

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, 2023) and the sales revenue is 815,269 million yen (fiscal year 2022). 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 41,653 / and the non-consolidated number is 3,890 (as of March 31, 2023). 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, 2023, 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 2022	March 31 2023

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	<p>(Direct use)</p> <p>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.</p> <p>It is also important for creating a safe and clean work environment and ensuring the health and safety of all employees.</p> <p>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.</p> <p>(Indirect use)</p> <p>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.</p> <p>(Future water dependence)</p> <p>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.</p> <p>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.</p> <p>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.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Not very important	Not very important	<p>Recycled water is not very important as it is not used in our business.</p> <p>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.</p> <p>Since brackish water contains sodium, it is not suitable for activities related to our operation. Therefore, we have never used it before. It also doesn't matter because we have no plans to use it in the future.</p> <p>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.</p>

### W1.2

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

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Yearly	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.	We monitor the total water withdrawal at all facilities. Manufacturing bases are monitored once a month, and sales offices report their total usage 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 withdrawal is calculated by the head office department in charge based on the number of employees. Doing this, all facilities monitor total water withdrawal at least once a year.
Water withdrawals – volumes by source	100%	Yearly	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. Water withdrawal sources may also be identified based on location.	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.
Entrained water associated with your metals & mining and/or coal sector activities - total volumes [only metals and mining and coal sectors]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	Yearly	The Brother Group is supplied with water through public bodies and industrial park management agencies. For that reason, 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.	The Brother Group is supplied with water through public bodies and industrial park management agencies. For that reason, Intake water quality is monitored by external facilities at least annually at all facilities.

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water discharges – total volumes	100%	Yearly	The 8% of all the Brother Group's business sites manage the amount of discharged water by "measurement with a wastewater meter" or "calculation based on rules such as agreements with industrial parks." We assume that other facilities discharge the same amount of water as we take in.	The 8% of all the Brother Group's business sites manage the amount of discharged water by "measurement with a wastewater meter" or "calculation based on rules such as agreements with industrial parks." We assume that other facilities discharge the same amount of water as we take in. This allows all sites to monitor total wastewater at least once a year.
Water discharges – volumes by destination	100%	Yearly	We regularly monitor the amount of wastewater discharged volumes by destination from all facilities. The 8% of all the Brother Group's business sites manage the amount of discharged water by "measurement with a wastewater meter" or "calculation based on rules such as agreements with industrial parks." We assume that other facilities discharge the same amount of water as we take in. Discharge destination may also be identified based on location.	We regularly monitor the amount of wastewater discharged volumes by destination from all facilities. Of the wastewater discharged from all Brother Group facilities, 20% is discharged into rivers and 80% into sewers. The 8% of all the Brother Group's business sites manage the amount of discharged water by "measurement with a wastewater meter" or "calculation based on rules such as agreements with industrial parks." We assume that other facilities discharge the same amount of water as we take in. This allows all facilities to monitor the amount of discharged water at least once a year by discharge destination.
Water discharges – volumes by treatment method	100%	Yearly	For production bases with treatment facilities, we send a water survey form to understand Water discharges – volumes by treatment method. Other bases (sales offices, etc.) that do not have treatment facilities use water for domestic purposes such as drinking. In this case, the wastewater is discharged to the public sewer. The amount is assumed to be the same as the amount of water intake.	74% of the wastewater from all Brother Group facilities is treated at our own wastewater treatment facility, and the rest is discharged to sewers. We monitor the volume of wastewater per treatment method at least annually for all facilities.
Water discharge quality – by standard effluent parameters	100%	Yearly	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.	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.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	Not relevant	<Not Applicable>	<Not Applicable>	There are no production processes or products that emit hazardous substances that fall under the question. In the future, it is unlikely that the relationship will increase.
Water discharge quality – temperature	100%	Yearly	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.	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%	Yearly	Water consumption is calculated by subtracting the amount of drainage from the amount of intake.	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.
Water recycled/reused	100%	Yearly	Water recycling and reuse are part of activities to use water efficiently. The amount can be grasped by the measured value or the theoretical value.	Water recycling and reuse are part of activities to use water efficiently. The amount can be grasped by a measured value or a theoretical value. Once a year, there is a report from the relevant base to the head office.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Yearly	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.	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.

