

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

The Brother Group started by providing repair services for sewing machines in 1908.

Since then, we have been growing by focusing on our own technology development, promoting the diversification of our businesses through applying accumulated core technologies, and continuing to cultivate new markets consistently. The headquarters of Brother group, "Brother Industries, Ltd" is located in Japan. Paid-in Capital is 19,209 million yen (As of March 31, 2021) and the sales revenue is 631,812 million yen (fiscal year 2020). The Brother group delivers products and services to customers all over the world with manufacturing facilities and sales facilities in 40 or more countries and regions of the world. The consolidated number of employees is 38,741 / and the non-consolidated number is 3,803 (as of March 31, 2021). We offer products and services with Brother expertise in a wide range of fields such as "communications and printing equipment," "home sewing machines," "industrial sewing machines/machine tools/industrial parts," "Coding & Marking Equipment, Digital Printing Equipment" and "online karaoke/content-delivery systems." In 2018, the Brother Group established the Brother Group Environmental Vision 2050. This environmental vision recognizes environmental issues in society such as climate change, resource depletion, environmental pollution, and destruction of the ecosystem as business risks for the Brother Group and clearly states the Brother Group's continuous commitment to solving these issues over the long term. The Brother Group is committed to reducing CO2 emissions of the entire value chain in all its business operations by 2050 and contributing to creating a carbon-free society, which is a mission for the global community and it is subject to audit based on ISO 14064 that provides guidelines for measuring and verifying emissions of greenhouse gases (GHGs). We expand the environmental understanding and awareness for all employees and stakeholders by conducting activities such as environmental education and the building of community relationships. We actively disclose our environmental efforts to our customers, local communities, and other interested parties to further foster understanding. As part of our commitment to continuous environmental improvement, as of Apr 1, 2020, 86% of the Brother Group's facilities has received ISO14001 certification.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	April 1 2020	March 31 2021

W0.3

(W0.3) Select the countries/areas for which you will be supplying data.

- Argentina
- Australia
- Austria
- Belgium
- Brazil
- Bulgaria
- Canada
- Chile
- China
- Czechia
- Denmark
- Finland
- France
- Germany
- Hungary
- India
- Indonesia
- Ireland
- Italy
- Japan
- Malaysia
- Mexico
- Netherlands
- New Zealand
- Norway
- Peru
- Philippines
- Poland
- Portugal
- Republic of Korea
- Romania
- Russian Federation
- Singapore
- Slovakia
- South Africa
- Spain
- Sweden
- Switzerland
- Taiwan, Greater China
- Thailand
- Turkey
- United Arab Emirates
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Viet Nam

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

JPY

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
DOMINO PRINTING SCIENCES PLC Groupe	Brother Industries, Ltd. acquired the Domino Group in 2015. The Domino Group has not introduced the "Brother Group Water Information System". Therefore, it is excluded from the range. We plan to start collecting water data from 2022.

