth

Our employees lead our corporate activities. Based on our *Global One ZEN-IN KEIEI* principles, Fast Retailing strives to extend growth opportunities to all employees and create environments in which diverse talent can drive policy and demonstrate their abilities.

The Fast Retailing Way (corporate philosophy) highlights how employees should *respect and support individuals to foster both corporate and personal growth*. We aim to ensure that personal growth fuels corporate growth by enabling each employee to enhance their abilities through their

work and remain engaged in environments that prize diversity. To encourage this, we created the Employee Engagement Policy, which stipulates efforts to strengthen three major initiatives: (1) equal opportunity and diversity, (2) recruiting and developing people, and (3) healthy, secure, and safe workplaces.

Investing in human resources is key to ensuring further global growth. We will continue to discover and nurture management talent in each market while continuing to cultivate skilled managers and sales personnel worldwide.

Promoting Diversity and Inclusion

Fast Retailing employs roughly 110,000 people worldwide. Our Diversity Promotion Team plays a key role in identifying diversity-related issues and using communication surveys and employee satisfaction surveys to devise effective diversity measures. Our gender equality initiatives are tailored to each market, enabling employees to select workstyles that suit their stage of life and their career progression plans. In Japan, we are implementing personnel system reforms and promoting mentorship systems designed to foster environments in which female employees can thrive. In FY2024, the percentage of women in Fast Retailing Group management positions rose by 1.4 points year on year to 46.1%.

As part of our commitment to a Global One Team, we have set communication guidelines and are creating environments where global employees can reach their full potential. The percentage of non-Japanese individuals in management positions worldwide reached 55.5% in FY2024 and will continue expanding as our global business grows.



Percentage of women in management positions* in the Fast Retailing Group

FY2024 **46.1%**
↓
FY2030 Target **50.0%**

*Management positions refer to block leaders and area managers in the sales department; store managers of a certain grade and above; and HQ executive officers, directors, and managers.

Elevating Active Global Managers

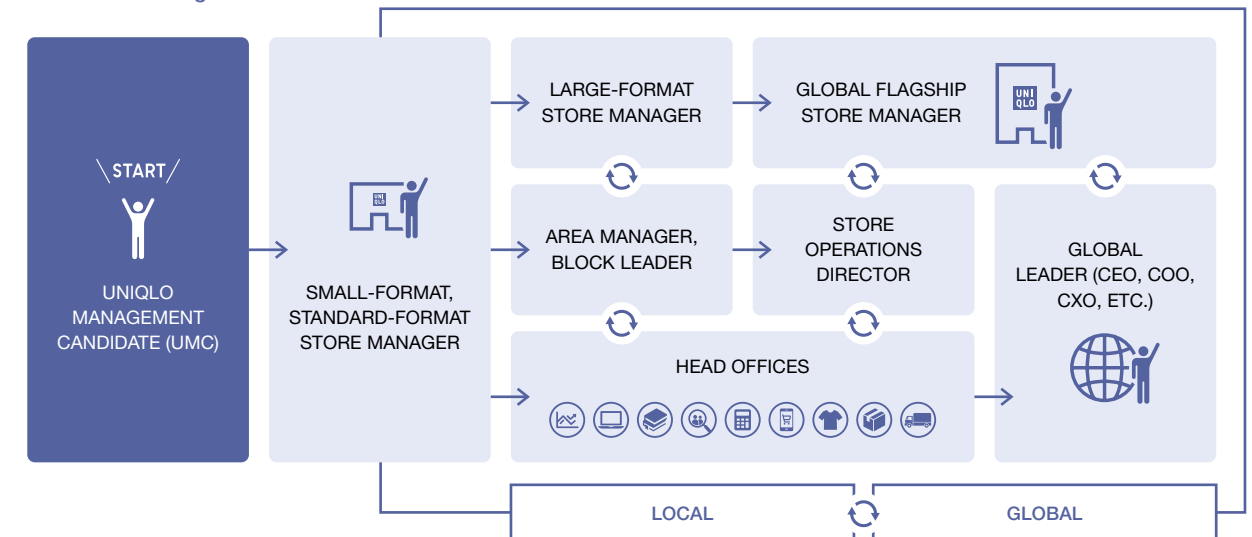
Fast Retailing is committed to hiring and fostering diverse talent. A vital part of that is our UNIQLO Management Candidate (UMC) system, which cultivates our future executives.

