



PRODUCT

YOU AND YOUR NEEDS ARE AT THE HEART OF OUR BUSINESS. BROTHER. AT YOUR SIDE.





In 2011 Brother UK Ltd was awarded the prestigious Queen's Award for Enterprise: Sustainable

Development. The award is in recognition of our ongoing commitment to sustainability and corporate responsibility.

CONTENTS

- 3 MD message
- 4 About Brother
- **4** 5 Rs
- 5 Highlights
- 6 Sustainability awards

- 7 Environment
- **11** Community
- 15 Associates
- 19 Customers
- 23 Business Partners
- 27 Key objectives

WELCOME



WELCOME TO BROTHER UK'S 2011/12 CORPORATE RESPONSIBILITY REPORT - COVERING OUR CR ACTIVITIES AND PERFORMANCE BETWEEN 1ST APRIL 2011 AND 31ST MARCH 2012.

This will be the last Brother UK CSR report I will welcome you to, from the 1st April 2012 I will be returning to our global headquarters in Japan to take up a role with the CSR department.

In the years I have headed Brother UK, I am proud of the advances we have made in Corporate Responsibility. These include: diverting all waste from landfill, reducing our carbon footprint by over 40%, reducing our paper use by more than half and supporting a great number of charities and community groups including celebrating well over 20 years of support of the Hallé Orchestra.

These achievements and ongoing commitment to Corporate Responsibility have deservedly been recognised and Brother UK was awarded the Queen's Award for Enterprise: Sustainable Development in 2011; a great and prestigious honour.

The Queen's Award sits alongside other acknowledgments of the actions we are taking to operate responsibly including a silver award in the BitC Corporate Responsibility Index. While awards offer encouragement they are not the driver of our actions. We are committed to operating responsibly and bringing benefits to our customers, employees, partners, local and global communities, and the environment in line with our Global Charter.

I am sure Brother UK will continue this hard work and commitment over the coming years and I look forward to working with them on their CSR activities in future.

Hiroshi Miura Managing Director, Brother UK

"WE ARE COMMITTED TO OPERATING RESPONSIBLY AND BRINGING BENEFITS TO OUR CUSTOMERS, EMPLOYEES, PARTNERS, LOCAL AND GLOBAL COMMUNITIES, AND THE ENVIRONMENT IN LINE WITH OUR GLOBAL CHARTER."

ABOUT BROTHER

Brother UK is a member of Brother Group based in Nagoya, Japan.

We sell, market and distribute Brother's diverse product range in the UK, including laser printers, fax machines, all-in-one printers and labelling machines. We also provide technical support and a call centre for our UK customers.

We have long roots in Manchester– we have been based at the same site in Tameside ever since Brother took over Jones Sewing Machines in 1968.

With our history in Manchester and Tameside we have built strong relationships with our employees, local communities, stakeholders and business partners. These relationships are guided by our Global Charter along with our commitment to protecting the environment.

'At your side' is our commitment to our customers. It encompasses our desire to not only provide products which meet our customers' needs but to provide technical support helping them improve their efficiency and get the most from their products. We work closely with our customers to establish long-term business partnerships. In addition to providing our products, we provide advice and support on how to use them efficiently and effectively through 'How To' guides and our websites, including Brother Green.





BROTHER'S 5Rs

In 2011 we diverted 100% of our waste from landfill by using the Brother 5Rs: refuse, reduce, reuse, reform, recycle. We continue to keep the 5Rs at the heart of our waste and resource efficiency strategies to reduce our impact on the environment.

REFUSE

to purchase environmentally burdensome materials where possible

Many of our new products, including our new MFCJ5910DW A3 Printer, automatically print duplex, saving paper and money.

REDUCE

the waste we produce

Our new vending machines use refillable containers which reduce waste packaging.

REUSE

material without processing

We continue to donate items we no longer need, including t-shirts and mugs, to worthwhile causes.

REFORM

waste into a useful form

Our TZ tape has been completely redesigned and now contains at least 5% recycled materials.

RECYCLE

what is left where possible

Our re-designed TZ tape cassettes are now easier to recycle.

2011/12 HIGHLIGHTS

ENVIRONMENT

At current levels, improved efficiencies in our office refurbishment mean it will pay for itself in just over five years. For more information see page 8.





COMMUNITY

We ran four employee fundraising days to raise money for worthwhile charities, including Many Hands campaign, Ria's Rainbow and MacMillan. For more information see page 17.

ASSOCIATES

Our Health and Safety Management System has been OHSAS 18001 certified demonstrating our best practice approach to health and safety and promoting a culture of responsibility to our employees. For more information see page 17.





CUSTOMERS

We recycled over 1 million ink jet and toner cartridges, which protected over 260,000 trees through our eco-rewards partnership with Cool Earth. For more information see page 22.

BUSINESS PARTNERS

By working with our partners we delivered and installed 380 printers at 190 locations in three weeks. For more information see page 24.



RECOGNISING RESPONSIBILITY

We have a long standing commitment to operating in a responsible way. This commitment is enshrined in our Global Charter which sets out moral and behavioural codes, and helps us to manage our relationship with our customers and other stakeholders.

To reassure customers and other key stakeholders of our responsible approach to business we seek



external recognition of our company, systems and products.