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	(Direct use) The Brother Group requires a sufficient amount of good quality fresh water to manufacture consumables (ink, etc.) and plastic parts, and to implement preventive maintenance of manufacturing equipment. It is also important for creating a safe and clean work environment and ensuring the health and safety of all employees. It is very important to consider fresh water as a valuable environmental resource for our sustainable growth while contributing to the social issues of the SDGs through our business and facing the challenges of business risks. (Indirect use) For suppliers, it is important to have sufficient quality and quantity of water for use in cooling and cleaning applications during component manufacturing. To that end, it is necessary to take measures against the future water risk of the supplier and enable continuous procurement, production and sales. This will lead to the sustainable growth of our company and further contribute to the resolution of social issues of the SDGs through our business. (Future water dependence) We will continue to rely on fresh water as a valuable environmental resource for our operations and supply chains as we manage and use it. Under the "Brother Group Environmental Policy," we will actively take on the challenge of prospering for the future in order to contribute to the achievement of the SDGs through our business. Currently, the Brother Group Environmental Vision 2050 was formulated in 2018, and the "2030 Mid-term Target" was set as a milestone. Social issues of the SDGs were identified as business risks for the Brother Group, and long-term and continuous We continue to work on that solution.
Sufficient amounts of recycled, brackish and/or produced water available for use	Not very important	Not very important	Recycled water is not very important as it is not used in our business. The Brother Group's business sites are engaged in activities to reduce the amount of water withdrawal in order to ensure the sustainable use of water resources. We position water recycling as one of the means and plan to increase it in the future. Currently, the recycled water is effectively used mainly for the management of green spaces and the cleaning of workplace facilities. Since brackish water contains sodium, it is not suitable for activities related to our operation. Therefore, I have never used it before. It also doesn't matter because we have no plans to use it in the future. Produced water has never been used in our business. It also doesn't matter because we have no plans to use it in the future. The situation is similar for suppliers.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	We monitor the total water withdrawal at all facilities. Manufacturing bases are monitored once a month, and sales offices report their total usage and annual reduction plans to the head office once a year. All facilities monitor based on invoice water usage. This allows all facilities to monitor total water withdrawal at least once a year. Collection and aggregation of these data are performed using the environmental database system "Eco Track". Data management is also centrally managed by this system.
Water withdrawals – volumes by source	100%	We regularly monitor the amount of water taken from the water source. All manufacturing sites are monitored monthly and sales offices are monitored annually. This allows all facilities to monitor water withdrawals by water source at least once a year. Water withdrawals are classified into public water sources, groundwater sources, and surface water sources (rainwater, etc.). For example, public and groundwater withdrawals are measured by invoices or flow meters, and rainwater is measured by tank capacity and collection frequency. Collection and aggregation of these data are performed using the environmental database system "Eco Track". Data management is also centrally managed by this system.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	The Brother Group is supplied with water through public bodies and industrial park management agencies. Intake water quality is monitored by external facilities at least annually at all facilities. It is confirmed that the standards are below the standards set by the laws of each country and region.
Water discharges – total volumes	100%	We regularly monitor the total amount of wastewater discharged from all facilities. Of all the Brother Group facilities, 12% constantly use a water meter to measure the amount of discharged water every month. The values are totaled and monitored monthly. We assume that other facilities discharge the same amount of water as we take in, so we monitor the amount of discharged water once a year. This allows all sites to monitor total wastewater at least once a year. Collection and aggregation of these data are performed using the environmental database system "Eco Track". Data management is also centrally managed by this system.
Water discharges – volumes by destination	100%	We regularly monitor the amount of wastewater discharged volumes by destination from all facilities. Of the wastewater discharged from all Brother Group facilities, 23% is discharged into rivers and 77% into sewers. Of all the Brother Group facilities, 12% constantly use a water meter to measure the amount of discharged water every month. The values are totaled and monitored monthly. We assume that other facilities discharge the same amount of water as we take in, so we monitor the amount of discharged water once a year. This allows all facilities to monitor the amount of discharged water at least once a year by discharge destination. Collection and aggregation of these data are performed using the environmental database system "Eco Track". Data management is also centrally managed by this system.
Water discharges – volumes by treatment method	100%	61% of the wastewater from all Brother Group facilities is treated at our own wastewater treatment facility, and the rest is discharged to sewers. Of all the Brother Group facilities, 12% constantly use a water meter to measure the amount of discharged water every month. The values are totaled and monitored monthly. We assume that other facilities discharge the same amount of water as we take in, so we monitor the amount of discharged water once a year. This allows all facilities to monitor the amount of wastewater at least once a year by treatment method. Collection and aggregation of these data are performed using the environmental database system "Eco Track". Data management is also centrally managed by this system.
Water discharge quality – by standard effluent parameters	100%	Assuming compliance with the laws and regulations of each country, we request external analytical institutions to measure the water quality of wastewater such as pH, turbidity, BOD, and COD at all target facilities. The frequency of measurement varies depending on the facility according to the agreement with the government, and we request and monitor the water quality from an external company every week or every month. Collection and aggregation of these data are performed using the environmental database system "Eco Track". Data management is also centrally managed by this system.
Water discharge quality – temperature	100%	Assuming that the laws and regulations of each country are complied with, we monitor and monitor the water temperature at all target sites at least once a year. The temperature of the discharged water is controlled by the production bases of each country, and is lower than the temperature specified by the legislation of each country/region. In Japan, water thermometers are used to monitor the temperature below the 45°C standard set by the Sewerage Law.
Water consumption – total volume	100%	We regularly monitor water usage and drainage at all facilities and monitor consumption. Water consumption is calculated by subtracting the amount of drainage from the amount of intake. According to this method, manufacturing sites are monitored once a month and sales offices are monitored once a year. Collection and aggregation of these data are performed using the environmental database system "Eco Track". Data management is also centrally managed by this system.
Water recycled/reused	100%	Instruments that use recycled water are equipped with measuring instruments, which are monitored based on the measured values. We measure and monitor at least once a year. Collection and aggregation of these data are performed using the environmental database system "Eco Track". Data management is also centrally managed by this system.
The provision of fully-functioning, safely managed WASH services to all workers	100%	The Brother Group ensures clean and safe water at all business sites with fully functional services and creates a safe and clean work environment to ensure the health and safety of all employees. The quality of water intake is monitored by an external organization that conducts water quality inspections below the standards set by the laws of each country/region or at least once a year at all facilities. Collection and aggregation of these data are performed using the environmental database system "Eco Track". Data management is also centrally managed by this system.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	1021.4	Lower	This reporting year, it decreased by 13% compared to the previous reporting year. We chose "lower" according to the selection criteria of Brother. This reporting year, due to the impact of COVID-19, operations in the Philippines and Vietnam have decreased. In addition, global water withdrawal reduction activities have reduced water withdrawals. This is the main reason why the total water withdrawals has decreased. The selection criteria for Brother are as follows. Much lower : less than 30% lower: -30 to -5% About the same: within ±5% Higher: +5 to +30% Much higher: +30% or more The sum of total discharged and total consumed is equal to the total water withdrawals . In fiscal 2017, we established the Brother Group Environmental Vision 2050. As part of the resource circulation, we have advocated "promoting the efficient use of water resources at group our manufacturing and sales office facilities and the appropriate treatment of wastewater". Furthermore, in order to carry out specific activities of the "Brother Group Environmental Vision 2050", we formulated "the Brother Group mid-term Environmental Action Plan 2021 ". The plan is "the water intake at manufacturing bases will be reduced by 3% in FY 2021 compared with FY 2018 (based on sales basis)". We continue to work to achieve this goal. Therefore, In the mid to long term, the amount of water withdrawal (per unit of sales) is expected to decrease. In the short term, we plan to reduce water intake (per unit of sales) at manufacturing sites by 1% in FY2021 compared to FY2020.
Total discharges	911.65	Lower	This reporting year, it decreased by 13% compared to the previous reporting year. We chose "low" according to the selection criteria of Brother. Approximately 90% of the total water withdrawals is discharged. This reporting year, due to the impact of COVID-19, operations in the Philippines and Vietnam have decreased. In addition, global water withdrawal reduction activities have reduced water withdrawals. As a result, the amount of water discharged has decreased. This is the main reason for the reduction in total discharge. Much lower : less than 30% lower: -30 to -5% About the same: within ±5% Higher: +5 to +30% Much higher: +30% or more The sum of total discharged and total consumed is equal to the total water withdrawals . In fiscal 2017, we established the Brother Group Environmental Vision 2050. As part of the resource circulation, we have advocated "promoting the efficient use of water resources at group our manufacturing and sales office facilities and the appropriate treatment of wastewater". Furthermore, in order to carry out specific activities of the "Brother Group Environmental Vision 2050", we formulated "the Brother Group mid-term Environmental Action Plan 2021 ". The plan is "the water intake at manufacturing bases will be reduced by 3% in FY 2021 compared with FY 2018 (based on sales basis)". We continue to work to achieve this goal. Therefore, In the mid to long term, the amount of water withdrawal (per unit of sales) is expected to decrease. As a result, the amount of water discharges is expected to decrease. The Brother Group discharges approximately 90% of water withdrawals. Theoretically, the amount of water discharges expected to decrease at about the same rate as the amount of water withdrawals
