

# INTEGRATED REPORT

## 2023



**LifeWear,  
Changing the World**



THE FAST RETAILING WAY

**Changing clothes.  
Changing conventional  
Change the world.**

## INTEGRATED REPORT 2023

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# wisdom.

#### Editorial Statement

Fast Retailing seeks to become the world's best-loved, No. 1 brand. Our Integrated Report 2023 tells the story of how the LifeWear concept of our pillar UNIQLO operation is driving the global support and future growth potential of our company. This report also explains our desire to pursue sustainability in tandem with business, with the aim of deepening understanding of the philosophy that the Fast Retailing Group has upheld since its founding: Use the clothing business to improve society. We hope that the Integrated Report 2023 facilitates communication with shareholders, investors, business partners, employees, and all other Group stakeholders.

# Becoming the No. 1 Brand Among Customers Worldwide

The Fast Retailing Group, the global developer of fashion brands including UNIQLO, GU, and Theory, achieved consolidated annual sales of ¥2.7665 trillion for the year ended August 2023 (FY2023). The Group's pillar UNIQLO operation boasts 2,434 stores worldwide and FY2023 sales of ¥2.3275 trillion. Driven by its LifeWear (ultimate everyday clothing) concept, UNIQLO offers unique products made from high-quality, highly functional materials, and offers them at readily affordable prices by managing everything from procurement and design to production and retail sales. Meanwhile, our GU brand, which skillfully balances low prices and fashion fun for everyone, generated annual sales of ¥295.2 billion. The Fast Retailing Group seeks to become the No. 1 brand among customers worldwide by proactively minimizing the environmental impact of our businesses; building supply chains that protect human rights, health, and safety; developing circular products; and tackling social issues.



Revenue

¥10 trillion

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Future growth target

Revenue

¥2.7 trillion

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FY2023





## MESSAGE FROM OUR CEO

# Take Action for the Future

**Tadashi Yanai**

Chairman, President and CEO

Almost by definition, a business must be sustainable. Since founding Fast Retailing, I have believed that managing with a global perspective and good common sense is vital to ensuring the company's sustainable future.

Our LifeWear is infused with a Japanese commitment to excellent manufacturing. We attend to the smallest details, get directly involved in the production process for every garment, and make clothes with long-term and deeply trusted partner factories. We use the very latest technologies to innovate, evolve, and constantly improve our clothes. We have built a solid global brand position by directly informing customers about the value of our clothes and enhancing our "new clothing from Japan" branding.

Starting with a single store on a shopping street in a coal-mining community, we now boast nearly ¥3 trillion in annual sales. We maintain a consistent, earnest approach to providing truly good products to our customers. Thanks to that commitment, we achieved considerable increases in revenue and profit in fiscal 2023 (September 1, 2022 to August 31, 2023), with revenue rising to ¥2.7665 trillion (+20.2% year on year) and operating profit expanding to ¥381.0 billion (+28.2%). UNIQLO International surpassed 50% of our consolidated sales for the first time on significant growth in all markets. I am confident that, if we offer constantly evolving LifeWear to customers worldwide, we will become the leading global brand. Regarding our management framework, we appointed UNIQLO Global CEO Daisuke Tsukagoshi as President and COO of UNIQLO Co., Ltd. He will strengthen our next-generation team management structure and further promote global business. Group companies will work with him to realize unified *ZEN-IN KEI/EI* management, in which all employees adopt a managerial mindset, and to improve management more generally.

I believe we can contribute to resolving global challenges by leveraging our unique and carefully cultivated corporate culture. By collaborating with other ambitious individuals and companies, I believe a path toward a peaceful and stable world will open. We will tackle the challenges of the future, driven by our mission: Changing clothes. Changing conventional wisdom. Change the world.



# Becoming the Leading Global Brand

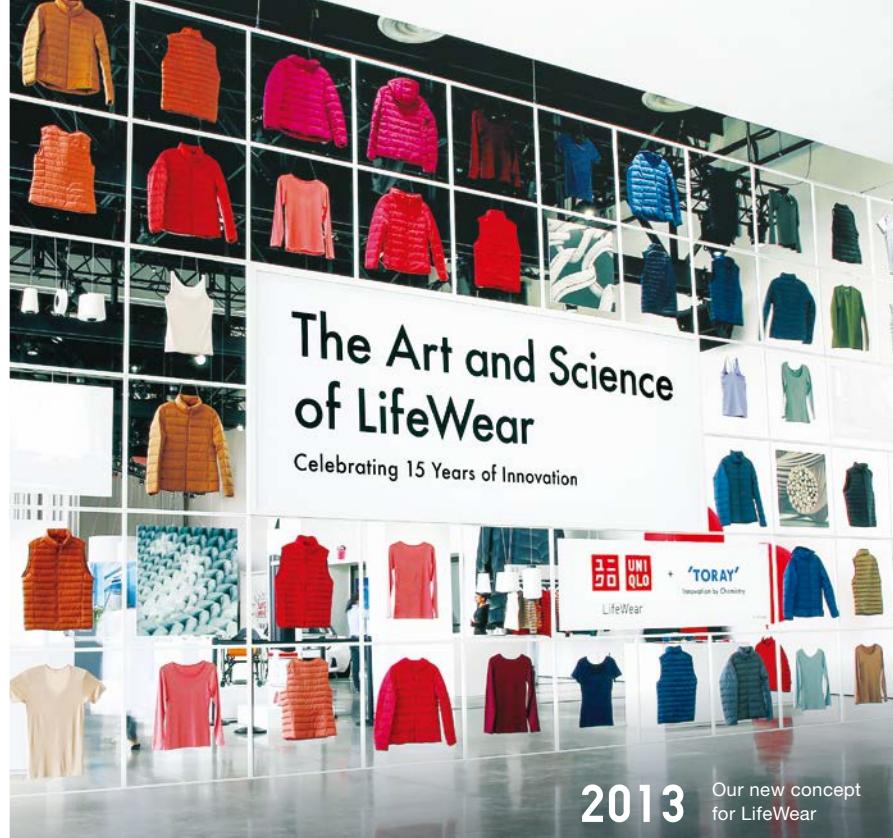
## The Fourth Frontier: A New Transformation

We achieved three record performances from FY2021 to FY2023. In FY2024, sales should surpass ¥3 trillion. Achieving revenue of ¥5 trillion within a few years, and then doubling that to ¥10 trillion, is not an unrealistic goal.

I announced these targets after being inspired by the enthusiasm of Hideki Kuriyama, manager of the Japan national baseball team, during a discussion organized by a Japanese newspaper. Mr. Kuriyama brings out the best in his players by cultivating an unshakeable commitment to winning, without which victory is impossible. We have always pledged to do unprecedented things at unprecedented levels in the apparel industry. I myself am already fully committed, and I realized that if I don't take the lead, no one will follow me.

Our first frontier was the opening of our first UNIQLO store in 1984. Our second frontier came in 2005. Having experienced various setbacks following

the opening of our first international store in London in 2001, we successfully opened our first store in Hong Kong, paving the way for global growth. Our third frontier in 2013 saw the launch of our new LifeWear concept and an acceleration in global expansion. We also established platforms for developing a digital consumer retailing business and becoming a global brand. Now, we are on the threshold of the fourth frontier. We declared a new policy for FY2023—“The Fourth Frontier: Challenge, Take Action, Achieve”—that illustrates our determined pursuit of further changes in order to become a truly global brand. We will continue to pursue our ideals, set high goals, decide how to achieve them, and put them into action. We will deliver products that satisfy customers worldwide and become the world's leading global brand. I want to make everyone's daily lives more comfortable. I want everyone everywhere to feel that UNIQLO is a brand they can trust every time.



Revenue  
¥ 10 trillion  
(target)

## 4th Frontier:

2023–

Striving to make  
UNIQLO the best-loved,  
No. 1 global brand

## 3rd Frontier:

2013–2022

Accelerated global expansion.  
Support for LifeWear spread  
worldwide. Established a digital  
consumer retailing business base

Revenue  
¥ 5 trillion  
(target)

## 2nd Frontier:

2005–2012

Full-fledged expansion into  
international markets to  
become a global brand

## 1st Frontier:

1984–2004

Established  
UNIQLO operation  
and SPA business  
foundation

Revenue  
¥ 383.9 billion

Revenue  
¥ 2.7 trillion

'84 '00 '01 '02 '03 '04 '05 '06 '07 '08 '09 '10 '11 '12 '13 '14 '15 '16 '17 '18 '19 '20 '21 '22 '23



# LifeWear: Japan to the World

## Simple, High-quality Clothing for All

LifeWear offers excellent design, functionality, comfort, and enduring appeal at exceptional prices. This unique value can be traced to our origins in Japan. Our first brand message in 1999 was “UNIQLO is a new kind of Japanese company that enables people all over the world to experience the joy, happiness and satisfaction of wearing truly great clothing.” Our aim was to take on the world with Japan’s unique aesthetic sensibility, exquisitely attentive manufacturing, and industriousness. UNIQLO overturned conventional fashion wisdom by offering clothing as elements of personal comfort. Our production processes were inspired by the strict quality control required for precision instruments. This artisanal spirit remains the biggest factor behind our worldwide customer support and growth.

A shift in consumer tastes toward products that offer real value has also boosted support for LifeWear and enabled UNIQLO to dramatically increase its presence in the USA and Europe. We

now have the same number of stores in central London and Paris as top local brands, and UNIQLO brand visibility has increased to over 80% in the US cities where we operate stores. Having built the necessary platforms for uninterrupted expansion in the USA and Europe, the stage is now set for us to become a truly global brand.

### What is LifeWear?

1. Inspired by life's needs
2. Ingenious in detail
3. Simple and adaptable to everyone's style
4. Looking ahead to continuously evolve
5. The highest quality made accessible to everyone

## The Key to Success: 'Global is local, Local is global'

Balancing global and local considerations in our frontline operations when promoting business reforms has proved to be a key driver of our success, and this is at the heart of our current "Global is local, Local is global" concept. The UNIQLO teams in each country work together with global headquarters to develop products, based on customer feedback, that satisfy local needs and also sell well worldwide. Furthermore, by strengthening global marketing, we have achieved great results, especially with core products such as T-shirts, fleece, and cargo pants. After our Round Mini Shoulder Bags became a big hit on social media, we sold over 14 million units worldwide. The UK's *Guardian* newspaper reported that the bag "has been dubbed the 'millennial Birkin' by fashion insiders." Word of mouth spread instantly on social media. We used to think in terms of individual domestic markets. Now, it's all one global market.

In the current era, changes in fashion and lifestyles occur simultaneously on a global scale. To ensure global growth, it is important to heed customer feedback, continuously perfect our products, and accurately reflect the times and the latest trends. We already have the platforms in place to create great clothes. We have R&D centers in New York, Los Angeles, London, Paris, Shanghai, and Tokyo, and we have long-standing and reliable partner factories in Asia. We also boast a global

store network and global e-commerce customer base, which give us a priceless database. Each year we receive over 30 million specific customer requests and complaints, and use them to improve our products. We have the potential to become the first truly global brand from Asia.

### R&D Centers with Global Reach



### Customer and Store Feedback (FY2023)

**36.90 million opinions**

TikToks about the product  
**59 million views**



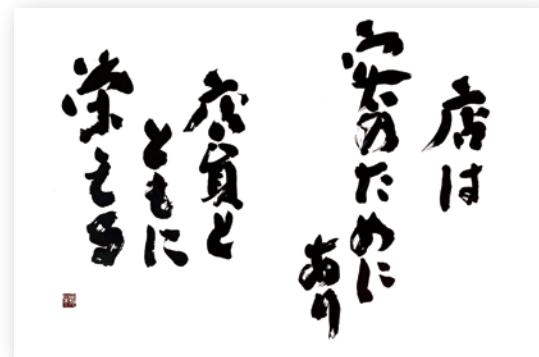


The crescent-shaped Round Mini Shoulder Bag from UNIQLO is compact but holds a surprisingly large amount thanks to its 10 cm gusset. The bag became a hit after a British influencer showcased the bag's large capacity and coupled it with stylish outfits in a TikTok. After initially selling out worldwide, it is still popular one year later.

# Innovative Store Management

## Stores Exist to Serve Customers and Flourish Along with Employees

A phrase framed in my office says, “Stores exist to serve customers and flourish along with employees.” I read these words before founding UNIQLO, and they just made sense to me. I love this phrase, and it has had a huge influence on me, because it perfectly encapsulates the principles of commerce. The purpose of management is to increase customer numbers: fans of your store. Employee growth is key to a company’s future. Salespeople are not just workers; they are business managers, store managers, and leaders. To innovate store management, all employees should be strategic thinkers considering the value their store offers. Now, our priority is to better prepare our salespeople. To provide the same level of service in all stores, our global managers frequently visit stores worldwide to carefully explain our standards, and work with them

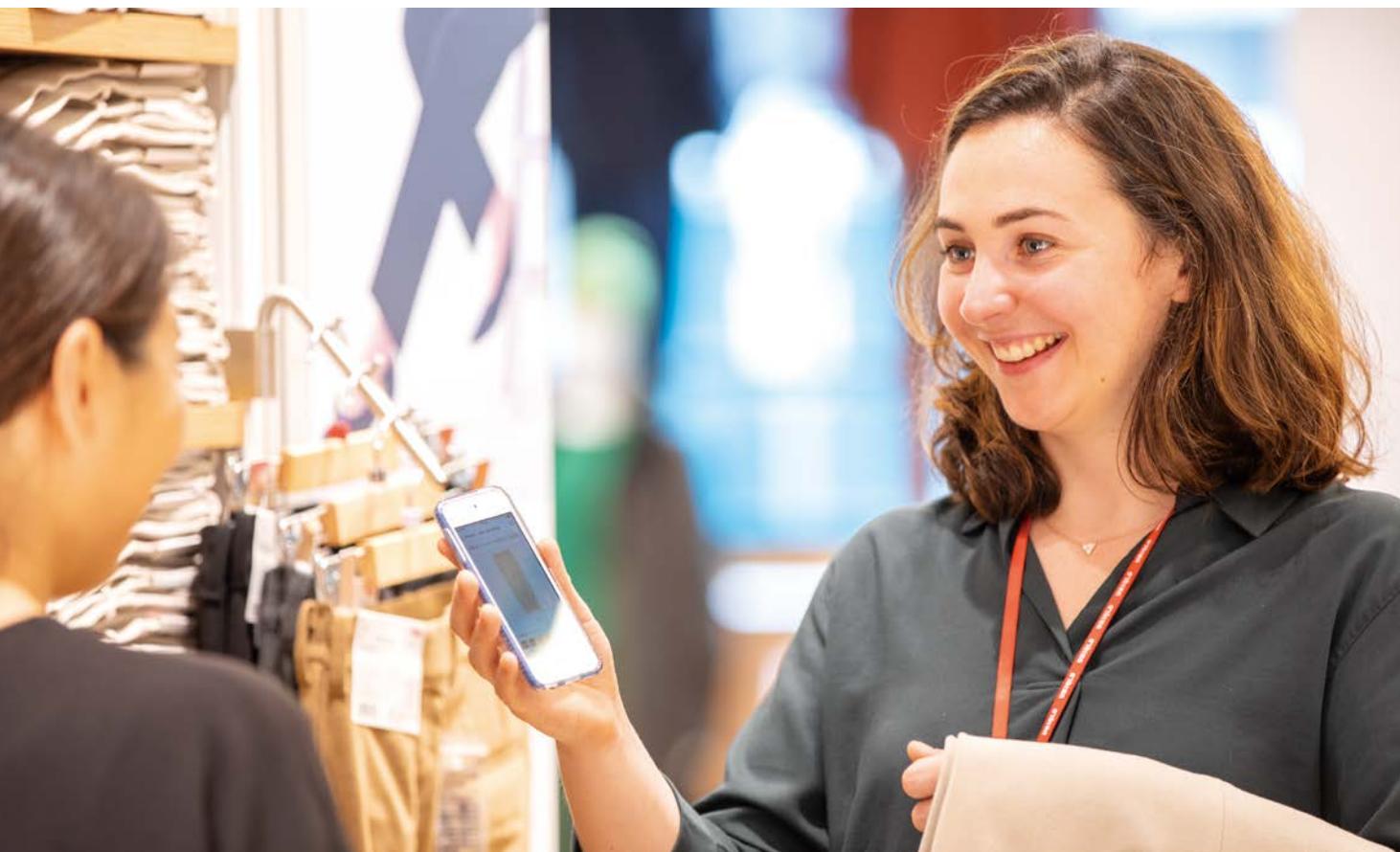


*Stores exist to serve customers and flourish along with employees*

—Choji Kuramoto

Calligraphy by Hogyu Kobayashi

to ensure implementation. We train salespeople to politely guide customers to products, explain them, and ensure there are no issues. Implementing unified global standards and systems for hiring, training, and evaluating salespeople will lead to even higher levels of customer satisfaction.



## Local Store Management: Building Stores Worth Visiting

I do not believe that developing a chain of identical stores is a good idea. It is much better to develop a global chain of locally managed stores because stores that successfully meet local and global needs have greater longevity. Only the very best regional stores can earn global success, and because of e-commerce, only physical stores that are worth visiting will survive. The COVID-19 pandemic taught us that e-commerce isn't everything; people actually want to go to stores that are fun to visit. We have stores in major cities in Europe, on SoHo and 5th Avenue in New York City, and elsewhere. This is one secret to our success. We field many requests to open stores in shopping malls and specific locations. In instances like these, we aim for locally managed stores, and not cookie-cutter chain stores. Local employees with a strong understanding of local customer needs and market information manage the stores together with Japanese staff. Each store strives to work through its own issues, backed up by members of our global headquarters, who are often on site to help. Solving vital issues by getting our stores, production, distribution, and retail sites to connect directly with our global headquarters is the best way to strengthen local store management on a global scale.



The key motif at our UNIQLO Asakusa store (opened in the popular Tokyo tourist area in 2021) is *Senjafuda*: paper tags normally posted on shrine pillars, an iconic sight in Asakusa. We hope the store resonates with local people and shows our commitment to the neighborhood.



### LIVE STATION

Our popular UNIQLO LIVE STATION, which features salespeople offering our products and suggesting ways to style them, attracts over 10 million views a year in Japan. In-store salespeople connect with customers, deepening links between in-store and digital services, and creating more fans at each store. We livestream in 17 markets and 9 languages (as of November 2023).



Livestream annual  
viewership (Japan)  
**Over 10 million  
views**



# Achieving True ZEN-IN KEIEI



## Strengthening Our Team Management Structure

In September 2023, we appointed current UNIQLO Global CEO Daisuke Tsukagoshi as President and COO of UNIQLO Co., Ltd. Since joining the company in 2002, he has amassed global experience as store manager in Japan, CEO of UNIQLO Mainland China, CEO of UNIQLO North America, and head of our Fast Retailing Management and Innovation Center (FR-MIC) training facility. We always put our stores first, but he also understands our head office, so he is well qualified. I will remain responsible for decision-making and executive management of the entire Group as Chairman and CEO of UNIQLO Co., Ltd. and Chairman, President and CEO of Fast Retailing Co., Ltd.

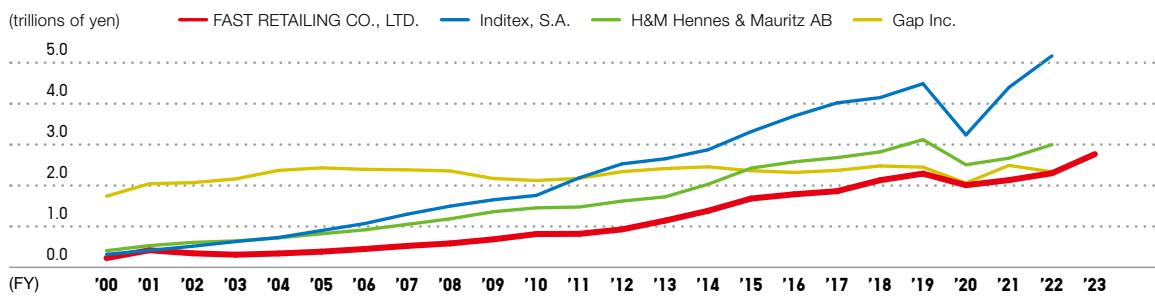
We will enhance team management among national and department managers, all centered around Mr. Tsukagoshi. Our management team is already driving our succession plan forward by discovering and training promising next-generation management candidates in all global markets to lead us into the next era. I expect great things from our impressive young employees. In addition to building our management team with the help of all national managers worldwide, we should also improve the quality of our management by uniting all Group companies in the quest to realize true *ZEN-IN KEI/EI*, with each employee adopting a managerial mindset.

## The World's Highest Standards

Getting everyone to adopt a managerial mindset greatly boosts efficiency and enhances our overall desire for growth. Junior members can rise to the top by working hard and improving. We formulated our Global One and *ZEN-IN KEI/EI* management principles to become the kind of company we aspire to be. We implemented significant wage increases in Japan in March 2023 to motivate staff to work to the highest global standards. Securing world-class talent is a top priority. Building organizations run by select team members is the best way to fuel expansion and improve profitability. Choosing managers carefully breeds success. Bloated management does not benefit our stores, our employees, or our company. I will reward excellent talent with high salaries and select the very best managers.

Investing in human resources is vital to our fourth frontier. Our company originated in Japan, but we cannot stop there; we must be truly global. Most of our COOs in Europe are local hires who work alongside Japanese staff. We need local members in management teams who understand our products, customers, and global markets. So we are shifting from a Japan-centric management framework, and appointing people from around the world to managerial or professional positions. We will strengthen global hiring of world-class people, and assign them to various businesses to build management experience. I want us to share information and combine individual talent and teamwork to achieve world-class standards, just like Japan at the 2023 World Baseball Classic.

### Sales of Major Global Apparel Retailers



\*Compiled from individual annual report data and calculated using exchange rates as of end of October 2023. (US \$1=¥149.5, 1EUR=¥158.7, 1SEK=¥13.4)



# The World's Most Essential Company

## Contributing to Society Through Our Business

My father ran Ogori Shoji, the predecessor of Fast Retailing. When I took over, I thought about the kind of company I wanted to create and decided to build one that would contribute to society. That commitment has always inspired my approach.

When you consider doing business internationally, you should ask yourself three questions. First, who are you and what differentiates you? If the answer is nothing, then don't do it. Second, what have you done to benefit the world? We have worked hard to support refugees, employ people with disabilities, recycle clothes, and protect human rights—all actions that have earned trust. Third, what will you do for the country you are in? If you simply want to make money for yourself, no one will join you. You need to show who you are, what you can do, and what you want to achieve. By doing so, you can team up with excellent like-minded individuals and companies worldwide, create unique things, and change society. That is what we have done. The

COVID-19 pandemic and recent conflicts illustrate that our world is intricately connected. As globalization and technology advance, individual lives and company management are increasingly intertwined, everywhere. You can't be the only winner. In times like these, the worst thing you could do is think purely about yourself, your own company, your own country, or your own profits. Stubbornly simple thinking, uncompromisingly extreme behavior, or intolerance for anything or anyone different from yourself will not solve future problems. If we can transcend boundaries of nation and ethnicity, view the world from a higher vantage point, and strive to conduct business that benefits all society, then the world still harbors abundant and varied possibilities. We have to believe in the future and be prepared to create that future together. I believe in our customers and the value we create through our business, and will continue to work hard on behalf of society.

