

Brother Group 2010 Midterm Environmental Action Plan (2008–2010) Targets for/Achievements in FY2008

Self-evaluation ○: Achieved -: Not evaluated ×: Not achieved

Priority measures	Targets of the Midterm Environmental Action Plan	Targets for FY2008	Achievements in FY2008	Self-evaluation	○△×																
1. Promoting eco-friendly product design																					
1-1 Reducing energy consumption by products	(1) Reducing energy consumption by products to offset CO ₂ emitted directly from business sites (2) Acquiring Energy Star labels for all new products in FY2008 and onwards	(1) No targets set for FY2008 alone (2) Achieving targets for new products in FY2008	(1) MFC-930CDN: achieved 30% reduction from the previous model (2) Acquired Energy Star labels 100% as planned	(1) Reduced stand-by power consumption, etc. in line with acquiring Energy Star/other environmental labels (2) Achieved targets in spite of tougher standards	— ○																
1-2 Acquiring environmental labels	(1) Acquiring "Type I" labels (which are credible in the market) for new products in FY2008 and onwards (2) Acquiring the Brother Green Labels for all non-Type I products (3) Complying with the Law on Promoting Green Purchasing for all target products	Achieving targets for new products in FY2008	(1) Acquired labels 100% as planned: BHM9/BHL9/BHmini9/BH9 cartridges/ALe/BHM9-DUPLEX/TN-43J, etc. (2) Acquired labels 100% as planned: Pocket Jet, SU-100B, PT-190/2430PC/QL-570/580N/650TD P&H: Innovis4000 (114-S92) M&S: Brother Green Labels acquired for BS-7200C, TC-S2D, GT-782 (3) Acquired labels 100% as planned	(1) Acquired labels (including Eco Mark and Blue Angel) for 60 models in total, contributing to reducing environmental impact of products (2) Acquired labels for 11 models (including products under new businesses) (3) Contributing to green purchasing in Japan by offering Brother products	○ ○ ○																
2. Reducing CO₂ emissions from energy sources on a group basis																					
2-1 Reducing CO ₂ emissions from business sites	(1) Total CO ₂ emissions from Brother Group's business sites in Japan FY2010: Reducing 10% from FY1990 levels (2) CO ₂ emissions from manufacturing facilities outside Japan FY2010: Reducing CO ₂ emissions per unit sales of consolidated manufacturing companies by over 8% from FY2006 levels	No targets set for FY2008 alone	(1) Total emissions in Japan in FY2008 Achieved 19.6% reduction from FY1990 levels (2) 7.3% reduction per manufacturing facility sales (total of manufacturing facilities outside Japan) from FY2006 levels <table border="1" data-bbox="1715 1108 2270 1318"> <thead> <tr> <th></th> <th>P&S business</th> <th>P&H business</th> <th>M&S business</th> </tr> </thead> <tbody> <tr> <td>FY2006 (t-CO₂/JPY 100 million)</td> <td>15.22</td> <td>11.68</td> <td>26.82</td> </tr> <tr> <td>FY2008 (t-CO₂/JPY 100 million)</td> <td>14.38</td> <td>9.38</td> <td>31.66</td> </tr> <tr> <td>Reduction rate</td> <td>5.5%</td> <td>19.7%</td> <td>-18.1%</td> </tr> </tbody> </table>		P&S business	P&H business	M&S business	FY2006 (t-CO ₂ /JPY 100 million)	15.22	11.68	26.82	FY2008 (t-CO ₂ /JPY 100 million)	14.38	9.38	31.66	Reduction rate	5.5%	19.7%	-18.1%	(1) Emissions did not increase as expected, due to postponement of production expansion plans (including newly launched production). (2) Respective manufacturing facilities invested extensively in energy conservation equipment in FY2008, which led to significant results.	— ○
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2-2 Reducing CO ₂ emissions at major sales facilities outside Japan	Identifying CO ₂ emissions at respective sales facilities from FY2008 Developing reduction measures/targets for FY2012 by the end of FY2010	Identifying CO ₂ emissions at respective sales facilities	Started to identify CO ₂ emissions at major sales facilities	Promoted efforts to acquire ISO 14001 certification, which was successfully obtained	○																
2-3 Reducing CO ₂ emissions in product logistics	Starting to identify CO ₂ emissions from global product logistics from FY2008, and developing reduction measures/targets for FY2012 by the end of FY2009	Identifying CO ₂ emissions from product logistics	Started to identify CO ₂ emissions from product logistics	An agreement reached at the global logistics meeting	○																