Total consumption	109.74	Lower	Much of the water consumption is due to the evaporation of the water related to factory activities. About 10% of the water withdrawals is consumed as water evaporation. This reporting year, it decreased by 16% compared to the previous reporting year. We chose "low" according to the selection criteria of Brother. This reporting year, due to the impact of COVID-19, operations in the Philippines and Vietnam have decreased. As a result, water consumption decreased as water withdrawals decreased. In addition, global water withdrawal reduction activities have reduced water withdrawals. As a result, water consumption has decreased. This is the main reason why total consumption has decreased. This is the main reason for the reduction in total discharge. The selection criteria for Brother are as follows. Much lower : less than 30% lower: -30 to -5% About the same: within ±5% Higher: +5 to +30% Much higher: +30% or more The sum of total discharged and total consumed is equal to the total water withdrawals . In fiscal 2017, we established the Brother Group Environmental Vision 2050. As part of the resource circulation, we have advocated "promoting the efficient use of water resources at group our manufacturing and sales office facilities and the appropriate treatment of wastewater". Furthermore, in order to carry out specific activities of the "Brother Group Environmental Vision 2050", we formulated "the Brother Group mid-term Environmental Action Plan 2021 ". The plan is "the water intake at manufacturing bases will be reduced by 3% in FY 2021 compared with FY 2018 (based on sales basis)". We continue to work to achieve this goal. Therefore, In the mid to long term, the amount of water withdrawal (per unit of sales) is expected to decrease. As a result, the amount of water consumption is expected to decrease.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	1-10	About the same	WRI Aqueduct	There are many business locations around the world. We comprehensively assess water stress in those areas. WRI Aqueduct was selected as the tool for determining water risk at all sites. We enter the latitude and longitude of all facilities in the WRI Aqueduct. Then, we extract the sites that are judged as "high risk" and "very high risk" from the water risk factors. As a result, for categories such as "quality of physical risk", "quantity of physical risk", "risk of regulation and reputation", "total total water risk", Water risks for the present and future (2030, 2040) are determined. As a result of WRI Aqueduct analysis, Only one site in the China was identified as regions with high water stress in the previous reporting year. In this reporting year, the results were the same as in the previous year. Only one site in China has been identified. Therefore, in this report year, the change the water withdrawal rate from water-stressed areas was less than 1% compared to the previous report year. We selected "About the same" according to the selection criteria of Brother. The selection criteria for Brother are as follows. Much lower : less than 30% lower: -30 to -5% About the same: within ±5% Higher: +5 to +30% Much higher: +30% or more The water withdrawals from the areas with water stress is about 2% of total water withdrawals. The results of the WRI Aqueduct analysis are used for our internal water risk evaluation process. As a result of WRI Aqueduct analysis, it is identified that the cause of water stress at the Chinese sites is the HUANG HE River. We have conducted further confirmation based on the "State of Ecology & Environment Report" released by (CWR) China Water Risk dated 18 June 2021. As a result, it was confirmed that the risk of HUANG HE River was improved. Therefore, we have determined that the sites is very unlikely to be at risk.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	Water is indispensable in our operations because it is used in product manufacturing processes such as parts washing and equipment cooling, and also as drinking water for employees. However, poor water quality will adversely affect product quality and equipment. Furthermore, the supply from rainwater is unstable, and pumping water directly from wetlands, rivers and lakes causes water rights problems for the entire basin and is an unstable source. As a result, Brother Group facilities do not draw water directly from wetlands, rivers or lakes. There is no plan to use it in the future. On the other hand, regarding rainwater, from the perspective of recycling water, we believe that it is important to make effective use of limited resources. Therefore, the rainwater we store is used for watering trees. For the Brother Group's operations, fresh surface water is not so essential, so we have selected "Not relevant".
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	Water is indispensable for our operations because it is used in product manufacturing processes such as parts washing and equipment cooling, and is also used as drinking water for employees. However, salty water cannot be used for production processes, equipment, or drinking. Therefore, the Brother Group facilities do not use surface water/seawater of brackish water, so "Not relevant" was selected. There is no plan to use it in the future.
Groundwater – renewable	Relevant	87.47	Lower	We need water to factory activities. If it is difficult to draw water from a third-party source that provides a stable supply, we use groundwater(renewable). We chose "relevant" because three manufacturing facilities used groundwater(renewable). This corresponds to approximately 9% of the total water withdrawal. This reporting year, it decreased by 13% compared to the previous reporting year. We chose "lower" according to the selection criteria of Brother. During the current year, due to the impact of COVID-19, operations in the Philippines have decreased. As a result, groundwater (renewable) withdrawals has decreased. In addition, we worked to reduce water withdrawals through global water withdrawal reduction activities. As a result, the amount of groundwater (renewable) has decreased. As we are working to reduce water withdrawals globally, it is expected that groundwater (renewable) withdrawals will decrease in the medium to long term.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	We need water to manufacture our products, so we believe that it is important to keep water costs as low as possible while utilizing water that can be stably supplied. Since non-renewable groundwater is an unstable source, it is extremely dangerous to rely on this source from the perspective of business continuity. The Brother Group's facilities use water and groundwater (renewable) taken from third-party sources, which are stable sources of water, in order to continue business. Groundwater (non-renewable) is not used. Therefore, we chose "Not relevant". There is no plan to use it in the future.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	In order for our company to manufacture products, it is necessary to utilize water that can be stably supplied. It is guaranteed by "water by third-party sources" and "groundwater (renewable)". For this reason, Brother Group facilities do not need to use Produced/Entrained water, so "Not applicable" was selected. There is no plan to use it in the future.
Third party sources	Relevant	933.92	Lower	In order for our company to manufacture products, it is necessary to utilize water that can be stably supplied. The water source of the third party is a public water source, which is of good quality and has a stable supply. Therefore, 91% of the total water withdrawal is provided by a third party, and we chose "Related". This reporting year, it decreased by 13%. We chose "low" according to the selection criteria of Brother. This reporting year, due to the impact of COVID-19, operations in the Philippines and Vietnam have decreased. As a result, the amount of water withdrawn from third-party water sources has decreased. In addition, global water withdrawal reduction activities have reduced water withdrawals from third-party sources. This is the main reason why water withdrawals from third-party sources have decreased. As we are working to reduce water withdrawals globally, it is expected that water withdrawals from source of the third party will decrease in the medium to long term.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	209.88	Lower	According to environmental standards, 23% of total discharges is treated and then discharged into rivers. Therefore, "Related" was selected. This reporting year, it decreased by 15% compared to the previous reporting year. We chose "low" according to the selection criteria of Brother. This reporting year, due to the impact of COVID-19, operations in the Philippines have decreased. As a result, the amount of discharge to "fresh surface water " was reduced. In addition, global water withdrawal reduction activities have reduced water withdrawals. As a result, the amount of discharge to "fresh surface water " was reduced. This is the main reason why the amount of discharge to "fresh surface water " have declined. As we are working to reduce water withdrawals globally, it is expected that water withdrawals will decrease in the future. About 90% of the water withdrawals is discharged, of which 23% is to freshwater surface water. It is expected to decrease as well as water withdrawals.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	The facility of the Brother Group does not discharge to brackish surface water/seawater. Therefore, "Not relevant" was selected. There are no plans to discharge water to brackish surface water/seawater in the future.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	The facility of the Brother Group does not discharge to groundwater. Therefore, "Not relevant" was selected. There are no plans to discharge water to groundwater in the future.
Third-party destinations	Relevant	701.77	Lower	77% of total discharges is discharged by sewerage companies through sewers. Therefore, "Related" was selected. This reporting year, it decreased by 13% compared to the previous reporting year. We chose "low" according to the selection criteria of Brother. This reporting year, due to the impact of COVID-19, operations have decreased. Water withdrawals has decreased. As a result, the amount of discharged to third parties had reduced. In addition, global water withdrawal reduction activities have reduced water withdrawals. As a result, the amount of discharge to third parties had reduced. As we are working to reduce water intake globally, it is expected that water intake will decrease in the medium to long term. About 90% of the water intake is discharged, of which 77% is discharged to a third party. Theoretically, it is expected to decrease as well as water withdrawal.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Wastewater treatment complies with the laws and regulations of each country. The tertiary treatment of this question has nothing to do with our business.
Secondary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Wastewater treatment complies with the laws and regulations of each country. The secondary treatment of this question has nothing to do with our business.
Primary treatment only	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Wastewater treatment complies with the laws and regulations of each country. The Primary treatment of this question has nothing to do with our business.
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Wastewater treatment complies with the laws and regulations of each country. We don't discharge to the natural environment without treatment.
Discharge to a third party without treatment	Relevant	346.76	Lower	71-80	Wastewater treatment complies with the laws and regulations of each country. We use a public sewer system to discharge to a third party without treatment. This wastewater treatment is carried out at 78% of Brother Group facilities. The breakdown is sales offices in each country and factories in the Philippines. This reporting year, it decreased by 15% compared to the previous reporting year. This reporting year, due to the impact of COVID-19, operations in the Philippines have decreased. In addition, global water withdrawal reduction activities have reduced water withdrawals. This is the main reason why the amount of "discharge to a third party without treatment" have declined. The selection criteria for Brother are as follows. Much lower : less than 30% lower: -30 to -5% About the same: within ±5% Higher: +5 to +30% Much higher: +30% or more
Other	Relevant	564.89	Lower	21-30	Wastewater treatment complies with the laws and regulations of each country. The main wastewater treatment are as follows. "Activated sludge method", "Biochemical method", "Activated sludge method", "Coagulation sedimentation method", "Activated sludge method", "Various membrane filtering methods", "Biocontact oxidization method", "Biochemical treatment method" These wastewater treatment are carried out at 22% of Brother Group facilities. These are all manufacturing bases. 65% of treated wastewater is discharged to public sewer systems. The remaining 35% is discharged into rivers in compliance with the laws and regulations of each country. This reporting year, it decreased by 13% compared to the previous reporting year. This reporting year, due to the impact of COVID-19, operations in the Vietnam have decreased. In addition, global water withdrawal reduction activities have reduced water withdrawals. This is the main reason for the reduction in these wastewater treatments. The selection criteria for Brother are as follows. Much lower : less than 30% lower: -30 to -5% About the same: within ±5% Higher: +5 to +30% Much higher: +30% or more

