THE POWER OF CLOTHING Making The World A Better Place



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MADE FOR ALL

The Power of Clothing, Vol. 03 Making the World a Better Place

UNIQLO collects products from customers who want to pass on their clothing. It then delivers them to refugees and internally displaced persons (IDPs) around the world under its All-Product Recycling Initiative. The company believes that in addition to producing and selling clothes, collecting and delivering clothing to people in need is one way to maximize the value of the clothing that we wear.

Maximizing the Value of Clothing

State of the local state

UNIQLO's All-Product Recycling Initiative

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Photo: © LIO

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UNIQLO employees distribute items in person. They get to see the smiling faces of the displaced persons, but they must also face the frustrating fact that there are not enough items for everyone in need.



Deliver to refugee camps

Identify recipient destinations

- (1) Research local requirements through the United Nations High Commissioner for Refugees* (UNHCR) and deliver clothing to people who are most in need.
- (2) Apply to the government of the candidate location for permission to deliver the items
- (3) Select which articles of clothing are needed, with due consideration for the cultures of each country.



*The United Nations High Commissioner for Refugees is a UN organization established in 1950 with a mandate to support refugees. The Geneva-based organization works on an international scale to protect and support refugees and IDPs and received the Nobel Peace Prize in 1954 and 1981.

Report on the initiative

Reports on what we have seen and thought while at the refugee camps are available to customers via our website and other channels. This information is harnessed in subsequent activities.

> "I have so many UNIQLO items that I no longer wear ... "

> Comments like this led to the establishment of UNIQLO's All-Product Recycling Initiative.

We began collecting fleece items in 2001 and expanded the initiative in 2006 to include all UNIQLO products. Our initial intention was to recycle used clothing, but the donated items were in such good condition that we instead started donating them to refugee camps. More than anything else, we really wanted our products to continue serving their true purpose. Now, nearly 90% of the clothing we collect is sent to refugees and internally displaced persons (IDPs) throughout the world.

Collected items are separated into wearable and unwearable clothing

Wearable

Products are enjoyed. valued and worn for

a long time

Customers purchase **UNIQLO** products

> Clothes are returned to **UNIQLO** Japan stores

> > All UNIQLO Japan stores accept preowned clothing that is washed and brought in as donations by customers vear-round.

Recycle: Used as fuel or fiber (about 10%)

Unwearable clothes are converted into fuel for generating electricity or recycled into industrial fiber.



Reuse-

UNIQLO's All-Product

Recycling Initiative

Separated into categories such as summer-winter. men's-women's, and tops-bottoms



All-Product Recycling Initiative Report

Our Second Visit to Nepal: The Final Destination for Donated Clothing

In September 2009, we revisited Nepal, where UNIQLO first donated clothing in 2007. We recently took a trip to Nepal to see if we could discern any effect or change since our first donation in 2007. We wanted to know: Were the clothes we donated two years ago useful? What had changed and what remained the same? What power had the clothes demonstrated?

The little girl in the same clothing

A girl is smiling. Her name is Gita. From the 10 articles of clothing given to her family, she selects the white ones. She looks forward to wearing these items at a Nepalese festival that will take place in two days. Along with the clothing, a member of Fast Retailing's Corporate Social Responsibility (CSR) Department gives Gita a photo taken of her two years ago. She looks at the photo, which appears to trigger some memories...

Gita's father suffered a spinal injury when he was struck on the back while fleeing from Bhutan, and he cannot work as a result. Her brother has a mental disability. Her circumstances are exceptionally severe even among refugees.

Eiko Sherba of Fast Retailing's CSR Department, who delivered the clothing on this visit,



Eiko Sherba, CSR Department, UNIQLO Co., Ltd (left) and Gita (right)

as well as the previous one, vividly remembers this girl. "Gita remembered the events of two years before quite well. She also faintly remembered me," Sherba said.

