

W0. Introduction

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W0.1

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**(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, 2022) and the sales revenue is 710,938 million yen (fiscal year 2021). 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 41,215 / and the non-consolidated number is 3,867 (as of March 31, 2022). 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, 2022, 86% of the Brother Group's facilities has received ISO14001 certification.

W0.2

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**(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 2021	March 31 2022

W0.3

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**(W0.3) Select the countries/areas in which you operate.**

- 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, 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?**

No

**W0.7**

**(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	JP3830000000

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. The social problems of the SDGs have been identified as Brother Group's business risks, and we are working on long-term and continuous solutions. The Brother Group Environmental Vision 2050 was formulated in 2018 and revised in 2022. Based on the specific action plan "Brother Group Environmental Action Plan 2024", we are promoting the efficient use of water which is a valuable environmental resource.
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 major facilities including manufacturing sites are monitored based on invoice water usage. Some sales offices that do not indicate the amount of water taken on the invoice use water for daily life. Therefore, the amount of water intake is calculated based on the number of employees. Doing this, all facilities to monitor total water intake at least once a year. The collection and aggregation of these data is carried out using the environmental database system "Ecotrack". 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, 9% constantly use a wastewater 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, 24% is discharged into rivers and 76% into sewers. Of all the Brother Group facilities, 9% constantly use a wastewater 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%	65% 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, 9% 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	961.3	Lower	This reporting year, it decreased by 6% compared to the previous reporting year. We chose "lower" according to the selection criteria of Brother. This reporting year, one of our factories in China was closed. And , the operating volume of domestic affiliates decreased due to the impact of COVID-19.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 order to carry out specific activities of the "Brother Group Environmental Vision 2050", we formulated "the Brother Group mid-term Environmental Action Plan 2024". The plan is "Reduce the amount of water intake at manufacturing bases from the previous year (sales basis unit)". We continue to work to achieve this goal. Therefore, In the mid to long term, the amount of water withdrawal (sales basis unit) is expected to decrease. On the other hand, the amount of water intake (absolute value) is expected to be "About the same" or "Higher" as a whole, as the amount of operation increases due to the recovery after the COVID-19.
Total discharges	845.4	Lower	This reporting year, it decreased by 7% 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, one of our factories in China was closed. And , the operating volume of domestic affiliates decreased due to the impact of COVID-19.In addition, global water withdrawal reduction activities have reduced water withdrawals.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 order to carry out specific activities of the "Brother Group Environmental Vision 2050", we formulated "the Brother Group mid-term Environmental Action Plan 2024". The plan is "Reduce the amount of water intake at manufacturing bases from the previous year (sales basis unit)". We continue to work to achieve this goal. Therefore, In the mid to long term, the amount of water withdrawal (sales basis unit) is expected to decrease. On the other hand, the amount of water intake (absolute value) is expected to be "About the same" or "Higher" as a whole, as the amount of operation increases due to the recovery after the COVID-19. The Brother Group discharges approximately 90% of water withdrawals. Theoretically, the amount of water discharges expected to change at about the same rate as the amount of water withdrawals.
Total consumption	115.9	Lower	This reporting year, it increased by 6% compared to the previous reporting year. We chose "Higher" according to the selection criteria of Brother. Much of the water consumption is due to water evaporation and employee drinking-water associated with factory activities. Increased factory operations (Vietnam, Philippines) have increased overall water consumption. This is the reason why consumption increased while the amount of water intake at all bases 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 order to carry out specific activities of the "Brother Group Environmental Vision 2050", we formulated "the Brother Group mid-term Environmental Action Plan 2024". The plan is "Reduce the amount of water intake at manufacturing bases from the previous year (sales basis unit)". We continue to work to achieve this goal. Therefore, In the mid to long term, the amount of water withdrawal (sales basis unit) is expected to decrease. On the other hand, the total water intake (absolute value) is expected to be "almost the same" or "higher" because the operation volume will increase due to the recovery after COVID-19. Water consumption is due to water evaporation and employee drinking water associated with factory activities. Therefore, consumption is expected to be "almost the same" or "higher".

**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, one site in China (the same site as in the previous report year) and one site in India have been identified as areas of high water stress. 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 3% of total water withdrawals.

