

NOTICE OF 2022 General Meeting of Shareholders

(Year from 1 September 2021 to 31 August 2022)

Date and time

10:30 am JST,
Thursday, 24 November, 2022

Location

Main Conference Room, Head Office
Conference Building, 10717-1 Sayama,
Yamaguchi City, Yamaguchi, Japan

Matters for Resolution

Proposal 1: Partial Amendment of Articles
of Incorporation

Proposal 2: Election of Ten Directors

Proposal 3: Election of One Statutory
Auditor



FAST RETAILING CO., LTD.

Stock Code
Tokyo Stock Exchange: 9983
Hong Kong Stock Exchange (Main Board): 6288





A New Era of Growth

Fast Retailing's revenue and profit expanded considerably in FY2022, supported by the buoyant growth of UNIQLO International. The segment now totals 1,585 stores globally, nearly double the 809 outlets in Japan, as of the end of August 2022. In addition to our proven strengths in the Greater China, South Korea, and Southeast Asia, we have established new successful business frameworks in North America and Europe that enable us to generate consistent profits in these important markets.

In an era of increasing uncertainty and new challenges, I believe that people are seeking a comfortable daily lifestyle that help to ease these strains. Our LifeWear (ultimate everyday clothing) offers simple, high-quality clothes that are designed to fulfill people's everyday needs, and offer high durability for long-term wear. We can see that customers increasingly understand these LifeWear concepts and the affinity for our brand is expanding worldwide.

We have always sought to expand our business by focusing on the global market. Now, we are ready to intensify those efforts. I am particularly keen to accelerate the pace of new store openings in North America and Europe so that we can become the No.1 apparel brand with the highest customer affinity. We have created the platforms for supporting consistent business expansion in North America and Europe, and I believe we can now become a true global brand.

To help achieve this, we have introduced operational reforms to allow staff from head office and managers in regional centers to cooperate more easily, move freely around the world, and work together to achieve common goals. We are strengthening the functions of our New York headquarters to stand with our Tokyo base to build a new power center for Fast Retailing's global strategy. The New York headquarters will be actively involved in all product-creation functions, from R&D centers and product development to merchandising and marketing. Working with teams at our Tokyo headquarters, they will look to create new business structures by incorporating the best of U.S. technology in advanced IT and global distribution networks. We will also work with local managers to solve issues that arise by encouraging swift evaluations, decision-making, and business execution.

The mission of Fast Retailing is to provide people worldwide with the clothing infrastructure, which we call LifeWear, to realize a more comfortable, high-quality daily lifestyle. Over the past few years, we have experienced many sad events, including a global pandemic, confrontation between major nations, and multiple natural disasters. Through these experiences, I have felt strongly that the world is inextricably linked and cannot be demarcated or divided. What the coming era needs is for private companies and individuals worldwide to transcend the framework of nation states and come together to create a more abundant, stable society that respects the mutual interests of all parties. We will continue offering trustworthy products with sincerity and integrity in order to help create a more peaceful world through our business.

November 2022

Tadashi Yanai

Chairman, President and CEO

THE REFERENCE MATERIALS FOR THE 2022 GENERAL MEETING OF SHAREHOLDERS

Proposal 1 Partial Amendment of Articles of Incorporation

1. Reason for Amendment

Following the enforcement on September 1, 2022 of the system for the electronic provision of materials for general meetings of shareholders as stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019), FAST RETAILING CO., LTD (the “Company”) is taking measures to provide information contained in the reference materials for the general meeting of shareholders, etc. electronically and to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.

In addition, since the provisions related to the internet disclosure and deemed provision of the reference materials for the general meeting of shareholders, etc. will become unnecessary and will therefore be deleted, supplementary provisions on transitional measures related to these changes are being established.

2. Contents of Amendment

The following amendments have been made:

(Underlined segments indicate amended items)

Current Articles of Incorporated	Proposed Amendment
<p>(Disclosure via Internet and Deemed Offering of Documents for Reference, Etc., of the General Meeting of Shareholders)</p> <p>Article 15</p> <p>The Company may, upon the convocation of a shareholders meeting, be deemed to have provided the shareholders, by disclosing through the method of using the internet pursuant to the provisions of the applicable Ordinance of the Ministry of Justice, information regarding the matters that should be stated or appear on the documents for reference of the general meeting of shareholders, business reports, financial statements and consolidated financial statements.</p> <p>(newly established)</p>	<p>(delete)</p>
<p>(Measures for Electronic Provision, Etc.)</p> <p>Article 15</p> <p>The Company shall, when convening a general meeting of shareholders, provide information contained in the reference materials for the general meeting of shareholders, etc. electronically.</p> <p>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</p> <p>(Supplementary provisions)</p> <p>1. Notwithstanding the provisions of the amended Article 15 (Measures for Electronic Provision, Etc.), Article 15 of the pre-amended Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Materials for the General Meeting of Shareholders, Etc.) shall remain in force with respect to a general meeting of shareholders to be held by the last day of February 2023.</p> <p>2. These supplementary provisions shall be deleted on March 1, 2023 or after the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</p> <p>(newly established)</p>	

Proposal 2 Election of Ten Directors

The terms of office of all nine current directors will expire at the conclusion of the General Meeting of Shareholders. We would like to increase the number of directors by one in order to strengthen our management framework, so we propose the election of ten directors at this meeting. The candidates for director are as follows:

Candidate Number	Name		Position	No. of years as a board director	Board of director's meeting attendance
1	Tadashi Yanai 73 years old	Reappointment	Executive Director (Representative)	50 years	100% (13 of 13)
2	Nobumichi Hattori 64 years old	Reappointment External Director Independent Officer	Non-Executive Director	17 years	100% (13 of 13)
3	Masaaki Shintaku 68 years old	Reappointment External Director Independent Officer	Non-Executive Director	13 years	100% (13 of 13)
4	Naotake Ono 74 years old	Reappointment External Director Independent Officer	Non-Executive Director	4 years	100% (13 of 13)
5	Kathy Mitsuko Koll 57 years old	Reappointment External Director Independent Officer	Non-Executive Director	1 year	100% (10 of 10)
6	Joji Kurumado 66 years old	New Appointment External Director Independent Officer	—	—	—
7	Yutaka Kyoya 60 years old	New Appointment External Director Independent Officer	—	—	—
8	Takeshi Okazaki 57 years old	Reappointment	Executive Director	4 years	100% (13 of 13)
9	Kazumi Yanai 48 years old	Reappointment	Executive Director	4 years	100% (13 of 13)
10	Koji Yanai 45 years old	Reappointment	Executive Director	4 years	100% (13 of 13)

Reference Candidates for Director: Fields of Expertise

The Company expects candidates for director to have a high level of knowledge and experience particularly in Corporate Management, Global Business, and Sustainability. We also believe that any advice or recommendations based on knowledge and experience in the specialist fields of IT & Digital, Store Development, Logistics, Treasury, Accounting & Finance will be useful to our business management. We have listed the specialist areas below to which we expect each candidate for director will make a special contribution. This list is by no means an exhaustive representation of the candidates' expertise.

Tadashi Yanai:	Corporate Management, Global Business, Sustainability, IT & digital, Store Development, Logistics, Treasury, Accounting & Finance
Nobumichi Hattori:	Corporate Management, Global Business, Sustainability, Treasury, Accounting & Finance
Masaaki Shintaku:	Corporate Management, Global Business, Sustainability, IT & digital
Naotake Ono:	Corporate Management, Global Business, Sustainability, Store Development, Logistics
Kathy Mitsuko Koll:	Corporate Management, Global Business, Sustainability, Treasury, Accounting & Finance
Joji Kurumado:	Corporate Management, Global Business, Sustainability, Store Development
Yutaka Kyoya:	Corporate Management, Global Business, Sustainability, Logistics
Takeshi Okazaki:	Corporate Management, Global Business, Sustainability, IT & digital, Treasury, Accounting & Finance
Kazumi Yanai:	Corporate Management, Global Business, Sustainability
Koji Yanai:	Corporate Management, Global Business, Sustainability

1 Tadashi Yanai

Reappointment



- **DOB:** 7 February 1949
- **No. of years as a Board Director:**
50 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:**
100% (13 of 13)
- **No. of Fast Retailing shares held:**
22,037,284 shares
- **Career profile and Fast Retailing positions held:**
 - Aug. 1972 Joined FAST RETAILING CO., LTD.
 - Sep. 1972 Director, FAST RETAILING CO., LTD.
 - Aug. 1973 Senior Managing Director, FAST RETAILING CO., LTD.
 - Sep. 1984 President & CEO, FAST RETAILING CO., LTD.
 - Jun. 2001 External Director, SOFTBANK GROUP CORP.
 - Nov. 2002 Chairman and CEO, FAST RETAILING CO., LTD.
 - Sep. 2005 Chairman, President and CEO, FAST RETAILING CO., LTD. (current)
 - Nov. 2005 Chairman, President and CEO, UNIQLO CO., LTD. (current)
 - Sep. 2008 Director and Chairman, GOV RETAILING CO., LTD. (currently G.U. CO., LTD.) (current)
 - Jun. 2009 External Director, Nippon Venture Capital Co., Ltd. (current)
 - Nov. 2011 Director, LINK THEORY JAPAN CO., LTD. (current)
 - Nov. 2018 Chairman, Fast Retailing Foundation (current)
- **Major concurrent offices:**
External Director, Nippon Venture Capital Co., Ltd.
Chairman, Fast Retailing Foundation
Chairman, President and CEO, UNIQLO CO., LTD. and director or executive officer at 17 other subsidiaries of the Company

Selection for Chairman, President and CEO

Since being appointed President and CEO in 1984, Tadashi Yanai has spent 38 years leading the management team and expanding the Company and consolidated subsidiaries (the "Group") into one of the world's leading Specialty store retailers of Private-label Apparel. As the founder of the Company, his impressive management experience, broad operational knowledge, and consistent commitment to improving corporate value are vital to the Group's continued growth. We highly recommend Mr. Yanai as a candidate for director.

Candidate Message

I strive to realize transparent management based on our corporate statement—Changing clothes. Changing conventional wisdom. Change the world—and to deliver clothing happiness and joy to people worldwide through our LifeWear (ultimate everyday clothing). I want us to grow into an even better company by pursuing the sweeping corporate transformation laid out in our Ariake Project in order to help realize a sustainable society.

2 Nobumichi Hattori

Reappointment

External Director

Independent Officer



- **DOB:** 25 December 1957
- **No. of years as a Board Director:**
17 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:**
100% (13 of 13)
- **No. of Fast Retailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**
 - Apr. 1981 Joined Nissan Motor Co., Ltd.
 - Jun. 1989 Joined Goldman Sachs and Company, Headquarters (New York)
 - Nov. 1998 Managing Director and M&A Advisory of Japan for Goldman Sachs and Company Headquarters (New York)
 - Oct. 2003 Visiting Associate Professor, Graduate School of International Corporate Strategy, Hitotsubashi University
 - Jun. 2005 External Director, Miraca Holdings Inc. (Currently H.U. Group Holdings, Inc.)
 - Nov. 2005 External Director, FAST RETAILING CO., LTD. (current)
 - Oct. 2006 Visiting Professor, Graduate School of International Corporate Strategy, Hitotsubashi University
 - Apr. 2009 Visiting Professor, Waseda Business School (Graduate School of Business and Finance) (current)
 - Mar. 2015 External Statutory Auditor, Frontier Management Inc. (current)
 - Jun. 2015 External Director, Hakuhodo DY Holdings Inc. (current)
 - Jul. 2016 Visiting Professor, Graduate School of Business Administration, Keio University (current)
- **Major concurrent offices:**
Visiting Professor, Waseda Business School (Graduate School of Business and Finance)
External Statutory Auditor, Frontier Management Inc.
External Director, Hakuhodo DY Holdings Inc.
Visiting Professor, Graduate School of Business Administration, Keio University

Selection for External Director and Overview of Expected Role

Nobumichi Hattori has experience presiding over M&A advisory projects in Japan in the major US bank Goldman Sachs & Co. LLC and is well versed in how companies operate in capital markets. He also currently researches M&A and corporate valuation at the graduate school of Waseda University in Tokyo. We consider his knowledge and experience to be extremely beneficial to the Company and his presence to be irreplaceable because his long service renders him familiar with the Company and his direct and precise comments from an independent standpoint serve as a valuable guide for management. We expect him to help improve our corporate value in global markets.

Candidate Message

I believe the best way to increase shareholder value is to objectively judge how capital markets perceive Fast Retailing's corporate value from a capital market perspective. I intend to conduct 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 continue to grow strongly in the future.

3 Masaaki Shintaku

Reappointment External Director Independent Officer



- **DOB:** 10 September 1954
- **No. of years as a Board Director:** 13 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:** 100% (13 of 13)
- **No. of Fast Retailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**

- Apr. 1978 Joined IBM Japan, Ltd.
- Dec. 1991 Joined Oracle Corporation Japan
- Aug. 2000 President & CEO, Oracle Corporation Japan
- Jan. 2001 Executive Vice President, Oracle Corporation
- Apr. 2008 Vice Chairman, Special Olympics Nippon (currently Special Olympics Nippon Foundation)
- Jun. 2008 Chairman, Oracle Corporation Japan (Retired Dec. 31, 2008)
- Nov. 2009 External Director, FAST RETAILING CO., LTD. (current)
- Mar. 2019 Counselor, Special Olympics Nippon Foundation (current)
- Jun. 2020 External Director, NTT DOCOMO, INC. (current)
- Jun. 2021 External Director, NTT Communications Corporation (current)

■ Major concurrent offices:

- Counselor, Special Olympics Nippon Foundation
- External Director, NTT DOCOMO, INC.
- External Director, NTT Communications Corporation

Selection for External Director and Overview of Expected Role

Having amassed rich management expertise and experience as the leader of US information systems company Oracle Corp. in Japan, Masaaki Shintaku is now involved in a wide range of activities, including serving as vice chairman of the non-profit organization Special Olympics Nippon Foundation, UNIQLO's official partner in the field of sports for people with disabilities. We consider his knowledge and experience to be extremely beneficial to the Company and his presence to be irreplaceable because his long service renders him familiar with the company and his direct and precise comments from an independent standpoint serve as a valuable guide for management. We expect him to contribute to the fields of IT, digital, and ESG activities.

Candidate Message

Having invested efficiently in transforming IT systems, we now see those systems supporting Fast Retailing operations and earning the Company a strong reputation for successful utilization of IT. Fast Retailing is proceeding with its transformation into a digital consumer retailing company and accelerating its efforts to analyze data and acquire knowledge. The Company is attracting exceptionally talented employees and building frameworks for the next stage of growth with a bold spirit. The Board wants to help advance this trajectory.

4 Naotake Ono

Reappointment External Director Independent Officer



- **DOB:** 28 October 1948
- **No. of years as a Board Director:** 4 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:** 100% (13 of 13)
- **No. of Fast Retailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**

- Apr. 1971 Joined Daiwa House Industry Co., Ltd.
- Jun. 2000 Director, Daiwa House Industry Co., Ltd.
- Apr. 2004 Senior Managing Executive Officer, Deputy Head of Marketing Division, Daiwa House Industry Co., Ltd.
- Apr. 2007 Executive Vice President, Head of Marketing, Daiwa House Industry Co., Ltd.
- Apr. 2011 President & COO, Daiwa House Industry Co., Ltd.
- Nov. 2017 Special Advisor, Daiwa House Industry Co., Ltd. (Retired Mar. 31, 2021)
- Nov. 2018 External Director, FAST RETAILING CO., LTD. (current)

Selection for External Director and Overview of Expected Role

Naotake Ono has amassed a wealth of management knowledge and experience as President & COO of Daiwa House Industry Co., Ltd., a major construction company in Japan. He incorporates on-the-ground perspectives when making suggestions, based on his experience as General Manager of Sales. We believe Mr. Ono's experience and expertise as an outstanding manager are useful and vital to FR's drive to accelerate UNIQLO and GU store development in global markets. We expect him to contribute to the Company's store-opening strategy, logistics and other areas, and so we nominate him for external director.