"The little girl I remembered is now 14 and looks a bit more like an adult. I was moved when I saw her. Although her mother doesn't have enough clothing for her daughters, she takes good care of the clothing that UNIQLO donated to them two years ago by storing them away for special occasions. Gita picked out her favorite item from the clothing we brought and put it on right away to show us. Clothing is not just functional; it doesn't simply protect us from the heat or cold. I learned this from Gita's brilliant smile, which shines even brighter when she wears clean, white clothing."



Bhutan Refugees

From the latter half of the 19th century into the 20th century, many people migrated from Nepal to Bhutan for economic reasons and received Bhutanese citizenship. Mostly Hindu, these people had different ethnic and religious backgrounds than the nation's Bud-dhist majority. As a result of ethnocentric policies introduced during the 1980s, a large number of ethnic Nepalese living in Bhutan were forced to leave the country beginning in the 1990s. Currently, 80,000 of them are living under harsh conditions at seven refugee camps in southeastern Nepal.

Two years later, has UNIQLO's donations made a difference in people's lives?









This woman owns five articles of clothing. She received a fleece in 2007 and used it until it wore out.



This girl was very elated when trying on the clothing she was given.





This boy and his father hope to resettle together in another country.



2007



This boy was all smiles with his new garments—just like two years before.

Smiles Revisited Two Years Later

On her second visit to the refugee camp in Nepal, Eiko Sherba of UNIQLO's CSR Department hired a Nepalese interpreter so she could communicate more effectively with the people in the camp.

"We still don't have enough clothing. We have already supplied 400,000 items, but because each person only has three or four outfits, they need to wash them each night to wear the next day," said Sherba.

The limited amount of clothing makes it impossible for everyone to receive something, and unfortunately, some people are unavoidably left out. Our priority is to help socially disadvantaged people, but this can result in feelings of envy or disappointment. And there are other people living outside the camps who are also struggling to get by and need clothing. The individuals who receive clothing are happy. But despite the satisfaction this brings us, we must not lose sight of the fact that these people face many problems. By doing what we can, one step at a time, we can continue to try to address these issues.

Resettling Overseas: Reason for Hope and a Path to the Future

The outlook is dramatically improving at refugee camps in Nepal, as nations such as the United States increasingly follow through on their pledges to accept more refugees.

Out of approximately 100,000 refugees, roughly 80,000 have submitted formal requests to resettle in other countries. By mid-September 2009, approximately 20,000 of these people had left the refugee camps for their new homes.

But some people don't want to relocate to other countries and would prefer to remain in the camps if they are unable to return to their homeland of Bhutan. With this in mind, does overseas resettlement truly offer genuine hope for the future for all displaced persons? We feel that it is very important to listen to the people in the refugee camps to clearly understand the real issues at hand. We hope to provide assistance until these displaced individuals reach their destinations, rather than simply donating clothing.



Their minds swimming with thoughts as they make their way to their final destination, Eiko Sherba and her fellow team members eagerly anticipate their arrival at the International Organization for Migration Transit Center. This facility is where refugees stay just before leaving Nepal to resettle overseas.

After arriving, the team comes across a woman wearing bright orange and blue UNIQLO clothing.

Everyone is drawn to the grace and dignity in her eyes, which belie the sense of sadness on her face. She explains that it has been two years since she received the clothing from Japan. But the struggles she has faced since then have not dampened her hope for the future.

Only two of her three sons were able to leave with her to resettle overseas. Her eldest son, 24, was unable to accompany them. She briefly tells us how







sad she is to leave him behind, despite their hope for a new life, and how happy they would be to stay together as a family.

"Everyone in this facility is waiting to leave in their best clothes," said Sherba. "This is a festive day for them—a day to wear UNIQLO clothing. We are happy to witness this power of clothing, which transcends the realm of mere practical functionality." The woman, decked out in her carefully selected outfit, poses for the camera with her two younger sons. She does not know that the clothing she is wearing came from UNIQLO, or even Japan. But it is clear from their smiles that these articles of clothing have given them some happiness and comfort. We hope that this sense of joy will remain with them as they face the future and continue to tackle the challenges they encounter along the way.