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

1-25

% of total procurement spend

51-75

Rationale for this coverage

The Brother Group is pursuing the minimization of environmental impact for sustainable development in all aspects. We would like to collaborate with our business partners to promote activities to reduce the environmental burden of the entire supply chain. As part of this, we issue the "Brother Group Green Procurement Standards" to all our business partners. We ask for your cooperation in reducing water intake. In addition, among all the business partners who did business in the reporting year, we regularly conduct CSR questionnaires to Tier 1 business partners. The questionnaire includes confirmation of compliance with environmental laws and regulations, water intake, and achievement rate of water intake reduction targets. We have customers in 12 Asian countries, including Japan, China, Vietnam and the Philippines. For business partners who cooperated with the questionnaire, we will provide information such as the level and tendency of each region and the activity level of the business partner, which were found by collecting and analyzing the questionnaire. We also select and commend excellent cases. This is an incentive for our business partners.

Impact of the engagement and measures of success

We issue the "Brother Group Green Procurement Standards" to all our business partners. We ask for your cooperation in reducing water intake. We also regularly conduct CSR questionnaires for Tier 1 business partners. We ask for your cooperation in complying with environmental laws and regulations, managing the amount of water intake, and reducing water intake. We will provide feedback to the business partners who cooperated with the questionnaire, such as the level and tendency of each region and the activity level of the business partner, which were found by aggregating and analyzing the questionnaire. It is used to identify the status of business partners' activities, reduce environmental impact and manage compliance throughout the supply chain. Suspension of procurement due to violation of laws and regulations such as wastewater quality will affect the manufacture of our products. Continued procurement of parts is an indicator of successful engagement. Engagement can be evaluated as successful if there are no legal violations.

Comment

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Onboarding & compliance

Details of engagement

Requirement to adhere to our code of conduct regarding water stewardship and management

% of suppliers by number

1-25

% of total procurement spend

51-75

Rationale for the coverage of your engagement

The Brother Group is pursuing the minimization of environmental impact for sustainable development in all aspects. We would like to collaborate with our business partners to promote activities to reduce the environmental burden of the entire supply chain. As part of this, we issue the "Brother Group Green Procurement Standards" to all our business partners. We ask for your cooperation in reducing water intake. In addition, among all the business partners who did business in the reporting year, we regularly conduct CSR questionnaires to Tier 1 business partners. The questionnaire includes confirmation of compliance with environmental laws and regulations, water intake, and achievement rate of water intake reduction targets. We have customers in 12 Asian countries, including Japan, China, Vietnam and the Philippines.

Impact of the engagement and measures of success

We issue the "Brother Group Green Procurement Standards" to all our business partners. We ask for your cooperation in reducing water intake. We also regularly conduct CSR questionnaires for Tier 1 business partners. We ask for your cooperation in complying with environmental laws and regulations, managing the amount of water intake, and reducing water intake. We will provide feedback to the business partners who cooperated with the questionnaire, such as the level and tendency of each region and the activity level of the business partner, which were found by aggregating and analyzing the questionnaire. It is used to identify the status of business partners' activities, reduce environmental impact and manage compliance throughout the supply chain. Suspension of procurement due to violation of laws and regulations such as wastewater quality will affect the manufacture of our products. Continued procurement of parts is an indicator of successful engagement. Engagement can be evaluated as successful if there are no legal violations.

Comment

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
International methodologies
Databases
Other

Tools and methods used

WRI Aqueduct
WWF Water Risk Filter
Environmental Impact Assessment
External consultants
Other, please specify (audit based on EMS, ISO14001)

Comment

As the water is essential for our operations and for employees, we check and evaluate the water risk, quality and quantity of our facilities and suppliers around the world. At manufacturing sites, the quality of wastewater is managed in accordance with the environmental management system based on ISO14001. In some cases, internal standards that are stricter than legal regulations are set in consideration of local conditions. Such pollution control is managed by the EMS department at each manufacturing site. We use an update WRI Aqueduct tools to check the water risk of 2030, 2040 for our facilities and suppliers in the category such as Physical Risk Quality, Physical Risk Quantity, Regulatory and reputational risk and Total overall water risk. WWF Water Risk Filter has been used to evaluate water pollution in facilities rated as "extremely high risk" by Aqueduct. These data are used for our internal water risk evaluation process. To respond as necessary to HUANG HE (Yellow river) where manufacturing sites and suppliers are located and rated as "High risk", we reviewed continuously State of Ecology & Environment Report released by (CWR) China Water Risk dated 18 June 2021. We have confirmed that The HUANG HE has improved markedly across the 7 major rivers in the report and the action has completed the survey of sewage outlets in pilot areas. China has called for accelerated legislation to advance ecological conservation and high-quality development in the Yellow River basin.

Supply chain

Coverage

Full

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
International methodologies
Databases

Tools and methods used

WRI Aqueduct
WWF Water Risk Filter
Other, please specify (audit based on EMS, ISO14001)

Comment

As our suppliers are in over 40 countries around the world, all supplier's current and future water risk are necessary to evaluate efficiently not to affect in our supply chain. For this reason, we evaluated total 2201 suppliers current baseline and future(2030,2040) water risk. We use WRI Aqueduct to assess water quality risks of basin level for all the facilities. The latitudes and longitudes of locations of all facilities are input to WRI Aqueduct tool that can check the latest baseline and future(2030,2040) water risk as "high risk" and "extremely high risk". We check the latest figures from the Aqueduct dataset of "Physical Risk Quality", "Physical Risk Quantity", "Regulatory and reputational risk", "Total overall water risk" of our facilities and supplier's. We collect and use these data for our internal database process. For internal process, we identify our business sectors with 5% or more of group consolidated sales and we monitor/evaluate the actual water risk of all suppliers where overall water risks are rated "extremely high risk" using WRI Aqueduct tool and determining substantial water risks.

Other stages of the value chain

Coverage

None

Risk assessment procedure

<Not Applicable>

Frequency of assessment

<Not Applicable>

How far into the future are risks considered?

<Not Applicable>

Type of tools and methods used

<Not Applicable>

Tools and methods used

<Not Applicable>

Comment

At this moment water risks are not assessed of our whole value chain but we believe it is necessary to carry out assessments across the whole value chain.

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & Inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	As our company have manufacturing sites, sales companies and suppliers are in more than 40 countries around the world, it is necessary to access the water availability and quality at a basin in each area to secure continuity of our products. Using an update WRI Aqueduct tool, the latitudes and longitudes of locations of all facilities are input to WRI Aqueduct and check all our facilities and suppliers water risk of baseline and future 2030,2040 among the water risk factors. We assess water risk as part of our environmental risk assessment. In the evaluation result we are checking the "Physical Risk Quality", "Physical Risk Quantity" "Regulatory and reputational risk", "Total overall water risk" for the production process and it is necessary to have sufficient quantity and clean water for cooling equipment, molds, parts cleaning and ink manufacturing. Starting in FY2020, the Brother Group is analyzing the business risks and opportunities presented by climate change, incorporating the results into the Brother Group's management strategy, and promoting further measures to mitigate climate change, based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), for which the Brother Group announced support in February 2020. As for resource circulation, the Brother Group will reduce the amount of resources used in our main products, efficiently utilize water resources, and properly treat wastewater. As for biodiversity conservation, the Brother Group will build a framework for quantifying and reducing our environmental impact, and steadily continue activities toward achieving the goals.
Water quality at a basin/catchment level	Relevant, always included	As our company have manufacturing sites, sales companies and suppliers in more than 40 countries and regions, it is necessary to access the water availability and quality at a basin in each area to secure continuity of our products. Using the WRI Aqueduct 3.0, we check current baseline and future (2030,2040) water risk of our facilities and suppliers listed in "high risk" and "extremely high". We assess water risk as part of our environmental risk assessment. In the production process it is necessary to have sufficient quantity and clean water for cooling equipment and molds, parts cleaning, ink manufacturing. Since last year, we use WWF Water Risk Filter to evaluate the contamination of water quality of our facilities which are rated as "extremely high risk" by Aqueduct tool. We refer WWF "Global Basin Risk Results" for our internal water risk evaluation process.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, always included	The HUANG HE (Yellow River) basin in which we operate the production facility is rated as high risk in the baseline and future 2030, 2040 by the WRI Aqueduct. Considerations for this, we are in preparation for engaging with local stakeholders about the best management plan for the region. We have reviewed the 2020 State of Ecology & Environment Report released by (CWR) China Water Risk dated 18 June 2021. We have reviewed the State of Ecology & Environment Report released by (CWR) China Water Risk dated 18 June 2021. We have confirmed that the YELLOW RIVER has improved markedly across all categories in the report and it is described that the Yellow River will become the first northern river to meet the Water Ten target of 70% in Grade I-III water. Although we have no conflict with regional stakeholders at present, we constantly monitor "Physical Risk Quality", "Physical Risk Quantity", "Regulatory and reputational risk" and "Total overall water risk" using WRI Aqueduct tool. We check whether there is a possibility of conflict with water related stakeholders and evaluate the risk. Since the factory of Brother group has acquired ISO14001 in principle, we communicate with external stakeholders in accordance with that system, strive to satisfy the requirements with stakeholders, and make efforts to reduce the amount and quality of wastewater to an environment including water. We conduct business activities so as not to confront with problems.
Implications of water on your key commodities/raw materials	Relevant, always included	Brother Group conducts life cycle assessment (LCA) of products to be sold. We calculate the amount of water used to manufacture the products for each model and we disclose the information. We will consider countermeasures when water consumption is particularly high, but at this time we do not recognize when water consumption is high enough to be regarded as risk. LCA is used for risk assessment. Water quantity and quality while meeting our current demands do not materially impact the river basins in any location where we operated. In the production process the enough quantity of clean water is necessary for cooling equipment, molds, parts cleaning, ink manufacturing. However, the amount used is not so much. Using WRI Aqueduct, we have forecasted a decrease in the availability of water locally.
Water-related regulatory frameworks	Relevant, always included	Regulations on water have a serious impact on our business, so we are constantly closely watching the latest regulatory situation. In principle, the business offices of the Brother group have acquired ISO 14001 certification. In accordance with the environmental management system, each business office of the group collects the latest legal regulation information of each region and evaluates the impact on business. Currently, there are no water related laws and regulations that will affect the business.
Status of ecosystems and habitats	Relevant, always included	Starting in FY2020, the Brother Group is analyzing the business risks and opportunities presented by climate change, incorporating the results into the Brother Group's management strategy, and promoting further measures to mitigate climate change, based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), for which the Brother Group announced support in February 2020. As for resource circulation, the Brother Group will reduce the amount of resources used in our main products, efficiently utilize water resources, and properly treat wastewater. As for biodiversity conservation, the Brother Group will build a framework for quantifying and reducing our environmental impact, and steadily continue activities toward achieving the goals.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	Brother group stipulates the group regulations provide employees with clean toilets and water supply facilities to provide them. We always comply with all group of companies.
Other contextual issues, please specify	Not considered	

