

Evaluation by External Parties

Inclusion in SRI Indices and Rating

Selected as a Constituent of the FTSE4Good Index Series for the 16th Consecutive Year

Seiko Epson was selected by FTSE Russell, a part of the London Stock Exchange Group, as a constituent of one of the Responsible Investment (RI) indexes in the FTSE-4Good Index series for the 16th consecutive year. (June 2020)

 FTSE4Good Index Series

<https://www.ftse.com/products/indices/FTSE4Good>



FTSE4Good

Selected as a Constituent of the FTSE Blossom Japan Index for the Fourth Consecutive Year

Seiko Epson was selected for inclusion in the FTSE Blossom Japan index for the fourth consecutive year. This index is one of the ESG indexes selected by the Government Pension Investment Fund (GPIF) in July 2017. (June 2020)



FTSE Blossom
Japan

Selected as a Constituent of the Empowering Women Index (WIN) for the Fourth Consecutive Year

Seiko Epson was selected for inclusion in the MSCI Japan Empowering Women Index (WIN) for the third consecutive year. WIN is one of the ESG indexes selected by the Government Pension Investment Fund (GPIF) in July 2017. (June 2020)

2020 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

Selected as Global Leader for Engaging its Supply Chain on Climate Change

Seiko Epson has been identified as a global leader for engaging with its suppliers on climate change, being awarded a position on the Supplier Engagement Leaderboard by global environmental impact non-profit CDP. (February 2020)



Received EcoVadis Gold Rating for Overall Sustainability for Third Consecutive Year

Seiko Epson has been awarded a Gold rating for overall sustainability by independent platform EcoVadis (France) for the third consecutive year. Epson was placed in top 2 percent in manufacture of computers and peripheral equipment industry. (December 2019)



Selected as a Constituent of the SNAM Sustainability Index for the Ninth Consecutive Year

Seiko Epson was selected by SOMPO JAPAN Nippon Asset Management (SOMPO JAPAN), as a constituent of one of the SNAM Sustainability Index for the ninth consecutive year.

The SNAM Sustainability index is used in SRI (socially responsible investment) fund for pension funds or institutional investors to invest widely in companies with the high ESG (environment, society, governance) evaluation ratings. (June 2020)



Selected as a Semi-Nadeshiko Brand

Seiko Epson was selected as a “Semi-Nadeshiko Brand” by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange. This designation is granted to companies that encourage women to play an active role in the workplace. (March 2020)



Recognition

Recognized for Health Management Excellence for Fourth Consecutive Year

Seiko Epson was recognized for the Fourth consecutive year under the Certified Health and Productivity Management Organization Recognition Program (White 500), in the large enterprise category. The program, which is jointly administered by the Japanese Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi, honors enterprises who work with insurers to promote good health and productivity. (March 2020)



SBTi Approved Epson's GHG Reduction Targets

Science Based Targets initiative (SBTi) has approved Epson's global greenhouse gas (GHG) reduction targets. SBTi recognized Epson's targets as being science-based and in line with keeping a global temperature rise this century to well below 2 degrees Celsius, a central aim of the Paris Agreement. (November 2018)



Earned the Highest (Grade 3) Eruboshi

In 2016, the Japanese Minister of Health, Labour and Welfare granted Seiko Epson the top “Eruboshi” mark in recognition of its efforts to promote the active participation and advancement of women in the workplace. (July 2016)



Earned Platinum Kurumin Certification

As a result of Epson's efforts to establish a friendly workplace environment, we were awarded use of the so-called Kurumin symbol from 2007 and the Platinum Kurumin symbol in 2016. Use of these symbols is awarded by the Japanese Minister of Health, Labour and Welfare to companies that implement policies that support employees who are raising families, in accordance with the Act on Measures to Support the Development of the Next Generation. (May 2016)



Certification as an Employer of Persons with Disabilities

Epson Mizube Corporation, a special subsidiary of Seiko Epson, received certification as an “Employer of Persons with Disabilities” in recognition of its initiatives to expand employment opportunities for persons with mental disorders and intellectual disabilities and to promote the active participation in society and independence of persons with physical disabilities. (January 2020)



Award

Epson Subsidiary in Thailand Awarded Gold for its Zero Accident Record

Epson Precision (Thailand) Ltd. (EPTH) was awarded the Gold Level Award under the Zero Accident Campaign certified by the Thai Ministry of Labor.

This award recognizes companies that have operated without an occupational accident for 10,000,000 consecutive hours or more. EPTH recorded 13,150,385 hours of accident-free operations between March 19, 2017 and December 31, 2019. In the FY2019, 75 companies were recognized with the Gold Level Award, 16 of which were Japanese companies. (August 2020) Winners include subsidiaries of blue-chip Japanese companies such as Toyota Motors, Oki Electric Industry, Panasonic, and Mitsubishi Motors.



Epson Korea Wins the Environmental Preservation Prize at the Chosun CSR Awards

Epson Korea Co., Ltd. won the Environmental Preservation Prize for the second consecutive year at the Chosun Corporate Social Responsibility Awards. These prestigious awards are operated by Chosun Media and sponsored by multiple ministries within the Korean government. Reviewers analyzed and evaluated approximately 750 companies in South Korea by looking at their SDG, CSR, and environmental reports for the past three years. The field was narrowed down finally to 12 winners. Epson was the only winner in the Environment Preservation award category. The other 11 companies received awards for excellence or contributions in areas such as social welfare, the environment, culture, and the economy. (March 2020)



Received Minister of Economy, Trade and Industry Award at the 29th Grand Prize for Global Environment Awards

Seiko Epson won the Japanese Minister of Economy, Trade and Industry Award at the 29th Grand Prize for Global Environment Awards. The award recognizes Epson's inkjet innovation efforts to minimize environmental impact. (February 2020)



Winner of the METI Minister's Prize

Akita Epson Corporation received the METI Minister's Prize at the eighth Monodzukuri Grand Awards for its role in helping to develop, in partnership with the Akita University Graduate School of Medicine, Akita University Hospital, and the Akita Industrial Technology Center, the world's first rapid cancer diagnosis support system using AC electric field mixing. (January 2020)



The Fantas Aquarium won the Global Corporate Sustainability Best Practice Award

The Fantas Aquarium won the Global Corporate Sustainability Best Practice Award at the Global Corporate Sustainability Forum, which is sponsored by the Alliance for Sustainable Development Goals, an organization made up of groups from Taiwan's industry, government, academia and NGOs. (November 2019)



Received PEZA Outstanding Environmental Performance Award

Epson Precision (Philippines), Inc. received its 3rd PEZA¹ Outstanding Environmental Performance award. This award recognizes the efforts of companies for sustained compliance and innovative systems for the period of 3 years (2016-2018) as they strive for continuous improvement in environmental management. (May 2019)

¹ Philippine Economic Zone Authority (PEZA)

Received the PROPER Rating

PT. Epson Batam, which is the one of Epson's manufacturing plants in Indonesia, received the Green PROPER rating from the Ministry of Environment and Forestry, Indonesia. Additionally, PT. Indonesia Epson Industry received the Blue PROPER rating. (2018-2019)

ESG Data

Environment

Global Environmental Data

Energy

- Use of energy

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	Gas/oil	MWh	306,088	318,002	330,257	332,795	331,509
	Electricity/steam	MWh	431,430	448,513	467,629	357,552	360,543
Overseas	Gas/oil	MWh	14,970	16,044	19,592	14,450	15,804
	Electricity/steam	MWh	321,491	331,305	341,322	341,566	343,183
Total		MWh	1,073,979	1,113,864	1,158,800	1,046,364	1,051,039
Per unit of business profit (include renewable energy)		GWh/100 million yen	1.3	1.7	1.6	1.7	2.9

* Totals do not add up in some cases due to rounding off of fractions.