In 2011 we were delighted to be given

the prestigious Queen's Award for Enterprise: Sustainable Development. The award recognises our ongoing commitment to sustainability and corporate responsibility including our community investment and environmental management activities. This is a huge honour and one given to very few businesses. We are very proud to have our hard work and commitment acknowledged with



such a distinguished award.

In our first inclusion on Business in the Community's Corporate Responsibility Index

we received a score of 82% which gives us a silver rating. The CR Index helps us to identify the strengths of our responsible business approach, the areas where we can improve, and enables us to benchmark our performance against



other businesses. This is in addition to the 100/100 we have scored in the Ethical Company

Organisation's Good Shopping Guide for the past 6 years; Brother is the only company in our business sector to achieve this.

To assure individual elements of our CSR programme we use international and British standards. Our health and safety management system was certified to OHSAS 18001 this year. The British standard for Occupational Health and Safety Management Systems recognises our commitment to our employees' health, safety and wellbeing as well as demonstrating that our systems comply with best practice. The award complements our existing accreditation of ISO 9001 for our Quality Management System and ISO 14001 for our Environment Management System.

Finally, to help customers choose products with a lower environmental impact we look to accredit our products to national and international labels. All our latest machines have Energy Star accreditation – an international standard for energy efficient consumer products. But we don't want to leave it at that. Looking forward, it is our aim that all new machines will hold the Energy Star, Blue Angel and Nordic Swan accreditations.



ENVIRONMENT

WE ARE COMMITTED TO REDUCING AND MANAGING THE ENVIRONMENTAL IMPACT OF OUR OWN BUSINESS AS WELL AS HELPING OUR CUSTOMERS TO REDUCE THEIR ENVIRONMENTAL IMPACT THROUGH PRODUCTS WHICH ARE MORE RESOURCE EFFICIENT.





"INCREASING EFFICIENCY PAYS OFF, NOT JUST FOR OUR BUSINESS BUT FOR THE ENVIRONMENT TOO. THE REFURBISHMENT OF OUR OFFICE CONTINUES TO BRING SAVINGS AS WELL AS REDUCING OUR CARBON FOOTPRINT. IN FACT WE HAVE REDUCED OUR CARBON FOOTPRINT BY MORE THAN 40% IN FIVE YEARS."

ENVIRONMENT



We use two main tools to manage our environmental impact – the Brother 5Rs, Refuse, Reduce, Reuse, Reform, Recycle; and our ISO14001 certified environmental management system. These tools have helped us to achieve significant environmental improvements, including zero waste to landfill and a lower carbon footprint.

ENERGY EFFICIENCY

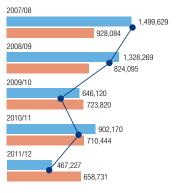
We have been working hard over the last few years consolidating, renovating and refurbishing our offices, and increasing efficiency has been a large part of these improvements.

The refurbishment moved all Brother UK staff into the same building, improved insulation, utilised more natural light and low-energy lighting, included water-efficient technologies in wash rooms, and introduced more efficient print solutions.

This hard work has paid off. After spending our first full year in the office, our energy use has dropped by 30% compared to the previous year. This builds on earlier savings and means that in the last five years we have reduced our energy use by 54% and CO_2 emissions by 44%. The refurbishment has brought other benefits too, in particular cost savings. At current levels the efficiencies made will mean the refurbishment will pay for itself in 5.24 years.

While these are clearly great achievements, we continue to identify opportunities to increase efficiency. This included asking external specialists to audit our buildings to identify further improvements. We will look at the feasibility of implementing the suggestions in the next year.

ENERGY USE (kWh)



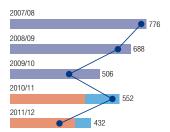
Turnover (£000's)

2007/08 101,180 2008/09 103,140 2009/10 106,006 2010/11 104,000 2011/12 101,000

Energy use v Turnover (KWh/£000) 2007/08 24.0 2008/09 20.9 2009/10 12.9 2010/11 15.5 2011/12 11.1

Key Gas Electricity • Turnover (KWh/£000)

CO2 EMISSIONS* (tonnes)



Turnover (£000's) 2007/08 101,180 2008/09 103,140 2009/10 106,006 2010/11 104,000 2011/12 101,000

CO₂ emissions v Turnover (KWh/£000) 2007/08 **7.7** 2008/09 **6.7** 2009/10 **4.8** 2010/11 **5.3** 2011/12 **4.3**

Key

Electricity Gas Gas/Electricity combined
 CO₂ emissions v Turnover (KWh/£000)

ZERO WASTE TO LANDFILL

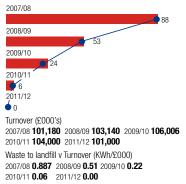
In 2011/12 we sent nothing to landfill for the second year running.

All the waste we generate goes for processing – many materials are sent for recycling including glass, paper, metal, cardboard, wood, plastic and WEEE. Any non-recyclable materials are converted into refuse-derived fuel.

We are still identifying opportunities to reduce the impact of waste we do produce. Having worked hard towards the goal of diverting 100% of our waste from landfill we will now focus on reducing the amount of waste we generate. We have already made progress in this area and have reduced the amount of paper we use by 53% over the last five years. While our paper usage went up slightly this year, an increase in staff meant that the reams used per person dropped by 16% from 8.3 to 7.

