Strengthening Organizational Capabilities

Epson is working to foster an environment and organizational culture that empowers employee to reach their full potential and achieve personal growth and that encourages them to take initiative and take on challenges. By doing so, Epson seeks to enhance organizational strength and generate sustainable value over the long term.

Diversity

For Epson, attracting and developing diverse talent is crucial for management. We are creating an environment in which employees from different countries, regions, and cultural backgrounds can fully capitalize on their unique experiences and expertise and maximize their potential. By bringing together people with different perspectives from across the globe and fostering collaboration toward shared goals, we drive innovation and create new value that meets the expectations of our global customers and society. This will allow us to achieve sustainable growth and enhance corporate value.

Gender equality

Seiko Epson aims to raise the percentage of women in management and executive management to the same level as the percentage of women among all employees (17.9% as of March 31, 2026). We are undertaking career development support and training measures to expand the pool of future female management candidates. We help employees to understand their career options and to choose and take on career challenges, while also promoting mindset reform centered on managers. Globally, women leaders play important roles in key management positions. By also leveraging their knowledge, we are advancing gender equality across the Group.

■ Targets, KPIs, and progress targets and progress for the percentage of women in management

	FY2025	FY2026 (target)	FY2028 (target)
Percentage of women in management	5.9%	6.7%	8.0%

■ Global Talent Development and Engagement

Percentage of Women in Management at Regional Head Offices			
EAI	EEB	ESP	ECC
35.9%	37.0%	39.6%	30.0%

* Epson America, Epson Europe, Epson Singapore, Epson China

Percentage of foreign nationals among directors	41%
Percentage of foreign nationals in CEO positions	63%
Percentage of local hires among management	91%

* All overseas affiliated companies
* Management positions are section manager and above

Advancing the inclusion and empowerment people with disabilities

The Epson Group aims to be an organization in which every employee, regardless of disability, can demonstrate their abilities and strengths and contribute to business results through challenge and growth. To achieve this, the Group as a whole is recruiting people with disabilities while also working to deepen understanding of disabilities and improve workplace environments. By developing new business areas and creating job opportunities through our special subsidiaries, and by collaborating with communities and specialized institutions, Epson is creating environments in which all individuals can demonstrate their abilities and strengths.


Scenes from an Epson-hosted event

■ Targets and progress for the percentage of employees with disabilities (Seiko Epson and special subsidiaries in Japan)

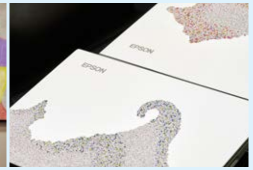
	FY2025	FY2026	FY2030 (target)
Employment rate (as of June 2026)	2.58%	2.76%	3.0%

Epson Named Gold Partner of HERALBONY Art Prize 2026

Through co-creation with Heralbony, Epson is working to create opportunities by which the unique sensibilities and creativity of individuals with disabilities generate new points of contact with society and in which the individuals' potential is recognized more broadly.
By leveraging Epson's global business foundation and network to communicate the value of distinctiveness to the world, we will contribute to realizing a society in which diverse individuality and abilities are recognized and appreciated as sources of value.

Gold Partner of HERALBONY Art Prize 2026


President Yoshida spoke at an event presenting the co-creation initiative.


A prototype model featuring a special design based on the Epson Award-winning artwork

Creating an environment in which employees can reach their full potential

Epson is creating an environment in which every employee can realize their full potential and take on new challenges to create value. Barriers that make it harder for employees to fully participate in work and develop their careers can arise at different stages of life and due to personal circumstances. We are working to lower these barriers with systems and programs that allow flexible work arrangements so that both employees and the organization can continue growing.
In FY2025, we held a seminar titled "Support for Balancing Work and Elder Care" and conducted events such as the "Mother/Parent Roundtable," co-hosted with the labor union. By deepening understanding of elder care and childcare and by providing opportunities for employees facing the same life events to share experiences and ideas, we support future-oriented career development and are creating an environment in which every employee can continue taking on challenges.

Organizational culture

Since FY2022, Epson has conducted engagement surveys maintain visibility into organizational conditions and issues that need to be addressed. The survey results revealed that while a foundation of trust in the workplace has been maintained to some extent, there are challenges in realizing an autonomous, self-driven organization in which individuals take action and work to resolve organizational issues on their own. While past surveys were effective in identifying organizational issues, there was room for improvement in making issues more specific and linking them to measures.
To realize ENGINEERED FUTURE 2035, Epson will undertake integrated initiatives that span situational assessment to deployment of measures, involving key items for the strengthening of human capital. We will encourage employees to proactively take on new challenges while driving the transformation to a more autonomous and self-directed organization. At the same time, we will embed a culture of tackling challenges across the Group, and will connect this to enhanced organizational capabilities and sustainable value creation.

■ Employee Satisfaction Survey (FY2025)

Satisfaction[1]	93.0%
Response rate[2]	94.8%

[1] Percentage of respondents who rated their satisfaction 3 or higher on a 5-point scale
[2] Seiko Epson regular employees and employees rehired after reaching mandatory retirement


Top Talk Session with Mazda Motor Corporation President and CEO Moro at Diversity Fair 2025

Health and Productivity Management

Believing that the health of everyone working across the Group is of utmost importance to the company, we undertake health and productivity (Well-Being) management based on our Purpose, the Epson Way, the Epson Group Basic Occupational Health and Safety Policy, and the Epson Group Health and Productivity Management Declaration.