## 小郡商事(株) 経営理念

Date

No.

1. 顧客の希望にこだえ、顧客を創造する経営
2. 良いアイデアを実行し、世の中を動かし、社会を変革し、社会に貢献する経営
3. いかなる企業の力の中にも入りない自主独立の経営
4. 時代に適応し、自ら能動的に変化する経営
5. 社員1人々が自活し、自省し、いきいきとした糸島経営の中で、のびのび働ける人間中心の経営
6. 世界中の力を活用し、自社独自のI.D.を確立し、若者の支持率100%の商品・業態を開発する、真に国際化する経営
7. 唯一の顧客との直接接点は商品。売場でのおもてなしを徹底認識した、商品売場中心の経営 **(全社員最高)**
8. 不良品の削減、品質、実行力の経営 / **2C1M経営**
9. 公明正大、信賞必酬、完全実力主義の経営
10. 管理能力の質的アシスト、ヒタツの機能拡充・強化、常に考えた計算
11. 管理能力の質的アシスト、ヒタツの機能拡充・強化、計算を常に考えた高効率・高効率の経営
12. 成功・失敗、情報を具体的に摘要分析、記憶し、次の実行の参考にする経営
13. 積極的にチャレンジし、困難を、競争を回避しない経営
14. 700億円戦に挑む、実績で勝負して勝つ経営
15. 正しい事、いい事、基本を確実にやり、正しい方向で忍耐強く、最後まで努力する経営。一番上のものを長期的に見直せ、金儲けを第一にしない経営
16. 商品のものよりも、企業姿勢を買ってくれる、感覚性の経営。物事の表面よりも本質を追求する経営
17. いつもプラス思考をして、先行投資をして、未来に希望を持ち、活性化する経営

会社の目標... 年率30%以上の売上高、利益の成長率を維持し10年後には日本を代表するファッショングループとなる。

会社の目的... 顧客の創造、収益の拡大、会社の安定。

1987年度目標... F.C. 4店舗、山口県、広島県、岡山県、直営2店舗、広島  
経常利益 1億2000万円、売上高 26億以上。

Tadashi Yanai created the Ogori Shoji Management Principles in 1979 and later wrote an updated volume called the 23 Principles of Management. While the basic management values remain the same, "president-centered business" (Principle 8) was later changed to "optimizing participation by all employees." The family-centered Ogori Shoji business developed into the employee-centered Fast Retailing.



# LifeWear

## Our Philosophy

### LifeWear, Constantly Evolving

Our LifeWear concept is at the core of all clothing that Fast Retailing brings to customers. These daily clothing essentials have the power to enrich lives and improve society. LifeWear is constantly evolving with the times through high-quality materials, beautiful and simple designs, and minute attention to detail. LifeWear stems from the careful consideration of different people's lives worldwide, and as a result it will continue to be indispensable in the future.



Our Philosophy

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**1.** Our MADE FOR ALL Ethos

**2.** LifeWear: Built on Trust

**3.** A New Industry of  
Growth and Sustainability

# Our MADE FOR ALL Ethos

Our  
Philosophy

1

We offer excellent clothes that everyone will want to wear.  
Our inclusive apparel transcends individual differences.  
This is the idea behind our MADE FOR ALL ethos.



## What is MADE FOR ALL?

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### Everyone's Clothing of Choice

Food, clothing, and shelter: three essential needs. Clothing is part of the essential fabric of our lives. Our LifeWear clothes are simple. That is because we want to highlight the individuality of wearers, rather than highlight the clothing. We view clothes as building blocks of personal style that the wearer can mix and match at will. LifeWear is a new type of clothing created by the values of the wearer, not the manufacturer. This timeless clothing concept means that LifeWear is popular with different people, regardless of age, gender, or location. We seek to make LifeWear accessible to our customers, and to ensure it enriches daily life.



### Affordable Clothes for All

Everything about LifeWear is based around our customers. We strive each day to deliver clothes to customers in the most convenient and efficient way possible. That means offering the right products at the right time, place, quality, and price. We can sell our simple products to customers at reasonable prices because of those products' wide appeal. We capitalize on economies of scale to purchase high-quality materials at reasonable prices. This allows us to pass on this quality and savings to customers. We are also implementing supply chain and workstyle reforms through our Ariake Project, which will make our clothing even more accessible for people everywhere.

### Growing Global Support for Our Clothes

LifeWear is currently available in 26 markets (as of August 2023). Upholding diverse values and respecting local history and culture is part of who we are. We aim to make clothes that are useful to local people and improve the comfort of their lives. We value individuality and different ways of thinking. That approach has facilitated the creation of clothing that's MADE FOR ALL. LifeWear is enjoying growing global support because it enables people to choose well-fitting, comfortable clothes that suit their changing lifestyles. We aim to bring LifeWear that meets the needs of our times to even more people worldwide.



Our  
Philosophy

2

## LifeWear: Built on Trust

We develop products based on customer needs.

We create and perfect LifeWear through cooperative relationships with partner factories and fabric manufacturers.

## How We Perfect LifeWear

### Customer-centric Clothes Creation

LifeWear is more than clothing. It also includes the production and sale of those clothes, an exciting shopping experience for customers, and the recycling and upcycling of clothes that are no longer needed. We utilize our e-commerce platforms and the information network from our over 3,000 stores worldwide to quickly grasp customer needs so we can plan, develop, make, and sell the products that people really want. By connecting directly with customers and promoting close two-way communication, we create products inspired by customer needs and desires. We have created LifeWear by pioneering a new kind of digital consumer retailing industry.



LIFEWEAR CONSTANTLY EVOLVING



### Unmatched Trust With Production Partners

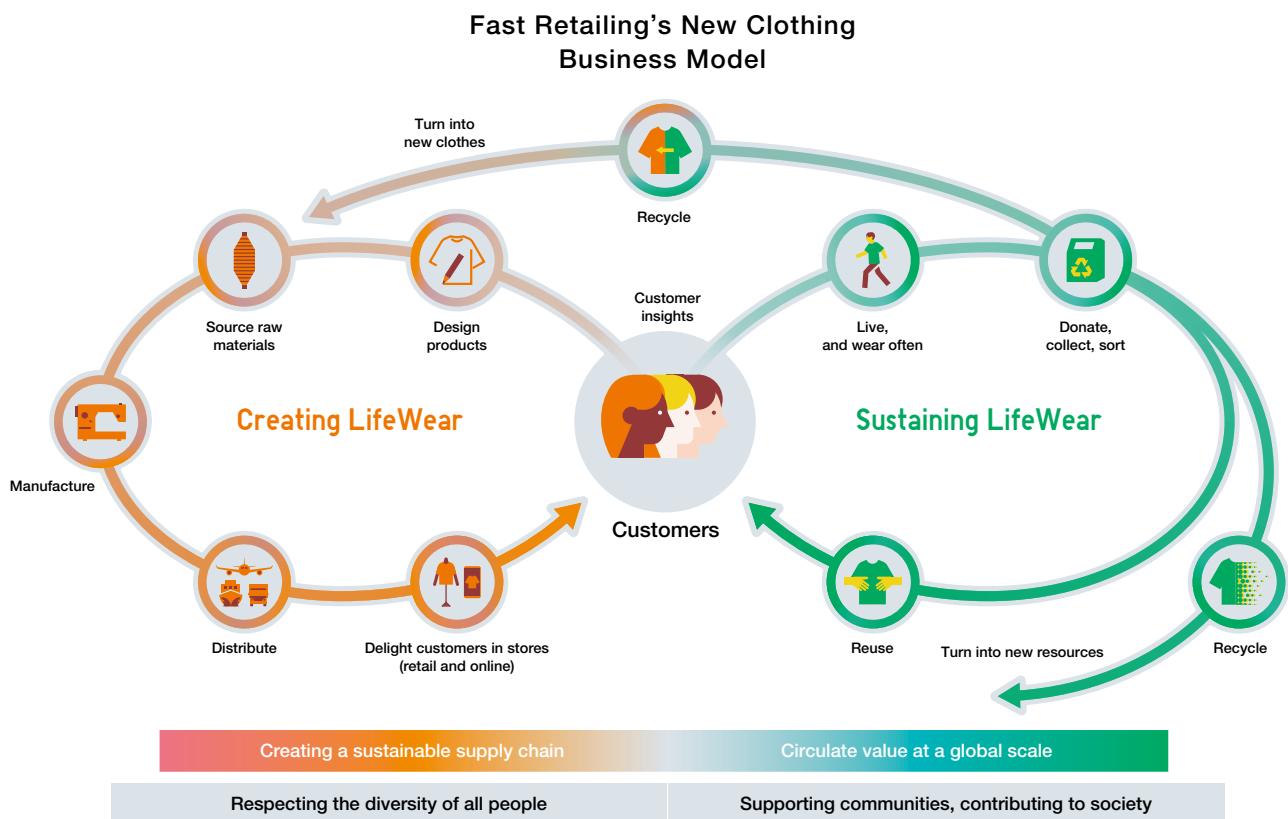
We began designing, developing, and manufacturing our own products in 1987. Ever since, we have considered our partnerships with trusted production facilities to be a major asset. Our team of expert *Takumi* artisans have expertise in Japanese textiles. They work hard to improve product quality by providing on-site technical guidance to production partners. This guidance builds strong bonds of trust. Direct employee visits, which promote workplace safety and ensure product quality, are essential to building win-win relationships with production partners. By cooperating with our partners on responses to climate change and working to uphold human rights, we will continue to improve LifeWear together.

### Cooperative Strategic Partnerships

Another LifeWear strength lies in our cooperation with leading companies and individuals who share our philosophy and aspirations. We have successfully developed new materials and created inimitable and competitive products by collaborating with companies that possess advanced materials development technology. Since entering a strategic partnership with Toray Industries in 2006, we have created multiple hit ranges including HEATTECH, AIRism, Ultra Light Down, and recycled down. Customers also love UNIQLO's 3D KNIT range made using WHOLEGARMENT® technology developed with SHIMA SEIKI Manufacturing. They also look forward to our collaborations with designers from across the globe.

# A New Industry of Growth and Sustainability

Our LifeWear concept is not based solely on clothes as products. It also encompasses the creation of a new kind of industry that extends from the production of clothes to the recycling and upcycling of those clothes after they are no longer needed.





## Supporting a Sustainable Society

We are convinced that continuing to place value on our LifeWear concept will help both to create a sustainable society and to grow our business.

The LifeWear creation process encourages reducing waste wherever possible by making and selling only the items that customers really need. We aim to establish a manufacturing framework with low environmental impact by reducing greenhouse gas emissions and waste in all processes, from production through transportation and retail.

We are also strengthening our commitment to human rights throughout our supply chain, and we hope that doing so will bring our customers greater peace of mind.

In addition, we take responsibility for clothes even after they are sold by developing innovative reuse, recycle, and upcycle services and technologies that can give LifeWear a new lease on life. To help solve increasingly complex social issues, we will globally expand our contributions to society through our clothing business and diversity initiatives.

By establishing a circular economy for clothing, we intend to create a richer, more sustainable society. This goal is based upon the LifeWear values of respecting the diversity of all people, supporting communities, and contributing to society. We will continue to build a better future through the power of clothing.



# BUSINESS SECTION

The Joy and Satisfaction of Truly Great Clothes

UNIQLO BUSINESS



GU BUSINESS



OUR GLOBAL BRANDS

Theory



COMPTOIR DES COTONNIERS

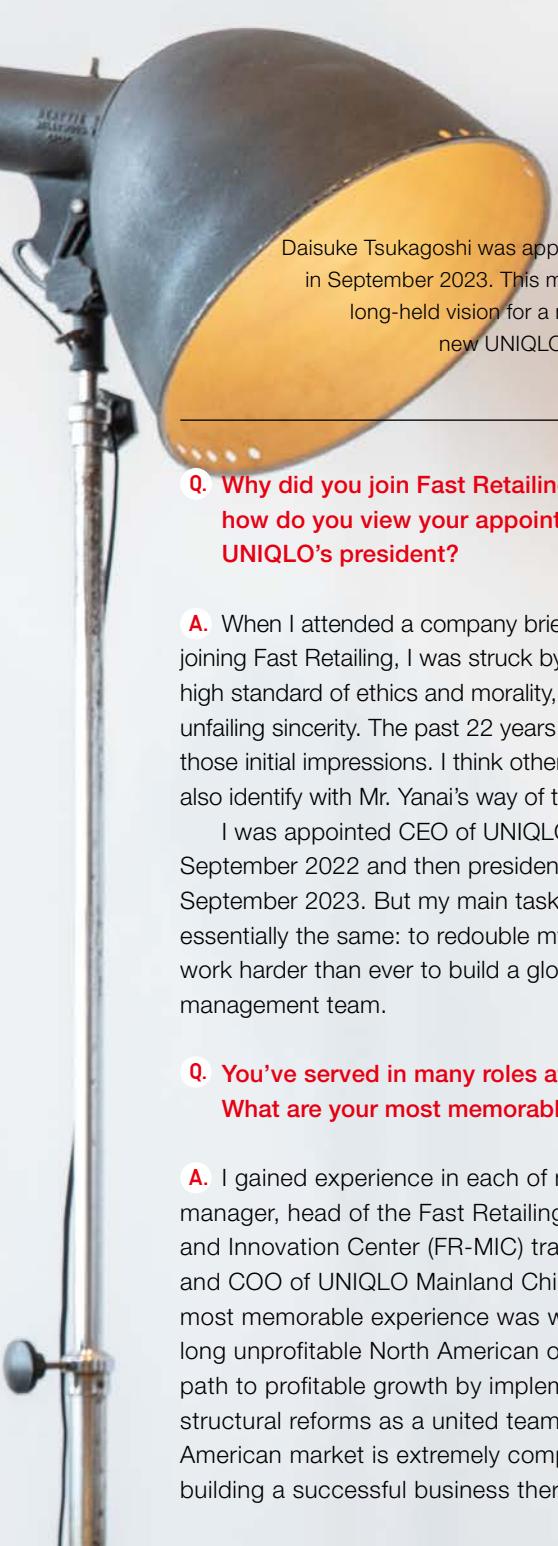
PRINCESSE tam.tam  
PARIS



Our easy-to-wear cargo pants have become a new go-to everyday item. The person on the front of the bicycle is wearing our Cargo Pants made from stretchy cotton dobby fabric that is soft and comfortable. The person behind is wearing our Wide Straight Cargo Pants, made from 100% soft-feel cotton and sporting an elastic waistband at the back for added comfort.

# PETIT MARCHE





## INTERVIEW

Daisuke Tsukagoshi was appointed President and Chief Operating Officer (COO) of UNIQLO Co., Ltd. in September 2023. This marks the first step toward achieving founder and CEO Tadashi Yanai's long-held vision for a next-generation team management structure. We interviewed the new UNIQLO president and COO about his current ideas and goals.

**Q. Why did you join Fast Retailing and how do you view your appointment as UNIQLO's president?**

**A.** When I attended a company briefing before joining Fast Retailing, I was struck by Tadashi Yanai's high standard of ethics and morality, as well as his unfailing sincerity. The past 22 years have confirmed those initial impressions. I think other employees also identify with Mr. Yanai's way of thinking.

I was appointed CEO of UNIQLO Global in September 2022 and then president of UNIQLO in September 2023. But my main task remains essentially the same: to redouble my efforts and work harder than ever to build a global management team.

**Q. You've served in many roles at the company. What are your most memorable experiences?**

**A.** I gained experience in each of my roles: store manager, head of the Fast Retailing Management and Innovation Center (FR-MIC) training facility, and COO of UNIQLO Mainland China. But my most memorable experience was when we put the long unprofitable North American operation on a path to profitable growth by implementing structural reforms as a united team. The North American market is extremely competitive, and building a successful business there is no easy

task. Striving to win in tough markets is important for the whole company.

**Q. What will you focus on now and going forward?**

**A.** Branding and marketing. We build our business with every item of clothing we make and every store we open. It is important to create loyal UNIQLO fans. Many people worldwide are not aware of UNIQLO products or our company. I want to teach people about our company and earn their support before selling them anything. I want to communicate the value of LifeWear products even more ardently. And rather than just open new stores, I want to emphasize community-rooted marketing. The question we should constantly ask ourselves is: Why do we exist in this market?

We receive over 30 million pieces of feedback from customers each year, and we immediately incorporate their requests into available products. Our role is to enrich customers' lives by offering greater comfort. There are plenty of opportunities for us out there, so the immediate challenge is to connect our global and national operations and encourage team management. I want to make great strides worldwide by implementing our Global One and *ZEN-IN KEI/EI* management principles, which encourage all staff to participate in management decision-making and to adopt best practices.

# DAISUKE TSUKAGOSHI

Group Senior Executive Officer  
Fast Retailing Co., Ltd.  
Executive Director, President, and  
COO, UNIQLO Co., Ltd.

- 
- |                |   |
|----------------|---|
| Mar. 2002      | Joined Fast Retailing via the UNIQLO Management Candidate program     |
| Mar. 2013–2015 | Director, Store and Store Operations, UNIQLO USA                      |
| Jan. 2015–2016 | Director, FR-MIC Global UNIQLO University                             |
| Jul. 2015      | Group Executive Officer, Fast Retailing Co., Ltd.                     |
| Oct. 2015–2017 | COO, UNIQLO USA   |
| Mar. 2016–     | Officer in Charge, FR-MIC (current)                                   |
| Sep. 2017–2020 | COO, UNIQLO China   |
| Dec. 2019–     | Group Senior Executive Officer,<br>Fast Retailing Co., Ltd. (current) |
| Aug. 2020–     | CEO, UNIQLO USA   |
| Sep. 2020–     | Head, Fast Retailing Ariake Project (current)                         |
| Jul. 2022–     | CEO, UNIQLO North America (current)<br>CEO, UNIQLO Canada (current)   |
| Sep. 2022–     | CEO, UNIQLO Global (current)  |
| Sep. 2023–     | Executive Director, President, and<br>COO, UNIQLO Co., Ltd. (current) |



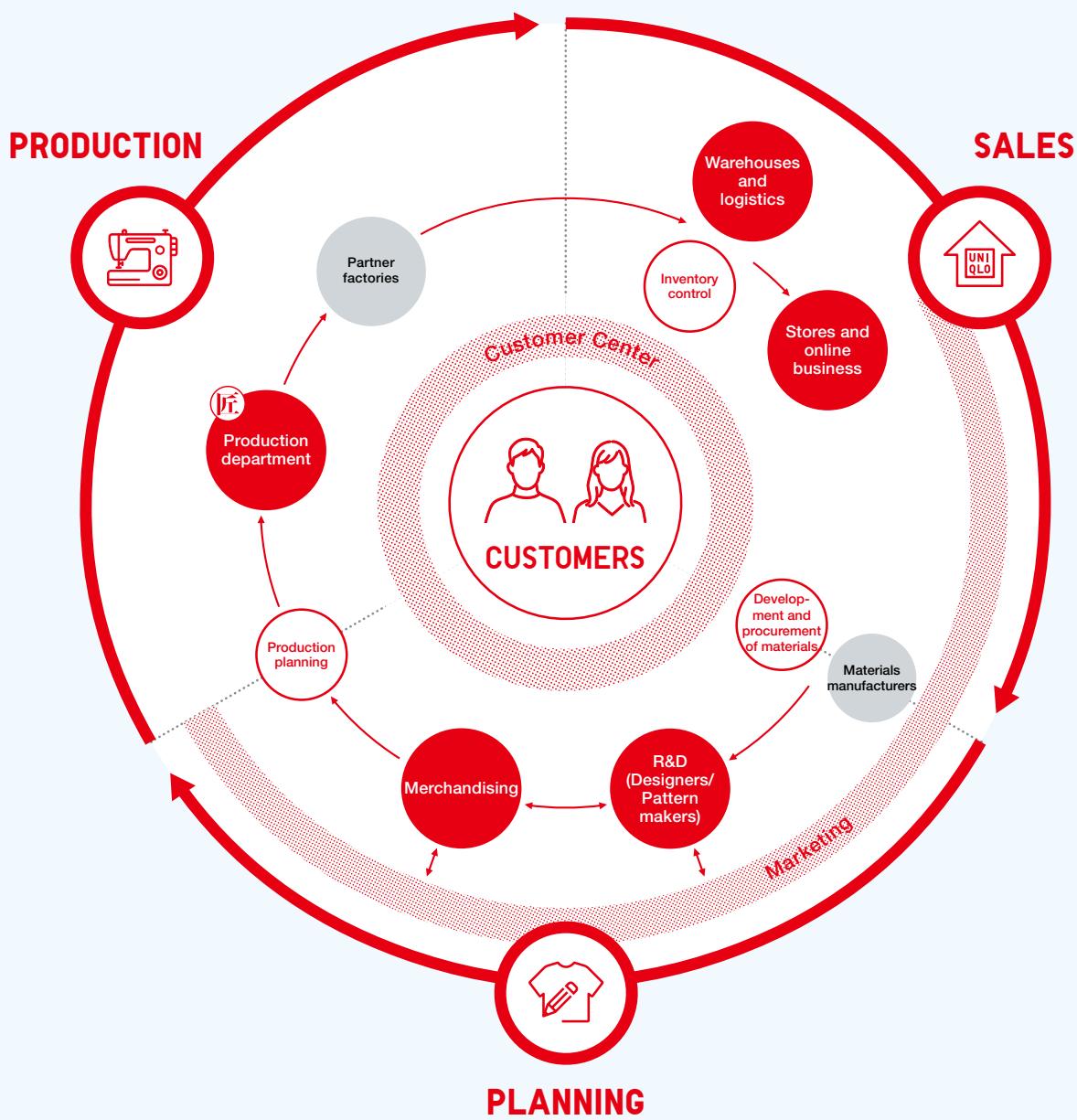
UNIQLO

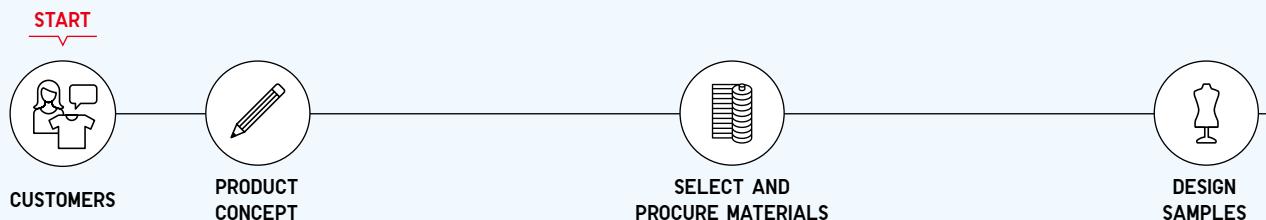




# UNIQLO SUPPLY CHAIN

Creating Customer-centric Clothes





# PLANNING



British designer Clare Waight Keller working on the UNIQLO: C collection launched in Fall 2023, using her wealth of experience in the fashion world to create new LifeWear standards, take LifeWear to new heights and formulate LifeWear's unprecedented standards

## Research & Development (Designers/Pattern Makers)

An important part of R&D at UNIQLO is developing products that respond to customer requests, while also identifying emerging needs. Accordingly, our UNIQLO R&D centers constantly incorporate customer opinion while researching global fashion trends and new materials. One year before a product's intended launch, the R&D department holds a concept meeting with a diverse range of representatives from the merchandising, marketing and materials development teams to determine the right design concept for each season. Our designers then begin the process of preparing designs and refining samples. Even after a design is decided, its color and silhouette can be refined multiple times before it is truly finalized.