## W1.2b

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

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
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	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	947.82	About the same	Other, please specify ( [1.5% decrease] · FY21, one of China factories was closed. · FY22, the number of employees decreased in China and Vietnam. Daily life water has decreased. · global water withdrawal reduction activities have reduced water withdrawals. )	Higher	Facility expansion	<p>【For comparison with previous reporting year】</p> <p>This reporting year, it decreased by 1.5% compared to the previous reporting year. We chose "About the same" according to the selection criteria of Brother.</p> <p>In the previous reporting year, one of our China factories was closed. Also, In this reporting year, the number of employees decreased in China and Vietnam. The amount of water (which accounts for the majority of Water withdrawals) used for daily life such as drinking has decreased. In addition, global water withdrawal reduction activities have reduced water withdrawals.</p> <p>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.</p> <p>【Five-year forecast】</p> <p>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.</p> <p>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 start operation of the new factory.</p>
Total discharges	828.91	About the same	Other, please specify ( [2% decrease] · FY21, one of China factories was closed. · FY22, the number of employees decreased in China and Vietnam. Daily life water has decreased. · global water withdrawal reduction activities have reduced water withdrawals. )	Higher	Facility expansion	<p>【For comparison with previous reporting year】</p> <p>This reporting year, it decreased by 2% compared to the previous reporting year. We chose "About the same" according to the selection criteria of Brother.</p> <p>Approximately 87% of the total water withdrawals is discharged.  In the previous reporting year, one of our China factories was closed. Also, In this reporting year, the number of employees decreased in China and Vietnam. The amount of water (which accounts for the majority of Water withdrawals) used for daily life such as drinking has decreased. In addition, global water withdrawal reduction activities have reduced water withdrawals. This is the main reason for the reduction in total discharge. The selection criteria for Brother are as follows.</p> <p>Much lower : less than 30% lower: -30 to -5% About the same: within ±5% Higher: +5 to +30% Much higher: +30% or more.</p> <p>The sum of total discharged and total consumed is equal to the total water withdrawals.</p> <p>【Five-year forecast】</p> <p>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.</p> <p>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 start operation of the new factory.</p> <p>The Brother Group discharges approximately 87% of water withdrawals. Theoretically, the amount of water discharges expected to change at about the same rate as the amount of water withdrawals.</p>
Total consumption	118.91	About the same	Other, please specify ( [2.6% increase] · Water leak due to broken fire extinguishing pipe)	Higher	Facility expansion	<p>【For comparison with previous reporting year】</p> <p>This reporting year, it increased by 2.6% compared to the previous reporting year. We chose "About the same" according to the selection criteria of Brother. Typically, much of the water consumption is due to water evaporation and employee drinking-water associated with factory activities.</p> <p>In this reporting year, a water leak occurred due to a broken fire fighting pipe. This unintentional water leakage counts as water consumption.  This is the reason why consumption increased while the amount of water intake and water discharges decreased.  The sum of total discharged and total consumed is equal to the total water withdrawals. .</p> <p>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.</p> <p>【Five-year forecast】</p> <p>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.</p> <p>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 start operation of the new factory.  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".</p>

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	1-10	About the same	Increase/decrease in business activity	About the same	Increase/decrease in business activity	WRI Aqueduct	<p>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. This includes all boundaries for information disclosed in W1.2b.</p> <p>As a result of WRI Aqueduct analysis, one site in China and one site in India have been identified as areas of high water stress. These are the same sites we reported last year. In this report year, the change the water withdrawal rate from water-stressed areas was about 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 4% of total water withdrawals.</p>

W1.2h

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<p>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.</p> <p>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.</p> <p>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".</p>
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<p>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.</p>
Groundwater – renewable	Relevant	123.03	Higher	Other, please specify ( [10% increase] · The volume of operations increased in the Philippines. · In Japan, groundwater (renewable) was used for watering during demolition of factory buildings. )	<p>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 13% of the total water withdrawal. This report year, it increased by 10% compared to the previous report year. We chose "Higher" according to Brother's selection criteria. The volume of operations increased in the Philippines. In Japan, groundwater (renewable) was used for watering during demolition of factory buildings. As 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.</p>
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<p>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.</p>
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<p>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.</p>
Third party sources	Relevant	824.78	About the same	Other, please specify ( [3% decrease] · FY21, one of China factories was closed. · FY22, the number of employees decreased in China and Vietnam. Daily life water has decreased. · Global water withdrawal reduction activities have reduced water withdrawals. )	<p>In order for us 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 87% of the total water withdrawal is provided by a third party, and we chose "Related". This reporting year, it decreased by 3%. We chose "About the same" according to the selection criteria of Brother.</p> <p>In the previous reporting year, one of our China factories was closed. Also, In this reporting year, employees decreased in China and Vietnam. The amount of water used for daily life has decreased. 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.</p> <p>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.</p>

