Partners in Quality

The Fast Retailing Group’s goal is to make clothing in line with the world’s highest standards, but the production of top-quality apparel is only one aspect of its efforts to meet customer expectations. The company’s commitment to quality is about more than just the physical attributes of each product. It also encompasses the value in creating apparel according to standardized processes with trustworthy partners in safe, comfortable working environments. FR will continue to grow with production partners who share its ideals throughout the world via a wide range of socially responsible initiatives.
Global Strategy
The World’s Highest Quality Standards

For Fast Retailing, the production of clothing in accordance with the world’s highest standards involves developing innovative materials and directly controlling all aspects of the manufacturing process, from the procurement of fabric to production and delivery. FR also believes that all of its production processes should be sustainable and supported by a framework that promotes continual improvement. These points are key to FR’s efforts to achieve its quality-related objectives.

The company’s partnerships are based on an understanding that both sides will work together to ensure future business growth. FR shoulders an enourmous responsibility by forging such partnerships. Poor final product sales, for example, can compromise FR’s ability to ensure a steady stream of future orders. This can seriously affect FR’s production partners, regardless of the strength of their business relationship. High-quality relationships must therefore be built on a foundation of trust, so partners become so closely knit that they eventually appear to be a single company.

FR aims to maintain the quality of its core business processes, because inefficiency can undermine the effectiveness of all business processes, including efforts to cut costs and ensure quality control, regardless of the nature of the partnerships and working environments in the factories. Ultimately, inefficiencies negatively affect product quality and the growth of FR’s partners. Highly refined and efficient operations are therefore key to meeting the expectations of society and FR’s customers.

These factors must exist for FR to ensure the world’s highest quality standards for clothing. Based on strong, trusting relationships, FR continually tries to meet the needs of its customers by adhering to proper business processes and practices. FR will continue to provide high-quality clothing and change society for the better by working with companies and managers that already share its belief in the importance of appropriate business conduct. The company is determined to continue to form relationships that are based on a core philosophy, rather than solely focusing on business transactions.

FR always produces clothing under socially acceptable working conditions, with an emphasis on minimizing its impact on the environment. This involves maintaining a compassionate approach to animal welfare when sourcing raw materials, ensuring that factories are safe and comfortable for workers, and utilizing processes that have a low environmental impact. Societies allow companies to exist, which is why firms must always do business in a responsible manner. FR also believes that companies should actively contribute to society, while engaging in business activities that are beneficial to all.

The quality of business relationships hinge on the ties that companies maintain with each production site, and this is one of FR’s core strengths. Major apparel companies throughout the world typically produce clothing through networks of several hundred partner factories to more than a thousand manufacturers. UNIQLO, the FR Group’s core brand, maintains production relationships with roughly 70 partner factories. These facilities produce more than 600 million items of clothing per year. FR only produces clothing with companies that share its long-term vision.

Making Clothing According to the World’s Highest Quality Standards

Quality Partnerships
Solid business relationships that support ongoing, mutual growth

Quality Business Processes
Highly refined and efficient methods

Quality Products that Consumers Want
Products that meet societal expectations and standards

Fast Retailing’s Shanghai Production Center

Fast Retailing concentrated its production department and R&D division in Shanghai in September 2011 to be able to forge closer ties with its manufacturing partners in China and other countries throughout Asia, and thereby accelerating product development and improving product quality. This organizational decision has turned Shanghai into FR’s primary development hub, from the procurement of materials to the design stage, ordering and management of the production process. This set-up has substantially improved the FR Group’s operational efficiency.

“The biggest advantage is that we can now hold discussions with actual samples right in front of us,” says Shanghai Office Manager Shigeru Ikeda. “We are able to visit our partner factories more frequently, and this has given us and our partners a better understanding of the real issues involved, so we can identify matters that need to be addressed. This has contributed to significant improvements in all areas, from quality to delivery periods and production adjustments. The production engineers we have on staff are now able to help us make the highest quality clothing in the world.”