## Merchandising (Product Planning)

The merchandising team plays a vital role in the product creation process, from product planning through production. Deciding product lineups and volumes through the year is an important aspect of the department's job. To do this, merchandisers communicate closely with R&D, the production department, and other divisions to determine the designs and materials required for each season's products. They also manage the launches of our strategic products in close cooperation with other key departments. Many UNIQLO products are manufactured in lots of approximately 1 million units, and the merchandising department monitors the latest sales conditions, issuing instructions to either increase or decrease production during the season—a key responsibility of the team.

## Development and Procurement of Materials

UNIQLO can secure stable, high-volume supplies of top-quality materials at low cost by negotiating directly with materials manufacturers worldwide. Utilizing our economies of scale enables us to achieve more favorable terms than any other manufacturer. The materials used for our core items are particularly important. Our in-depth research and experimentation generates improvements in the functionality, feel, silhouette, and texture of our clothes. For example, we work closely with Kaihara Corporation to source denim to specific spinning standards and dyeing specifications. We also partner with world-leading synthetic fiber manufacturer Toray Industries to create innovative new fibers and materials such as the ones found in our HEATTECH range.



# PRODUCTION



A UNIQLO fabric-making factory

## Production Network

UNIQLO does not own any factories. Instead, we outsource the production of almost all our products to factories in places including China, Vietnam, Bangladesh, Indonesia, and India. We have built strong relationships of trust with our partner factories over many years, and hold annual conventions to facilitate frank dialogue with factory managers. Our monitoring programs at our sewing factories and major fabric suppliers help to prevent human rights violations and to ensure good working environments and management frameworks in the making of our products. When required, we assist factories in the implementation of improvements. We also started a similar monitoring program at spinning mills in 2023. UNIQLO continues to ensure responsible procurement and high-quality products by maintaining win-win relationships with partner factories.

## Production Department

We assign production department members, who manage product quality and production progress, and *Takumi* (skilled artisans) to production offices in Shanghai, Ho Chi Minh City, Dhaka, Jakarta, and Bengaluru. Production office representatives visit factories weekly to resolve any issues and ensure quality management right there on the factory floor. The production department swiftly addresses any quality concerns raised by customers and implements improvements if required.

## UNIQLO Production Offices



## UNIQLO Takumi Teams

"By visiting factories and providing technical advice, *Takumi* establish thorough quality control and a strong relationship of trust. I offer instruction on dyeing technology at partner factories, and this can encourage workers to embrace a new production management philosophy and to improve their factories. I am proud to be passing on expert Japanese techniques to the next generation."



# SALES



UNIQLO Maebashi Minami IC store

## Inventory Control

The inventory control team works to improve management efficiency by supplying inventory that reflects the sales capabilities and product sales of each individual store. The team monitors weekly sales and stock at each store and dispatches inventory to fulfill orders and maintain appropriate inventory levels. At the end of each season, merchandisers and the marketing department coordinate sales promotions and help reduce residual inventory.



Flyer delivered with national newspapers

## Marketing

Each season, UNIQLO conducts promotional campaigns for core products such as HEATTECH, Ultra Light Down, AIRism, and Bra Tops. During the campaigns, UNIQLO advertises the products' unique qualities and features through TV commercials and online ads. In Japan, we use UNIQLO apps, email, social media, and flyers delivered with newspapers to notify customers about limited-period discounts, typically of 20-30%, on new seasonal ranges.



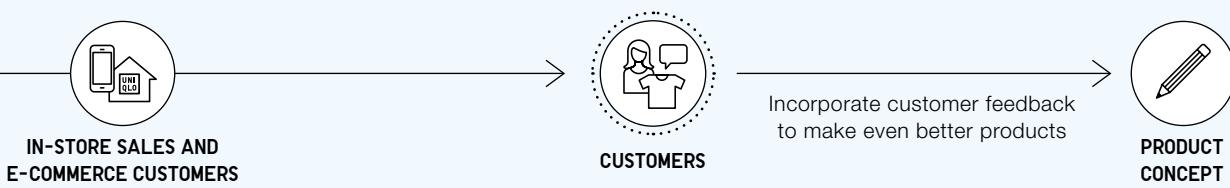
TV commercial

## Stores

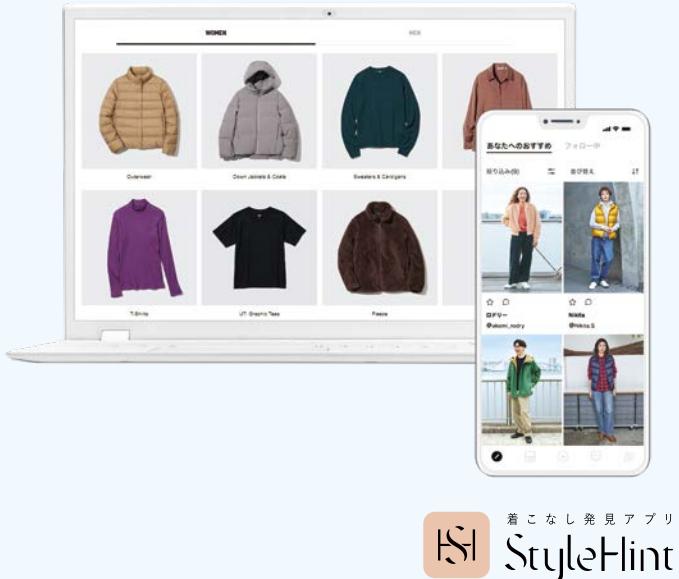
UNIQLO Japan had 800 stores (including 10 franchise stores) at the end of August 2023. UNIQLO International boasted over double that number at 1,634 stores, including the Greater China (Mainland China, Hong Kong, and Taiwan markets) region: 1,031, South Korea: 126, Southeast Asia, India & Australia: 342, North America: 67, and Europe: 68. We continue to open large numbers of new stores and enhance community-rooted stores that showcase local history and culture.



UNIQLO roadside store



# UNIQLO.com



## E-commerce

Our e-commerce operation is growing increasingly important as more customers shop both in store and online. In FY2023, online sales accounted for approximately 15% of total sales (15.0% in Japan, approximately 20% in the Greater China region, South Korea, North America, and Europe, and approximately 10% in Southeast Asia, India & Australia). We intend to expand integrated store and e-commerce services that enable customers to shop conveniently when and how it suits them, and to strengthen our role as an information-sharing platform through UNIQLO LIVE STATION and other services.

## Customer Centers

Our customer centers play the important role of analyzing huge volumes of feedback. This helps us improve core products, develop new products, and enhance our services. We have also adopted the latest AI, chatbot, and voice-recognition technology, enabling convenient communication with our customers over phone, email, or chat. Some products that have been improved as a result of customer feedback are featured on our exclusive UNIQLO UPDATE website.

### UNIQLO UPDATE

[https://www.uniqlo.com/us/en/  
contents/feature/update/](https://www.uniqlo.com/us/en/contents/feature/update/)



UNIQLO RIVOLI store

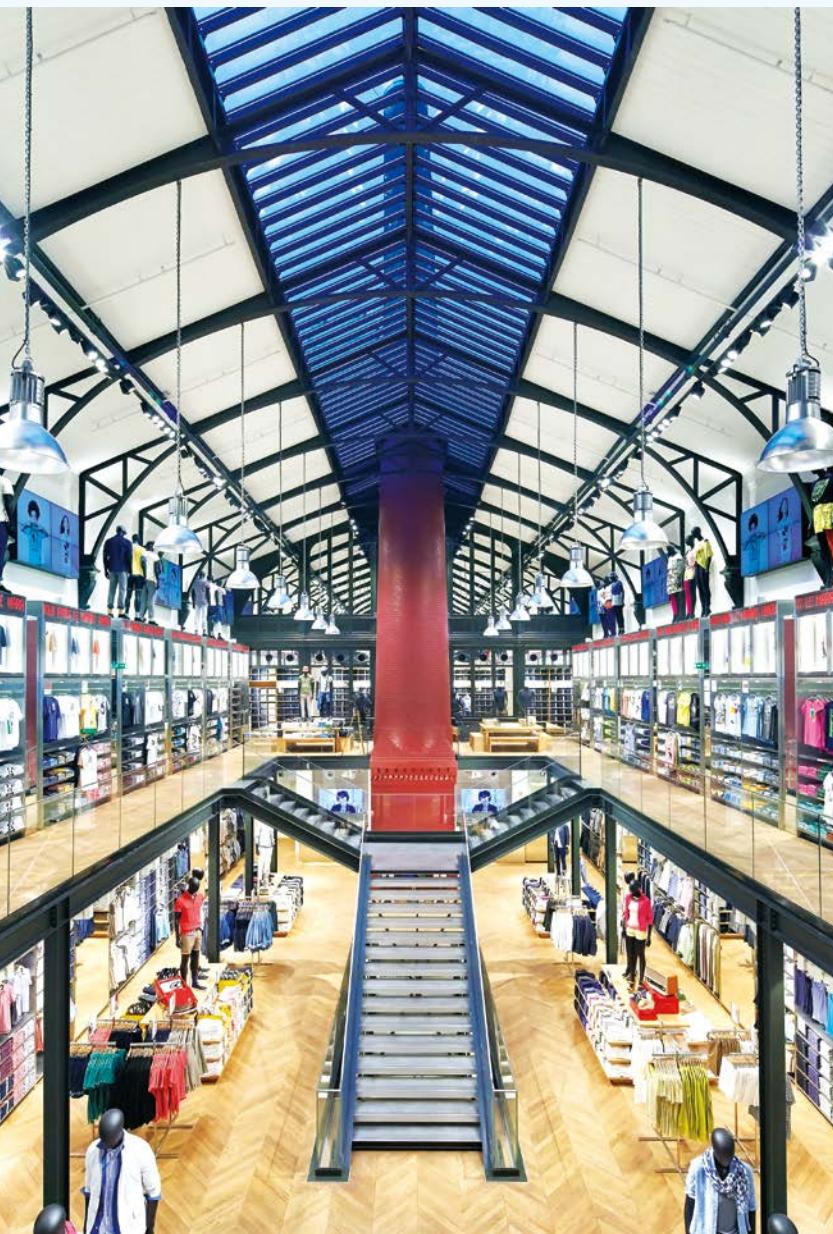


UNIQLO Paris Opera store (global flagship store)

# GROWING OUR PRESENCE

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## New Community-focused Stores to Drive Growth



Fast Retailing has adhered to an internal motto for many years: "Developing new stores is what boosts revenue and profit." New store openings drive growth, with international store openings playing a key role. Our large locally based teams proactively manage store development in their markets. They help determine the location and format of store openings.

Our stores are our key point of contact with customers. Local salespeople have a wealth of product knowledge and understand local customers and their needs, so they can provide the best possible service. That's the business model we have been aiming for since our founding.

The opening of the UNIQLO Le Marais store in France in 2014 earned UNIQLO its reputation as a retailer that values local culture and history. The store is housed in a historic former precious metals foundry. Machinery from the factory is preserved and elegantly displayed on the sales floor as a kind of local industrial museum. Customers here appreciate that the store prizes their history and culture.

We are also developing community-focused stores in Japan that nurture links with local people, such as the UNIQLO PARK Yokohama Bayside store and the UNIQLO Maebashi Minami IC store. They sell products made in collaboration with local companies and host events for kids. We want to enter communities proactively and



 **UNIQLO LE MARAIS**

In April 2014, the UNIQLO Le Marais store was opened in a 19th-century precious metals foundry. The iconic 35-meter-tall red brick chimney was preserved, and a glass ceiling and LED monitors were installed. A creative merging of the building's exquisite historical structure and modern design.

build our brand together with local customers. Rather than following the traditional chain-store development format, we believe that opening more community-rooted stores worldwide is an indispensable driver of growth.

In FY2024, we will strengthen the opening of these high-quality stores. We plan to open 40

stores in Japan and 180 stores outside Japan. We want our stores to go beyond being mere clothing retail outlets by enhancing local communities and earning the affection of customers everywhere.

## UNIQLO POP-UP WARS SAWA JUNIOR



### INTERVIEW

#### Opening the First UNIQLO Store in Poland is My Dream

I joined UNIQLO UK over 10 years ago with the dream of opening a UNIQLO store in my home country of Poland. I talked about that dream once on the FR Convention stage, and I was truly grateful when we opened our first UNIQLO pop-up store in Poland in October 2022.

Ever since its opening, the store has been full of customers. They recognize the high quality and durability of UNIQLO clothing and that is why they choose to come here.

For instance, our Supima® Cotton T-shirts are our top-selling cut-and-sew products. People are delighted because they have never had such high-quality

cotton T-shirts in Poland before. It is also nearly impossible to find knitwear that is as well-made as UNIQLO's Extra Fine Merino range. Customers just love the products that only UNIQLO is able to deliver.

Going forward, I intend to carefully explore exactly what products people want in Poland today with the aim of opening our first permanent store. I want to deliver UNIQLO clothes and services to customers here. And I want to help more people learn about UNIQLO and LifeWear and make UNIQLO Poland's best-loved brand.

That is my dream right now.

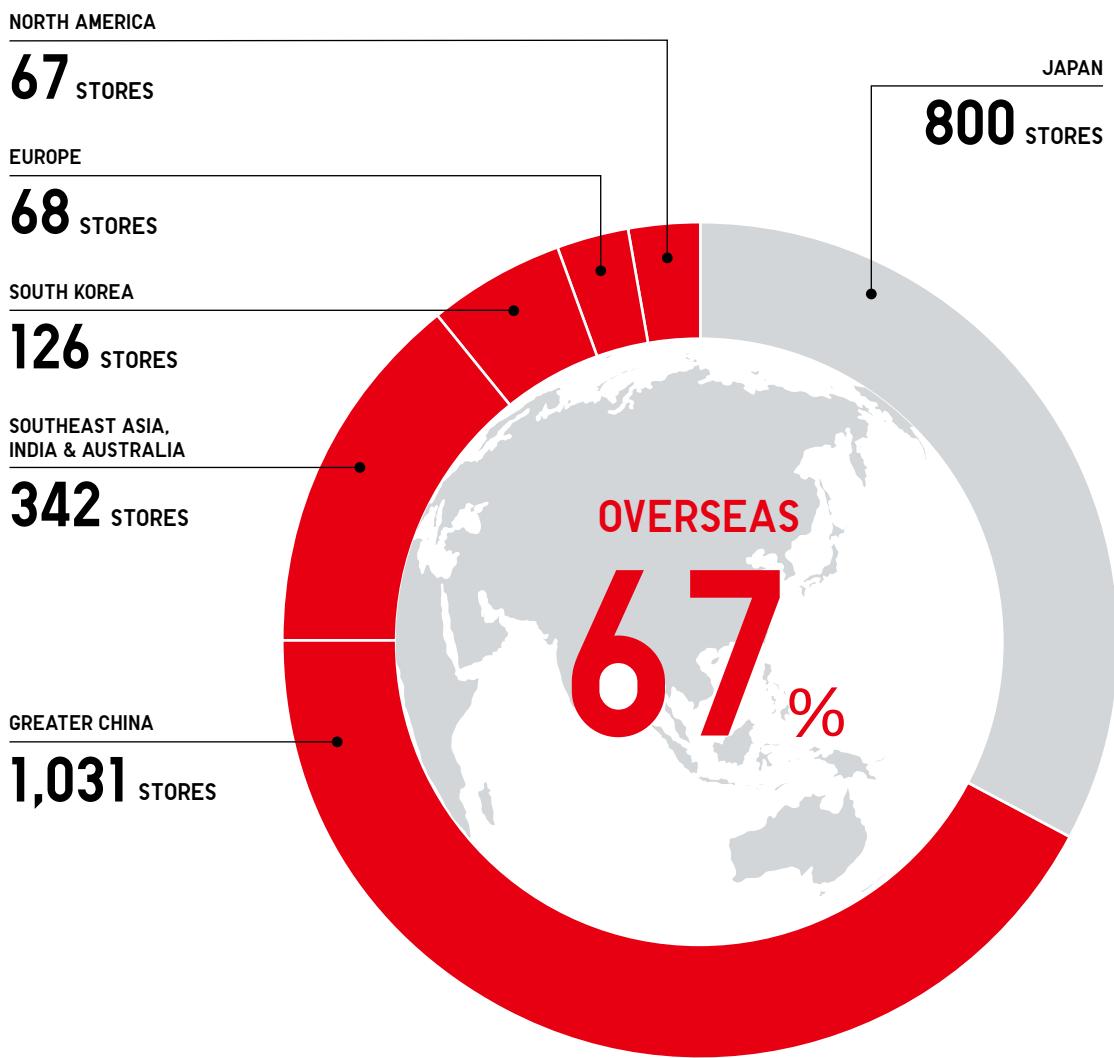


**Agata BOJAS**

Store Manager

# UNIQLO EXPANDS GLOBALLY

UNIQLO delivers LifeWear to people worldwide. UNIQLO International expanded to 1,634 stores, 67% of the total UNIQLO network. We intend to develop UNIQLO into a brand that is loved by customers everywhere.





BUSINESS SECTION





# JAPAN

## Community-focused Store Management Builds Affinity

UNIQLO Japan achieved record FY2023 revenue of ¥890.4 billion (+9.9% year on year) and operating profit of ¥117.8 billion (+9.2%). We achieved this great performance despite soaring raw materials costs and a weak yen by encouraging our store staff and the company as a whole to focus on addressing customer needs.

The UNIQLO Maebashi Minami IC store (sales floor: approx. 2,500 m<sup>2</sup>) opened on April 21, 2023 near a major national expressway. This location differs from our previous roadside stores thanks to its open,



UNIQLO Maebashi Minami IC store

welcoming atmosphere that invites visitors to spend the whole day there.

Customers enjoy both indoor and outdoor fun between shopping—they can relax on the UNIQLO GARDEN lawn area or bring their children to visit the UNIQLO KIDS BOX play area.

This UNIQLO LOGO STORE, with its striking exterior logo, is meant to familiarize customers with UNIQLO's corporate philosophy. Located in an exciting, up-and-coming area with many other large retail outlets including Costco and IKEA, the area attracts families and groups. The



Our UNIQLO KIDS BOX play area has a big slide, funky alphabet-shaped cushions, and a selection of picture books. This store also boasts a UNIQLO FLOWER booth selling fresh flowers and a UNIQLO COFFEE BOX selling exclusive blends, local sweets, and more.



experience extends beyond simply shopping: visitors can take a break to have a chat in UNIQLO COFFEE, relax on the lawn, or spend time with their children in the play area.

Opening the store has taught us that not just individual customers, but entire communities have high expectations of UNIQLO. We have learned that we can still grow our business even in Japan's mature market by satisfying those expectations.

Our exclusive UTme! graphic T-shirts with familiar local motifs have proved extremely popular at this location, and we also sell locally produced sweets in the café. UNIQLO's promotion of vibrant local culture to many customers will benefit communities in the long run. There are numerous other areas in Japan where we could open similar stores.

I want to maximize UNIQLO's potential and create an even more beloved brand by promoting local store management that best suits the needs of each community.



**TAKAO KUWAHARA**

CEO, UNIQLO Japan Group Senior Executive Officer, Fast Retailing Co., Ltd.

# GREATER CHINA

## Strengthening Business Foundation, Maintaining Solid Growth



**NING PAN**

CEO, UNIQLO Greater China  
Group Senior Executive Officer,  
Fast Retailing Co., Ltd.

UNIQLO Greater China FY2023 revenue and profit increased considerably, with revenue totaling ¥620.2 billion (+15.2%) and operating profit reaching ¥104.3 billion (+25.0%). We made persistent efforts to strengthen our marketing and to flexibly prepare optimum sales systems and sales floors. This enabled us to firmly capture customer demand in the second half, once COVID-19 cases decreased and consumer sentiment improved.

Our e-commerce operation has always been popular in the Mainland China market, but COVID-19 taught us that customers also look forward to shopping in our stores. When you visit a store, you remember how much fun it is to actually touch, see, and try on clothes before buying them.

UNIQLO's strength lies in our ability to offer customers an exciting shopping experience with a perfect blend of online and in-store services.

We are focusing strongly on promoting LifeWear. We showcase the value of UNIQLO clothing, and we also convey our corporate philosophy of creating even better

lives through clothes. LifeWear Day events, held mainly at stores in Zhejiang province to coincide with the Asian Games in September and October 2023, were picked up by major Chinese TV channels. We will hold similar events at stores in 28 major cities in FY2024.

Our ability to deepen understanding of LifeWear and provide products and services that delight customers depends largely on staff enthusiasm. UNIQLO has been awarded a Top Employers in China certification for eight consecutive years in recognition of our excellent human resources practices. Roughly



On LifeWear Day, we host fashion shows and various events, and hold discussions with Chinese key opinion leaders.





UNIQLO Shenzhen Wanxiang Tiandi store

350 new employees began their careers with us at a ceremony held in Shanghai in July. We aim to attract exceptional people and achieve even further dramatic growth.

At UNIQLO Greater China in FY2024, we will carefully create high-quality stores in better locations. These stores will offer a true LifeWear experience. By accelerating store network replacement, we will boost sales per store, further improve earnings, and strengthen operational structures. We will continue to relentlessly consolidate our position as the No. 1 brand in the Greater China region.



# SOUTHEAST ASIA, INDIA & AUSTRALIA

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UNIQLO Ho Hoan Kiem store



# Building Momentum for Future Growth

UNIQLO Southeast Asia, India & Australia reported significantly higher revenue and profit in FY2023, with revenue totaling approx. ¥350.0 billion (an approx. 50% year-on-year gain) and operating profit reaching approx. ¥60.0 billion (approx. +30%). We expanded our customer base by promoting core products throughout the year. Sales of T-shirts, Bra Tops, and cargo pants also increased as travel demand recovered.

We are deepening customer understanding and steadily expanding support for LifeWear in the Southeast Asia, India & Australia region through content creation as well as in-store events and activities designed to convey the value of LifeWear products. We are building a solid brand position, and we have also been actively involved in providing support to local communities. This support includes mask donations during COVID-19, clothing aid to flood-stricken areas, and tree-planting initiatives. Trust in the UNIQLO brand is growing. Local customer support is rising yearly, and

support among people in their teens and twenties, who make up a large portion of the population, is expanding.

We had 342 stores at the end of August 2023. We have focused primarily on shopping mall stores, but roadside store sales are now strong as well. So we will strengthen roadside store openings and encourage new purchasing behavior, with the goal of making UNIQLO a shopping destination. In addition to opening roughly 60 new stores a year, we will strengthen branding and improve convenience through store network renewal, creating larger and better-located stores.