Candidate Message

When I was in senior management, I believed that a company's frontline operations were the most important, and I still do. I visit stores and casually listen to opinions on the sales floor. I also propose improvements in our management that I gained from customer experiences as an individual consumer. Our Board boasts members with a diverse business back bones, and it is well balanced. Everyone exchanges lively opinions and Mr. Yanai is always open to ideas. I want to continue to make suggestions that prize on-the-ground operations.

5 Kathy Mitsuko Koll

Reappointment External Director Independent Officer



- **DOB:** 2 February 1965
- **No. of years as a Board Director:**
1 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:**
100% (10 of 10)
- **No. of Fast Retailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**

Jan. 1990 Joined, Barclays de Zoete Wedd, Limited (current Barclays Capital)
 Mar. 1994 Joined, Goldman Sachs Japan Co., Ltd.
 Jan. 1998 Managing Director, Goldman Sachs Japan Co., Ltd.
 Jan. 2000 Partner, Goldman Sachs Japan Co., Ltd.
 Apr. 2015 Vice Chairman, Goldman Sachs Japan Co., Ltd. (retired Dec. 2020)
 Nov. 2018 Director, Fast Retailing Foundation
 May 2021 General Partner, MPower Partners Fund L.P. (current)
 Jul. 2021 External Director, Paidy Inc.
 Nov. 2021 Councilor, Fast Retailing Foundation (current)
 Nov. 2021 External Director, FAST RETAILING CO., LTD

■ **Major concurrent offices:**

Councilor, Fast Retailing Foundation
 General Partner, MPower Partners Fund L.P.

*The amount of transactions with the Group or payment of monies or other assets based on her position as councilor of the Fast Retailing Foundation meets the "Standards for Evaluating the Independence of External Officers" on page 17.

Selection for External Director and Overview of Expected Role

Kathy Mitsuko Koll has extensive experience in investment and ESG challenges having served as Chief Japan Strategist and Vice Chair of U.S. brokerage firm Goldman Sachs Securities before becoming General Manager of Japan's ESG-focused global venture capital fund MPower Partners Fund L.P. Announced in 1999, her concept of "womenomics" resonated deeply with people the world over and her analysis of diversity and sustainability from the perspective of economic rationality has influenced many companies and investors. We expect her to contribute to the Company's global management, diversity management, and ESG challenges and so we nominate her for external director.

Candidate Message

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

6 Joji Kurumado

New Appointment External Director Independent Officer



- **DOB:** 23 April 1956
- **No. of years as a Board Director:** —
- **Board of Directors' meeting attendance:** —
- **No. of Fast Retailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**

Apr. 1981 Joind TAKENAKA CORPORATION
 Jan. 1982 Registered, First-Class Architect
 Apr. 2012 General Manager of Design Division, TAKENAKA CORPORATION
 Apr. 2013 Executive Officer and General Manager of Design Division, TAKENAKA CORPORATION
 May 2014 Director, Architectural Institute of Japan (AIJ Building Committee)
 Apr. 2015 Executive Officer in charge of design, TAKENAKA CORPORATION
 Apr. 2017 Managing Executive Officer, TAKENAKA CORPORATION
 Apr. 2022 Adviser, TAKENAKA CORPORATION (current)
 Sep. 2022 Adjunct and part-time teacher, Architecture Course of WASEDA UNIVERSITY (current)

■ **Major concurrent offices:**

Adviser, TAKENAKA CORPORATION

*The value of any transactions between the Fast Retailing Group and Takenaka Corporation meet the "Criteria for Determining the Independence of External Officers" on page 17.

Selection for External Director and Overview of Expected Role

Joji Kurumado has a wealth of knowledge and experience in building design, construction work, and large-scale development projects, thanks to his involvement over many years in design and construction supervision at the major general construction company Takenaka Corporation, his role in multiple architectural projects, and his participation in urban development and environmental development planning. His deep knowledge extends beyond architecture to art and fine arts in general. He also possesses deep insight into management and overseas business drawn from his experience of overseas client projects during his tenure as Executive Officer at TAKENAKA CORPORATION. The Company aims to accelerate store openings in global markets going forward and we expect Joji Kurumado will apply his knowledge and expertise to help create even more attractive stores, so we have nominated him as a candidate for external director.

Candidate Message

Being sustainable is a fundamental management requirement. My experience in construction has taught me that future environmental goals should be realized immediately. Why? Because buildings exist into the future. We must determinedly pursue today what is necessary to balance profit and sustainability based on future-oriented scenarios. I want to support such innovation at Fast Retailing as a director.

7 Yutaka Kyoya

New Appointment External Director Independent Officer



- **DOB:** 7 January 1962
- **No. of years as a Board Director:** —
- **Board of Directors' meeting attendance:** —
- **No. of Fast Retailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**
 - Apr. 1984 Joined, Mitsubishi Corporation
 - Apr. 2013 Division COO, Foods (Commodity) Division, Mitsubishi Corporation
 - May 2013 Director, Lawson
 - Apr. 2014 Executive Officer, Division COO, Living Essential Resources Division, Mitsubishi Corporation
 - Nov. 2015 Director, OLAM INTERNATIONAL LIMITED
 - Apr. 2016 Executive Vice President, Group CEO, Living Essentials Group, Mitsubishi Corporation
 - Apr. 2019 Executive Vice President, Group CEO, Consumer Industry Group, Mitsubishi Corporation (retired 31 Mar. 2021)
 - Jun. 2021 Representative Director, President and CSO, Mitsubishi Shokuhin
 - Apr. 2022 Representative Director, President and CEO, CSO and CHO, Mitsubishi Shokuhin (current)

■ Major concurrent offices:

Representative Director, President and CEO, CSO and CHO, Mitsubishi Shokuhin

*The value of any transactions between the Fast Retailing Group and Mitsubishi Shokuhin or Mitsubishi Corporation meet the "Criteria for Determining the Independence of External Officers" on page 17

Selection for External Director and Overview of Expected Role

Yutaka Kyoya has a deep knowledge and expertise of the so-called consumer business field having been involved for many years in the retail and distribution business at major general trading company Mitsubishi Corporation. He also possesses deep management insight acquired in his position as Representative Director of Mitsubishi Shokuhin Co., Ltd. We expect him to apply this knowledge and experience to improving the Company's sales strategy, logistics, and other aspects, so we have nominated him as a candidate for external director.

Candidate Message

I have been involved for many years in food and food-related work that correlates with LifeWear in terms of being a daily necessity. I worked for 12 years in the United States and various Asian markets and have experience as a global manager. I want to apply that experience and knowledge to help Fast Retailing, which still harbors great growth potential. I intend to fulfill my responsibilities as an external director by prizing perspectives that seek to improve the Company's medium- to long-term corporate value.

8 Takeshi Okazaki

Reappointment



- **DOB:** 9 July 1965
- **No. of years as a Board Director:** 4 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:** 100% (13 of 13)
- **No. of Fast Retailing shares held:** 1,278 shares
- **Career profile and Fast Retailing positions held:**
 - Apr. 1988 Joined the Long-Term Credit Bank of Japan
 - Jul. 1998 Joined McKinsey & Company
 - Jan. 2005 Partner, McKinsey & Company
 - Aug. 2011 Joined FAST RETAILING CO., LTD.
 - Aug. 2011 Group Executive Officer & CFO, FAST RETAILING CO., LTD.
 - Sep. 2012 Group Senior Executive Officer & CFO, FAST RETAILING CO., LTD. (current)
 - Nov. 2018 Councilor, Fast Retailing Foundation (current)
 - Nov. 2018 Director, FAST RETAILING CO., LTD. (current)
- **Major concurrent offices:**
 - Councilor, Fast Retailing Foundation
 - Chairman, FAST RETAILING (CHINA) TRADING CO., LTD
 - President, FAST RETAILING FRANCE SAS
 - CEO, Fast Retailing USA, Inc.
 - Director of UNIQLO Co., Ltd., and director or executive officer at 24 other subsidiaries of the Company

Selection for Director

Since entering the company in 2011 as Group CFO, Takeshi Okazaki has helped create a global framework in the management fields of accounting and financial affairs, management planning, and purchasing, etc. He has demonstrated leadership across our operations as one of the core drivers of the Ariake Project. As Group CFO, Mr. Okazaki is expected to maintain a deep awareness of the most important issues for the overall Group and speedily solve problems through strong leadership, so he has been nominated as a candidate for director.

Candidate Message

Fast Retailing is currently accelerating the globalization and digitalization of its business in order to progress to the next stage of its corporate development. We are continuing the challenge and investing even more proactively in human resources and business infrastructure. That's why it is important to get an accurate picture of what is actually happening on the ground and conduct management that is rooted in reality. As a management supervisor and executor, I strive to ensure fair and correct management that will steadily enhance our intrinsic corporate value.

9 Kazumi Yanai

Reappointment



- **DOB:** 23 April 1974
- **No. of years as a Board Director:**
4 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:**
100% (13 of 13)
- **No. of Fast Retailing shares held:**
4,781,808 shares
- **Career profile and Fast Retailing positions held:**
 - Sep. 1997 Joined The Goldman Sachs Group, Inc.
 - Jul. 2004 Joined Link Theory Holdings (US) Inc. (currently Theory LLC) New York HQ
 - Sep. 2009 Joined FAST RETAILING CO., LTD.
 - Jan. 2012 Chairman, Theory LLC (current)
 - Nov. 2012 Group Executive Officer, FAST RETAILING CO., LTD.
 - Nov. 2013 COO, UNIQLO USA LLC
 - Nov. 2015 Chairman, UNIQLO USA LLC (current)
 - Jul. 2017 CEO, Chairman and President, J BRAND HOLDINGS, LLC
 - Nov. 2018 Director, FAST RETAILING CO., LTD. (current)
 - Jun. 2020 Group Senior Executive Officer, FAST RETAILING CO., LTD. (current)
 - Aug. 2022 Chairman, President and CEO, LINK THEORY JAPAN CO., LTD. (current)

■ Major concurrent offices:

Chairman, President and CEO, LINK THEORY JAPAN CO., LTD.
 Chairman, Theory LLC
 Chairman, UNIQLO USA LLC, and director or executive officer at 12 other subsidiaries of the Company

Selection for Director

Kazumi Yanai started work at a FR subsidiary company in 2004 after gaining experience in the US global investment bank Goldman Sachs. He has developed a rich international business management perspective through his firsthand management experience at our US Theory operation and UNIQLO USA. Having built up a wealth of experience in international corporate management, he took up the position of President of LINK THEORY JAPAN CO., LTD. from August 2022. Kazumi Yanai's experience is necessary to the further growth of the Group as we seek to expand our global operations so he has been nominated as a candidate for director.

Candidate Message

Fast Retailing is a company that is genuinely committed to making the world a better place. To achieve that aim, we must use global talent and resources to strengthen our company even further. It is important to help people understand our philosophy and culture, and to honestly convey our belief that individual growth leads to corporate growth and, ultimately, the creation of a better future. As a member of the founding family and a senior executive officer, I intend to fulfill my responsibilities and strive to meet expectations that will only increase the larger our company gets.

10 Koji Yanai

Reappointment



- **DOB:** 19 May 1977
- **No. of years as a Board Director:**
4 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:**
100% (13 of 13)
- **No. of Fast Retailing shares held:**
4,781,277 shares
- **Career profile and Fast Retailing positions held:**
 - Apr. 2001 Joined Mitsubishi Corporation
 - Apr. 2009 Seconded to Mitsubishi Corporation's food subsidiary Princes Limited in the UK
 - Sep. 2012 Joined FAST RETAILING CO., LTD. to manage UNIQLO sports marketing
 - May 2013 General Manager, Global Marketing Division, UNIQLO CO., LTD.
 - Sep. 2013 Group Executive Officer, FAST RETAILING CO., LTD.
 - Nov. 2018 Director, FAST RETAILING CO., LTD. (current)
 - Jun. 2020 Group Senior Executive Officer, FAST RETAILING CO., LTD. (current)

Selection for Director

Koji Yanai amassed experience at a major Japanese trading company before entering the Company in 2012. He has exhibited leadership in the field of global and sports marketing at the UNIQLO operation. As the Officer in charge of Sustainability, he has guided the formulation of the Group's FY2030 targets and action plan in major sustainability areas. His marketing knowledge and experience is necessary for improving the Group's brand value and promoting further growth of global operations, so he has been nominated as a candidate for director.

Candidate Message

COVID-19 has still not been brought fully under control, conflicts are swelling refugee numbers, and the price of resources and raw materials are rising rapidly. The waves of uncertainty sweeping through the world are growing and our business environment is growing more competitive every day. With that in mind, we are working harder than ever to develop deep, high-quality communication that stakeholders will find persuasive. I am convinced this will help "guide our company towards the correct management path, while prizing individual people," and I intend to focus on that as a director.

- Outline of Non-executive Directors limited liability agreement
To enable Non-executive Directors to fulfill their roles to the best of their ability and meet expectations, Article 29 of the Company Articles of Incorporation stipulates that the Company may enter into agreements with Non-executive Directors to limit their liability to compensate for damages suffered due to negligence in the execution of their duties. Accordingly, the Company has signed limited liability agreements with Nobumichi Hattori, Masaaki Shintaku, Naotake Ono, and Kathy Mitsuko Koll. These agreements shall be extended in the event that these four persons are re-elected as Non-Executive Directors. Similar agreements to limit liability will be formed between the Company and Joji Kurumado and Yutaka Kyoya if they are elected as a new Non-Executive Directors. This agreement is outlined below:
The limited liability agreement is based on provisions in Article 427, Paragraph 1 of the Companies Act, and limits the liability for damages under Article 423, Paragraph 1 of the Companies Act. The agreement states that liability for damages shall be limited to either 5,000,000 yen or the amount stipulated by law, whichever represents the higher figure.
- Outline of Indemnity Liability Insurance Contract for Executive Officers, etc.
Fast Retailing forms an indemnity liability insurance contract for executive and other officers with an insurance company as prescribed in Article 430, Paragraph 3, Item 1 of the Company's Act. Any damages suffered through damage claims originating from action taken by insured parties based on his/her corporate position will be compensated under this aforementioned insurance contract, which is renewed on an annual basis. Each candidate will become an insured person under the aforementioned contract if they are elected to the position of director.
- Joji Kurumado and Yutaka Kyoya are newly appointed candidates for Directors.
- The Tokyo Stock Exchange has been notified that Nobumichi Hattori, Masaaki Shintaku, Naotake Ono and Kathy Mitsuko Koll serve as independent officers, and we will notify the Exchange if their reappointment is approved. Furthermore, if the appointment of Joji Kurumado and Yutaka Kyoya are approved, we plan to also submit a notification for them to serve as Independent Officers to the Tokyo Stock Exchange.
- Three candidates for Director: Tadashi Yanai, Takeshi Okazaki and Kazumi Yanai serve as directors on the Boards of UNIQLO Co., Ltd. or other Fast Retailing Group subsidiary companies. Fast Retailing has contracts with all of these companies regarding the use of the brand and other pertinent items.
- Candidate for Director Tadashi Yanai serves as Chairman and candidates for Director Takeshi Okazaki and Kathy Mitsuko Koll serve as Councilors on the Fast Retailing Foundation. Fast Retailing has concluded a contract with the Foundation pertaining to the lease of office space, etc.
- FAST RETAILING CO., LTD. has no specific interests or agreements with any of the other candidates for director.

■ Standards for Evaluating the Independence of External Directors and External Statutory Auditors

A person shall not qualify as an independent director or statutory auditor of Fast Retailing, if:

- (1) he/she is, or has been within the past three years, a Business Partner*¹ or an Executive Officer*² of a Business Partner*² of the Fast Retailing Group, whose annual business dealings with Fast Retailing Group during the most recent business year constituted 2% or more of the Fast Retailing Group's consolidated revenue;
- (2) he/she is, or has been within the past three years, a Business Partner*¹ of the Fast Retailing Group or an Executive Officer of a Business Partner*² of Fast Retailing, whose annual business dealings with the Fast Retailing Group during the most recent business year constituted 2% or more of the Business Partner's consolidated revenue;
- (3) he/she is a consultant, an accountant or an attorney who receives, or has received over the past three years, any monies or property equivalent to 10 million yen or more from the Fast Retailing Group, except for remuneration as a director or an auditor; or
- (4) he/she is, or has been over the past three years, a partner, an associate or an employee of an accounting auditor of Fast Retailing or its subsidiaries.