All UMCs start as in-store salespeople or store managers, acquiring basic management skills in the formulation of individual store sales plans, inventory management, human resources management, and other areas. Many earn positions as managers of larger stores or in our head offices, whether at home or abroad. Training is tailored to individual aptitudes and

aspirations, irrespective of age. By solving companywide issues not only at stores but also at head offices, as well as by overcoming obstacles in unfamiliar environments during international assignments, UMCs become managers with broad knowledge and astute perspectives capable of thriving on the global stage.

We are currently training roughly 500 executive candidates, most of whom started out as UMCs. Our global talent pool is deepening as our thoroughly trained executives nurture the next generation of managers, driving a virtuous talent cycle.

UMC Career Progression



Careers

Alessandro Dudech
UNIQLO, UK
COO

CAREER

2012 UMC (UK)
2014 STORE MANAGER (GERMANY)
2017 AREA MANAGER (UK)
2019 AREA MANAGER (ITALY)
2021 COO (ITALY)
2022 COO (UK)

Scan to watch interview

Nacharee Louvre Chiraphatcharawat
UNIQLO, THAILAND
CentralWorld store
STORE MANAGER
STORE OPERATIONS

CAREER

2017 UMC (THAILAND)
2018 STORE MANAGER (THAILAND)
2021 AREA MANAGER (THAILAND)
2022 STORE MANAGER (JAPAN)
2023 BLOCK LEADER (THAILAND)
2024 STORE MANAGER (THAILAND)

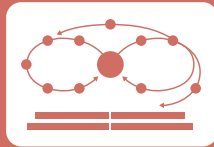
Scan to watch interview

Meaghan McDonald
UNIQLO, US
Galleria Dallas store
STORE MANAGER
STORE OPERATIONS

CAREER

2022 UMC (US)
2023 STORE MANAGER (US)

Scan to watch interview



Enhancing Corporate Governance

MATERIALITY 6

POINT



Our Approach

Improving Independence and Strengthening Surveillance

Fast Retailing's corporate statement is "Changing clothes. Changing conventional wisdom. Change the world." To become the world's best-loved No. 1 brand, we are determined to pursue business expansion and sustainability as one united effort. To achieve this aim, we have established an effective corporate governance structure.

Fast Retailing has an Audit & Supervisory Board, and to enhance the Board of Directors' independence and strengthen its surveillance ability, the majority of the Board's members are external directors. Our corporate officer system

is designed to split management decision making and business execution, facilitating efficient management and business implementation.

We have also established a variety of committees to complement the effective functioning of the Board (see p. 69). Each committee encourages effective, open debate and decision-making that fulfills its designated purpose and responsibilities. We have also established a Sustainability Committee to promote the integrated pursuit of business operations and sustainability.

External Director Interview

Offering Diverse Perspectives to Promote Growth

In FY2024, UNIQLO International sales accounted for approximately 55% of total sales, surpassing UNIQLO Japan and demonstrating remarkable growth. The key challenge going forward is developing a truly global business. The most urgent task is to train local hires and build systems that encourage local management. Fast Retailing nurtures talent with a deep understanding of its corporate culture and philosophy as well as the ability to manage operations effectively based on local information. These talented employees will train the next generation, creating a virtuous cycle. This would aid in Fast Retailing's pursuit of ¥10 trillion in sales.

The LifeWear concept of highly functional, comfortable, and durable clothing could be viewed as the ultimate promotion of sustainability. Our business features many advanced initiatives, such as developing a circular business model and building supply chains that protect human rights and healthy working environments. I am a member of the Sustainability Committee, which often debates the company's regulatory response. Fast Retailing aims to create leading sustainability models that others in the industry can emulate. Its many employees with specialized sustainability-related expertise encourage other employees to earnestly solve problems. That is a real strength. I will continue to provide advice and guidance on the necessary steps for becoming a leading company on the global stage.



KATHY MATSUI
(Kathy Mitsuko Koll)
External Director

Appointed November 2021. Worked as a partner and then Vice Chairperson at Goldman Sachs Japan Co., Ltd. Popularized the term "Womenomics" in 1999. Founded MPower Partners Fund L.P. in May 2021.

Board of Directors

Having a majority of external directors on the Board of Directors strengthens supervision of decision-making by the CEO and other executive officers. As former senior managers of global companies and leading specialists in fields such as M&A, financial management, D&I, and ESG, our external directors offer diverse, high-level expertise. They offer objective opinions that are reflected in important decisions. In FY2024, the Board discussed such topics as the approval of budgets, financial results, financial planning, and management policy. The Board convened 13 times in FY2024, all with 100% attendance. In FY2024, the annual survey of directors and Audit & Supervisory Board members regarding Board effectiveness pinpointed issues with when and how information is provided to external directors and the need to strengthen coordination between committees and the Board. We shared these survey results with all directors and Audit & Supervisory Board members and are considering specific improvements.