<p>3</p> <p>Complying with environmental laws and regulations/social trends in different parts of the world</p>	<p>Establishing necessary business processes/IT systems on a timely basis</p> <p>(1) REACH (2) EuP (3) RoHS/WEEE in respective countries (4) Regulating and establishing the chemical substances management framework at Brother Group manufacturing facilities by FY2010 (5) Collecting/recycling used products in Japan by FY2010</p>	<p>(1) Establishing business operations systems/IT systems for REACH pre-registration and SVHC content surveys (2) Identifying new developments in EuP Regulation; revising/upgrading the eco-friendly design management procedure in compliance with the EuP Regulation (3) Complying with the regulations in respective countries (4) Integrating chemical substances management into the Brother EPI System (5) Completing preparations for applying for National Permit</p>	<p>(1) Modified the green procurement system to cover substances (of those contained in compounds, such as ink and toner for printers) that are subject to the REACH Regulation and to conduct surveys on SVHCs contained in pre-registered products, and launched surveys (2) Revised relevant in-house regulations (on product development, product environmental assessment, etc.) and improved the product development process to cope with Lot6 implementation measures (3) Implemented measures to cope with the EU Directive 2006/122/EC relating to restrictions on the marketing and use of PFOS (4) Did not commence integration of chemical substances management into the EPI System (5) Submitted an application form, and had it checked in advance by the Ministry of the Environment. Formal application to be submitted around June 2009</p>	<p>(1) Succeeded in smoothly preparing for registration and information disclosure (to comply with Article 33) (2) Succeeded in launching business operations related to eco-friendly design and CE marking as required by EuP (3) Succeeded in confirming that parts/materials used in our products are PFOS-free (4) To be reviewed in the FY2009 plan (5) Secured collection partners (which was a pending issue). Established a collection/recycling system for Brother products</p>	<p>○ ○ ○ × ○</p>
<p>4 Environmental communication</p>	<p>(1) Upgrading and globally developing the eco point system (2) Increasing the information disclosed on the Web, and establishing interactive communications (3) Developing social contribution activities on the environmental front</p>	<p>(1) Implementing environmental conservation activities; coordinating with exhibitions; collaborating with sales facilities (2) Establishing a framework for disclosing environmental information on products that is optimally arranged for green purchasing; establishing interactive communication with stakeholders (3) Planting seedlings in and outside Japans; implementing environmental activities in coordination with local communities</p>	<p>(1) Implemented forest conservation activities in the “Brother Forests in Gujo” (three times); joined environmental events including the Eco-Products Exhibition (four times); coordinated eco point program with collection/recycling activities at Brother Sales, Ltd. (2) Indicated environmental labels on the product information Web pages, etc.; held a dialogue with stakeholders (3) Planted seedlings in the “Brother Forests in Gujo” (twice); planted seedlings in China, the UK, etc. Hosted environmental education programs for local communities in Japan (five times); hosted workshops and seminars as part of the EPOC (Environmental Partnership Organizing Club) activities (five times in total)</p>	<p>(1) In the eco point activities, the number of participants and points earned exceeded expectations, producing substantial results. (2) Still inadequate in terms of interactive communication with stakeholders, thus failing to “establish” such communication (3) Succeeded in fully developing social contribution activities on the environmental front both in and outside Japan</p>	<p>○ △ ○</p>

Ongoing challenges in the 5th Environmental Action Pla	<ul style="list-style-type: none"> (1) Achieving a green procurement rate of 100% and a green purchasing rate of over 90% (2) Achieving a zero level of landfill waste generation at Brother Group's manufacturing facilities (for production activity-generated waste) (3) Acquiring ISO 14001 certification at major sales facilities (4) Acquiring ISO 14001 certification at BIVN 	Achieving all the targets in the left column by the end of FY2008	<ul style="list-style-type: none"> (1) Green procurement rate: 100% Green purchasing rate: 96.6% (2) Reduced percentage of landfill waste in total waste at all factories by 43% from FY2007 down to 0.3%; failing to recycle sludge generated when treating pre-painting surface preparation waste water in China (3) Acquired ISO 14001 certification at all major sales facilities (4) Acquired ISO 14001 certification in February 2009 	<ul style="list-style-type: none"> (1) Achieved targets for the green procurement rate in compliance with the specified chemical substance management scheme; the increase in the green purchasing rate resulted from greater employee awareness (2) Succeeded in improving the numbers by completing the toner recycling process in the UK (3) Developing activities to acquire certification beyond the scope of major sales facilities (4) Obtained ISO 14001 certification as planned under the initiative of the local staff 	<ul style="list-style-type: none"> ○ × ○ ○
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