*1 "Business Partner" includes law firms, auditing firms, tax accounting firms, consultants and any other organizations.

*2 "Executive Officer" means (i) for corporations, executive directors, executive officers, corporate officers and employees, and (ii) for non-corporate entities (including general incorporated associations (shadan-hojin), general incorporated foundations (zaidan-hojin), and partnerships), directors with executive functions, officers, partners, associates, staff and other employees.

Proposal 3 Election of One Statutory Auditor

The terms of office of Takao Kashitani expires as of the conclusion of this General Meeting of Shareholders, so the Company is seeking the election of one statutory auditor at this meeting.

The Board of Statutory Auditors has agreed to this proposal.

The details of the candidate for Statutory Auditor is as follows:

Name	position	No. of years as a statutory auditors	Board of meeting attendance
Takao Kashitani 74 years old	Reappointment	Statutory Auditor	Directors' meeting
	External Statutory Auditor		100%
	Independent Officer		Auditors' meeting
			100%

- Outline of Indemnity Liability Insurance Contract for External Statutory Auditors
To enable external statutory auditors to fulfill their expected roles, Fast Retailing has formed an indemnity liability insurance contract for Takao Kashitani as prescribed in Article 423, Paragraph 1, Item 1 of the Companies Act. This agreement shall be extended in the event that Takao Kashitani is re-elected as an external statutory auditor. This agreement is outlined below:
The limited liability agreement is based on provisions in Article 427, Paragraph 1 of the Companies Act, and limits the liability for damages under Article 423, Paragraph 1 of the Companies Act. The agreement states that liability for damages shall be limited to either 5,000,000 yen or the amount stipulated by law, whichever represents the higher figure.
- Outline of Indemnity Liability Insurance Contract for Executive Officers, etc.
Fast Retailing forms an indemnity liability insurance contract for executive and other officers with an insurance company as prescribed in Article 430, Paragraph 3, Item 1 of the Company's Act. Any damages suffered through damage claims originating from action taken by insured parties based on his/her corporate position will be compensated under this aforementioned insurance contract, which is renewed on an annual basis. The candidate will become an insured person under the aforementioned contract if he is elected to the position of Statutory Auditor. The Company would plan to renew the insurance contract with the same content if required during a term in office.
- The Tokyo Stock Exchange has been notified that Takao Kashitani serves as an independent officer, and we will notify the Exchange if his reappointment is approved.
- FAST RETAILING CO., LTD. has no specific interests or agreements with the candidate for statutory auditor.

Takao Kashitani

Reappointment External Statutory Auditor Independent Officer



- **DOB:** 7 November 1948
- **No. of years as a Board Director:** 4 (at the conclusion of current AGM)
- **Board of Directors' meeting attendance:** 100% (13 of 13)
- **Board of Statutory Auditors' meeting attendance:** 100% (14 of 14)
- **No. of Fast Rerailing shares held:** — shares
- **Career profile and Fast Retailing positions held:**

- Feb. 1975 Director, Brain Group (Kashitani Accounting Office) (current)
- Jan. 1986 Representative Partner, Century Audit Company (currently Ernst & Young Shinnihon LLC)
- Apr. 1986 President, Brain Core Co., Ltd. (current)
- Mar. 1989 President, FP Brain Co., Ltd. (current)
- Apr. 2002 Specially Appointed Professor, Professional Graduate School International Accounting Course, Chuo University
- Jun. 2012 External Director, Tokyo Electric Power Company Holdings, Inc.
- Jun. 2012 External Director, Japan Freight Railway Company (current)
- Nov. 2018 External Statutory Auditor, FAST RETAILING (current)

Major concurrent offices:

- Director, Kashitani Accounting Office
- President, Brain Core Co., Ltd.
- President, FP Brain Co., Ltd.
- External Director, Japan Freight Railway Company

Selection for External Statutory Auditor

Takao Kashitani has specialist knowledge and an abundance of experience as a certified public accountant and tax accountant and plays an active role in a wide variety of fields, including serving as an outside director for private companies and on various government-related committees. Takao Kashitani's extensive experience and knowledge is invaluable to Fast Retailing as a company that focuses on accounting compliance as well as sustainable growth. We judge that he is a suitable candidate for external statutory auditor and so we have nominated him for that position.

Candidate Message

Mr. Yanai is one of those rare managers who is determined to set high goals and keep tackling all challenges to achieve them. The tougher the opinion, the more attentively he listens, so auditors and directors speak freely and we conduct open-minded discussions. I have over thirty years' experience as a corporate restructuring consultant, accountant, and tax accountant, so I am able to advise on those areas. I also want to continue offering frank opinions and suggestions on a wide range of issues that extend beyond corporate auditing.

以上

Additional Materials

Business Report

Fiscal 2022 Performance by Business Segment

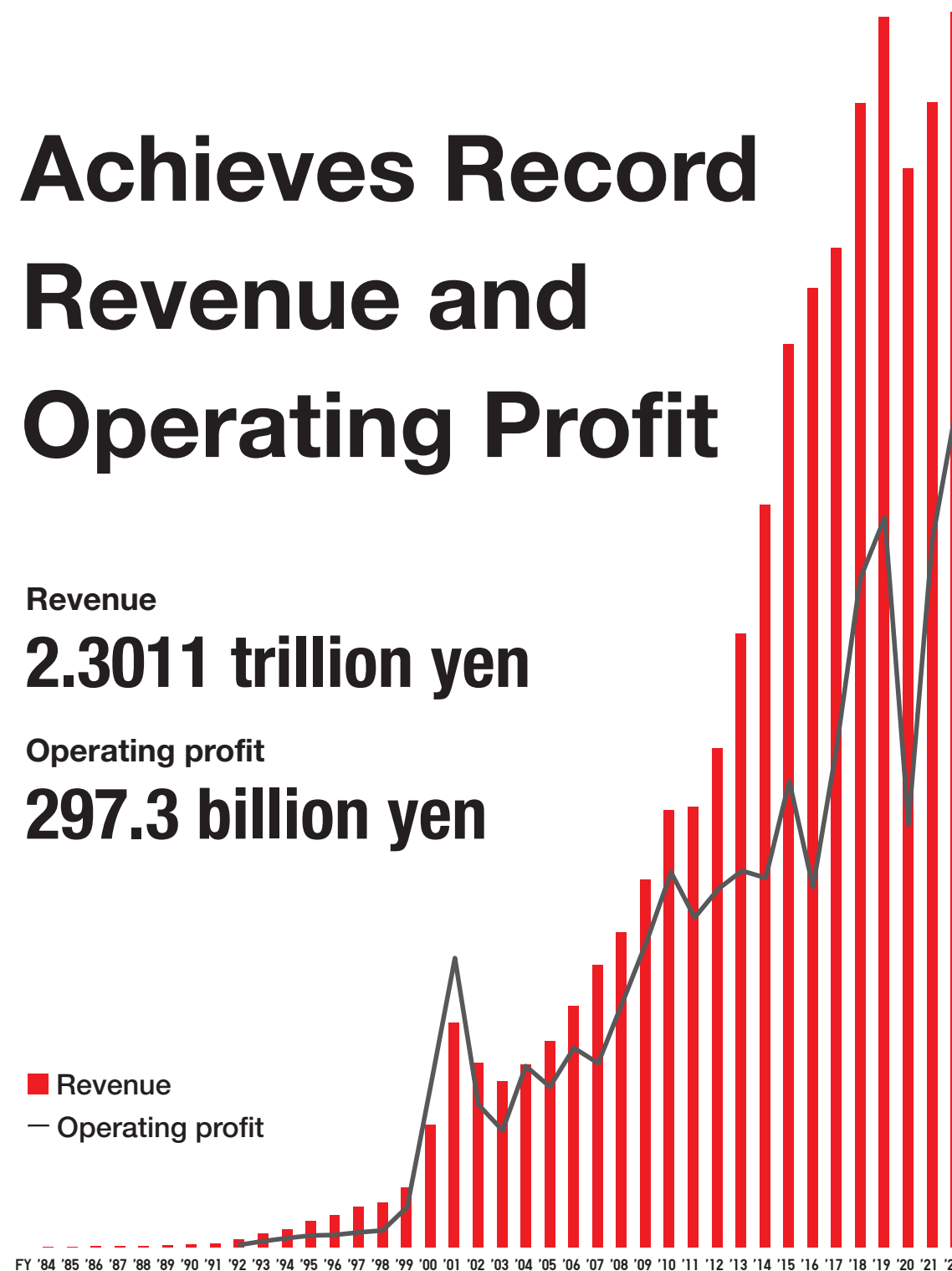
Achieves Record Revenue and Operating Profit

Revenue

2.3011 trillion yen

Operating profit

297.3 billion yen



1. Fast Retailing Group Business Performance

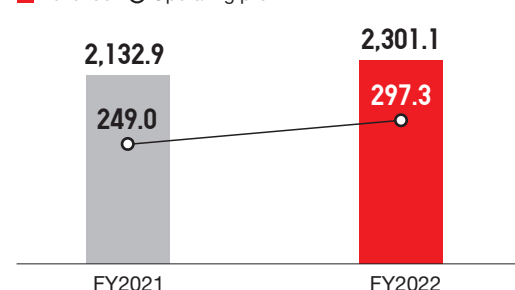
1 Fiscal 2022 Business Performance (Year to 31 August 2022)

- The Fast Retailing Group achieved a record performance in fiscal 2022, or the twelve months from 1 September 2021 to 31 August 2022, with revenue rising and profit increasing significantly. Consolidated revenue totaled 2,301.1 trillion yen (+7.9% year on year) and operating profit totaled 297.3 billion yen (+19.4%).
- The period-end yen exchange rate had weakened by approximately 29 yen to the dollar compared to the period start rate, resulting in the recording of a 114.3 billion yen foreign exchange gain on foreign-currency denominated assets under finance income net of costs and profit attributable to owners of the Parent of 273.3 billion yen (+60.9%). While the progressive yen weakening did inflate corporate performance in yen terms, we still achieved a record profit in fiscal 2022 even after stripping out the foreign exchange effect.
- Support for our LifeWear (ultimate everyday clothing) increased and sales in all markets recovered steadily as demand for clothing recovered globally and we consistently strengthened our branding efforts.
- UNIQLO International proved strong, generating significant increases in revenue and profit. While the Greater China region reported a decline in profits due to COVID-19, the Southeast Asia, North America, and Europe (excluding Russia) regions all achieved large increases in revenue and profit. North America and Europe performed especially well by moving into the black and achieving an operating profit margin of approximately 10%. Those two regions are fast becoming new earnings pillars for the Group behind Asia.
- UNIQLO Japan reported lower revenue and profit in the first half of fiscal 2022, but revenue increased and profit turned up sharply in the second half on strong sales of products that met customer needs and the latest trends.

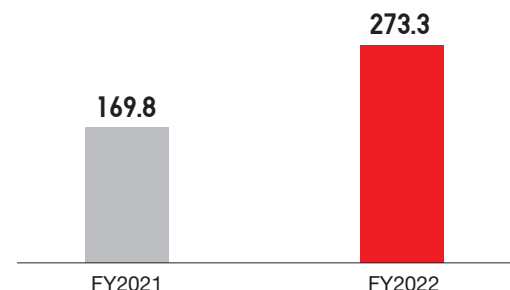
Financial Highlights

Revenue/Operating profit (billions of yen)

■ Revenue ○ Operating profit

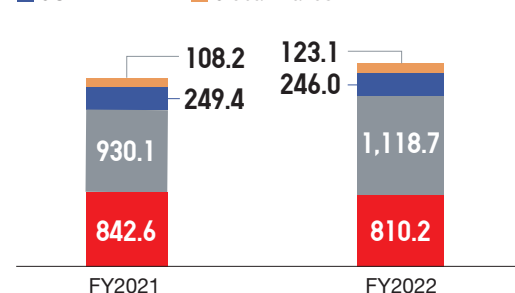


Profit attributable to owners of the parent (billions of yen)

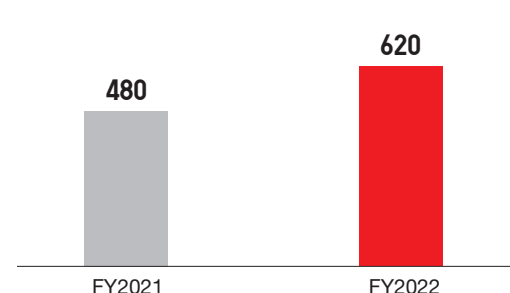


Segment revenue (billions of yen)

■ UNIQLO Japan ■ UNIQLO international
■ GU ■ Global Brands



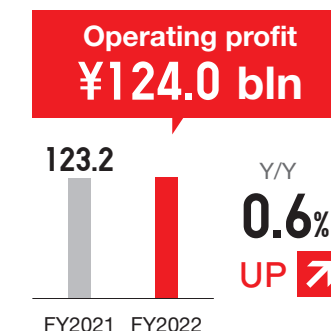
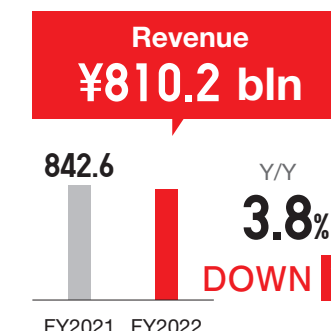
Dividend per share (yen)



UNIQLO TOKYO (global flagship store)

UNIQLO Japan

- FY2022 revenue: 810.2 billion yen (-3.8%), operating profit: 124.0 billion yen (+0.6%). First-half sales and profits declined compared to a strong previous year and following shortages in strong-selling items. However, second-half performance proved strong with revenue increasing and profit rising sharply on strong sales of products that met customer needs and trends, and some aggressive marketing and production increases.
- FY2022 same-store sales declined by 3.3%. However, second-half same-store sales recovered to rise 4.7% year on year with sales of Kando jackets and pants, shirts, and blouses strengthening as going-out needs increased.
- E-commerce sales rose 3.1% to 130.9 billion yen, constituting 16.2% of total sales.
- The gross profit margin improved by 2.5 points to 53.0%. While the cost of sales worsened in the face of sharply rising raw materials and transportation costs, our discounting rates improved markedly as we maintained firm control over retail prices.
- The SG&A ratio increased by 1.5 points to 37.0% as advertising and promotion expenses rose on the back of strong branding from a medium to long-term perspective and we conducted strategic investments in automated warehousing and other areas.





UNIQLO Soho New York store (global flagship store)

TOPICS

Achieved Our First Profit North America Moves into an Accelerated Growth Phase

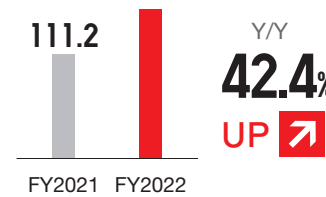
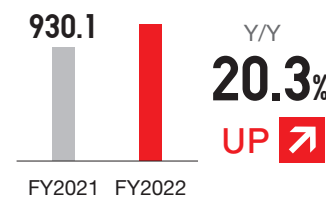
UNIQLO North America turned its first full-year profit in fiscal 2022 by reporting significant increases in revenue and profit. Affinity with the UNIQLO brand has increased 1.7 times compared to two years ago thanks to our thorough branding, determined social media and other marketing, and proactive initiatives to help local communities, including hurricane damage support. Favorable opinion towards UNIQLO has risen sharply in New York thanks especially to the 15th anniversary celebrations for our New York Soho store started in September 2021. Sales of superior UNIQLO items, such as T-shirts, fleece, and AIRism, rose significantly compared to the previous year. Other products, such as cropped T-shirts, damaged jeans, and loungewear, that we have developed based on customer feedback from the North American market are not only among the top 10 most popular products in the United States, but have become global hit products as well.