Audit & Supervisory Board

The Audit & Supervisory Board consists of five members, including three external members. Chaired by a standing member, this Board exhibits strong independence and information-gathering capabilities. External members are experts in law and public accounting. Members attend Board of Directors' meetings and monitor and verify the Board's decision-making and supervisory obligations. Members also audit the execution of director duties through regular hearings with directors, executive officers, employees, and Audit & Supervisory Board Members of subsidiaries. In FY2024, Audit & Supervisory Board discussions covered auditing policy and planning, explanations and reports from the Accounting Auditor, and the effectiveness of internal reporting.

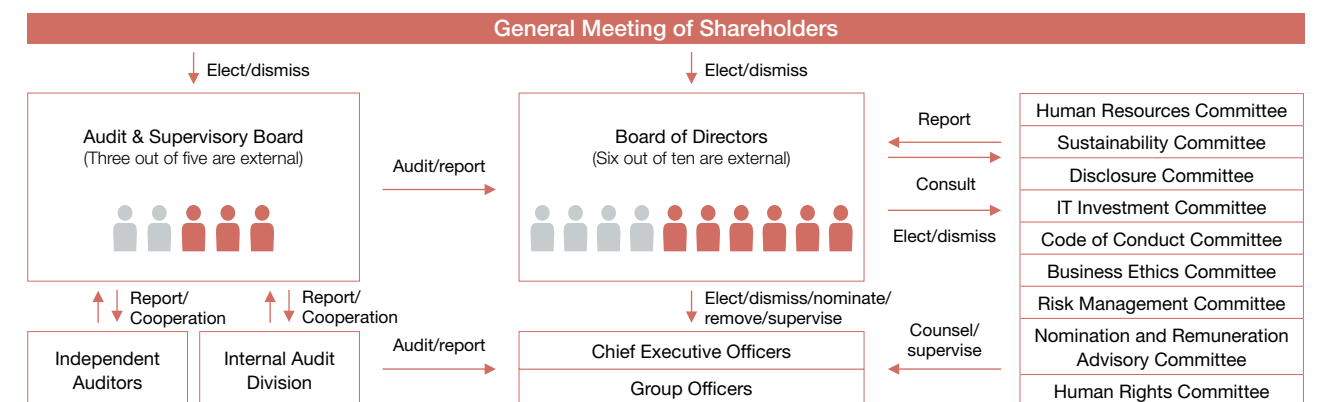
Scan for more information on Corporate Governance



Scan for more information on Committees



Corporate Governance at Fast Retailing (As of November 29, 2024)



Composition of Committees (As of 29 November, 2024)

●=Committee Member

		Human Resources Committee	Sustainability Committee	Disclosure Committee	IT Investment Committee	Code of Conduct Committee	Business Ethics Committee	Risk Management Committee	Nomination and Remuneration Advisory Committee	Human Rights Committee
Internal Director	Tadashi Yanai	Chairperson	●	●	Chairperson				●	
	Takeshi Okazaki	Observer	●	Chairperson	●			Chairperson		●
	Kazumi Yanai		●							
	Koji Yanai		Chairperson							
External Director	Nobumichi Hattori							●	●	
	Masaaki Shintaku	●			Observer				Chairperson	
	Naotake Ono								●	
	Kathy Mitsuko Koll		●						●	●
	Joji Kurumado								●	
Full-time Audit & Supervisory Board Member	Yutaka Kyoya	●							●	
	Masumi Mizusawa	●	●	Observer		●		Observer		●
	Tomohiro Tanaka		●	Observer	Observer		●	Observer		
External Audit & Supervisory Board Member	Keiko Kaneko	●				●				●
	Takao Kashitani						●		●	
Group Officers and Other External Professionals	Masakatsu Mori							Observer		
		3	7	3	4	6	8	9	0	8

Note: The head of the Sustainability Department chairs the Sustainability and the Business Ethics Committees, the head of the Legal Department chairs the Code of Conduct Committee, and an external expert chairs the Human Rights Committee. External Director and Audit & Supervisory Board Members offer opinions based on their individual areas of expertise.

Messages from Our Directors



Tadashi Yanai

Fulfilling Our Social Responsibility as a Global Company, Pursuing Continuous Improvement

The global economy does not have national borders, and global companies are expected to fulfill significant social responsibilities. Our mission is to make the world a better place through the clothing business while also expanding our business on a global scale. We will continue to deliver happiness and joy to people worldwide through LifeWear based on our corporate philosophy: "Changing clothes. Changing conventional wisdom. Change the world."