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Acquisition of environmental label is a requirement based on green procurement standards for our valued customers. In Japan, as one of the requirements for acquiring the Eco Mark, which is an environmental label, we may comply with environmental regulations such as water related water pollution at production plants of products, and pollution prevention agreements with local communities. In order to ensure the trust of customers, the Brother group has been building a production system that adheres properly to compliance.
Employees	Relevant, always included	We utilize a Brother Group program called Eco point to actively engage employees for the environmental awareness including energy and water savings. We strive to continually improve our water performance through training of employees and raising awareness on a continuous basis.
Investors	Relevant, always included	We factor the concerns of investors into water risk assessment within our operations. We provide and report our environmental activities and the performance data including water consumption to management. In the requirements of institutional investors who make ESG investments, the disclosure of information on water use situation and water risk assessment is required. The information are published on the Brother Website.
Local communities	Relevant, always included	We have a responsibility toward our manufacturing sites' neighbors. We factor the concerns of local communities into water risk assessment to ensure the protection of water quality and water quantity and to mitigate concerns regarding competition of water resources. A strict standard is followed based on the effluent standard of the law in Japan with the local communities. At the Kariya Plant in Japan, we have agreed on management with Kariya City and waste water standards that are stricter than laws and comply with these standards.
NGOs	Relevant, always included	Brother Group's CSR efforts were evaluated by a NGO as a third-party opinion. Based on the proposal of the NGO, we are currently promoting water conservation activities with the goal of reducing water usage. We understand that the information disclosed at CDP Climate Change and CDP Water Security managed by NGO CDP is utilized by institutional investors who are Brother group stakeholders. For this reason, the Brother group is actively disclosing information on CDP questionnaires.
Other water users at a basin/catchment level	Relevant, always included	We factor the concerns of other water users at a local level into water risk assessment to ensure the protection of water quality, water quantity and sufficient volumes of water are available for all users. Since there is no water service provider in our Slovakia manufacturing site, we use groundwater supplied from River Bebrava. In order to share groundwater with neighboring users equally, we use groundwater in compliance with the upper limit of usage.
Regulators	Relevant, always included	We factor the concerns of various regulators into water risk assessments to ensure we remain in regulatory compliance. We will continue to engage with regulators to mitigate the risk in all our operating locations. Since the establishment of the Brother group has acquired ISO14001 in principle, it always monitors trends of the latest laws and regulations related to our business in accordance with its environmental management system. We are also monitoring laws and regulations related to water and evaluate the impact on our business.
River basin management authorities	Relevant, always included	We factor the concerns of River basin management authorities into water risk assessments. We engaged with river basin management authorities for the waste water treatment of our manufacturing site at the Kariya plant in Japan. We will maintain the relationship with the river basin management authorities for our other manufacturing sites should issues need addressing. At the Kariya Plant in Japan, we have agreed on management with Kariya City and waste water standards that are stricter than laws and comply with these standards.
Statutory special interest groups at a local level	Not relevant, explanation provided	Currently, there are no water related statutory special interest groups at a local level in the area where business offices of Brother group was located, so there is no opportunity to participate and we have no engagement with the statutory special interest groups at a local level.
Suppliers	Relevant, always included	Suppliers that the Brother group deals with are mainly to clean parts, cooling and raw material, so water risk is very important. For this reason, we are the concerns of suppliers into water risk assessments. Using WRI Aqueduct tool, we annually forecast the current baseline and future water risk of all suppliers.
Water utilities at a local level	Relevant, always included	We have an Environmental Management Target program for the reduction of energy and water consumption. The group's facilities continuously endeavor to ensure efficient use of water resources and proper treatment of wastewater. We have set targets to reduce water consumption 30% per unit of sales by 2018 compare to 2010. As a result, it was reduced 30.5% and achieved the targets for 2018. We set Environmental Action Plan 2021 continuously to reduce water intake volume 3% per unit of sales by 2021 compare to 2018 for the Brother Group. We communicate closely with business operators located in areas with high water risk, such as Xian in China, we are evaluating the manifestation of potential water supply and potential risks.
Other stakeholder, please specify	Relevant, always included	We understand that Institutional investors who are stakeholders actively engaged in ESG investment are interested in corporate water related efforts. Brother Group makes every effort to solve social issues and disclose information in good faith. This offers an ideal opportunity not only to reduce risks in business operations but also to become a company that gains public trust and that is chosen by customers and investors. Therefore, we are actively disclosing information through CDP Water Security and our website.

W3.3d

(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

We assess water risk as part of our environmental risk assessment. It is conducted to identify the overall risk of Brother group's manufacturing sites, sales companies, head office, and suppliers. We recognize the losing business in the case of flood and water shortage along with other factors of overall water risks. For this reason, we use WRI Aqueduct tool that can assess current baseline and future overall water risk as "high risk" and "extremely high risk" among the dataset of "Physical Risk Quality", "Physical Risk Quantity", "Regulatory and reputational risk", "Total overall water risk". We check the water risk of all facilities and suppliers' location and their current baseline and future water stress (2030,2040). We prepare their address and location detail in our database to contact immediately if there is an emergency to secure continuity of our products. We regularly conduct survey of water consumption of all facilities and suppliers by adding water management items in CSR questionnaire. We set targets for reducing the amount of water intake volume for Brother Group and implementing water conservation activities, recycling of water, etc. It can be managed to reduce water intake. Those factors are utilized to set targets of Environmental Action Plan. We urge all facilities and suppliers to conform Brother Group basic policies and action guidelines of environmental preservation and to work on reducing environmental impacts including water usage, water quality and water saving activity to report results and progresses of activities to management. As for resource circulation, the Brother Group will reduce the amount of resources used in our main products, efficiently utilize water resources, and properly treat wastewater. As for biodiversity conservation, the Brother Group will build a framework for quantifying and reducing our environmental impact, and steadily continue activities toward achieving the goals.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