The Southeast Asia, India & Australia region boasts the world's largest growth potential. We intend to enhance our human resources development, implement a management structure of a select group of highly talented employees, and focus on creating products that suit tropical climates. Our goal is for UNIQLO to be the No. 1 trusted brand and develop a strong global presence.



**YUKI YAMADA**

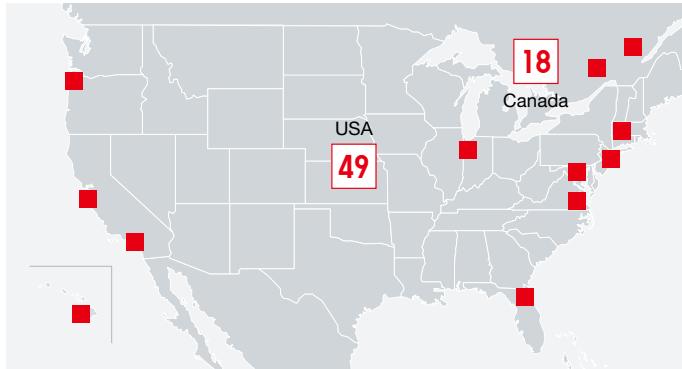
CEO, UNIQLO Singapore, Malaysia  
Group Executive Officer,  
Fast Retailing Co., Ltd.



Supporting the Thai Red Cross Children's Home with Princess Sirindhorn

# NORTH AMERICA

## Fueling New Growth Phase With Swifter Store Openings



**DAISUKE TSUKAGOSHI**

CEO, UNIQLO North America  
Group Senior Executive Officer,  
Fast Retailing Co., Ltd.  
Executive Director, President, and  
COO, UNIQLO Co., Ltd.

UNIQLO North America reported significantly higher revenue and profits in FY2023, with revenue totaling ¥163.9 billion (+43.7%) and operating profit reaching ¥21.1 billion (+91.9%). We clarified target products for strategic sales, ensured sufficient product volumes, and strengthened branding and information channeled through social media and other digital means.

That helped attract new customers and encourage more dedicated UNIQLO fans. Sales of HEATTECH innerwear, down jackets, linen shirts, T-shirts, Bra Tops, and other core ranges increased significantly. The quality of our products is undoubtedly extremely high, and many previous wearers of other brands are being

won over by the superior caliber and comfort of UNIQLO clothes. This growing trust in our products is helping to expand our customer base.

Furthermore, we are seeing some great results from our determined efforts in recent years to train large numbers of capable staff and subsequently establish a business team that can successfully coordinate all functions: from marketing, to product planning, to store management. One hit product to emerge from the USA is the Cropped Sleeveless Bra Top. Many customers viewed the Bra Top range as innerwear, but people in America loved wearing this particular item like a standard top. It became a big hit in the USA, then in Japan and worldwide.



UNIQLO Soho New York store (global flagship store)

After transforming our operational structures to facilitate consistent profits, we now have the platforms in place to accelerate growth. By FY2027, I want to boost revenue at UNIQLO North America (USA and Canada) to ¥300 billion and the operating profit margin to 20%. That means building a network of 200 stores in the region by FY2027, accelerating the pace of annual store openings from 8 in FY2023 to 20 in FY2024.

We will actively promote our ongoing sustainability activities to ensure local customers understand our corporate stance, and we will dedicate every day to building UNIQLO into the best-loved brand in North America.



The UNIQLO 5th Avenue store displays the Fall Winter 2023 theme: "Modern Layering." Different combinations of colors, patterns, materials, and functions create a new essential layering style for the colder months.

# EUROPE

## Enhanced LifeWear Affinity Drives Expansionary Phase

UNIQLO Europe\* reported significantly higher revenue and profit in FY2023, with revenue rising to ¥191.3 billion (+49.1%) and operating profit totaling ¥27.3 billion (+82.5%). We aim to continue this growth and increase revenue to ¥500 billion with an operating profit margin of 20% by FY2027.

European customers trust natural materials, so our superior-quality cashmere, Extra Fine Merino, and Supima® cotton products are always popular. However, the key this year

UNIQLO Paris Opera store (global flagship store)



was our effort on social media to showcase the value of our functional materials. This boosted sales of our synthetic fiber products, including HEATTECH and AIRism. Amid last year's cold winter in Europe and soaring fuel prices, people began wearing HEATTECH to stay comfortable without relying entirely on heating.

On September 15, 2023, we opened the remodeled UNIQLO Paris Opera global flagship store, retaining the historic 19th-century façade but

expanding the sales floor area. The new grand central staircase, reminiscent of an entrance to a theater, links the three interior floors. The natural light from the glass ceiling gives the store an open feel. Many customers had looked forward to the reopening.

We have built many stores across Europe, like the Paris Opera store, that respect the character of the local area. Opening stores in prime locations has also helped improve UNIQLO branding. I want to continue opening global flagship and other stores that enable people to experience UNIQLO's philosophy and values. We opened our first store in Luxembourg in October 2023, and in 2024 plan to open our first stores in Rome, Edinburgh, and more.

European customers tend to value timeless basic clothing over fleeting fashion trends, so UNIQLO has many fans here who understand the appeal of our clothes. Affinity toward LifeWear, the ultimate in highly finished basic everyday clothing, is extremely high in the European market. Going forward, we want to offer products that fit with European values and develop a beloved and trusted brand.

\*Does not include Russian operation given the suspension of operations at UNIQLO Russia



**TAKU MORIKAWA**

CEO, UNIQLO Europe  
Group Senior Executive Officer,  
Fast Retailing Co., Ltd.



Outdoor cafés are a big part of urban French culture. To promote understanding of our products, we customized an existing café for a special event in which customers could experience HEATTECH while enjoying coffee from January 26 to February 16, 2023.





## HEATTECH HISTORY

Launch of men's line. Innerwear with heat absorption and retention functionality was innovative, but there was still room for improvement in feel and texture.

Products made thinner, lighter, and more supple, particularly the women's line. Changing from hollow cotton to micro acrylic fibers provided a softer feel. Refinements resulted in the creation of HEATTECH fabric featuring four types of fibers, something that was once thought to be impossible.

2003 2004 2005 2006 2007 2008 2009 2010 2011 2012

Launch of women's line. Odor-control and dry functionality added for both men's and women's lines, sold as HEATTECH Plus.

Launch of sales outside Japan. A similar change from hollow cotton to micro acrylic fibers makes the men's line softer.

Men's  
HEATTECH  
launch

Women's HEATTECH  
launch

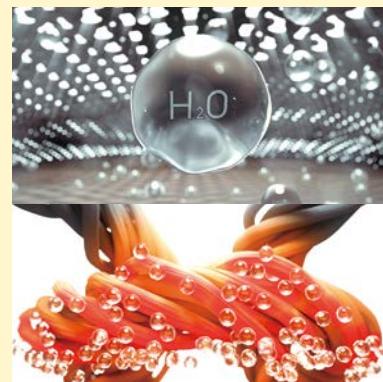
Global  
launch

Kids' HEATTECH  
launch

Baby  
HEATTECH

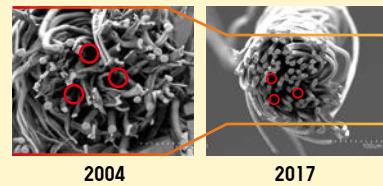
## Why is HEATTECH Warm?

Water vapor molecules emitted from the body move intensely between the skin and HEATTECH fabric. Highly absorbent rayon fibers efficiently absorb those molecules, turning their kinetic energy into thermal energy, thus generating heat. Micro acrylic fibers one tenth the width of a human hair trap the warmth inside the yarn. HEATTECH is made up of four fibers (rayon, micro acrylic, polyurethane, and polyester) and woven from three different threads into a complex structure that yields an unprecedented and unparalleled degree of warmth and comfort.



## Evolving to be Thinner but Warmer

Continuous improvements resulted in finer and more concentric fibers for more concentrated air pockets and improved functionality.

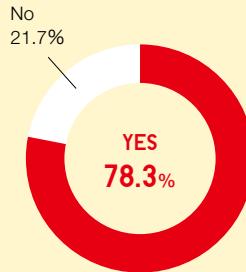


## Over 1.5 Billion Units Sold.\* Cozier Winters Everywhere

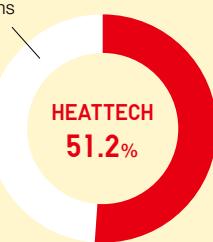
UNIQLO conducted a survey during Paris Fashion Week fall/winter 2023-24. Of 409 respondents, 321 (roughly 80%) said that they had worn UNIQLO clothing. Over half of the respondents (51.2%) said they had worn HEATTECH, up 25.5 points from the previous survey.

\*Global sales (2003-2022)

Have you ever  
worn UNIQLO?



What items  
have you worn?



GU





# Taking “Fashion Fun at Low Prices” Global

GU FY2023 revenue and profit increased considerably, with revenue totaling ¥295.2 billion (+20.0%) and operating profit reaching ¥26.1 billion (+56.8%). We reduced the number of products and strategically prepared ample volumes of those products that captured mass fashion trends. GU performance was also supported by our efforts to transform organizational structures and strengthen product development frameworks. We began to establish platforms to understand which mass-trend products develop into global hit items by analyzing sales at the GU pop-up store that opened in SoHo, New York in October 2022.

GU's FY2024 motto is “GO GLOBAL.” This motto encompasses two key strategies: accelerate GU's overseas expansion by focusing on international store openings, and transform GU into a global brand. We opened a product headquarters in New York in September 2023 to help merchandisers and R&D personnel absorb the latest global trends and incorporate them into product development. This is the first step toward turning GU into a global fashion brand from Japan.

GU opened 52 new stores in FY2023, primarily in Japan. These stores including the brand's fourth global flagship store (GU Marronier Gate Ginza store), one of western Japan's largest stores (GU Tennoji MIO store), a joint-brand Fast Retailing Group store in Fukuoka (GU Tenjin store), other large format stores in major cities, as well as suburban and shopping mall stores. Japan still harbors plenty of opportunity, but we also want to expand international store openings.

The GU pop-up store in SoHo, New York is now bustling with customers after we optimized the product mix and adapted to local needs. GU is now working to further advance product development, train staff in store management, and emphasize diversity in hiring to establish a stronger brand position and develop globally.

The appeal of GU is that it allows people to enjoy fashion with freedom. We intend to build a brand that delights people worldwide with its design and quality.



**OSAMU YUNOKI**

CEO, G.U. CO., Ltd.  
Group Senior Executive Officer,  
Fast Retailing Co., Ltd.



The GU Soho New York pop-up store



## Theory

### Affordable Sophistication From New York

The Theory fashion brand, launched in New York in 1997, is renowned for its perfect fit and its sleek designs. The innovative brand developed a premium stretch fabric that set it apart from the competition. Theory continues to release invigorating new collections that bring beauty and comfort to everyday life.



**COMPTOIR DES  
COTONNIERS**

## The Allure of French Esprit

Founded in 1995, Comptoir des Cotonniers (CDC) is a French casualwear brand based on the concept of unadorned allure, and prizes values rooted in French culture and artisanship. CDC boasts high-quality materials, tailoring, attention to detail, and timelessly feminine designs. Pieces from this sophisticated collection can be beautifully worn for a lifetime.

**PRINCESSE tam.tam**  
PARIS

**PLST**

## Superior Clothing for Everyday Living

PLST offers smart everyday clothing for people on the go—whether it's for a coffee with friends, a day at work, or a night out on the town. The label focuses on creating ingenious designs, from stunning silhouettes and patterns to extremely comfortable materials, and offers high-quality, easy-to-wear clothing for everyday occasions at reasonable prices.



## A French Brand That Celebrates Individuality

Princesse tam.tam (PTT) is a French brand that celebrates natural beauty. Its “lingerie that lets your personality shine through” resonates with countless women. PTT captures a sense of French beauty that's both refined and elegant as well as playfully innocent. The brand is known for its high quality and original prints, and offers a wide range of lingerie, loungewear, and other apparel.

# SUSTAINABILITY SECTION

**Enriching People's Lives,  
Enriching Society**

## OUR SIX KEY AREAS OF FOCUS

(Material Areas)

- 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 Ensure Proper Corporate Governance**



The photo shows our visit to the Bidibidi refugee camp in Uganda in June 2023. In partnership with the UNHCR, the UN Refugee Agency, Fast Retailing donates clothing collected through our product reuse and recycling activities to refugees and other displaced persons. These clothes can help people to stay healthy and regain a sense of dignity, and even give children the confidence to go to school. Putting clothes that are no longer needed into UNIQLO and GU recycling boxes is an easy way to help refugees.



# Create New Value Through Products and Services

- ▶ Pursue timeless designs based on our LifeWear concept.  
Create simple, high-quality, highly functional clothing that can be lovingly worn for a long time.
- ▶ Work to reduce environmental impact by studying the use of recycled materials and other materials with low greenhouse gas emissions from the product planning stage.
- ▶ Encourage customers to wear their clothes for longer. We expanded the number of RE.UNIQLO STUDIO locations offering repair/refashion services to 35 stores in 16 markets worldwide (as of October 31, 2023).

## Switching to Recycled Materials and Materials With Low Greenhouse Gas Emissions

By promoting ways of collecting and recycling products and utilizing recycled materials, we take responsibility for our products even after purchase. Fast Retailing aims to transition 50% of all materials we use to recycled materials and other low-GHG materials by FY2030. We consider the use of recycled materials and potential clothing-to-clothing recycling options from the product planning stage. We consider this equally important to improving product quality and functionality. We produce high-function, quick-drying DRY EX items made partly from recycled polyester. In Fall Winter 2022, we started selling our Fluffy Fleece Full-Zip Jacket, which uses 100% recycled polyester (made primarily from PET bottles) for the body fabric. From Fall Winter 2023, we have even been using recycled polyester in some HEATTECH items, such as the HEATTECH Crew Neck T-shirt. We are accelerating our efforts in the development of synthetic fibers due to the ease of recycling such fibers. As for natural fibers, we introduced recycled cotton in some UT graphic T-shirts for the first time in Spring Summer 2023. Our next goal is to use recycled cotton in denim products. These new clothes made by recycling limited resources are becoming increasingly visible in UNIQLO's product line-up.

Fluffy Fleece Full-Zip Jacket (left) and Boa Fleece Crewneck Cardigan (right) made using 100% recycled polyester fabric



### Use of recycled materials and materials with low greenhouse gas emissions

FY2023  
**8.5%**  
↓  
FY2030 Target  
**50.0%**

### Ratio of recycled polyester to total polyester used

FY2023  
**30.0%**

## Wearing LifeWear Longer

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, LifeWear aims to create masterpieces that will be lovingly worn for a long time.

To promote physical sustainability, we conduct multiple rounds of product sampling and verify performance at each stage. We conduct inspections based on the best global standards and conduct in-house testing. We seek to perfect our products in a comprehensive way, checking the comfort, design, sewing quality, resistance to damage, and long-lasting functionality. For instance, during the weaving process of our UNIQLO Oxford Shirt, we twist three threads into the horizontal weft for an even smoother surface texture that looks and feels the same after washing. This ensures durability.

To further enhance emotional sustainability, we aim to refine designs by emphasizing product development. We are strengthening global systems through our R&D centers and working side by side with top designers in New York, Los Angeles, London, Paris, Shanghai, and Tokyo.

### Oxford Shirt

Attentive focus on material creates a supple but durable texture



POINT 01



Made with triple-twist yarn

POINT 02



Gusset: reinforced hem on both sides for added strength

### INTERVIEW



Fumitaka Mori

Toray Industries, Inc.  
Manager of Global Operation Dept.

### Technology to Create a Circular Society

Toray Industries and UNIQLO have had a strategic partnership since 2006. UNIQLO listens extremely carefully to customer opinions, reflects those views in its products, and makes each item with attentive care. When developing HEATTECH, we incorporated customer requests and repeatedly improved the special polyester material until we achieved the current soft and smooth finish. The Fall Winter 2023 HEATTECH items that used recycled polyester took a long time to develop, because we were determined to maintain the same renowned HEATTECH feel. It is very difficult to make the special polyester from recycled raw materials. This is because they are waste products that contain impurities, and the yarn is not always stable. By improving the process for removing foreign matter, and maximizing the purity of the raw material, we finally managed to produce a special recycled polyester that met our high standards.

# RE.UNIQLO STUDIO

## Enjoying LifeWear Longer: An Idea That is Going Global

The RE.UNIQLO STUDIO idea stemmed from a clothing upcycling workshop held at a UNIQLO store in Berlin in August 2021. We launched the first repair space in our New York Soho store in January 2022, and by October 2023, RE.UNIQLO STUDIO was available in 16 markets worldwide.

RE.UNIQLO STUDIO helps customers wear LifeWear for longer by offering repair and remake services for a fee. With the service now in operation, we have realized that customers wear their favorite UNIQLO

FRANCE



clothes for longer than we thought. Naturally, we offer basic services such as repairing holes and replacing buttons. But we also breathe new life into beloved clothing using traditional Japanese Sashiko stitching techniques. This is attracting attention from a sustainability perspective. Customers love how we upcycle used clothing to create one-of-a-kind items. In 2024, we plan to expand these services from the current 35 stores to over 50 worldwide.



Stores with  
RE.UNIQLO STUDIO booths

**35** stores in **16** markets

(As of October 31, 2023)

GERMANY



USA



UK



SPAIN



ITALY



JAPAN



## REMAKE

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

### SASHIKO



Add geometric Sashiko embroidery to repair and beautify clothes.

### EMBROIDERY



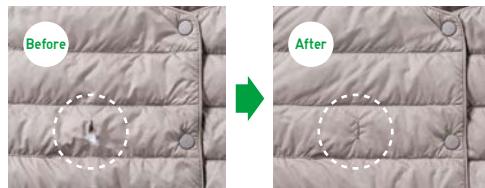
Enjoy customized designs such as initials and needlepoint.



## REPAIR

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

### DOWN JACKET



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

## Respect Human Rights in Our Supply Chain

- ▶ Implement three-pronged supply chain reform to achieve sustainable growth (map supply chain and consolidate partners, diversify production bases, and deepen raw material procurement management). Establish systems to apply our own standards for product quality, production frameworks, and environmental and human rights measures for every process, from sewing back to the procurement of raw materials.
- ▶ Concluded a Production Partner Code of Conduct with spinning mills for UNIQLO cotton products in Spring 2023. Regular audits of major spinning mills were introduced to verify working environments and traceability.

### Enhancing Monitoring to Improve Supply Chain Working Environments

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 in accordance with the Social and Labor Convergence Program (SLCP), a common assessment framework for the apparel and footwear industries. In the event of a problem, the factory is asked to instigate improvements and support is provided. For a zero-tolerance item, the Business Ethics Committee decides

whether to terminate or review the business relationship after investigating the factory's management and employment circumstances, exploring improvements with the factory, and confirming implementation. In 2023, we commenced monitoring at spinning mills.

In FY2023, we tightened standards regarding discriminatory treatment and migrant workers, who are often more vulnerable. We classify charging costs such as recruitment fees, travel expenses, and passport renewal to migrant workers as zero-tolerance items and require partner factories to follow strict standards when addressing any such burden. As a result, the number of zero-tolerance evaluations rose to 14 factories. We agreed on improvements with all offending factories and confirmed implementation at 10 factories.

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

Grade	Main description	FR Group (UNIQLO)	
		FY2022	FY2023
No important issues or zero-tolerance items	Important issues or zero-tolerance items were not observed	459 (246)	417 (234)
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)	78 (41)	85 (38)
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)	9 (4)	14 (5)

Note: From September 2020 we started gradually changing our monitoring methods to the Social & Labor Convergence Program (SLCP), the common assessment program for the apparel industry. By the end of August 2023, we had largely introduced the SLCP into all garment factories and major fabric mills, and we are now changing the disclosure of monitoring results to match the new monitoring framework.

## Deepening Supply Chains, Enhancing Traceability

Fast Retailing has always built strong partnerships with garment factories and fabric mills, and we have established systems for applying and managing our own standards regarding product quality, production frameworks, and environmental and human rights. We are expanding these partnerships so we can designate and manage all processes in-house, back to raw materials procurement. That means establishing traceability by understanding the commercial flow from raw material to garment factory, while consolidating transactions among business partners that share our values and standards. We began tracing the commercial flow of all UNIQLO products from Spring Summer 2023. For cotton products, we consolidated business to a select group of spinning mills. We specified the origin and quality of cotton from the product planning stage and built systems to trace it. We will promote similar initiatives for all materials going forward.

We are also improving information disclosure on production processes to customers. In August 2023, we began displaying the country of production on UNIQLO and GU online product pages in certain markets. We will gradually expand the number of target markets and information provided.

**Disclosure of Production Partners List**  
[https://www.fastretailing.com/eng/  
sustainability/labor/list.html](https://www.fastretailing.com/eng/sustainability/labor/list.html)



In August 2023, started posting information about country of production on UNIQLO and GU online stores.

### Visualizing and Consolidating Supply Chain

Stabilizing quality and cost, and enhancing environmental and human rights standards



#### Management to date

Fast Retailing grasps the situation and manages directly

Grasp the situation through fabric mills

Grasp the situation based on declarations and certifications

#### Future aim

Fast Retailing will evaluate the situation, designate suppliers, and manage all processes

## Respect the Environment

- ▶ Steadily reduce greenhouse gas (GHG) emissions in all areas—materials development, supply chains, stores, and offices—to achieve our FY2030 targets.
- ▶ Announced Fast Retailing Group Policy on Biodiversity, seeking net positive impact on biodiversity across our value chain.
- ▶ Conducted a biodiversity impact assessment of our business and identified significant impacts from land used for the production of wool, cashmere, and cotton raw materials. We will conduct more on-site surveys to identify and implement appropriate actions.

### Steadily Reducing GHG Emissions

Our aim is to achieve net zero GHG emissions by 2050. We are currently on track 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% by FY2030 (compared with FY2019 levels). These targets have been certified under the Science Based Targets (SBT) framework.

#### SCOPE 1, 2

### Easing Environmental Impact Through Innovative Stores

When developing our UNIQLO Maebashi Minami IC store, which opened in April 2023, we considered energy-efficient features from the design stage onward and created a store that incorporated various ideas for alleviating environmental impacts.

The majority of our energy consumption is electricity for lighting and air conditioning, so we reduced in-store power consumption in numerous ways: eaves to block out strong sunlight, skylights to maximize natural light, and solar panels on the roof.

#### FOCUS

Maeishi  
Minami IC store  
initiatives



#### Measures to Reduce Power Consumption

##### Skylights



##### Recycled wall insulation



©Kamioka/UNIQLO

##### Eaves



## Addressing Water Resource Issues

We address water issues across raw materials procurement, production, retail, and product use. We monitor water volumes in areas of high water-supply risk and at targeted factories, and work together on conservation. By end 2025, our aim is to reduce per-unit water usage by 10% (vs. 2020 levels) at each of the major garment factories and fabric mills that together account for 80% of the water used for our products. In 2022, 49% of the factories were already meeting those targets. We also aim for zero discharge of harmful chemicals (ZDHC) from our products and production processes, and achieved 99.7% compliance with ZDHC wastewater standards in 2023.



