

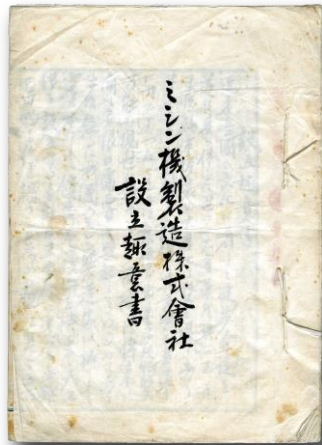
# Brother Group New Vision

**October 6, 2021**

**Brother Industries, Ltd.**

# Background of the New Vision

Since founding, Brother has been grasping changes in customer needs and innovating its business to solve social issues.



Prospectus of Establishment

## Spirit of Foundation

- Create work for people wishing to work
- Create factories with pleasant atmospheres
- Develop the import-based industry into the export-based industry



Brother has been promoting business activities with the spirit of "At your side."



Putting customers first in every situation with the spirit of "At your side."



"Brother Group Global Charter" is the foundation of all activities by the global Brother Group.

**In addition to changes in society, the business environment surrounding Brother is also changing.**

## Changes in society

- Values, including workstyles, have changed significantly.
- The changes have been accelerated by the COVID-19 pandemic.
- As there has been growing demand for sustainability, the trend toward questioning the raison d'être and social value of companies has spread globally.

## Changes in the business environment

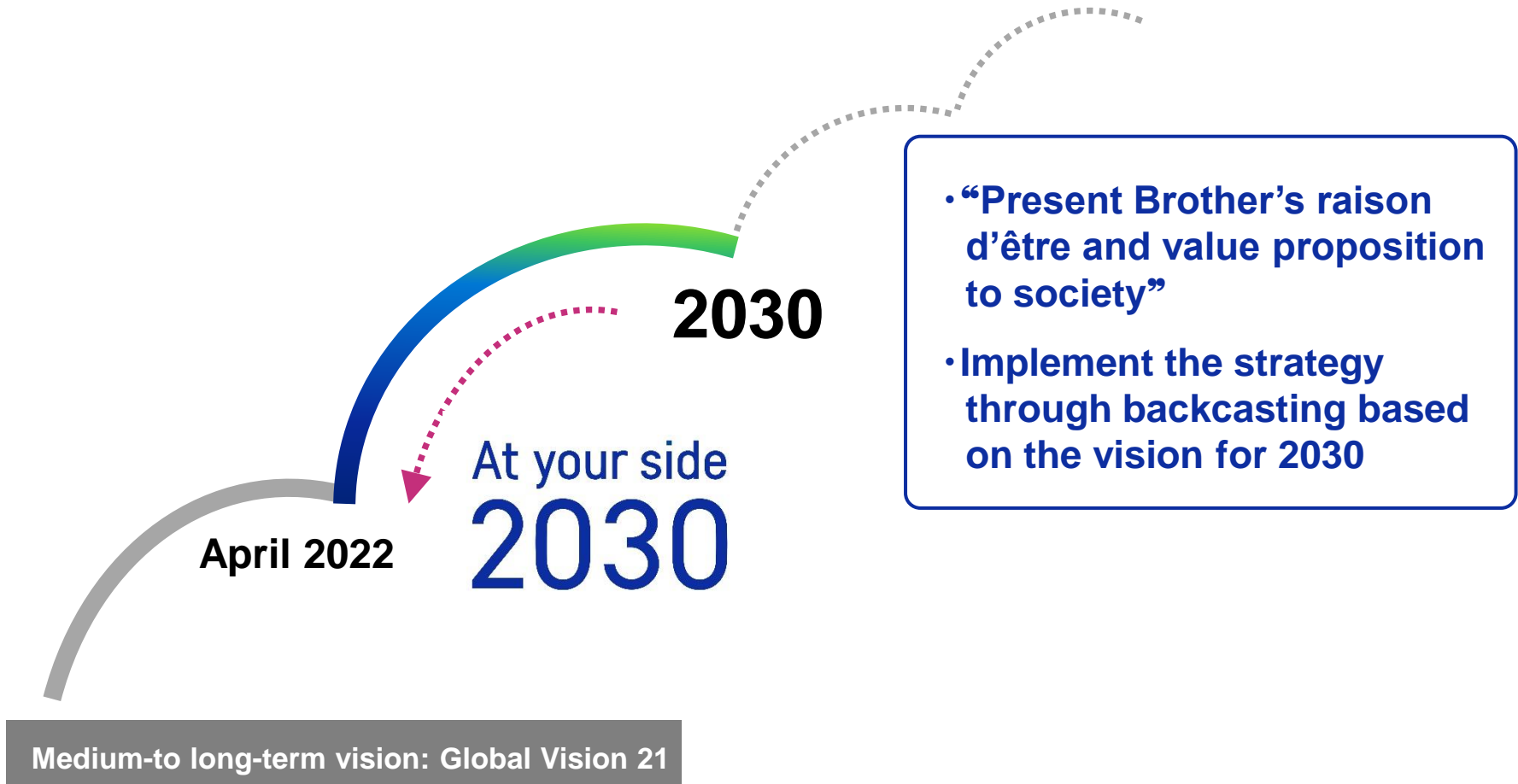
- Digitalization and remote work
- Diversification of purchasing behavior
- Growing demand for mass customization
- Acceleration of automation and networking at manufacturing facilities
- Growing risks in the supply chain due to disasters, infectious diseases, geopolitical risks, etc.