- Use of renewable electricity

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Japan		MWh	102	168	257	118,504	119,302
Overseas		MWh	5,756	5,777	9,215	18,901	18,695

Greenhouse gas (GHG)

- Greenhouse gas emission (scopes 1, 2)

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Scope 1		t-CO ₂ e	116,826	132,885	136,734	127,737	122,263
	Japan	t-CO ₂ e	101,296	115,972	122,479	108,210	104,470
	Overseas	t-CO ₂ e	15,530	16,913	14,255	19,527	17,793
Scope 2		t-CO ₂ e	426,797	438,555	455,110	374,347	363,490
	Japan	t-CO ₂ e	231,073	235,726	246,022	185,520	184,748
	Overseas	t-CO ₂ e	195,724	202,829	209,088	188,827	178,743
Total		t-CO ₂ e	543,623	571,440	591,844	502,084	485,753
Per unit of business profit		thousand t/100 million yen	0.64	0.87	0.79	0.71	1.19
FY2025 target (science-based): reduce 19% total emissions from FY2017							-18%

Scope 1: Direct GHG emissions (LPG, LNG, natural gas, kerosene, heavy fuel oil, gasoline, PFCs, etc.)

Scope 2: Indirect GHG emissions (electricity and steam, etc.)

* CO₂ conversion factor of greenhouse gas emissions

- Electric power: In Japan, we use the adjusted emissions factors for the load serving entities (i.e., utilities) from which our sites purchase electricity, pursuant to Load Serving Entity Emission Factors announced by the Ministry of Environment and the Ministry of Economy, Trade and Industry. Overseas, we use the country emission factors listed in IEA (International Energy Agency) or from the load serving entities from which our sites purchase electricity.
- Fuel: The factors announced by the IPCC in 2006 were used for both domestic and overseas data.
- GHGs other than CO₂: Equivalents were calculated based on 100-year GWP values in the Fifth Assessment Report of the IPCC.

* Totals do not add up in some cases due to rounding off of fractions.

- Greenhouse gas emission (scope 3)

		Unit	FY2018	FY2019	Calculation method
Scope 3		thousand t-CO ₂ e	3,263	3,024	
Category 1	Purchased goods and services ¹	thousand t-CO ₂ e	1,141	1,064	Multiplied the mass of materials that comprise sold products by their emission factors
Category 2	Capital goods	thousand t-CO ₂ e	248	217	Multiplied the capital expenditure in each investment account by emission factors
Category 3	Fuel- and energy-related activities not included in scope 1 or scope 2	thousand t-CO ₂ e	36	36	Multiplied the amount of each type of energy used at each site by their emission factors
Category 4	Upstream transportation and distribution	thousand t-CO ₂ e	201	181	Emissions from transportation to Epson of products and services purchased from suppliers, and emissions from the transport of goods by Epson, were calculated by multiplying the mass of transported goods and the distance transported by emissions factors

		Unit	FY2018	FY2019	Calculation method
Category 5	Waste generated in operations	thousand t-CO ₂ e	5	4	Multiplied the amount of each type of waste generated at each site by their emission factors
Category 6	Business travel	thousand t-CO ₂ e	19	32	Multiplied the transportation expenses for each transportation mode and lodging expenses by their emission factors
Category 7	Employee commuting	thousand t-CO ₂ e	35	45	Multiplied the transportation expenses for each transportation mode by their emission factors
Category 8	Upstream leased assets	thousand t-CO ₂ e	5	5	For emissions from the operation of leased assets (excluding those not already included in scope 1 or scope 2 inventories), the floor area of leased buildings was multiplied by emission factors
Category 9	Downstream transportation and distribution	thousand t-CO ₂ e	7	7	Multiplied the sold product not shipped by Epson and the average distances of transported volumes by their emission factors per unit
Category 10	Processing of sold products	thousand t-CO ₂ e	68	61	Multiplied the electricity consumed in the processing of intermediate products into finished products by emission factors
Category 11	Use of sold products ¹¹	thousand t-CO ₂ e	1,413	1,297	Multiplied the estimated electricity consumption over the lifetime of sold products by an emission factor
Category 12	End-of-life treatment of sold products	thousand t-CO ₂ e	85	75	Multiplied the mass of each type of waste treated by the emission factor for each type of waste treatment
Category 13	Downstream leased assets	thousand t-CO ₂ e	N/A	N/A	Not applicable
Category 14	Franchises	thousand t-CO ₂ e	N/A	N/A	Not applicable
Category 15	Investments	thousand t-CO ₂ e	N/A	N/A	Not applicable
FY2025 target (science-based): reduce 44% per unit of business profit from FY2017 (categories 1 and 11)			Increased	Increased ¹²	

Scope 3: Indirect GHG emissions of the entire value chain

¹¹ Data verified by a third party

¹² Due to a significant decrease in business profit

Third-party verification of greenhouse gas (GHG) emissions

We have a third party verify our calculations to ensure reliability. Our FY2019 GHG emissions (scopes 1, 2 and 3) and energy use data were verified as having been measured and calculated accurately, and a independent verification report was obtained.

Third-party verification report
https://global.epson.com/SR/esg_data/pdf/verification_report.pdf



Chemical substance

- PRTR¹ substance emissions

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	t	1.4	1.5	1.7	1.7	1.9
Overseas	t	5.2	7.3	4.1	1.6	0.5
Total	t	6.6	8.8	5.7	3.3	2.3
Per unit of business profit	kg/100 million yen	7.8	13.4	7.7	4.6	5.7
Target: amount of emissions previous year or less						-29%

* Totals do not add up in some cases due to rounding off of fractions.

¹ Pollutant Release and Transfer Register.

- VOC² emissions

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	t	74	80	86	85	81
Overseas	t	118	117	99	83	62
Total	t	192	197	184	168	142
Per unit of business profit	t/100 million yen	0.23	0.30	0.25	0.24	0.34
Target: amount of emissions previous year or less						-15%

² Volatile Organic Compounds

Industrial waste

- Industrial waste emissions

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	Waste generated	thousand t	12.8	13.8	14.3	14.7	14.3
	Recycled	thousand t	12.4	13.4	13.9	14.1	13.7
	Waste (disposed of)	thousand t	0.4	0.4	0.4	0.6	0.6
	Landfilled	thousand t	0.5	0.4	0.4	0.6	0.6
Overseas	Waste generated	thousand t	15.3	17.0	20.2	18.6	18.3
	Recycled	thousand t	13.1	14.2	17.3	15.6	15.3
	Waste (disposed of)	thousand t	2.2	2.7	2.9	3.0	3.0
	Landfilled	thousand t	1.7	2.4	2.5	2.3	2.1
Total waste generated		thousand t	28.1	30.7	34.4	33.3	32.6
Per unit of business profit		t/100 million yen	33	47	46	47	79
Target: amount of emissions (waste generated) previous year or less						-2.0%	

* Totals do not add up in some cases due to rounding off of fractions.

* Amounts of FY2018 differ from those in Sustainability Report 2018.

Water

- Water withdrawal by source

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	Municipal water	thousand m ³	4,611	4,814	5,016	4,990	5,031
	Ground water	thousand m ³	757	685	742	773	692
	(Returned water to the source)	thousand m ³	(376)	(315)	(419)	(465)	(415)
	Subtotal	thousand m ³	5,368	5,499	5,758	5,763	5,724
Overseas	Municipal water	thousand m ³	2,349	2,408	2,566	2,588	2,407
	Ground water	thousand m ³	0	0	0	0	0
	(Returned water to the source)	thousand m ³	(0)	(0)	(0)	(0)	(0)
	Subtotal	thousand m ³	2,349	2,408	2,566	2,588	2,407
Total		thousand m ³	7,717	7,906	8,324	8,351	8,131
Per unit of business profit		thousand m ³ /100 million yen	9.1	12.0	11.1	11.9	19.9
Target: amount of usage (water withdrawal) previous year or less							-2.6%

* Industrial water is included in municipal water.

* No water was withdrawn from other sources.

- Recycling water

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Recycled water		thousand m ³	1,344	1,504	1,526	1,548	1,527
Recycled ratio		%	15	16	15	16	16

* Recycled ratio=recycled water/(water usage + recycled water)

* Past data was revised due to changing the calculation method of recycling ratio.

- Water discharge by destination

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	Sewerage	thousand m ³	2,056	2,111	2,348	2,082	2,021
	Rivers	thousand m ³	2,898	3,013	2,899	3,012	2,779
	Subtotal	thousand m ³	4,954	5,125	5,247	5,095	4,800
Overseas	Sewerage	thousand m ³	2,049	2,096	2,285	2,361	2,178
	Rivers	thousand m ³	0	0	0	0	0
	Subtotal	thousand m ³	2,049	2,096	2,285	2,361	2,178
Total		thousand m ³	7,003	7,221	7,532	7,455	6,977

* Totals do not add up in some cases due to rounding off of fractions.

