



# 2024 Modern Slavery Statement

Brother International (Aust) Pty Ltd

2460DW  
Your efficient  
mono laser printer

brother  
at your side



## The Reporting Entity

Brother International (Aust) Pty Ltd - ABN 17 001 393 835 / ACN 001 393 835 ('Brother International') is a subsidiary of Brother Industries, Ltd of Japan.

Brother International provides products for the print and imaging, labelling, sewing and craft markets. Products include inkjet and laser devices, multi-function centres, labellers, label printers, printing and labelling consumables, scanners, fax machines, sewing and craft machines and accessories, garment printers.

We are committed to social and environmental responsibility and do not tolerate slavery and human trafficking across our business and supply chain.

This statement is made pursuant to the *Modern Slavery Act 2018* (Cth). It covers the period 1 April 2023 to 31 March 2024 (the reporting period), based on the Japanese financial year. and sets out the actions taken by Brother International to address modern slavery risks in its operations and supply chain.

## Structure, Operations and Supply Chains

Brother International was established in 1977 as a wholly owned subsidiary of Brother Industries, Ltd which was founded in 1908 in Japan. We are a private company and part of the Brother global group of companies. We use the name 'Brother' to refer to the group.

We are the Australian sales office of Brother, providing Brother branded products for the IT office and sewing machine markets. Our operations include marketing, sales, service, administrative support to importing, warehousing and distribution of Brother branded products within Australia. We have a product support and service team directly supporting consumers.

Our products are sold through retailers, dealers, e-commerce sites and an authorised distribution network. Our supply chain consists of the products we sell which are manufactured by our parent company in factories located in China, Taiwan, Japan, Philippines and Vietnam.

We work with parts and materials suppliers to ensure our Procurement Policy and Corporate Social Responsibility (CSR) Procurement Standards are understood and to share our CSR focused procurement concept. The policy and standards cover a wide range of fields, including human rights and labour, the rights to organise and bargain collectively, workplace health and safety, global environmental protection, fair trade and ethics, product quality and safety, raw materials, information security, and social contribution.

We believe sustainable growth will lead to the growth of our business partners, including suppliers. By working with manufacturing facilities to share our CSR Procurement Standards, we strive to gain more trust from partners and continue to build a sustainable supply chain that responds to changing social demands.

## Risks of modern slavery practices in our operations and supply chains

'Risks of modern slavery practices' means the potential to cause, contribute to, or be directly linked to modern slavery through operations and supply chains in the context of risk to people.

Through our policies, standards, questionnaires, audits, consultation and collaboration, working with partners and tools such as the Responsible Business Alliance (RBA), the Supplier Ethical Data Exchange's (SEDEX) Members Ethical Trade Audit (SMETA), and the United Nations Global Compact (UNGC), we have identified areas where modern slavery risks may be present. These are set out below.

## Conflict minerals

Conflict minerals are unrightfully mined in conflict zones such as the Democratic Republic of the Congo and neighbouring countries in Africa. Trading of conflict minerals helps finance armed groups and results in human right violations, labour mistreatment, environmental destruction, etc. in these areas plagued by regional conflict.

## Labour

Brother has operations and suppliers located in certain high risk countries in Asia who have been reported to have a high prevalence of modern slavery, labour rights violations, other human rights violations and/or child labour.

### **Actions taken to assess and address the risks of modern slavery**

Within our supply chains our focus is on due diligence efforts using policies, standards, audits, questionnaires, and procurement activities, as we source raw materials and parts from suppliers in various countries.

Brother continues to assess other potential areas of risk through its policies, standards, questionnaires, audits, consultation and collaboration with its suppliers, working with partners and using tools such as those described above. During the reporting period, no other areas of risk were identified.

Brother's CSR management is underpinned by its 'At your side' commitment to create social value through business activities and to build long-term trusting relationships with suppliers in alignment with the United Nations Sustainable Development Goals (SDGs).

## Policies and Governance

Brother does not tolerate slavery and human trafficking. We have a compliance system in place which focuses on our raw material and parts suppliers to ensure that they comply with our values and ethical standards. The system includes self-assessment questionnaires and contractual warranties which require suppliers to comply with our Principles of Social Responsibility and CSR Procurement Standards. If we are not reasonably satisfied with a supplier's response(s) to the questionnaires, we may request that the supplier explain the response(s) in detail and submit an improvement action plan.

The Principles of Social Responsibility are reflected in our Code of Conduct, which all people working and employed by Brother, including partners, board members, officers, employees and contractors (together, workers), are required to understand and comply with.

Each Brother company is also required to implement its own code of conduct which, together with other company rules, satisfies the standard set by these Principles of Social Responsibility. Further, each Brother company is required to:

- clarify the department responsible for implementation of its code of conduct;
- give regular training to its employees with respect to compliance with its code of conduct;
- perform periodic auditing to ensure conformity with the Principles of Social Responsibility; and,
- correct in a timely fashion any deficiencies identified by periodic audits.

Senior management in Brother's legal team are responsible for ensuring the implementation of the Principles of Social Responsibility by each Brother company, as well as reviewing the management system on a regular basis.

Brother also has a Global Human Rights Policy, which applies to all workers. Brother also requires people involved in its supply chain to understand the Global Human Rights Policy and cooperate with surveys, audits, and other measures outlined in the Policy.

## Principles of Social Responsibility

### **Fair working conditions**

In recognition of the importance of providing fair working conditions, we respect people and recognise fundamental human rights and expect our workers to act in the same way.

### **Non-discrimination and Non-harassment**

Brother does not tolerate acts of discrimination or harassment and does not:

- unlawfully discriminate against anyone based on protected attributes, including race, colour, national or ethnic origin, ethno-religious background, age, gender, gender identity, sexual orientation, intersex status, transgender status, lawful sexual activity and/or sexual orientation, pregnancy or potential pregnancy, breastfeeding, status as a parent or carer, political belief or activity, industrial activity, marital status, religious belief or activity, disability, experiencing family and domestic violence, and personal association (whether as a relative or otherwise) with a person or people identified by reference to any of those attributes; or
- violate a person's dignity by engaging in harassment or abuse (on any grounds or in any form), corporal punishment, mental or physical coercion or threat of any such treatment.

### **Fair and lawful labour practices**

Brother complies with all local laws and regulations, instructions of authorities and regulators and local industry standards in relation to working conditions, including hours, wages and benefits (including minimum wages) and overtime hours.

### **Freedom of association**

Brother respects the rights of its workers in each country to associate freely with others, join or not join labour unions, seek representation and join workers' councils in accordance with laws and regulations.

### **Child and forced labour**

Brother does not tolerate or engage in illegal labour practices. In particular, Brother does not:

- use forced labour or involuntary prison labour;
- require workers to hand over government-issued identification, passports or work permits as a condition of employment (except temporary hand over for identification confirmation or government formalities);
- knowingly employ any persons below the age for completing compulsory schooling in accordance with local laws;
- knowingly employ persons under 15 years old (or 14 where the law of the country permits); or
- assign workers under the age of 18 to work that is likely to jeopardize their health or safety.

## UN SDG Goals to combat modern slavery

SDG Goal 8 addresses “decent work and economic growth”, including target 8.7 which aims to eradicate forced labour and eliminate all forms of child labour by 2025, while promoting sustainable economic growth and full and productive employment. Additionally, SDG Goal 16 focuses on “peace, justice and strong institutions” including target 16.5 “substantially reduce corruption and bribery in all their forms” to create a peaceful and just society without exclusion.

Brother fulfills its social responsibility as a manufacturer in its business activities and contributes to the realisation of the SDGs by ensuring compliance with the Principles of Social Responsibility, the Global Policy on Anti-Bribery and Anti-Corruption, and by working with our business partners to eliminate forced labour, child labour, and conflict minerals.

## Whistleblowing system

We have established a whistleblowing system and encourage workers to report any violations of the Principles of Social Responsibility, other company policies, local laws and regulations. We prohibit workers retaliating against or victimising or subjecting to detriment anyone who reports a suspected violation and ensure the anonymity of any whistleblowers in accordance with local laws.

## Compliance with ratings

For the fourth consecutive year, Brother has been included in the globally renowned FTSE4Good Index Series ESG investment stock index. The FTSE4Good Index Series is a series of indexes that consists of companies that have met standards for evaluating environmental, social, and governance (ESG) practices.

During the reporting period, Brother was selected for the first time for the MSCI Japan ESG Select Leaders Index, an investment index that selects Japanese companies with superior ESG measures. The MSCI Japan ESG Select Leaders Index is one of the ESG investment indexes adopted by Japan's Government Pension Investment Fund (GPIF), the largest pension management institution in the world.

This means Brother is now included in all six ESG indexes for domestic stocks adopted by GPIF, with the other ESG indexes being the FTSE Blossom Japan Index, the FTSE Blossom Japan Sector Relative Index, the MSCI Japan Empowering Women (WIN) Select Index, the Morningstar Japan ex-REIT Gender Diversity Tilt Index, and the FTSE Blossom Japan Sector Relative Index.

## Provide fair opportunities for all workers

As set out in the Brother Group Global Charter (Global Charter), one of our most important stakeholders are our workers. Brother values diversity, provides a work environment where workers are included, respected and supported to meet their full potential, and properly evaluates and rewards workers equitably for their efforts and achievements.

Since 2019, Brother has been included in the MSCI Japan Empowering Women (WIN) Select Index. The MSCI Japan Empowering Women (WIN) Select Index consists of leading companies that are actively promoting and advancing women in the workplace.

Since 2022, Brother has also been included in the Morningstar Japan ex-REIT Gender Diversity Tilt Index. The Morningstar Japan ex-REIT Gender Diversity Tilt Index is an index that focuses on companies that have strong gender diversity policies embedded in their corporate culture and that ensure equal opportunities to employees, irrespective of their gender.

During the last reporting period, Brother discontinued its 'core time' of 9:30 am and 2:00 pm, being the hours during which employees were generally required to work, making employee's ordinary working hours more flexible and allowing temporary suspension and resumption of work after clocking in.

Brother has also set goals to:

- Increase the number of women in managerial positions (positions equivalent to managers as well as specialists with equal compensation) to at least 60 by the end of FY2025. At the end of the reporting period, there were 54 women in managerial positions.
- Increase the percentage of male employees taking two or more weeks of childcare leave (including parental leave) to at least 60% and the percentage of male employees taking a total of four or more weeks of childcare leave to at least 30% by FY2025. In the last reporting period, there were approximately 63% of male employees taking two or more weeks of childcare leave and 50% taking four or more weeks.

## Procurement Policy and CSR Procurement Standards

### Promoting CSR Procurement with Suppliers<sup>1</sup>

Brother makes its Procurement Policy and CSR Procurement Standards publicly available to share its CSR procurement concept with parts and materials suppliers. The Policy and Standards cover a wide range of fields, including human rights and labour, the right to organise and bargain collectively, work health and safety, global environmental protection, fair trade and ethics, product quality and safety, raw materials, information security, and social contribution.

Brother complies with local laws and regulations and supports employee collective bargaining rights by conducting collective negotiations and respecting communication between management and workers on working conditions and management practices.

In April 2023, Brother held in-person supplier explanatory meetings at its manufacturing facilities (Printing & Solutions (P&S) Business) in Japan, Vietnam, the Philippines and China. 840 participants across 470 companies participated in these sessions at which we:

- explained the results of CSR procurement activities in the reporting period;
- explained our plans for CSR procurement activities in the next reporting period;
- requested suppliers to complete the CSR questionnaire survey and forced labour questionnaire survey for the next reporting period;
- explained the outline and background of the formulation of the Brother Group Human Rights Global Policy, as well as the revised CSR Procurement Standards and the Human Rights Helpline; and
- shared information with suppliers about our efforts throughout the value chain to respect human rights.

Brother continues to require suppliers to sign a consent form to confirm their intent to adhere to the CSR Procurement Standards.

In addition, Brother requests suppliers to complete the CSR questionnaire (a questionnaire survey on forced labour with the goal of preventing forced labour), and a conflict minerals survey (to confirm whether a supplier is using minerals that are mined by smelters in war zones).

Brother remains committed to promoting CSR procurement together with its suppliers.

Brother's CSR Procurement Standards and Policy are aligned with the UN's SDGs including:

- Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; and
- Goal 12: Ensure sustainable consumption and production patterns.

### Procurement Policy

Brother acts fairly with all suppliers and respects the rules and spirit of laws in all countries and regions where it operates, and builds strong, respectful working relationships with suppliers for mutual growth.

Issues concerning conflict minerals are considered very important and Brother takes a proactive approach toward responsible procurement of minerals (see Conflict Minerals section below).

---

<sup>1</sup> The Global Charter defines Brother's common global values and our responsibilities to all our stakeholders which we apply to all business decisions and actions.

## CSR Procurement Standards

We procure products from business partners that adhere to the following guidelines:

### Labour

#### **Respect for Human Rights and Prohibition of Discrimination**

Respect the fundamental human rights of all people and do not discriminate by race, nationality, gender, religion or any other grounds protected by law. Understand the Brother Group Human Rights Global Policy, establish your own company policies of the same standard, and have your workers (including partners, board members, employees and contractors of the business) strictly follow them.

#### **Prohibition of Child Labour and Forced Labour**

Not enforce unfair labour practices and illegal child labour at any production stage.

#### **Appropriate Management of Working Conditions and Prevention of Overworking**

Manage workers' working conditions, including working hours, in accordance with local labour laws and regulations, prevent workers from being overworked, ensure work health and safety.

#### **Guarantee of Minimum Wage**

Pay wages at least equivalent to the legal minimum in accordance with local labour laws and regulations and do not reduce wages unfairly.

#### **Guarantee of Freedom of Association and Support for Collective Bargaining Rights**

Respect the rights of workers to associate freely with others and the right to join unions as a means to facilitate consultation between labour and management over working conditions, working environment and wage levels. Support employee collective bargaining rights and hold sincere consultations and discussions with workers.

### Health and Safety

Ensure the workplace health and safety of workers and act to create a comfortable working environment.

### Ethics

#### **Legal Compliance**

Respect the rules, spirit of laws and act fairly with the highest integrity.

#### **Adequate Information Management**

Have a framework for managing information in place and keep personal information and confidential information secure.

#### **Responsible Minerals Procurement**

Try to avoid using minerals mined or traded in conflict-affected and high-risk areas, which may be involved in human rights violation, labour rights violation, environmental degradation, etc.

### Management System

#### **Continuous Improvement of Activities**

Use CSR procurement questionnaires, surveys and other explanatory materials to engage in continuous 'Plan Do Check Act' oriented improvement efforts.

## Cooperation from Business Partners

Request your business partners to cooperate with our efforts to fulfill social responsibilities from the viewpoints of legal compliance, human rights, labour, safety and health, environment, ethics, management system, etc. stated in the CSR Procurement Standards and at the same level as the Standards, as well as establish processes to check the status of your business partners' initiatives at the request of the Brother.

## Conflict Minerals Risk

### Conflict minerals response policy<sup>2</sup>

Minerals (tantalum, tin, gold and tungsten) mined in the Democratic Republic of the Congo and neighbouring countries in Africa may be sources of funds for local armed groups, and there are concerns that transactions for such minerals may promote conflict and involve abuse such as human rights violations, labour issues and environmental destruction problems.

These minerals are called "conflict minerals" and Brother recognises the issues and their importance from a corporate perspective in order to fulfil our corporate social responsibility in relation to human rights.

Brother makes efforts to avoid the use of these minerals by using questionnaire surveys in cooperation with suppliers to ensure compliance.

### Assessing and addressing conflict minerals

Brother has examined systems and methods to deal with the issue of conflict minerals since 2014 and has established a Work Group which includes staff from business units in charge of purchasing, law and CSR.

Brother continues to carry out annual conflict minerals surveys that target suppliers of raw materials or parts used in our products. In these surveys, the Work Group uses the Conflict Minerals Reporting Template (CMRT) provided by the Responsible Minerals Initiative (RMI) to verify the content of conflict minerals, identify smelters and refiners in Brother's supply chain and to confirm the state of efforts made by each supplier toward the issue of conflict minerals.

Brother also requests that suppliers understand our position through our CSR Procurement Standards and work on procurement initiatives to avoid the use of conflict minerals.

During the reporting period, Brother continued to conduct surveys and obtained answers from more than 98% of targeted suppliers. The Work Group will make ongoing efforts to obtain answers from all suppliers.

## Supplier Members Ethical Trade Audit (SMETA)

Brother is a member of the Supplier Ethical Data Exchange (SEDEX). SEDEX is a global membership organisation dedicated to driving improvements in ethical and responsible business practices in global supply chains.

Brother's factories in China and in the Philippines are audited using SMETA methodology which provides a compilation of best practice ethical audit techniques.

The SEDEX audit questionnaire is based on the following codes:

- **ETI Base Code: 2014** (Ethical Trading Initiative)

---

<sup>2</sup> Responsible Minerals Initiative (RMI): An organization that promotes the responsible procurement of minerals globally in cooperation with companies. Brother is a member of this organization.



- **SA8000:2014** - Social Accountability (SAI – Social Accountability International)
- **ISO14001:2015** - Environment Management System (International Organization for Standardisation)
- **OHSAS 18001** - occupational health and safety management system (Occupational Health & Safety Advisory Services)

Areas assessed include:

- Universal rights covering UN Guiding Principles
- Management systems and code implementation
- Responsible recruitment
- Entitlement to work and immigration
- Sub-contracting and home working
- Business ethics

In addition, data is collected on the key pillar of labour standards that includes questions on wages, working hours, children and young employees, freedom of association, non-discrimination, forced labour and human rights.

## Responsible Business Alliance (RBA)

Brother has been a member of the Responsible Business Alliance (RBA) since 2019. The RBA is the world's largest industry coalition dedicated to corporate social responsibility in global supply chains. Founded in 2004 by a group of leading electronics companies, the RBA is a non-profit organisation comprised of electronics, retail, auto and toy companies committed to supporting the rights and wellbeing of workers and communities worldwide affected by the global supply chain.

As an RBA member, Brother is committed and accountable to a common Code of Conduct. Brother uses RBA training and assessment tools to identify and assess risks in the supply chain and to support continuous improvement in the social and ethical responsibility of our supply chains.

Additionally, the RBA regularly engages in dialogue and collaborations with workers, governments, civil society, investors and academia to gather the necessary range of perspectives and expertise to support and drive its members toward achieving the RBA mission and values of a responsible global electronics supply chain.

During the reporting period, Brother has undertaken activities to ensure that suppliers at our manufacturing facilities P&S Business understand the RBA Code of Conduct and sign consent forms. For example, in April 2023, we held online explanatory meetings at P&S production facilities in Japan, China, Vietnam, and the Philippines. The meetings were attended by 840 participants from 470 companies. In addition to the CSR Procurement Standards, we also explained the RBA Code of Conduct.

During the reporting period, Brother Industries (Philippines) and Brother Technology (Shenzhen) each underwent an on-site audit by a third-party organisation certified by the RBA. Both facilities were recognised in the categories of labour, safety, environment, ethics, supply chain management, and for the appropriate management of these systems. Both facilities also obtained the highest score of 200 and received a Platinum certification.

There are now three Brother facilities with RBA certification, with Brother Industries (Vietnam) receiving Gold certification in the previous reporting period.

Brother continues to implement activities such as the above to ensure compliance with RBA requirements at its manufacturing facilities and is expanding the number of facilities subject to self-assessment according to the business risks at each manufacturing facility.

## Signing the United Nations Global Compact

In 2020, Brother endorsed and signed the UNGC proposed by the United Nations. The UN Global Compact is a voluntary initiative to achieve sustainable growth through responsible and creative leadership by companies and organisations in addressing social issues such as human rights, labour, the environment and anti-corruption.

Through compliance with the UNGC's 10 principles focusing on four different areas: human rights, labour, environment and anti-corruption, workers continue to maintain high awareness of social issues and to pursue activities to become a company that contributes to sustainable development of society further.

## Assessing the effectiveness of our actions

Brother is committed to continuously improving its systems and processes to effectively assess and address modern slavery risk. Specifically, Brother:

- conducts CSR procurement audits on suppliers' manufacturing facilities;
- undergoes Validated Assessment Program audits by the RBA at its manufacturing facilities;
- conducts a Global Charter Sharing Survey to assess job satisfaction, work pride and other matters;
- conducts human rights surveys and audits on suppliers, with a focus on forced labour;
- records the actions taken to address modern slavery and tracks their impact; and
- has developed modern slavery key performance indicators which relate to the number of modern slavery training programs delivered and the number of actions taken with suppliers to improve their ability to respond to modern slavery risks.

In addition to the above, Brother implements a CSR questionnaire over a two-year cycle for suppliers in China, Vietnam, Japan and the Philippines, where the manufacturing facilities of the Printing & Solutions Division are located. The questionnaire helps us to identify compliance with the CSR Procurement Standards. For existing suppliers, we identify areas of improvement based on the results obtained through the questionnaire, provide feedback to the suppliers, and request that improvements be made where required. For new suppliers, compliance with the CSR Procurement Standards is confirmed so that CSR procurement is carried out even more steadily in the future.

Through these undertakings, Brother and its suppliers make significant efforts to comply with the Procurement Policy and CSR Procurement Standards and to assess their effectiveness. In this reporting period, Brother received 1129 supplier responses from its surveys, which showed no forced labour. Brother remains committed to increasing the number and range of suppliers subject to the forced labour questionnaire in the next reporting period.

Brother also continues to conduct periodical CSR training for all staff to ensure awareness and engagement. Training conducted covers Brother's Principles of Social Responsibility and Code of Conduct with respect to compliance. To assess its effectiveness, the training includes a quiz component to ensure comprehension, competency and compliance.

Since the introduction of the Human Rights Global Policy in the last reporting period, Brother has also delivered e-learning programs to ensure staff are up to date on the contents of the new policy and Brother's expectations of staff.

## The Way Forward

In the next reporting period, Brother intends to enhance the human rights audit activities and expand the range of human rights due diligence to other than upstream stakeholders.

## Consultation process

In preparing this statement, Brother has consulted with Brother International (NZ) Limited. Consultation included notifying the entities that a modern slavery statement is being prepared.

This Modern Slavery Statement was approved by the board of Brother International (Aust) Pty Ltd.

DocuSigned by:

**Kazunori Nagaya**

BDA8754E395D4D7...

Kazunori Nagaya, Managing Director

Brother International (Aust) Pty Ltd

30 September 2024