Environmental nonprofit CDP certified Fast Retailing as an “A-list company” in recognition of its proactive efforts and transparency on climate change and water security.

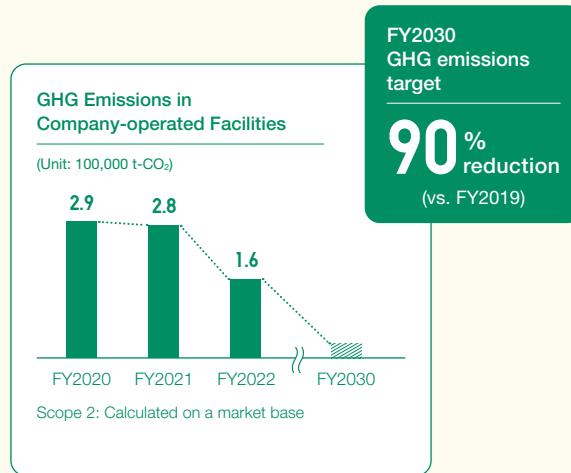


The store is projected to consume 40% less power than conventional UNIQLO roadside stores.\*

Furthermore, our internal research estimates the generated solar power will cover 15% of the store's total needs. Other initiatives include using recycled UNIQLO clothing for wall insulation and installing air curtains that effectively control inflows of outside air and outflows of temperature-controlled indoor air when the doors are open. Going forward, we plan to open more stores with similar features.

We aim to use 100% renewable electricity at our stores and main offices by FY2030. In FY2022 that figure stood at 42.4% for the Fast Retailing Group as a whole.

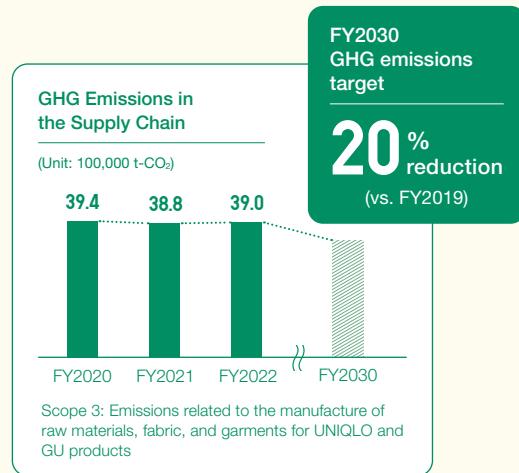
\*Based on a comparison with the UNIQLO Tomioka store, also in Gunma Prefecture, adjusted to the same floor area as the UNIQLO Maebashi Minami IC store.



### SCOPE 3

## Lowering Emissions in Our Supply Chain

Major partner factories account for 90% of UNIQLO and GU production volume. We support these targeted factories in phasing out coal and using renewable energy. After preparing a GHG emissions reduction plan, we monitor progress and conduct a review every three months. While GHG emissions increased marginally in FY2022 due to an increase in production, we expect to see a decline once factories replace unsuitable equipment. Many supply chain initiatives of this nature take time to complete due to capital investment and other factors.



## Strengthen Communities

- ▶ Support people affected by poverty, discrimination, violence, conflict, and war by donating all proceeds from our PEACE FOR ALL charity T-shirt project to international humanitarian organizations.
- ▶ Offer clothes and self-reliance initiatives to refugees and other people in need around the world. In September 2022, we started a self-reliance program for female Rohingya refugees in Bangladesh.
- ▶ Empower children and young leaders of tomorrow through educational support and social engagement programs.

### Promoting Refugee Employment in Our Stores

One way we can help refugees who have fled their home countries lead a stable life in their new environment is to offer employment. Since 2011, UNIQLO Japan has worked with the Refugee Assistance Headquarters (RHQ) at the Foundation for the Welfare and Education of the Asian People (FWEAP) to provide employment for refugees and their families who have been granted refugee status and domicile in Japan. With the scheme now being extended to group companies including GU Japan, we are employing more and more refugees each year. At the end of April 2023, 53 refugees were working for us in Japan. After joining the company, they undertake practical in-store training, visit our headquarters for other training sessions, and attend Japanese language classes. As part of our effort to create a comfortable working environment, we offer educational programs on refugee issues to store managers and employees who serve as trainers. We also employ refugees in UNIQLO stores in the USA and Europe, where we provide region-specific support. Having refugees as members of the Fast Retailing Group is part of our philosophy of encouraging diversity within the company.

Refugees working in Japan  
for Fast Retailing Group  
(As of April 30, 2023)

53



Refugees employed in UNIQLO Japan stores

## Expanding Refugee Support Through Next-generation Training

Fast Retailing has been providing clothing aid to refugees and other displaced persons worldwide since 2006 in partnership with UNHCR, the UN Refugee Agency. In 2011, we signed a global partnership with UNHCR, hoping to find more comprehensive solutions for refugees. From 2006 to end August 2023, we donated approximately 54.63 million items\* of used clothing through our product reuse and recycling activities. We also provide emergency aid, run self-reliance programs for refugees, employ refugees, raise awareness of associated issues, and dispatch employees to UNHCR.

Since 2013, we have been working with UNHCR on the Power of Clothing Project, a participatory learning program for elementary, junior high, and high school students. After attending classes given by our employees, students organize the collection of used kids clothing for donation to people under 18, who constitute roughly half of all refugees. In FY2023, roughly 82,000 students from 744 schools in Japan collected approximately 720,000 items of clothing through the program. In July 2023, we launched the Kids in Action project at an elementary school in Singapore. This two-week initiative was our first used-clothing drive outside Japan, and approximately 1,200 children took part.

Number of used clothing items donated  
(2006 to end August 2023)

Approx. **54.63** million

\*Includes non-refugee beneficiaries



Children we met at a refugee settlement, June 2023



Power of Clothing lesson taught by a UNIQLO employee

Power of Clothing Project participants  
(Japan, FY2023)

**744** schools  
Approx.  
**82,000** people

### INTERVIEW



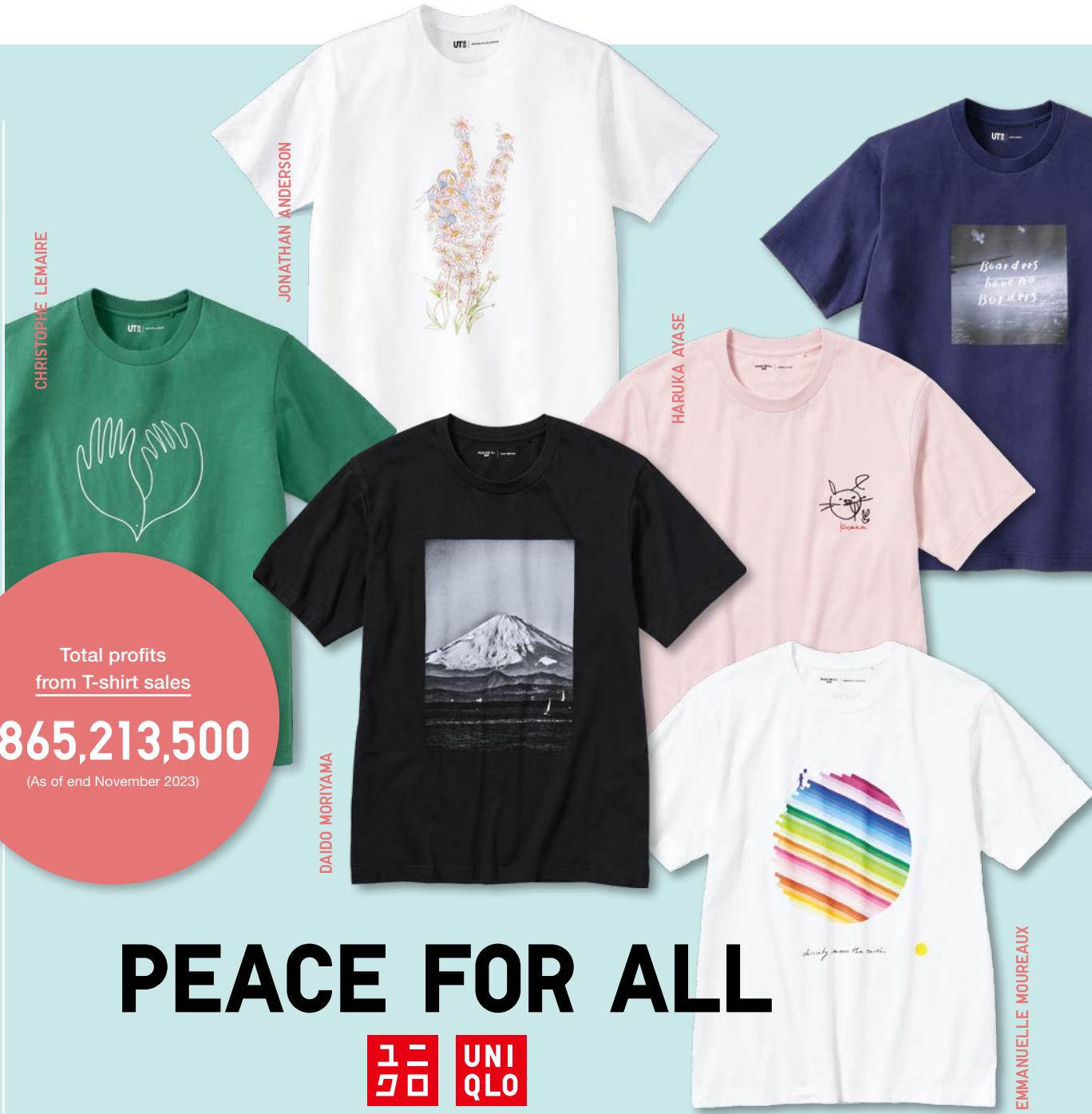
Ayaki Ito

Representative of the United Nations High Commissioner for Refugees (UNHCR) Representation in Japan

### Expanding Support for Refugees Around the World

In 2008, I was in Lebanon when I was first approached about donating clothes to refugees. I feel that Fast Retailing and UNHCR have built a holistic relationship through clothes. Fast Retailing doesn't just donate clothes, it also employs refugees and conducts multiple activities to help refugees regain their independence and rebuild their lives. For instance, the MADE51 initiative (led by UNHCR and launched in 2018) sells handicrafts made by refugees using traditional techniques through its UNIQLO stores. Fast Retailing is unique in that it doesn't just deliver clothes to refugee camps; its employees visit the camps personally. I hope they share what they learn—about how the donated clothes help refugees and about how they live—with businesses and individuals worldwide.

## TOPICS



# PEACE FOR ALL

UNIQLO

## A Charity T-shirt Project to Promote Peace

The PEACE FOR ALL project embodies UNIQLO's sincere hopes and actions for world peace. Since June 2022, we have been selling T-shirts emblazoned with peace-related messages designed voluntarily by various celebrities who share UNIQLO's vision. As of end December 2023, 33 contributors have participated, including Tadao Ando, Haruki Murakami, Wim Wenders, and KAWS, and we continue to sell these designs. All profits from the T-shirt sales (20% of the retail price) are donated equally to three organizations through their Japan offices: UNHCR, Save the Children, and Plan International. By the end of November 2023, we had donated over ¥800 million for emergency humanitarian assistance and other international activities.

More information is available here.



MESSAGE  
FROM  
OUR PARTNERS

## Message from Save the Children



**Akiko Takai**  
Save the Children  
Executive Director cum  
Secretary General,  
Save the Children Japan

“

Every time I came across people wearing PEACE FOR ALL T-shirts, I was overjoyed to see someone taking action for world peace. By wearing a PEACE FOR ALL T-shirt, your support is having a positive impact for the millions of children and their families living in countries affected by conflict or natural disasters. With your help, we were able to support children around the world—including in Ukraine, Afghanistan, Lebanon, Bangladesh, and Mozambique—with cash assistance, food supplies, learning spaces, and psychosocial support. I hope we can continue to work together to support these children by wearing these T-shirts.

”



MESSAGE  
FROM  
OUR PARTNERS

## Message from Roger Federer

“

For over 25 years, I considered myself very fortunate to explore the world while competing in a sport I love. Tennis and peace both start with “Love” and I hope this simple design also can remind everyone how important it is to respect each other.

”

## ROGER FEDERER

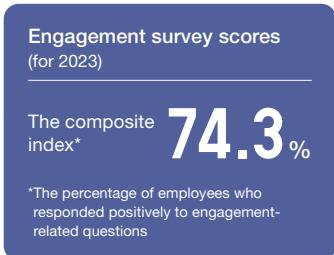
Professional Tennis Player

Tennis legend Roger Federer is a 20-time Grand Slam winner with 8 Wimbledon titles and holds the record of being ranked No. 1 in the world for 237 consecutive weeks. He is one of the most beloved and influential players of all time.



# Support Employee Fulfillment

- ▶ Promote diversity and inclusion focusing on gender equality, ethnicity and nationality, participation of staff with disabilities, and LGBTQ+ awareness.
- ▶ Provide skills development programs and growth opportunities. Develop employees with the ability to play an active role on the global stage. In November 2023, we released our human development policy, which helps secure diverse human resources and determine policies for enhancing our internal work environment.
- ▶ Create working environments supporting our aim to become the world's safest and healthiest company.



## Hiring and Training Talented People

Based on Global One and *ZEN-IN KEI/EI* management principles, Fast Retailing provides growth opportunities for all employees. We seek to build an environment where anyone can play a leading role and demonstrate their abilities. We consider global employees who can think and act autonomously as the driver of corporate growth. We strive to nurture those who adhere to high standards and value "truth, goodness, and beauty." They share our customer-centered ethos.

We strive to hire and develop people in three key areas. First, store salespeople who think and act autonomously to provide locally tailored customer service. Second, store managers and global management personnel who generate concrete results and contribute to society by demonstrating global leadership that transcends barriers. Third, highly specialized personnel with world-class expertise in digital, IT, creative, and global supply chain management who can build functions and systems for a global future that is unfettered by convention.

Percentage of women in management positions\* in the Fast Retailing Group (as of end August 2023)

FY2023 **44.7 %**  
↓  
FY2030 **50.0 %**

Percentage of non-Japanese people in management positions\* (as of end August 2023)

FY2023 **56.4 %**  
↓  
FY2030 **80.0 %**

More information is available here.



\*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.

## Our Internal Training Organization

The Fast Retailing Management and Innovation Center (FR-MIC) is the in-house human resource training organization created by president and chairman Tadashi Yanai. Under his direct jurisdiction, FR-MIC works with senior management and human resources to promote Global One and *ZEN-IN KEI EI* principles and nurture managers who can play an active global role. FR-MIC offers diverse educational programs and provides necessary training in a timely and appropriate manner. The content includes training based on Notes on Becoming a Business Leader, FR: In Spirit and Action, and What FR Has Changed, all written by founder Tadashi Yanai; dialogue sessions with Mr. Yanai, national CEOs and other executive officers, and store managers; roundtable discussions on management issues with national managers; and sales training. To deepen understanding of management policies and issues, we hold an FR Convention twice a year, bringing together global store managers, head office employees, and highly talented store salespeople.

We also provide proactive employee growth opportunities through internships, unique training programs, and other similar initiatives.



Sharing Fast Retailing's management philosophy and vision with all our employees is essential for our corporate growth. We hold FR conventions twice a year. Including online participants, these events are attended by roughly 8,000 store managers and head office employees from around the world.

### INTERVIEW

#### Contributing to Society is Good for the Company

I joined FR in 2001 to promote our internal training programs. Immediately after that, the Social Contribution Office was launched in earnest, so I got involved there early on. In 2004, the CSR Department was established, and I suggested to Mr. Yanai that we expand our fleece recycling to all UNIQLO products. He told me to get all employees on board, so I made the announcement at our all-employee FR Convention, and then followed through. Whether supporting refugees or providing clothing aid after the 2011 Japan earthquake, sustainability initiatives require widespread cooperation. This company is a great place for motivated employees—people who want to inspire others and make a difference in society—achieve their dreams and goals. You can implement great initiatives that extend beyond your specific job's responsibilities. My work here is extremely fulfilling.



**Eiko Sherba**  
Global Marketing Director  
(Sustainability Marketing)

# Ensure Proper Corporate Governance

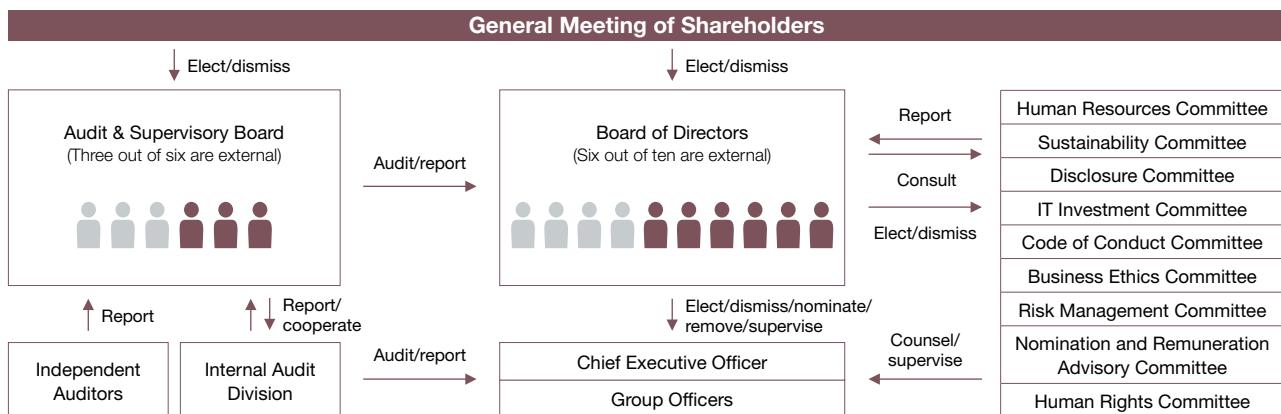
- ▶ Appoint a majority of external directors to the Board of Directors to strengthen its independence and surveillance capabilities.
- ▶ Promote swift, open debate and decision-making in individual committees that support the Board.
- ▶ Discussion of important governance matters in the Nomination and Remuneration Advisory Committee (appointing directors and Audit & Supervisory Board members and providing long-term incentives for officers).

## Outline of Corporate Governance (Year Ended November 30, 2023)

Form of Organization	Company with Audit & Supervisory Board
Chairman of the Board	Tadashi Yanai
Number of Directors & Audit & Supervisory Board Members	Directors:10, including 6 external directors/Audit & Supervisory Board Members: 6, including 3 external Audit & Supervisory Board Members
Details of Board of Directors Meetings in FY2023	<p>Number of Meetings/Attendance</p> <p>Number of meetings: 13/director attendance*: 97.2%/Audit &amp; Supervisory Board Member attendance**: 97.4%</p> <p>Sample Agenda</p> <p>Approval of the annual budget and corporate results, officer appointments, operational and new-store planning for our Global Brands segment, and our policy on financial planning and fund management, etc.</p>
Details of Audit & Supervisory Board in FY2023	<p>Number of Meetings/Attendance</p> <p>Number of meetings: 13/Audit &amp; Supervisory Board Member attendance**: 94.8%</p> <p>Sample Agenda</p> <p>Auditing policy, auditing planning, discussion with the Board of Directors, the current situation and issues at UNIQLO Japan, the current situation and issues in the production area, and the current situation and issues in the Sustainability Department, etc.</p>
Main Meetings Requiring Audit & Supervisory Board Member Attendance	Board of Directors Meetings, 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
Election of Independent Directors	6 external directors and 3 external Audit & Supervisory Board Members elected
Determination of Individual Director Remuneration	Internal director remuneration consists of basic fixed remuneration and variable performance-related remuneration (both short and long-term) based on each director's performance, etc. The basic portion of internal director remuneration is calculated using a table of fixed compensation for individual internal directors according to his/her stipulated grade, which is based on an individual's job description, level of responsibility, past achievements, and degree of contribution to the company. Each director's grade is determined by the Board of Directors following discussion in the Nomination and Remuneration Advisory Committee. Performance-related remuneration (both short and long-term) is based on an evaluation of each director's performance during a specified period and calculated within the upper limit approved at the general shareholders' meeting. The Board delegates the function of determining director evaluations to company president and representative director Tadashi Yanai following discussion in the Nomination and Remuneration Advisory Committee. External director remuneration is determined by Board of Directors within the total amount for external director remuneration approved at the general shareholders' meeting. FY2023 compensation to the 11 directors totaled ¥819 million, including ¥87 million to external directors.
Determination of Individual Audit & Supervisory Board Member Remuneration	Overall limit determined at the general shareholders meeting. Individual compensation decided through mutual consultation between Audit & Supervisory Board Members. FY2023 compensation to the 5 Audit & Supervisory Board Members totaled ¥76 million, including ¥42 million to external Audit & Supervisory Board Members.
Independent Auditor	Deloitte Touche Tohmatsu LLC

\*1. Average attendance of each director. \*2. Average attendance of each Audit & Supervisory Board Member.

## Corporate Governance at Fast Retailing (As of November 30, 2023)



## Our Approach to Corporate Governance

Fast Retailing's corporate statement is "Changing clothes. Changing conventional wisdom. Change the world." As part of our goal to become a global No.1 brand that is essential to daily living and trusted by all customers around the world, we are determined to pursue business expansion and sustainability initiatives as one.

To help us achieve those aims, we have established an effective corporate governance structure. Fast Retailing is a company with an Audit & Supervisory Board. 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 functions, facilitating efficient management and business implementation. We have also established a variety of committees to complement the effective functioning of the Board, including the Human Resources, Sustainability, Disclosure, IT Investment, Code of Conduct, Business Ethics, Risk Management, Nomination and Remuneration Advisory, and Human Rights committees. Each committee encourages effective, open debate and decision-making that fulfills its designated purpose and responsibilities.

## 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, diversity, and ESG, our external directors offer diverse, high-level expertise. They offer objective opinions that are reflected in important decisions. In FY2023, the Board discussed various topics including the approval of the fiscal year budget and financial results, trends and issues at UNIQLO International and Global Brands, and e-commerce strategy.

Fast Retailing conducts an annual survey of all directors and Audit & Supervisory Board members regarding the effectiveness of the Board. The survey results are shared with all members in a Board meeting held to consider improvements with regard to highlighted issues. In FY2023, this survey pinpointed ongoing issues with the way information is provided to external directors and with the diversity of Board membership, and praised improvements in Board effectiveness through the holding of topic-specific monthly discussions as well as store and warehouse tours for newly appointed directors.

## Internal Control

With our operations continuing to expand globally, we are focusing on establishing internal control systems wherever we operate by promoting full compliance, strengthening risk management frameworks, protecting confidential information, and pursuing thorough internal

auditing. We seek to nurture a deep understanding of, and respect for, our Fast Retailing Group Code of Conduct by requiring all employees to take an annual online refresher course. We have also set up internal hotlines so that anyone can anonymously report or discuss potential compliance violations or concerns.