W1.2i

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Relevant	165.83	Lower	Other, please specify ( [17% decrease] · FY21, one of China factories was closed. · FY22, the number of employees decreased in Vietnam. Daily life water has decreased. )	<p>According to environmental standards, 20% of total discharges is treated and then discharged into rivers. Therefore, "Related" was selected. This reporting year, it decreased by 17% compared to the previous reporting year. We chose "lower" according to the selection criteria of Brother.</p> <p>In the previous reporting year, one of our China factories was closed. Also, In this reporting year, employees decreased in Vietnam. The amount of water used for daily life has decreased. As a result, the amount of discharge to "fresh surface water " was reduced.</p> <p>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. About 87% of the water withdrawals is discharged, of which 20% is to freshwater surface water. Theoretically, It is expected to change as well as water withdrawals.</p>
Brackish surface water/seawater	Not relevant	<Not Applicable>	<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>	<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	663.08	About the same	Other, please specify ( [3% increase] · Due to the recovery from COVID-19, the operation of karaoke stores in Japan increased.)	<p>80% of total discharges is discharged by sewerage companies through sewers. Therefore, "Related" was selected. This reporting year, it increased by 3% compared to the previous reporting year. We chose "About the same" according to the selection criteria of Brother.</p> <p>This reporting year, due to the recovery from COVID-19, the operation of karaoke stores in Japan increased. This is the main reasons for change.</p> <p>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. As we are working to reduce water intake globally, it is expected that water intake will decrease in the medium to long term. 87% of the water intake is discharged, of which 80% is discharged to a third party. Theoretically, It is expected to change as well as water withdrawals.</p>

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	Primary reason for comparison 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>	<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>	<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>	<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>	<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	219.65	Lower	Other, please specify ( [25% decrease] · In this reporting year, It became clear that two bases were treating the wastewater.)	81-90	<p>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 83% of Brother Group facilities. The breakdown is sales offices in each country . This reporting year, it decreased by 26% compared to the previous reporting year.</p> <p>In this reporting year, It became clear that two bases were treating the wastewater. 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</p>
Other	Relevant	609.25	Higher	Other, please specify ( [11% increase] · In this reporting year, It became clear that two bases were treating the wastewater.)	11-20	<p>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 oxidation method", "Biochemical treatment method" These wastewater treatment are carried out at 17% of Brother Group facilities. These are all manufacturing bases. 73% of treated wastewater is discharged to public sewer systems. The remaining 27% is discharged into rivers in compliance with the laws and regulations of each country. This reporting year, it increased by 11% compared to the previous reporting year.</p> <p>In this reporting year, It became clear that two bases were treating the wastewater. 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</p>

### 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	81526900000	947.82	860151716.570657	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 any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	Yes	<Not Applicable>

### W1.4a

(W1.4a) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

Regulatory classification of hazardous substances	% of revenue associated with products containing substances in this list	Please explain
Candidate List of Substances of Very High Concern for Authorisation above 0.1% by weight (EU Regulation)	Don't know	When considering individual parts, there are parts that fall under the "Candidate List of Substances of Very High Concern for Authorization above 0.1% by weight (EU regulations)". However, this rule does not prohibit inclusion. In addition, the number of substances subject to regulation is increasing every year, and there are cases where substances already in use are subject to regulation. We carry out reporting, etc. in accordance with regulations.

### W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement	Primary reason for no engagement	Please explain
Suppliers	Yes	<Not Applicable>	<Not Applicable>
Other value chain partners (e.g., customers)	No	Please select	

### W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

**Assessment of supplier impact**

Yes, we assess the impact of our suppliers

**Considered in assessment**

Procurement spend

**Number of suppliers identified as having a substantive impact**

96

**% of total suppliers identified as having a substantive impact**

1-25

**Please explain**

We use the WRI Aqueduct to check for water risks in total 2047 tier1 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 sectors are identified to 5% or more of consolidated group sales. The total transaction amount of these suppliers are 2.1% of consolidated group sales.

### W1.5b

**(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization's purchasing process?**

	Suppliers have to meet specific water-related requirements	Comment
Row 1	Yes, suppliers have to meet water-related requirements, but they are not included in our supplier contracts	<Not Applicable>

**W1.5c**

**(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.**

**Water-related requirement**

Complying with going beyond water-related regulatory requirements

**% of suppliers with a substantive impact required to comply with this water-related requirement**

100%

**% of suppliers with a substantive impact in compliance with this water-related requirement**

None

**Mechanisms for monitoring compliance with this water-related requirement**

Supplier self-assessment  
Supplier scorecard or rating

**Response to supplier non-compliance with this water-related requirement**

Retain and engage

**Comment**

**W1.5d**

**(W1.5d) Provide details of any other water-related supplier engagement activity.**

**Type of engagement**

Incentivization

**Details of engagement**

Water management and stewardship is featured in supplier awards scheme

**% of suppliers by number**

100%

**% of suppliers with a substantive impact**

None

**Rationale for 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. 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**

**W2. Business impacts**

**W2.1**

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

Yes

**W2.1a**

**(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.**

**Country/Area & River basin**

Philippines	Other, please specify
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**Type of impact driver & Primary impact driver**

Regulatory	Tighter regulatory standards
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**Primary impact**

Increased operating costs

**Description of impact**

改訂された厳しい基準に準拠するため、管理運用費用の増加となった

**Primary response**

Improve pollution abatement and control measures

**Total financial impact**

15664234.04

**Description of response**

Implemented the following measures

- Measures against the introduction of biological agents and expansion of grease trap capacity
- Increased frequency of cleaning
- Injection of lactic acid bacteria

**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?**

	Water-related regulatory violations	Fines, enforcement orders, and/or other penalties	Comment
Row 1	Yes	Enforcement orders or other penalties but none that are considered as significant	

**W3. Procedures**

**W3.1**

**(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?**

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified	Please explain
Row 1	Yes, we identify and classify our potential water pollutants	We identify pollutants in accordance with the laws and regulations of the countries and regions where our manufacturing sites are located, and comply with their standards. Although the target substances and their standards differ due to differences in the characteristics of countries and regions, we mainly manage the following four types. · BOD: Biochemical Oxygen Demand · COD: Chemical Oxygen Demand · SS: Suspended solid · n-Hexane Extracts: n-hexane extracts	<Not Applicable>

**W3.1a**

**(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.**

**Water pollutant category**

Other synthetic organic compounds

**Description of water pollutant and potential impacts**

The main products we produce are home printers. Although it is not a product that uses a large amount of water, it is used in manufacturing consumables (ink, etc.), cleaning parts in the manufacturing process, cooling equipment, etc. Therefore, factory effluent may be contaminated with organic compounds. In addition, at manufacturing sites, meals are also provided to employees, and it is conceivable that the wastewater from the kitchen may be contaminated with oil. For these reasons, organic compounds and oil are treated as pollutants, and BOD, COD, SS, and n-hexane extraction are measured and controlled in wastewater.

**Value chain stage**

Direct operations

**Actions and procedures to minimize adverse impacts**

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

**Please explain**

There is no sewage system at manufacturing bases, and there are bases that treat wastewater and discharge it into rivers. Exceeding the effluent standard value may affect the biological system. Therefore, we have acquired ISO 14001 certification at each site, and we are working to prevent pollution by creating and managing procedure manuals in our activities.

In addition, we regularly conduct wastewater analysis to confirm that the standard values stipulated by law are met.

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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.

**W3.3b**

**(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.**

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	We assess water risk as part of our environmental risk assessment. It is carried out to identify the overall risks of Manufacturing sites, Sales companies, Headquarters and suppliers. We are aware of business losses and other overall water risk factors in the event of floods and water scarcity. Therefore, we use the WRI Aqueduct and WWF Water Risk Filter tools to check for water risks at all facility and supplier locations and their current baseline and future water stress (2030, 2040).	We are aware of business losses and other overall water risk factors in the event of floods and water scarcity. Therefore, we use the WRI Aqueduct and WWF Water Risk Filter tools to check for water risks at all facility and supplier locations and their current baseline and future water stress (2030, 2040).To ensure continuity, we have address and location details in our database so that we can contact immediately in the event of an emergency.	We have added water management items to the CSR questionnaire and regularly conduct water usage surveys for all facilities and suppliers. We have set water intake reduction targets of Brother Group and are implementing water-saving activities and water recycling. This can reduce the amount of water intake. Leverage these factors to set goals for your environmental action plan.All facilities and suppliers comply with the Brother Group's basic environmental conservation policies and action guidelines, work to reduce environmental impacts such as water usage, water quality, and water-saving activities, and report the results and progress of activities to us. Regarding resource recycling, the Brother Group will reduce the resources used for its main products, make effective use of water resources, and treat wastewater appropriately. Brother Group establish a framework for quantifying and reducing the impact on the environment and will steadily continue activities to achieve the goals.	The WRI Aqueduct and WWF Water Risk Filter were used as an internal water risk assessment process to assess water risk across a facility's baseline, future water risk, and water contamination. We are reviewing the business impact of our very high-risk facilities and suppliers listed by WRI Aqueduct. It then considers government responses and measures for water risk assessment in these areas. 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.

## W4. Risks and opportunities

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### W4.1

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#### (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, only within our direct operations

### W4.1a

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#### (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.

### W4.1b

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#### (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	2	1-25	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 the "extremely high risk" facility are manufacturing site in China and India.This represents 1.48% of the company's facilities. The WRI Aqueduct and WWF Water Risk Filter were used as an internal water risk assessment process to assess water risk across a facility's baseline, future water risk, and water contamination. As a result, we determined that although there is a risk, it will not have a significant impact.

### W4.1c

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**(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 19 Jan 2023. HUANG HE (Yellow river) where manufacturing sites and suppliers are located. 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. By 2025, the water quality of the eight national examination sections of the main stream of the Yellow River will be stable and meet the Grade 2 standard. We determined that although there is a risk, it will not have a significant impact on our business.

**Country/Area & River basin**

India	Ganges - Brahmaputra
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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**

Less than 1%

**Comment**

The Ganges - Brahmaputra basin in which we operate the production facility is rated as high risk in the baseline and future 2030, 2040 by the WRI Aqueduct. As per the report of Climate Change 2022, the Sixth Assessment , IPCC, there will be rise in water level by 2050 and 2100. India Government set to start massive project to divert Ganges and Brahmaputra rivers. 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 determined that although there is a risk, it will not have a significant impact on our business.

**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 3.69% 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 process 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)**

30050190864.34

**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 30 billion yen. This is about 3.69 % of total group's sales.  
 If sales are reduced by 50% due to confusion between control functions and product supply functions, the impact on sales will be approximately 15 billion yen.

**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 19 Jan 2023. 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 and by 2025, the water quality of the eight national examination sections of the main stream of the Yellow River will be stable and meet the Grade 2 standard. 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 19 Jan, 2023. 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 and by 2025, the water quality of the eight national examination sections of the main stream of the Yellow River will be stable and meet the Grade 2 standard. 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".

**Country/Area & River basin**

India	Ganges - Brahmaputra
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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 India.  
 The sales amount is about 1.11% 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 process as our in-house water risk assessment process to assess the risk. As per the report of Climate Change 2022, the Sixth Assessment, IPCC, there will be rise in water level by 2050 and 2100. India Government set to start massive project to divert Ganges and Brahmaputra rivers. Water Resources Minister Uma Bharti said transferring water, including from major rivers like the Brahmaputra and the Ganges, to drought-prone areas is now her government's top priority. 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. Therefore, we have determined that these facilities will not be significantly affected on business. Therefore, we have determined that there are no risks that could have a major impact on our business.  
 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)**

9024449529.74

**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 9 Billion yen. This is about 1.11 % of total group's sales.

If sales are reduced by 50% due to confusion between control functions and product supply functions, the impact on sales will be approximately 4.5 Billion yen.

**Primary response to risk**

Engage with regulators/policymakers

**Description of response**

The Ganges - Brahmaputra basin in which we operate the production facility is rated as high risk in the baseline and future 2030, 2040 by the WRI Aqueduct. As per the report of Climate Change 2022, the Sixth Assessment, IPCC, there will be rise in water level by 2050 and 2100. India Government set to start massive project to divert Ganges and Brahmaputra rivers. Water Resources Minister Uma Bharti said transferring water, including from major rivers like the Brahmaputra and the Ganges, to drought-prone areas is now her government's top priority. 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 determined that although there is a risk, it will not have a significant impact on our business.

**Cost of response**

0

**Explanation of cost of response**

The Ganges - Brahmaputra basin in which we operate the production facility is rated as high risk in the baseline and future 2030, 2040 by the WRI Aqueduct. As per the report of Climate Change 2022, the Sixth Assessment, IPCC, there will be rise in water level by 2050 and 2100. India Government set to start massive project to divert Ganges and Brahmaputra rivers. Water Resources Minister Uma Bharti said transferring water, including from major rivers like the Brahmaputra and the Ganges, to drought-prone areas is now her government's top priority. 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 determined that although there is a risk, it will not have a significant impact on our business. According to this, the cost of response is described as zero "0".

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

**(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 compared to FY2022 (based on sales. )" is our goal.

The actual result for FY2022 is a reduction of 15.5% (sales basis) compared to FY2021, 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)**

16026920

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial impact**

We set a goal of reducing the total amount of water intake at manufacturing sites to 617,862.5m3 or less in the previous fiscal year, and implemented the following reduction measures.

- 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
- Improvement of water spray equipment
- Reduction of water consumption by changing the cleaning method

By implementing these measures, we achieved a 15.5% reduction (based on sales) compared to FY2021, contributing to the achievement of our FY2022 target.

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**W5. Facility-level water accounting**

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**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)**

35.4

**Comparison of total withdrawals with previous reporting year**

Higher

**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**

35.4

**Total water discharges at this facility (megaliters/year)**

27.7

**Comparison of total discharges with previous reporting year**

Higher

**Discharges to fresh surface water**

0

**Discharges to brackish surface water/seawater**

0

**Discharges to groundwater**

0

**Discharges to third party destinations**

27.7

**Total water consumption at this facility (megaliters/year)**

7.7

**Comparison of total consumption with previous reporting year**

Higher

**Please explain**

WRI Aqueduct has confirmed that one facility in China is listed as a "very high" water risk.

Water withdrawn is stated on the bill. Discharges is calculated taking into account the amount of evaporation of about 10% of water withdrawn. Consumption is calculated as "water intake - water discharge".

Withdrawals increased by 27% compared to the previous report year. Discharges increased by 27% compared to the previous report year. Consumption increased by 27% 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.

In this reporting year, the production equipment has changed. Water was used to cleanse the area. Withdrawals of this facility is about 3.7% of the total withdrawals. here 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.).

About 'Third party sources', the third party is a municipal supplier.

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**Facility reference number**

Facility 2

**Facility name (optional)**

Domino Printech (India)

**Country/Area & River basin**

India	Ganges - Brahmaputra
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**Latitude**

28.3739

**Longitude**

76.880964

**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)**

4.66

**Comparison of total withdrawals with previous reporting year**

This is our first year of measurement

**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**

4.66

**Total water discharges at this facility (megaliters/year)**

4.66

**Comparison of total discharges with previous reporting year**

This is our first year of measurement

**Discharges to fresh surface water**

0

**Discharges to brackish surface water/seawater**

0

**Discharges to groundwater**

0

**Discharges to third party destinations**

4.66

**Total water consumption at this facility (megaliters/year)**

0

**Comparison of total consumption with previous reporting year**

This is our first year of measurement

**Please explain**

WRI Aqueduct has confirmed that one facility in india is listed as a "very high" water risk.

Water withdrawn is stated on the bill. All water intake is assumed to be discharged.

Withdrawals of this facility is about 0.49% of the total withdrawals. here 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.).

About 'Third party sources', the third party is a municipal supplier.

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**W5.1a**

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

**Water withdrawals – total volumes**

**% verified**  
Not verified

**Verification standard used**  
<Not Applicable>

**Please explain**

**Water withdrawals – volume by source**

**% verified**  
Not verified

**Verification standard used**  
<Not Applicable>

**Please explain**

**Water withdrawals – quality by standard water quality parameters**

**% verified**  
Not verified

**Verification standard used**  
<Not Applicable>

**Please explain**

**Water discharges – total volumes**

**% verified**  
Not verified

**Verification standard used**  
<Not Applicable>

**Please explain**

**Water discharges – volume by destination**

**% verified**  
Not verified

**Verification standard used**  
<Not Applicable>

**Please explain**

**Water discharges – volume by final treatment level**

**% verified**  
Not verified

**Verification standard used**  
<Not Applicable>

**Please explain**

**Water discharges – quality by standard water quality parameters**

**% verified**  
Not verified

**Verification standard used**  
<Not Applicable>

**Please explain**

**Water consumption – total volume**

**% verified**  
Not verified

**Verification standard used**  
<Not Applicable>

**Please explain**

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**W6. Governance**

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**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.

Row	Scope	Content	Please explain
1	Company-wide	<p>Commitment to prevent, minimize, and control pollution</p> <p>Commitment to reduce water withdrawal and/or consumption volumes in direct operations</p> <p>Reference to company water-related targets</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 2024" based on this vision, we aim to ensure the efficient use of water resources and the proper treatment of wastewater.</p> <p>&lt;Business dependency on water / impact on water &gt;</p> <p>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.</p> <p>&lt;Water-related performance standards for direct operations · Company water targets and goals&gt;</p> <p>In fiscal 2022, "Brother Group Medium-term Environmental Action Plan 2024 (2022-2024)" will be formulated, and efforts will be made to reduce water usage with the goal of reducing the amount of water intake at production sites from FY2021 (per unit of sales).</p> <p>&lt;Water-related standards for procurement &gt;</p> <p>Through CSR questionnaires to suppliers, we are promoting "compliance with environmental laws regulations regarding water" and "water usage management".</p> <p>&lt;Acknowledgement of the human right to water and sanitation · Commitment to safely managed Water, Sanitation&gt;</p> <p>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.</p> <p>&lt;Commitment to align with public policy initiatives&gt;</p> <p>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 or committee	Responsibilities for water-related issues
Chief Executive Officer (CEO)	<p>Brother has established a Board of Directors, a Strategy Committee, a Sustainability Committee, and a Risk Management Committee. To promote sustainability activities in the environmental field, including climate change, we have established a climate change response subcommittee, and the director in charge of the environment serves as the subcommittee owner as the person who oversees the subcommittee activities. In addition, we are making effective efforts by linking the degree of achievement of targets related to climate change and executive compensation. When formulating or revising important matters such as environmental risks and issues related to the environment, including climate change, the Sustainability Committee or Climate Change Response Subcommittee will consider them, and the Strategy Committee will discuss them. After that, the Board of Directors makes a resolution and receives instructions and supervision from management.</p> <p>In fiscal 2020, based on the TCFD recommendations, we assessed the importance of climate-related risks and opportunities that could affect our major businesses from 2020 to the future. We have identified "intensification of extreme weather events such as cyclones and floods" as a physical risk.</p> <p>In addition, we have formulated the "Brother Group Medium-term Environmental Action Plan 2024" in FY2022, and have set a target of reducing the amount of water intake (per unit of sales) at production sites from FY2021, and are working to reduce the amount of water used.</p>

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 - some meetings	Monitoring implementation and performance Overseeing major capital expenditures Reviewing and guiding annual budgets Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Setting performance objectives	In FY2022, we established the Environmental Laws and Regulations Committee and the Climate Change Subcommittee as bodies responsible for environmental risks and issues such as climate change in the Brother Group. Important environmental risks and issues related to climate change raised by the Environmental Laws Committee and the Climate Change Response Subcommittee are reported to the Risk Management Committee and Sustainability Committee chaired by the president. In addition, the most important matters are reported to the Board of Directors, and instructions and supervision are received from management.

**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)

**Water-related responsibilities of this position**

Assessing water-related risks and opportunities  
Managing water-related risks and opportunities  
Setting water-related corporate targets

**Frequency of reporting to the board on water-related issues**

More frequently than quarterly

**Please explain**

The person responsible for environmental issues is the executive director in charge of the environment. Reports to executive officers are made monthly. In addition, the progress of important issues is reported quarterly at the Strategy Committee, and issues with particularly large impact are reported at the Board of Directors, where they receive instructions and supervision from management.

**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	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Monetary reward	Chief Operating Officer (COO)	Other, please specify (The Brother Group's Water Usage Reduction Activities)	Securing safe water resources is an important environmental challenge for the global community. The Brother Group has been monitoring all of our sites regularly, evaluating water risks at each site every year, and working to reduce water consumption to fulfill our responsibilities as an operator of manufacturing facilities in many countries and regions. In FY2022, we formulated the Brother Group Environmental Action Plan 2024 (effective from 2022 to 2024), setting a target to reduce water withdrawal at manufacturing facilities from the FY2021 level (per unit of sales), and we are committed to reducing water usage.	In FY2021, we continued to take measures including reducing toilet water usage, switching to water-saving taps, as well as new recycling efforts, such as using water treated at wastewater treatment facilities that meets the standards in toilets. Furthermore, there were production adjustments due to the impact of COVID-19. Therefore, there was a reduction in the amount of water withdrawal by 21.8% from the FY2018 level (per unit of sales).
Non-monetary reward	Chief Operating Officer (COO)	Other, please specify (The Brother Group's Water Usage Reduction Activities)	Securing safe water resources is an important environmental challenge for the global community. The Brother Group has been monitoring all of our sites regularly, evaluating water risks at each site every year, and working to reduce water consumption to fulfill our responsibilities as an operator of manufacturing facilities in many countries and regions. In FY2022, we formulated the Brother Group Environmental Action Plan 2024 (effective from 2022 to 2024), setting a target to reduce water withdrawal at manufacturing facilities from the FY2021 level (per unit of sales), and we are committed to reducing water usage.	In FY2021, we continued to take measures including reducing toilet water usage, switching to water-saving taps, as well as new recycling efforts, such as using water treated at wastewater treatment facilities that meets the standards in toilets. Furthermore, there were production adjustments due to the impact of COVID-19. Therefore, there was a reduction in the amount of water withdrawal by 21.8% from the FY2018 level (per unit of sales).

**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 "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 2022, the Environmental Law Committee and the Climate Change Response Subcommittee met three times each as the organization responsible for environmental risks and issues such as climate change in the Brother Group. Important environmental risks and issues related to climate change raised by the Environmental Laws Committee and the Climate Change Response Subcommittee are reported to the Risk Management Committee and Sustainability Committee chaired by the president. In addition, the most important matters are reported to the Board of Directors.
Strategy for achieving long-term objectives	No, water-related issues were reviewed but not considered as strategically relevant/significant	11-15	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.
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. According to the TCFD risk assessment, "intensification of extreme weather events such as cyclones and floods" is not a serious risk, with an economic impact of 1 billion to 10 billion yen and an expected period of 10 to 50 years.

**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)**

278.4

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

0

**Water-related OPEX (+/- % change)**

23.7

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

0

**Please explain**

In FY2022, the countries where our manufacturing bases are located have tightened wastewater regulations, so we have significantly strengthened our wastewater treatment facilities in order to comply with the new legal standards. In addition, facility operating costs are increasing as a result.

In FY2023, we anticipate that there will continue to be countries and regions that need to be addressed, so we expect that the same level of capital investment and operating costs will occur in FY2023 as in FY2022.

**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	<p>The Brother Group has set CO2 emission reduction as one of the important items in the "Brother Group Environmental Vision 2050." The Brother Group recognizes that climate change, which is becoming increasingly serious around the world, is an important social issue, and sees it as a business risk and opportunity for the Brother Group.</p> <p>In fiscal 2020, based on the TCFD recommendations, we assessed the importance of climate-related risks and opportunities that may affect our major businesses from 2020 to the future. For each of the risks and opportunities, we set a 1.5°C scenario in which global warming countermeasures are progressing and the realization of a decarbonized society is approaching, and a scenario in which global warming measures beyond the current level are not taken, and temperatures will continue to rise. Based on the 4.0°C Scenario, we identified seven key risks and opportunities and assessed their impact on our business and finances.</p> <p>For 1.5°C scenario and 4.0°C scenario, refer to IEA (International Energy Agency) SDS (Sustainable Development Scenario), IPCC (Intergovernmental Panel on Climate Change) RCP8.5 scenario, Aqueduct (water risk assessment tool), etc. Did.</p>	<p>[Physical risk]</p> <ul style="list-style-type: none"> <li>Changes in the external environment: Intensification of extreme weather events such as cyclones and floods</li> <li>Financial impact: 1 billion to 1 billion yen</li> <li>Assumed period: 10 to over 50 years</li> </ul>	<p>[Physical risk]</p> <p>Although the impact is expected to be limited, we are considering the following countermeasures.</p> <ul style="list-style-type: none"> <li>Securing parts inventory that can withstand temporary production stoppages</li> <li>Implementation of risk countermeasures through multi-site production (some models)</li> <li>Strategic examination of parts suppliers and their upstream suppliers</li> </ul>