# New Vision

## Brother Group New Vision

At your side  
2030

“Present Brother’s raison d’être and value proposition to society” and implement the strategy through backcasting by clearly setting the deadline of 2030.





**What value do we offer to customers and society toward 2030?**

**At your side 2030 shows "Our Approach" and "Our Focus Areas" based on "Our Purpose."**



# At your side 2030

## Our Purpose



**By being "At your side," we enable people's productivity and creativity, contribute to society, and help protect the earth.**

## Our Approach



**We identify and eliminate barriers to customers' success by utilizing our unique technologies and global network.**

## Our Focus Areas

- **Industrial - Become a trusted, invaluable solutions partner.**
- **Printing - Continue leading print innovation and pioneering new offerings.**

## Our Purpose

**By being "At your side,"  
we enable people's productivity and creativity,  
contribute to society, and help protect the earth.**

- **As we have throughout our history, Brother continues to help unlock people's innate productivity and creativity.**
- **By supporting people in their value-creation journeys, and helping them realize their aspirations and goals, we contribute to a better society.**
- **We are also "At your side." for the environment, focusing on sustainability and on leaving as small a footprint as possible.**

Despite the changing times, Brother will contribute to a better future as a close partner who supports the inherent capabilities that “you” have (including customers) to create value and make progress.



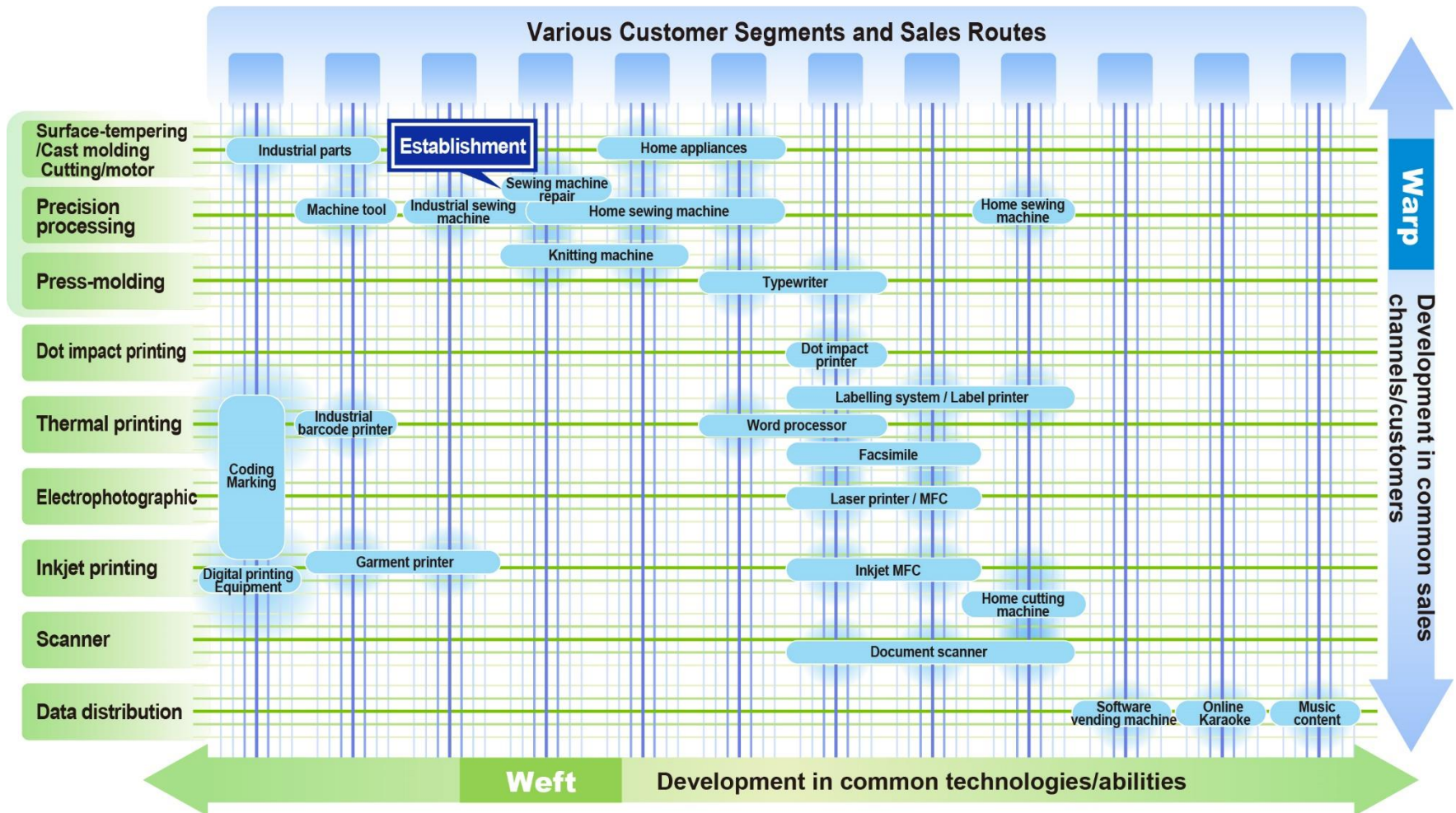
**Brother Group Global Charter** Foundation of all activities