The operation now boasts a solid organizational structure capable of generating a consistent profit thanks to stronger marketing (which has greatly improved discounting rates) and the closure of unprofitable stores and more efficient store management (which has greatly improved cost ratios). Having built the foundations for the next accelerated growth phase, I want to raise our targets and strive to achieve sales of 300 billion yen and an operating profit margin of 20% within five years. Our aim is to open roughly 30 stores each year so we can achieve a network of 200 stores five years from now. We intend to open more global flagship stores on the East and West Coasts, where we already have a presence, and to accelerate the opening of new stores in high-quality shopping malls and other locations.

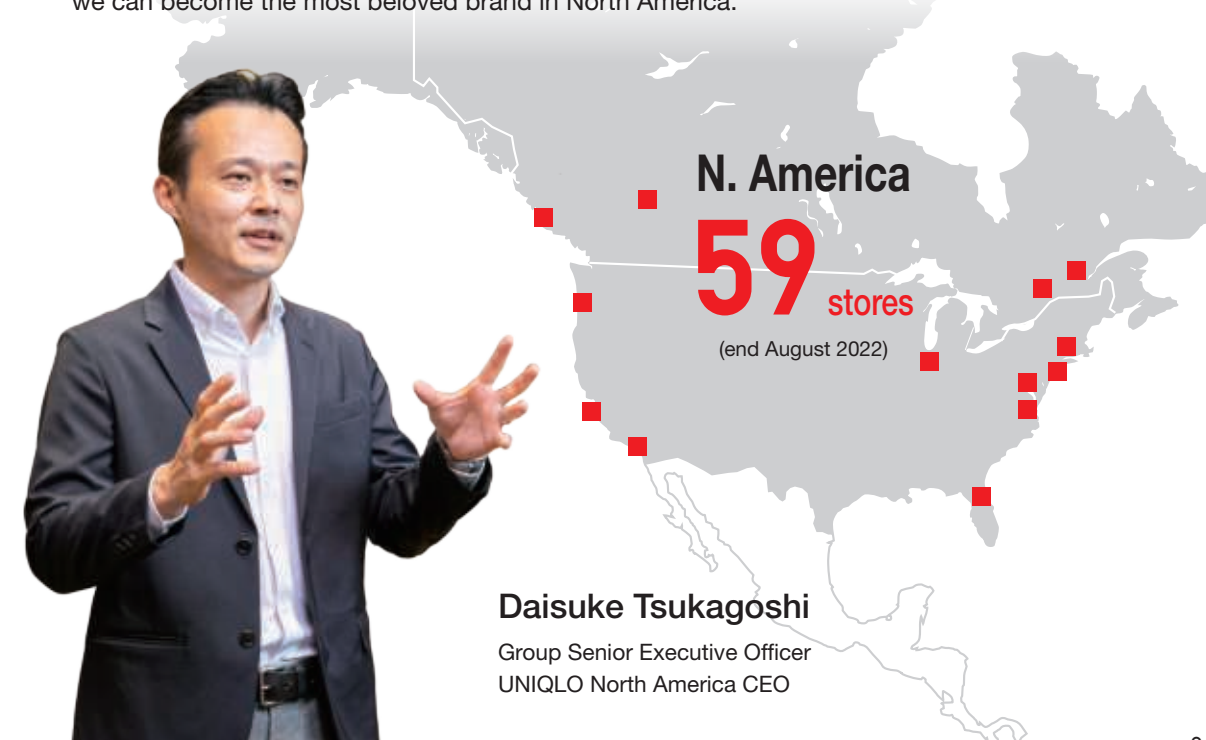
I think it is important to build a cohesive organization in order to tackle challenges with a greater sense of speed. We intend to create groups that display strong teamwork, high aspirations, and passion by recruiting, educating, and selecting talented human resources without reference to race, nationality, age, or gender. I also intend to further promote our sustainability activities so that local customers can learn more about our corporate stance, and we can become the most beloved brand in North America.

UNIQLO International

- UNIQLO International reported large revenue and profit gains in FY2022, with revenue rising 20.3% year on year to 1.1187 trillion yen and operating profit expanding 42.4% to 158.3 billion yen. Revenue rose and operating profit expanded sharply in local currency terms as well.
- The Greater China region reported a rise in revenue and a sharp decline in profit, with revenue totaling 538.5 billion yen (+1.2%) and operating profit totaling 83.4 billion yen (-16.8%). In the Mainland China market, full-year revenue declined and profit declined markedly after COVID-19 restrictions on movement impacted business. However, performance did recover in the fourth quarter from June to August 2022 with revenue increasing and profit rising sharply.
- S/SE Asia & Oceania reported a rough 60% increase in revenue to 240.0 billion yen and a more than tripling of operating profit. The operating profit margin improved significantly to approximately 19%. South Korea also generated higher revenue and profit.
- North America and Europe (excl. Russia) generated considerably higher revenue, moved into the black, and achieved an operating profit margin in the region of 10%. Sales increased considerably as our determined branding and stronger conveyance of information on core products gradually deepened understanding and awareness of our LifeWear concepts. Achieved a record high result.
- The UNIQLO Russia operation, which has been suspended since March, reported a large decline in revenue and an operating loss following the recording of impairment losses.



Daisuke Tsukagoshi
Group Senior Executive Officer
UNIQLO North America CEO



UNIQLO Fleece was Reborn in 2022

We have introduced multiple improvements in UNIQLO's fleece products since they were first introduced in 1994. Our fluffy fleece, launched in 2003, immediately became popular for its soft feel and gentle touch on the skin. Take a look at some even more impressive advances made in 2022.

The main fabric used in our fluffy fleece full-zip jackets is made from 100% recycled polyester derived primarily from PET bottles. Making recycled polyester involves crushing, washing, and dissolving collected PET bottles to create pure white recycled PET bottle chips. These are then dissolved further and spun into thin thread for weaving fabric that is then sewn and turned into a fleece jacket. In order to provide the expected comfort of fleece even from items made with recycled materials, we conducted multiple checks until we achieved a satisfactory texture.

After the fabric, developing the fasteners proved the biggest challenge. There were few products on the market made from recycled materials, so we negotiated with manufacturers to create fasteners made almost entirely from recycled materials (with the exception of a few small items). The one material that isn't a fully recycled version this time is the thread used to stitch each part together. We intend to continue the challenge to develop a thread that is strong enough to enable the garments to be worn lovingly for a long time.

The fleece jacket is one of UNIQLO's most classic products. This is definitely not the final next-generation evolution for this product.



To ensure traceability, we looked all over the world for partners with a clear production framework for this initiative. The largest volume of raw materials was provided by the Shengfeng Group from Suzhou City, near Shanghai. That Group's advanced equipment and multiple reliable companies under its corporate umbrella enabled us to guarantee a clear production background. Finding a reliable partner with a solid track record made it possible for us to move forward with this initiative.

FLUFFY YARN FLEECE JACKETS

The longer yarn achieves an outstanding feel and softness on the skin. Offers true value as a middle layer with high heat retention or as a jacket to wear when relaxing at home. Comes in attractive colors that pop.

POINT 2



The label indicating the body fabric is made from recycled polyester "RECYCLED POLYESTER"

POINT 1

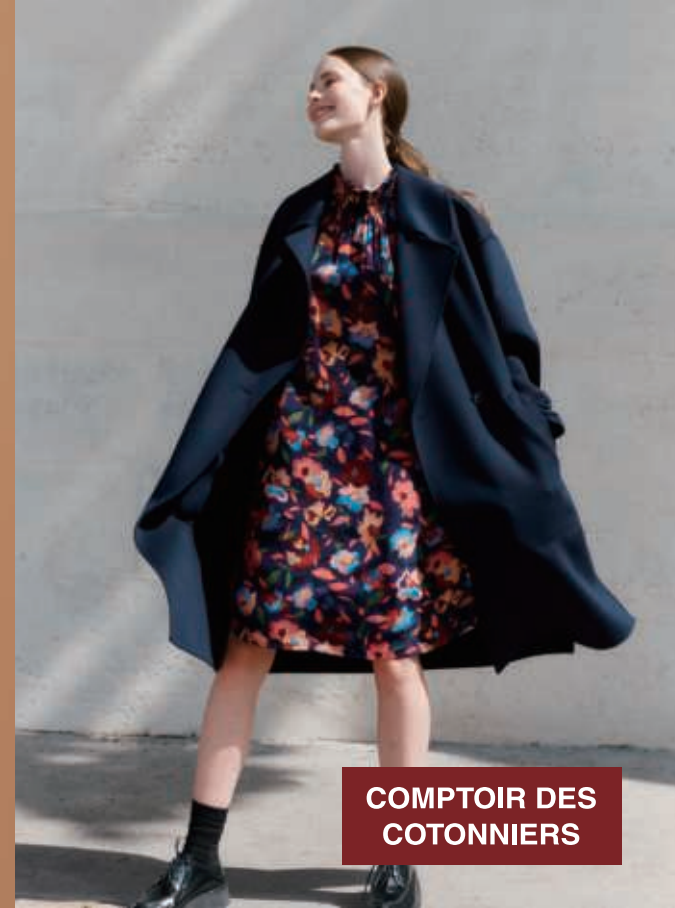
The men's coil fastener features a slider pull that uses TPU materials made from old mobile phones and other waste materials.



500ml PET bottle
Takes approx.
19 bottles*

Recycled polyester
100%
Used for the body fabric

*Men's L size/Assuming one 500ml PET bottle = 25g
Calculated using the "Weight-reduction Targets and Results for 17 Major Types of Designated PET Bottles (FY2020)", Annual Report (p6), The Council for PET Bottle Recycling



COMPTOIR DES COTONNIERS

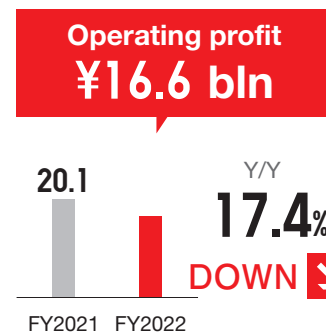
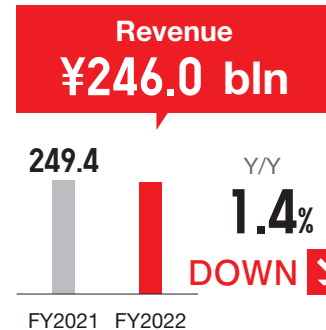
Theory



Project

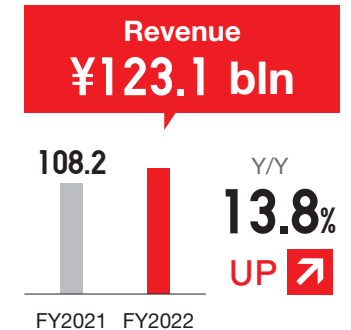
GU

- GU revenue fell and profit dipped sharply. Revenue: 246.0 billion yen (-1.4%), operating profit: 16.6 billion yen (-17.4%).
- First-half revenue fell and profit declined markedly. Sales struggled as disruptions to production and distribution caused by COVID-19 meant we couldn't introduce strong-selling items in a timely manner, and shortages emerged as a result.
- Second-half revenue rose and profits recovered strongly. Strong sales of color slacks, sweatshirt-like T-shirts, and other products featured in TV ads sold well after we improved product ranges, expanded the volume of mass-trend fashion items, and strengthened our marketing.
- E-commerce sales rose approx. 10% to constitute approx. 12% of total sales.
- Store numbers at end August 2022: 415 in Japan and 34 outside Japan (Mainland China, Hong Kong, Taiwan).
- With a view to entering the US and European markets, we opened the first store in the US, the GU Soho New York store (pop-up store), on October 7, 2022.

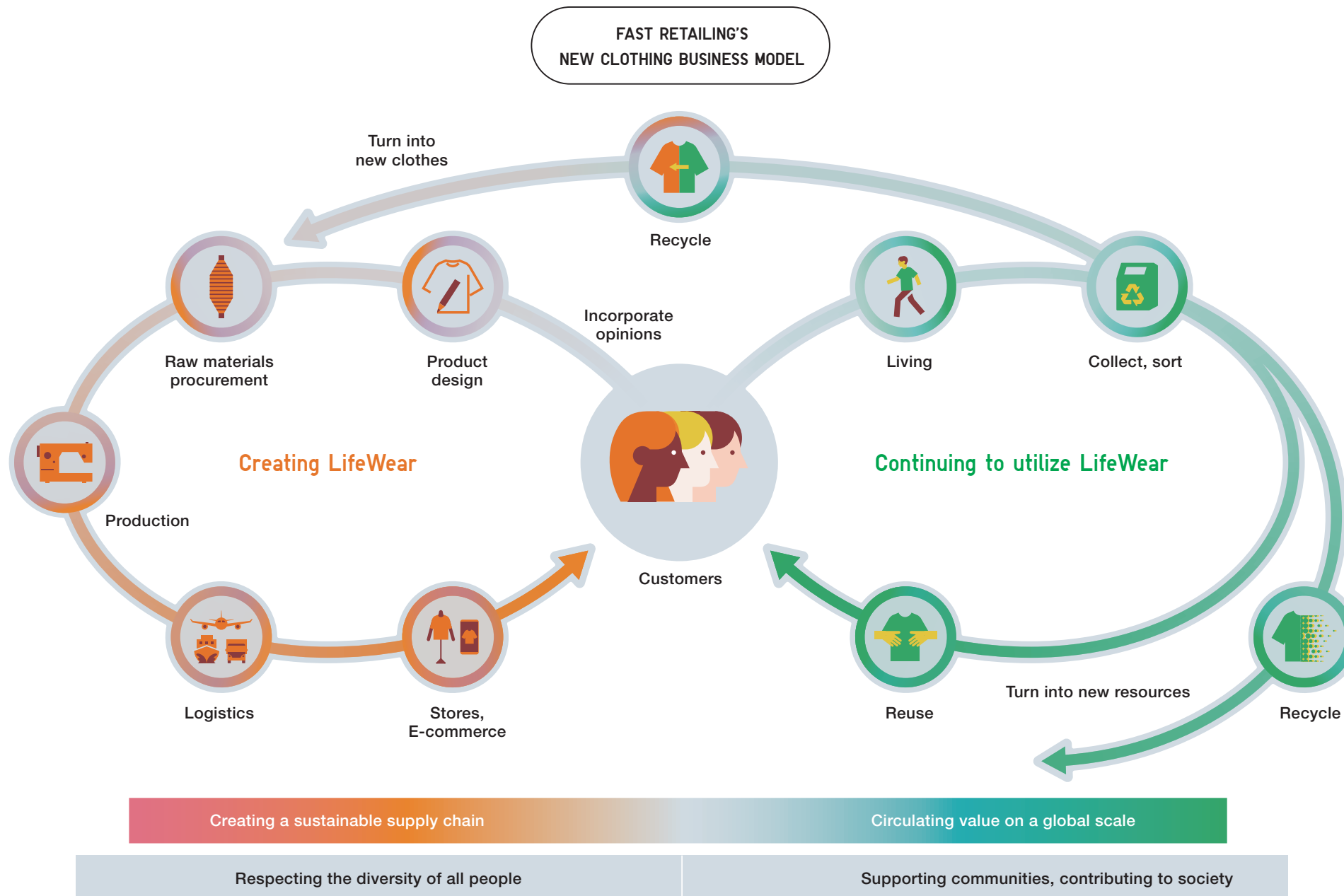


Global Brands

- Revenue: 123.1 billion yen (+13.8%), operating loss: 0.7 billion yen. Loss contracted year on year.
- Theory generated large revenue and profit gains on a recovery in performance primarily in the US and Japan. Customer based widened on the strategic expansion of the label's comfortable, highly finished, lightweight clothing as well as products with revised price lines.
- PLST reported a decline in revenue and a wider operating loss. First-half revenue and profit declined on dwindling customer numbers in the face of COVID-19. While revenue declined in the second half due to shortages of strong-selling items caused by delays in production and distribution, the second-half operating loss shrank as we closed unprofitable stores and reduced SG&A expenses.
- Comptoir des Cotonniers revenue increased and the label's operating loss contracted markedly. While store numbers declined by approximately 30% year on year following the closure of unprofitable stores, per-store sales improved. The SG&A ratio also improved considerably on determined structural reforms.