One UNIQLO Article of Clothing for Every Refugee

In 2009, UNIQLO celebrated the fourth year of its All-Product Recycling Initiative. Over the past year, we collected approximately 2.62 million articles of clothing, bringing our cumulative total to about 5.08 million items.

The volume of collected items increases every year with the support and cooperation of our customers. Nevertheless, these numbers are still falling short of the approximately 500 million items that UNIQLO produces every year. With roughly 30 million displaced persons throughout the world, UNIQLO hopes to eventually supply clothing to every single person in need.



Colorful Clothing Like Flowers Blossoming in a Refugee Camp

Photos and text by LIO

LIO was born in Sapporo, Japan in 1980, and graduated from Hosei University. He has been active as a photographer since 1999, primarily in Asia. When on a shoot, he is inspired by the strength of the people he encounters, particularly those who live enduring hardships. In recent years, his lens has focused on different facets of India, Nepal and Tibet. He has participated in *Photography Magazine 81LAB* (www.81lab.com) and has contributed work to *DAYS JAPAN*. You can find him online at www.liograph.com.



The hidden country—that was my image of Bhutan. I headed for eastern Nepal near the Indian border after learning that refugees were moving from Bhutan to Nepal. As I walked toward the simple bamboo houses and heard refugees talk about life in the camp, I noticed a familiar orange fleece drying on the eaves of a house. I checked the tag and it read "UNIQLO"—just as I had expected. "This must be a UNIQLO All-Product Recycling item," I thought to myself.

The owner told me the clothes had been widely distributed to many families. They were aware that the clothing was a form of aid supplied by other countries through the UNHCR. I showed them the tag on my vest and explained, "this fleece jacket was made by a Japanese company called UNIQLO, and many Japanese people wear them, including myself." The man smiled and let me take a picture. But I wanted to do more than simply capture their friendly facial expressions. I also wanted to show how the clothes matched their living environment and their regular clothing, so I took pictures in front of their homes, as well as inside. During the shoot, a boy showed up wearing a T-shirt inside-out. Laughing, he told me, "I got paint on the front, so now I wear it inside-out."

Here, I saw how clothing that was no longer needed in Japan was once again being treated with care and providing warmth. This teaches us the fundamental role of clothing, but it also sends the message that someone living in Japan is aware of the hardships of others and cares about those who are living in trying circumstances. The clothes bring physical warmth to the people who now wear them, but also deliver warmth in the form of the sentiments of the individuals who donated them.

Targeting Donations of 30 Million Garments

As a company that produces and sells approximately 500 million articles of clothing every year, we bear an important responsibility to collect and recycle garments our customers no longer use. Thanks to their support and cooperation, our All-Product Recycling Initiative, launched in 2006, collected about 2.62 million items in 2009. And while this number increases, the number of items donated also rises. But with as many as 31.7 million refugees worldwide, more clothing is needed. We are reminded of this every time we visit a refugee camp and distribute clothing.

UNIQLO aims to collect 30 million articles of clothing within five years—at least one item for every displaced person in the world. To achieve this goal, more needs to be done than simply collecting clothes at our stores in March, June and September.

In 2009, we collaborated with high schools in Tokyo. Under this initiative, students took on the responsibility of collecting clothing in their schools and communities. We also set up collection booths at events for UNHCR World Refugee Day, and set up similar booths at a commercial complex in Machida, a suburb of Tokyo. To further raise public awareness of refugee issues, we also kicked off the UT×UNHCR Charity T-shirt Project. Under this initiative, we created charity T-shirts in collaboration with a range of artists with support from the UNHCR. Proceeds from the sale of the T-shirts went to the UNHCR, which is using the funds for refugee assistance programs.

Looking ahead, we are educating all of our employees about the nature and impact of our activities with an eye to having staff become capable of taking action independently.

Vol. 01 Spotlight on Employees with Disabilities



The Power of Clothing is available on our website.

Vol. 02 Where UNIQLO Products Come From



Vol. 03 UNIQLO's All-Product Recycling Initiative



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