## Our Approach

**We identify and eliminate barriers to customers' success by utilizing our unique technologies and global network.**

- **We will understand our customers' "value chain", identify their core challenges, and provide unique products and solutions that help them achieve their goals.**
- **We will continue developing and enhancing unique technologies across Brother's multi-business portfolio.**
- **We will take advantage of our global network of local experts, sales channels, and customer bases.**
- **We will expand our portfolio by focusing on adjacencies to our two strong assets, technology & global network.**

Brother has created new businesses by utilizing continuity in technologies and sales channels/customers since its establishment. Brother's unique strength is this continuous extension weaved with threads of warp and weft.

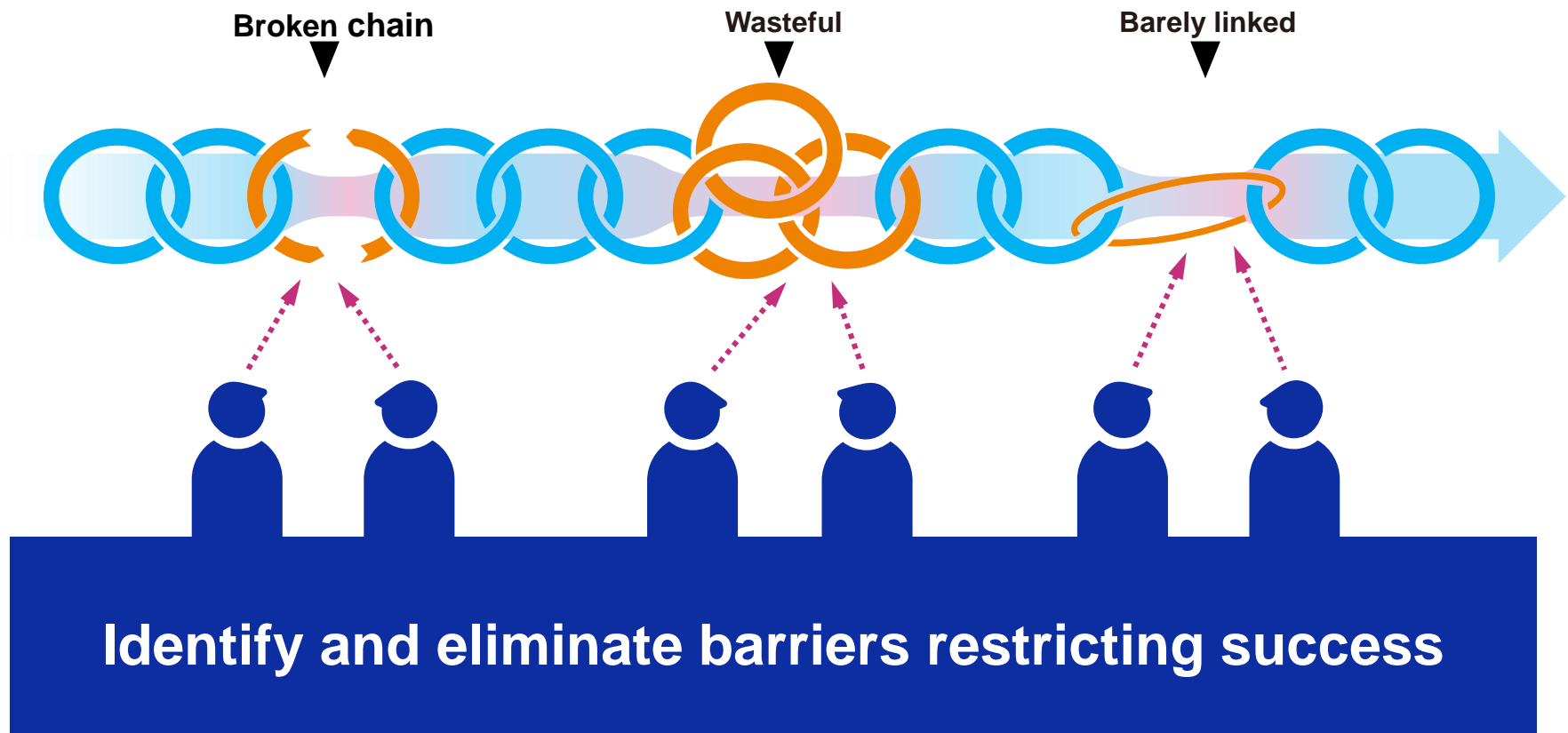


We will swiftly deliver superior value as Global Team Brother, by utilizing our network of production, sales, service and development facilities located in more than 40 countries/regions, while learning from the outside.



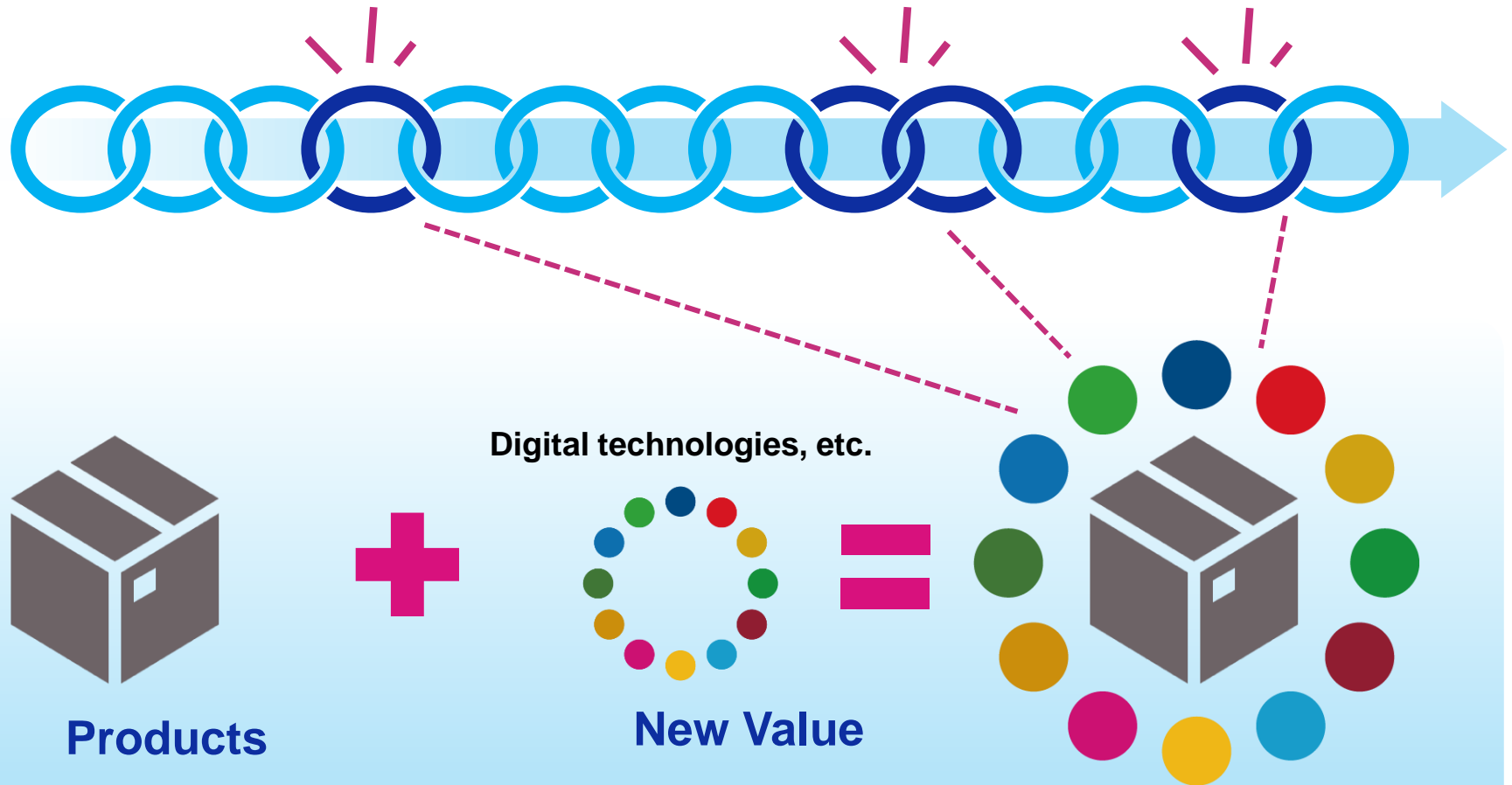
Carefully analyze the value chain of a customer and identify barriers to the flow