## Audit & Supervisory Board

Fast Retailing's Audit & Supervisory Board consists of six members, including three external members. Chaired by a Standing Audit & Supervisory Board Member, the Audit & Supervisory Board balances strong independence with strong information-gathering. External Audit & Supervisory Board members are fully independent and boast backgrounds in law and public accounting. Each member contributes professional and objective opinions. Audit & Supervisory Board members fulfill their supervisory obligations by monitoring and verifying the Board of Directors' decisions and by attending Board of Directors meetings. Members also audit the directors' execution of their duties by holding regular hearings with directors, executive officers, employees, and Audit & Supervisory Board Members of subsidiary companies. The Audit & Supervisory Board meets at least once a month to formulate audit policies and plans, and to discuss quarterly explanations and reports from the accounting auditor. The Audit & Supervisory Board met 13 times in FY2023 with 94.8% attendance. Items discussed included the current status and issues relating to the Sustainability Department, Finance Department, FR-MIC internal training organization, and the Human Rights Committee annual activity report.

## Human Rights Committee

The committee advises and supervises the company to ensure compliance with the Fast Retailing Group human rights policy and the appropriate conducting of all business. It investigates human rights violations reported by stakeholders through our hotlines, and provides advice and recommendations on remedial measures. It also provides advice and recommendations to individual business divisions on education and awareness-building activities and the implementation of human rights due diligence. In FY2023, the committee discussed the report outlining the results of and recommendations for workplace monitoring at spinning mills, as well as frameworks for human rights due diligence at logistics suppliers.

## Risk Management Committee

This committee regularly identifies significant risks, strengthens risk management systems, and manages company-wide risks. It prioritizes areas of highest potential risk in discussions of pre-emptive and responsive actions. It also reports material risks to the Board of Directors and helps relevant departments respond. The committee is chaired by the Group CFO, and members include external directors and executive officers. In FY2023, the committee discussed information security and other risks and strengthened risk management in operations.

## Sustainability Committee

The Sustainability Committee discusses sustainability policies and measures, offers advice and recommendations to departments, and supervises progress. Its discussions include corporate activity and policy relating to environmental protection, respect for human rights, social responsibility, compliance, and diversity. Content is shared with all relevant departments. In FY2023, the committee discussed climate change, biodiversity, circular economies, and efforts to engage customers and employees in sustainability.

## Nomination and Remuneration Advisory Committee

The discretionary Nomination and Remuneration Advisory Committee discusses items relating to corporate governance (requirements and nomination policy for director and Audit & Supervisory Board member candidates, director remuneration policy, CEO requirements, smooth succession planning, etc.) and advises the Board of Directors. The committee is chaired by an external director and includes all independent external directors and some independent Audit & Supervisory Board members. Passing on the Fast Retailing corporate philosophy and spirit is key to growth, so President and CEO Tadashi Yanai also serves on the committee. In FY2023, the committee discussed director and Audit & Supervisory Board member appointments and long-term incentives for officers.

**Composition of Committees** (January 1, 2024)

			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
Executive Director	Tadashi Yanai	Chairperson	●	●	Chairperson					●	
	Takeshi Okazaki	Observer	●	●	Chairperson	●				Chairperson	●
	Kazumi Yanai		●								
	Koji Yanai		Chairperson								
Non-Executive Director	Nobumichi Hattori								●	●	
	Masaaki Shintaku	●				Observer				Chairperson	
	Naotake Ono									●	
	Kathy Mitsuko Koll		●							●	●
	Joji Kurumado									●	
	Yutaka Kyoya	●								●	
Standing Audit & Supervisory Board Member	Masaaki Shinjo	●		Observer	Observer		●				
	Masumi Mizusawa		●	Observer		●		Observer			●
	Tomohiro Tanaka		●	Observer	Observer			Observer			
External Audit & Supervisory Board Member	Kejiko Kaneko	●				●					●
	Takao Kashitani						●			●	
	Masakatsu Mori								Observer		
Number of Group Officers, External Specialties, etc.		3	7	3	4	5	9	8	0	8	

●=Committee Member

Note: The Business Ethics Committee is chaired by the Officer in Charge of the Sustainability Department, the Code of Conduct Committee is chaired by the Officer in Charge of the Legal Affairs Department, and the Human Rights Committee is chaired by an outside expert. External directors and Audit & Supervisory Board Members offer opinions based on their respective knowledge.

## External Director Interview

## Passion to Develop Local Communities

**Joji Kurumado**

External Director



### Becoming the Best Team

Since being appointed external director, I have been struck by how motivated and keen Fast Retailing employees are to achieve challenging goals in all areas where the company operates. This trait is not only apparent in domains that are visible to customers, such as stores and products, but across the supply chain and in other domains as well.

However big a company becomes, human resources will always be important. Fast Retailing holds its Fast Retailing Convention twice a year, and store managers from around the world and employees from the company's global headquarters gather for enthusiastic discussions. I think this is a fantastic way to boost employee motivation. In my capacity as executive officer at Takenaka Corporation, I witnessed a vast difference in outcomes depending on how motivated employees were. We are always talking about staffing, training, and succession planning in Board meetings. I think Fast Retailing's key strength lies in its ability to respect each employee's capabilities and experience, and its determination to create working environments that encourage people to take on challenges and expand their horizons.

### Building Stores That Invigorate Local Communities

Determining store locations is an active process. UNIQLO can sometimes change an entire town or community by opening a store there. For example, the UNIQLO Maebashi Minami IC store, which opened in April 2023, has developed an iconic presence in the area. I feel UNIQLO has successfully refreshed the image of the roadside store and changed the nature of urban planning. Opening stores that local communities welcome and support is socially significant. UNIQLO store openings can help local communities and businesses by alleviating the negative impact of depopulation and encouraging other stores to open nearby. In the big picture, the opening of a store may kickstart community development. I am eager to provide support and advice on this issue from an external director's perspective.

Appointed November 2022. In January 1982, received Japanese First-class Architect certification. At Takenaka Corporation, served as Executive Officer in Charge of Design, Managing Executive Officer, and Advisor. Currently, a part-time lecturer at Waseda University.

**JOJI KURUMADO**

## Messages from Our Directors



**Tadashi Yanai**

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

Our mission is to make the world a better place through the clothing business based on our corporate philosophy: Changing clothes. Changing conventional wisdom. Change the world. There are no national borders in economics, and global companies are expected to fulfill significant social responsibilities. We will continue to grow, improve, and deliver clothing happiness and joy to people worldwide through LifeWear.

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.



**Nobumichi Hattori**

External Director

Independent Director

### Firmly Managing Global Risks, Finding Best Ways to Increase Corporate Value

I believe the best way to increase shareholder value is to prize capital market perspectives and objectively judge how these markets perceive Fast Retailing's corporate value. I intend to ensure solid global risk management and offer advice from a broad range of perspectives to ensure Fast Retailing continues to fulfill market expectations as a highly respected company that is expected to grow strongly in the future.

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 Hakuhodo DY Holdings Inc.



**Masaaki Shintaku**

External Director

Independent Director

### Promoting Digital Consumer Retailing, Building Frameworks for the Next Phase

Fast Retailing is proceeding with its transformation into a digital consumer retailing company and accelerating its efforts to analyze data and acquire knowledge. Fast Retailing made efficient investments in updated IT systems, which are now supporting operations and earning a strong reputation. Fast Retailing is also attracting exceptionally talented employees and building frameworks for the next stage of growth. The Board should support this progress.

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.



**Naotake Ono**

External Director

Independent Director

## Providing Valuable Frontline Information to Improve Management

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

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 School of Advanced Management and Special Advisor at Asai Ken Architectural Research Institute and Patience Capital Group Pte Ltd.



**Kathy Matsui (Kathy Mitsuko Koll)**

External Director

Independent Director

## As Diversity Drives Growth, We Need Diverse Perspectives

As Fast Retailing's first female external director and the first director who is not a Japanese national, I strive to make proposals from diverse perspectives. Mr. Yanai, who is well versed in ESG matters, shares my belief that diversity is the driver of growth. I want to help create the organizational frameworks to achieve this. Nurturing role models to promote "womennomics" is part of that effort.

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



**Joji Kurumado**

External Director

Independent Director

## With an Eye on the Future, Suggesting the Best Steps Now

I intend to use my experience and expertise in construction to offer even better proposals and advice on how to build sustainable next-generation stores that will meet future standards. That means determinedly balancing profit and sustainability and pursuing necessary steps based on future scenarios. As a 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 Design Manager, Executive Officer in Charge of Design, Managing Executive Officer, and Advisor at Takenaka Corporation. Currently, Part-time Lecturer in the Department of Architecture, School of Creative Science and Engineering, Waseda University.



**Yutaka Kyoya**

External Director

Independent Director

## Maximizing Growth Potential by Stressing Medium- and Long-term Perspectives

I have worked for many years in the food industry, so the idea of LifeWear as a daily necessity resonates with me. I have experience in the United States, Europe, and Asia in global and executive management, and I apply that knowledge to my responsibilities as an external director by helping improve medium- to long-term corporate value at Fast Retailing, which has great growth potential.

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



**Takeshi Okazaki**

Fast Retailing's corporate value and growth stems from increasing the value of LifeWear, earning trust as an essential company, and continuing to fulfill customer expectations worldwide. I avidly promote operational reform by investing in people, branding, digitalization and other operational infrastructure. I also prize the fundamental customer-centric, frontline-driven nature of our retail industry, and build the necessary structures to make us No. 1 in terms of customer satisfaction.

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 really does want to make the world a better place through business. That means being sensitive to social change, valuing "truth, goodness, and beauty" in all business activities, and pursuing global best practice to grow our business. Our growth should also contribute to a better future, so I work as a member of the founding family and as a director to help 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**

Consumer behavior is returning to previous patterns now that COVID-19 is a less immediate threat. As a company involved in global commerce, this provides us with the opportunity to boost satisfaction among existing customers and earn the trust of new ones. I respond to increasingly discerning observations and demands from customers and help create a brand that exudes a sense of kindness and security.

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

It is important that the external Audit & Supervisory Board members of a swift, effective company such as Fast Retailing support the company's growth opportunities while also offering risk-mitigating advice from multiple perspectives. I always do my utmost to conduct vigilant reviews and strengthen corporate structure.

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

Fast Retailing's mission is to grow in harmony with society. Is the decision-making process appropriate? Is the company's economic and social value consistently increasing? What risks hinder the realization of the company's business plans? It is my job to look into these matters and strengthen global governance.

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.



**Masaaki Shinjo**

Standing Audit & Supervisory Board Member

Appointed November 2012. Joined Fast Retailing in February 1994 (served as General Manager of Group Auditing, Statutory Auditor at G.U. CO., LTD., General Manager of Sales Support Management Division at UNIQLO CO., LTD.), Auditor at FAST RETAILING (CHINA) TRADING CO., LTD. and at four subsidiary companies.



**Masumi Mizusawa**

Standing 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.



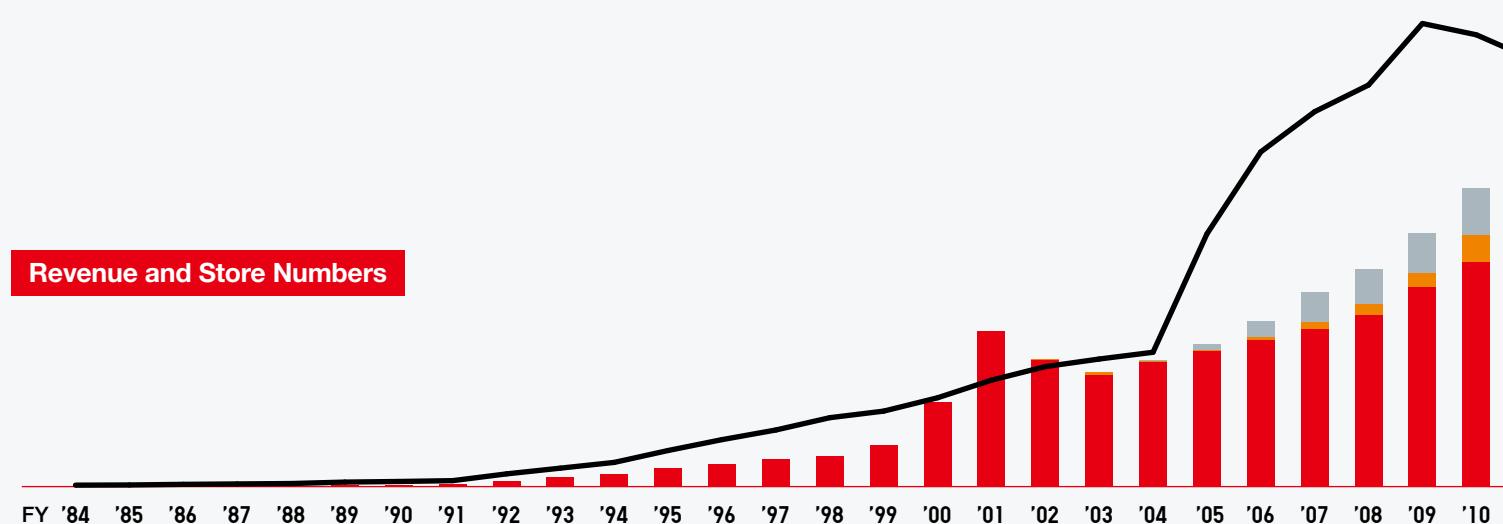
**Tomohiro Tanaka**

Standing Audit & Supervisory Board Member

Appointed November 2023. Joined the company in July 2018. Worked as Consolidated Team Leader of Global Planning Management and CFO of UNIQLO Taiwan.

# FINANCIAL AND NON-FINANCIAL INFORMATION

Realize Consistent Business Growth  
and a Sustainable Society



## Evolving Sustainability Activities

2001

Started clothing aid for Afghan refugees



2004

Started monitoring factory working environments



2006

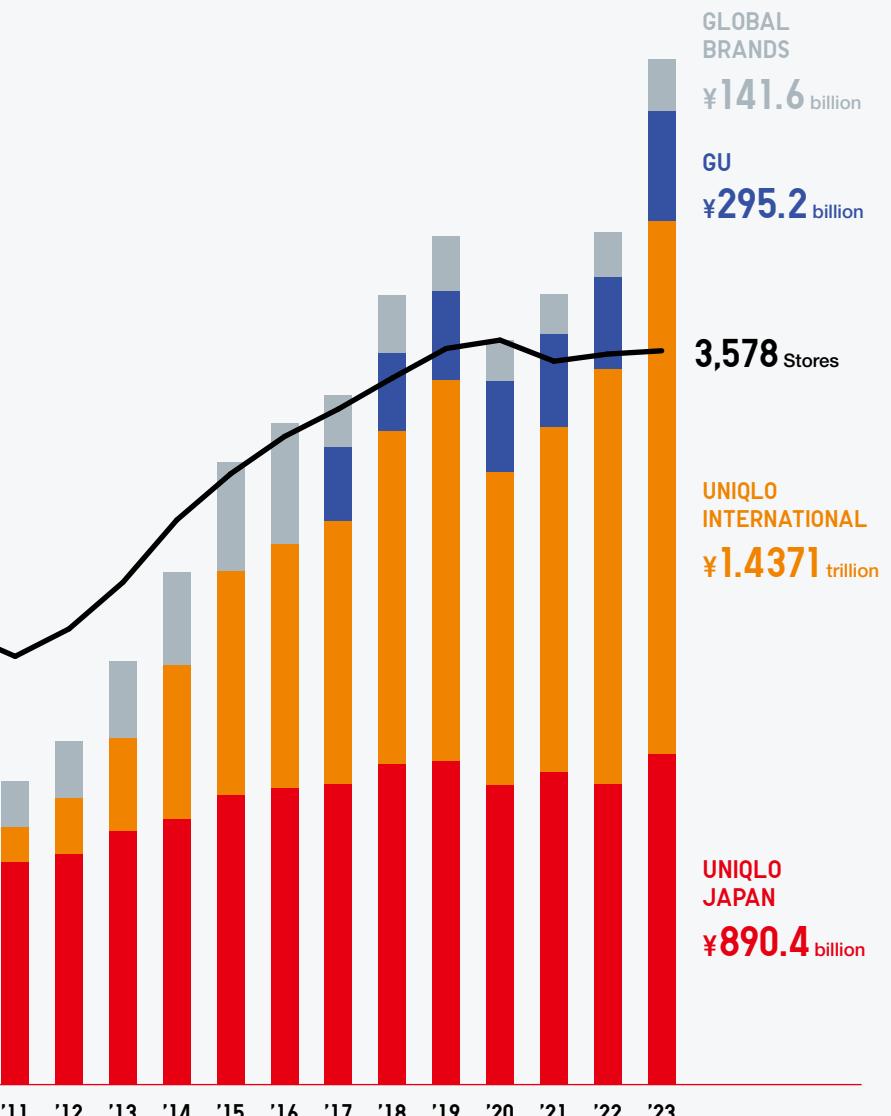
Launched All-product Recycling Campaign (expanded into RE.UNIQLO from 2020)



2011

Formed global partnership with UNHCR





## FY2023 PERFORMANCE HIGHLIGHTS

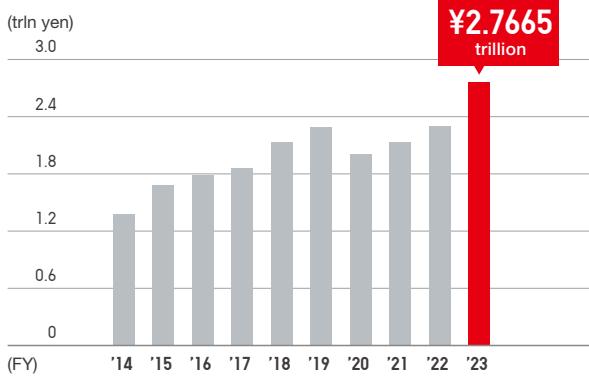
- New record performance. Consolidated revenue: ¥2.7665 trillion (+20.2%), operating profit: ¥381.0 billion (+28.2%).
- UNIQLO International: Significant increases in revenue and profit gains across all areas. Segment accounted for over half of total consolidated revenue for the first time. Operating profit expanded to roughly 60% of total profit.
- UNIQLO Europe, North America and Southeast Asia continued to expand their customer bases, moving into a business growth phase. UNIQLO Greater China recovered in the second half to resume its expansionary phase. Solid development of diversified earnings pillars.
- UNIQLO Japan: Revenue and profit increased. Operation provided products that met customer needs and pursued thorough low-cost management despite tough environment in the backdrop of sharply rising raw materials prices and yen weakness.
- GU: Reported significant revenue and profit gains after enhancing frameworks for developing products that satisfy mass fashion trends.



## FINANCIAL HIGHLIGHTS

### Revenue

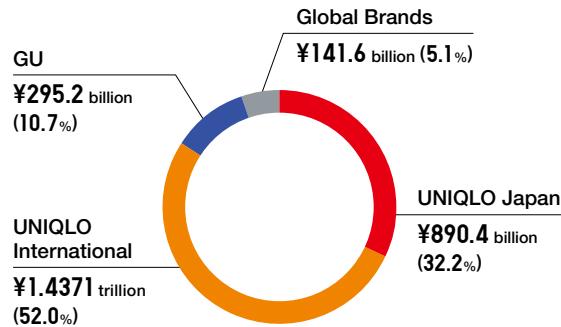
**¥2.7665 trillion** | +20.2% 



Consolidated revenue increased considerably to a new record high of ¥2.7665 trillion (+20.2% year on year). Revenue increased across all business segments. UNIQLO International performed strongly with revenue rising considerably in all markets and expanding 28.5% to ¥1.4371 trillion.

### UNIQLO International's Contribution to Revenue

**52.0%** | +3.3pt 

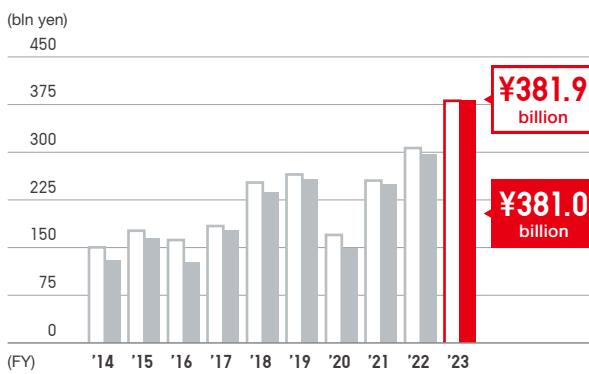


UNIQLO International's contribution to total revenue rose 3.3 points to 52.0%, exceeding 50% for the first time. Europe, North America and Southeast Asia expanded their customer bases and entered a growth phase. The Greater China region recovered in the second half to record full-year results and resumed its expansionary phase.

### Operating Profit

**¥381.0 billion** | +28.2% 

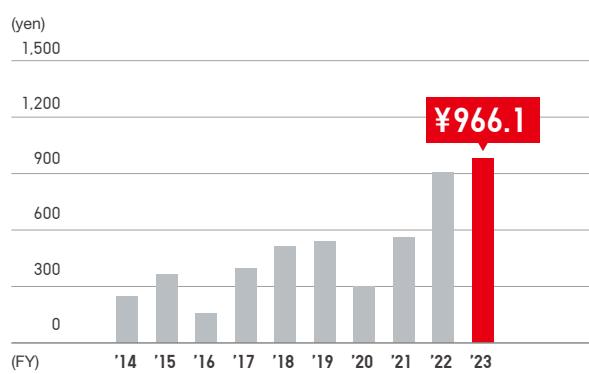
■ Business profit ■ Operating profit



Increased considerably to a new record high of ¥381.0 billion (+28.2%). Profitability improved, with the consolidated operating profit margin increasing by 0.9 point. UNIQLO International profit rose by a particularly-strong 43.3% to ¥226.9 billion. That segment's contribution to total profit expanded to roughly 60%.

### Earnings per Share

**¥966.1** | +8.3% 



Basic earnings per share (EPS)\* increased 8.3% to ¥966.1 primarily due to a sharp rise in operating profit, which resulted in an 8.4% increase in profit attributable to owners of the parent to ¥296.2 billion.

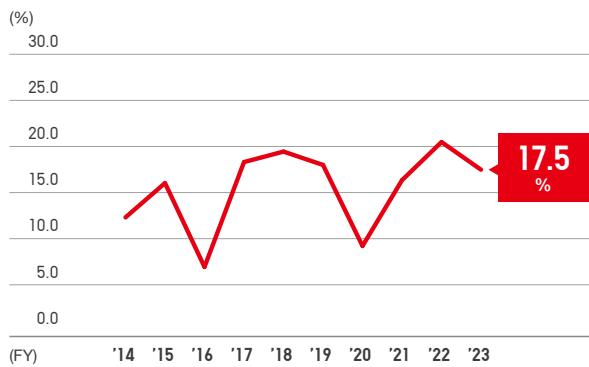
\*Revenue = (Cost of Sales + SG&A expenses)

\*We conducted a three-for-one split of the company's common stock effective March 1, 2023. Past EPS data have been revised accordingly.

### ROE (Ratio of Profit to Equity Attributable to Owners of the Parent)

**17.5%**

**-2.9 pt**



ROE (Ratio of profit to equity attributable to owners of the Parent) remained high at 17.5%. While profit attributable to owners of the Parent increased 8.4%, ROE contracted 2.9 points due to a large increase in equity attributable to owners of the Parent.