Create a Sustainable Society through LifeWear



Fast Retailing is seeking to create a new business model as illustrated on the left. We are careful to incorporate environmental and human rights considerations to enable us to build a supply chain for the LifeWear creation process (manufacturing, transportation, and retail) that customers feel comfortable with when buying our products. We are also aiming to create a circular society that enables LifeWear to be used safely for a long time because we want to also take responsibility for the role and contribution of clothes even after they are sold. We are creating a new industry that doesn't consider clothes simply as products, but is deeply invested in the process of producing clothes, the method of selling clothes, and the post-sale use of clothes.

We do this by focusing on six material areas (materiality): Create new value through products and service; Respect human rights in our supply chain; Respect the environment; Strengthen communities; Support employee fulfillment and; Corporate governance.

Environment

Material Area 1 Create New Value Through Products and Services

Material Area 3 Respect the Environment

Creating and Utilizing LifeWear. Proactively Reducing Environmental Impact in Multiple Fields

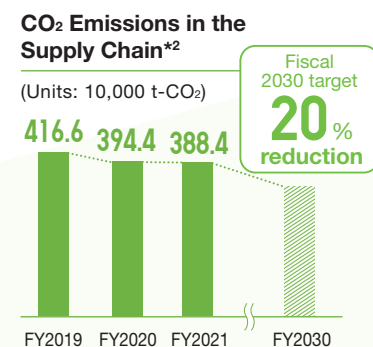
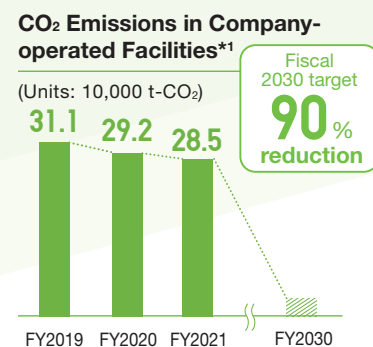
- We are working to steadily reduce emissions in all areas from materials development to our supply chain, stores, and offices in order to achieve our FY2030 greenhouse gas (GHG) reduction targets.
- We seek to reduce environmental impact and propose ways to enjoy wearing clothes for a long time by developing recycling-oriented products made from recycled materials, offering clothing repairs and alterations through our RE.UNIQLO STUDIO, and upcycling clothes.
- To protect water resources, we aim to reduce water usage per unit at all our garment and fabric factories (which constitute the top 80% of our water consumption) by 10% by the end of 2025 compared to 2020 levels.

Steadily Reducing GHG Emissions

As part of the goal to achieve net zero (GHG) emissions by 2050, Fast Retailing has set, and is working to achieve, targets to reduce emissions from stores and main offices by 90%, and emissions from raw materials, fabric, and garment production for UNIQLO and GU products by 20% by FY2030 compared to FY2019 levels.

We aim to switch to 100% renewable energy that doesn't emit any GHG at our stores and main offices by FY2030. Indeed, we have already achieved 100% actual renewable energy in Europe, North America, Vietnam, Indonesia, and Thailand. We are also working to conserve energy by reducing electricity use. We are planning to introduce highly efficient stores from the design stage onwards in order to achieve our goal of reducing power consumption at roadside stores by approximately 40%.

Regarding our supply chain, we are utilizing our strong and long-standing partnerships with partner factories to promote measures to conserve energy, phase out coal, and introduce renewable energy at major factories, which account for approximately 90% of UNIQLO and GU production volume. We have also expanded our range of products made from recycled polyester and recycled nylon. We are steadily switching to low emission options based on our goal to use recycled materials with low GHG emissions for approximately 50% of all materials used by FY2030.



*1 Emissions derived from energy used in stores and main offices, etc.
*2 Emissions related to the manufacture of raw materials, fabric, and garment production for UNIQLO and GU products



RE.UNIQLO STUDIO
(UNIQLO Regent Street store)

RE.UNIQLO STUDIO: Helping People Wear Clothes for Longer

Located in one of the best shopping streets in London, UK, the UNIQLO Regent Street store boasts an impressive open atrium that complements the beautifully preserved design of the historic 19th-century. Our RE.UNIQLO STUDIO photo studio was created in September 2022 in the former Art Deco-styled barber shop on the lower ground floor. Trained UNIQLO staff hem pants, reattach buttons, and repair holes or tears in long-loved down, denim, and knitwear items. Small holes are repaired so that they don't show, while large tears can be mended to an individual finish by applying different-colored cloth. We find a solution that deals with any damage in accordance with the customer's request.

We work with Studio Masachuka, which is known for making clothes using unique Japanese techniques and has a base in London. Together, we offer upcycling, or creative reuse, options that breathe new life into clothes by modifying or customizing them using traditional Japanese Sashiko stitching techniques. This initiative was inspired by efforts made at our flagship store in Berlin, Germany, where interest in repairing and upcycling clothes was high, and we have now expanded the initiative to UNIQLO worldwide. After establishing a repair studio in Berlin in August 2021, we opened one in our New York Soho store in the United States in January 2022, the Ang Mo Kio store in Singapore and the UNIQLO TAIPEI in Taiwan in March. We plan to start trials in Asian and European markets from October. Along with the traditional repairing of holes, etc., we are also actively creating upcycled cushions and tote bags from reused secondhand UNIQLO clothing.

We intend to trial RE.UNIQLO STUDIO in Japan and other places around the world with a view to furthering its global expansion going forward. We will offer more intrinsic LifeWear possibilities that enable people to experience the joy of continuing to wear clothes that have been worn lovingly for many years with fresh feeling and creating added value with one-of-a-kind items that are also environmentally friendly.

Social

- Material Area 1** Create New Value Through Products and Services
- Material Area 2** Respect Human Rights in Our Supply Chain
- Material Area 4** Strengthen Communities
- Material Area 5** Support Employee Fulfillment

Promoting Improvements to Help Solve Various Social Issues

- We believe that upholding the human rights of all people working in the supply chain and ensuring health, safety, and security are our most important responsibilities. We pursue ultimate transparency in our supply chain so we can confirm products are manufactured in an ethically sound environment.
- We will continue to support refugees and other people in difficult situations worldwide through clothing aid and independence-building initiatives.
- We promote diversity & inclusion through initiatives that encourage gender equality, diversity of race, ethnicity, and nationality, the employment of people with disabilities, and deeper understanding of the LGBTQ+ community.

SpoGOMI x UNIQLO: Adding Some Sports Fun to Collecting Trash

On July 21, 2022, we held the 8th “SpoGOMI x UNIQLO” Trash Collection Sports Event at the UNIQLO Asakusa store in Tokyo. Professional wheelchair tennis player and UNIQLO Global Brand Ambassador Shingo Kunieda (right) took part in what turned out to be a lively event. Mr. Kunieda described the event as “having fun together, like a sport” as he picked up lots of cigarette butts. He also said that cleaning up the city made him “feel like his soul had had a good spring clean too.”



We first started these trash collection sports events in November 2021. Individual teams collect and separate trash from a designated area of the city within a set amount of time and compete for points based on the amount, and type, of trash collected. These initiatives, which are open to children and adults alike, help clean up familiar city streets and ultimately reduce marine garbage, which has become a global issue. As of the end of August 2022, 878 people had participated in 12 events, collecting 526.65kg of trash (combustible, non-combustible, bottles & cans, cigarette butts) and 72.82kg of PET bottles.

Incorporating an element of sports into the events by encouraging teams to compete for points helps participants have fun while creating a better future for our planet. UNIQLO intends to continue contributing to society in close cooperation with local communities.



Pursue Responsible Procurement Across Entire Supply Chain

Fast Retailing works extremely closely with our partner factories on manufacturing activities in order to deliver clothes to customers that have been produced in appropriate working environments and using correct production processes. Not only do we provide regular training on procurement methods and guidelines to employees in the Production Department and other procurement-related divisions, but we also dispatch Production Department employees responsible for product quality and production processes to our local production offices in Shanghai, Ho Chi Minh City, Dhaka, Jakarta, and Bengaluru. Those employees visit partner factories on a weekly basis to check on-the-ground conditions firsthand, and to provide guidance on improvements and help develop proper production processes.

We require partner factories to adhere to our Code of Conduct for Production Partners and have been conducting monitoring of working environments based on that code since 2004. We started adopting new monitoring methods in September 2020 by gradually introducing the common assessment program for the apparel industry, the Social & Labor Convergence Program (SLCP), that enables partner factories to proactively grasp and improve risks and issues in their own working environments. This alleviates the excessive burden placed on factories of multiple audits by different bodies and enables them to concentrate on making improvements. Factories conduct their own evaluations of human rights violations, working environments, and management systems, which are then verified by third-party organizations. Fast Retailing has a zero tolerance policy for any serious infringements of human rights, which means we do not permit any form of compromise and deal strictly with any violations. The most serious infringements, such as child labor and forced labor, fall under zero tolerance items (G5 assessment). If any such abuses are discovered, they will be brought to the attention of our Business Ethics Committee, which will discuss reviewing our business transactions and, at the same time, agree corrective and preventative measures with the offending factory. Our FY2022 working environment monitoring identified nine factories under the G5 assessment. That level is higher than in FY2021* because we subsequently tightened our zero tolerance standards to include items such as a lack of emergency exists, absence of fire alarms, and discriminatory hiring conditions. All nine factories have agreed improvements and preventative measures, and improvements have already been implemented in three of those factories.

In order to ensure traceability across our entire supply chain going forward, we are checking working environments right back to the most upstream raw materials procurement stage of our supply chain through inspections by our own employees or third-party certifications. In addition to the verification processes already established at garment and material factories, we are also conducting steady third-party audits and on-site inspections by our own employees at spinning mills further upstream.

Working environment monitoring results (Evaluation of partner factories)

Grade	Description	FR Group (UNIQLO)	
		FY2021	FY2022
G1	Zero notable violations	46(25)	22(6)
G2	Comparatively low-risk issues were observed (e.g. masks, gloves, and other protective equipment are not being properly used, occupational safety training is not being given to all employees)	210(137)	90(40)
G3	Issues that could potential infringe human rights were observed (e.g. obstruction of evaluation routes, failure to conduct regular evacuation drills, inadequate recording of employee arrival and departure times)	261(101)	347(200)
G4	Human rights infringements and significant Code of Conduct violations were observed (e.g. insufficient overtime pay, long working hours, inadequate employment contracts)	65(28)	78(41)
G5	Extremely serious violations of the Code of Conduct were observed, such as child labor, forced labor, payment below the minimum wage, and other serious human rights violations, as well as inadequate fire and other emergency procedures such as the locking of emergency exits.	0(0)	9(4)
Number of factories monitored		582(291)	546(291)





*The FY2021 evaluation results are based on former methods and standards that differ slightly from the current standards. We have not reevaluated the results based on the new criteria.

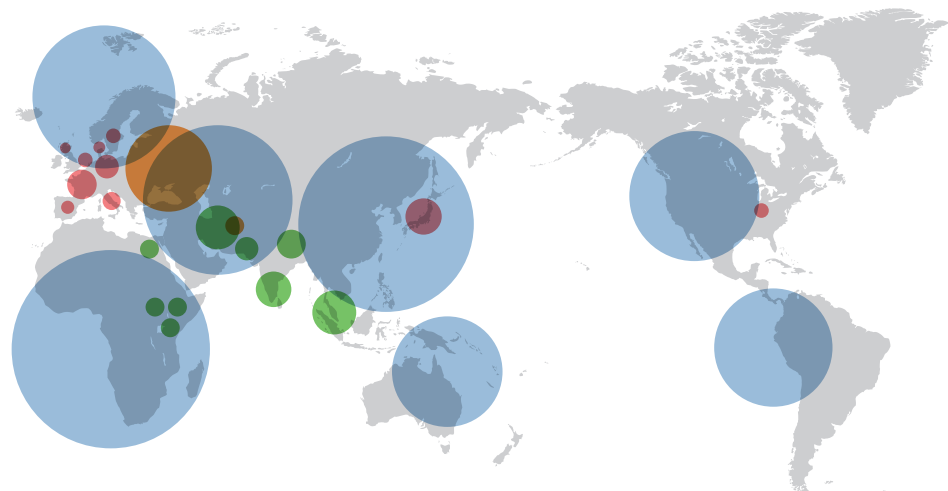
Supporting Refugees Worldwide

Fast Retailing has been providing clothing aid to refugees and displaced persons worldwide in partnership with the United Nations High Commissioner for Refugees (UNHCR) since 2006. In 2011, we became the first Asian company to conclude a global partnership with UNHCR to enable us to help solve the global refugee problem in a more comprehensive way. Today, not only do we distribute secondhand clothes collected through RE.UNIQLO (All Product Recycling Campaign) to refugee camps, but we also extend emergency support, run independence-building programs for refugees (professional training, etc.), employ refugees in UNIQLO stores, build awareness of the global refugee problems, and dispatch employees to UNHCR. To date, we have collected approximately 50.50 million items of secondhand clothing (2006 to end August 2022). We currently employ a total of 124 refugees (as of at end April 2022) not only in Japan, but also in France, Germany, the United States, and other markets.

According to UNHCR, over 100 million people worldwide have been forced to flee their homelands due to conflict, persecution, the flames of war, and oppression. In 2021, we donated 800,000 US dollars (approximately 92 million yen) to UNHCR to provide relief supplies to Afghanistan in the form of blankets to protect against extreme cold, solar lanterns, and other items. In 2022, we donated 10 million US dollars (approximately 1.15 billion yen) and 100,000 new HEATTECH blankets and HEATTECH innerwear items to UNHCR as emergency humanitarian aid for Ukraine and surrounding areas. The financial donation was used to provide urgent support to protect people's lives and safety, such as setting up shelters, distributing relief supplies, and providing psychological care for children.

Fast Retailing Refugee Support by Region

 Independence building	 Clothing support	 Employment support	 Emergency aid
Number of refugees 19,477 (2016-2022)	Donated items 50.50 million to 80 countries and regions (2006-end August 2022)	Refugees working in UNIQLO stores 124 (As of end April 2022)	Financial donations to Ukraine, Afghanistan Approx. 11 million USD (2021 and 2022)



PEACE FOR ALL



Peace-Seeking Charity T-shirt Project. Using the Power of Clothing to Make the World a Better Place

UNIQLO launched our PEACE FOR ALL charity T-shirt project in June 2022. The project involves selling UT graphic T-shirts sporting designs that include messages for peace provided by sympathetic well-known persons. All the profits from the T-shirt sales (20% of the retail price) are being donated to international organizations offering humanitarian support to people impacted by poverty, discrimination, violence, conflict, and war. As of the end of August 2022, we had amassed approximately 140 million yen in proceeds, which we plan to gradually donate.

Voluntary Participants (As of end October 2022)

Jonathan William Anderson, Tadao Ando, Rei Inamoto, Kosuke Kawamura, Shingo Kunieda, Kashiwa Sato, Adam Scott, Hana Tajima, Kei Nishikori, Ayumu Hirano, Ines de la Fressange, Haruki Murakami, Shinya Yamanaka, Gordon Reid, and Christophe Lemaire.