* Water consumption=Total water withdrawal-Total water discharge

* No water was discharged into other destinations.

Third-party verification of water

We have a third party verify our FY2019 data.

ISO 14001 Certification List

- Japan: Development divisions/Operations divisions/Group companies

Region	Certified sites
Japan	Seiko Epson Corporation Production Planning Division Technology Development Division Visual Products Operations Division Microdevices Operations Division Robotics Solutions Operations Division Tohoku Epson Corporation Akita Epson Corporation Miyazaki Epson Corporation Epson Direct Corporation Epson Logistics Corporation Epson Swan Corporation
	Seiko Epson Corporation Printing Solutions Operations Division
	Epson Atmix Corporation

- Overseas: Regional headquarters/Sales/Service subsidiaries and affiliates

Region	Certified sites
Asia/Oceania	Epson (China) Co., Ltd.
	Seiko Epson Corporation, Hong Kong Office
	Epson Taiwan Technology & Trading Ltd.
	Epson Australia Pty. Ltd.
Europe	Epson Europe B.V.
	Epson Deutschland GmbH
	Epson Europe Electronics GmbH
	Epson France S.A.S.
	Epson Italia S.p.A.
	Epson Iberica S.A.U.
	Epson Iberica S.A.U., Portugal Office
Epson (U.K.) Ltd.	
Americas	Epson America, Inc.

- Overseas: Manufacturing industry

Region	Certified sites
Asia/Oceania	Tianjin Epson Co., Ltd.
	Epson Precision Suzhou Co., Ltd.
	Epson Engineering (Shenzhen) Ltd.
	Epson Precision (Philippines) Inc.
	Epson Precision (Johor) Sdn. Bhd.
	Singapore Epson Industrial Pte. Ltd.
	PT. Epson Batam
	PT. Indonesia Epson Industry
	Epson Precision Malaysia Sdn. Bhd.
	Epson Precision (Thailand) Ltd.
	Epson Wuxi Co., Ltd.
	Epson Precision (Shenzhen) Ltd.
Europe	Epson Telford Ltd.
Americas	Epson Portland Inc.
	Epson Portland Inc., Longview Office
	Epson Paulista Ltda.

Product Recycling

- Collection

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Finished products ^{*1}	thousand t	14.4	13.2	23.0	19.2	20.9
Cartridges	thousand t	2.0	2.0	1.7	1.8	1.8

^{*1} Collected either voluntarily or as mandated by local law. Sum of amount actually collected and amount expected to be collected.

Education

- Environmental education (Japan)

Training		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Basic environmental training II ^{*1}	Participants	Persons	16,513	16,552	16,991	17,379	17,008
	Certification recipients	Persons	0	26	444	182	175
ISO 14001 environmental auditor training ^{*2}		Persons	1,956	1,944	697	869	1,012

* Figures of Certification Recipients show the number of certified persons as of the end of fiscal year.

^{*1} This is the number of persons who took Basic Environmental Training II during the period it was offered.

^{*2} Started using ISO14001: 2015 from FY2017.

Social

HR Development

- Main online courses (Japan)

Course	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Fundamentals of security export control	Persons	14,406	14,487	14,092	16,072	16,204
Import/Export control	Persons	13,985	14,342	13,968	15,986	16,149
Epson's compliance (code of conduct etc.)	Persons	16,828	18,125	18,821	18,331	19,347
Basic information security	Persons	18,786	18,519	18,658	19,924	19,550
Basic environmental training II	Persons	16,513	16,552	16,991	17,379	17,008
Introduction to procurement (Subcontract Act.)	Persons	-	16,302	-	16,801	-
Introduction to procurement (Ethics and code of conduct)	Persons	14,759	-	15,302	-	15,974
J-SOX	Persons	15,645	17,371	17,770	18,497	18,642

* The number of person completing the course by March 31 of that year

- Training by employee level

Training	Who	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
New employee orientation	New hires	Persons	256	293	293	298	311
		%	100	100	100	100	100
C-level employee training	New C-level staff	Persons	133	191	236	182	285
		%	91.7	95.0	93.4	96.3	95
Senior staff training	New senior staff	Persons	186	293	266	247	206
		%	96.3	95.8	93.3	91.1	95.8
Section manager training	New section manager	Persons	100	174	138	130	90
		%	98.0	95.6	97.2	93.5	91.8
General manager training	New general manager	Persons	-	28	33	31	30
		%	-	96.6	92.7	86.9	85.7

* The number of person completing the course by March 31 of that year (Seiko Epson Corporation)

- Quality control training (Japan)

Course	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
QC introduction	People trained	247	314	414	457	413
	% trained	92	90	90	91	88
QC-ABC	People trained	175	257	266	194	168
	% trained	82	79	80	76	75

- Licensed quality control training trainers

Region		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Southeast Asia	Number of production sites with licensed trainers	Companies	7	7	7	7	7
	Licensed trainers	Persons	260	119	89	97	80
China	Number of production sites with licensed trainers	Companies	8	8	8	7	6
	Licensed trainers	Persons	78	79	71	79	61

* Number of licensed trainers as of March 31 of that year

Promotion of Diversity

- Employees with disabilities (Japan)

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Number of employees	Persons	253	272	284	295	308
Employment ratio	%	2.27	2.43	2.48	2.55	2.62
Target: Employment ratio of disable employees by FY2020 (%)						2.5

* Figures for fiscal year as of Jun 1 of that year

- Workforce composition

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Female/Male ratio	Female	%	17	17	16	16	16
	Male	%	83	83	84	84	84
Management diversity ¹	Female	%	2	2	3	2	3
	Male	%	98	98	97	98	97
Target: Female management position ratio by FY2022 (%)							5
Junior management diversity ²	Female	%	-	6	6	6	6
	Male	%	-	94	94	94	94
Target: Female junior management position ratio by FY2022 (%)							7

* Data for Seiko Epson Corporation employees as of March 20 of that year

¹ Section managers and higher

² Team leader

- Employees by age group

Age	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Less than 20	Persons	-	-	41	49	42
20-29	Persons	-	-	1,319	1,533	1,671
30-39	Persons	-	-	2,357	2,208	2,080
40-49	Persons	-	-	3,804	3,714	3,650
50-59	Persons	-	-	3,637	3,724	3,777
60-69	Persons	-	-	1	0	0
70 and over	Persons	-	-	0	0	0

* Data for Seiko Epson Corporation regular employees as of March 31 of that year

- Employees by age and by gender (Global)

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Less than 20	Female	%	-	-	2.0	2.4	1.2
	Male	%	-	-	1.3	1.0	0.7
	S. Total	%	-	-	3.3	3.4	1.9
20-29	Female	%	-	-	20.9	20.4	21.6
	Male	%	-	-	18.5	18.2	17.6
	S. Total	%	-	-	39.4	38.6	38.6
30-39	Female	%	-	-	12.1	12.0	12.0
	Male	%	-	-	13.2	13.5	13.4
	S. Total	%	-	-	25.3	25.5	25.4
40-49	Female	%	-	-	7.2	7.7	8.2
	Male	%	-	-	12.9	12.7	12.9
	S. Total	%	-	-	20.1	20.4	21.1
50-59	Female	%	-	-	2.6	2.6	2.9
	Male	%	-	-	8.7	8.9	9.4
	S. Total	%	-	-	11.3	11.5	12.2
60 and over	Female	%	-	-	0.2	0.2	0.3
	Male	%	-	-	0.4	0.4	0.4
	S. Total	%	-	-	0.6	0.6	0.7
Total	Female	%	-	-	45.0	45.3	45.5
	Male	%	-	-	55.0	54.7	54.5
	G. Total	%	-	-	100.0	100.0	100.0

* Data for all Epson group companies regular employees as of March 31 of that year

- Length of employment

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Total	Years	19.4	19.4	19.5	19.4	19.2
Female	Years	22.2	22.2	22.1	21.5	20.9
Male	Years	18.9	18.9	19.0	18.9	18.9

