

■ California Transparency in Supply Chains Act (SB 657) and UK Modern Slavery Act of 2015

■ Statement From the Fast Retailing Group and Group Companies (Fast Retailing)

The Fast Retailing mission is 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.

The concept of truly great clothing includes conducting ourselves in good faith, respecting human rights, and respecting the environment across all business activities. This statement is intended to communicate the steps that Fast Retailing has taken during the fiscal year ended August 31, 2021 in accordance with the California Transparency in Supply Chains Act (SB 657) and UK Modern Slavery Act of 2015. Fast Retailing is committed to taking actions to eliminate slave labor and human trafficking from our supply chain and our own businesses.

■ The Fast Retailing Business and Supply Chain

Fast Retailing is an apparel manufacturing and retail group with global operations, mainly conducted through our UNIQLO casual wear brand. UNIQLO products are manufactured mainly in China, Vietnam, Indonesia, Bangladesh, and India where our production offices are located. We strive to build strong relationships with production partners in each country to foster workplaces that protect the health and safety of workers, respecting human rights and other rights guaranteed by law for all people involved in the production of our raw materials and garments.

■ Policies to Prevent Forced Labor and Human Trafficking

We have published our commitment to safeguarding human rights in the supply chain in our Human Rights Policy.

Related Links

[PDF](#) [Fast Retailing Group Human Rights Policy \(144KB\)](#)

► [Human Rights and Working Environments in Our Supply Chain](#)

In keeping with our mission, we perform due diligence throughout our supply chain to identify human trafficking, slave labor, or other human rights issues, and ensure that our products are manufactured ethically within the whole process. To remain abreast of the latest knowledge and information related to these issues, we seek out the opinions of audit firms, consultants, and other industry experts. At the same time, we regularly review materials published by groups engaged in human rights issues.

We created the Code of Conduct for Production Partners to reflect our commitment to ethical business activities and principles of respect for human rights. This Code of Conduct prohibits the use of child labor, forced labor, human trafficking, oppression, or harassment. We also require all business partners comply with related laws and statutes. Our partner factories are obligated to honor this Code of Conduct, pledging their compliance.

Related Links

[PDF](#) [Fast Retailing Group Code of Conduct for Production Partners \(225KB\)](#)

In February 2019, Fast Retailing committed to Responsible Recruitment as defined by the Fair Labor Association (FLA) and the American Apparel & Footwear Association (AAFA) in October 2018. This means that Fast Retailing is working with its global partner factories to create conditions so that:

- No workers pay for their jobs
- Workers retain control of their travel documents and have full freedom of movement
- All migrant workers are informed of the basic terms of their employment before leaving home.

Related Links

- ▶ [American Apparel & Footwear Association](#)
- ▶ [Responsible Purchasing](#)

■ Workplace Monitoring

Through our workplace monitoring program we regularly assess whether our production partners are compliant with our Code of Conduct for Production Partners. The Code of Conduct includes setting up a grievance mechanism (hotlines, etc.) as a mandatory requirement. When issues are found in workplace monitoring, we require our production partners to take corrective actions and rectify labor condition management systems. Fast Retailing is most concerned with identifying the true underlying issue, working on an ongoing basis with partners to rectify any problems. If factories are unable to correct Code of Conduct violations, we escalate these matters to the Fast Retailing Business Ethics Committee, which conducts a review including the management and employment situation of the production partner in question. The Committee then determines the termination of or change to the business relationship.

We established a hotline that provides a direct and anonymous channel for employees and employee representatives at key sewing factories and fabric mills to contact us without fear of retaliation from their employer.

We require the partner signatories to our Code of Conduct for Production Partners to cascade its rules upstream to any of its own suppliers involved in a process within our supply chain. To strengthen human rights due diligence and prevent risk of human rights violation within our entire supply chain, we are expanding the scope of labor condition monitoring to spinning mills and other upstream processes, through to raw material stage. We are also working to improve traceability and to objectively assess working environments across the entire supply chain, up to raw materials level, through site visits by Fast Retailing personnel, audits by external institutions, and third-party certifications.

■ Transparency

To increase the transparency of our entire supply chain and improve labor conditions, human rights and environmental protection, Fast Retailing has been publishing and updating annually a list of our core sewing factories since 2017. We have been increasing the mapping and traceability of our supply chain, also publishing a list of UNIQLO core fabric mills in 2018. In 2021, we began publishing a list of fabric mills that have been producing materials for GU products continuously, as well as a list of the factories that core sewing factories outsource some processes to, such as washing and printing.

Related Links

- ▶ [Production Partners List](#)

■ Training and Capacity Building

We provide training and guidance to employees and managers responsible for procuring goods and materials on the outcome of our workplace monitoring. We also provide training to raise awareness of the importance of human rights and the environment in the supply chain. Our partner factories receive similar training on a regular

basis.

See the Fast Retailing corporate website for more details.

►<http://www.fastretailing.com/eng/sustainability/>

The entities covered by this statement include, among others, UNIQLO EUROPE LTD, a wholly-owned subsidiary of Fast Retailing Co., Ltd. and a company doing business in the United Kingdom.

This statement was approved by the board of directors of Fast Retailing Co., Ltd. on December 16, 2021 and signed on its behalf by:

Tadashi Yanai
Chairman, President and CEO
Fast Retailing Co., Ltd.

December 16, 2021