Governance

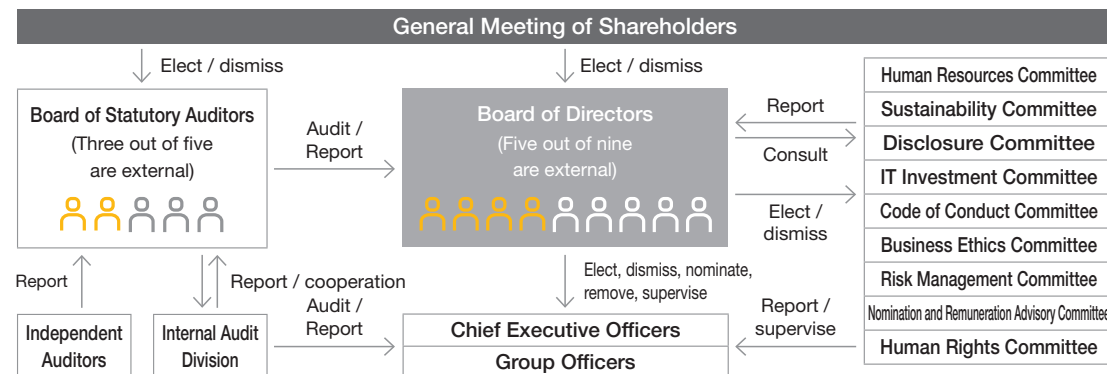
Material Area 6 Corporate Governance

Realize Speedy, Highly Transparent Management

- We increase the independence and strengthen the supervisory function of the Board of Directors by appointing a majority of external directors.
- We have established various committees to complement the functioning of the Board, and conduct open and lively discussions.
- We have altered the composition of Nomination and Remuneration Advisory Committee members to enhance transparency and independence.

Corporate Governance Framework

(August 31, 2022)



Composition of Committees

(As at 31 August, 2022)

● Committee Member

	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
Internal Director	Tadashi Yanai	Chairman	●	Chairman				●	
	Takeshi Okazaki	Observer	●	Chairman	●		Chairman		●
	Kazumi Yanai		●						
	Koji Yanai		Chairman						
External Director	Nobumichi Hattori						●	●	
	Masaaki Shintaku	●		Observer				Chairman	
	Takashi Nawa	●	●				●	●	●
	Naotake Ono							●	
Standing Statutory Auditor	Kathy Mitsuko Koll		●					●	
	Masaaki Shinjo	●		Observer	Observer	●			
	Masumi Mizusawa		●	Observer			Observer		●
External Statutory Auditor	Keiko Kaneko	●			●				●
	Takao Kashitani					●		●	
	Masakatsu Mori					Observer			
Number of Group Officers, External Specialists, etc.									
	3	7	3	5	5	9	9	0	8

Note: The Business Ethics Committee is chaired by the Head of the Sustainability Department, the Code of Conduct Committee is chaired by the Head of the Legal Department, and the Human Rights Committee is chaired by an external expert. External Directors and Statutory Auditors offer opinions based on their respective knowledge.

External Director Interview

Implement ESG, Accelerate Sustainable Growth

Kathy Mitsuko Koll

External Director



Becoming a Leading Sustainable Company

Fast Retailing has successfully expanded its global operations and enjoyed rapid growth in a comparatively short period of time. Mr. Yanai's has a precious business spirit, a deep insight into ESG, and ideas and views that coincide with my own.

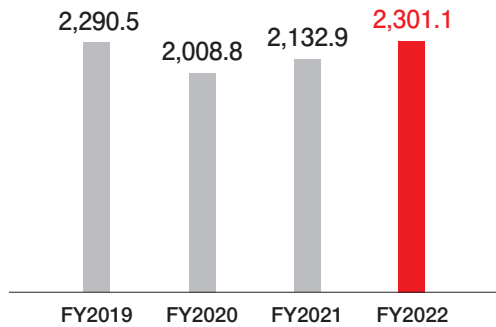
Right now, apparel brands are coming under close scrutiny, especially outside Japan. Expectations are extremely high in terms of environmental impact and sustainable society initiatives even in the case of clothes-to-clothes recycling of collected items, with people wanting to know what will happen to those recycled clothes once they too can no longer be worn. We are entering a challenging era as an industry. I believe Fast Retailing is perfectly positioned to pioneer the creation of new global standards for the apparel industry. Indeed, UNIQLO's LifeWear concept for ultimate everyday wear is the epitome of sustainability. In addition to offering basic designs that can be worn for a long time, UNIQLO has already started many interesting initiatives, including making clothes from recycled PET bottles and recycling clothes themselves. I think we need to proactively advertise these initiatives and encourage deeper empathy towards our corporate stance among customers. Building LifeWear = sustainability brand power and moving forward as a world-leading sustainable company will pave the way for the next stage of our corporate development.

Greater Diversity Required for Our Next Stage

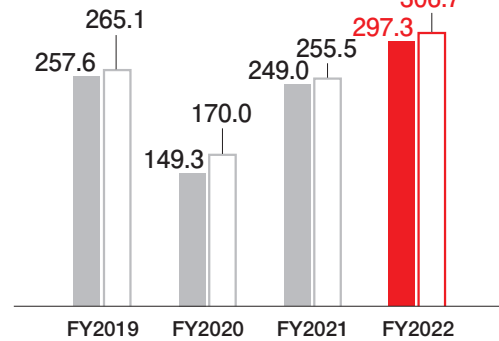
Human resources are one of the key drivers of growth. I believe maximizing every individual's potential will help us overcome challenges and move onto the next stage of our corporate development. To that aim, we have to carve a path that enables not only women, but also foreign nationals, people with disabilities, LGBTQ+, and other groups with diverse views to play a role. Fast Retailing is pursuing various initiatives through its Diversity Promotion Team and other avenues. Reforms designed to help build individual careers at the micro level take time at any company. It is important to find the most effective methods that suit the Fast Retailing culture. Mr. Yanai and all the other directors are keenly aware of the issues, so I intend to conduct data-based analysis and submit proposals to steer the Company in an even better direction.

2 Financial Summary (International Financial Reporting Standards)

■ Revenue (billions of yen)

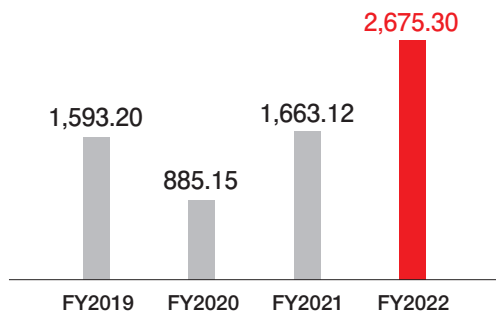


■ Operating profit (billions of yen) □ Business profit (billions of yen)

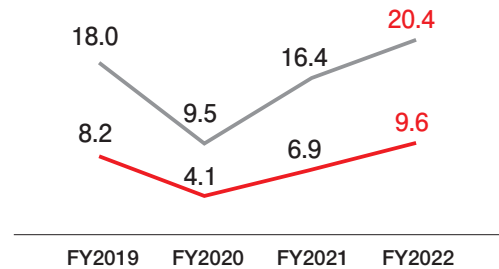


Business profit is calculated by subtracting cost of sales, and selling, general and administrative expenses from revenue.

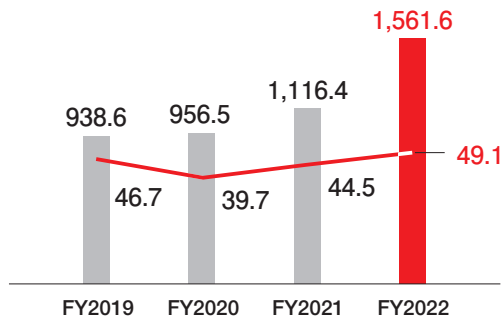
■ Earning per share (EPS) (Yen)



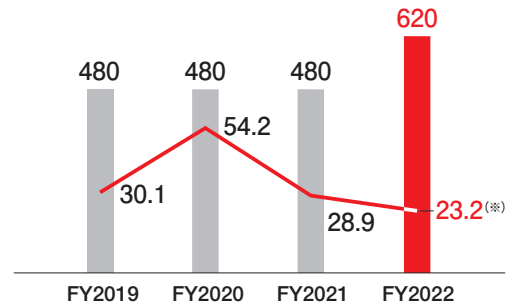
— ROA/Ratio of profit to total assets (%) — ROE/Ratio of profit to equity attributable to owners of the Parent (%)



■ Equity attributable to owners of the Parent (billions of yen) — Ratio of equity attributable to owners of the Parent to total assets (%)

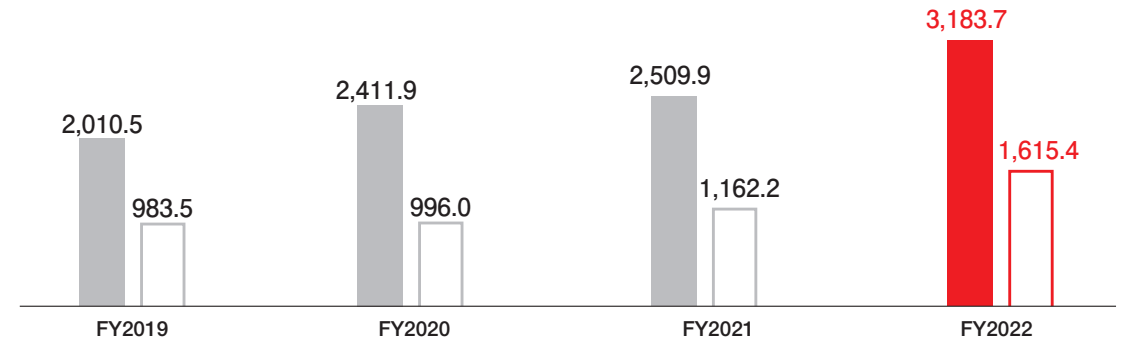


■ Dividend per share (Yen) — Payout ratio (consolidated) (%)



(*) The dividend payout ratio for FY2022 was low due to the recording of a net gain of 116.2 billion yen under finance income in relation to the weaker yen, and a large increase in EPS. The payout ratio is slightly higher than the previous year after stripping out the impact of a weaker yen.

■ Total assets (billions of yen) □ Equity (billions of yen)

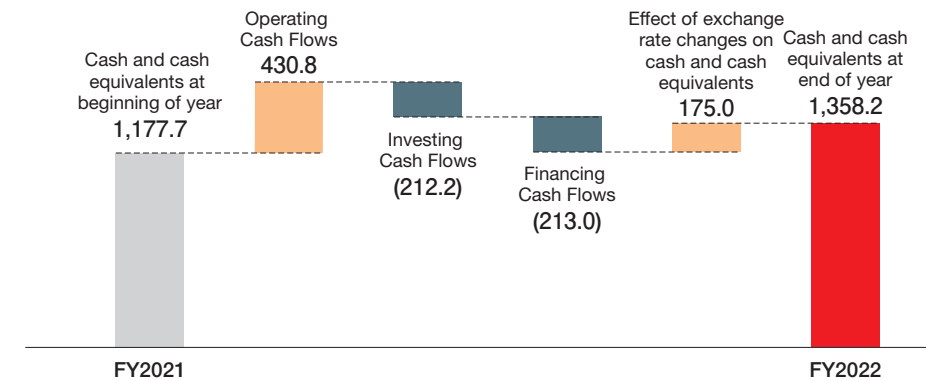


Point of view

Total assets at the end of August 2022 increased by 673.7 billion yen year on year to 3.1837 trillion yen. The principal factors were an increase of 180.5 billion yen in cash and cash equivalents, an increase of 67.2 billion yen in other current financial assets, an increase of 91.0 billion yen in inventories, an increase of 209.1 billion yen in derivative financial assets, an increase of 27.0 billion yen in property, plant and equipment, an increase of 97.2 billion yen in non-current financial assets, and a decrease of 28.6 billion yen in deferred tax assets.

Equity increased by 453.1 billion yen year on year to ¥1.6154 trillion yen. The principal factors were an increase of 220.3 billion yen in retained earnings, and an increase of 222.2 billion yen in other components of equity.

Cash Flows Information (billions of yen)



Point of view

The balance of cash and cash equivalents expanded 180.5 billion yen to 1.3582 trillion yen. Cash from operating activities stood at 430.8 billion yen thanks to profit contributions from UNIQLO segments. Cash used in investing activities totaled 212.2 billion yen, which was spent on acquiring investment securities and property, plant and equipment. Cash used in financing activities totaled 213.0 billion yen spent on lease liabilities repayments and dividend payments.

3 Management Strategy, Business Environment, and Immediate Challenges

Business Policy and Environment

Based on our corporate philosophy: Changing Clothes. Changing common sense. Change the world, Fast Retailing seeks to deliver the joy, happiness, and satisfaction of wearing truly great clothes to all people worldwide.

Our LifeWear (ultimate everyday clothing) epitomizes our clothes creation concept for simple, high-quality clothing that enriches people's lives and is carved from a desire to satisfy everyday life needs. Over the past one-two years, the structure of the global economy and people's values have changed considerably. Instead of demanding clothes for dressing up, customers are looking for good-fitting, comfortable clothes and clothes that don't waste precious resources. These changes we are witnessing globally are inspiring greater empathy among many different people with our ultimate LifeWear values.

We are convinced that pursuing clothes creation that prizes our LifeWear concepts will not only lead to further business growth but will help build a sustainable society. As part of the LifeWear creation process, we seek to realize manufacturing systems with low environmental impact by thoroughly eliminating greenhouse gas emissions and waste products from all processes spanning the production through to the transportation and sale of our clothes, and to build a supply chain that considers human rights so that our customers can feel reassured when buying our clothes. We are also developing new services and technologies that facilitate the continued utilization of LifeWear through reuse and recycling and enable us to take responsibility for clothes even after they are sold. We also intend to globally expand the social contribution we make through our business as well as our diversity initiatives so that we can help resolve increasingly complex social issues.

Our ultimate aim is to pursue these initiatives and become the world's No. 1 clothing brand that is loved by customers the world over. To achieve this goal, we intend to prioritize and focus management resources on responding to customer needs and creating new customers, diversifying our global earnings pillars, and promoting sustainability in conjunction with our business.

Issues We Need to Address

(1) Responding to Customer Needs and Creating New Customers

● Strengthen customer-oriented product manufacturing

We aim to become a true digital consumer retailing company that enables customers to immediately buy the clothes they really want when they want them. We intend to utilize our global app membership base and our store network to directly connect with customers worldwide so we can develop products based on customer feedback and build product ranges tailored to individual regions.

● Promote supply chain reform

We collect and analyze customer feedback and refine our product planning, volume planning, and inventory control. We are working to further reduce lead times on additional production by stockpiling core materials and using charter flights. We are also pursuing overall supply chain reforms by introducing automated warehouses on a global scale and improving distribution efficiency.

● Facilitate new purchasing experiences

We are building a new purchasing experience that fuses our physical stores and e-commerce network so that customers can buy all the things they want whenever and wherever they want, and can have those products delivered to their desired location. In addition to centrally managing all inventory, we are establishing a system to respond to various forms of purchase and delivery. We are also strengthening our e-commerce information conveyance systems to create a solid foundation for communicating with customers.

(2) Diversifying Our Global Earnings Pillars

● Seeking rapid leap forward for UNIQLO on a global scale

UNIQLO International is the driver of Group growth. We intend to accelerate new store openings and maintain high levels of growth in the Greater China region and the Southeast Asia & Oceania region, where we are already building a strong brand position. We aim to expand our operations in North America and Europe by creating product lineups that suit local customer needs, accelerating new store openings, and expanding e-commerce.

● Continued stable growth for UNIQLO business in Japan

We are aiming to ensure stable revenue growth at UNIQLO Japan by optimizing our store network through our scrap and build policy of replacing smaller, less profitable stores with better located ones, thoroughly pursuing community-focused local store management, and developing product lineups and services designed to satisfy local demand. We will maintain high profit margins by controlling discounting, appealing the value of our products, and improving operational efficiency.

● Get GU back on a strong growth trajectory

We aim to renew GU's strong growth by refining the brand's power to provide fashion fun at amazingly low prices. We intend to focus on developing products that capture mass fashion trends, improving the accuracy of production planning, and establishing production systems that offer shorter lead times, so that we can develop even more competitive products at even lower prices. We will accelerate new store openings in Japan while also opening stores in international markets.

(3) Promoting Sustainability in Conjunction With Our Business

● Respect human rights across the supply chain

We will enhance efforts to address issues relating to human rights violations in the supply chain, working environments, and environmental protection. In addition to our garment and material partner factories, where we have already established regular monitoring mechanisms, we also expect to complete monitoring at spinning mills within the year. We publish a list of all garment and material factories with which we do continuous business, as well as factories to which garment factories outsource some of their processing (such as washing and printing) in order to increase transparency. Going forward, we intend to establish even greater traceability right back to the raw material level.