* Data for Seiko Epson Corporation employees as of March 20 of that year

- Average age

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Total	Years old	43.6	43.7	43.8	43.6	43.6
Female	Years old	44.1	44.3	44.4	43.9	43.6
Male	Years old	43.4	43.6	43.7	43.6	43.6

* Data for Seiko Epson Corporation employees as of March 20 of that year

- Turnover rate

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Total turnover rate	%	3.2	3.6	3.6	4.5	4.1
Voluntary turnover rate	%	1.6	1.6	1.5	1.8	1.5

* Data for Seiko Epson Corporation as of March 20 of that year (Including retired worker)

Fostering a Better Workplace

- Workforce composition by employment type and by gender (Global)

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Full-time employment	Female	%	-	-	34.6	36.1	35.5
	Male	%	-	-	41.7	43.0	43.0
	S. Total	%	-	-	76.3	79.1	78.5
Part-time employment	Female	%	-	-	11.6	10.8	12.0
	Male	%	-	-	4.9	5.2	6.4
	S. Total	%	-	-	16.5	16.0	18.4
Temporary	Female	%	-	-	2.7	2.1	1.4
	Male	%	-	-	4.6	2.8	1.6
	S. Total	%	-	-	7.3	4.9	3.0
Total	Female	%	-	-	48.8	49.0	48.9
	Male	%	-	-	51.2	51.0	51.1
	G. Total	%	-	-	100.0	100.0	100.0

* Data for all Epson group companies as of March 31 of that year

- Composition of all managerial positions by gender (Global)

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Junior management positions	Female	%	-	-	18.6	18.8	18.8
	Male	%	-	-	81.4	81.2	81.2
	S. Total	%	-	-	100.0	100.0	100.0
Top management positions	Female	%	-	-	14.9	13.4	14.7
	Male	%	-	-	85.1	86.6	85.3
	S. Total	%	-	-	100.0	100.0	100.0
Total	Female	%	-	-	16.3	16.2	16.7
	Male	%	-	-	83.7	83.8	83.3
	G. Total	%	-	-	100.0	100.0	100.0

* Data for all Epson group companies as of March 31 of that year

- Composition of managerial positions in revenue-generating functions by gender (Global)

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Management positions in revenue-generating functions	Female	%	-	-	14.8	14.7	14.6
	Male	%	-	-	85.2	85.3	85.4
	S. Total	%	-	-	100.0	100.0	100.0
Management positions in non-revenue generating functions	Female	%	-	-	23.7	24.5	25.6
	Male	%	-	-	76.3	75.5	74.4
	S. Total	%	-	-	100.0	100.0	100.0
Total	Female	%	-	-	16.3	16.2	16.7
	Male	%	-	-	83.7	83.8	83.3
	G. Total	%	-	-	100.0	100.0	100.0

* Data for all Epson group companies as of March 31 of that year

* "Management positions in revenue-generating functions" means those functions including R&D, design, manufacturing, procurement, sales, customer service, etc. but excluding back-office functions such as general affairs, HR, accounting, legal, administration, etc.

- Annual total working hours per employee

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Total working hours	Hours	-	2,001	1,971	1,943	1,879

* Data for Seiko Epson Corporation employees as of March 31 of that year

- Paid leave

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Number of paid leave used	Days	-	12.6	14.0	13.9	15.6
	%	-	63.0	70.0	69.5	78

* Data for Seiko Epson Corporation employees as of March 31 of that year

- Childcare leave trends

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Childcare leave	Total	Persons	52	60	64	75	102
	Female	Persons	40	42	44	35	41
	Ratio of female granted leave* ¹	%	98	100	98	100	100
	Male	Persons	12	18	20	40	61
Employees using parental reduced hours		Persons	-	-	170	160	147

* Data for Seiko Epson Corporation employees as of March 20 of that year

¹ Number of individuals childcare leave/eligible individuals

- Caregiver leave trends

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Care giver Leave		Persons	6	2	2	2	6
Employee using caregiver reduced hours		Persons	-	-	2	5	4

* Data for Seiko Epson Corporation employees as of March 20 of that year

- Result of employee survey

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Participation ratio		%	-	-	95.1	96.7	97.4
% of engaged employees		%	90.7	89.9	92.1	92.2	91.2

* Data for Seiko Epson Corporation regular employees and employees after retirement age.

- Labor Union membership

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Ratio of Union membership		%	-	-	85.5	85.8	85.9

* Data for Seiko Epson Corporation employees as of March 20 of that year

- Collective bargaining agreements

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Employees covered by collective bargaining agreements		%	-	-	-	69.1	66.9

* Data for Epson overseas subsidiaries employees as of March 31 of that year

- Employee coverage of the individual performance appraisals by MBO (Management by Objectives)

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Performance appraisals by MBO	Female	%	-	-	-	47.8	59.3
	Male	%	-	-	-	31.0	46.9
	Total	%	-	-	-	44.9	53.8

* Data for Epson overseas subsidiaries employees as of March 31 of that year

* In Japan, MBO is in principle implemented for 100% of employees

Minimum Wage

- Ratios of standard entry level wage by gender compared to local minimum wage

	Unit	Amount	Local min. wage	% to local min. wage
Epson Precision (Philippines), Inc. Philippine Peso (as of March 2019 by the day)	Femail	373	373	100%
	Male	373	373	100%
	Average	373	373	100%
Epson Engineering (Shenzhen) Ltd. Chinese Yuan (as of March 2019 by the month)	Femail	3,300	2,200	150%
	Male	3,300	2,200	150%
	Average	3,300	2,200	150%
PT. Indonesia Epson Industry Indonesian Rupiah (as of January 2019 by the month)	Femail	6,261,438	5,027,252	125%
	Male	6,261,438	5,027,252	125%
	Average	6,261,438	5,027,252	125%

Occupational Safety and Health

- Occupational injury accident frequency (Global)

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Occupational accident rate	-	0.13	0.09	0.12	0.07	0.10

* The number of injury accidents per million work hours, where an injury accident is an incident that causes a worker to miss one or more days of work

- Occupational injury accident seriousness (Global)

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Injuries severity rate	-	0.002	0.002	0.003	0.005	0.002

* The number of injury accidents per 1000 work hours, where an injury accident is an incident that causes a worker to miss one or more days of work

Supply Chain Management

- Supplier conference for CSR

Area		Unit	FY2016	FY2017	FY2018	FY2019
Japan	Number of companies	Companies	489	237	447	510
China	Number of companies	Companies	135	113	222	58
Indonesia	Number of companies	Companies	-	103	168	193
Others	Number of companies	Companies	-	-	295	63
Total	Number of companies	Companies	624	453	1,132	824
Rate of attendance ^{*1}	Japan / WW	%	76 (Japan)	92 (Japan)	67 (Japan)	83 (WW)

*1 Number of attendance per invited suppliers

- CSR evaluation

Evaluation		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Direct evaluation (Annual evaluation)	Number of accounts	Accounts	1,266	1,422	1,413	1,481	1,525
	Ratio of evaluation suppliers	%	100	100	100	100	100
Detailed evaluation* ¹ Direct suppliers (Production material)	Number of companies	Companies	-	274	-	312	222
	Ratio of high risk rank	%	-	8	-	5	0
Detailed evaluation* ¹ Indirect suppliers (Non- production material)	Number of companies	Companies	-	-	66	-	124
	Ratio of high risk rank	%	-	-	9	-	16
Evaluation of emergency response capabilities (BCP self assessment questionnaire)	Number of companies	Companies	320	436	319 ²	250	1,336
	Target achievement rate	%	-	95	154	91	71
Safety management evaluation (BCP self assessment questionnaire)	Number of companies	Companies	422	357	1,353 ²	481	1,384
	Target achievement rate	%	-	92	141	93	74

* Including 2nd tier supplier

¹ Each attribute evaluation is executed at the every other year.

² In FY2017, as a special action, self-assessment was conducted by Tier 1 and non-Tier 1 suppliers.