As well as looking to produce less waste we are also using alternatives that have a lower impact and that are less environmentally burdensome. In our staff restaurant we have stopped using polystyrene takeaway trays, which are difficult to recycle. The new 'sugar bagasse' trays are lower carbon, made from plant derived materials and are compostable.

WASTE TO LANDFILL (tonnes)

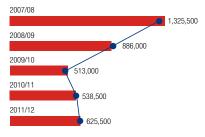




CO₂ FROM DISTRIBUTION

We outsourced distribution from our warehouse to our customer sales channels in 2008. However we continue to work closely with our distribution partners and ensure they share the same values as us. While absolute CO_2 emissions from distribution have increased slightly, from 126 to 131 tonnes CO_2 , the emissions per box of product have reduced by 2%. CO_2 emissions per box of product have dropped from 351.3g CO_2 per box to 342.7g CO_2 per box.

PAPER USE (SHEETS)



Turnover (£000's) 2007/08 101,180 2008/09 103,140 2009/10 106,006 2010/11 104,000 2011/12 101,000

Paper use v Turnover (KWh/£000) 2007/08 13 2008/09 9 2009/10 5 2010/11 5 2011/12 6

130.9 TONNES

TOTAL CO₂ EMISSION FROM UK DISTRIBUTION (warehouses to customer sales channels)

TARGETS:

- REDUCE WASTE GENERATED BY 5% BY 2013
- MAINTAIN 100% DIVERSION FROM LANDFILL
- REDUCE ENERGY USE BY 5% BY 2013

COMMUNITY

AS PART OF A JAPANESE COMPANY WITH A LONG ESTABLISHED MANCHESTER BASE, OUR COMMUNITY STRETCHES FAR AND WIDE. WE ARE COMMITTED TO SUPPORTING OUR COMMUNITIES BOTH LOCAL AND FURTHER AFIELD.





"IN THESE TOUGH ECONOMIC TIMES OUR SUPPORT OF BUSINESS IS EVEN MORE VITAL. WE AIM TO PROMOTE RESPONSIBLE BUSINESS SKILLS, PARTICULARLY IN YOUNG PEOPLE IN TAMESIDE, OUR LOCAL AREA; MANCHESTER AND BEYOND." JAYNE BRODDLE CORPORATE RESPONSIBILITY MANAGER

COMMUNITY



TO MAKE IT EASY FOR EMPLOYEES TO DONATE UNWANTED ITEMS TO OXFAM, WE ARRANGED A DROP OFF POINT AT THE OFFICE FOR ONE WEEK. OUR EMPLOYEES DONATED OVER 30 BAGS CONTAINING CLOTHES, BOOKS AND OTHER HOUSEHOLD ITEMS.

A Brother UK employee donates unwanted items to Oxfam at our office drop-off point.

Both our local and global communities have been affected by difficulties of very different kinds. Japan was hit by a huge earthquake and tsunami in 2011. We at Brother UK offered support through fundraising, as a company and as individuals. In Manchester, the riots of 2011 were shocking, but the charities we work with show the wonderful work that is happening in the city and the positive contributions people are making – from the Manchester International Festival to the winners of the Tameside Youth Achievement Awards.

EMPLOYEE LED

Our community programme is led by our employees and the charities and organisations they support. We support our employees in fundraising for their chosen charities – this varies from supporting them to complete a sponsored activity to donating raffle prizes. In 2011/12 we gave raffle prizes for organisations including Daisy Nook Nursing Home and the Elizabeth Foundation; and sponsored bike rides, walks, Zumbathons and other activities for charities including Forces Children's Trust, Christies and Parkinson's.

In addition, we have run a number of charity days – to raise money for good causes and to engage our employees in our CR programme (see Associates for more details).

JAPAN DAY

Following the Japanese earthquake and tsunami in March 2011 we held a fundraising day to support our colleagues and friends in Japan.

'Japan Day' was built around a programme of demonstrations relating to elements of Japanese culture including Kimono dressing, embroidery, martial arts and food. We also had displays of Japanese dolls and Shodou (calligraphy) as well as stalls selling Japanese textiles and foods.

Employees from Brother UK and Brother International Europe, and over 30 of our suppliers and business partners raised more than £15,000. This was matched by Brother UK and Brother International Europe, bringing the total to over £30,000.

As well as support following the earthquake in Japan, Brother Group made donations to support relief work following other natural disasters. In the last year this included \$50,000 USD to support hurricane relief in the US, and 60,000 Turkish lira following the earthquake in Turkey.

LIFE SAVING PARTNER

In April 2011 Brother UK was given a Life Saving Partner award by the National Blood Service. This is given to the top ten companies in Manchester and Lancashire and recognises our continued hard work, support and commitment to blood donation.

The award follows over 15 years of support from Brother UK and our employees. To make it easier for our staff to donate, we give them time



away from the office and for the last six years the blood donation bus has visited our site. We ran a campaign in 2010 to increase the number of donors and ensure the

bus continued to visit Brother UK.