Appointed President and CEO in September 1984, and his current position of Chairman, President & CEO in September 2005. Main concurrent positions: Chairman & CEO of UNIQLO CO., LTD.; Director & Chairman of G.U. CO., LTD.; Director of LINK THEORY JAPAN CO., LTD.; External Director at Nippon Venture Capital Co., Ltd.



Naotake Ono

External Director
Independent Director

Awareness on the Ground to Build a Better Company

Our Board is well-balanced and boasts members with diverse business backgrounds. Everyone exchanges lively opinions and Mr. Yanai is always open to ideas. During my career as a senior manager, I learned that a company's frontline operations were paramount. I make casual visits to stores and listen to customer opinions. I also propose management improvements gleaned from my experiences as an individual consumer.

Appointed November 2018. Formerly Director, Senior Managing Executive Officer, Executive Vice President, President & COO, and Special Advisor to Daiwa House Industry Co., Ltd. Currently, Part-time Director of Nomura Management School Foundation and Special Advisor at Asai Ken Architectural Research Inc. and Patience Capital Group k.k.



Nobumichi Hattori

External Director
Independent Director

Conducting Solid Global Risk Management, Advising on Increasing Shareholder Value

Fast Retailing is expected to enjoy strong growth into the future. To help fulfill those expectations, I intend to ensure solid global risk management and offer advice from a broad range of viewpoints. I offer expertise on capital markets, and going forward, I will continue to judge Fast Retailing's corporate value objectively from a capital markets perspective and advise on the best measures for increasing shareholder value.

Appointed November 2005. Formerly worked at Goldman Sachs. Currently a research specialist in M&A and corporate value evaluation. Also serves as Visiting Professor at Waseda Graduate School of Business and Finance, and at Keio University Graduate School of Business Administration; External Director at Hakuhold DY Holdings Inc.; External Director at AIN HOLDINGS INC.



Kathy Matsui (Kathy Mitsuko Koll)

External Director
Independent Director

Promoting Diversity as a Growth Driver, Helping Fuel Business Expansion

Fast Retailing is accelerating the development of global operations, and it will enjoy greater growth potential if it encourages employees from diverse backgrounds to take on more active roles. My task as a female, foreign-national external director is to advise on optimizing this potential. I draw on my experience in a securities company to help promote further growth and highlight capital markets and governance perspectives.

Appointed November 2021. Worked as a partner and then Vice President at Goldman Sachs Japan Co., Ltd. Currently serves as Councilor of the Fast Retailing Foundation and General Partner of MPower Partners Fund L.P.



Masaaki Shintaku

External Director
Independent Director

Promoting Next-stage Growth and Digital Consumer Retail Company

Fast Retailing is transforming into a digital consumer retail company by investing efficiently in the area of IT and accelerating internal efforts to convert analyzed data into knowledge. It is also earning greater recognition as a company that successfully employs technology from a social perspective. Fast Retailing is attracting talented IT employees to build frameworks for next-stage growth. I will support this process as an external director.

Appointed November 2009. Previously Executive Vice President of Oracle Corp. (US) and Chairman of Oracle Corp. (Japan). Currently External Director of NTT DOCOMO, INC., NTT Communications Corporation and Member of External Audit Committee, Juntendo University School of Medicine Juntendo Clinic.



Joji Kurumado

External Director
Independent Director

Envisioning the Ideal Future Society, Supporting Innovation

I intend to use my experience and expertise in construction to offer better proposals and advice on the building of sustainable next-generation stores that will meet future standards. That means envisioning the ideal future societal structure and determinedly balancing profit and sustainability, all while pursuing necessary steps based on future scenarios. As an external director, I want to support this kind of innovation at Fast Retailing.

Appointed November 2022. In January 1982, received Japanese First-class Architect certification. Served as General Manager of Design Division, Executive Officer of Design Division, Managing Executive Officer, and Advisor at Takenaka Corporation. Currently, Adjunct and Part-time teacher, Department of Architecture, School of Creative Science and Engineering, Waseda University and Executive Advisor, Pacific Century Hotel Co., Ltd.

Messages from Our Directors



Yutaka Kyoya

External Director

Independent Director

Balancing Challenges and Risk Management, Improving Corporate Value

I spent many years in the food industry, so the idea of LifeWear as a daily necessity resonates with me. I draw on the international management knowledge I acquired during postings to the USA and elsewhere in Asia. I want to help improve medium-to long-term corporate value at Fast Retailing, while also balancing the importance of new challenges with increasingly diverse global risks.