Conflict Minerals

- Conflict minerals survey

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Survey sheet recovery rate	%	99	95	94	92	91
Number of identified smelters	-	298	314	312	314	344
Number of CFS* ¹ -certified smelters	-	211	243	249	256	268
CFS as a % of identified smelters	%	71	77	80	82	78

¹ Conflict-free smelter

- Each mineral data

		Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Gold	Number of identified smelters	-	126	138	146	150	159
	Number of CFS-certified smelters	-	78	94	100	102	107
	CFS as a % of identified smelters	%	62	68	68	68	67
Tantalum	Number of identified smelters	-	47	48	41	40	45
	Number of CFS-certified smelters	-	45	43	39	40	40
	CFS as a % of identified smelters	%	96	90	95	100	89
Tin	Number of identified smelters	-	82	93	79	81	93
	Number of CFS-certified smelters	-	58	67	70	74	78
	CFS as a % of identified smelters	%	71	72	89	91	84
Tungsten	Number of identified smelters	-	43	52	46	43	47
	Number of CFS-certified smelters	-	30	39	40	40	43
	CFS as a % of identified smelters	%	70	75	87	93	91

Corporate Citizenship

- Corporate citizenship

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019
Corporate citizenship expenditures	Billion yen	0.40	0.61	0.61	0.82	0.90

* The monetary equivalent of donations and grants, as well as human, material, and other assistances

Governance

Corporate Governance

- Board of directors

		Unit	FY2016	FY2017	FY2018	FY2019	FY2020
Independent outside directors	Female	Persons	2	2	2	2	2
	Male	Persons	3	3	3	3	3
	S. Total	Persons	5	5	5	5	5
Inside directors	Female	Persons	0	0	0	0	0
	Male	Persons	7	6	7	7	7
	S. Total	Persons	7	6	7	7	7
Total	Female	Persons	2	2	2	2	2
	Male	Persons	10	9	10	10	10
	G. Total	Persons	12	11	12	12	12

Management Philosophy

Management Philosophy

Epson aspires to be an indispensable company,
trusted throughout the world for our commitment to openness,
customer satisfaction and sustainability.

We respect individuality while promoting teamwork,
and are committed to delivering unique value
through innovative and creative solutions.

EXCEED YOUR VISION

As Epson employees,
we always strive to exceed our own vision,
and to produce results that bring surprise and delight
to our customers.



Principles of Corporate Behavior

Issued September 2005

Revised April 2012

Revised October 2017

Epson will fulfil its social responsibility by aspiring to live up to the principles below based on “trust-based management,” a concept that underlies Epson’s Management Philosophy.

We seek to create value that surprises and delights our customers and helps to make the world a better place. At the same time, we aim to be an indispensable company, a company that maintains the trust of all stakeholders (including customers, shareholders, investors, communities, business partners, NGOs, NPOs, and employees) and that exists for the world’s benefit.

This signals our commitment as a company to observing these principles. It also serves as a declaration that all Epson personnel, including senior executives, managers, and employees, should be mindful of conducting themselves in line with these principles.

- Principle 1: Pursuing customer satisfaction

We think of our customers’ perspective at all times and continue to create trusted products and services that please our customers around the world.

- a) We will ensure that all products and services meet the required safety and environmental standards.
- b) We will listen to our customers, take all their expectations seriously, and give sincere consideration to their feedback.
- c) We will strive to deliver high value, quality products and services that meet or exceed the expectations of our customers.
- d) We will adhere to universal design standards that maximize product usability and give our customers something they will value and enjoy.
- e) We will consistently provide our customers with high customer value, socially beneficial, innovative, and affordable products and services through R&D and programs conducted from a customer perspective, such as improving manufacturing capabilities across the Epson Group.

- Principle 2: Preserving the natural environment

We integrate environmental considerations into our corporate activities and actively strive to meet high conservation standards when fulfilling our responsibilities as a good corporate citizen.

- a) Harmony with the environment is one of the highest priorities of the Epson Group’s management. When conducting business activities, we will keep future generations in mind, and consider how they might best be sustained.
- b) We will strive to minimize environmental impacts in an integrated manner across the entire life cycle of our products and services, from manufacturing to transport, use, and disposal.
- c) We will participate in environmental preservation and restoration projects as a member of society.
- d) We will promote environmental awareness and provide information to our employees to enhance their understanding of environmental issues.

- Principle 3: Fostering diverse values and teamwork

We strengthen teamwork by recognizing the value of a diverse workforce and creating synergies between individuals and our organization.

- a) We will instill in our employees, and practice, the ideals of our Management Philosophy.
- b) We will put Epson in the best position by hiring a diverse workforce and utilizing their unique skills effectively.
- c) We will respect the individuality of employees and maintain relationships between the company and employees based on trust.
- d) We will develop our employees by creating systems that allow individuals to utilize their skills effectively.
- e) We will create a culture in which employees take pride in their work, work with confidence and actively promote teamwork.

- Principle 4: Creating a safe, healthy, and fair work environment in which human rights are respected

We respect basic human rights and create a cheerful, safe, healthy, and fair work environment that is free of discrimination.

- a) We will not tolerate any violation of human rights.
- b) We will not engage child labor or forced labor.
- c) We will promptly take corrective action against undesirable behavior including any harassment, violence, devaluation of the individual or any behavior resulting in loss of trust.
- d) We will eliminate any forms of discrimination against gender, nationality, religion, race and disability.
- e) We will support employees by facilitating a proper work-life balance.
- f) We will adhere to and maintain the proper health and safety standards at all sites around the world.
- g) We will implement programs that support the mental and physical wellbeing of our employees.
- h) We will establish practices that create a fair and open work environment and build a corporate culture that values individuals' rights and that facilitates equal opportunities for all.

- Principle 5: Ensuring effective governance and compliance

We institute effective corporate governance and internal controls, and we observe laws, regulations, and other rules and maintain the highest ethics in all activities.

- a) We will establish and maintain an effective system which governs our corporate entities and internal controls to ensure that management is transparent, fair, agile, and decisive.
- b) We will implement systems of compliance to ensure that we observe and respect all applicable laws and regulations, internal rules, and business ethics.
- c) We will not tolerate any form of bribery, corruption, dishonest marketing, cartels, or insider trading. We will conduct all transactions in accordance with these principles, promoting fair and open competition in the marketplace.
- d) We will maintain a good, mutually cooperative relationship with governments and their administrative bodies.
- e) We will not involve ourselves in or have contact with any anti-social movement or group that promotes activities that are illegal or threatening to public order and safety.
- f) We will employ best practices in risk management to prevent risks from materializing and minimize impact in cases where they do materialize.

- Principle 6: Ensuring the security of people, assets, and information

We protect the safety and security of people and company assets, and we exercise strict care in the management of all information.

- a) We will establish and maintain systems to ensure the safety and security of Epson personnel, as well as visitors or contractors on our premises.
- b) We will carefully handle all group tangible and intangible assets (financial, intellectual, and those regarding infrastructure, brand, and proprietary information) and respect the assets of others.
- c) We will take reasonable and necessary precautions to protect the confidentiality of proprietary business information including the privacy of customers, employees and other stakeholders.
- d) We will only use our company assets (all forms stated above) for appropriate business purposes. Unauthorized use will not be tolerated.

- Principle 7: Working with business partners for mutual benefit

We seek to maintain mutually beneficial relationships with our suppliers, sales channels, collaborators, and other business partners, whom we ask to live up to the highest standards of ethical conduct while respecting their autonomy and independence.

- a) Acts of bribery and collusion with business partners are strictly forbidden. We will engage in sound business practices and demand that our business partners adhere to a zero-tolerance policy regarding illegal and unethical business practices.

- b) We will hold our business partners to the same strict standards that Epson upholds, with regard to compliance with laws and maintenance of human rights, suitable labor conditions, the environment, ethics, quality, and information security. Epson will support improvements to any of these areas as needed.
- c) We will develop and maintain open relationships with our business partners and work with them to increase the competitiveness of the entire supply chain, based on mutual trust and for our mutual benefit.

- Principle 8: Prospering with the Community

We actively contribute to the communities in which we operate, as well as the international community, facilitating mutually beneficial relationships.

- a) We will respect the cultures and traditions of the countries and regions in which we operate.
- b) We will engage in open dialogue with the local and international community. We will also actively engage in activities that promote our standing as a good corporate citizen.
- c) We will nurture a culture in which our employees are encouraged to participate in volunteer programs and other activities that facilitate good corporate citizenship. We will establish the systems needed to support such efforts.