We define as substantive financial or strategic impact on our business if the occurrence of obstacles effect on our business sectors with 5% or more of group consolidated sales. The disorder is assumed to be a state in which production capacity cannot be reduced due to natural disasters such as water supply shortages, floods, etc., production cannot be continued, sales capacity is reduced, or sales cannot be sold. In the Brother Industry, facilities or suppliers that may cause substantial changes in business activities are identified annually in the following manner. [Direct operation] (1) Use WRI Aqueduct to identify facilities that the overall water risk is rated "Extremely High" and the facilities of business sectors are identified to 5% or more of consolidated group sales. (2) Investigate the form of the relevant business establishment and the actual occurrence of water risk at the business establishment and comprehensively judge the possibility of occurrence of the failure to the business activities. [Supply chain] (1) Use WRI Aqueduct to identify tier-1 suppliers overall water risk is rated ""Extremely High"" and the facilities of business sectors are identified to 5% or more of consolidated group sales. (2) Determine the possibility of occurrence of a failure in business activities comprehensively after additional investigation of the business form of the corresponding supplier and the area where the business office of the supplier is located. As an example, through this assessment evaluation towards our growth strategy we assumed a tsunami may occur at some point after an earthquake, so for certain factories in Japan, where the predicted damage was likely, we reduced the operational footprint and transferred product manufacturing to another factory thus ensuring the viability of future production. This applies to both of direct operations and supply chains.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	1	Less than 1%	We use the updated WRI Aqueduct to check for water risks in our facilities around the world. The latitude and longitude of all facility locations are entered into the WRI Aqueduct. As a result, it was confirmed that a total of one "very high risk" facility will be a manufacturing site in China. From a financial or strategic point of view, less than 1% of facilities carry water-related risks that can have a significant impact. The WRI Aqueduct and WWF Water Risk Filter were used as an in-house water risk assessment process to assess water risk, future water risk, and water pollution across the facility's baseline. As a result, we determined that there was a risk, but there was no substantial impact.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

China	Huang He (Yellow River)
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment

The HUANG HE (Yellow River) basin in which we operate the production facility is rated as high risk in the baseline and future 2030, 2040 by the WRI Aqueduct. Considerations for this, we are in preparation for engaging with local stakeholders about the best management plan for the region in order to prepare for the measures. We have reviewed the State of Ecology & Environment Report released by (CWR) China Water Risk dated 18 June 2021. HUANG HE (Yellow river) where manufacturing sites and suppliers are located and rated as "High risk", we reviewed continuously State of Ecology & Environment Report released by (CWR) China Water Risk dated 18 June 2021. We have confirmed that The HUANG HE has improved markedly across the 7 major rivers in the report and the action has completed the survey of sewage outlets in pilot areas. China has called for accelerated legislation to advance ecological conservation and high-quality development in the Yellow River basin. We set a goal to reduce water intake volume 3% per unit of sales by 2021 compare to 2018 for Brother Group. In this way, we set targets for reducing water intake at each manufacturing site, monitor water intake monthly, and manage the progress of reduction too.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

China	Huang He (Yellow River)
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Type of risk & Primary risk driver

Reputation & markets	Increased stakeholder concern or negative stakeholder feedback
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Primary potential impact

Changing revenue mix and sources

Company-specific description

This facility is a production facility that we manufacture industrial products in China. The sales amount is about 3.18% of total group sales. Water risks in this area may affect our facility's direct operation and its production. As a result, financial effects such as profits may occur. We used WRI Aqueduct and WWF water risk assessment processes as our in-house water risk assessment process to assess the risk. As a result, we determined that there was a risk, but it did not have a significant real impact.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

20000000000

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

The potential financial impact is calculated based on the sales that may have an economic impact. Sales at the affected facility are approximately 20 billion yen. If sales are reduced by 50% due to confusion between control functions and product supply functions, the impact on sales will be approximately 10 billion yen. This is about 1.59 % of total group's sales.

Primary response to risk

Engage with regulators/policymakers

Description of response

We are in close contact with local business operators and confirming local conditions while considering measures. Water risk was assessed using WRI Aqueduct and WWF water risk assessment process. The HUANG HE river has been identified as "Very High" water risk. We conducted further confirmation based on the "State of Ecology & Environment Report" published by (CWR) China Water Risk on June 18, 2021. We have confirmed that the YELLOW RIVER has improved markedly across all categories in the report, and the action has completed the survey of sewage outlets in pilot areas. China has called for accelerated legislation to advance ecological conservation and high-quality development in the Yellow River basin. Therefore, we have made the final decision that there is a risk, but it does not have a significant real impact.

Cost of response

0

Explanation of cost of response

We are in close contact with local business operators and confirming local conditions while considering measures. Water risk was assessed using WRI Aqueduct and WWF water risk assessment process. The HUANG HE river has been identified as "Very High" water risk. We conducted further confirmation based on the "State of Ecology & Environment Report" published by (CWR) China Water Risk on June 18, 2021. We have confirmed that the YELLOW RIVER has improved markedly across all categories in the report, and the action has completed the survey of sewage outlets in pilot areas. China has called for accelerated legislation to advance ecological conservation and high-quality development in the Yellow River basin. Therefore, we have made the final decision that there is a risk, but it does not have a significant real impact. According to this, the cost of response is described as zero "0".

W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

China	Huang He (Yellow River)
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Stage of value chain

Supply chain

Type of risk & Primary risk driver

Reputation & markets	Increased stakeholder concern or negative stakeholder feedback
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Primary potential impact

Changing revenue mix and sources

Company-specific description

We manufacture industrial products in this region. The transaction amount of supply chain in this facility is about 0.10% of total group's sales. Water risks in the region may affect the procurement, supply chain and its sales. As a result, financial impact such as profits may occur.

Timeframe

More than 6 years

Magnitude of potential impact

Medium-low

Likelihood

Very unlikely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

643000000

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

The potential financial impact is calculated based on the sales that may have an economic impact. The transaction amount of the supply chain in this facility is about 600 Million yen. If sales are reduced to 50%, the financial impact on transaction amount of supply chain will be approximately 300 Million yen. This is 0.05 % of total group's sales.

Primary response to risk

Direct operations	Include in Business Continuity Plan
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Description of response

We are in close contact with local business operators and confirming local conditions while considering measures. Water risk was assessed using WRI Aqueduct and WWF water risk assessment process. The HUANG HE river has been identified as "Very High" water risk. We conducted further confirmation based on the "State of Ecology & Environment Report" published by (CWR) China Water Risk on June 18, 2021. We have confirmed that the YELLOW RIVER has improved markedly across all categories in the report. and the action has completed the survey of sewage outlets in pilot areas. China has called for accelerated legislation to advance ecological conservation and high-quality development in the Yellow River basin. Therefore, we have made the final decision that there is a risk, but it does not have a significant real impact.

Cost of response

0

Explanation of cost of response

We are in close contact with local business operators and confirming local conditions while considering measures. Water risk was assessed using WRI Aqueduct and WWF water risk assessment process. The HUANG HE river has been identified as "Very High" water risk. We conducted further confirmation based on the "State of Ecology & Environment Report" published by (CWR) China Water Risk on June 18, 2021. We have confirmed that the YELLOW RIVER has improved markedly across all categories in the report. and the action has completed the survey of sewage outlets in pilot areas. China has called for accelerated legislation to advance ecological conservation and high-quality development in the Yellow River basin. Therefore, we have made the final decision that there is a risk, but it does not have a significant real impact. According to this, the cost of response is described as zero "0".