### Ratio of Equity Attributable to Owners of the Parent to Total Assets

**55.1 %**

**+6.0 pt**



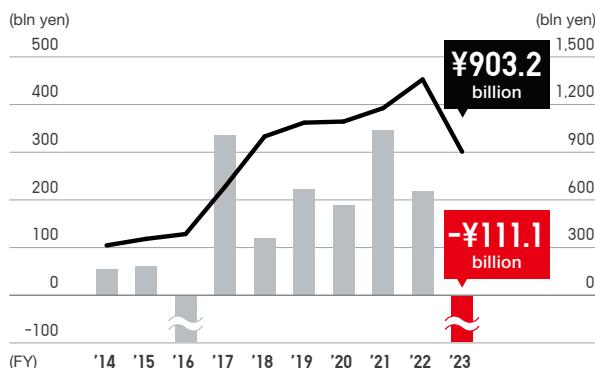
Ratio of equity attributable to owners of the Parent to total assets increased by 6.0 points to 55.1% following a ¥259.7 billion increase in equity attributable to owners of the Parent.

### Cash and Cash Equivalents

**¥903.2 billion**

**-33.5 %**

■ Free cash flow (left) — Cash and cash equivalents (right)



Free cash flow (FCF) stood at -¥111.1 billion. Cash used in investing activities totaled ¥574.4 billion as we moved cash into secure investments, such as investment securities and bank deposits with maturities of three months or longer. Excluding that impact, we maintained a high level of FCF at ¥365.3 billion.

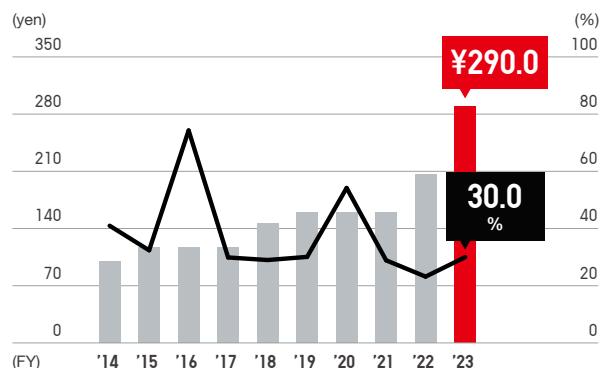
\*The negative FCF in FY2016 included a ¥186.5 billion investment in deposits with over three months to maturity.

### Dividend per Share

**¥290.0**

**+¥83.3**

■ Dividend per share (left) — Dividend payout ratio (right)

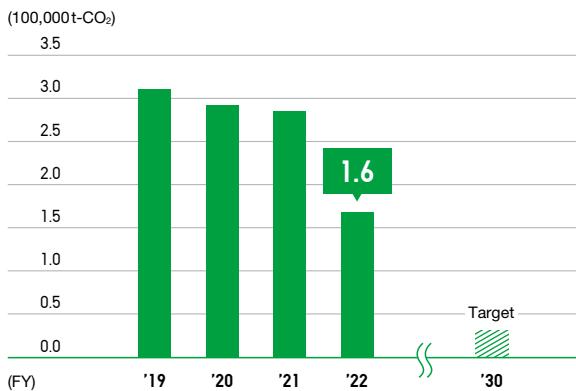


Dividend per share\* increased by ¥83.3 to ¥290. The dividend payout ratio rose 6.8 points to 30.0%.

\*We conducted a three-for-one split of the company's common stock effective March 1, 2023. Past dividend figures have been revised accordingly.

## NON-FINANCIAL HIGHLIGHTS

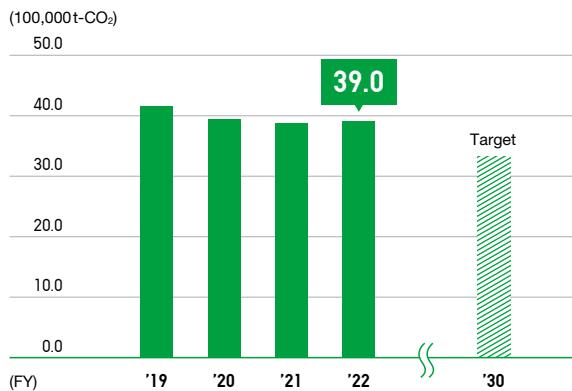
### Greenhouse Gas (GHG) Emissions (Scope 1, 2)\*



We aim to reduce GHG emissions derived from energy use at our main stores and offices by 90% by FY2030 (vs. FY2019). We are making steady progress, reaching a 45.7% reduction in FY2022.

\*Scope 2 is calculated on a market base

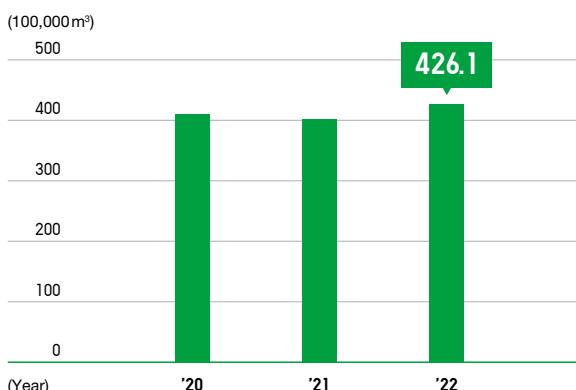
### Greenhouse Gas (GHG) Emissions (Scope 3)



We aim to reduce GHG emissions\* from the production of raw materials and fabrics and the sewing of UNIQLO and GU products by 20% by FY2030 (vs. FY2019). Emissions increased slightly in FY2022 due to increased production. Replacing equipment at partner factories takes time; emissions should decline once that is completed.

\*Category1. Purchased goods and services, UNIQLO and GU garment factories

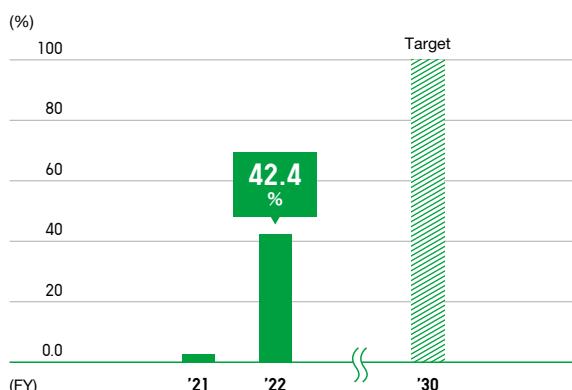
### Water Usage (Supply Chain)\*



We work with factories to reduce water usage. By end 2025, we aim to reduce water usage per unit by 10% (vs. 2020) at each of the major garment and materials partner factories that, in total, account for 80% of the water used to make our products. Water usage increased slightly in 2022 due to the inclusion of GU materials factories.

\*Through 2021, includes only UNIQLO and GU garment factories and UNIQLO fabric mills. From 2022, includes UNIQLO and GU garment and materials factories.

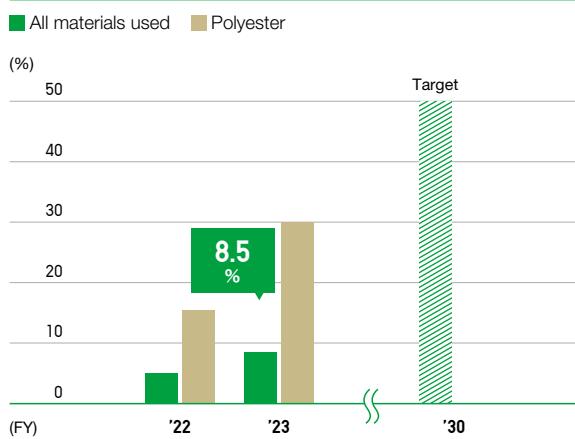
### Percentage of Renewable Energy Procured to Electricity Used\*



We aim to be using 100% renewable energy at all our stores and major offices worldwide by FY2030. The ratio of renewable energy to electricity used in FY2022 increased to 42.4%.

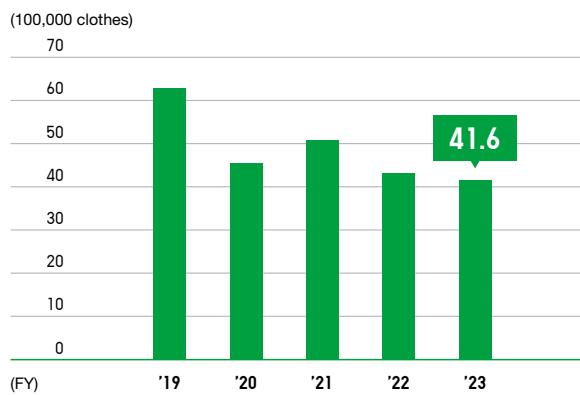
\*Fast Retailing Group

## Percentage of Recycled Materials and Materials With Low GHG Emissions\*



We aim to switch roughly 50% of all materials used to recycled materials and other materials with low GHG emissions by FY2030. The percentage of recycled materials rose to 8.5% in FY2023, with the ratio of recycled polyester to total polyester rising to 30.0%.

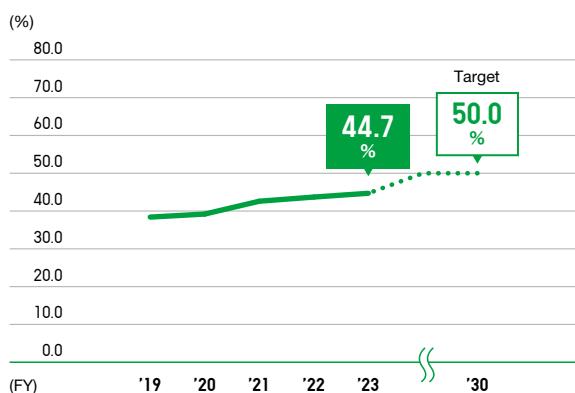
## Donations of Used Clothing



We donate clothes collected from customers through our product reuse and recycling activities to refugees and internally displaced persons worldwide. We donated 4.16 million items in FY2023. Donations from 2006 to August 2023 totaled 54.63 million items.

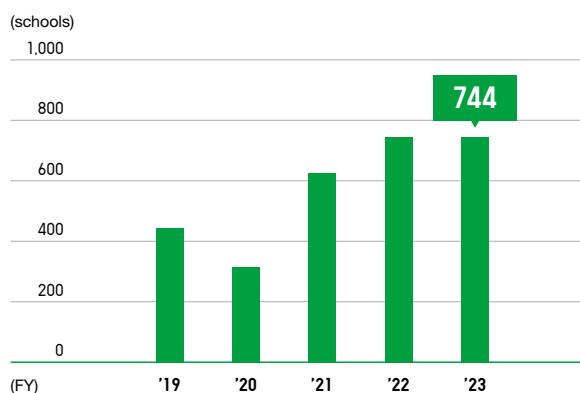
\*Fast Retailing Group

## Percentage of Women in Management Positions



We aim to increase the percentage of women in management positions\* to 50.0% by FY2030. The percentage steadily improved to 44.7% in FY2023. Going forward, we will strengthen our efforts by focusing on the comparatively low percentage in Japan.

## The Power of Clothing Project: Participating Schools



The Power of Clothing Project is a participatory learning program for elementary, junior high, and high school students run with UNHCR. After attending classes with our employees, students organize kids' clothing collections in their schools and communities. Collected items are donated to refugees and other people in need of clothes. 744 schools participated in FY2023.

\*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.

## MESSAGE FROM OUR CFO

# Diversifying Pillar Earnings to Propel True Growth Phase. Becoming Global No. 1

### Business Performance Review and Outlook



**Takeshi Okazaki**

Director  
Group Senior Executive Officer and CFO  
Fast Retailing Co., Ltd.

Fast Retailing achieved strong revenue and profit gains in FY2023, with revenue totaling ¥2.7665 trillion (+20.2% year on year) and operating profit totaling ¥381.0 billion (+28.2%). UNIQLO International reported especially strong revenue and profit gains in all markets, with the segment's contribution to consolidated revenue surpassing 50% for the first time and its operating profit rising to approximately 60% of the consolidated total. This represents a clear diversification of earnings pillars. Profit before income taxes totaled ¥437.9 billion (+5.9%) and profit attributable to owners of the Parent totaled ¥296.2 billion (+8.4%), which represented a record result for a third consecutive year.

UNIQLO International reported a record performance, generating revenue of ¥1.4371 trillion (+28.5%) and operating profit of ¥226.9 billion (+43.3%). Revenue and profit rose strongly especially in North America, Europe and the Southeast Asia, India & Australia region, where customer affinity for LifeWear deepened, and customer bases expanded, as these regions moved into a growth phase. UNIQLO Greater China reported significantly higher full-year revenue and profit. While first-half sales struggled due to COVID-19 restrictions, ongoing active investment in branding, product marketing, human resources, and stronger sales frameworks started to bear fruit, generating significantly higher revenue and profit in the second half once consumption recovered. Meanwhile, UNIQLO Japan revenue totaled ¥890.4 billion (+9.9%) and operating profit

### Performance by Group Operation

	FY2022			FY2023		
	Billions of yen	YoY change Billions of yen	% change	Billions of yen	YoY change Billions of yen	% change
UNIQLO Japan*¹	Revenue	810.2	(32.3)	(3.8)	890.4	+80.1
	Operating profit	107.9	—	—	117.8	+9.9
UNIQLO International	Revenue	1,118.7	+188.6	+20.3	1,437.1	+318.3
	Operating profit	158.3	+47.1	+42.4	226.9	+68.6
GU	Revenue	246.0	(3.3)	(1.4)	295.2	+49.1
	Operating profit	16.6	(3.5)	(17.4)	26.1	+9.4
Global Brands*²	Revenue	123.1	+14.9	+13.8	141.6	+18.5
	Operating profit	(0.7)	+0.8	—	(3.0)	(2.2)

\*¹ UNIQLO Japan FY2022 operating profit is also displayed under the revised column because figures for the Royalties Division, which used to be displayed under the UNIQLO Japan segment, were moved to the Adjustments category from FY2023. The YoY change of operating profit in FY2022 has been left blank because we have not disclosed the revised FY2021 profit figure following the reclassification.

\*² Global Brands includes Theory, PLST, Comptoir des Cotonniers, Princesse tam.tam.

Note: Consolidated revenue also includes items reported by Fast Retailing Co., Ltd., the Parent company, such as real estate leasing. Consolidated operating profit includes Fast Retailing operating profit.

¥117.8 billion (+9.2%). Despite sharply rising raw material prices and a weaker yen, UNIQLO Japan boosted revenue and profit by successfully providing products that suited customer needs and thorough low-cost management. GU reported significant increases in revenue and profit after strengthening its development of products that capture mass fashion trends. GU revenue totaled ¥295.2 billion (+20.0%) and operating profit ¥26.1 billion (+56.8%).

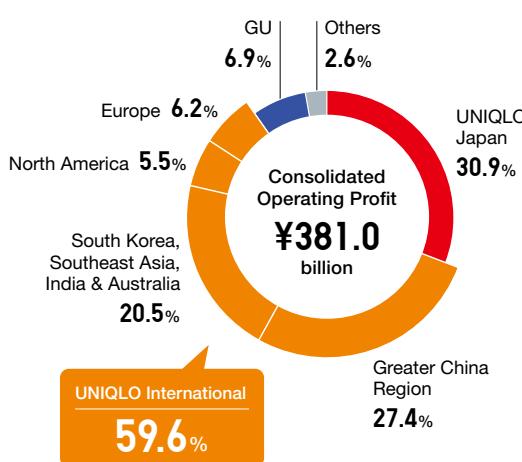
Looking ahead to FY2024, we predict consolidated revenue will exceed ¥3 trillion for the first time, driven primarily by UNIQLO International. Our FY2024 consolidated forecasts (as at January 11, 2024) include revenue of ¥3.0500 trillion (+10.2%), operating profit of ¥450.0 billion (+18.1%), profit before income taxes of ¥480.0 billion (+9.6%), and profit attributable to owners of the Parent of ¥310.0 billion (+4.6%). We forecast an annual dividend per share of ¥330 (+¥40 year on year), split equally into interim and year-end dividends of ¥165 each.

### Aggressively Expanding Operations, Enhancing Management Platforms to Secure ¥5 Trillion Sales

In FY2024, we will accelerate global growth through aggressive development, while also going back to basics and thoroughly implementing our business principles and strengthening management platforms to achieve our medium-term ¥5 trillion sales target. To that aim, we will focus on five priority areas: (1) Pursue optimum global product development and branding. We will do that by accurately grasping the needs of global customers and developing global hit products, while conducting strategic marketing to better convey product value. (2) Strengthen the opening of high-quality stores. We will continue to open multiple new stores, while improving store management to

support expansion in every market. We will increase annual store openings to 20 in North America and 10 in Europe. We plan to open roughly 80 new stores a year in the Greater China region, but we also expect to close approximately 50 stores in FY2024. Going forward, we plan to increase sales per store and strengthen the region's operational structure by carefully selecting better-located, more profitable new stores and accelerating the closure of relatively unprofitable stores that attract fewer customers through our scrap and build policy. In the Southeast Asia, India & Australia region, we will continue to open roughly 60 new stores each year. Essentially, we plan to continue to open multiple new stores while improving the quality of new store operations to create a firm base for supporting future growth. (3) Implement management that focuses on SKU units and the needs of individual stores. In recent years, the accuracy of our numerical planning and inventory control has improved greatly as we refined demand forecasting and strengthened order control. The aim is to strengthen manufacturing frameworks for products already in stores by controlling additional production on an SKU basis and nimbly adjusting production to reflect ongoing sales. (4) Strengthen Group brands. We will utilize UNIQLO business principles and its digital consumer retail company foundation to raise the quality of brand management, building a solid global position for GU, Theory and other Group brands. (5) Transform management to operate from a global perspective. We have already ensured that each market and global headquarters remain in constant contact and promote the discovery and resolution of issues, and decision-making, from a global perspective. We will strengthen these systems to help accelerate the development of products, new purchasing experiences and services from a global perspective.

### Consolidated Operating Profit



### Operating Profit by UNIQLO International

	FY2023		
	Billions of yen	YoY change Billions of yen	% change
Greater China Region	Revenue	620.2	+81.6
	Operating profit	104.3	+20.8
South Korea, Southeast Asia, India & Australia	Revenue	449.8	+141.8
	Operating profit	78.2	+20.8
North America	Revenue	163.9	+49.8
	Operating profit	21.1	+10.1
Europe*	Revenue	191.3	+62.9
	Operating profit	27.3	+12.3

\*The Russia operation is not included in the results for the Europe region due to the suspension of operations in that market.

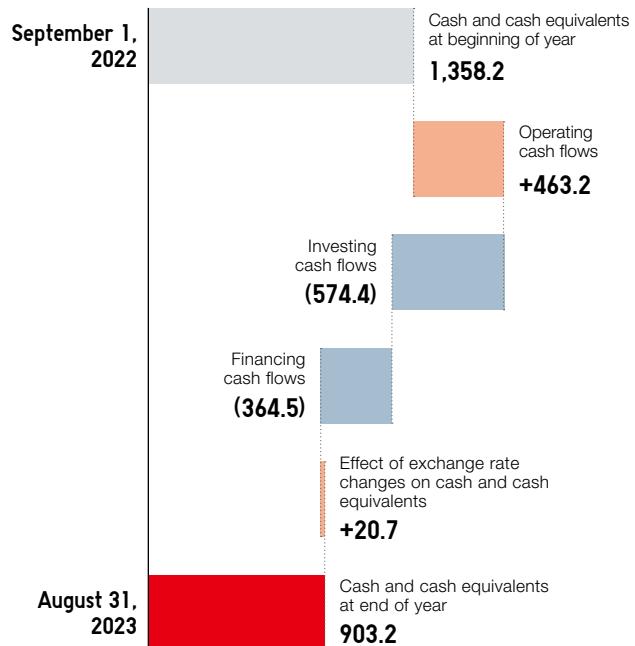
## Optimizing Cash Flow for Growth Investment, Readyng Liquidity and Shareholder Returns

Our financial strategy focuses on maintaining financial soundness, maximizing cash flow from business activities, and effectively utilizing that cash for securing aggressive growth investment, ready liquidity and stable shareholder returns. We try to hold three to five months' worth of monthly sales as ready liquidity to deal with unforeseen sales fluctuations given the need for working capital and future investment funds, and the nature of running a business with inherent inventory risks. Cash and cash equivalents totaled ¥903.2 billion at the end of August 2023, an appropriate level equivalent to roughly four months of our ¥3 trillion FY2024 sales target. Free cash flow (FCF) stood at minus ¥111.1 billion at the end of August 2023. Cash used in investing activities totaled ¥574.4 billion as we moved cash into secure investments, such as investment securities and bank deposits with maturities of three months or longer. Excluding that impact, FCF remained at the high level of ¥365.3 billion. We seek to pay appropriate dividends that mirror corporate performance, while also considering the operational funding required to expand future Group operations and improve earnings, and financial soundness. In FY2023, we paid a dividend of ¥290 per share with a dividend payout ratio of 30.0%.

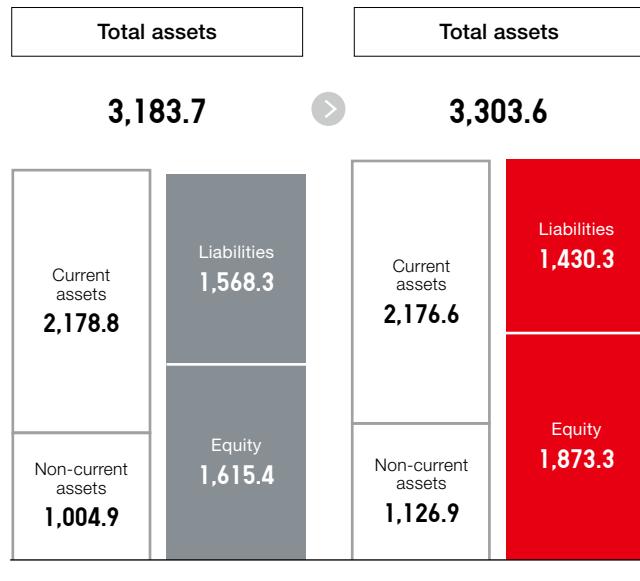
## A Solid Balance Sheet to Support Aggressive Global Business

Total assets increased ¥119.9 billion to ¥3.3036 trillion at the end of August 2023 primarily due to a ¥73.7 billion increase in cash and cash equivalents and other financial assets (secure bonds and bank deposits with maturities of three months or longer) and a ¥26.6 billion increase in property, plant and equipment following greater investment in global automated warehouses and store openings. Inventory assets declined ¥36.6 billion thanks to increased sales and more accurate inventory control. Total liabilities decreased ¥138.0 billion to ¥1.4303 trillion on repayment of ¥130.0 billion of corporate bonds. Total equity increased ¥257.9 billion to ¥1.8733 trillion due to a ¥223.2 billion increase in retained earnings. Consequently, the ratio of equity attributable to owners of the Parent to total assets increased 6.0 points to 55.1%. We aim to secure a minimum ratio of equity attributable to owners of the Parent to total assets of 50% over the medium to long term because a solid financial base is essential for proactive management and future global growth. Return On Equity (ROE) decreased 2.9 points to 17.5%. We will maintain ROE between 15% and 20%.