Value chain of a customer whose flow is hindered by barriers





“Manufacturing” is Brother’s starting point. We will use this strength and widen the range of value proposition to customers, in order to eliminate the barriers.



## Our Focus Areas

- **Industrial - Become a trusted, invaluable solutions partner.**

**In the industrial area: We will improve customers' productivity, solve their business challenges, and reduce our environmental impact.**

**By doing so, we will gain their trust and become an invaluable partner.**

- **Printing - Continue leading print innovation and pioneering new offerings.**

**In the printing area: Even with huge changes in the definition of “office work” and the printing environment, we will continue to exceed customers' expectations.**

**We will also build new business pillars that expand beyond our existing boundaries.**

## • Industrial - Become a trusted, invaluable solutions partner.

In the industrial area: We will improve customers' productivity, solve their business challenges, and reduce our environmental impact.

By doing so, we will gain their trust and become an invaluable partner.

### Areas

**Machinery/FA\***

**Industrial printing**

### Customers' issues and social issues

**Improvement in productivity**

**Manpower saving**

**Comfortable work environment**

**Reduction in CO<sub>2</sub> emissions**



**Best partner**

\*Factory automation

- **Printing - Continue leading print innovation and pioneering new offerings.**

In the printing area: Even with huge changes in the definition of “office work” and the printing environment, we will continue to meet customers’ expectations.

We will also build new business pillars that expand beyond our existing boundaries.

## Areas

Laser/inkjet  
printers/MFC

Label printers  
Mobile printers

Peripheral  
service/solution

## Changes in the business environment and social issues

Paperless  
WFH/telework  
New sales channels  
Digitalization

Reduction in CO<sub>2</sub>  
emissions  
Circular economy



**Pioneering new offerings**

**Leading print innovation**

**For more than 110 years, the Brother Group has met the needs of customers with the spirit of “At your side.” and changed itself.**

**We will continue to contribute to society, help protect the earth, and make changes so that we can contribute to the happiness of many more customers.**



# Brother's Commitment to the Environment

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**Worked on eco-friendly products and corporate activities.**

## Creation of eco-friendly products



- Proactive acquisition of environmental labels in various countries
- Energy saving of products
- Collection and recycling of toner cartridges

## Response to environmental laws and regulations/social trends in the world



- Promotion of environmental activities based on ISO 14001
- Compliance with REACH Regulation, RoHS Directive, etc.
- Establishment of a chemical substance control system

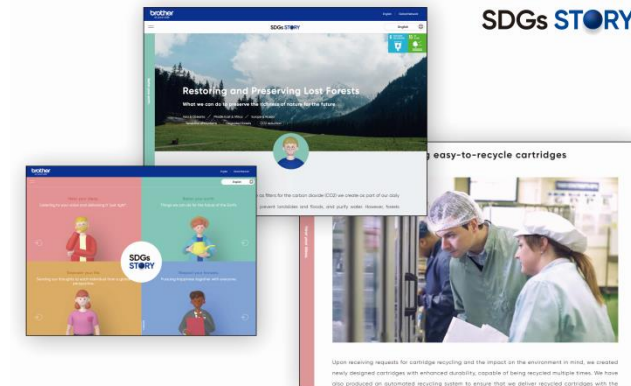
**Promoted social contribution activities and communication related to the environment.**

## Implementation of environmental and social contribution activities in the world



**Global development of activities with awareness of biodiversity conservation**

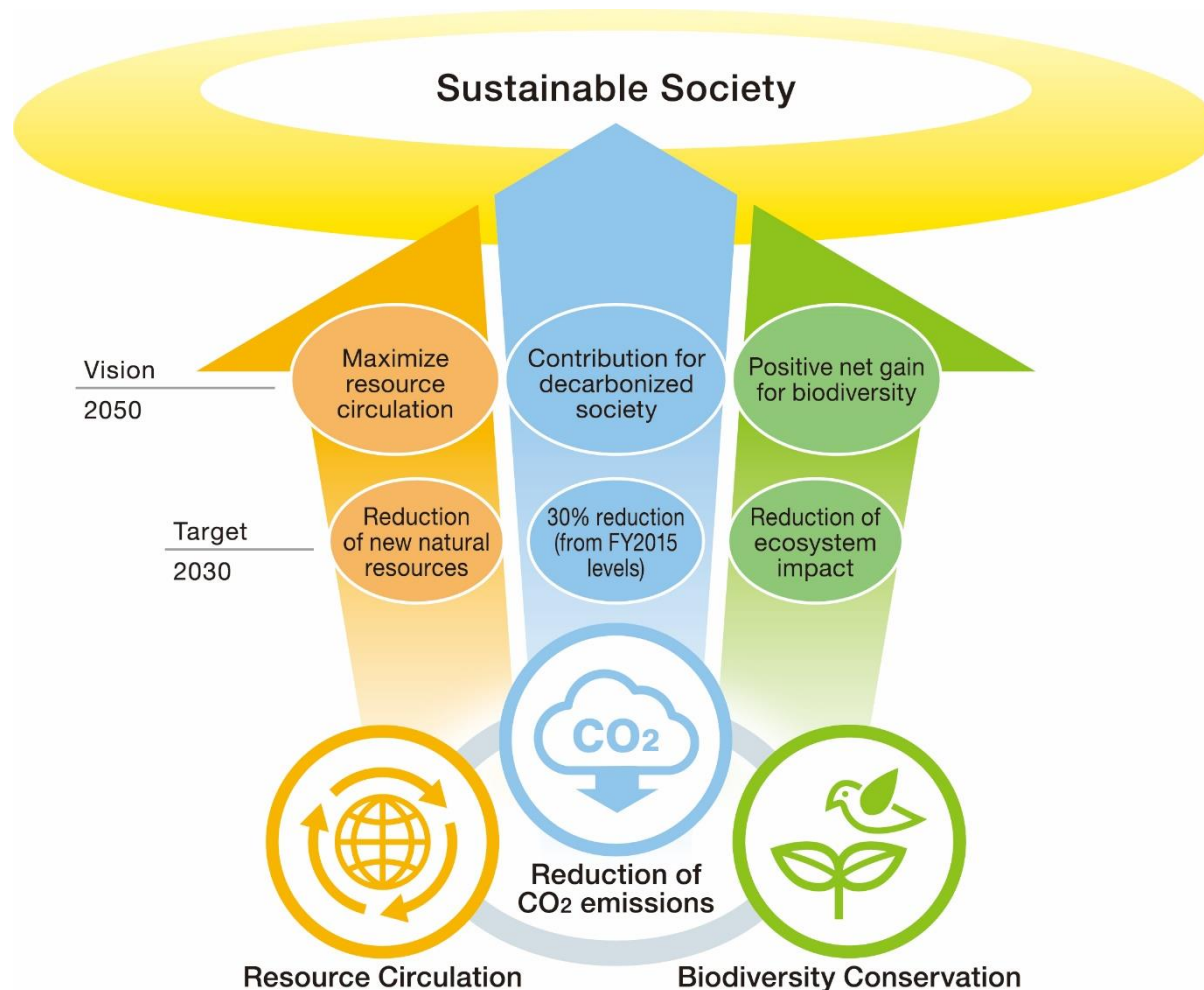
## Promotion of environmental communication



- **Dissemination of information outside the company through the company's website "SDGs STORY."**
- **Implementation of environmental education for employees**



Presented the goals under the 3 categories; CO2 emissions reductions, resource circulation and biodiversity conservation, with the aim of realizing a society which develops in a sustainable manner by FY2050.