● Promote more refugee support and other social contribution activities

In 2022, we donated 10 million US dollars (approximately 1.15 billion yen) to UNHCR, which is providing emergency humanitarian assistance in Ukraine and surrounding areas, and approximately 100,000 items of UNIQLO winter clothing and other products. Our operations in Germany and the Netherlands have also launched employment programs for displaced persons from Ukraine. We intend to continue actively supporting people in difficult situations in all countries and regions around the world.

● Address climate change

We have set FY2030 targets and are pursuing initiatives designed to help our overall mission to reduce GHG emissions to net zero by 2050. At our own facilities (stores and offices), we are accelerating the creation of environment-conscious stores by introducing renewable energy and installing solar panels, etc. Across the broader supply chain, we are expanding the number of products made from recycled materials with low CO₂ emissions, and working with partner factors to reduce CO₂ emissions.

4 Major Subsidiaries (as at 31 August 2022)

Name	Nominal value of issued ordinary / registered share capital (thousands)	Ownership Ratio of Voting Rights	Details of Main Business	Location
UNIQLO CO., LTD.	JPY1,000,000	100.0%	UNIQLO Japan	Yamaguchi/ Tokyo
FAST RETAILING (CHINA) TRADING CO., LTD.*	USD20,000	100.0%	UNIQLO International	People's Republic of China ("PRC")
UNIQLO TRADING CO., LTD.*	USD30,000	100.0%	UNIQLO International	PRC
FAST RETAILING (SHANGHAI) TRADING CO., LTD.*	USD35,000	100.0%	UNIQLO International	PRC
FRL Korea Co., Ltd.	KRW24,000,000	51.0%	UNIQLO International	South Korea
FAST RETAILING (SINGAPORE) PTE. LTD.	SGD86,000	100.0%	UNIQLO International	Singapore
UNIQLO (THAILAND) COMPANY LIMITED	THB1,500,000	75.0% (75.0%)	UNIQLO International	Thailand
PT. FAST RETAILING INDONESIA	IDR115,236,000	75.0% (75.0%)	UNIQLO International	Indonesia
UNIQLO AUSTRALIA PTY LTD	AUD21,000	100.0% (100.0%)	UNIQLO International	Australia
Fast Retailing USA, Inc.	USD3,790,621	100.0%	UNIQLO International /Global Brands	United States of America ("USA")
UNIQLO EUROPE LTD	GBP40,000	100.0%	UNIQLO International	United Kingdom
UNIQLO VIETNAM Co., Ltd.	USD15,800	75.0% (75.0%)	UNIQLO International	Vietnam
UNIQLO INDIA PRIVATE LIMITED	INR2,000,000	100.0%	UNIQLO International	India
G.U. CO., LTD.	JPY10,000	100.0%	GU	Yamaguchi/ Tokyo
GU (SHANGHAI) TRADING Co.,LTD.	USD20,000	100.0%	GU	PRC
FAST RETAILING FRANCE S.A.S.	EUR101,715	100.0%	Global Brands	France
Theory LLC	USD116,275	100.0% (100.0%)	Global Brands	USA
PLST CO., LTD.	JPY10,000	100.0%	Global Brands	Yamaguchi/ Tokyo
COMPTOIR DES COTONNIERS S.A.S.	EUR24,593	100.0% (100.0%)	Global Brands	France
PRINCESSE TAM TAM S.A.S.	EUR20,464	100.0% (100.0%)	Global Brands	France

(Note) The figure in parentheses in the "Ownership Ratio of Voting Rights" column indicates the ratio of voting rights held by the Group subsidiary.

● Main facilities of the Company are located in Yamaguchi and Tokyo.

* The English names of all subsidiaries established in the PRC are translated for identification only.

5 Capital Expenditures

(billions of yen)

	UNIQLO Japan	UNIQLO International	GU	Global Brands	System etc.	Total
Capital Expenditures	21.5	24.6	4.8	1.3	34.2	86.5

2. COMPANY

1 COMPANY OFFICERS

(1) Directors and Statutory Auditors (as at 31 August 2022)

Position and Responsibilities	Name	Other Significant Concurrent Offices Held
Executive Director (Representative)	Tadashi Yanai	External Director, Nippon Venture Capital Co., Ltd. Chairman, Fast Retailing Foundation Chairman, President and CEO, UNIQLO CO., LTD. and director or executive officer at 17 other subsidiaries of the Company
Independent Non-Executive Director	Nobumichi Hattori	Visiting Professor, Waseda Business School (Graduate School of Business and Finance) External Statutory Auditor, Frontier Management Inc. External Director, Hakuodo DY Holdings Inc. Visiting Professor, Graduate School of Business Administration, Keio University
Independent Non-Executive Director	Masaaki Shintaku	Counselor, Special Olympics Nippon Foundation External Director, NTT DOCOMO, INC. External Director, NTT Communications Corporation
Independent Non-Executive Director	Takashi Nawa	Visiting Professor, Hitotsubashi ICS President, Genesys Partners External Director, NEC Capital Solutions Limited External Director, Ajinomoto Co., Inc. External Director, Sompō Holdings, Inc. Professor, Kyoto University of Advanced Science External Statutory Auditor, The Asahi Shinbun Company
Independent Non-Executive Director	Naotake Ono	
Independent Non-Executive Director	Kathy Mitsuko Koll	Councilor, Fast Retailing Foundation General Partner, MPower Partners Fund L.P.
Executive Director	Takeshi Okazaki	Councilor, Fast Retailing Foundation Chairman, FAST RETAILING (CHINA) TRADING CO., LTD President, FAST RETAILING FRANCE SAS CEO, Fast Retailing USA, Inc. Director of UNIQLO Co., Ltd., and director or executive officer at 24 other subsidiaries of the Company
Executive Director	Kazumi Yanai	President, Chairman and CEO, LINK THEORY JAPAN CO., LTD. Chairman of Theory LLC Chairman of UNIQLO USA LLC and director or executive officer at 12 other subsidiaries of the Company
Executive Director	Koji Yanai	
Standing Statutory Auditor	Masaaki Shinjo	Auditor, FAST RETAILING (CHINA) TRADING CO., LTD. and 4 other subsidiaries of the Company
Standing Statutory Auditor	Masumi Mizusawa	Statutory Auditor, LINK THEORY JAPAN CO., LTD.
Statutory Auditor	Keiko Kaneko	Partner, Anderson Mori & Tomotsune LPC Statutory Auditor, UNIQLO CO., LTD. External Statutory Auditor, The Asahi Shimbun Company External Director, Daifuku Co., Ltd.
Statutory Auditor	Takao Kashitani	Director, Brain Group (Kashitani Accounting Office) President, Brain Core Co., Ltd. President, FP Brain Co., Ltd. External Director, Japan Freight Railway Company
Statutory Auditor	Masakatsu Mori	Special Advisor, International University of Japan External Director, Kirin Holdings Company, Limited External Director, Stanley Electric Co., Ltd.

(Notes)

1. Directors Nobumichi Hattori, Masaaki Shintaku, Takashi Nawa, Naotake Ono, and Kathy Mitsuko Koll are External Directors as provided for in Article 2, Paragraph 15 of the Companies Act, and are registered at the Tokyo Stock Exchange to serve as Independent Officers.
2. Representative Director Tadashi Yanai and Directors Takeshi Okazaki and Kazumi Yanai serve as directors of UNIQLO CO., LTD. and other Group subsidiary firms, and the Company has signed contracts with each of these companies regarding the use of their brands, etc.
3. Executive Director Tadashi Yanai serves as chairman and Executive Directors Takeshi Okazaki and Non-Executive Director Kathy Mitsuko Koll serve as Councilors on the Fast Retailing Foundation. Fast Retailing has concluded a contract with the Foundation pertaining to the lease of office space, etc.
4. Statutory Auditors Keiko Kaneko, Takao Kashitani and Masakatsu Mori are External Statutory Auditors as provided for in Article 2, Paragraph 16 of the Companies Act, and are registered with the Tokyo Stock Exchange to serve as independent officers.
5. Statutory Auditors Takao Kashitani and Masakatsu Mori are certified public accountants with considerable knowledge in financial matters and accounting.
6. External Statutory Auditor Keiko Kaneko also serves as External Director for Daifuku Co., Ltd. with which the Company and Group subsidiary conduct business relating to warehouse automation equipment.
7. UNIQLO CO., LTD., LINK THEORY JAPAN CO., LTD., and FAST RETAILING (CHINA) TRADING CO., LTD. are wholly owned subsidiaries of the Company.
8. There are no special interests between the Company and any of the other companies at which the above Directors and Statutory Auditors hold concurrent positions.
9. Statutory auditor Akira Tanaka resigned his position at the conclusion of the 60th General Meeting of Shareholders held on November 25, 2021.

(2) Outline of the Agreements for Limitation of Liability

The Company has entered into agreements with the External Directors and External Statutory Auditors based on provisions of Article 427, Paragraph 1 of the Companies Act, which limit liability for damages provided for in Article 423, Paragraph 1 of the same act.

Under these agreements, the limit of liability in damages for all External Directors and External Statutory Auditors shall be limited to the higher amount of either 5,000,000 yen or the amount stipulated by law.

(3) Total Amount of Remuneration for Directors and Statutory Auditors for Fiscal Year Ended August 31, 2022

1. Matters Concerning the Determination of Remuneration, etc. of Officers by Resolution of the General Meeting of Shareholders

The maximum annual remuneration for directors has been capped at the 2,000 million yen figure (including an annual cap of 200 million yen for external directors) determined by shareholder resolution at the 60th annual General Meeting of Shareholders held on November 25, 2021 (the resolution covers nine directors of which five are external directors).

Meanwhile, the maximum annual remuneration for statutory auditors is capped at 100 million yen as determined by shareholder resolution at the 42nd annual General Meeting of Shareholders held on November 26, 2003 (the resolution covers five statutory auditors).

2. Policy for Determining Individual Director Remuneration, etc.

The Company determines the composition of individual director Remuneration at Board of Directors' meetings. A summary of that policy is detailed below.

- Regarding remuneration for individual internal directors (i.e. directors who are not external directors), totals calculated by prescribed methods are debated by the Nomination and Remuneration Advisory Committee, upon which all external directors serve. The final decision on remuneration is then made by Company President, CEO and Chairman Tadashi Yanai, who has the confidence of the Board of Directors, within the predetermined overall remuneration limits approved by the annual General Meeting of Shareholders.
- External director remuneration is a fixed amount determined at Board of Directors meetings.

3. Policy for Determining the Composition and Calculation of Internal Director Remuneration, etc

Remuneration for internal directors is made up of (1) a basic Remuneration component, and (2) a performance-related Remuneration component (short-term and long-term performance-related compensation), the details of which are described below. The method of calculation and the timing of payment of each remuneration type is discussed in the above-mentioned Nomination and Remuneration Advisory Committee and then decided by the Board of Directors.

(a) Basic Remuneration

The basic remuneration component is calculated according to a predefined compensation table based on each individual's grade within the Company and split into equal monthly payments. The individual grade for each internal director is discussed in the Nomination and Remuneration Advisory Committee and then decided by the Board of Directors.

(b) Short-term performance-related Remuneration

The targeted short-term performance-related remuneration amount is determined according to a table of short-term performance-related remuneration by employee grade. It is calculated according to the following payment standard table after selecting a ranking from five available levels generated by our target management system to reflect the degree of target achievement during the previous fiscal period. The target management system determines targets based on corporate performance, organizational, and individual director targets.

Evaluation	Definition	Rate v. Target
A	Far exceeded targets and showed many excellent courses of action	200%
AB	Achieved targets and showed excellent course of action	150%
B	Achieved targets or displayed excellent course of action tantamount to achieving targets	100%
BC	Did not achieve target but displayed efforts to progress to the next level	75%
C	Did not achieve target and took insufficient anticipated action	50%

(c) Long-term performance-related Remuneration

The targeted long-term performance-related remuneration amount is determined according to a table of long-term performance-related remuneration for each employee grade.

- A. A total equivalent to one third of the long-term performance-related remuneration amount is considered to relate to Fast Retailing's corporate value and is therefore allocated in phantom stock which are tied to the Company's share price. Phantom stocks are a cash-based remuneration linked to the company share price, which are automatically executed three years after they were granted as a cash payment based on the company's share price on the day of execution. The Company does not pay dividends or dividend-equivalent amounts.
- B. A total equivalent to two thirds of the long-term performance-related remuneration amount is paid in cash as an incentive to improve strategy and performance at the particular operational unit for which an individual director is responsible. The total is calculated based on a performance evaluation of the operational units directed by the individual three years after the initial target setting.
 - B-1: 50% of the cash payment is based on quantitative targets. The total is determined by multiplying the targeted amount by an operational coefficient calculated based on a predefined table of standards that indicates the rate of attainment of planned operating profit totals over the preceding three years at each operational unit, and the unit's operating profit margin.
 - B-2: The remaining 50% of the cash payment is based on qualitative targets. The total is calculated based on the below table of payment standards after evaluating the degree of attainment of medium-term (three-year) targets set out in the year the long-term performance-related remuneration was granted.

Evaluation	Definition	Rate v. Target
A	Far exceeded targets and showed many excellent courses of action	200%
AB	Achieved targets and showed excellent course of action	150%
B	Achieved targets or displayed excellent course of action tantamount to achieving targets	100%
BC	Did not achieve target but displayed efforts to progress to the next level	75%
C	Did not achieve target and took insufficient anticipated action	50%

4. Matters Concerning Delegation in Relation to Determining the Content of Individual Director Remuneration, etc.

The Board of Directors delegates the determination of individual director remuneration, etc. to Company President, CEO and Chairman Tadashi Yanai. We believe that authority is appropriately exercised when determining remuneration etc. for individual directors given the fact that all decisions are made following discussions in the Nomination and Remuneration Advisory Committee, upon which all our external directors serve.

5. Total Remuneration Including Compensation for Each Director Classification at the Company, Remuneration by Type, and Number of Recipient Directors

Director Classification	Company Classification	Total Remuneration, etc. (Millions of Yen)	Total Amount of Remuneration, etc. by Category (Millions of Yen)			Number of Recipient Directors
			Basic Remuneration	Short-term Performance Component	Long-term Performance Component	
Directors (Excluding External Directors)	Parent	602	361	220	20	4
	Subsidiary	212	140	40	31	
External Directors	Parent	70	70	—	—	6
Statutory Auditors (Excluding External Statutory Auditors)	Parent	36	36	—	—	3
External Statutory Auditors	Parent	40	40	—	—	3
	Subsidiary	3	3	—	—	

Notes:

- The performance-related remuneration figures are provisional calculations made prior to the evaluation of results for the fiscal year ended August 31, 2022 after accounting for costs. The actual amounts paid are calculated and decided based on performance evaluations of individual directors.
- Remuneration for internal directors whose mainly serve as officers of consolidated subsidiaries is paid by the consolidated subsidiary companies.
- Remuneration for external directors is fixed at an annual amount of 15 million yen.
- The remuneration for individual directors for the current fiscal year is determined according to the process described in Note 1. above. The Board of Directors judges whether the details of remuneration, etc. for directors in the current fiscal year is in line with the above-determined policy.
- Remuneration for statutory auditors is calculated within the total amount approved by the General Meeting of Shareholders as explained above and then discussed and decided by the statutory auditors.

6. Consolidated Remuneration for Individual Directors (Whose Consolidated Remuneration is 100 Million Yen or Above)

Name	Total Remuneration (Millions of Yen)	Total Amount of Remuneration, etc. by Category (Millions of Yen)		
		Basic Remuneration	Short-term Performance Component	Long-term Performance Component
Representative Director, Tadashi Yanai	400	240	160	—
Director, Takeshi Okazaki	200	120	60	20
Director, Kazumi Yanai	115	92	10	13

Note. As described in Sentence 3. (b) above, Short-term performance-related remuneration is calculated based on the previous year's performance.

(4) Major Employee Salary for Employees Who Also Serve as Directors

Non applicable

(5) Summary of Indemnity Liability Insurance Contract for Executive Officers, etc.