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Cost savings

Company-specific description & strategy to realize opportunity

The main products manufactured by the Brother Group are home printers. Although it is not a product that uses a large amount of water, water is used for the production of consumables (inks, etc.), parts cleaning and equipment cooling in the printer production process, etc. We believe that water reduction is essential. We established the "Brother Group Environmental Vision 2050" in fiscal 2017, and advocate water risk assessment of business sites and promotion of water conservation and recycling as part of the resource circulation among them. Furthermore, in implementing the specific activities of the Brother Group Environmental Vision 2050, we have formulated the Brother Group Mid-term Environmental Action Plan 2021, which will reduce water intake at production sites by 3% in FY2021 compared to FY2018 (based on sales.)" is our goal. Progress in reducing water consumption has already reached the 2021 target, with a reduction of 25.5% (sales basis) from the 2018 level at production sites.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

56000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact

In fiscal 2020, we reviewed our overseas manufacturing sites based on our production strategy, and as a result, we were able to make the amount of water used during production a phenomenon. In addition, the following measures were implemented at manufacturing sites. · Reuse of fire pump test water · Renovation to save water · Reuse of RO soft water system water · Reuse of cooling tower maintenance · Reduction of water by improving the gas stove cooling method · Reduction of water by improving the method of washing vegetables · Use of rainwater for watering plants · Early detection of water leaks through patrols By implementing these measures, we achieved 25.5% (unit of sales basis) reduction compared to fiscal year 2018. This will be approximately 56 million Japanese yen in water rate conversion.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Brother Machinery Xian Co., Ltd. (BMX)

Country/Area & River basin

China	Huang He (Yellow River)
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Latitude

34.341574

Longitude

108.93977

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

25.13

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

25.13

Total water discharges at this facility (megaliters/year)

19.66

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

19.66

Total water consumption at this facility (megaliters/year)

5.47

Comparison of total consumption with previous reporting year

Much higher

Please explain

WRI Aqueduct has confirmed that one facility in China is listed as a "very high" water risk. Withdrawals increased by 4% compared to the previous report year. Discharges decreased by 3% compared to the previous report year. Consumption increased by 41% compared to the previous year. The thresholds for the change in volume for each water aspect compared to the previous year are given in the "W1.2b" answer. This year, consumption increased due to the construction of the factory. Withdrawals of this facility is about 2.5% of the total withdrawals. Even at this office, there is no facility that uses a large amount of water, and most of it is domestic water. Therefore, we have determined that there are no water risks that could have a significant impact at this time. We are considering continuing efforts to effectively use water (water saving activities, etc.). The third party is a municipal supplier.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been externally verified?

Water withdrawals – total volumes

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water withdrawals – volume by source

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water withdrawals – quality

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water discharges – total volumes

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water discharges – volume by destination

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water discharges – volume by treatment method

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water discharge quality – quality by standard effluent parameters

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water discharge quality – temperature

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water consumption – total volume

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water recycled/reused

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Description of water-related performance standards for direct operations Description of water-related standards for procurement Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	As a company-wide policy, we have set up "Brother Group Environmental Vision 2050" in order to contribute to solving global environmental issues. In line with the "Brother Group Medium-Term Environmental Action Plan 2021" based on this vision, we aim to ensure the efficient use of water resources and the proper treatment of wastewater. Water is used for beverages, hand washing, toilets, etc. at all bases. The main products we produce are home printers. Although it is not a product that uses a large amount of water, it is used for manufacturing consumables (ink, etc.), cleaning parts in manufacturing process, and cooling equipment. Compared to 2018, we have set a goal of reducing Brother Group water intake per sales by 3% by 2021. This is one of the goals set forth in the "Medium-Term Environmental Action Plan 2021 (2019-2021)". We aim to ensure the efficient use of water resources and the proper treatment of wastewater. Through CSR questionnaires to suppliers, we are promoting "compliance with environmental laws regulations regarding water" and "water usage management". It is clearly stated in the "Brother Group Basic Principles on Social Responsibility". We recognizes the importance of providing a healthy working environment for its employees, protect the basic human rights of all. We will maintain clean toilets and water supply facilities for employees and third parties working within Brother. In workplaces with eating facilities, we will keep such facilities hygienic. Under the "Brother Group Environmental Policy," we are promoting activities that cooperate with the SDGs. We are planting trees in areas where deforestation causes serious damage to water such as floods and tsunamis. We recognize the importance of water risk due to climate change to our business. Based on the recommendations of TCFD, we will analyze the risks and opportunities that climate change poses to our business, reflect them in our management strategy, and strive to disclose relevant information. In the future, we will promote further climate change countermeasures.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Chief Operating Officer (COO)	Water-related targets are included in Brother's Mid-term Environmental Action Plan 2021. The progress situation is managed by the environmental department supervised by COO. By reporting to the COO from the environmental department on a monthly basis, COO monitors the progress of water-related goals.

W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Monitoring implementation and performance Overseeing major capital expenditures Reviewing and guiding annual budgets Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Setting performance objectives	Brother group prepares the mid-term environmental action plan at intervals of 3 to 5 years. The contents are discussed and approved at the meeting body where the board members participate. The environmental action plan contains water-related targets and policies, and board members are considering plans in consideration of business risk opportunities and CSR viewpoints. Progress to the goals of the Environmental Action Plan is reported to the directors based on performance indicators set in advance by the Environment Committee held once every six months, and the directors evaluate and supervise the contents. In addition, the board of directors discuss and approve annually the department budget of the department responsible for the environment regarding the capital investment and necessary expenses necessary to achieve the target of the mid-term environmental action plan.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Operating Officer (COO)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Half-yearly

Please explain

General Manager of Environment is responsible for supervising Brother Group's environmental affairs. The Brother group head office has acquired ISO 14001, and the General Manager of Environment is also in charge of the Environmental Management Representative of the environmental management organization. According to the environmental management system, the organization responsible for the environment will consider the risks and opportunities for the environmental aspect including water and report it to the General Manager of Environment. Among them, about major risks and opportunities, General Manager of Environment reports to the Environment Committee, which is held quarterly by board members (including CEO). For the Environment Committee, General Manager of Environment has an obligation to achieve the environmental goals including water listed in the Mid-term Environmental Action Plan, and reports the progress status to the Environment Committee.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Chief Operating Officer (COO)	Reduction of water withdrawals	We set Environmental Action Plan 2021 continuously to reduce water intake volume 3% per unit of sales by 2021 compare to 2018 for the Brother Group. Even though there is no monetary reward, each facilities set KPIs to carry out activities and collaborate to achieve the group's goals.
Non-monetary reward	Chief Operating Officer (COO)	Reduction of water withdrawals	linked to the Brother Group's Environmental 5R Award at the Annual Global Convention, and will be awarded to the winners of the representative facilities by the Brother Group of President.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

The department in charge of each site collects public information. We constantly monitor regulatory trends. If the rule changes, the change will be reflected in the internal standards. Audits are conducted based on ISO14001. If any discrepancy is found between government policy and our activities, we will take immediate corrective action. Also, if there is a reasonable reason to change the government policy, we will submit our opinion through the industry group "electrical / electronic industry group in Japan". Trade associations submit aggregate public comments to the government.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, but we plan to do so in the next two years