The main challenge going forward is to establish consistently high quality standards for high-volume products. This will be challenging because FR’s production operations are spread throughout the world, beyond China. The company aims to understand how best to ensure the quality of materials and secondary materials in every market in which it operates. At the same time FR will address the differences in procurement from country to country, the varying skill levels of factory employees and cultural differences. FR Group brand UNIQLO actively addresses such issues by relying on “talents,” as its highly skilled and experienced seeing experts are known in Japanese (please refer to page 18). UNIQLO has also merged its production operations in Shanghai to help it achieve its goal of creating the high-quality clothing in the world, in line with the global apparel industry’s strictest standards.
Fast Retailing’s Partner Factories: Competing on Quality

The Chenfeng Group, a leading Chinese apparel manufacturer, employs about 8,000 people across eight factories. It produces more than 40 million articles of clothing per year and is one of Fast Retailing’s core partners. The two sides established their relationship 15 years ago, when both companies were still just getting started. FR and the Chenfeng Group share a determination to create clothing that exceeds the global apparel industry’s highest standards.

Solid Partnerships, High Standards

The Chenfeng Group’s primary production base is a factory complex spanning 220,000 square meters in the city of Jintan, Jiangsu Province, near Shanghai. The facility features dozens of neatly arranged production lines and spacious work areas, with more than 1,000 employees in each building. The staff use computers to manage every aspect of the production process, from material control to cutting, while management teams monitor key production processes such as sewing, pressing and folding on the factory floor. The Chenfeng Group and UNIQLO share a desire to focus on the essence of manufacturing issues. Signs bearing the word “kaizen,” a Japanese business term that loosely translates as “continuous improvement,” are prominently displayed at each production line. This serves as a reminder to all employees to continually look for ways to improve operations and make a range of processes more efficient. The Chenfeng Group’s main sewing factory is currently one of the most highly regarded production facilities in China’s extremely competitive apparel industry, in terms of production volume and quality.

“Our partnership with UNIQLO has played a major role in helping us grow from a small sewing factory into what we have become today,” says Chenfeng Group CEO Yin Guoxin. “We started by changing our approach to product quality control. We initiated three measures, starting with an analysis of every process. Then we identified product-related problems, to determine the causes of problems, produce improvement plans and implement controls. Thirdly, we started raising awareness about quality.” Prior to the establishment of its partnership with UNIQLO, the Chenfeng Group struggled to stabilize its operations, mainly because it only tracked product defect rates in those days. “Our inspections did not cover every product. That is when everyone in the company started to understand that quality comes down to every person and process,” Yin says. “We ensure quality through final inspections, by taking a close look at every aspect of the finished product. We have adopted a comprehensive approach, under which we approve each product before sending it to the next stage in the process. We then verify those items again before we start the next stage of the process. Of course, changing employee awareness and improving factory productivity takes time and money. We also needed to invest in new machinery and efforts to acquire new technologies.”

The Chenfeng Group is actively trying to improve product quality, in line with its goal to produce clothing according to the global apparel industry’s highest standards – an aim it shares with UNIQLO. This strategic approach places paramount importance on daily operations on the factory floor. “UNIQLO’s meticulous production planning provides stability to our manufacturing operations,” says Yin. “Combining this with our enhanced factory technology will result in greater efficiency for both of us. We are on the factory floor nearly every day with UNIQLO’s production department supervisor and takumi expert. They help us find answers to problems that pop up. And that is normal procedure at UNIQLO. When problems arise, we immediately deal with them. We are able to grow by fixing problems one by one.”

When Wu Yafeng, a production supervisor in UNIQLO’s Production department, visits the factory site to investigate problems, managers from all of the production lines gather to discuss the causes of problems and potential solutions. “It is important to create an environment that is beneficial for both companies,” says Wu. “Asking factories to inspect every item is easy and definitely contributes to the quality of UNIQLO products. But the risk burden is then completely on the factory. We work together to create a quality control framework that anticipates and resolves problems. We have to work as a team. The factory is a family that makes quality products.”

Of course, things do not always proceed as planned. “When I first became a UNIQLO manager, I told a Chenfeng factory manager about a potential sewing process issue, but he told me that he did not want to change anything because the factory had always done it that way,” says Wu. “The takumi expert and I thought about how to help this particular manager understand our point of view, so we decided to do the sewing ourselves to show him. He saw the problem and immediately revised the process in question. Good relationships are made by sharing useful and helpful ideas that produce better results.”

Employee and Factory Growth

All employees try to improve their skills and grow with the factory, because the Chenfeng Group works hard to create a great working environment for everyone. This is embodied in one of Yin’s core policies, which basically states that “employees are family.” “It is really important to control the number of hours that factory employees work, for the sake of both the health of our employees and the quality of the products. And we pay the highest wages in the industry,” says Yin. “I forbid employees from calling me ‘boss.’ A factory does not belong to just one person. Also, I do not want them to simply work for money. I want them to feel like they are part of a family, so they actually want to develop their skills and evolve with the factory.”

A signboard at the factory lists the number for a 24-hour telephone hotline that employees can call to discuss any problems or concerns they might have. The sign also lists other phone numbers, including those for Yin, the factory manager and local government officials. “I do not receive many phone calls anymore,” says Yin. “But about 10 years ago, when we first put the numbers up, the phone was ringing constantly. For example, one employee called to tell me that the factory manager had become extremely angry with him. He complained that it did not make sense and said that the pressure was becoming too much for him to handle. From that day on, I was always quick to get the managers together to resolve all issues.”

Yin’s concern for his employees and the importance that he places on the UNIQLO partnership relationship will be key to achieving his dream of becoming the best garment manufacturer in the world. “UNIQLO’s dream is to be the best in the world, and I want Chenfeng to provide the best quality in the world,” he says. “I want to make this dream a reality.”

Fast Retailing’s greatest strength is partners like the Chenfeng Group who are dedicated to encouraging friendly competition aimed at mutual growth.

Yin Guoxin
CEO
Chenfeng Group Co., Ltd.

Wu Yafeng
Supervisor
Fabric Production Team, Production Department
Chenfeng Group
Union Industrial Co., Ltd.
UNIQLO’s Commitment to the Highest Standards

Although PT Pan Brothers Tbk is a relatively new UNIQLO partner, it is a major apparel maker in Indonesia, with 16 factories and 21,000 employees. “We have worked with various global brands for many years, but UNIQLO is the first Japanese brand with which we have done business,” says Pan Brothers CEO Ludjianto Setijo. “We were surprised at the level of quality that UNIQLO requires. Its acceptable product defect rate is three times stricter than other global brands. UNIQLO also has a policy, practically unheard of in the industry, to inspect every single item. The truth is, we had thought that UNIQLO would be a very strict partner, but we were impressed by the earnestness and care that it showed. Several months before starting production, it helped us to prepare, and we decided to believe in the partnership and our united long-term vision.”

Pan Brothers Vice President Director Anna Patricia Sutanto says the company needed to rethink its production approach to meet UNIQLO’s high quality standards. “When we first learned of UNIQLO’s standards and processes, we were worried that we would not be able to meet them,” she says. “The first three months were harder than we ever could have imagined. But as we progressed and started seeing results, we started to believe that the ‘impossible’ could become ‘possible’.”

UNIQLO Partner Aims to Establish Asia’s Biggest Clothing Production Base

UNIQLO and Pan Brothers have joined forces to establish what could become the largest apparel production base in Asia. Pan Brothers recently started production at a new garment factory in the suburbs of Bojo, one of Indonesia’s largest cities, raising its total monthly production capacity from 500,000 items to 1 million. “The next issue we face in our expansion efforts is the procurement of materials and secondary materials,” says Setijo. “We also need to secure quality materials in the right volumes and ensure that the factories receive a steady supply, so we can continue to steadily produce large volumes and maintain our desired quality levels.” Setijo says that Indonesia is different from China, where most materials can be obtained domestically. “Supplies in Indonesia are not stable, because most of the materials and secondary materials need to be imported from outside the country,” Setijo says. “We want to work with UNIQLO to fortify our upstream supply chain by forging and strengthening partnerships with suppliers. Human resources is another area of focus. Indonesia has an abundant work force, but we will need to help people to develop technical skills. The percentage of managers and inspectors we have in staff is still high compared to the number of sewing operators we employ. Therefore we will need to provide training to raise the percentage of sewing operators in the company, while maintaining high quality levels.”

Sutanto believes that there are many other areas in which the company can learn from its partnership with UNIQLO. “I have been deeply impressed by the teamwork among workers in Japan. I like that they use the company’s method for sorting and straightening up. They engage in systematic cleaning, while setting standards, disciplining staff and enforcing workplace safety guidelines. I think there are many areas in which we can learn and improve.” Employment regulations and compliance response will also be important. Sutanto says, “At our headquarters, we coordinate and create our standards so they match overseas standards. And the Personnel departments across all of our operating regions ensure that the factories follow our standards and comply with local labor laws and regulations. We believe that this approach will help us to maintain personnel and improve product quality.” Tsujimoto shares the Pan Brothers’ belief that the partnership will help both companies grow together. “Production in Indonesia is now centered on woven fabric,” he says. “But we hope to manufacture full product lines in the near future. We would like the whole process, from the procurement of materials to sewing, to be completed in Indonesia. I would like to make it a production base that could rival China.”
Fast Retailing and its production partners must work with each other closely to monitor operations and maintain the world’s highest quality standards. FR starts its monitoring and other collaborative efforts with factories to help establish appropriate working environments, while raising productivity and product quality, improving employee satisfaction and creating cycles that generate value for the company and the regions in which it operates.

Effective Monitoring and Guidance for Improvement

Fast Retailing monitors the working environments at all its primary partner factories based on its Code of Conduct for Production Partners, which was established in 2004 (for more details, please refer to page 19). Specialized external organizations also help to monitor manufacturing operations to ensure that prohibitions on child labor or forced labor are upheld and working environments are safe, in addition to other conditions that must be met. FR Group employees implement appropriate measures based on the findings of these monitoring initiatives. Please refer to page 17 for the results of the FR Group’s monitoring efforts up to the end of August 2012. In fiscal 2012, 13 “Grade E” incidents (serious, highly unethical offenses that are subject to immediate but not immediate or reviewed) were reported. They included five false reporting incidents, three cases of child labor, and five instances in which required improvements were not completed within a specified period of time. The FR Group’s Business Ethics Committee (for further details, please refer to page 19) reviewed each incident and implemented response measures. Follow-up monitoring efforts also led to one incident being dealt with appropriately. Four more resulted in the cancellation of business agreements. At the end of August 2012, the number of factories with “Grade E” evaluations had been reduced to eight production sites.

FR’s production structure, including its CSR activities, features a controlled number of business partners to address issues in an integrated manner; so improvement measures can be mutually developed and implemented. When addressing the need to improve working environments and other factory issues, FR believes that it is a shared responsibility to resolve immediate issues while also addressing fundamental, underlying issues and building relationships of trust with factories. FR employees directly visit factories that require improvement to provide guidance. In China, the company has started providing training workshops to focus on specific issues, as well as additional sessions for other companies that own partner factories. The company is aiming to promote deeper understanding of its standards, so it can deal with underlying problems and provide guidance. FR is also working to help strengthen the capabilities of its factory management teams, as managers from its partner factories who oversee CSR issues create in-house auditing systems.

In addition the company is also enhancing the effectiveness of its monitoring efforts by conducting reviews and evaluations with NGOs and other third-party organizations and by improving the problem-solving abilities of its partner factories.

Monitoring

Quality Products, Added Value

Fast Retailing Group Workplace Monitoring Results (to the end of August 2012)

<table>
<thead>
<tr>
<th>Grade</th>
<th>Description</th>
<th>Fiscal 2010</th>
<th>Fiscal 2011</th>
<th>Fiscal 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>No violations</td>
<td>10 (6)</td>
<td>9 (6)</td>
<td>9 (8)</td>
</tr>
<tr>
<td>B</td>
<td>One or more minor violations</td>
<td>52 (52)</td>
<td>66 (51)</td>
<td>67 (59)</td>
</tr>
<tr>
<td>C</td>
<td>One or more major violations</td>
<td>56 (30)</td>
<td>91 (51)</td>
<td>69 (51)</td>
</tr>
<tr>
<td>D</td>
<td>One or more severe violations</td>
<td>25 (19)</td>
<td>19 (19)</td>
<td>26 (34)</td>
</tr>
<tr>
<td>E</td>
<td>Highly unethical; serious offense subject to immediate review of contract</td>
<td>2 (0)</td>
<td>0 (6)</td>
<td>0 (7)</td>
</tr>
</tbody>
</table>

- Workplace monitoring efforts were implemented at 239 factories in fiscal 2012.
- The increase in the number of “Grade E” evaluations was largely due to unfavorable assessments for factories associated with new business contracts.
- Fast Retailing is quickly addressing this situation by implementing more comprehensive improvement guidelines after the pre-contract monitoring stage, training workshops and other measures.
- Fast Retailing attempts to reverse the increase in “Grade E” evaluations by raising awareness of its preventive measures and standards through a range of measures.
- These steps include providing more opportunities to communicate and participate in training workshops and other meetings. The measures also include more frequent factory visits.

Improvements Based on Monitoring Efforts, Fiscal 2012

- Monitoring Working Hours (China)

All one partner factory in China, delivery receipt reports indicated that a number of employees had worked on some Sundays, even though no working hours appeared in the work attendance records. In addition, Sunday is supposed to be a day off for all employees at the factory. The factory was understaffed. The FR Group proposed restating the policy that factories must provide every employee with a minimum of one day off per week. Follow-up monitoring efforts confirmed that the improvements had been implemented.

- Wage Calculation Methods (Vietnam)

Monitoring efforts at one partner factory in Vietnam revealed that the factory employees working during standard one-month probation periods at one factory in China were not paid for legal holidays, despite laws requiring that they be compensated. FR staff showed the factory how to operate according to company guidelines. Follow-up monitoring efforts confirmed that the improvements had been implemented.

- Handing of Chemical Substances from New Processes (China)

Standard operating procedures for handing chemical substances were not followed as required by law at a partner factory in China. FR employees told the factory managers about the importance of ensuring full compliance with laws and regulations when taking on new production processes. FR dealt with the situation and verified its findings in an improvement report, including inspection results submitted by the factory.

Serious Offenses, Fiscal 2012 (Grade E)

- Child Labor (China)

FR employees identified an incident of child labor at a factory in China in October 2011, when it was discovered that an underage girl, born in December 1995, was working at the site. Chinese law prohibits companies from hiring anyone under the age of 16. The employee was 15 years old at the time and had used her older sister’s ID card when she was hired. The factory’s General Accounting Department verified the authenticity of the ID card at the hiring interview, but did not notice that the card was not the applicant’s, due to the similarity in the sister’s facial features. FR employees visited the factory and confirmed that it had stopped employing the girl. The FR Group ensured that she was paid for the hours that she had worked, as well as the regular wage that she would have earned at the factory that she had not been dishonored for her age until then. FR found that the factory had created for each of the factory’s employees, FR recognizes that this error occurred despite the factory’s efforts to follow proper hiring procedures, but due to serious nature of the incident, it reduced the volume of business it did with the facility.

- False Reporting (China)

An interview with employees at one partner factory in China, conducted as part of FR’s regular monitoring activities, uncovered a discrepancy in the factory’s recorded working hours. The records and pay statements indicated that a number of employees had been paid for four hours of work on a Saturday, but four of those individuals told FR staff that they actually worked eight hours on that day. FR employees rechecked the factory and discovered that during the monitoring period, the factory’s personnel administrator had recorded pay records that only showed a portion of the total hours worked, so the reported hours would fall within the statutory limits for overtime work. FR found evidence that the unreported hours had been recorded by hand and that the appropriate overtime compensation had been paid. This was a particularly serious incident, as it involved the extremely unethical falsification of data, so FR implemented measures to cease its business ties with the factory.

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Quality and Safety Control Systems

Fast Retailing maintains a thorough quality and safety control system as a key part of its efforts to provide truly great clothing. The company embraces the rule of law and upholds fairness while requiring all of its employees and business partners to act fairly.

Strict Guidelines

The UNIQLO Global Quality and Safety Standards is based on the strictest regulations in the country in which each UNIQLO operates, including Japan, Europe, the United States, and a number of countries throughout Asia. The standards are set by the company’s Quality Establishment Committee, which is headed by the officer in charge of production. Managers from UNIQLO’s Production department use the knowledge and experience of takumi textile experts to work with partner factories to ensure that all products fully comply with the company’s standards. FR then shares this information with relevant departments, and the Customer Care for Product Quality Team responds to customer inquiries.

UNIQLO’s Quality and Safety Control System

In addition, FR’s overseas production offices in Vietnam, Bangladesh, Indonesia and the Chinese cities of Shanghai and Shenzhen receive monthly feedback from the “Customer Comment and Request” reports from the Customer Satisfaction department and “Customer Submitted Proposals” from the Customer Care for Product Quality Team. FR uses the contents of these reports to come up with improvements and action proposals in the “Case Studies on Abnormal Values” (Improvement Proposals for Specific Quality-Related Issues) report. This ensures that all of FR’s business sites develop uniformly, while ensuring that managers know about every product and continually promote quality improvements.

Takumi System

Since 2000, UNIQLO has dispatched takumi textile experts with extensive experience in Japan’s internationally-renowned textile industry to all of its partner factories. This is done to provide technical guidance, help with process management and assist in the training of personnel. A total of 35 takumi experts specializing in fabric and sewing are currently on assignment in China and other markets in which the FR Group has production sites.

Third-Party Inspections

All of the materials that UNIQLO uses are subject to safety inspections by accredited third-party inspection agencies, including sampling tests to assess dye-fastness. Tests are also conducted for residual formaldehyde, to ensure that items do not contain formaldehyde, a potential skin irritant that is sometimes used in small amounts as a softer to prevent shrinking and wrinkling when processing natural fibers. UNIQLO also conducts pre-production inspections on products that will be manufactured in high volumes, to ensure compliance with safety standards and pre-shipment examinations of all products before they leave the factories, such as specific checks for needles and dangerous objects. These pre-shipment audits are conducted by third-party entities to confirm that partner factories have been following official management procedures. Fast Retailing additionally inspects products at the warehouses before distribution to stores and third-party agencies conducting sampling inspections to further reinforce the company’s quality and safety control system.

Voluntary Product Recalls

Fast Retailing makes every effort to ensure the quality of the products that it offers to customers. The company maintains a system for its local business offices and corporate headquarters to verify the circumferences of defects found by customers. This system helps the company to quickly identify the factory in which a product was made.

In fiscal 2012, FR Group brand g.u. voluntarily implemented three product recalls due to defective items or labeling errors. Comptoir des Cotonniers, another FR Group brand, conducted one voluntary product recall in 2012, due to a defect in the product’s protective function and implemented recurrence-prevention measures, including assigning in-house Quality and Safety Control Managers to deal with issues of concern and further strengthening product quality and safety to restore customer trust.

Code of Conduct for Production Partners

FR regularly verifies that its products are being manufactured under appropriate working conditions in factories that do not employ children or engage in forced labor. The company constantly tries to improve working conditions and regularly discloses information in a transparent manner. FR established its Code of Conduct for Production Partners in fiscal 2004, based on the conventions and recommendations of the International Labour Organization under the United Nations. These guidelines forbid child labor and set rules for overtime working hours and other issues related to factory working conditions. External specialist agencies, meanwhile, help the FR Group to monitor working environments and other matters at partner sewing factories that have endorsed the Code of Conduct for Production Partners.

Key Guidelines

- Prohibition of child labor
- Prohibition of forced labor
- Prohibition of coercion and harassment
- Prohibition of discrimination
- Health and safety
- Freedom of association
- Wages and benefits
- Working hours
- Environmental protection
- Preparation of internal regulations
- Monitoring and compliance with the Code of Conduct

Fast Retailing’s Business Ethics Committee

The Fast Retailing Business Ethics Committee ensures the Guidelines to Prevent the Abuse of Superior Bargaining Power, which it drafted by itself. The “abuse of superior bargaining power” refers to situations in which one party uses its dominant position to push another party to accept unfavorable business terms that would not be accepted if their relationship was equal. The committee uses these guidelines to ensure equal, friendly relationships with its business partners, raise employee awareness about business ethics, and review corporate conduct. The committee is chaired by a CSR department officer and is primarily staffed by full-time corporate auditors, external auditors, corporate lawyers and representatives from relevant FR Group departments. The committee examines the circumstances of each issue and conducts hearings with FR and its business partners.

The CSR department officer then reports to the Business Ethics Committee and notifies the relevant FR Group department about the results.

Business Partner Surveys

The Fast Retailing CSR department conducts quarterly surveys of business partners to identify any unresolved monetary issues that may have arisen. The department started conducting annual surveys of the FR Group’s business partners in fiscal 2003. In fiscal 2012, surveys were sent to 390 FR Group companies and business partners, with 207 companies providing responses. FR is the company that submits orders, which means that it often enjoys a dominant bargaining position over its business partners. It is therefore possible that the fairness of its transactions could be compromised. On a daily basis, the FR Group tries to ensure that all transactions with its business partners are fair and equitable.

While most of the survey responses were positive, FR did receive some comments concerning employee business etiquette. These comments specifically centered on the type of clothing that the staff wear and the language that they use, as well as transaction issues and the handling of business issues.

The FR Group takes such comments seriously and shares them throughout the organization. It confirms whether any issues have occurred regarding the conduct of its employee and senior officials, and informs all relevant departments before pursuing corrective measures.