**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	111.7	Higher	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 12% of the total water withdrawal. This report year, it increased by 28% compared to the previous report year. We chose "Higher" according to Brother's selection criteria. The recovery after COVID-19 increased the volume of operations in the Philippines.As a result, the amount of groundwater (renewable) intake has increased. In the mid to long term, "the amount of groundwater (renewable)" is expected to be "About the same" or "Higher" as the volume of operations will increase due to the recovery after COVID-19.
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	849.6	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, Approximately 90% of the total water withdrawal is provided by a third party, and we chose "Related". This reporting year, it decreased by 9%. We chose "lower" according to the selection criteria of Brother. This reporting year, one of our factories in China was closed. The operating volume of domestic affiliates decreased due to the impact of COVID-19. In addition, global water withdrawal reduction activities have reduced "the amount of water withdrawn from third-party water sources". These are the main reasons for change. In the mid to long term, "the amount of water withdrawn from third-party water sources" is expected to be "About the same" or "Higher" as the volume of operations will increase due to the recovery after COVID-19.

**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	199.8	About the same	According to environmental standards, 24% of total discharges is treated and then discharged into rivers. Therefore, "Related" was selected. This reporting year, it decreased by 5% compared to the previous reporting year. We chose "About the same" according to the selection criteria of Brother. This reporting year, one of our factories in China was closed. As a result, the amount of discharge to "fresh surface water " was reduced. In the mid to long term, "the amount of water withdrawn" is expected to be "About the same" or "Higher" as the volume of operations will increase due to the recovery after COVID-19. About 90% of the water withdrawals is discharged, of which 24% is to freshwater surface water. Theoretically, it is expected to change 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	645.5	Lower	76% of total discharges is discharged by sewerage companies through sewers. Therefore, "Related" was selected. This reporting year, it decreased by 8% compared to the previous reporting year. We chose "lower" according to the selection criteria of Brother. This reporting year, the operating volume of domestic affiliates decreased due to the impact of COVID-19. In addition, the operation volume of factories in China has decreased.As a result, the amount of discharge to third parties had reduced. In the mid to long term, "the amount of water withdrawn" is expected to be "About the same" or "Higher" as the volume of operations will increase due to the recovery after COVID-19. 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 76% is discharged to a third party. Theoretically, it is expected to change as well as water withdrawals.

**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. The Primary treatment of this question has nothing to do with our business.
Discharge to a third party without treatment	Relevant	297.1	Lower	81-90	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 84% of Brother Group facilities. The breakdown is sales offices in each country and factories in the Philippines. This reporting year, it decreased by 14% compared to the previous reporting year. This reporting year, the operating volume of domestic affiliates decreased due to the impact of COVID-19. In addition, Global water withdrawal reduction activities have reduced "the amount of water withdrawn". As a result, the amount of discharge to third parties had reduced. 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	548.3	About the same	11-20	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 16% of Brother Group facilities. These are all manufacturing bases. 64% of treated wastewater is discharged to public sewer systems. The remaining 36% is discharged into rivers in compliance with the laws and regulations of each country. This reporting year, it decreased by 3% compared to the previous reporting year. This reporting year, one of our factories in China was closed. 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

**W1.3**

**(W1.3) Provide a figure for your organization's total water withdrawal efficiency.**

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	71093800000	961.3	739558930.614792	In order to carry out specific activities of the "Brother Group Environmental Vision 2050", we formulated "the Brother Group mid-term Environmental Action Plan 2024". The plan is "Reduce the amount of water intake at manufacturing bases from the previous year (sales basis unit)". We continue to work to achieve this goal. Therefore, in the mid to long term, "total water withdrawal efficiency" is expected to decrease.

**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**

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**(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**

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**W2. Business impacts**

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**W2.1**

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

No

**W2.2**

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(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

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### W3.3

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

Yes, water-related risks are assessed

### W3.3a

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

**Value chain stage**

Direct operations  
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 and standards  
Databases  
Other

**Tools and methods used**

WRI Aqueduct  
WWF Water Risk Filter  
Environmental Impact Assessment  
ISO 14046 Environmental Management - Water Footprint  
Internal company methods  
External consultants  
Other, please specify (audit based on ISO14001 Environmental Management Standard)

**Contextual issues considered**

Water availability at a basin/catchment level  
Water quality at a basin/catchment level  
Stakeholder conflicts concerning water resources at a basin/catchment level  
Implications of water on your key commodities/raw materials  
Water regulatory frameworks  
Status of ecosystems and habitats  
Access to fully-functioning, safely managed WASH services for all employees