- Principle 9: Initiating honest dialogue with our stakeholders

We maintain open lines of communication with our stakeholders, thoughtfully considering their views and suggestions.

- a) We will respect other cultures and traditions while striving to engage in principled, ethical communication.
- b) We will communicate openly and honestly with our stakeholders, and will establish appropriate systems for the disclosure of information.
- c) We will utilize appropriate and useful tools to communicate information to our stakeholders.
- d) We will provide opportunities and establish appropriate systems to engage in dialogue with stakeholders.
- e) We will utilize the opinions and suggestions of our stakeholders as a vital resource for corporate management.

Quality Policy

1. We will solve problems by directly observing all of our operations and processes.
2. We will quickly complete the Plan, Do, Check & Act (PDCA) cycle in all situations.
3. We will thoroughly analyze any failures, and establish procedures based on that analysis, so that mistakes are never repeated.
4. We will proactively consider our customers' satisfaction so they will genuinely prefer purchasing Epson products and feel confident using them.
5. We will seize the opportunity presented by customer comments and complaints to inform our decisions when designing new products.
6. We will readily report even negative information.
7. We will foster a climate in which attention is paid to even the most commonplace events.

Environmental Policy

1. Creating and providing earth-friendly products
2. Transforming all processes to reduce the burden on the environment
3. Recovering and recycling used products
4. Sharing of environmental information and contributing to regional and international preservation efforts
5. Continually improving the environmental management system

Human Resources Development Policy

Our basic approach is to support employees who have aspirations for self-actualization, to connect all the companies in the Seiko Epson Group with people, and to nurture employees so that both corporate and individual objectives are met.

The following is our policy for human resources development.

1. The Company positions human resources as an indispensable resource and aims to integrate employee aspirations for high-level achievements with the highest interests of the Company.
2. HR development is a very important instrument for materializing the Management Philosophy and business plans. It is the key to forming a good management cycle.
3. Each level of employee therefore assumes the following roles.
 - (a) Executives, as drivers of HR development, must serve as role toward fulfillment of Company philosophies.
 - (b) Management-level personnel must practice OJT systematically and continuously with a clear objective for the training. Nurturing of employees must be done principally on an individual basis in a comprehensive manner through the setting of detailed objectives, evaluation of results and acceptance of individual experiences of success. At the same time, management-level personnel must prepare their successors.
 - (c) Employees should voluntarily pursue self-improvement.
 - (d) Departments in charge of education must promote HR development through off-the-job training, as well as OJT.

Established in 1996
Revised on October 1, 2006

Basic NESP Policy

Epson believes that providing and maintaining a safe and healthy work environment and promoting physical and mental wellness are the foundation of a healthy company. Accordingly, we have established a basic NESP policy and shall take strategic actions to enable personnel at all Epson sites around the world to work with vibrancy as a team in the knowledge that they are safe and secure.



NESP: New Epson Safety & Health Program

(NESP is a progressive program that Epson has developed based on general occupational safety and health management system principles and organizations.)

1. Involving all personnel (employees, contractors, and other partners), implement the PDCA cycle for NESP activities and drive continuous improvements.
2. Investigate potential hazards (via risk assessments, etc.), and thoroughly analyze the causes of industrial incidents and occupational injury accidents. Develop measures based on these to prevent future incidents and accidents.
3. Foster a vital organizational culture where work and health are in harmonious balance by preventing work-related health problems and supporting employees' own health monitoring and improvement efforts.
4. Periodically review the preparations you have in place for fires, earthquakes, floods, infectious diseases, and other natural disasters and the actions you have planned to save lives, prevent the spread of damage, and restore business operations. Conduct drills on an ongoing basis to verify preparation and action effectiveness, and implement further improvements.
5. Systematically train employees, and raise the level of safety and health awareness and management.
6. Observe occupational safety and health legal and regulatory requirements in your country and region, as well as internal regulations, standards, and policies.
7. Allocate appropriate management resources for safety and health programs, and continuously make effective improvements.

Established on April 1, 2001

Revised on July 1, 2020

The Policies Regarding Human Rights and Labor Standards

A. Human Rights

- (1) We will respect fundamental human rights. We will not tolerate any violation of human rights.
- (2) We will take steps to prevent and eliminate any harassment such as sexual harassment, abuse of power in the workplace.
- (3) We will respect individual privacy.

B. Discrimination

- (1) We will take steps to prevent and eliminate any discrimination on the basis of race, nationality, ethnic origin, creed, sex, gender, age, religion, disability and any other basis protected by the applicable law of any country or region in which we operate.
- (2) In respect of employment and occupation, we will not damage the equality of opportunity on the basis of any irrational reason that is not directly linked to legitimate business needs.
- (3) In any country or region in which we operate, we will respect their culture, custom and history identifying how these may vary, and behave in consideration of the differences.

C. Employment and Labor Condition

- (1) We will not engage child labor or forced labor. We will never take a child as a laborer who is under the legal employment age as defined in the local law of any country or region in which we operate.
- (2) We will secure the soundness of employment and labor, and we will comply with the local law of any country or region in which we operate.
- (3) We will not dismiss employees based on irrational reasons without a direct relationship to legitimate business needs.
- (4) We will maintain fine industrial relations.
- (5) We will observe the local laws, internal rules and policies regarding health and safety, and we will adhere to and maintain good working conditions and environment according to the proper health and safety standards.

Established on September 26, 2005

Basic Information Security Policy

Epson's Basic Information Security Policy, established based on the company's Management Philosophy and Principles of Corporate Behavior, describes our information security approach and requirements. Epson Group companies, their officers and their employees must recognize the importance of information security, exercise effective information security governance, and build information security into the corporate culture so that Epson continues to be a company that is trusted by its stakeholders.

(Established April 1, 2007)

It is therefore company policy to ensure that:

1. All information* used in business activities are recognized as important management assets, and information security activities are treated as a critical management concern.
* Including customer and other personal information; confidential information relating to sales and marketing, products, technology, production, and know-how, and suppliers; and information systems that store and use such information.
2. A standard information security policy is established for worldwide operations, information security responsibility and management systems are identified, and a management system capable of protecting and controlling information assets is built.
3. Information security risks confronted in business activities are appropriately assessed and managed, to justify the trust placed in the company by stakeholders and to keep business.
4. Continuous training and education are provided to Epson Group companies, their officers and their employees so that security consciousness is integrated into the corporate culture.
5. A compliance program is developed and implemented to ensure compliance with laws, agreements and regulations related to information security management.
6. The information security management system is reviewed, maintained and improved on a continuing basis by Epson management.

Basic Procurement Policy

1. We will build good partnerships with suppliers, based on mutual trust and principles of fairness, coexistence and co-prosperity.
2. Exercising high ethical standards and a social conscience, we will conduct our procurement activities in strict compliance with both the letter and spirit of laws and regulations, both national and international, in every region where we operate.
3. We will strive to reduce the environmental impacts of our procurement activities and will always seek stable and reasonable quality, price, and delivery from suppliers.

Epson Slavery & Human Trafficking Statement for Financial Year 2019

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chain or in any part of our business. We will respect fundamental human rights and facilitate a fair, safe, healthy and pleasant work environment.

This statement is made pursuant to section 54(1) of the UK's Modern Slavery Act 2015, the Australian Modern Slavery Act 2018 and the U.S. California Transparency in Supply Chain ACT 2010 (SB 657).

Our organisation

Seiko Epson Corporation and Epson Group companies are primarily engaged in the development, manufacturing, and sales of products and services in the areas of printing, visual communications, wearables and robotics.

We use the word Epson to describe all companies in the Epson Group.

Epson is organized into operational divisions that come under consolidated management. The majority of advanced R&D and product development is conducted in Japan, while manufacturing and sales activities are conducted around the world by 85 Epson Group manufacturing and sales companies, in 56 countries and regions, with 75,608 employees and over 1 trillion yen in net revenue for FY2019.

Epson is vertically integrated and develops and manufactures the majority of its components in-house and then sells through its global network of wholly owned sales subsidiaries.

Epson's printing solutions business provides home and office inkjet printers, serial impact dot matrix (SIDM) printers, page printers, colour image scanners, dry process office papermaking systems, large-format inkjet printers, industrial inkjet printing systems, printers for use in POS systems, label printers, related consumables, and, in the Japanese market, PCs.

Epson's visual communications business provides 3LCD projectors mainly for business, education, the home, and events; high-temperature polysilicon TFT LCD panels for 3LCD projectors; and augmented reality smart glasses. Its wearables & industrial products business provides wristwatches and watch movements; sensing equipment; industrial robots; IC handlers; crystal units, crystal oscillators, and quartz sensors for consumer, automotive, industrial equipment applications; CMOS LSIs and other semiconductor chips; high-performance metal powders, and high-value-added surface finishing.

Supply Chain

In manufacturing and selling the many Epson products mentioned above, currently, Epson procures goods and services from about 1,700 direct material suppliers around the world. Domestic Japanese procurement accounts for about 39% of its total procurement spend. Asia accounts for the large majority of the remaining 61%.

Epson considers suppliers to be important partners in its business activities. As such, its procurement activities are designed to develop mutually beneficial trusting relationships with its business partners based on fairness, transparency, and respect.

Epson believes its responsibility for products and services goes beyond just ensuring high-quality products for the market. It also believes it is responsible for ensuring that its entire supply chain upholds appropriate standards in respect to human rights, labour, and the environment. Therefore, Epson recognizes the importance of taking CSR initiatives hand in hand with its suppliers. Ensuring that the products and services it provides to customers continue to be outstanding in every respect including quality, price, and eco-friendliness requires having suppliers it can trust. For that reason, Epson practices fair and transparent trade with its suppliers and thereby building trusting relationships. Epson believes that it is only with such partnerships that it can enjoy "harmonious development" supported by rapport with international and local communities.

Epson standards

Epson is serious about keeping all forms of discrimination and unfair practices out of its global operations. As stated in its management philosophy, Epson aspires to be an indispensable company which is trusted throughout the world. In 2005, Seiko Epson Corporation established the Principles of Corporate Behavior (Corporate Social Responsibility Guidelines) which are adhered to by all companies ultimately owned by Seiko Epson Corporation. In 2017, Epson updated the Principles of Corporate Behaviour in response to the latest societal requirements. These guidelines were established to clarify the foundations for implementing trust-based management, which is aimed at building stakeholder trust and is the fundamental principle of Epson management, and which are shared across the Group.

Epson's stance on Corporate Social Responsibility is reflected in its participation in the United Nations Global Compact since 2004. Epson also used ISO 26000 (Guidance on Social Responsibility) and OECD Guidelines for Multi-national Enterprises as references. In 2005, Epson documented its policies regarding Human Rights and Labour Standards that outline its strong convictions in areas including respect for human rights, elimination of harassment, eradication of all forms of discrimination, respect for local culture and customs, prohibition of child and forced labour, and maintenance of positive labour relations.

In April 2019, Epson joined the Responsible Business Alliance (RBA), a global coalition dedicated to CSR in global supply chains. Epson has committed to complying with the RBA Code of Conduct, progressively implementing the RBA approach and tools in the spirit of the industry's common goals.

Epson's policy requires it to hold its business partners to the same standards as Epson with regards to legal compliance, ethics, quality, the environment, human rights and labour conditions.

Epson aspires to be an indispensable company, one that seeks to build mutually beneficial relationships with all its business partners, including suppliers, by asking them to uphold the highest standards of integrity and ethics while, at the same time, respecting their autonomy and independence.

Epson is particularly adamant that its business partners meet the following requirements:

- (1) Strictly forbid acts of bribery and collusion with their business partners and refuse to engage in illegal or unethical business practices.
- (2) Hold its business partners to the same strict standards that Epson upholds with regards to compliance with laws and maintenance of human rights, suitable labour conditions, the environment, ethics, quality, and information security, and support improvements to any of these areas as needed.
- (3) Develop and maintain open relationships with their business partners and work with them to increase the competitiveness of the entire supply chain, based on mutual trust and mutual benefit.

These supply chain ethics requirements are based on the code of conduct of RBA. Epson, which has mapped each of its supply chain initiatives to one or more of the Sustainable Development Goals (SDGs) of the United Nations, will help to achieve the SDGs by taking action throughout the supply chain.

The Epson Group Procurement Guidelines were established in 2005 to inform suppliers about Epson's procurement policies and requirements. In 2008, the Epson Supplier Code of Conduct was added as an appendix to the Epson Group Supplier Guidelines. Epson's Code of Conduct was based on the code of conduct created by the Electronic Industry Citizenship Coalition (EICC), now called the Responsible Business Alliance (RBA).

The Epson Group Procurement Guidelines reflect international requirements. They are intended to help ensure that Epson's suppliers work with the company as partners to meet quality, cost, and delivery (QCD) obligations and maintain compliance with requirements in areas such as human rights, labour, health and safety, environment, ethics, and trade control and security, as well as information security. Epson revised and released the Epson Group Procurement Guidelines Rev. 6.0 in January 2020, to maintain consistency with the latest RBA Code of Conduct. The Epson Supplier Code of Conduct is now a major part of the Procurement Guidelines and is available in multiple languages.

The labour standards specified in the Guidelines includes freely chosen employment, child labour avoidance, working hours, wages & benefits, humane treatment, non-discrimination, and freedom of association. The Code provides that suppliers are to be committed to upholding the human rights of their employees and that they treat them with dignity and respect as understood by the international community.

The Guidelines require that suppliers' management systems contain certain elements including processes (i) to identify the environmental, health and safety, and labour practice risks associated with suppliers' operations and (ii) for communicating Code requirements to suppliers and for monitoring suppliers' compliance to the Code.

Over the 15-year history of the Guidelines, we have asked all suppliers to comply with the requirements and have asked our major direct suppliers of production materials to sign a formal agreement.

To enforce the Supplier Code of Conduct, Epson requires suppliers to sign a written consent form and return it to the company. In 2019, the consent form was signed and returned by 94% of suppliers of major manufacturing subsidiaries.

Going forward, Epson will further observe the RBA Code of Conduct and work with its suppliers to strengthen CSR supply chain initiatives.

Due diligence processes for slavery and human trafficking

Epson strives to identify human rights risks throughout its operations but particularly at its production sites in Southeast Asia, where the risk of human rights violations is generally considered to be higher. So, since FY2017, Epson conducted the CSR Self-assessment to assess human rights risks within its own group. The results allowed it to identify risks, which it then instructed its facilities and group companies to take steps to mitigate.

In FY2019, Epson had its own facilities, domestic affiliates and overseas group companies complete a self-assessment questionnaire (SAQ) to evaluate their performance with respect to CSR requirements. We created the SAQ based on the basic requirements of the Responsible Business Alliance (RBA). The SAQ consisted of 100 questions concerning things such as human rights, labour, safety and health, the environment, ethics, and the management system.

The SAQ survey results showed that there were no serious human rights, compliance or ethics problems at any facilities and group companies. The CSR self-assessment will be performed yearly, and we will encourage companies to understand where the issues are and to address them.

Epson evaluates supplier compliance with the Epson Supplier Code of Conduct (RBA Code of Conduct) based on a detailed SAQ. Epson works with suppliers to make improvements as appropriate depending on their score and the gravity of noncompliance incidents.

The SAQ is based on site audit standards of RBA. Major direct material suppliers (those representing 80% of the Group-wide spend and selected by a business unit), on-site service vendors, and HR agencies are required to complete an SAQ as Epson critical suppliers. Direct material suppliers deemed high risk based on their SAQ scores are asked to undergo an RBA VAP audit under the RBA's Validated Audit Program to foster improvement. Epson evaluates supply chain CSR annually.

Assessing and managing risk

In 2017 Epson created "Key CSR Themes," a materiality matrix that identifies important initiatives for addressing social issues such as respect for human rights and supply chain management. Epson examined the relationship between its initiatives and the 169 targets of the 17 SDGs to identify the SDGs that intersect with Epson's initiatives. To help ensure that its activities are effective, Epson specified action items and targets (KPI) for each key CSR theme. Epson will periodically revise the key CSR themes and action items based on feedback from stakeholders and will systematically drive continuous improvements.

Since FY2016, Epson has held an annual CSR procurement supplier conference. At the conference, Epson explains CSR trends, its CSR procuring activity and makes requests to suppliers. Hundreds of suppliers attend the conferences in various Epson manufacturing sites such as Japan, China, and Indonesia.