AT MANCHESTER'S SIDE

At the beginning of the year we identified Forever Manchester as a 2012 charity partner. Forever Manchester is a community foundation which raises money for local people and community groups in Greater Manchester. This helps us support small, grassroots community projects which are often overlooked by big grant-makers, but which really make a difference to our local communities. Our partnership also gives our employees the opportunity to get involved, including taking part in the Great Manchester run and swim.

To celebrate young people in our area we were involved in the Pride of Tameside Youth Achievement Awards. These fantastic awards recognise the too-often-overlooked hard work of young people in a deprived area, and their valued contribution to the community.

Brother UK employees sat on both the selection committee and the judging panels, taking on the tough job of choosing just one winner for each of the twelve categories. We

36

OF EMPLOYEES' CHOSEN CHARITIES SUPPORTED BY US (2010: 30) WE HAVE SUPPORTED CONVOY OF HAPPINESS - A TAMESIDE CHARITY WHICH PROVIDES EXPERIENCES TO SICK AND DISABLED CHILDREN AND THEIR FAMILIES - FOR MANY YEARS. WE FOCUS ON PROVIDING THE PRACTICAL HELP AND SUPPORT THEY NEED TO RUN THE CHARITY SUCCESSFULLY.

also sponsored the Community Engagement category, which was won by Jessica Davies for the work she has done with the RAF cadets in her local community and teaching English in Malawi.

PROUD SPONSORS OF THE ARTS IN MANCHESTER

Manchester has a vibrant and burgeoning arts scene which we continue to support. At the fore of this is the Manchester International Festival - a biennial arts festival of original, new work and events. Brother UK were sponsors of this event and encouraged our employees to volunteer at the festival.

We are a major and long-term sponsor of the Hallé orchestra – a Manchester institution. In 2011 we sponsored concerts including the Pops series, which recreates the songs we hear every day, and education



Students on the Hallé Impresarios programme with Phil Jones.

COMMUNITY

programmes, including the Hallé Impresarios programme.

The Impresarios programme challenged 40 students to act as concert promoters or impresarios. We sponsored the event and gave the students help and advice on marketing, managing the budget, and accounting. At the end of the programme students presented their business proposals and budgets to Phil Jones for judging.

"HALLÉ IMPRESARIOS IS A MAJOR EDUCATION PROJECT WHICH THE HALLÉ HAS DELIVERED ALL ACROSS GREATER MANCHESTER. WE WERE DELIGHTED TO WORK WITH BROTHER UK AT ASTLEY SPORTS COLLEGE IN TAMESIDE AND WERE VERY GRATEFUL FOR THEIR VERY SIGNIFICANT AND VALUABLE CONTRIBUTION IN MAKING THE SCHEME EVEN MORE RELEVANT TO THE YOUNG PEOPLE WE WERE WORKING WITH."

STEVE PICKETT Education Director, Hallé

SUPPORTING LOCAL BUSINESS LEADERS OF THE FUTURE

In tough economic times with high levels of youth unemployment, we believe it is more important than ever to encourage and support young people, particularly giving them skills and experiences which they can take with them into their future careers.

In addition to the Hallé Impresarios programme we provided support to the Summer Entrepreneur Programme. The programme was part of a Mini Europe Interreg best practice exchange with Sweden. A Swedish council took the Business Family concept and Tameside ran their programme to develop entrepreneurial talent in a group of young people.

Programme facilitators received training at our offices and then delivered a week's training to nineteen 16-19 year olds. The participants then went away and set up their own businesses either as a sole trader or as a partnership.

The participants had weekly meetings with their facilitators, including Jayne Broddle from Brother, over the six week programme and were given some money to cover start up costs.

The 15 businesses created included gardening and DIY, t-shirt design, web design and photography. Most of the businesses made a profit with one participant making over £1000 and half the businesses are still trading.

The successes were celebrated at an awards ceremony at Dukinfield Town Hall.



Summer Entrepreneur Programme participants meet with Brother UK's Mike Kelly.

TARGETS:

- CONTINUE TO SUPPORT THE ARTS IN MANCHESTER
- ENGAGE OUR EMPLOYEES IN OUR COMMUNITY SUPPORT INITIATIVES
- CONTINUE TO SUPPORT ENTREPRENEURSHIP AND LOCAL BUSINESSES
 IN TAMESIDE
- CONTINUE TO SUPPORT BUSINESS EDUCATION FOR YOUNG PEOPLE

ASSOCIATES

OUR 175 EMPLOYEES ENABLE US TO DELIVER HIGH QUALITY PRODUCTS AND SUPPORT TO OUR CUSTOMERS AND HELP US TO REACH OUR GOALS. IN RETURN WE PROVIDE A SAFE AND SUPPORTIVE WORK ENVIRONMENT AND PROVIDE DEVELOPMENT TO HELP OUR EMPLOYEES REACH THEIR PERSONAL GOALS.





"OUR EMPLOYEES' HEALTH AND SAFETY IS OUR GREATEST RESPONSIBILITY AND OUR NEW OHSAS 18001 CERTIFICATION DEMONSTRATES THAT WE ARE CREATING THE BEST POSSIBLE WORKING ENVIRONMENT FOR OUR EMPLOYEES AND ARE PROMOTING A CULTURE OF RESPONSIBILITY."

MAGGIE ROBINSON FACILITIES MANAGER



We encourage our employees to support their local charities and community groups to help the communities in which they live and work flourish.

EMPLOYEE OPINION SURVEY

We ran our biennial employee opinion survey at the end of 2010 and have now had 18 months to take action and make improvements based on the responses.

We focused on the top three areas, discounting those that had been raised in 2008, which we already have plans in place to address.

"I UNDERSTAND MY JOB ROLE THROUGH EFFECTIVE COMMUNICATION AND APPRAISAL"

As the survey highlighted that some staff were not receiving the monthly team brief, we now publish the document on the intranet as well as asking managers delivering it to their teams. Further changes to the team brief process are planned for the next year.

We have improved the appraisal process by stripping back the pan-European appraisal document to make it simpler and more appropriate for our operations. This has been well received by the staff and line managers.

"I HAVE ALL THE INFORMATION I NEED IN ORDER TO DEVELOP MY CAREER"

We do recognise that promotional prospects are limited as few opportunities open up, mainly due to long lengths of service and our relatively small team.

We encourage personal and professional development for staff particularly through training. In 2011/12 we ran 39 courses and also offer partial funding for non-work related training outside work. In addition we have a succession plan to help identify opportunities and talent internally.

"MANAGEMENT RECOGNISES AND VALUES THE CONTRIBUTION I MAKE TO THE COMPANY"

As the survey is anonymous it is difficult to identify which areas this applies to, and the positive results we received to other questions suggest that this is not widespread.

We think this feeling has arisen because we have brought new skills into the company by recruiting externally for some key positions, leaving some staff feeling undervalued. We are addressing this by introducing all new starters in the monthly team briefs, with a description of their role and, where relevant, information about their background and previous experience.

The next Employee Opinion Survey is planned October 2012.

HEALTH, SAFETY AND WELLBEING

The health, safety and wellbeing of our employees is of the utmost importance to us. To ensure this we have just certified our Health and Safety Management System against OHSAS 18001. OHSAS 18001 is the British standard for Occupational Health and Safety Management Systems and recognises our commitment to our employees' health, safety and wellbeing as well as demonstrating that our systems comply with best practice.

The OHSAS 18001 certification complements our existing accreditation of ISO 9001 for our Quality Management System and ISO 14001 for our Environment Management System.

As well as promoting health and safety at work, we want to promote our employees' health and wellbeing outside the office. Following the restructure of the local council, our employees were at risk of losing their discount at local leisure facilities. To ensure their continued well being we worked with the local council to fund a new staff leisure scheme.

In the new system we pay for the discount; sharing the cost of gym, swimming and sports activities 50/50 with our employees. In doing this we help our employees make healthy choices by making sure they still receive preferential gym rates.

EMPLOYEE FUNDRAISING

With our community investment led by our employees and their fundraising activities, we decided to maximise on this by holding four charity days. As well as raising money for charity, these days involve our employees in our CR activities and bring them together with fun team challenges and competitions.

We started with Little Chris Day (see below); this was followed by the World's Biggest Coffee Morning, when we raised £100 for MacMillan.



LITTLE CHRIS DAY

We may be part of a big multinational company, but the Brother UK team is relatively small and tight-knit. As with all teams, it hits us hard when one of our colleagues is ill.

When Little Chris, a very popular member of the cleaning staff, was diagnosed with a serious illness, we pulled together to raise money so she could travel to Scotland to search for her beloved Nessie.

As well as a fancy dress competition with a Maids, Cleaners and Butlers theme, we sold home-made cakes, played bingo and ran a raffle. Sadly Chris didn't make that trip; instead we donated the £1,400 we raised to Willow Wood Hospice and MacMillan Cancer Support in accordance with her family's wishes.

ASSOCIATES



Jayne Broddle and Maggie Robinson meet Theo Paphitis and Gordon Burns after their Many Hands pitch.

In November we dusted off our fancy dress to raise money for the Many Hands Campaign, which raises money for the Royal Manchester Children's Hospital. As well as dressing up for the witches and Guy Faulkes themed day, we ran a bake sale, a pumpkin carving competition, team challenges, a raffle and quizzes. We also send out a charity Christmas e-card to our stakeholders, with proceeds supporting the Many Hands campaign.

After raising £1,800 for Many Hands we were invited to pitch in front of the Chairman of the Charity, Theo Paphitis in a Dragon's Den style event. Even though we didn't win, we had great fun doing our pitch and were commended for our cardboard box presentation, which had five scenes and nine costume changes in three minutes.

Our final 'Rainbow's and Heart's' employee event was tied in with Valentine's Day and raised money for Ria's Rainbow, a charity set up to send

8.7% EMPLOYEE TURNOVER (12.5% NATIONAL AVERAGE)

12.2 YEARS AVERAGE LENGTH OF SERVICE

4.6 DAYS AVERAGE SICK DAYS

(7.4 NATIONAL AVERAGE)

42 INTERNAL, 18 EXTERNAL, 10 SPECIAL QUALIFICATIONS AND SUPPORT

AVERAGE TRAINING DAYS

a local five year-old girl with Diplegia Cerebral Palsy to America for an operation to help her walk unaided.

More team challenges included the Rainbow Limbo, the Broken Heart Challenge – where staff had to find the other half of their broken heart to win prizes, a fancy dress competition and a heart balloon relay game. In all we raised £750 for Ria.

