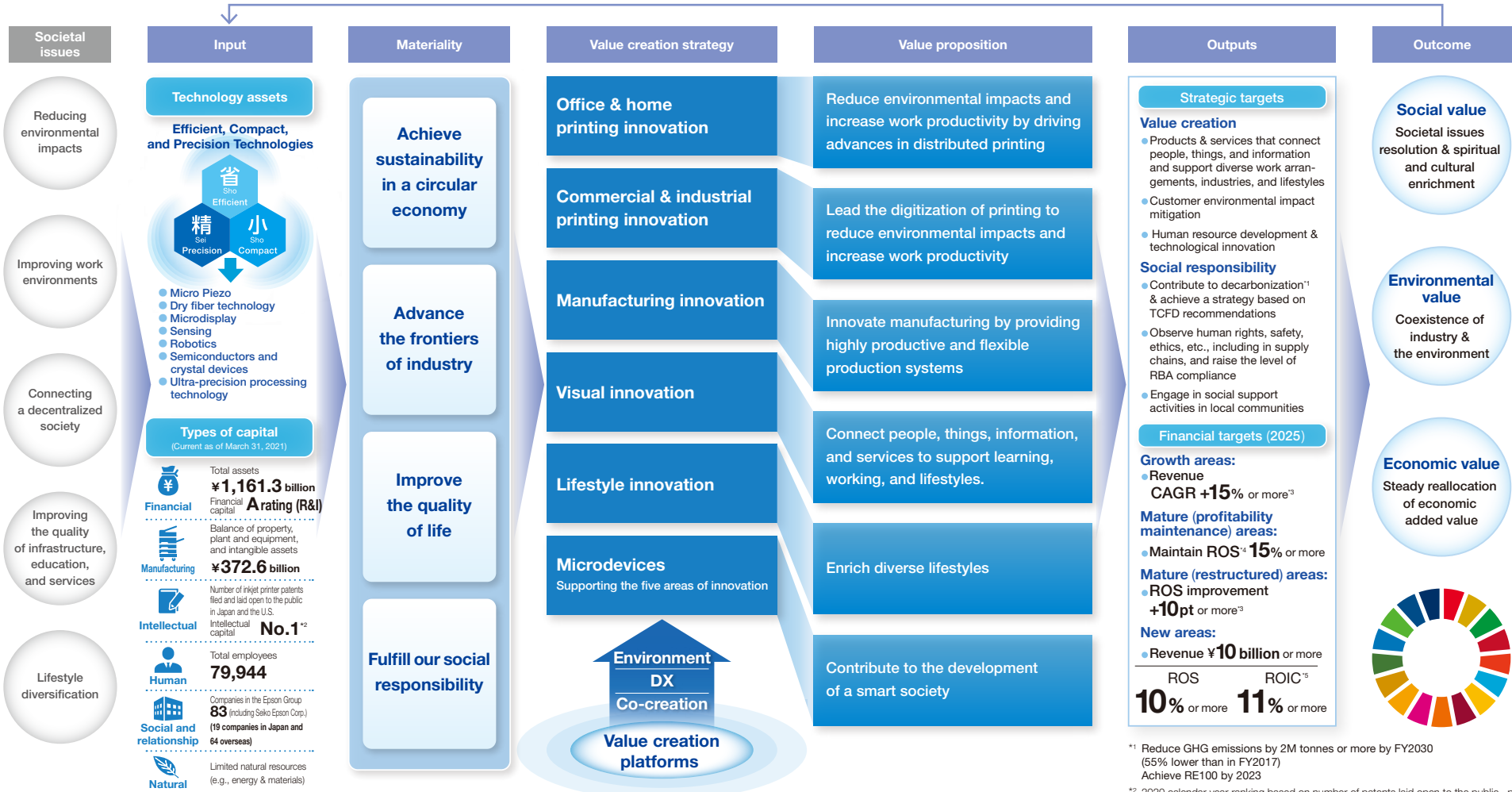


# Sustainability and enriched communities



## Societal issues

Reducing environmental impacts

Improving work environments

Connecting a decentralized society

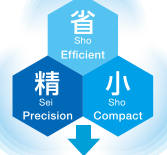
Improving the quality of infrastructure, education, and services

Lifestyle diversification

## Input

### Technology assets

Efficient, Compact, and Precision Technologies



- Micro Piezo
- Dry fiber technology
- Microdisplay
- Sensing
- Robotics
- Semiconductors and crystal devices
- Ultra-precision processing technology

### Types of capital

(Current as of March 31, 2021)

**Financial**  
Total assets  
¥1,161.3 billion  
Financial capital  
Arating (R&I)

**Manufacturing**  
Balance of property, plant and equipment, and intangible assets  
¥372.6 billion

**Intellectual**  
Number of inkjet printer patents filed and laid open to the public in Japan and the U.S.  
Intellectual capital  
No.1<sup>②</sup>

**Human**  
Total employees  
79,944

**Social and relationship**  
Companies in the Epson Group (including Seiko Epson Corp.)  
83 (19 companies in Japan and 64 overseas)

**Natural**  
Limited natural resources (e.g., energy & materials)

## Materiality

Achieve sustainability in a circular economy

Advance the frontiers of industry

Improve the quality of life

Fulfill our social responsibility

## Value creation strategy

Office & home printing innovation

Commercial & industrial printing innovation

Manufacturing innovation

Visual innovation

Lifestyle innovation

Microdevices  
Supporting the five areas of innovation



Value creation platforms

## Value proposition

Reduce environmental impacts and increase work productivity by driving advances in distributed printing

Lead the digitization of printing to reduce environmental impacts and increase work productivity

Innovate manufacturing by providing highly productive and flexible production systems

Connect people, things, information, and services to support learning, working, and lifestyles.

Enrich diverse lifestyles

Contribute to the development of a smart society

## Outputs

### Strategic targets

#### Value creation

- Products & services that connect people, things, and information and support diverse work arrangements, industries, and lifestyles
- Customer environmental impact mitigation
- Human resource development & technological innovation

#### Social responsibility

- Contribute to decarbonization<sup>①</sup> & achieve a strategy based on TCFD recommendations
- Observe human rights, safety, ethics, etc., including in supply chains, and raise the level of RBA compliance
- Engage in social support activities in local communities

### Financial targets (2025)

#### Growth areas:

- Revenue  
CAGR +15% or more<sup>③</sup>

#### Mature (profitability maintenance) areas:

- Maintain ROS<sup>④</sup> 15% or more

#### Mature (restructured) areas:

- ROS improvement  
+10pt or more<sup>③</sup>

#### New areas:

- Revenue ¥10 billion or more

ROS 10% or more ROIC<sup>⑤</sup> 11% or more

## Outcome

**Social value**  
Societal issues resolution & spiritual and cultural enrichment

**Environmental value**  
Coexistence of industry & the environment

**Economic value**  
Steady reallocation of economic added value



<sup>①</sup> Reduce GHG emissions by 2M tonnes or more by FY2030 (55% lower than in FY2017) Achieve RE100 by 2023

<sup>②</sup> 2020 calendar year ranking based on number of patents laid open to the public, per Epson research

<sup>③</sup> YoY comparison

<sup>④</sup> Business profit / revenue

<sup>⑤</sup> Return on invested capital