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	> 30	The Brother Group has established the Mid and Long-term "Brother Group Environmental Vision 2050" up to 2050. The three pillars of CO2 emissions reduction, resource recycling, and biodiversity conservation are the pillars, and "promoting water risk assessment of business sites and water saving and recycling use" will be implemented as an immediate action in resource recycling. Furthermore, in the "Brother Group Mid-Term Environmental Action Plan 2021" established in fiscal 2018, we are working on water reduction with numerical targets "Reduce water intake at manufacturing sites by 3% in fiscal 2021 compared to fiscal 2018 (based on sales)". In addition, in support of the TCFD proposal in 2020, we conducted an assessment of the impact of climate change on the Brother Group in the 1.5 ° C and 4 ° C scenarios. As a result, it was found that in the 4 ° C scenario, due to "intensification of abnormal weather such as cyclones and floods", some manufacturing bases have a risk of production suspension due to the effects of floods that paralyze logistics and transportation periods. In order to reduce this risk, we have started to consider the following items. <ul style="list-style-type: none"> • Implement certain measures against natural disasters • For some models, risk support is provided by multi-site production. • Strategically consider parts suppliers and their upstream suppliers
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	> 30	The Brother Group has formulated the "Brother Group Environmental Vision 2050" for the mid to long term up to 2050. This vision has three goals: CO2 emission reduction, resource recycling, and biodiversity conservation. As an immediate response to resource recycling, we will implement "water risk assessment of business establishments and promotion of water saving and recycling". In the mid-term goals up to 2030, the Group's manufacturing facilities have declared that they will continue to work on the efficient use of water resources and the appropriate treatment of discharged wastewater. In addition, the TCFD evaluation revealed that some manufacturing sites were concerned about "production suspension due to the effects of floods," so we have begun studying the following items. <ul style="list-style-type: none"> • Implement certain measures against natural disasters • For some models, risk support is provided by multi-site production. • Strategically consider parts suppliers and their upstream suppliers
Financial planning	Yes, water-related issues are integrated	11-15	Brother Group products do not use much water during production. However, from the perspective of financial planning as a cost reduction, we are working to reduce water by promoting water recycling at manufacturing sites. In addition, we have begun considering the following three measures for the risks identified in the TCFD evaluation, and are preparing to integrate them into our financial plan. <ul style="list-style-type: none"> • Implement certain measures against natural disasters • For some models, risk support is provided by multi-site production. • Strategically consider parts suppliers and their upstream suppliers

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

1664.8

Anticipated forward trend for CAPEX (+/- % change)

-1500

Water-related OPEX (+/- % change)

-6.2

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

The volatility of CAPEX and OPEX are based on actual values. From the perspective of reducing water, CAPEX installed a water recycling system at some production bases in FY2020. We are also renovating wastewater treatment equipment to maintain the quality of wastewater. At another manufacturing site, we installed an underground heat source heating / cooling system that uses the groundwater temperature to create a closed-loop circulation system, and we were able to reduce CO2 emissions from heating / cooling. Due to the introduction of these facilities in FY2021, the number has increased significantly compared to FY 2019. OPEX has not changed significantly from time to time, and it is expected that the same cost as in 2020 will be incurred in 2021.

W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	Yes	

W7.3a

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

Yes

W7.3b

(W7.3b) What water-related outcomes were identified from the use of climate-related scenario analysis, and what was your organization's response?

	Climate-related scenarios and models applied	Description of possible water-related outcomes	Company response to possible water-related outcomes
Row 1	IEA Sustainable Development Scenario Other, please specify (IEA WEO2020, IEA EYP2020, IPCC RCP, IPCC SSP, SSP2, RCP8.5)	Analysis of Aqueduct's water risk based on RCP 8.5 has resulted in very high water stress due to lack of water resources due to climate change in some establishments. In 2020, we agreed with the TCFD proposal and conducted an assessment of the impact of climate change on the Brother Group in the 1.5 ° C and 4 ° C scenarios. As a result, it was found that at some manufacturing sites in the 4 ° C scenario, there is a risk of production suspension due to the effects of flood-induced distribution and traffic paralysis due to "intensification of abnormal weather such as cyclones and floods".	We are considering continuation of efforts to utilize water efficiently (such as water saving activities) at business establishments located in regions with high water stress. In order to promote the effective use of rainwater, we have installed a rainwater tank at this business site and have started using it for greening water. In order to reduce this risk, we have started to consider the following items. · Implement certain measures against natural disasters · For some models, risk support is provided by multi-site production. · Strategically consider parts suppliers and their upstream suppliers

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

The only water-related risk in the 4 ° C scenario in the TCFD analysis is the "production outage risk" due to paralysis of logistics and transportation due to floods at some manufacturing sites. Therefore, the priority of internal water price is not high, and priority is given to the consideration of avoiding the risk of production suspension.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Activity level specific targets and/or goals Site/facility specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Brother Group formulated the Brother Group Environmental Vision 2050 in March 2018 in order to contribute to solving urgent social issues such as climate change, toward creating a society in which sustainable development in line with the Brother Group Environmental Policy is possible. Based on this environmental vision, we are strengthening our activities related to reduction of CO2 emissions, resource circulation, and biodiversity conservation. In the "Resource Recycling" of the "Brother Group Environmental Vision 2050," we are promoting the efforts of "assessment of water risks at business sites and promotion of water saving and recycling." In addition, the Brother Group Mid-Term Environmental Action Plan 2021, which was newly established in March 2019 based on the above vision, states that "the amount of water intake at manufacturing sites in 2021 will be reduced by 3% compared to 2018 (sales intensity)." We are working to reduce water by setting a quantitative target. Furthermore, at our manufacturing sites, we are carrying out water reduction activities with the goal of "reducing 1% or more of water intake in 2020 by reduction measures (absolute value)" in consideration of local circumstances. We monitor monthly water intake and manage the progress of reductions. In addition, in order to comply with compliance, we strive to comply with regional standards for wastewater treatment quality, and establish and manage monitoring standards according to the content of wastewater. These water management is carried out in accordance with the environmental management system based on ISO14001, and in some cases, the water quality of wastewater is managed by setting internal standards that are stricter than legal regulations, taking into account local conditions. Such activities and management are carried out by the department in charge of the environmental management system (EMS) at each manufacturing site. For example, at a manufacturing base that does not have a sewer and drains water into a river, water quality is measured in real time. In the event of an abnormality, we will contact a company specializing in water management and install and manage equipment such as stopping the drainage pump so that it will not be discharged outside the site.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Level

Company-wide

Primary motivation

Reduced environmental impact

Description of target

In the Brother group Mid-term Environmental Action Plan 2021 (2019-2021), we set a target to reduce water consumption 3% per unit of sales by 2021 compare to 2018.

Quantitative metric

% reduction per revenue

Baseline year

2018

Start year

2019

Target year

2021

% of target achieved

100

Please explain

The Brother Group uses little water directly during production, mostly chillers, cooling water, and employee wastewater. However, we have set qualitative and quantitative water reduction targets for the long-term, medium-term, and short-term, and are working to reduce them. Although production has been reduced due to the influence of COVID19 and water consumption is decreasing, the following measures are being continuously implemented at overseas manufacturing sites. • Reuse of fire pump test water • Renovation to save water • Reuse of RO soft water system water • Reuse of cooling tower maintenance • Reduction of water by improving the gas stove cooling method • Reduction of water by improving the method of washing vegetables • Use of rainwater for watering plants • Early detection of water leaks through patrols By implementing these measures, we reduced the amount by 25.5% (based on sales) from FY2018, which contributed to the achievement of the FY2021 target.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Other, please specify (The group's manufacturing sites continuously endeavor to ensure efficient use of water resources and proper treatment of wastewater.)

Level

Company-wide

Motivation

Reduced environmental impact

Description of goal

Securing safe water resources is one of the important issues in the world's environmental problems. In order to contribute to the resolution of global environmental issues, the Brother Group is committed to the efficient use and appropriate treatment of water resources at group production bases as the responsibility of companies with production bases in many countries and regions. Among them, the mid-term target for fiscal 2030 is "Continuous efforts to efficiently use water resources and wastewater through proper treatment at Brother Group manufacturing sites." In accordance with our mid-term goals, we are promoting water evaluation and water saving / recycling at our business sites.

Baseline year

2018

Start year

2018

End year

2030

Progress

At the Xi'an site, which has a relatively high water risk and does not have abundant water resources, we have implemented various water-saving measures such as adjusting faucets, adjusting the flow rate in toilets, and reusing treated water from wastewater treatment facilities. In addition to this, from FY2018 we installed a rainwater recovery tank on the premises as an initiative for water circulation, and started using it for greening. In fiscal 2020, we are working to make effective use of water resources by installing groundwater wells to supply water to grass in order to reduce the amount of clean water used. In addition, we manage the quality of wastewater at our manufacturing sites, but there are no events that exceed the standard values, and proper wastewater has been achieved.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we are waiting for more mature verification standards and/or processes

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Managing Executive Officer	Chief Operating Officer (COO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes