

Integrated Report
2023

Comments on Issuance of “Integrated Report 2023”



Ichiro Sasaki
Representative Director & President



The Brother Group has been providing support since 2015 to the Fukushima-based NPO Shinsei, which supports the independence of people with disabilities who were affected by the Great East Japan Earthquake. This SDG badge was designed by Shinsei in partnership with Japan Civil Society Network on SDGs, with each badge being individually handcrafted using Brother Sewing and Embroidery Machines.

This is the “Integrated Report 2023” of the Brother Group. In this report, we have expanded upon the information we disclosed last year in the Integrated Report 2022 with more emphasis on the Brother’s identity and ease of understanding, to help our shareholders, investors, and other stakeholders deepen their understanding of the Group’s medium- to long-term value creation.

Since its foundation, the Brother Group has aimed to help customers improve their productivity and unlock their creativity. With this in mind, we have conducted our business activities in the spirit of “At your side.” In the Integrated Report 2023, we describe more clearly how we are improving our corporate value over the medium- to long-term by investing various resources of our Group and leveraging our strengths and business models, upon reviewing our value creation process and based on the spirit of “At your side.” This report also provides the progress of our business strategy and management foundation transformation in “CS B2024,” our medium-term business strategy formulated by backcasting from the Brother Group Vision of “At your side 2030,” as well as materiality identification and initiatives for sustainability.

In compiling the report, each department collaborated with each other while referring to documents including the “International Integrated Reporting Framework” proposed by the IFRS Foundation and the “Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation” proposed by the Ministry of Economy, Trade and Industry (METI). Furthermore, to properly fulfill our accountability to investors and other stakeholders in publishing the Integrated Report, the contents of the Integrated Report are approved in two stages—at the planning stage and prior to disclosure—by the Sustainability Committee, for which I serve as the chairperson. Our internal auditing departments also monitor the approval process at each stage of planning, production, and disclosure to ensure that it is appropriate. I hereby declare that the creation process and the content of the report are proper and fair.

The Brother Group will continue to utilize these integrated reports as tools for promoting constructive dialogue with all stakeholders, including shareholders and investors, and will endeavor to contribute to a sustainable society through business and improve our corporate value.

November 2023

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Editorial Policy

The “Integrated Report 2023” is designed to explain Brother Group’s medium- to long-term value creation by integrating financial and non-financial information and to communicate a story of sustainable value creation unique to Brother to as many stakeholders as possible in an easy-to-understand manner. In editing the report, we referred to METI’s “Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation” and the IFRS Foundation’s “International Integrated Reporting Framework.”

For more detailed information about the Brother Group, please see the Brother Group Corporate Information page of the Brother website.

Brother Corporate Information <https://global.brother/en/corporate>



Period Covered by the Report

The report mainly covers FY2022 (from April 1, 2022 to March 31, 2023). It also includes some information for the period from April 2023.

Companies Covered by the Report

Brother Industries, Ltd. (BIL) and its Group companies.

Concept behind the Cover

In line with the medium-term business strategy “CS B2024” formulated by backcasting from the Brother Group Vision “At your side 2030,” the cover depicts the progress of “CS B2024” and the growth of the Brother Group with a door that leads to the future being slightly opened in the first year, FY2022, and opened even further in FY2023.



The “At your side.” Spirit and Management Strategy

Creating the future with the “At your side.” spirit

Since its foundation in 1908 as a sewing machine repair business, the Brother Group has pursued the diversification and globalization of business in its history of 115 years. Underlying our activities at all times is the prompt provision of superior value based on the “At your side.” spirit, which always places our customers first. We believe that being useful and bringing joy to our customers through the Brother Group’s products and services will bring us happiness. Going forward, we will continue to utilize our unique technologies and global network to create value that is distinctive to Brother. We will also contribute to society and help to protect the earth by working to solve social issues through business.

Brother Group Vision “At your side 2030”

“At your side 2030” is Brother’s Group Vision, which expresses the significance of Brother’s raison d’être and value proposition to society for FY2030. We seek to contribute to society, help to protect the earth, and achieve sustainable growth by expanding customer value based on the spirit of “At your side.”

See page 17.

Brother Group Vision 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.

Brother Group Medium-Term Business Strategy “CS B2024”

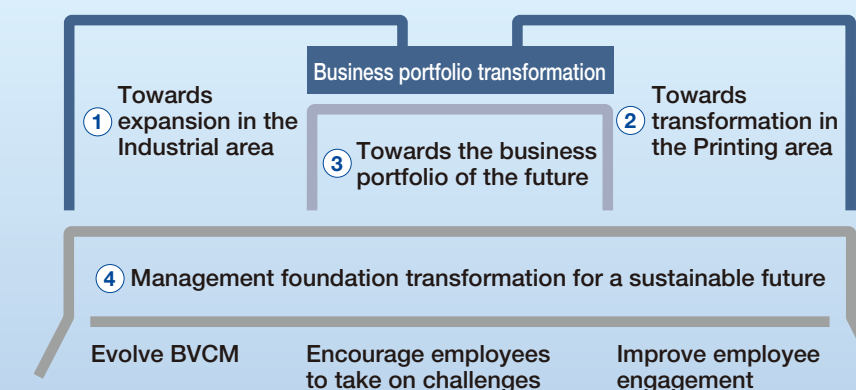
In order to realize “At your side 2030,” the Brother Group implements the medium-term business strategy “CS B2024,” which focuses on the transformation of its business portfolio and management foundation for a sustainable future, as well as initiatives to resolve materiality at the core of the strategy.

See pages 18-25.

CS B2024

At your side
2030 Realizing the vision

Take off towards our new future



Materiality

Contribute to society

- Supporting people’s value creation
- Realizing a diverse and active society
- Pursuing a responsible value chain

Protect the earth

- Reducing CO₂ emissions
- Circulating resources

The Brother Group Global Charter

With the spirit of “At your side.”, Brother conducts management with an emphasis on sustainability to create social value through its business. The foundation of this is the Brother Group Global Charter (Global Charter), which is the cornerstone of all Brother Group activities and consists of Basic Policies and Codes of Practice for the day-to-day decision-making and implementation by Group employees. The Global Charter has been translated into 28 languages and shared so that all employees in more than 40 countries and regions can correctly understand and remain aware of it.

The Brother Group Global Charter <https://global.brother/en/corporate/principle>



Prospectus of Establishment