

These questions relate to the period since the COVID-19 pandemic. Please provide YES, NO or numerical answers where requested. We also welcome additional information and context.

Factory closures

BHRRRC is collecting and publishing an aggregated list of closed factories in the supply chains of 50 global apparel brands.

1.a. Are you keeping a list of factories that have closed in your supply chain since March 2020, (including those that you stopped sourcing from during the pandemic)

Yes: Our list is updated based on periodic communication with production partners or through information we receive from other sources. Once we become aware of a closure, we confirm that all relevant processes and severance payments are carried out in accordance with legal requirements.

b. Is your company willing to share a list of closed factories, including names and addresses? (Please share list here or as an attachment)

c. Are you willing to provide BHRRRC with updated lists in the future?

No

Purchasing practices

2. a. Have you implemented a policy specifying that your sourcing team must not ask for price reductions or discounts relative to comparable items from last season?

Although we do not have a pandemic-specific policy on this matter, we work in accordance with our established policy and guidelines relating to responsible procurement. These emphasize the health, safety, human rights, and rights guaranteed by law for workers at our partner factories, contributing to improved living and labor conditions, while also encouraging the growth of our partner factories as we expand our transaction volume steadily over time. Relevant staff are trained, and on-site practices are monitored via regular questionnaires for production partners, with corrective action implemented where required. More details can be found here:

<https://www.fastretailingq.com/enq/sustainability/labor/procurement.html>

b. If yes, can you share this policy with BHRRRC?

Please refer to the link provided above.

c. If no, have you implemented any pandemic- related policy designed to ensure your sourcing staff do not pressure suppliers on price or production times and can you share this policy?

Please refer to the answer and link provided above.

Worker wage and severance payments

3.a Have you received reports of non-payment of full salaries for workers in your supply chain?

Yes: We are aware of some cases as received through our anonymous direct Hotline, set up to support Factory Employees. When we verify such claims, we require prompt remediation and ensure this action is completed by our partner factory.

b. Is your company actively involved in resolving each of these payment disputes?

Yes

4.a. When garment workers lose their jobs, are you monitoring if they are receiving all outstanding wages and legally mandated severance payments?

Yes: If we learn of a mass-layoff or factory closure, we confirm that all legally-mandated severance payments are made by the factory. This is also confirmed as part of a third-party audit. Where necessary, we engage to ensure workers are paid any outstanding wages, severance, or benefits owed by the factory.

b. Is your company actively involved in ensuring workers are paid outstanding wages, severance, and benefits?

Yes

Discriminatory dismissals and human rights violations

5.a Have you implemented a pandemic-related policy with your suppliers to ensure vulnerable demographics of workers are not being disproportionately targeted for layoffs (e.g. union members & leaders, pregnant women, migrant workers)?

Although we do not have a pandemic-specific policy on this matter, we strictly prohibit all forms of discrimination in the FAST RETAILING Group Code of Conduct for Production Partners. When we are informed of a mass-layoff, we require production partners to ensure no discriminatory practices, and this is monitored through a third-party audit.

b. Are you tracking lay-offs and suspensions by demographic?

No

c. If Y can you provide a list of the categories being monitored?

d. If N, what steps are you taking to ensure discriminatory dismissals are not being carried out?

Please refer to the answer above.

6.a Are there one or more factories supplying your company where advocates have alleged workers have been criminally charged or imprisoned in violation of their human rights (freedom of expression, freedom of assembly & association, collective bargaining etc.)?

No: We have not been made aware of any such cases.

b. In all such cases, have all workers been released from custody with all charges dropped?

Questions included in previous questionnaire, please provide current responses:

7. a. What were your payment times prior to the pandemic (in days)? **30—180 days.**

b. Have you extended these payment times for the current pandemic period?

No

c. What are the maximum number of days from invoice date within which you pay your suppliers currently (e.g. 30, 60, 90, 180 days)? **180days**

8. Have you committed to pay in full for all in-production and completed orders?

Yes: Fast Retailing has publicly committed to payment in full for all in-production and completed orders, a commitment that aligns with the Call to Action for the global garment industry, jointly published by the International Labour Organization and the International Organization of Employers. Additionally, we have set out a number of other key measures designed to support manufacturing partners and workers during the COVID-19 Pandemic. More information is available here: <https://www.fastretailing.com/eng/sustainability/news/2004221500.html>

9. Have you requested a discount for any orders?

No

10. Are you supporting suppliers with access to local finance with a letter of credit or through other means?

Yes