

Anti-slavery and Human Trafficking Statement

Brother Sewing Machines Europe GmbH is committed to maintaining and improving practices to combat slavery and human trafficking.

Company Overview

We are a German sales office of the Brother group importing and selling home use sewing machines and craft machines directly to UK territories through our UK branch office, and also providing various services (including web services) related to those machines directly to end users in such territories. Our ultimate parent company is Brother Industries, Ltd., is a global electronics and electrical equipment manufacturer headquartered in Japan.

Our Principles and Policies

We understand that the role of corporations has become more significant in achieving a sustainable society and Brother Group has adopted the “Principles of Social Responsibility” (the “Principles”) to publically express how we fulfil our social and ethical duties. The Principles includes our commitments to respect fundamental human rights by providing fair working conditions and prohibiting forced labour, child labour and other illegal labour practices. To ensure rigorous implementation, each Brother Group company is required to establish a whistleblowing system and encourage its employees to report any violation of the Principles or other local laws or regulations. To find out more about Brother’s principles and policies, please refer to:

- **“Brother Group Principles of Social Responsibility”**
<http://www.brother.com/en/csr/brothergroup/psr/index.htm>
- **“Brother Group’s “CSR Procurement Standards”**
<http://www.brother.com/en/csr/partner/purchase/index.htm>

Due diligence processes for slavery and human trafficking

We are currently reviewing our systems to identify and assess potential risk areas in our supply chains and based on our review we will put in place or strengthen our systems to:

- mitigate the risk of slavery and human trafficking occurring in our supply chains;
- monitor potential risk areas in our supply chains; and
- protect whistle blowers.

We plan to adopt a risk-based approach on due diligence and prioritize our efforts and resources based on the potential level of risks in our supply chains. We may take into account factors such as geographic areas and nature of businesses when assessing the level of risks. Within our supply chains we currently focus our due diligence efforts on procurement activities because we source raw materials and parts from third-party suppliers in various countries. We will continue to identify and assess other potential areas of risks and take appropriate measures to combat them.

Supplier adherence to our values

We have zero tolerance to slavery and human trafficking. We have in place a compliance system focusing on our raw material and part suppliers to ensure that they comply with our values. The system includes self-assessment questionnaires and contractual warranties to require suppliers to comply with our Principles of Social Responsibility and CSR Procurement Standards. In the event that we are not reasonably satisfied with the responses to the questionnaire submitted by the suppliers, we may request the suppliers to explain the responses in detail and/or submit an improvement action plan.

Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our staff.

Our effectiveness in combating slavery and human trafficking

We strive to ensure that we do not contribute towards slavery and human trafficking or other adverse human rights impacts through our supply chains. We intend to only engage those suppliers that comply with our values and Principles of Social Responsibility. In the event that suppliers fail to provide assurance to cease or prevent slavery and human trafficking or other adverse human rights impacts, we will consider terminating our business relationships with those suppliers.

In order to minimize any risk of modern slavery and human trafficking in our supply chains, we are taking various actions including requesting existing suppliers to respond to an anti-slavery questionnaire as well as conducting relevant screening on potential new suppliers. We adopted a system to conduct a survey of risk of modern slavery and human trafficking for the purpose of detecting such risk more quickly. The system enables suppliers to respond to the above questionnaire more easily and it prevents suppliers from missing answers. It has led to an improvement in the accuracy of aggregation of response data. Currently, 100% of the suppliers that responded to such questionnaire indicated that there is no existing conduct of modern slavery and human trafficking in their business activities.

Further Steps

We intend to take the following further steps to combat slavery and human trafficking:

- review and/or update our anti-slavery questionnaire to clarify the responses in order to enhance our risk assessment procedures and allow us to better identify risks;
- establish audit procedure rule for the responses to such anti-slavery questionnaire; and

- review and/or update contractual provisions in our purchase agreements and service agreements that require suppliers to warrant that no slavery is used anywhere in the supplier's business and that all necessary measures have been put into place to ensure that this remains the case.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 (a UK Act of Parliament) and constitutes our slavery and human trafficking statement for the financial year ended 31 March 2020.

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Nobuhiro Konishi, Managing Director

Brother Sewing Machines Europe GmbH

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