**Achieved the CO<sub>2</sub> emission reduction target for FY2030 ahead of schedule.**

## Obtained SBT certification



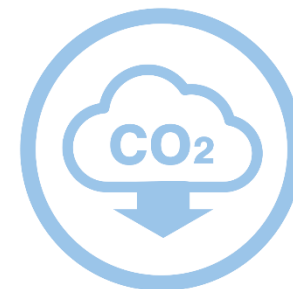
**The CO<sub>2</sub> emission reduction target obtained the certification of the Science Based Targets initiative in 2018.**

## Endorsed TCFD's Proposal



**Expressed endorsement to the proposal of the Task Force on Climate-related Financial Disclosures (TCFD) in 2020.**

## Achieved the CO<sub>2</sub> emission reduction target



**For Scopes 1 and 2, achieved the 30% reduction from FY2015 level set in the FY2030 target.**

# Revision of the Environmental Vision 2050

**CO<sub>2</sub> emission reduction target: 65% reduction in Scopes 1 and 2 from the FY2015 level by 2030.**

**Achieve carbon neutrality in all business operations and minimize CO<sub>2</sub> emissions from the entire value chain by 2050**

	FY2030 Target	FY2050 Vision
<b>Current CO<sub>2</sub> reduction target</b>	<p>[Scopes 1<sup>*1</sup> and 2<sup>*2</sup>]</p> <p>Achieve 30% Reduction</p> <p>[Scope 3<sup>*3</sup> (Categories 1, 11, and 12<sup>*4</sup>)]</p> <p>Achieve 30% Reduction</p>	<p>Proactively working in all business operations to reduce CO<sub>2</sub> emissions from the entire value chain so as to contribute toward creating a carbon-free society being sought by the world.</p>
<b>Revised CO<sub>2</sub> reduction target</b>	<p>[Scopes 1<sup>*1</sup> and 2<sup>*2</sup>]</p> <p>Achieve <b>65%</b> Reduction</p> <p>[Scope 3<sup>*3</sup> (Categories 1, 11, and 12<sup>*4</sup>)]</p> <p>Achieve 30% Reduction</p>	<p><b>Aim to achieve carbon neutrality<sup>*5</sup> in all business operations and minimize CO<sub>2</sub> emissions from the entire value chain</b> so as to contribute toward creating a carbon-free society.</p>

\*1: Direct emission of greenhouse gases by the business operator

\*2: Indirect emission from the use of electricity, heat and steam supplied by others.

\*3: Indirect emission other than Scope 1 and Scope 2 (emission by others related to the activities of the business operator).

\*4: Target of reduction is CO<sub>2</sub> emissions at the time of product material procurement, product use, and product disposal.

\*5: Reduce CO<sub>2</sub> emissions from the Brother Group to zero as a whole.

# Initiatives to Reduce CO<sub>2</sub> Emissions

**Brother is promoting activities to achieve carbon neutrality at Brother Group's facilities in the world.**



- Promotion of energy saving activities
- Energy creation activities centered on the installation of solar panels
- Purchase of CO<sub>2</sub>-free electricity, etc.

**In the head office area, aim to achieve carbon neutrality by the end of FY2026.**



Brother is firmly promoting various activities to achieve carbon neutrality as a priority issue for the company.

**Invest in a venture fund that invests in the field of sustainability.**



Invested in WiL Ventures III, L.P., a venture fund, whose investment areas include sustainability area and digital area such as DX.

**Contribute to initiatives for hydrogen utilization**



Conducted hydrogen transportation system demonstration in Namie Town, Fukushima—which aims to become a zero carbon city—toward the realization of a hydrogen-based society.

**Establish a department that addresses climate change.**

**Environment  
& Climate Change  
Strategy Department**

Established the new Environment & Climate Change Strategy Department on October 1 as a department dedicated to the strategic global promotion of climate change response.

**brother**  
at your side