Fast Retailing forms an indemnity liability insurance contract for executive and other officers with an insurance company as prescribed in Article 430, Paragraph 3, Item 1 of the Company's Act. Any damages suffered through damage claims originating from action taken by insured parties based on his/her corporate position will be compensated under this aforementioned insurance contract, which is renewed on an annual basis. However, there are some exemptions to the contract that mean damages would not be compensated if the insured persons profited illegally or acquired some benefit or if the damages were caused by a criminal act, malpractice, or fraud, etc.

The insured persons under the insurance contract include officers in charge of major business execution, such as directors, Audit & Supervisory Board members, and executive officers of Fast Retailing and its subsidiary companies. The insured persons do not have to pay the insurance premiums. We plan to renew the insurance contract with the same content when it next comes up for renewal.

2 Policy on Determination of Dividends from Surplus

Fast Retailing considers the return of a portion of profits to shareholders to be a top priority and pursues a fundamental policy of ensuring constant improvements in corporate performance and offering a consistent and appropriate shareholder dividend commensurate to that performance. We consistently pay a high dividend after considering the funds required to expand Group operations, increase profits, and maintain financial soundness.

Having considered the Company's corporate performance over the past year in line with the above policy and obtained approval at the Board of Directors meeting, Fast Retailing paid a year-end dividend of 340 yen per share in FY2022. That combined with and interim dividend of 280 yen per share generated an annual dividend for FY2022 of 620 yen per share, which represent an increase of 140 yen compared to FY2021.

Consolidated Financial Statements (IFRS)

Consolidated Statement of Financial Position (As at 31 August 2022)

(Millions of yen)

Item	As at 31 August 2021	As at 31 August 2022	Item	As at 31 August 2021	As at 31 August 2022
Assets			Liabilities		
Current assets	1,724,674	2,178,851	Current liabilities	581,012	876,242
Cash and cash equivalents	1,177,736	1,358,292	Trade and other payables	220,057	350,294
Trade and other receivables	50,546	60,184	Other financial liabilities	104,969	209,286
Other financial assets	56,157	123,446	Derivative financial liabilities	2,493	1,513
Inventories	394,868	485,928	Lease liabilities	117,083	123,885
Derivative financial assets	27,103	124,551	Current tax liabilities	38,606	77,162
Income taxes receivable	2,992	2,612	Provisions	2,149	2,581
Other assets	15,270	23,835	Other liabilities	95,652	111,519
Non-current assets	785,302	1,004,911	Non-current liabilities	766,665	692,117
Property, plant and equipment	168,177	195,226	Financial liabilities	370,799	241,022
Right-of-use assets	390,537	395,634	Lease liabilities	343,574	356,840
Goodwill	8,092	8,092	Provisions	39,046	47,780
Intangible assets	66,939	76,621	Deferred tax liabilities	9,860	44,258
Financial assets	67,122	164,340	Derivative financial liabilities	1,042	44
Investments in associates accounted for using the equity method	18,236	18,557	Other liabilities	2,342	2,171
Deferred tax assets	37,125	8,506	Total liabilities	1,347,678	1,568,360
Derivative financial assets	22,552	134,240	Equity	1,162,298	1,615,402
Other assets	6,520	3,690	Equity attributable to owners of the Parent	1,116,484	1,561,652
Total assets	2,509,976	3,183,762	Capital stock	10,273	10,273
			Capital surplus	25,360	27,834
			Retained earnings	1,054,791	1,275,102
			Treasury stock, at cost	(14,973)	(14,813)
			Other components of equity	41,031	263,255
			Non-controlling interests	45,813	53,750
			Total liabilities and equity	2,509,976	3,183,762

(Note) Amounts are rounded down to the nearest million Japanese Yen.

Consolidated Statement of Profit or Loss (Year ended 31 August 2022)

(Millions of yen)

Item	Year ended 31 August 2021	Year ended 31 August 2022
Revenue	2,132,992	2,301,122
Cost of sales	(1,059,036)	(1,094,263)
Gross profit	1,073,955	1,206,859
Selling, general and administrative expenses	(818,427)	(900,154)
Other income	18,238	16,951
Other expenses	(25,315)	(27,391)
Share of profit and loss of associates accounted for using the equity method	561	1,059
Operating profit	249,011	297,325
Finance income	23,859	123,820
Finance costs	(6,998)	(7,560)
Profit before income taxes	265,872	413,584
Income taxes	(90,188)	(128,834)
Profit for the year	175,684	284,750
Profit for the year attributable to:		
Owners of the Parent	169,847	273,335
Non-controlling interests	5,836	11,415
Total	175,684	284,750

(Note) Amounts are rounded down to the nearest million Japanese Yen.

Financial Statements

Balance Sheet (As at 31 August 2022)

Item	(Millions of yen)	
	As at 31 August 2021	As at 31 August 2022
Assets		
Current assets	841,061	819,900
Cash and deposits	589,833	543,933
Operating accounts receivable	40,936	38,363
Securities	146,449	149,496
Short-term loans receivable from subsidiaries and associates	38,039	65,664
Accounts receivable from subsidiaries and associates	24,778	22,368
Others	5,772	7,624
Allowance for doubtful accounts	(4,747)	(7,552)
Non-current assets	259,336	542,378
Property, plant and equipment	22,779	25,503
Buildings	20,154	17,776
Structures	102	100
Machinery, vehicles, furniture and fixtures	1,174	6,387
Land	1,123	1,123
Leased assets	219	88
Construction in progress	5	26
Intangible assets	50,291	58,629
Software	47,174	47,949
Software in progress	3,106	10,669
Others	10	10
Investments and other assets	186,265	458,244
Investment securities	969	450
Shares of subsidiaries and associates	140,848	420,362
Investments in capital of subsidiaries and associates	9,251	9,251
Long-term loans receivable from subsidiaries and associates	14,779	7,213
Leases and guarantee deposits	6,202	5,732
Deferred tax assets	4,847	4,997
Lease receivables	15,587	14,136
Others	46	1
Allowance for doubtful accounts	(6,265)	(3,900)
Total assets	1,100,398	1,362,278
Liabilities		
Current liabilities	39,295	222,306
Current portion of corporate bonds	—	130,000
Accounts payable	6,335	7,063
Accrued expenses	5,463	6,380
Deposits received	21,156	33,004
Provision for bonuses	3,193	3,501
Income taxes payable	598	40,012
Others	2,548	2,344
Non-current liabilities	393,532	262,698
Corporate bonds payable	370,000	240,000
Lease obligations	15,680	14,186
Guarantee deposits received	3,395	3,385
Provision for loss on guarantees	435	—
Provision for loss on business of subsidiaries and associates	341	1,324
Others	3,679	3,801
Total liabilities	432,828	485,005
Net assets		
Shareholders' equity	660,507	867,828
Capital stock	10,273	10,273
Capital surplus	14,166	16,247
Legal capital surplus	4,578	4,578
Other capital surplus	9,587	11,668
Retained earnings	651,040	856,120
Legal retained earnings	818	818
Other retained earnings	650,222	855,302
General reserve	185,100	185,100
Retained earnings brought forward	465,122	670,202
Treasury stock	(14,973)	(14,813)
Valuation and translation adjustments	(338)	1,660
Valuation differences on available-for-sale securities	(338)	1,660
Share subscription rights	7,400	7,784
Total net assets	667,569	877,273
Total liabilities and net assets	1,100,398	1,362,278

(Note) Amounts are rounded down to the nearest million Japanese Yen.

Statement of Income (Year ended 31 August 2022)

Item	(Millions of yen)	
	Year ended 31 August 2021	Year ended 31 August 2022
Operating revenue	278,605	283,165
Operating expenses	87,162	96,337
Operating profit	191,442	186,828
Non-operating income	18,776	111,220
Interest income	1,054	2,877
Interest on securities	16	57
Foreign exchange gains	17,590	108,106
Others	115	178
Non-operating expenses	1,997	2,091
Interest expenses	1,951	1,988
Others	46	102
Ordinary profit	208,221	295,957
Extraordinary income	864	594
Gain on sale of investment securities	739	159
Reversal of provision for loss on business of subsidiaries and affiliates	125	—
Reversal of provisions for loss on guarantees	—	435
Extraordinary losses	26,684	4,479
Losses on retirement of non-current assets	4	112
Loss on valuation of shares of subsidiaries and associates	19,432	1,651
Provision of allowance for doubtful accounts for subsidiaries and associates	6,876	1,721
Loss on valuation of investment securities	330	11
Provision for loss on business of subsidiaries and affiliates	—	983
Others	40	—
Profit before income taxes	182,401	292,072
Income taxes – current	8,540	34,839
Income taxes – deferred	(1,424)	(970)
Profit	175,286	258,203

(Note) Amounts are rounded down to the nearest million Japanese Yen.

Auditors' Report

(Translation) Auditors' Report on Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

25 October, 2022

To the Board of Directors of
FAST RETAILING CO., LTD.:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant: Hirofumi Otani

Designated Engagement Partner,
Certified Public Accountant: Akira Kimotsuki

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of FAST RETAILING CO., LTD. and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as at 31 August 2022, and the consolidated statement of profit or loss and consolidated statement of changes in equity for the fiscal year from 1 September 2021 to 31 August 2022, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 August 2022, and its consolidated financial performance for the year then ended in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Statutory Auditors and the Board of Statutory Auditors are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Statutory Auditors and the Board of Statutory Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards.

Statutory Auditors and the Board of Statutory Auditors are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Statutory Auditors and the Board of Statutory Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Statutory Auditors and the Board of Statutory Auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them, all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

(Translation) Auditors' Report on Financial Statements

INDEPENDENT AUDITOR'S REPORT

25 October, 2022

To the Board of Directors of
FAST RETAILING CO., LTD.:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant: Hirofumi Otani

Designated Engagement Partner,
Certified Public Accountant: Akira Kimotsuki

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the financial statements of FAST RETAILING CO., LTD. (the "Company"), namely, the balance sheet as at 31 August, 2022, and the statement of income and the statement of changes in net assets for the 61st fiscal year from 1 September 2021 to 31 August 2022, and notes to the financial statements and the accompanying supplemental schedules.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 August 2022, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Statutory Auditors and the Board of Statutory Auditors are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Statutory Auditors and the Board of Statutory Auditors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Statutory Auditors and the Board of Statutory Auditors are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Statutory Auditors and the Board of Statutory Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Statutory Auditors and the Board of Statutory Auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

Report by the Board of Statutory Auditors

AUDIT REPORT

With respect to the directors' performance of their duties during the 61st fiscal year (from 1 September 2021 to 31 August 2022), the Board of Statutory Auditors has prepared this audit report after deliberations based on the audit reports prepared by each Statutory Auditor, and hereby reports as follows.

1. Method and Contents of Audit by Each Statutory Auditor and the Board of Statutory Auditors

- (1) The Board of Statutory Auditors has established the audit policies, assignment of duties, etc. and received a report from each Statutory Auditor regarding the status of implementation of their audits and results thereof. In addition, the Board of Statutory Auditors has received reports from the Directors and the Accounting Auditor regarding the status of performance of their duties, and requested explanations as necessary.
- (2) In conformity with the Statutory Auditors' auditing standards established by the Board of Statutory Auditors, and in accordance with the audit policies and assignment of duties, etc., each of the Statutory Auditors endeavored to facilitate a mutual understanding with the Directors, the internal audit division, and other employees, etc., endeavored to collect information and maintain and improve the audit environment, and has conducted audit by the following methods.
- (a) Each Statutory Auditor has attended Board of Directors meetings and other important meetings, received reports on the performance of duties from Directors and other employees and requested explanations as necessary, examined important approval/decision documents, and inspected the corporate affairs and assets at the Company's head office and principal places. With respect to subsidiaries, each Statutory Auditor endeavored to facilitate mutual understanding and information exchange with the Directors and Statutory Auditors of each subsidiary, and received operational reports as necessary.
- (b) In relation to (i) the contents of Board of Directors' resolutions regarding the system for ensuring Directors' performance of duties as described in the Business Report comply with all laws, regulations and Articles of Incorporation and also comply with any other systems deemed necessary under Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan for ensuring appropriate corporate affairs of a corporate entity comprising a joint stock company and its subsidiaries, and (ii) the systems (internal control systems) based on those regulations, each Statutory Auditor has regularly received reports on the structure of that system and the status of its operation from Directors and other employees, requested explanations as necessary and expressed its opinion.
- (c) Each Statutory Auditor has monitored and verified whether the Accounting Auditor maintained its independence and properly conducted its audit, received a report from the Accounting Auditor on the status of its performance of duties, and requested explanations as necessary. Each Statutory Auditor was notified by the Accounting Auditor that it had established a "system to ensure that the performance of the duties of the Accounting Auditor was properly conducted" (the matters listed in the items of Article 131 of the Ordinance of Company Accounting) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council on October 28, 2005), and requested explanations as necessary.

Based on the above-described methods, each Statutory Auditor examined the Business Report and its supplementary schedules, as well as the Financial Statements (the balance sheet, the statement of income, the statement of changes in net assets, and the notes to the financial statements) and its supplementary schedules, and the Consolidated Financial Statements (the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity, and the notes to the consolidated financial statements) for the fiscal year under consideration.

Based on the above-described methods, each Statutory Auditor examined the Financial Statements (the balance sheet, the statement of income, the statement of changes in net assets, and the notes to the financial statements) and the supplementary schedules, and the Consolidated Financial Statements (the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity, and the notes to the consolidated financial statements) for the fiscal year under consideration.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

- (i) We acknowledge that the Business Report and the supplementary schedules fairly present the status of the Company in conformity with the applicable laws, regulations, and the Articles of Incorporation.
- (ii) We acknowledge that no misconduct or material fact constituting a violation of laws, regulations, or the Articles of Incorporation was found with respect to the Directors' performance of their duties.
- (iii) We acknowledge that the Board of Director's resolutions with respect to the internal control systems are appropriate. We did not find any matter in the Business Report or the Directors' performance of their duties concerning the internal control systems that requiring mentioning.

(2) Results of Audit of the Financial Statements and the Supplementary Schedules

We acknowledge that the methods and results of audit performed by the Independent Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of Audit of the Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the Independent Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

25 October 2022

The Board of Statutory Auditors of FAST RETAILING CO., LTD.

Standing Statutory Auditor	Masaaki Shinjo ■
Standing Statutory Auditor	Masumi Mizusawa ■
Statutory Auditor	Keiko Kaneko ■
Statutory Auditor	Takao Kashitani ■
Statutory Auditor	Masakatsu Mori ■

Company Data

Trade Name	FAST RETAILING CO., LTD.
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	1-6-7 Ariake, Koto-ku, Tokyo 135-0063, Japan
Established	May 1, 1963
Paid-in Capital	10,273 million yen
Line of Business	Control and management of overall Group activities as owner and holding company
Number of Full-time Employees (Consolidated)	57,576

Investor Information

Stock Exchange Listing	Tokyo Stock Exchange Prime Market (Stock Code 9983)	Hong Kong Stock Exchange, Main Board (Stock Code 6288)
Number of shares per trading unit	100 shares (Tokyo Stock Exchange)	300 HDR (Hong Kong Stock Exchange)
Fiscal Year	1 September to 31 August	
General meeting of shareholders	Late November	

Vesting date to receive a year-end dividend The last day of August

Vesting date to receive an interim dividend The last day of February

For HDR holders, please refer to our press release which will be announced in August and February.

Shares listed on Tokyo Stock Exchange
Transfer Agent
The Mitsubishi UFJ Trust and Banking Corporation
Shin-Tokyo Post Office
post office box No.29
137-8081, Japan
Telephone: 0120-232-711
toll free, Monday to Friday 9:00 - 17:00 JST
(From Japan)

Hong Kong Depositary Receipt
Depositary Bank
JPMorgan Chase Bank, N.A.
HDR Registrar and HDR Transfer Office
Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong
Tel: 852-2862-8555
E-mail: hkinfo@computershare.com.hk



FAST RETAILING

FAST RETAILING CO., LTD.

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