



REPORT UNDER THE FIGHTING AGAINST THE FORCED LABOUR  
AND CHILD LABOUR IN SUPPLY CHAINS ACT

LA CORPORATION INTERNATIONALE BROTHER (CANADA) LTEE.

BROTHER INTERNATIONAL CORPORATION (CANADA) LTD.

## 1. Introduction

In response to Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”), Brother International Corporation (Canada) Ltd. has prepared this report addressing the requirements of the Act and providing an overview of our commitment to ethical supply chain management.

This Report describes the steps taken to enhance transparency in our supply chains by outlining the steps taken during our previous financial year to prevent and reduce the risk that forced labour or child labour (“Modern Slavery”) is used at any step of the production of goods in Canada or elsewhere, or of goods imported into Canada. This has been done in accordance with the mandatory reporting criteria outlined in Sections 11(1) and 11(3) of the Act. Certain operational metrics referenced in this Report reflect the most recently available Brother Group due diligence and supplier governance disclosures available at the time of reporting.

Through this report, Brother International Corporation, Canada, Ltd. (“Brother Canada” or “the Company”) aims to provide stakeholders with a clear understanding of the efforts to prevent and reduce the risks of forced and child labour in its supply chain, and to promote accountability and ethical conduct within its operations.

## 2. Structure, Activities and Supply Chains

Brother Canada is incorporated under the [Canada Business Corporation Act](#) and is headquartered in Montreal, Quebec. The Company is a wholly owned subsidiary of Brother International Corporation, a U.S. corporation, who in turn is a wholly owned subsidiary of Brother Industries Limited (BIL), a Japanese company. All three companies are part of the “Brother Group”.

Brother Canada’s activities include warehousing, transportation, distribution, sales of office equipment, home sewing and crafting machines, labeling and printing solutions (including mobile, desktop, and industrial devices), related accessories, independent post-sale support (installation & training), and some refurbishment/repair activities. Two distribution centers operate in Montreal, Quebec and Richmond, British Columbia. The workforce includes personnel specialized in sales, product planning, marketing, customer services, human resources, finance, and supply chain management. These departments collectively ensure efficient product promotion, customer support, workforce management, financial oversight and streamline supply chain operations.

Brother Canada forms part of the global Brother Group supply chain, which includes manufacturing entities, component suppliers, logistics providers, distributors, and service providers operating across multiple jurisdictions.

During FY2024, the Brother Group continued its global supplier due diligence program and conducted assessments covering approximately 1,196 suppliers.

### **3. Steps to prevent and reduce risks of forced labour and child labour**

Pursuing a responsible value chain continues to be identified as one of the Brother Group's key materialities under its medium-term business strategy "CS B2027", reflecting an enhanced focus on human rights, supplier governance, and responsible procurement across the global value chain.

During FY2024, the Brother Group continued implementation of its human rights due diligence framework across the value chain, including first-tier supplier assessments, upstream supplier reviews, supplier audits, training, and corrective action monitoring. The Group confirmed no forced labour or child labour was identified among first-tier suppliers for the fourth consecutive year.

The Brother Group also conducts annual surveys of first-tier suppliers and requests corrective improvements where necessary. Selected first-tier suppliers are subject to additional review, including on-site or remote audits, based on risk indicators and survey outcomes.

During the reporting period, four Brother Group manufacturing facilities achieved RBA (Responsible Business Alliance) Platinum certification. Three of these facilities manufacture products distributed by Brother Canada.

At the parent company level, BIL, has established a Responsible Value Chain Subcommittee to oversee efforts across the Brother Group to promote respect for human rights and implement due diligence measures throughout the value chain.

In addition, the following activities continued during the Reporting Period by or on behalf of Brother Canada:

- Continued an internal working group, the Forced Labour Team, composed of management representatives from Customs, Risk, Compliance & Assurance, Legal, and Procurement, to continue to review the impact of the Act on Brother and assess the effectiveness of the actions taken to address the risks of forced labour;
- Continued assessment of the legislative framework and its applicability to Brother Canada; and
- Continued engagement with a third-party vendor to map and identify potential forced labour risk in the global supply chain.

#### **4. Policies and Due Diligence Processes**

The Brother Group maintains policies and due diligence procedures intended to support responsible sourcing, ethical business conduct, and the prevention of forced labour and child labour within its operations and supply chains.

The Brother Group considers compliance with applicable laws and ethical standards to be fundamental to sustainable management and risk mitigation. To promote compliance globally, the Brother Group has established standards of conduct through the “Brother Group Global Charter,” and the “Brother Group Principles of Social Responsibility.”

The following policies and standards support Brother Canada’s commitment to ethical business conduct and responsible sourcing:

##### **Human Rights Policy**

This policy references international standards, including the International Bill of Human Rights, and identifies key human rights issues relevant to the Brother Group. It also states the Brother Group’s commitment to preventing and mitigating adverse human rights impacts arising from business activities.

##### **Principles of Social Responsibility**

This framework defines the Brother Group’s corporate responsibility in contributing to a sustainable society. It includes commitments related to non-discrimination, non-harassment, fair and lawful labour practices, freedom of association, prohibition of child and forced labour, appropriate disciplinary practices, and whistleblowing protections.

##### **Procurement Policy / CSR Procurement Standards**

The Procurement Policy states that the Brother Group acts fairly with suppliers and supports responsible sourcing practices, including responsible minerals procurement. The CSR Procurement Standards communicate the Brother Group’s expectations regarding human rights and request supplier cooperation in implementing similar standards within their own supply chains.

##### **Helpline for Compliance Issues Policy**

The Helpline provides channels for employees and stakeholders to raise concerns or seek guidance regarding compliance matters. It supports internal governance, promotes early issue identification, and helps mitigate legal and reputational risk.

#### 4.1. Due Diligence Process

The Brother Group requests that first-tier suppliers supporting its principal business divisions implement measures to protect human rights. In addition, the Brother Group expects first-tier suppliers to promote comparable standards among their own upstream suppliers as part of responsible procurement practices.

The Brother Group conducts annual surveys of its first-tier suppliers in key business divisions relating to forced labour, child labour, and related labour standards. In FY2024, these surveys confirmed that none of the Group’s first-tier suppliers had used force labour or child labour for the fourth consecutive years.

The Brother Group has also established and continues to implement its "CSR Procurement Level-up Program." Since FY2023, the program has further evolved by transitioning supplier acknowledgments from the Brother Group’s CSR Procurement Standards to the RBA Code of Conduct in order to further promote alignment with RBA expectations.

The Brother Group also requests supplier participation in CSR questionnaires and targeted forced labour surveys to assess compliance with the “Procurement Policy” and "CSR Procurement Standards." Based on the results of these assessments, the Brother Group may request corrective improvements from suppliers and monitor progress through follow-up reviews or audits.

##### FY2024 Targets and Results of Human Rights Due Diligence

In FY2024, the Brother Group undertook the following due diligence steps and provided the following results:

Assessment based on survey	1,196
Onsite or online audits	25
Companies subject to corrective action audit	1

In January of 2019, Brother Industries Ltd. (BIL) joined the Responsible Business Alliance (RBA). Since joining RBA, the Brother Group has enhanced it’s supply chain risk assessment and corrective action process to align with the RBA’s Code of Conduct in the areas of labour, health and safety, environment, ethics, and management systems.

In FY2024, the Brother Group used the RBA's self-assessment tool at a total of 15 facilities, including manufacturing facilities within its Printing & Solutions Business, Machinery Business, Nissei Business, Personal & Home Business, and its head office. Following assessment of internal policies, procedures, and implementation status against RBA requirements, and completion of corrective actions where necessary, BIL confirmed that no significant risks were identified at these facilities.

The Brother Group also conducts CSR questionnaire activities for suppliers in Vietnam, the Philippines, China, and Japan to support ongoing risk assessment activities. Based on the results of these assessments, selected suppliers were subject to CSR procurement audits and follow-up reviews. Newly engaged suppliers were also audited in the areas of labour, ethics, health and safety, and management systems. Where nonconformities were identified, suppliers were provided corrective action guidance and improvement expectations.

## **5. Determining the Risk of Forced Labour or Child Labour**

### **5.1. Own Operations**

Based on the due diligence measures, supplier assessments, and oversight processes implemented by the Brother Group through FY2024, Brother Canada considers the risk of forced labour and child labour occurring within its Canadian operations to be low, while acknowledging that no global supply chain can be considered entirely risk-free.

This assessment reflects that Brother's Canadian operations are conducted exclusively within Canada, which is generally considered a lower-risk jurisdiction for modern slavery. In the 2023 Global Slavery Index published by Walk Free, Canada is ranked among the countries with the lowest estimated prevalence of modern slavery.

In addition, Brother Canada maintains employment practices consistent with Canadian labour and employment laws, helping to prevent and reduce the risk of child and forced labour within its direct operations.

### **5.2. Supply Chains**

As a distributor of "Brother" branded products, Brother Canada's supply chain primarily involves affiliated entities within the Brother Group, together with certain third-party logistics, transportation, and service providers.

Brother Canada relies on the Brother Group's global policies, risk management controls, supplier assessments, audits, and remediation processes to identify, assess, mitigate risks relating to forced labour and child labour within the supply chain.

As part of its broader commitment to supply chain integrity and security, Brother Canada also aligns with the principles of the U.S. Customs Trade Partnership Against Terrorism (CTPAT), which promotes secure and compliant trade practices.

Based on the due diligence measures and oversight processes implemented by the Brother Group, Brother Canada considers the risk of forced labour and child labour within its supply chains to be low, while recognizing that no global supply chain can be considered entirely risk-free.

During the Reporting Period, Brother Canada did not identify, nor was it made aware of any instances of child or forced labour in its operations or supply chains. Accordingly, no remediation steps were taken during the Reporting Period, including measures to the loss of income to vulnerable families resulting from remediation efforts.

## **6. Steps Taken to Assess and Manage the Risk Identified in Our Operations and Supply Chains**

The Brother Group has implemented a Procurement Policy, CSR Procurement Standards, and a CSR Procurement Level-up Program intended to strengthen responsible procurement practices throughout the supply chain. These measures are communicated to suppliers and are designed to support compliance with labour, human rights, ethical sourcing, and responsible business conduct expectations.

With respect to mineral procurement, the Brother Group seeks to promote supply chain transparency and reduce the risk of conflict minerals through supplier engagement, policy development, and survey expectations.

Since FY2023, the CSR Procurement Level-up Program has evolved by transitioning supplier acknowledgement requirements from the Brother Group's CSR Procurement Standards to the RBA Code of Conduct in order to further promote alignment with RBA expectations.

The program applies to both existing and new suppliers. Existing suppliers are evaluated against RBA expectations, and where opportunities for improvement are identified, suppliers are provided with feedback and are requested to implement corrective actions. New suppliers are also evaluated for alignment with the RBA Code of Conduct as part of onboarding and responsible procurement practices.

In FY2024, the Brother Group received acknowledgments from 1,088 suppliers in Japan and overseas.

### **6.1. Contractual clauses**

The Brother Group incorporates compliance-related provisions into major supplier and business partner agreements, including provisions relating to compliance with applicable laws, prohibition of forced labour and child labour, and adherence to applicable procurement and ethical sourcing standards.

### **6.2. Audits/Visits**

The Brother Group conduct audits, including on-site and remote audits, of first-tier suppliers based on factors such as supplier risk assessments, questionnaire responses, transaction volume, and other relevant considerations.

In FY2024, the Brother Group conducted 25 onsite or remote supplier audits as part of its due diligence and supplier oversight activities.

[List of Brother group companies conducting first-tier supplier audits](#)

### **6.3. Grievance Mechanism**

Since FY2022, Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) has supported the Brother Group's human rights grievances framework.

In addition, the Brother Group maintains a helpline through which suppliers, customers, investors, employees, and other stakeholders may raise specific concerns relating to human rights or compliance matters.

This helpline permits anonymous reporting to help protect individuals from retaliation. Where concerns are reported, the Brother Group may support investigation activities, assess the circumstances, and provide guidance regarding corrective actions where applicable.

## **7. Training**

The Brother Group conducts training for personnel involved in procurement, quality control, and responsible mineral sourcing activities to enhance understanding of responsible procurement expectations and related due diligence initiatives.

In April 2025, the Brother Group held supplier explanatory meetings at manufacturing facilities within its Printing and Solution (P&S) Business in Japan, Vietnam, the Philippines, and China. These meetings were conducted both on-site and online, with a total of 924 participants from 504 supplier companies.

The meetings addressed topics including CSR procurement activity results, planned procurement initiatives, compliance with the RBA Code of Conduct, and continued implementation of the CSR Procurement Level-up Program. Suppliers were also requested to complete CSR questionnaire surveys and forced labour questionnaire surveys as part of the Brother Group's ongoing supplier due diligence activities.

These meetings supported ongoing supplier engagement and communication regarding responsible sourcing expectations and human rights compliance.

During onboarding, employees receive training relating to the *Code of Conduct* and the Brother Environmental Management System. In addition, the Brother Group requires regular ethics, compliance, and policy training for employees and may provide targeted training for personnel involved in higher-risk functions or activities, as appropriate.

## **8. Assessment of Effectiveness**

Brother Canada relies on the governance, due diligence, and supply chain oversight processes established and administered by BIL and the Brother Group to assess the effectiveness of measures intended to prevent and reduce the risk of forced labour and child labour within its operations and supply chains.

At a parent level, BIL has established dedicated committees responsible for overseeing specific risk areas, including compliance, supply chain management, product liability, environmental matters, health and safety, and information management.

The Risk Management Committee oversees the evaluation and management of material risks affecting the Brother Group. This includes periodic review of risk assessments conducted across group organizations and facilities, evaluation of the likelihood and impact of identified risks, and monitoring of mitigation activities.

In addition, the Supply Chain Risk Committee identifies emerging supply chain risks, develops mitigation strategies, and supports implementation of risk management practices throughout the Brother Group.

The Brother Group also evaluates the effectiveness of its responsible sourcing and human rights due diligence activities through supplier assessments, supplier audits, corrective action monitoring, supplier training and engagement activities, and ongoing review of supplier compliance with procurement and ethical sourcing standards.

During FY2024:

- 1,196 supplier assessments were completed;
- 25 onsite or remote supplier audits were conducted;
- one supplier remained subject to corrective action monitoring; and
- no instances of forced labour or child labour were identified among first-tier suppliers.

Based on these activities and oversight measures, Brother Canada considers the risk of forced labour and child labour within its direct operations and supply chains to remain low, while recognizing that no global supply chain can be considered entirely risk-free.

## **9. Approval and Attestation**

This Report was approved by the Board of Directors of Brother of the Reporting Entity for the financial year ending March 31, 2026, pursuant to subparagraph 11(4)(a) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this report for the

entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind Brother.

Signed by:  
  
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Full name: Juan Carlos Valenzuela

Title: President, Brother International Corporation Canada

Date: 5/22/2026