LONG SERVICE

We want to make Brother UK a company that people enjoy working for, and one measure of that is how long our people stay. At the end of 2011 we celebrated four employees' long service at Brother. With three employees reaching 20 years and one reaching an impressive 30 years, they have served a combined 90 years at Brother UK.

TARGETS:

- ENCOURAGE HEALTH AND WELLBEING AMONG OUR EMPLOYEES
- CONDUCT OUR BIENNIAL EMPLOYEE OPINION SURVEY
 IN OCTOBER 2012

CUSTOMERS

OUR 'AT YOUR SIDE' MOTTO EXPRESSES OUR COMMITMENT TO SUPPORT AND WORK WITH OUR CUSTOMERS. WE DO THIS BY SELLING AND MARKETING PRODUCTS THAT MEET THEIR NEEDS AND WHICH HAVE A REDUCED ENVIRONMENTAL IMPACT – TO MAKE GREENER PRINTING EASY. WE SUPPORT OUR CUSTOMERS POST-PURCHASE FROM OUR CALL CENTRE IN TAMESIDE, PROVIDING TECHNICAL SUPPORT AND ADVICE.





"WE WORK CLOSELY WITH OUR CUSTOMERS, NO MATTER WHAT THEIR SIZE – HELPING THEM TO PRINT EFFICIENTLY AND PRODUCTIVELY. IT IS AN APPROACH THAT WORKS WITH 94% OF OUR CUSTOMERS SAYING WE MET OR EXCEEDED THEIR EXPECTATIONS." JANE ASHWORTH HEAD OF CUSTOMER SUPPORT

CUSTOMERS



Brother UK staff celebrate their Queen's Award for Enterprise: Sustainable Development with the Lord-Lieutenant of Greater Manchester.

CUSTOMER SERVICE

Our commitment to customer service and support is paying off. A customer survey in November 2011 showed that we met or exceeded 94% of our customers' expectations – completely outstripping our targets. We asked our customers to rate three areas of the service team; engineer visits, the repairs service centre and the helpdesk. Each area achieved over 90% satisfaction rates.

What makes these figures even more impressive is the fact they have been achieved while meeting a 10% target

Customers who said we met or exceeded their expectations	Target	Achieved
Engineer visits	90%	96%
Service centre	85%	91%
Helpdesk	90%	94%
Overall	85%	94%

to reduce costs by reducing call times and repair costs and increasing efficiency.

In recognition the Global Service Team has been given a 'Special Award' in this year's President's Award honours for "significantly reducing service costs by improving operational efficiency while enhancing the quality of service and support".

BEING A RESPONSIBLE SUPPLIER

We want to be a responsible supplier to our customers, helping them to make more sustainable, responsible choices. To reassure them that Brother UK is a sustainable company and brand, we seek external recognition of the sustainability performance of our company and products.

In 2011 we were delighted to be awarded the prestigious Queen's Award for Enterprise: Sustainable Development. This recognises our ongoing commitments to sustainability and corporate responsibility including our community investment and environmental management.

Following the announcement of the award we were visited by The Lord-Lieutenant of Greater Manchester who met with staff and presented the Queen's Award for Enterprise: Sustainable Development. Our employees got into the spirit, decorating the office with Union Jacks and in red, white and blue.

"BROTHER UK REALLY SETS THE STANDARD FOR SUSTAINABLE BUSINESS IN THE UK. AS WELL AS HITTING 'ZERO LANDFILL' STATUS AND HALVING ITS ENERGY USE OVER THE PAST FIVE YEARS, IT OFFERS SUSTAINABLE LEADERSHIP AND SUPPORT TO LOCAL AND NATIONAL ORGANISATIONS, AND STAFF BENEFIT FROM A RANGE OF HEALTH AND WELLBEING EVENTS. ITS ACHIEVEMENTS ARE TESTAMENT TO THE GREAT WORK BEING DONE EVERY DAY BY THE COMPANY AND ITS STAFF." WARREN SMITH LORD-LIEUTENANT OF

WARREN SMITH Lord-Lieutenant o Greater Manchester.

In 2012 we added to this honour with our inclusion in the Business in the Community Corporate Responsibility Index. This is the first time we have entered the index and we were delighted with our score of 82% which gives us a silver rating.

Our entry into the index benchmarks our corporate responsibility performance against other national and multinational companies. This helps us to identify the strengths and gaps in our approach to CR and CR management.



This commitment to and recognition of responsible operation is not new. The Ethical Company Organisation's Good Shopping Guide has given Brother 100/100 for the past 6 years, the only company in our business sector to achieve this.

AWARDS

Our company, service and products continued to win awards in 2011/12 – demonstrating the excellence that we aspire to deliver to our customers. Awards include:

- Peripherals Vendor of the Year at the PC Retailers awards
- Manufacturer of the Year at Integra. This was voted for by resellers from a list of over 30 manufacturers, based on criteria including manufacturer/ reseller relationship, service and support, and quality of product.
- Marketing Initiative Award for a pan-European campaign at the European Office Products Awards for our 141% A3 printer campaign.
- Manufacturer of the Year at the NEMO Buying Group Conference
- Best Service Suppliers of the Year at Spicer's Everything for the Office show

RESPONSIBLE PRODUCTS

By designing products that can use less energy and paper, we help our customers reduce their environmental impact.

All our new machines have the Energy Star label and some also hold the Blue Angel or Nordic Swan accreditation. These labels help customers make more sustainable choices by identifying products with a lower environmental impact. It is our long-term aim for all our new products to hold all three accreditations.

CUSTOMERS

C Thomas Marer



We are constantly looking for ways to reduce the environmental impact of our products – from automatic duplex on our latest A3 machine to reducing ink usage with individual ink cartridges and low ink mode on our A4 inkjet all-in-ones.

When redesigning the packaging and cartridges of our TZ tape we looked at ways to make them more sustainable. We have reduced the weight of plastic in the cassette by 15% and the cassette case now contains at least 5% recycled content. Importantly the redesigned cartridge is compatible with all existing P-touch labelling machines and is itself recyclable.

The TZ cassette packaging has also changed from cardboard to highly biodegradable plastic. By making these improvements we have reduced the production CO₂ emissions by 12% compared to previous TZ tape.

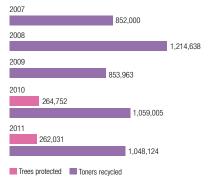
As well as providing products with a lower environmental impact we also provide information on how to get the most from them. Our Brother Green website provides us with a platform to talk to customers about our commitment to the environment, the efficiency of our products and what they can do to get the most out of them and print more efficiently. We also produce 'How To' guides which cover a wide range of topics from reducing toner use to paper saving advice.

TONER AND INKJET RECYCLING

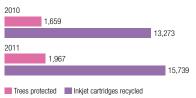
We have now protected over half a million trees through our eco-rewards initiative and partnership with Cool Earth. The initiative protects one tree in the Amazon rainforest for every four toners or eight inkjet cartridges our customers recycle.

In 2011 we recycled over 1 million toners and cartridges and protected 264,000 trees.

Toner recycling



Inkjet recycling



TARGETS:

- ACHIEVE GOLD IN THE BUSINESS IN THE COMMUNITY CORPORATE RESPONSIBILITY INDEX BY 2015
- PROTECT AN ADDITIONAL 250,000 TREES THROUGH OUR CONSUMABLE RECYCLING ECO-REWARDS SCHEME

BUSINESS PARTNERS

AS WITH ALL COMPANIES, WE ARE PART OF A WIDER VALUE CHAIN AND BUSINESS COMMUNITY. OUR BUSINESS PARTNERS ARE AN ESSENTIAL PART OF OUR CUSTOMER'S EXPERIENCE OF BROTHER. WE WORK CLOSELY WITH THEM TO SELL, DELIVER AND INSTALL OUR PRODUCTS AND SERVICES.





"WE WORK WITH SOME FANTASTIC PARTNERS, WHO HELP US DELIVER HIGH-QUALITY PRODUCTS AND SUPPORT TO CUSTOMERS ACROSS THE COUNTRY." KEITH HOWE HEAD OF OPERATIONS By working closely with our partners we can ensure they share our values and provide excellent customer service.

DELIVERING WITH OUR PARTNERS

It is through our business partners that we can deliver high quality products and services to our customers, quickly, efficiently and professionally. Working with partners we can build on each company's strengths and provide a great customer experience.

MANAGED PRINT SERVICES

We recently launched our Managed Print Services (MPS) scheme in collaboration with a number of partners. MPS allows small to medium sized businesses to save money by leasing printers rather than buying them. The lease and pay-per-click fee includes all print costs – including service and consumables.

Leasing in this way brings many benefits to us, our customers and our partners. In particular, as the product is only leased, we can also collect it back, reuse it if appropriate and ensure it is recycled at the end of its life.

We have looked to reduce environmental impact of leasing through MPS in other ways too. For multisite installations, we have worked with our distribution partner DHL to deliver to one central location. Our installation team then collects from this location before distributing and installing the printers across the various sites. This reduces distribution miles and reduces inconvenience to the customer. We also remove all packaging at installation, this way we can ensure it is recycled and take the burden of waste disposal away from the customer.

We launched MPS with a baptism of fire. One MPS customer wanted 380 printers delivered and installed in 190 locations. This itself was not a challenge, but they wanted them in less than a month. By pulling together with our sales partner Insight and our installation partner TSG, the printers were installed with time to spare.

Having proved the success of MPS and working as a team we are now rolling it out with an assessment and training programme to our resellers.

"WORKING IN CLOSE PARTNERSHIP LIKE THIS REALLY DEMONSTRATES THE STRENGTHS OF EACH OF OUR COMPANIES – WE ACHIEVE THINGS THAT WE COULDN'T DO INDIVIDUALLY AND DELIVER TOP SERVICE TO OUR CUSTOMERS."

MEYER KEMPF Director TSG Limited

NATIONAL EDUCATIONAL PRINTER AGREEMENT

We are also working with our partners to deliver products to schools, colleges and universities through the National Educational Printer Agreement. In order to supply through NEPA we had to prove we met strict sustainability criteria including packaging, waste, carbon and recyclability of our products.

We work closely with our sales partners to deliver appropriate, sustainable products to framework members while offering them exception value through exclusive promotions.