**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	<p>A product that seems to have less impact on water resources is a garment printer that prints by applying ink directly to garments. In the industry, it is called direct inkjet or DTG (Direct to Garment). This machine is suitable for small lots and on-demand, as it can be created from one sheet if there is data.</p> <p>When printing on clothing, the screen method is usually suitable for mass production, but it requires a lot of water for washing.</p> <p>On the other hand, printing with a garment printer can be created from one sheet if there is data, and it is possible to "flexibly produce and respond" to demand, so the risk of large-scale disposal is reduced, and the amount of waste liquid can be reduced. can be done.</p>	<Not Applicable>	<p>The apparel industry has been pointed out as an industry that has a large environmental impact due to its continued mass production and overproduction, and has become an international issue. Garment printers are suitable for small-lot, on-demand production, as they can create from one sheet if data is available.</p> <p>In the conventional screen printing method, it is necessary to wash the printing screen plate, and a large amount of waste liquid is generated, but in the garment printer, a plate is not required, so it is possible to reduce the environmental impact of water pollution.</p>

**W8. Targets**

**W8.1**

**(W8.1) Do you have any water-related targets?**

Yes

**W8.1a**

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	Yes	<Not Applicable>
Water withdrawals	Yes	<Not Applicable>
Water, Sanitation, and Hygiene (WASH) services	Yes	<Not Applicable>
Other	Please select	<Not Applicable>

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

**Target reference number**

Target 1

**Category of target**

Water withdrawals

**Target coverage**

Company-wide (direct operations only)

**Quantitative metric**

Reduction in withdrawals per revenue

**Year target was set**

2022

**Base year**

2021

**Base year figure**

98.3

**Target year**

2022

**Target year figure**

98.29

**Reporting year figure**

83.03

**% of target achieved relative to base year**

152700.000000139

**Target status in reporting year**

Achieved

**Please explain**

We set a goal of reducing the total amount of water intake at manufacturing sites to 617,862.5m3 or less in the previous fiscal year, and implemented the following reduction measures.

- 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
- Improvement of water spray equipment
- Reduction of water consumption by changing the cleaning method

By implementing these measures, we achieved a 15.5% reduction (based on sales) compared to FY2021, contributing to the achievement of our FY2022 target.

**Target reference number**

Target 2

**Category of target**

Water pollution

**Target coverage**

Company-wide (direct operations only)

**Quantitative metric**

Reduction in concentration of pollutants

**Year target was set**

2022

**Base year**

2021

**Base year figure**

**Target year**

2022

**Target year figure**

**Reporting year figure**

**% of target achieved relative to base year**

<Calculated field>

**Target status in reporting year**

Achieved

**Please explain**

Achievement of legal standards for wastewater in countries and regions where manufacturing bases are located.

**Target reference number**

Target 3

**Category of target**

Water, Sanitation and Hygiene (WASH) services

**Target coverage**

Company-wide (direct operations only)

**Quantitative metric**

Increase in the proportion of employees using safely managed drinking water services

**Year target was set**

2022

**Base year**

2021

**Base year figure**

**Target year**

2022

**Target year figure**

**Reporting year figure**

**% of target achieved relative to base year**

<Calculated field>

**Target status in reporting year**

Achieved

**Please explain**

Below the legal standards of each country and region where manufacturing bases are located.

**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. Plastics**

**W10.1**

**(W10.1) Have you mapped where in your value chain plastics are used and/or produced?**

	Plastics mapping	Value chain stage	Please explain
Row 1	Please select	<Not Applicable>	

**W10.2**

**(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?**

	Impact assessment	Value chain stage	Please explain
Row 1	Please select	<Not Applicable>	

### W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Value chain stage	Type of risk	Please explain
Row 1	Please select	<Not Applicable>	<Not Applicable>	

### W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Target type	Target metric	Please explain
Row 1	Please select	<Not Applicable>	<Not Applicable>	

### W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	Please select	
Production of durable plastic components	Please select	
Production / commercialization of durable plastic goods (including mixed materials)	Please select	
Production / commercialization of plastic packaging	Please select	
Production of goods packaged in plastics	Please select	
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	Please select	

### W11. 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.

### W11.1

(W11.1) 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)