Cash Flow Information (billions of yen)



Balance Sheet (billions of yen)



## Continuing Proactive Investment to Expand Operations

We are accelerating our global store network expansion while also aggressively investing in systems to progress Ariake Project and other objectives, and to expand operations.

Capital expenditure increased ¥15.5 billion to ¥102.0 billion in FY2023 (UNIQLO Japan: ¥23.6 billion, UNIQLO International: ¥33.3 billion, GU: ¥8.7 billion, Global Brands: ¥1.8 billion and systems: ¥34.4 billion). In addition to new

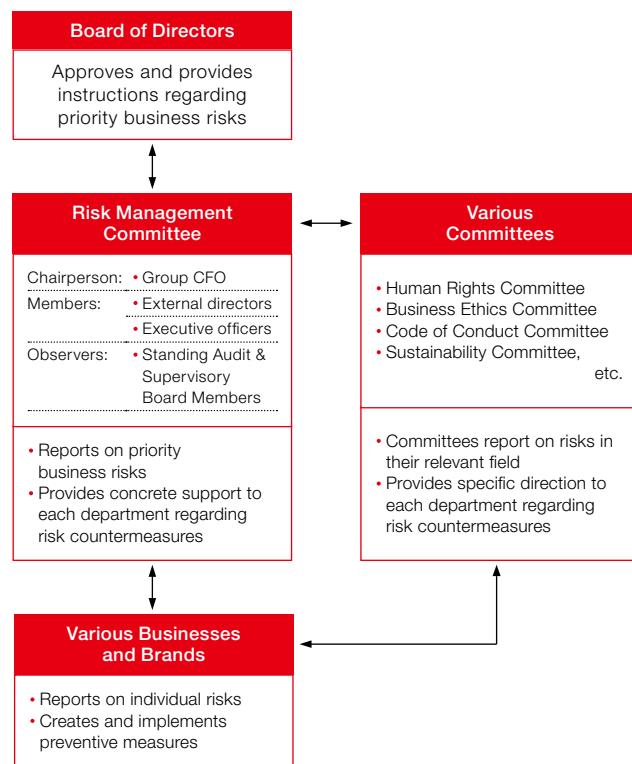
store investment, we also continued to invest in automated warehouses worldwide.

In FY2024, we expect a ¥20.7 billion decline in capital expenditure to ¥81.3 billion as investment in automated warehouses at UNIQLO Japan reaches its saturation point. Of that total, ¥47.5 billion is earmarked for planned new store investment and ¥33.8 billion for investment in automated warehouses and systems. We plan to open 180 UNIQLO International stores, 40 UNIQLO Japan stores, 37 GU stores, and 37 Global Brands stores.

## Seeking Sustainable Growth, Strengthening Risk Management Systems

Anticipating unforeseen risks, such as large-scale natural disasters or the leakage of customer information, and striving to prevent or manage overt or potential risks is vital for ensuring sustainable business growth. We regularly unearth latent risks in our business activities and identify important risks, and are always working to strengthen risk management systems. The Risk Management Committee was established under the direct jurisdiction of the Board of Directors for this very purpose. The committee, which is chaired by myself as Group CFO, unifies risk management across Fast Retailing. It analyzes and assesses the impact and frequency of risks, discusses countermeasures starting with high-risks areas, and creates systems for preventing these risks from occurring or ensuring a speedy response should they eventuate. It also submits reports on significant risks to the Board and offers concrete support to departments dealing with risks. The committee met four times in FY2023 to discuss countermeasures for information security and other risks and to strengthen risk management in business activities.

### Risk Management Framework



## TCFD-based Disclosure

Recognizing the enormous impact of climate change on society, we are strengthening efforts to arrest rising average global temperatures and fulfil the Paris Agreement. We strive to fully understand the impact of climate-related risks on our business and to formulate and implement relevant strategies. We have disclosed information based on the TCFD framework since December 2021 and conduct annual reviews.

We are convinced that continuing to perfect our clothes creation based on our much-prized LifeWear concept is the best way to help achieve a sustainable society and promote operational growth. We strive to eliminate wasteful practices by only making and selling the products that our customers truly need, while also seeking earnestly to reduce greenhouse gases and waste and achieve environment-conscious manufacturing.

More information is available here.



## FINANCIAL SUMMARY (IFRS)

FAST RETAILING CO., LTD. and consolidated subsidiaries  
Fiscal years ended August 31

	2014	2015	2016	2017
<b>For the year</b>				
Revenue	¥1,382,935	¥1,681,781	¥1,786,473	¥1,861,917
Operating profit	130,402	164,463	127,292	176,414
EBITDA* <sup>1</sup>	161,210	202,221	164,089	216,102
Profit before income taxes	135,470	180,676	90,237	193,398
Profit attributable to owners of the Parent	74,546	110,027	48,052	119,280
Net cash generated by operating activities	110,595	134,931	98,755	212,168
Net cash (used in)/generated by investing activities	(56,323)	(73,145)	(245,939)	122,790
Free cash flow* <sup>2</sup>	54,272	61,786	(147,184)	334,958
Net cash (used in)/generated by financing activities	(44,060)	(41,784)	201,428	(50,836)
Cash and cash equivalents* <sup>3</sup>	314,049	355,212	385,431	683,802
Depreciation and amortization	30,808	37,758	36,797	39,688
Capital expenditures	58,814	62,461	52,387	59,755
<b>At year-end</b>				
Total assets	¥ 992,307	¥1,163,706	¥1,238,119	¥1,388,486
Total equity	636,041	774,804	597,661	762,043
Interest-bearing debt	37,561	38,035	283,465	281,512
<b>Reference indices</b>				
Operating profit margin (%)	9.4%	9.8%	7.1%	9.5%
ROE/Ratio of profit to equity attributable to owners of the Parent (%)	12.5	16.1	7.3	18.3
Ratio of equity attributable to owners of the Parent to total assets (%)	62.3	64.5	46.4	52.7
Debt-equity ratio (%)	6.1	5.1	49.3	38.5
Dividend payout ratio (%)	41.0	32.4	74.3	29.9
<b>Per share data (actual yen, dollar amount)*<sup>4</sup></b>				
Profit attributable to owners of the Parent (EPS)	¥ 243.8	¥ 359.8	¥ 157.1	¥ 389.9
Equity attributable to owners of the Parent	2,022.5	2,455.4	1,878.1	2,391.8
Cash dividends	100.0	116.7	116.7	116.7
<b>Other data (at fiscal year-end)</b>				
Number of shares outstanding* <sup>4</sup>	318,220,968	318,220,968	318,220,968	318,220,968
Market capitalization (¥ billion, \$ million)* <sup>5</sup>	¥ 3,452.6	¥ 5,225.7	¥ 3,854.7	¥ 3,338.1
Number of subsidiaries	112	119	120	121
Total number of stores	2,753	2,978	3,160	3,294
Total sales floor space (m <sup>2</sup> )* <sup>6</sup>	1,835,095	2,030,031	2,188,688	2,392,618
Number of full-time employees* <sup>7</sup>	30,448	41,646	43,639	44,424

\*1 EBITDA = Operating profit + Depreciation and amortization.

\*2 Free cash flow = Net cash generated by operating activities + Net cash (used in)/generated by investing activities

\*3 Cash and cash equivalents = cash and bank deposits + term deposits of less than 3 months + securities

\*4 We implemented a three-for-one split of the company's common stock on March 1, 2023. Per share data and Number of shares outstanding for past fiscal years have been adjusted to reflect this stock split.

						Millions of yen		Thousands of U.S. dollars* <sup>5</sup>
2018	2019	2020	2021	2022	2023		YoY	2023
¥2,130,060	¥2,290,548	¥2,008,846	¥2,132,992	¥2,301,122	<b>¥2,766,557</b>	+20.2%	<b>\$18,920,510</b>	
236,212	257,636	149,347	249,011	297,325	<b>381,090</b>	+28.2	<b>2,606,281</b>	
281,267	306,112	327,195	426,922	477,600	<b>567,963</b>	+18.9	<b>3,884,305</b>	
242,678	252,447	152,868	265,872	413,584	<b>437,918</b>	+5.9	<b>2,994,928</b>	
154,811	162,578	90,357	169,847	273,335	<b>296,229</b>	+8.4	<b>2,025,919</b>	
176,403	300,505	264,868	428,968	430,817	<b>463,216</b>	+7.5	<b>3,167,943</b>	
(57,180)	(78,756)	(75,981)	(82,597)	(212,226)	<b>(574,402)</b>	+170.7	<b>(3,928,341)</b>	
119,223	221,748	188,887	346,370	218,590	<b>(111,185)</b>	(150.9)	<b>(760,397)</b>	
198,217	(102,429)	(183,268)	(302,985)	(213,050)	<b>(364,562)</b>	+71.1	<b>(2,493,243)</b>	
999,697	1,086,519	1,093,531	1,177,736	1,358,292	<b>903,280</b>	(33.5)	<b>6,177,546</b>	
45,055	48,476	177,848	177,910	180,275	<b>186,872</b>	+3.7	<b>1,278,024</b>	
69,380	85,201	82,736	100,653	86,516	<b>102,024</b>	+17.9	<b>697,746</b>	
¥1,953,466	¥2,010,558	¥2,411,990	¥2,509,976	¥3,183,762	<b>¥3,303,694</b>	+3.8%	<b>\$22,593,999</b>	
902,777	983,534	996,079	1,162,298	1,615,402	<b>1,873,360</b>	+16.0	<b>12,811,933</b>	
544,502	513,405	484,496	382,634	371,496	<b>240,913</b>	(35.2)	<b>1,647,609</b>	
11.1%	11.2%	7.4%	11.7%	12.9%	<b>13.8%</b>	+0.9 pts.	<b>13.8%</b>	
19.4	18.0	9.5	16.4	20.4	<b>17.5</b>	(2.9)	<b>17.5</b>	
44.2	46.7	39.7	44.5	49.1	<b>55.1</b>	+6.0	<b>55.1</b>	
63.1	54.7	51.0	34.5	23.9	<b>13.3</b>	(10.6)	<b>13.3</b>	
29.0	30.1	54.2	28.9	23.2	<b>30.0</b>	+6.8	<b>30.0</b>	
¥ 505.9	¥ 531.1	¥ 295.1	¥ 554.4	¥ 891.8	<b>¥ 966.1</b>	+8.3%	<b>\$ 6.6</b>	
2,819.5	3,065.5	3,122.9	3,643.5	5,094.0	<b>5,939.3</b>	+16.6	<b>40.6</b>	
146.7	160.0	160.0	160.0	206.7	<b>290.0</b>	+40.3	<b>2.0</b>	
318,220,968	318,220,968	318,220,968	318,220,968	318,220,968	<b>318,220,968</b>	—	<b>318,220,968</b>	
¥ 5,495.6	¥ 6,602.0	¥ 6,712.3	¥ 7,692.5	¥ 8,692.7	<b>¥ 10,654.0</b>	+22.6%	<b>\$ 72,863</b>	
130	133	134	130	128	<b>125</b>	(3)	<b>125</b>	
3,445	3,589	3,630	3,527	3,562	<b>3,578</b>	+16	<b>3,578</b>	
2,671,629	2,881,485	3,047,360	3,207,524	3,384,189	<b>3,432,982</b>	+1.4%	<b>3,432,982</b>	
52,839	56,523	57,727	55,589	57,576	<b>59,871</b>	+2,295	<b>59,871</b>	

\*5 Calculations are based on the closing share price of ¥33,480 at the end of August 2023 and an exchange rate of ¥146.22 to 1 USD.

\*6 Total sales floor space includes only directly operated stores.

\*7 The total number of employees does not include operating officers, junior employees, part-time workers, or temporary staff seconded from other companies.

## HISTORY

### 1949.3

Men's Shop Ogori Shoji is founded in Ube City, Yamaguchi Prefecture, Japan.

### 1963.5

Ogori Shoji Co., Ltd. is established with capital of ¥6 million.

### 1984.6

The first UNIQLO store opens in Hiroshima. (closed in 1991)



### 1985.6

First UNIQLO roadside store opens.



### 1991.9

Company name is changed to FAST RETAILING CO., LTD.

### 1994.7

Company stock is listed on the Hiroshima Stock Exchange.

### 1998.10

¥1,900 fleece campaign succeeds in attracting large public attention.



### 1998.11

First urban UNIQLO store opens in the fashionable Harajuku district of Tokyo (closed in 2012).



### 1999.2

Company stock is listed on the First Section of the Tokyo Stock Exchange.

### 2000.10

E-commerce business launches.

### 2001.9

First UNIQLO outside Japan store opens in London. (closed in 2004)



### 2002.4

UNIQLO Design Studio (current R&D Center) is established.

### 2002.9

First UNIQLO Mainland China store opens in Shanghai. (closed in 2022)

### 2004.1

Fast Retailing invests in Link International Co., Ltd. (now LINK THEORY JAPAN CO., LTD.), developer of Theory brand apparel.



### 2004.9

UNIQLO makes Global Quality Declaration, and cashmere campaign generates high level of consumer interest.



### 2004.12

UNIQLO Design Studio, New York, Inc. is established.

### 2005.9

First UNIQLO South Korea store opens in Seoul. (closed in 2021)

### 2005.9

First UNIQLO USA store opens in New Jersey. (closed in 2007)

### 2005.9

First UNIQLO Hong Kong opens in Tsim Sha Tsui shopping district, a breakthrough in our global expansion.

### 2005.11

Holding company structure is adopted at Fast Retailing.

### 2006.6

Strategic business partnership is established between UNIQLO and Toray Industries, Inc.

### 2006.9

UNIQLO begins its All-Product Recycling Initiative. (expanded into RE.UNIQLO from 2020)



### 2006.10

First GU store opens in Chiba Prefecture, Japan. (closed in 2012)

### 2006.11

First UNIQLO global flagship store opens in SoHo, New York City.



### 2007.11

Global flagship store, UNIQLO 311 Oxford Street Store, opens in London.

### 2007.12

First UNIQLO France store opens in Paris.

### 2009.3

LINK THEORY JAPAN CO., LTD. becomes a subsidiary.

### 2009.4

First UNIQLO Singapore store opens. (closed in 2021)

### 2009.10

Global flagship store, Paris Opera Store, opens.



### 2010.4

First UNIQLO Russia store opens in Moscow. (closed in 2023)

### 2010.5

Global flagship store, UNIQLO West Nanjing Road Store, opens in Shanghai.



### 2010.10

First UNIQLO Taiwan store opens in Taipei.

### 2010.11

First UNIQLO Malaysia store opens in Kuala Lumpur.

### 2011.2

Global Partnership Agreement with UNHCR is established, reinforcing All-Product Recycling Initiative.

### 2011.9

First UNIQLO Thailand store opens in Bangkok.

### 2011.9

Global flagship store, UNIQLO Mingyao Department Store, opens in Taipei. (UNIQLO TAIPEI store refurbished in 2021)

### 2011.10

Global flagship store, UNIQLO New York 5th Avenue Store, opens in New York City.



### 2012.3

Global flagship store, UNIQLO Ginza, opens in Tokyo.



## 2012.3

GU flagship store opens in Ginza, Tokyo.

## 2012.6

First UNIQLO Philippines store opens in Manila.

## 2013.4

Global flagship store, UNIQLO Lee Theatre Store, opens in Hong Kong.

## 2013.6

Launch of new LifeWear (ultimate everyday clothing) concept.

## 2013.6

First UNIQLO Indonesia store opens in Jakarta.

## 2013.9

First GU store outside Japan opens in Shanghai.

## 2013.9

Global flagship store, UNIQLO SHANGHAI, opens in Mainland China.



## 2014.3

Fast Retailing Hong Kong Depository Receipts (HDR) are listed on the Stock Exchange of Hong Kong.



## 2014.4

First UNIQLO Australia store opens in Melbourne.

## 2014.4

First UNIQLO Germany store, Tautzien global flagship, opens in Berlin.

## 2014.10

Global flagship store, UNIQLO OSAKA, opens in Osaka.

## 2015.10

First UNIQLO Belgium store opens in Antwerp.

## 2016.4

Construction is completed on state-of-the-art distribution center in Ariake, Tokyo.



## 2016.9

UNIQLO Orchard Central Store opens as the first UNIQLO global flagship store in Southeast Asia.

## 2016.9

First UNIQLO Canada store opens in Toronto.

## 2017.9

First UNIQLO Spain store opens in Barcelona.



## 2018.6

Included in FTSE4Good Index Series and FTSE Blossom Japan Index for responsible social investment.

## 2018.8

First UNIQLO Sweden store opens in Stockholm.



## 2018.9

First UNIQLO Netherlands store opens in Amsterdam.

## 2018.10

Global flagship store, UNIQLO Manila store, opens in the Philippines.



## 2018.10

Fast Retailing forms a logistics-related strategic global partnership with materials handling equipment firm Daifuku Co., Ltd.

## 2018.10

The Ariake distribution center starts operating as a fully automated dedicated online sales warehouse.

## 2019.4

First UNIQLO Denmark store opens in Copenhagen.



## 2019.9

First UNIQLO Italy store opens in Milan.



## 2019.10

First UNIQLO India store opens in New Delhi.



## 2019.11

Forms a global partnership agreement for supply chain transformation with MUJIN, Inc, and Exotec Solutions SAS.

## 2019.12

First UNIQLO Vietnam store opens in Ho Chi Minh City.

## 2020.6

UNIQLO TOKYO store opens in Ginza, our LifeWear showcase global flagship store.



## 2020.6

Fast Retailing selected for the MSCI Japan ESG Select Leaders Index.

## 2020.9

UNIQLO launches RE.UNIQLO to promote the recycling of collected secondhand clothing into new clothing products.



## 2021.11

UNIQLO BEIJING SANLITUN global flagship store opens in Mainland China.



## 2022.4

Moves to the new Prime Market section on the Tokyo Stock Exchange.

## 2022.10

Opens first UNIQLO store (a pop-up store) in Warsaw, Poland.



## 2023.4

UNIQLO Maebashi Minami IC store opens, a new style of roadside store, opens.



## 2023.10

First UNIQLO Luxembourg store opens.

## INVESTOR INFORMATION (As of August 31, 2023)

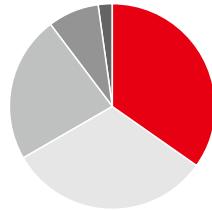
### Stock Exchange Listing

Tokyo Stock Exchange (Prime Market)  
Securities Code: 9983  
The Stock Exchange of Hong Kong (Main Board)  
Securities Code: 6288

### Stock Information

Number of shares authorized	900,000,000
Number of issued and outstanding shares (including treasury stock)	318,220,968
Number of shareholders (including holders of treasury stock)	18,552

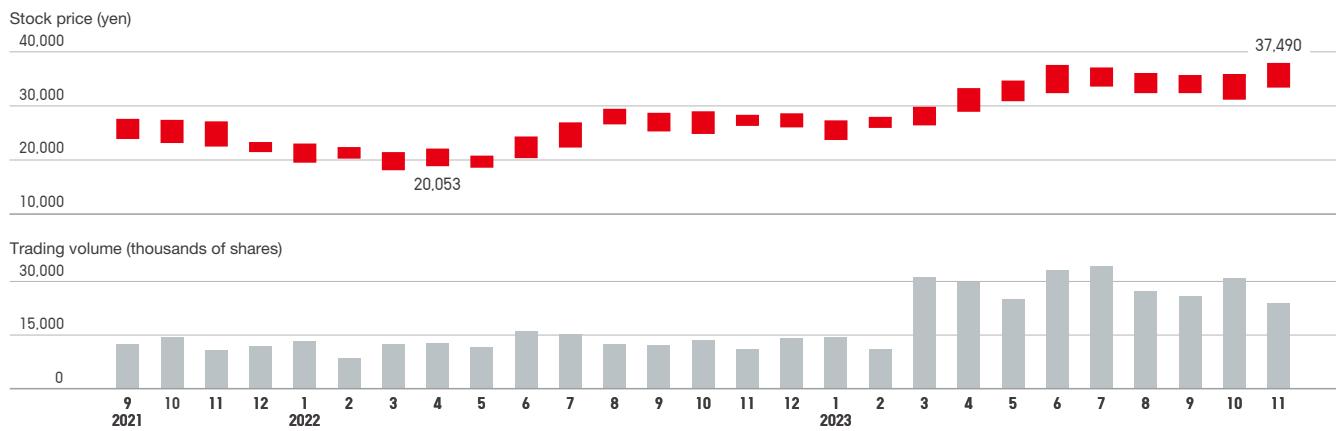
### Distribution of Share Ownership\*



	Composition ratio
Individuals, others	34.93%
Financial institutions	32.01%
Foreign investors	22.98%
Other companies and corporations	8.01%
Securities companies	2.07%

\*Treasury stock is included in the "Individuals, others" category.

### Stock Price and Trading Volume\*



\*Closing share prices for March 1, 2023 after incorporating stock split.

### Introduction of Website Contents

#### IR Information

Access information for investors on management policy, corporate results, integrated reports, news releases, and other documents.



#### Sustainability

Access information relating to sustainability activities across the Fast Retailing Group.



#### Sustainability Data Book

Use this to help organize important information primarily on environmental and social matters and to supplement the integrated report.



#### IR Mail Distribution Service

You can register to receive our latest IR news via email.



## CORPORATE INFORMATION (As of December 31, 2023)

### Corporate Data

Trade Name	FAST RETAILING CO., LTD.
Chairman, President & CEO	Tadashi Yanai
Head Office	10717-1 Sayama, Yamaguchi City Yamaguchi 754-0894, Japan
Roppongi Office	Midtown Tower, 9-7-1 Akasaka, Minato-ku Tokyo 107-6231, Japan
Ariake Office	6F UNIQLO CITY TOKYO, 1-6-7 Ariake, Koto-ku, Tokyo 135-0063, Japan
Established	May 1, 1963
Paid-in Capital	¥10,273 million
Line of Business	Control and management of overall Group activities as owner and holding company
Number of Full-time Employees (Consolidated)	59,871 (As of August 31, 2023)
Fiscal Year Ends	August 31
Annual Shareholders' Meeting	Late November
Transfer Agent	Mitsubishi UFJ Trust and Banking Corporation Shin- TOKYO Post Office post office box No. 29 137-8081, Japan Telephone: 0120-232-711 (From Japan)
Number of Shares per Trading Unit	100 shares (Tokyo Stock Exchange) 300 HDR (The Stock Exchange of Hong Kong)

### Main Group Companies



#### Contact Us

##### FAST RETAILING CO., LTD.

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9AM–4PM (JST) Monday–Friday (except national holidays)

#### Forward-looking Statements

Statements in this Integrated Report with respect to the company's plans, strategies, forecasts, and other statements that are not historical facts are forward-looking statements that are based on management's judgment in light of currently available information. Factors that could cause actual results to differ materially from our earnings forecasts include, without limitation, global economic conditions, our response to market demand for and competitive pricing pressure on products and services, and currency exchange rate fluctuations.

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