

THE POWER OF CLOTHING

Making The World A Better Place



10 ALL-PRODUCT RECYCLING INITIATIVE:
CLOTHING FOR REFUGEES AND DISPLACED PEOPLE

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Making the World a Better Place

10

Cover Photo by Shinsuke Kamioka

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All-Product Recycling Initiative

Clothing for Refugees and Displaced People

Under the All-Product Recycling Initiative, UNIQLO and g.u. stores collect clothing that their customers no longer need. Fast Retailing then sends those garments to refugees and displaced people. This is how it maximizes the value of clothing as a manufacturer and retailer.

Refugees face enormous challenges. For a range of different reasons, people throughout the world are regularly driven from their homes against their will. Such individuals are forced to risk their lives to flee to other countries and regions, where poverty and differences in language and culture can present difficult challenges.

UNIQLO and g.u. believe in the importance of raising awareness about refugee issues through the Power of Clothing by recycling unused garments.





All-Product Recycling Initiative

Cooperative Efforts to Help Individuals in Need

UNIQLO and g.u. stores collect clothing from customers and then deliver it to refugees and displaced people in cooperation with the United Nations High Commissioner for Refugees (UNHCR). Many displaced individuals throughout the world desperately need clothing to protect themselves from cold temperatures. Even a single layer of clothing can protect a child from illness or injury.

Both companies are grateful for the continued cooperation and support of their customers, who are helping to make the All-Product Recycling Initiative a success.

1 Customers buy UNIQLO and g.u. products.

2 People enjoy, value and wear these items for a long time.

3 Customers return garments they no longer need to UNIQLO and g.u. stores.

UNIQLO and g.u. stores accept donations of clothing year round from customers. Customers can drop off garments at special collection boxes at some stores, or hand the items directly to UNIQLO and g.u. staff (collection boxes are not provided at some locations).

4 UNIQLO and g.u. separate collected clothing into wearable and unwearable items.

5 Staff sort the clothes according to gender, season and size.

Before wearable items are shipped out for delivery to people in need, they are sorted into 12 different categories, including article, type and size. This makes it easier to distribute clothes at the refugee camps.



6 Recycled for use as fuel or fiber (about 10% of all donations)

Donated garments that can no longer be worn are used as fuel or converted to cloth rags to remove oil from factory machinery.

7 UNIQLO and the UNHCR send the clothing to refugees and displaced people.

UNIQLO and the UNHCR ensure that donated clothing actually reaches refugees and displaced people and is not lost or resold in transport. The company sends its employees to help distribute the items at the refugee camps, while ensuring that it does not end up negatively affecting the local textile industry.



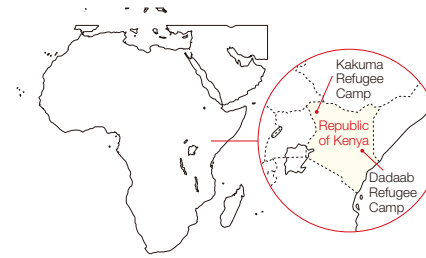
7 UNIQLO and the UNHCR determine which articles of clothing are most needed and identify priority destinations.

UNIQLO works with the UNHCR to decide where to send the donated items and to determine which articles of clothing are most needed in each location. Key considerations include the local climate, religion and culture.

Growing Up in a Refugee Camp

The humanitarian crisis in Somalia is becoming particularly desperate. Conflict and drought have forced roughly one third of its population to flee the country, leading to a crisis of unparalleled proportions. Many people in the region desperately need help.

In 2012, under the All-Product Recycling Initiative, UNIQLO distributed 1 million articles of clothing at a refugee camp in Kenya, where many Somali refugees have settled.



Republic of Kenya

Kakuma and Dadaab are two refugee camps in Kenya. Many refugees also live in Nairobi, the nation's capital. More than 630,000 people have taken refuge in Kenya and this number continues to grow.

On a recent visit, UNIQLO staff quickly came to grips with the severity of the situation in the Kakuma Refugee Camp in northwestern Kenya. The region is underdeveloped compared to other parts of the country, and clean water is scarce. Despite these conditions, the refugees remain unable to return to their homes. The camp offers basic food, water and shelter, in the form of tents, but there is never enough clothing to go around. Sand and dust from the drought and frequent sandstorms are a problem, while water shortages make it difficult to wash clothing. Children's apparel, in

particular, is in short supply, and very few items for kids ever make it to the camp. Many children at the camp wear worn-out T-shirts made for adults or nothing at all. This leaves them vulnerable to infectious diseases and injury.