SUSTAINABLE DELIVERIES

In 2008 we outsourced part of our distribution to DHL while maintaining day-to-day control of all operations. In that time we have built a strong relationship and have seen significant improvements to operation flexibility and processes which have contributed to our profitability including reductions in CO₂ emissions.

BUSINESS PARTNERS

The relationship is a genuine partnership with open communication and positive engagement. DHL are truly part of the Brother UK team with Brother UK even sponsoring three DHL employees when they cycled 350 miles over five days in support of Leicester Royal Infirmary Children's Hospital.

"THE TEAM AT DHL PULL OUT ALL THE STOPS TO MEET OUR BUSINESS REQUIREMENTS. THE IMPACT THEY HAVE MADE HAS BEEN SIGNIFICANT, MAKING OUR SUPPLY CHAIN MORE FLEXIBLE AND EFFICIENT. THE COMPANY'S CULTURE OF CONTINUOUS IMPROVEMENT HAS ALREADY SEEN MOST OF THE ORIGINAL KPIS EXCEEDED ON MANY OCCASIONS. THE DEDICATION AND PROVEN COMMITMENT HAVE REALLY BENEFITED OUR BUSINESS."

KEITH HOWE Head of Operations, Brother UK

SUPPORTING SALES CHANNELS

As we do not sell our products direct to end users we rely on our resellers and distributors to promote our products and services. We have developed a number of dedicated business portals to support these important business partners.

Our Brother Marketing Services portal provides marketing materials and information which enable our sales channel partners to create bespoke



The Pride of Tameside Business Awards

marketing materials. This is particularly helpful for our smaller resellers.

The Brother Network offers up-to-date product information and campaign support to resellers and other partners. The network is regularly updated with all necessary information our partners need. This support is vital to enable them to help their, and our, customers choose the most appropriate Brother product.

THE PRIDE OF TAMESIDE BUSINESS AWARDS RECOGNISE THE ACHIEVEMENTS AND CONTRIBUTIONS OF LOCAL BUSINESSES. AS A PROUD LOCAL COMPANY WE WERE HONOURED TO SPONSOR THE PREMIER AWARD OF THE EVENING – THE BUSINESS OF THE YEAR AWARD WHICH WAS WON BY BENCHMARK BUILDING SUPPLIES.

TARGETS:

- CONTINUE TO SUPPORT LOCAL BUSINESSES TO BECOME MORE SUCCESSFUL, RESPONSIBLE AND SUSTAINABLE
- CONTINUE TO WORK CLOSELY AND BUILD LONG STANDING RELATIONSHIPS WITH OUR BUSINESS PARTNERS
- IMPROVE THE SUPPORT WE PROVIDE TO OUR RESELLERS TO ENABLE THEM TO HELP THEIR, AND OUR, CUSTOMERS

KEY OBJECTIVES



2011/12

- REDUCE WASTE GENERATED BY 5% BY 2013
- ENGAGE OUR EMPLOYEES IN OUR COMMUNITY SUPPORT INITIATIVES
- CONDUCT OUR BIENNIAL EMPLOYEE OPINION SURVEY IN OCTOBER 2012
- ACHIEVE GOLD IN THE BUSINESS IN THE COMMUNITY CORPORATE RESPONSIBILITY INDEX BY 2015
- PROTECT AN ADDITIONAL 250,000 TREES THROUGH OUR CONSUMABLE RECYCLING ECO-REWARDS SCHEME

2010/11

ENVIRONMENT

Reduce energy consumption

by 5% Achieved reduction of 7% electric and 48% gas. See page 9 for more details.

Maintain zero waste to landfill Achieved We once again diverted all our waste from landfill. See page 9 for more details.

COMMUNITY

Continue to support the Hallé

Orchestra Achieved We remain a major sponsor of the Hallé. See page 13 for more details.

Continue to support the local business community

Achieved We sponsored the local business awards. See page 25 for more details.

Continue to support the National Blood Service

Achieved We were given a Life Saving Partner award by the National Blood Service. See page 13 for more details.

ASSOCIATES

Implement action plans targeting issues highlighted in the employee opinion survey

Achieved Progress is underway to take action on the top three areas raised by our staff. See page 16 for more details.

Continue to run events encouraging health and wellbeing among our employees

Achieved We subsidise a leisure scheme, so our employees can

continue to enjoy discounted rates at local gyms. See page 17 for more details.

Continue to support our staff's charities Achieved We supported our employees in their fundraising activities as well as running a number of charity days. See page 12 for more details.

CUSTOMERS

Continue to support and share best practice with our customers and suppliers Achieved

We provide guides and training to share best practice with our customers. See page 22 for more details.

Continue to work and support Cool Earth through our consumable recycling scheme

Achieved 1,048,142 toners and 15,739 ink cartridges were recycled protecting 264,003 trees. See page 22 for more details.

BUSINESS PARTNERS

Continue to support young people's business education

Achieved We supported three projects which delivered business education to young people. See page 14 for more details.

Support local businesses to become more responsible and sustainable Achieved

We supported our local business and continued to use local suppliers wherever possible. See page 25 for more details.



This report focuses on activities at Brother UK Ltd between 1st April 2011 and 31st March 2012.

We welcome any feedback at csr@brother-uk.com. Further information can be found at www.brother.co.uk or by calling our Manchester office on 08444 999 444. Information about the global Brother organisation can be found at www.brother.com.

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