**Stakeholders considered**

Customers  
Employees  
Investors  
Local communities  
Suppliers  
Water utilities at a local level

**Comment**

Since water is essential to our business and our employees, we check and assess the water risk, quality and quantity of our facilities and suppliers around the world. At the manufacturing site, the quality of wastewater is controlled in accordance with the environmental management system based on ISO14001. In consideration of the local situation, we may set internal standards that are stricter than the laws and regulations. Such pollution control is controlled by the EMS department at each manufacturing site. Using the updated WRI Aqueduct tool, 2030 and 2040 water for facilities and suppliers in categories such as physical risk quality, physical risk quantity, regulatory and reputational risk, total overall water risk. Check the risk. WWF Water Risk Filters are used to assess overall basin risk in facilities rated as "very high risk" by the aqueduct. These data are used in-house water risk assessment process.

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### W3.3b

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**(W3.3b) 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?**

No

**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 foot print and transferred product manufacturing to another factory thus ensuring the viability of future production. This applies to both of direct operations and supply chains.

**W4.2b**

**(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	We use the WRI Aqueduct to check for water risks in our total 139 facilities around the world. The results show that two facilities are " extremely high risk", in China and India. We use WRI Aqueducts and WWF Water Risk Filters to identify overall risks, future water risks, and water pollution across the baseline of these sites. As we answered in W4.1a, we also look at the real financial or strategic impace of these sites on business. The sales amount of China site is 4.07% and India site is 0.9% of consolidated sales . Therefore, we have determined that these facilities will not be significantly affected on business. Therefore, we judge that there are no water risks that could have a major impact at this time.

**W4.2c**

**(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	We use the WRI Aqueduct to check for water risks in total 2047 suppliers around the world. The results show that 96 out of 2047 suppliers have " extremely high risk". As we answered in W4.1a, we also look at the real financial or strategic impact of these suppliers on business. The total transaction amount of these suppliers are 2.4% of consolidated sales. Therefore, we have determined that there are no risks that could have a major impact on our business.

**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**

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**(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. The actual result for FY2021 is a reduction of 21.8% (sales basis) compared to FY2018, achieving the target.

**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)**

48000000

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

The following measures implemented at production sites in FY2021. · Renovation to a water-saving faucet · Reuse of analyzer wastewater · Use of water after wastewater treatment for toilets · Use for greening rainwater · Reuse of air-conditioned wastewater · Stopping water used by equipment during breaks · Update to water-saving equipment By implementing these measures, we reduced the amount by 21.8% (based on sales) from FY2018, which contributed to the achievement of the FY2021 target. This will be approximately 48 million Japanese yen in water rate conversion.

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**W6. Governance**

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**W6.1**

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

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

**W6.1a**

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

	Scope	Content	Please explain
Row 1	Company-wide	<p>Description of business dependency on water</p> <p>Description of business impact on water</p> <p>Description of water-related performance standards for direct operations</p> <p>Description of water-related standards for procurement</p> <p>Company water targets and goals</p> <p>Commitment to align with public policy initiatives, such as the SDGs</p> <p>Commitments beyond regulatory compliance</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace</p> <p>Acknowledgement of the human right to water and sanitation</p> <p>Recognition of environmental linkages, for example, due to climate change</p>	<p>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.</p>

**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.

**W6.2d**

**(W6.2d) Does your organization have at least one board member with competence on water-related issues?**

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	No, but we plan to address this within the next two years	<Not Applicable>	Important but not an immediate priority	As necessary, specialists attend board-level meetings and provide advice.

**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**

Assessing water-related risks and opportunities

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	As a company that uses energy and resources and uses biological products such as paper, thread, and cloth, the Brother Group recognizes global warming, resource depletion, environmental pollution, and ecosystem destruction as important social issues. Because we see them as business risks. And we are working on long-term and continuous solutions to them. Water issues are also included in this effort. To clarify these details, we have formulated the "Brother Group Environmental Vision 2050" over the medium to long term up to 2050.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	> 30	The Brother Group has established the "Brother Group Environmental Vision 2050" for the medium to long term up to 2050. With the three pillars of CO2 emission reduction, resource recycling, and biodiversity conservation as the pillars, we will globally promote "water risk assessment of business establishments and promotion of water saving and recycling" as an urgent initiative for resource recycling. At the Strategic Council, which is composed mainly of representative directors and executive officers with officers, we deliberate and make decisions on important issues related to climate change, and evaluate and manage the status of our environmental efforts, including climate change response. In addition, in 2021, the Environmental Committee (chaired by the officer in charge of the environment) was held three times as a decision-making body responsible for environmental risks such as climate change and environmental issues of the Brother Group. Important environmental risks and environmental issues related to climate change raised by the Environmental Committee are reported to the Risk Management Committee, which is headed by the President and CEO, and the most important issues are reported to the Board of Directors. I am instructed and supervised.
Financial planning	No, water-related issues were reviewed but not considered as strategically relevant/significant	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 the TCFD risk assessment, "intensification of abnormal weather such as cyclones and floods" is being identified as having a financial impact (within 1 billion yen) and an estimated period of 10 to 50 years, so it is not a serious risk.