Fast Retailing distributed 1 million articles of clothing on its most recent visit to the Kakuma Refugee Camp, the most it has ever donated at one time. Each person received two tops and two bottoms, but even then, only 250,000 people were able to get clothing. There are 630,000 refugees in Kenya,

so 1 million items is simply not enough, which is why the FR Group will continue to supply clothing to these camps.

On the first day of the FR Group's most recent visit to Kenya, staff visited a boarding school for girls. The smiling students were all wearing UNIQLO clothing that the company had previously sent.

Hollywood star and UNHCR Goodwill Ambassador Angelina Jolie donated the funds that were used to build the school. The students in this school are lucky because the school

supplies them with their own uniforms, which is not common at refugee camps. However, when the FR Group's photographer came to take pictures, many of the girls wanted to pose for the camera in their smartly coordinated UNIQLO tops and bottoms, as well as other items. One of the girls was wearing jeans that were a bit too tight for her, but she liked them, anyway, because they "look good," she said. When asked when she usually wears her UNIQLO garments, one girl said, "I love dressing up for holidays, so that's when I wear them."

Although the girls are quite fashion-conscious and clearly love clothing, each of them could probably fit all of their possessions into a single, small chest. Each girl has about three or four articles of clothing and some of them wear their uniforms in the day and at night, so they were overjoyed to receive clothing from UNIQLO. The clothes have already become an important part of their lives.

When asked about their dreams for the future, the girls wrote down jobs like "journalist," "doctor" and "teacher." They

work hard to keep up with school, despite the camp's harsh environment. But hopefully, the relatively small gift of clothing will be able to help them gain confidence as they work toward their goals. Apparel is essential for protection against the heat and cold, and is also important for hygiene. But as the girls of the Kakuma Refugee Camp know, truly great clothing is also an important means of self-expression.

The FR Group is determined to continue to assist people who need clothing.



Hope for the Future

Young people at the Kakuma Refugee Camp smile and pose for pictures.



Story 1

Augustine, 19 years old
From South Sudan

I want to contribute to my homeland in the future

I've been living in this refugee camp since my father and younger brother died. I teach at the primary school here and also study physics, my favorite subject. But it's not a good place for studying, and many of the kids are unable to stay in school for one reason or another. The teaching staff, including me, have not had any formal teacher training to learn, for example, how to build a curriculum. This means that we

don't know how to support students who are having trouble keeping up with their schoolwork. These are the students who often lose interest in their studies, which affects their attendance and academic achievement.

I don't have electricity at home, so I can't study as much as I'd like. Since it takes a while to get to school, I sometimes stay there overnight to study. But all

of my efforts led to a high score on last year's national exams. I've also been very fortunate in that I was selected for a scholarship program and will study at a university in Canada. I believe all of us must study hard to carve out our futures. I'll study physics in Canada, and one day I'll return to my country to address the electricity shortages there and make it a better place to live. That's my dream.



Story 2

Sadia, 23 years old
From Ethiopia

I want to empower women through education

I had a baby at this camp after leaving Ethiopia. It was hard here at first. It was just my baby and I, and I can't speak English. But now I work for an NGO at the camp and earn a little bit of money to cover my living expenses. I'm also a leader of my tribe and I'm working to improve life at the camp. In the future, I'd like to empower women through educational activities that use our original programs and videos. I hope to support as many of them as possible as they work hard to achieve their dreams.

Story 3

Kibron, 12 years old
From Eritrea

I dream of becoming an engineer like my stepfather

My stepfather and his family adopted me after I lost my family. I'm grateful that they have taken care of me. I want to be an electrician or engineer, just like my stepfather, and take over his job one day, so I can repay them for the happiness they have given me.

I love studying math and English, which my stepfather teaches me. In the future, I'd like to return to Eritrea with my family and use my knowledge of math and English to make things easier for people in my hometown.



Education and Job Training at Kakuma Refugee Camp



Rika Hakozaiki,
UNHCR Kenya Office

The inhabitants of the Kakuma Refugee Camp in Kenya include people from a diverse range of cultural and religious backgrounds who have fled from a total of 15 different countries. Rika Hakozaiki, a staff member at the UNHCR Kenya Office, recently spoke to Fast Retailing about life in the camp.

A Harsh Yet Culturally Diverse Environment

The Kakuma Refugee Camp provides shelter to people from 15 countries. The camp is unique in that few other places house refugees from so many different nations and regions. But the refugees at Kakuma accept their linguistic, cultural and religious differences, so they can live together in harmony.

The Kakuma Refugee Camp is in a part of Kenya that is known for its harsh weather conditions. Sandstorms are common during the dry season, while floods are frequent during the rainy season. Water, which is extremely important for hygiene, is an extremely limited resource. The lack of natural resources and low level of development in the region means local residents and the environment need help. The UNHCR runs hospitals for residents of the camp and has spearheaded a tree-planting campaign to help preserve natural resources.

Foreign Nationals at the Kakuma Refugee Camp

Country	Percentage of population
Somali Democratic Republic	47.6
Republic of South Sudan	31.7
Federal Democratic Republic of Ethiopia	6.0
Democratic Republic of the Congo	5.6
Republic of Sudan	4.6
Republic of Burundi	3.1
Nine other countries	1.4
Total	Approx. 100,000 people

As of September 2012 (Research by UNHCR)



Schools for Refugees



Education is the key to ensuring that every refugee has a bright future, particularly children and youth.

Schools in the camp offer primary school education to everyone, but household chores and other responsibilities prevent many children from going to school. The camp authorities have therefore launched a campaign to raise parental awareness of the importance of education.

Girls live and study together at a boarding school in the camp. In Photo A, students enjoy cups of nutritious soup for lunch at school. Despite the harsh conditions at the camp, many of the students still maintain an interest in fashion. They carefully store their cosmetics and clothing in their personal chests, shown in Photo B.

Vocational Training



The camp set up a vocational school to help refugees become more independent when they return to their home countries. The vocational school gives them the opportunity to learn a range of skills, such as hairdressing, sewing and carpentry. But there are still not enough opportunities at the camp for every refugee who wants job training.

Refugees learn new skills at this sewing class in the camp, which sometimes receives orders to make school uniforms (Photo C).

Some of the camp's inhabitants earn money making all-natural peanut butter, to provide nutrition for children (Photo D).

From Myanmar to Japan: One Refugee's Story

Some refugees, such as UNIQLO employee Lam Mang, immigrate to Japan in search of a better life.

Lam Mang first came to Japan from Myanmar on her own. She applied for refugee status because she had no choice but to flee persecution at home. In the 1990s, Myanmar's ruling military junta was cracking down on growing public calls for democratic reforms.

"Even though I was still a child, I was subject to the crackdown," she said.

Lam Mang was unable to see her family and friends before she left Myanmar. She chose to go to Japan because she figured it could offer her a sense of security. Unfortunately, she did not know a single word of the Japanese language. She did not know anything about the culture and she knew few people she could rely on.

She did not know how to get by in Japan, which is known for its high cost of living. But she was driven by something her mother had taught her as a child. Lam Mang is from the Chinn ethnic group, a cultural minority in Myanmar with a distinct language.

"When I moved with my parents from Chinn to Yangon in search of work, I was bullied because of my language skills," Lam Mang said. "My mother encouraged me to pursue what I wanted to do in my life. Her words stayed with me."

Lam Mang remained determined to succeed. She turned the loneliness, anxiety and frustration she felt from being misunderstood by others into a driving force.

It took her four years to obtain refugee status in Japan. She was then selected for the Refugee Higher Education Program in Japan. A selection committee works with the UNHCR to provide refugees with undergraduate educational opportunities at affiliated Japanese universities. Lam Mang was accepted into the program on her second attempt.

She has been studying at Kwansei Gakuin University since 2010. "I want to study more so that I can help my people in the future," she said.

At the university, she was surprised to discover that her new Japanese friends seemed to know so little about refugees. "It was really shocking to hear my friends say that they thought that refugees received assistance without doing anything," she said.

There are many types of refugees, including individuals who only need financial support and those who require guidance and training to become independent. But the positive attitude of many refugees often encourages the people around them.

Lam Mang now works part time at the UNIQLO store near her campus. About one year has passed since she started working at the store, after gaining work experience under UNIQLO's Internship Program for Refugees (see page 13).

But now Lam Mang has a new dream. "I hope UNIQLO opens stores in Myanmar," she said. "I'm looking forward to working at UNIQLO in my home country."



Lam Mang is from Chinn State, Myanmar. She first came to Japan in 1996 and is currently a junior at Kwansei Gakuin University. She has been working part time at the UNIQLO Hankyu Nishinomiya Gardens Store since November 2011, following a stint in UNIQLO's Internship Program for Refugees. She was reunited with her parents 14 years after leaving Myanmar. Her parents now live in Japan.

Refugee Affairs

Who Are Refugees and IDPs (Internally Displaced People)?

Refugees are people who flee to other countries due to war or civil conflicts, particularly those stemming from political, religious and ethnic differences. IDPs are slightly different, in that such individuals take shelter within their own countries, usually for the same reasons.