In the conference, Epson requests suppliers to comply with the Sustainable procurement policy and the Epson Procurement Guideline. And Epson explains the guidance for self-assessment (SAQ) of CSR detail evaluation and emergency response capabilities, and conflict mineral survey.

As part of its initiatives to identify and mitigate risk Epson audits suppliers to ensure they are compliant with Epson's policies. Epson has in place systems to:

- Identify and assess potential risk areas in its supply chains.
- Mitigate the risk of slavery and human trafficking in its supply chains.
- Monitor potential risk areas in its supply chains.
- Protect whistle-blowers.

In 2019, Epson evaluated direct material suppliers as well as on-site service vendors and HR agencies at major production sites. Epson asked 233 critical Tier 1 direct material suppliers to complete the SAQ. It received completed questionnaires from 222 suppliers. It also asked Tier 2 suppliers to complete the SAQ when the Tier 1 supplier was a trading company.

For critical Tier 1 direct material suppliers that were deemed to be high risk, Epson verified the facts on-site (including third party CSR audit) and supported corrective actions to help them improve to medium risk or better. As a result of these actions, the average score of suppliers who fell into the high-risk rank on the 2018 SAQ improved by 24 points on the 2019 SAQ to attain middle risk or better.

Epson asked on-site service vendors and HR agencies at 10 key production sites to complete an SAQ and received completed SAQs from 124 of them. Service vendors are essential business partners for running our production operations, so Epson requires them to understand and follow the RBA code requirements.

Epson provided suppliers and vendors with their SAQ score and with feedback, including advice for corrective actions.

Performance indicators

Epson sets and acts upon medium-range targets, major action items, and key performance indicators (KPIs) for achieving its supply chain CSR vision.

Mid-term targets (achieve by 2020)

- Sustainable procurement: All critical suppliers earn no less than a medium-risk rank
- Conflict minerals: Ensures that minerals are sourced only from smelters certified by the RMI's Responsible Mineral Assurance Process.

FY2019 Major Action Items and KPIs	Results
1. Ask suppliers to complete a CSR SAQ. KPI: 100%	Key direct material suppliers asked to complete a CSR SAQ: 100% HR agencies and onsite vendors at major Epson Group manufacturing sites asked to complete a CSR SAQ: 100%
2. Provide high-risk suppliers with feedback on their CSR SAQ results and support corrective action. KPI: 100%	High-risk suppliers provided with their score, rank and feedback: 100%
3. Complete corrective action plans by high-risk suppliers. KPI: 100%	High-risk suppliers audited by a 3rd party in FY2019 that completed their corrective action plans: 100% Percentage of suppliers rated high risk based on the SAQ that completed their corrective action plans: 70% (5/7 suppliers)
4. Ask suppliers to complete a conflict mineral survey. KPI: Targeted suppliers 100%	Targeted suppliers surveyed: 100%

FY2020 Major Action Items and KPIs
1. Ask major suppliers to complete a CSR self-assessment questionnaire (SAQ) to check compliance. (1) Major suppliers provided with feedback on CSR SAQ results KPI: 100% (2) High-risk suppliers that completed their corrective action plans KPI: 100% (No high-risk suppliers)
2. Customers that responded to CSR survey requests (including conflict free mineral survey requests) KPI: 100%
3. Smelters certified by the RMI's Responsible Mineral Assurance Process per the conflict mineral survey KPI: 100%

Training and whistleblowing systems

Epson is committed to exercising high ethical standards and a social conscience, and It has declared that it will conduct our procurement activities in strict compliance with both the letter and spirit of laws and regulations in regions where it operates. Employee training is an important part of this commitment.

All employees in Japan are required to take the Introduction to Procurement (Ethics & Code of Conduct) and the Introduction to Procurement (Subcontract Act) online training courses. Employees directly involved in procurement must successfully complete procurement and compliance management training based on an in-house certification system. Renewal training is conducted every five years to ensure that employees acquire the latest information and knowledge. Moving forward, Epson will expand the scope of these initiatives to include overseas Group companies as it further elevates the level of its compliance and procurement initiatives.

Epson believes that it is vital to understand the Epson Supplier Code of Conduct (RBA compliant), SAQ, and other initiatives in addition to international CSR trends when promoting socially responsible procurement. Epson therefore invites external instructors to provide education in socially responsible procurement. In FY2019, global procurement department staff members received training on topics including CSR issues, the RBA framework, and the SAQ.

Epson provided professional training for procurement staff to manage supplier CSR. These programs are based on the RBA Code of Conduct and RBA (VAP) audit standards. Some are conducted by outside consultants.

Epson has established compliance hotlines for receiving reports and consultations from suppliers regarding violations or potential violations of legislative requirements and the Epson Group Procurement Guidelines. Suppliers are asked to report any real or suspected misconduct or legal, regulatory, or ethical violations relating to Epson's operations or involving Epson officers or employees. In FY2019 Epson has established contact points for business partners at overseas manufacturing companies. Epson will further ensure corporate ethics compliance by installing a hotline.

Further steps

Epson will continue to review the effectiveness of the steps it has taken to ensure that there is no slavery or human trafficking in its supply chains. To further improve its policies and procedures, it will refer directly to the UK's Modern Slavery Act 2015, the Australian Modern Slavery Act 2018, the U.S. California Transparency in Supply Chain ACT 2010 (SB 657) and other legal requirements to ensure complete compliance.

This Statement was approved at the Seiko Epson Corporation's board of directors meeting on 31 July 2020 and signed by the President of Seiko Epson Corporation.

Yasunori Ogawa
President, Board of Directors
Seiko Epson Corporation

Date: 4 August 2020

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

Epson (UK) Limited is a wholly owned subsidiary of Epson Europe B.V. of Amsterdam, The Netherlands. Our ultimate parent company is Seiko Epson Corporation, headquartered in Japan.

Epson (UK) Limited sells printers, business imaging, visual instruments, consumables and other products manufactured by Seiko Epson Corporation and purchased from Epson Europe B.V., which purchases products and consumables from Seiko Epson Corporation. This is our supply chain for products sold in the UK and these entities are a part of the Epson Group.

Epson Europe has a team of Corporate Social Responsibility specialists with responsibility for ensuring the company maintains the highest standards across Epson businesses in Europe, the Middle East, Africa and Russia. As the supplier of its products, Seiko Epson Corporation and Epson Europe B.V. has assured Epson (UK) Limited that it is committed to combatting slavery and human trafficking in all its businesses and supply chains. Seiko Epson Corporation, in turn, confirms that it is committed to the same.

This Statement was approved at the Epson (UK) Limited's board of directors meeting on 18 August 2020 and a resolution made for this document to be signed by the Managing Director.

Robert Clark
Managing Director
Epson (UK) Limited

Date: 21 August 2020

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement of Epson Telford Limited for the financial year ending 31 March 2020.

Epson Telford Limited is a wholly owned subsidiary of Epson Europe B.V. of Amsterdam, The Netherlands. Our ultimate parent company is Seiko Epson Corporation, headquartered in Japan.

Epson Telford Limited manufactures and packs ink cartridges for consumer use and ink products and textile inks for industrial use. These products are shipped to other Epson affiliates, where they are then distributed worldwide.

This Statement was approved at the Epson Telford Limited's board of directors meeting on 6 August 2020 and signed by the Managing Director.

Kevin Browne
Managing Director
Epson Telford Limited

Date: 17 August 2020

This statement is made pursuant to the Modern Slavery Act 2018 and constitutes the slavery and human trafficking statement of Epson Australia Pty. Ltd. for the financial year ending 31 March 2020.

Epson Australia Pty. Ltd. is a wholly owned subsidiary of Seiko Epson Corporation, headquartered in Japan.

Epson Australia Pty. Ltd. sells printers, business imaging, visual instruments, consumables and other products manufactured by Seiko Epson Corporation. This is our supply chain for products sold in Australia and New Zealand.

This Statement was approved at the Epson Australia Ltd. Pty.'s board of directors meeting on 12 August 2020 and signed by the Managing Director.

Craig Heckenberg
Managing Director
Epson Australia Pty. Ltd.

Date: 12 August 2020