Appointed November 2022. Formerly Director at Lawson, Inc., and Division COO of Foods (Commodity) Division and Executive Vice President & Group CEO, Consumer Industry Group, Mitsubishi Corporation. Currently Representative Director, President, and CSO, Mitsubishi Shokuhin Co., Ltd.



Takeshi Okazaki

Affinity for LifeWear is growing worldwide. We are enhancing our organizational capabilities as a global digital consumer retail company to meet these expectations and sustainably create fresh demand. We will increase our corporate value by maintaining high ROE and promoting sustainable high growth through low-cost management and active investment in the following areas: human resources, R&D, IT, store openings, supply chains, sustainability, branding, and more.

Appointed November 2018. Worked at the Long-Term Credit Bank of Japan and as a partner at McKinsey & Company. Joined Fast Retailing in August 2011. Main current positions: Director, UNIQLO CO., LTD, G.U. CO. LTD.; Group Senior Executive Officer & CFO, Fast Retailing Co., Ltd. and Representative Director, PLST CO., LTD.



Kazumi Yanai

Fast Retailing truly wants to make the world a better place through business, so we must mobilize our global talent and resources to make our company even stronger. We should also value “truth, goodness, and beauty” in all business activities, and pursue global best practices to grow our business. As a member of the founding family and as a director, I work to help make that happen.

Appointed November 2018. Joined Fast Retailing in September 2009 after working at Goldman Sachs Group, Inc. and Theory LLC. Main positions: Chairman, Theory LLC and UNIQLO USA LLC, Chairman, President and CEO, LINK THEORY JAPAN CO., LTD. and Group Senior Executive Officer, Fast Retailing Co., Ltd.



Koji Yanai

In recent years, the market environment has grown increasingly complex as lines between different industries blur. Now more than ever, we must clarify the ideal role for a company as a public entity with strong social responsibilities. It is my duty to accurately grasp changes in our business environment and customer needs, consistently promote corporate growth, and help fulfill our social responsibilities through business.

Appointed in November 2018. Joined Fast Retailing in September 2012 after working at Mitsubishi Corporation's food subsidiary Princes Limited, UK. Currently Group Senior Executive Officer, Fast Retailing Co., Ltd.

Audit & Supervisory Board Members



Keiko Kaneko

External Audit & Supervisory Board Member

Independent Director

Companies with global operations often face unexpected challenges. As an external Audit & Supervisory Board Member, I take my function of supporting corporate growth seriously and also offer risk-mitigating advice from multiple angles. I will continue to do my utmost to build solid systems for the company from a fair and objective standpoint.

Appointed November 2012. Partner at Anderson Mori & Tomotsune LPC; Statutory Auditor at UNIQLO CO., LTD.; External Statutory Auditor at The Asahi Shimbun Company and External Director at Daifuku Co., Ltd.



Takao Kashitani

External Audit & Supervisory Board Member

Independent Director

The stronger the opinion, the more attentively Mr. Yanai listens, so auditors and directors can always conduct open-minded discussions. With over 30 years' experience as a corporate restructuring consultant, accountant, and tax expert, I can advise on these matters and also offer suggestions on various issues that go beyond my external auditor remit.

Appointed November 2018. Director of Brain Group (Kashitani Accounting Office); President of Brain Core Co., Ltd. and of FP Brain Co., Ltd.; External Director at Japan Freight Railway Company.



Masakatsu Mori

External Audit & Supervisory Board Member

Independent Director

The mission of the Audit & Supervisory Board is to carefully monitor appropriate decision-making processes, ascertain any risks that might hinder intended business plans, and check whether internal controls are in place. Fast Retailing is expanding rapidly in global markets, and I use my experience in global corporate management to help promote sustainable growth.

Appointed November 2020. Currently serves as Special Advisor to the International University of Japan, and External Director at Stanley Electric Co., Ltd. and Kirin Holdings Company.



Masumi Mizusawa

Full-time Audit & Supervisory Board Member

Appointed November 2019. Joined Fast Retailing in October 2001 (served as General Manager of Investor Relations, Global Corporate Management and Control). Audit & Supervisory Board Member at LINK THEORY JAPAN CO., LTD.



Tomohiro Tanaka

Full-time Audit & Supervisory Board Member

Appointed November 2023. Joined in July 2018. Worked as Consolidated Accounting Manager of Global Corporate Management and Control, CFO of UNIQLO Taiwan LLC. Audit & Supervisory Board Member, Fast Retailing (China) Trading Co., Ltd. and 4 subsidiaries of the Company, Auditor of FR Health Insurance Organization.