Refugee Camps

Refugee camps are temporary shelters that provide food, water, medicine and other daily necessities to people in need. Safety and the local natural environment are key considerations when setting up new refugee camps. Some people flee to urban areas instead of refugee camps, usually for geographic and economic reasons.

For more information on refugee issues, visit the UNHCR website at www.unhcr.org.

Options for Refugees

1. Return to country of origin: Although this is the best solution, it is usually not a viable option, because the problems that drive refugees from their homes are not usually the kinds of issues that can be resolved quickly.
2. Remain in country of asylum: Refugees settle in their initial host country.
3. Resettlement in third country: If the first two options are not possible, refugees can apply to live in a third country, rather than their countries of origin or asylum.

United Nations High Commissioner for Refugees

The UNHCR is an international organization that protects and supports refugees and IDPs. It tries to address the problems that such individuals face. In February 2011, the UNHCR struck a global partnership with Fast Retailing.

Global Internship Program

Fast Retailing and the UNHCR have been exchanging interns with each other since 2001.

• Internships for Refugees

UNIQLO stores offer internships in Japan for refugees, for periods ranging from two weeks to three months. This program gives refugees the opportunity to gain working experience, so they can go on to build independent lives in Japan. UNIQLO aims to offer internship opportunities to 50 refugees per year.

• Refugee Camp Dispatch Program

Fast Retailing dispatches two FR Group employees to refugee camps every six months (four employees per year). These interns provide support at the camps while learning about specific clothing-related needs and distributing garments under the All-Product Recycling Initiative.



THANK YOU FOR YOUR SUPPORT

ユニクロ **UNIQLO** and **g.u.** launched a clothing donation drive in June 2012 to collect 3 million items at the request of the UNHCR, for delivery to refugees around the world ahead of the fall/winter season.



The drive involved all UNIQLO and g.u. stores in Japan, South Korea, the U.S., Singapore, Hong Kong, the U.K. and France. The stores set up collection boxes and Fast Retailing announced the initiative in newspaper ads and on **f** (Facebook). Thanks to the tremendous response from customers, UNIQLO and g.u. met their collection target on October 7.



The Fast Retailing Group is deeply grateful for the cooperation of its customers in this effort. These items are being sent to refugees and displaced people around the world in countries such as Rwanda, Jordan and Iraq.



From Fast Retailing

Bringing Truly Great Clothing and the Power of Clothing to People around the World

Donated clothing is now being collected via the All-Product Recycling Initiative, which started in Japan as a recycling campaign for fleece products in 2001, in South Korea, France, the U.K., the U.S., Singapore, Hong Kong, Taiwan and Shanghai. Eventually, UNIQLO and g.u. plan to collect clothing through this initiative in every country in which they do business.

The company has already sent most of the items donated by customers to refugees and displaced people around the world in collaboration with the UNHCR.

In February 2011, Fast Retailing and the UNHCR established their Global Partnership Agreement. This agreement, which includes programs such as internships for refugees (see pages 12 and 13), aims to address the problems that refugees and displaced people face throughout the world.

The FR Group and the UNHCR continue to send donated clothing to a growing list of destinations throughout the world. They are also continually adjusting the way they provide clothing-related support to meet the diverse needs of refugees and displaced people. And through partnerships with various international organizations and NGOs, the FR Group hopes to expand its support beyond refugees and displaced people to offer a helping hand to infants and expectant and nursing mothers in developing nations.

The FR Group will continue to do everything it can to send the right clothes to the people who are most in need of help around the world. It is determined to fulfill its responsibility as a clothing manufacturer and retailer through the entire life cycle of all of its products.

Thank you for your ongoing cooperation, as your support makes these efforts possible.

We would love to hear from educational organizations, companies, NGOs and other groups who share the vision of the All-Product Recycling Initiative.

Fast Retailing cannot run the All-Product Recycling Initiative alone. The company can only send the most in-demand articles of clothing to the people in the greatest need by working with partners who share its determination to discover new possibilities in the way garments are collected and distributed. The FR Group's collaborative programs include collecting clothing with educational organizations and visiting clinics in Zambia in cooperation with the Japanese Organization for International Cooperation in Family Planning (JOICFP).

The FR Group welcomes the participation of educational organizations, companies, NGOs and other entities that share the vision behind the All-Product Recycling Initiative and are interested in collaborative projects. We look forward to hearing from you.

Past Activities



Fast Retailing employees and area managers regularly hold information sessions at elementary and junior high schools.



FR staff distribute items to infants and expectant and nursing mothers in Zambia.

Please direct your comments and inquiries to Fast Retailing (FR_G_frgcsr@fastretailing.com).