### 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)

-89

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

0

Water-related OPEX (+/- % change)

-7.81

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

0

Please explain

In fiscal 2020, we made a large-scale expansion investment, such as repairing wastewater treatment equipment and introducing a groundwater heat utilization system. In FY2021, some factories introduced oil / water separators, but this did not require the large-scale investment of the previous year, so the number decreased significantly. No large-scale investment is planned for 2022, so the investment is expected to be equivalent to 2021. It is expected that there will be no major changes in the future.

### W7.3

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

	Use of scenario analysis	Comment
Row 1	Yes	

### W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related	The scenario analysis identified the impact of water-related impacts on our business as follows. 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. [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 foot-print and transferred product manufacturing to another factory thus ensuring the viability of future production. This applies to both of direct operations and supply chains.	[Direct Operation] We check the overall water risks of our total 139 facilities around the world using WRI Aqueduct. The results show that two facilities are "extremely high risk", in China and India. The total transaction amount of these suppliers are 2.4% of consolidated sales. [Supply chain ] We check the overall water risks of our total 2047 suppliers around the world. The results show that 96 out of 2047 suppliers have "extremely high risk". The total transaction amount of these suppliers are 2.4% of consolidated sales.	We judge that there are no water risks that could have a major influence on our business.

### 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.

### W7.5

**(W7.5) Do you classify any of your current products and/or services as low water impact?**

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	Yes	Recognizing the global warming of climate change as a socially important issue, we have clarified and addressed the business risks and opportunities of the effects of water. This standard applies to the production of the value chain.	<Not Applicable>	The Brother Group considers important social issues such as climate change, resource depletion, environmental pollution and ecosystem destruction as business risks. Based on the recommendations of TCFD, we clarify and deal with business risks and opportunities due to the effects of water. Specifically, there is a risk of production suspension due to the intensification of abnormal weather such as cyclones and floods. We are implementing the following as specific measures to deal with these risks. <ul style="list-style-type: none"> <li>· Implement certain measures against natural disasters</li> <li>· Implementation of risk response through production at multiple bases (some models)</li> <li>· Strategic consideration of parts suppliers and their upstream suppliers</li> </ul> Based on the "Brother Group Environmental Vision 2050," the entire group is globally promoting initiatives aimed at preserving the global environment.

**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 have set quantitative targets and have been working to reduce water. The results for FY2021 were reduced by 21.8% compared to FY2018, and we were able to achieve our target significantly. Furthermore, at our manufacturing sites, we are carrying out water reduction activities with the goal of "reducing 1% or more of water intake in 2021 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**

The Brother Group Mid-Term Environmental Action Plan 2021, states that "the amount of water intake at manufacturing sites in 2021 will be reduced by 3% compared to 2018 (sales intensity)." We have been working to reduce water by setting quantitative targets. As a result, we were able to achieve a significant reduction of 21.8% compared to FY2018. In FY2022, we will formulate a new medium-term environmental action plan and work to reduce water.

**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. The following measures implemented at overseas manufacturing sites in FY2021. • Renovation to a water-saving faucet • Reuse of analyzer wastewater • Use of water after wastewater treatment for toilets • Use for greening rainwater • Reuse of air-conditioned wastewater • Stopping water used by equipment during breaks • Update to water-saving equipment By implementing these measures, we reduced the amount by 21.8% (based on sales) from FY2018, which contributed to the achievement of the FY2021 target.

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**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 2021, we reused the wastewater from the analyzer, use rainwater for greening, and reused of water after wastewater treatment to toilet. 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.

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**W9. Verification**

**W9.1**

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**(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**

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**W-FI**

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**(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**

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**(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**

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**(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