Building long-term partnerships

In the 1990s, Fast Retailing (FR) contracted a Chinese sewing factory to produce UNIQLO branded apparel. Since then, FR has partnered with more and more factories in China, Southeast Asia, and South Asia. In each partnership, we take a long-term view, evaluating technological and manufacturing expertise, while committing to a shared vision of making the world a better place through our business. We expect our partners to apply global best practices in quality control, labor management, worker safety, and environmental impact reduction. Mutually sustainable growth is a key factor in building partnerships.

Sustainability across the supply chain

Since the 1990s, sustainability has become more of a business priority, especially regarding the global environment, human rights, and labor management. This led Fast Retailing in 2004 to establish a Code of Conduct for Production Partners (CoC) covering occupational safety and environmental protection. Besides initiating factory monitoring (see page 26), we also interact with international organizations specializing in social and environmental issues, and cooperate with stakeholders and partner factories to facilitate solutions.

Deepening our bonds with partners

We are entering a new phase in tackling sustainability together with our manufacturing partners. Besides partner factory monitoring, we have begun auditing their suppliers’ efforts to save energy and water as well (see page 27), using an environmental impact assessment tool developed by the Sustainable Apparel Coalition (SAC). In the areas of labor welfare, we monitor work hours and workplace safety to maintain good working conditions. With select partner factories, we are encouraging automation and other innovation to improve workplace conditions and elevate productivity. Furthermore, UNIQLO’s six regional production departments support partner factory business stability by liaising closely with the factories to forecast orders and production volume more systematically.

Shared vision in the pursuit of sustainability

Putting sustainability into practice
An exemplary sewing factory

Setting the global quality standard

China’s Chenfeng Group headquarters is located on a vast, spacious campus in Jintan District, Changzhou, Jiangsu Province. With 11 factories in China making about 6.5 million pieces monthly, Chenfeng is a world-class clothing manufacturer. Since the partnership began in the 1990s, we have been collaborating with Chenfeng to make clothing that meets the world’s highest standards. Chenfeng fosters awareness of social responsibility among its employees and works with us to maintain strict quality control, supported by FR’s takumi experts (see page 32). Its vital contribution to our growth makes Chenfeng one of the core partners of the Fast Retailing group.

“We are a family”

Chenfeng Chairman Yin Guoxing reflects on his partnership with Fast Retailing that goes back more than 20 years: “Meeting FR was a stroke of luck. They have a clear policy of making sustainability a business goal. We work with them to find where and how to improve working conditions and reduce environmental impact, going beyond quality and design. This means that staff are not seen as a cost, but rather like a family that creates added value, an idea that matches my firm’s philosophy of ‘we are a family’ to the letter. As the apparel industry globalizes further, China’s sewing factories must transform themselves to stay ahead. We are aligned with Fast Retailing in the belief that the forces of change are actually growth opportunities for our employees and business. We work to strengthen our valued partnership with Fast Retailing to grow the global clothing business. An example is identifying processes where automation can increase efficiency. Fast Retailing is truly our most valuable partner.”

World’s first-ever supplier member of Fair Labor Association (FLA)

The FLA recognized Yin’s exemplary labor practices by making Chenfeng its first-ever Participating Supplier upon its affiliation in 2006. Chenfeng’s high workplace standards raise the bar for rest of the industry in China. Besides guaranteeing top-level regional wages, Chenfeng has pioneered automation to increase overall efficiency, and gives workers safety instruction whenever it inaugurates a new production line. Twice a year, Yin explains Chenfeng’s growth strategy to employees, while also committing to new improvements in working and on-site living conditions. Education programs and a career advancement support system are among the employee benefits that help individuals pursue their potential and increase their compensation.

By putting people first, Chenfeng is well on its way to becoming the most competitive garment manufacturer in the world. As close partners, Fast Retailing and Chenfeng are ready for any challenge.

A world-class fabric manufacturer

Tackling social and environmental needs

Located in the city of Zibo, Shandong Prefecture, China’s Luthai is a world-class fabric manufacturer, producing over 16 million square meters of fabric monthly. Surrounded by greenery, its headquarters lies on Luthai Avenue. The thoroughfare’s name reflects the company’s ongoing support of regional infrastructure, paid for out of its earnings. Luthai’s commitment extends to road maintenance, jointly operated secondary vocational schools, as well as the construction and upkeep of sports grounds, a zoo, and hotel facilities. In ways like these, Luthai’s fabric sets an impressive example of how companies and their communities can coexist harmoniously.

Water treatment plant built by Luthai

Luthai set 2020 sustainability targets

World’s first-ever supplier member of Fair Labor Association (FLA)

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