Health and Productivity Management Declaration

At Epson, we consider the health of all people in the Epson Group to be our top priority. We therefore take a proactive, participatory approach to creating a rewarding, dynamic, and engaging workplace environment and promoting physical and mental wellness for all.
Our goal is for all Epson Group contributors to feel energized, produce results that surprise and delight, and make the world a better place.

Workers: Persons performing work or work-related activities that are under the control of an Epson Group company, including top management and employees of Epson Group companies, contractors, and persons who, while not employed by a Group company, work under the control of an Epson Group company, such as student workers and temporary workers, etc.

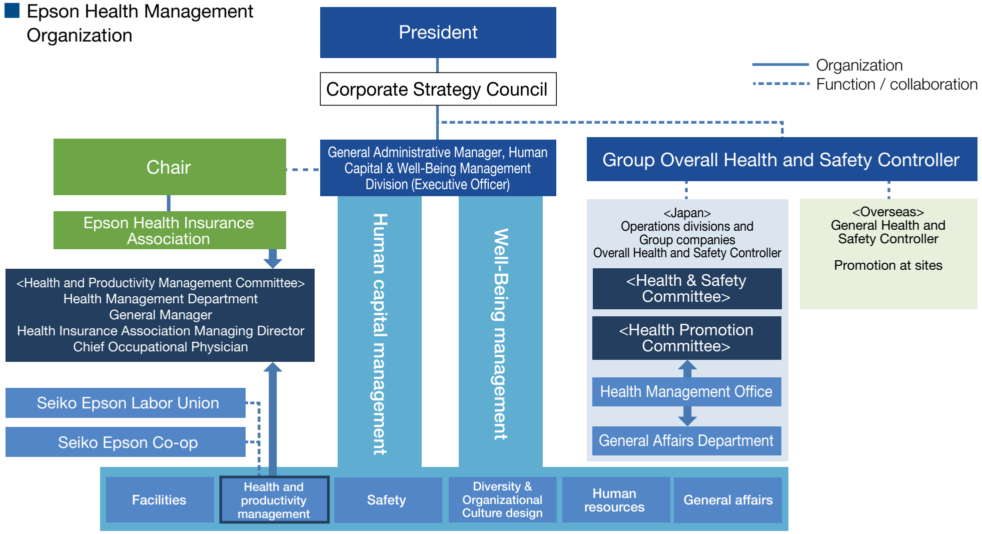
Junkichi Yoshida, President and CEO, Seiko Epson Corporation

Through Epson's Well-Being management, we aim to promote health and productivity globally to maintain and improve employees' health, foster an organizational environment that supports physical, mental, and social well-being, enhance employee motivation and engagement, enable employees to realize their full potential, and contribute to increasing corporate value.

Health and Productivity Management Organization

Seiko Epson has placed an integrated Human Capital and Well-Being Management Division under the president, who holds ultimate responsibility for health and productivity management. The General Administrative Manager of the division is responsible for overseeing all health management initiatives. As an Executive Officer, this individual participates in the Corporate Management Council and serves as the Chair of the Health Insurance Association.
Globally, Epson promotes the prevention of health-related risks and the maintenance and improvement of employee health in accordance with the Epson Group Mid-Term General OH&S Plan (FY2026–FY2030), while ensuring compliance with applicable laws and regulations and alignment with company policies in each country and region.
The Health and Productivity Management Committee, jointly operated by the company and the health insurance association, undertakes analysis of information, drafting of initiatives, and improvement of evaluations as a collaborative health platform. It meets on a regular basis to engage in activities in collaboration with health promotion committees driven by employee representatives alongside the company and the health insurance association.

■ Epson Health Management Organization



Mid-Range Health Management Policy

A look back at Health Action 2025

Since FY2001, the Epson Group has established and regularly updated medium-term plans related to health. In Health Action 2025 (FY2022–FY2025), we addressed mental and physical health and workplace health as priority areas. While this yielded some outcomes in maintaining and promoting employee health and improving the workplace environment, these remained limited to changes in individuals' health behavior and did not lead to increased corporate value.
Accordingly, in our new medium-term plan, we will work to promote self-management of mental and physical health that leads to high vitality and productivity.

■ Health Action 2025 Results

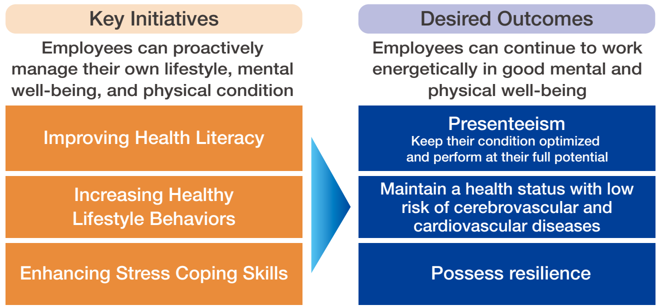
Indicators of Employee Consciousness Transformation and Behavior			FY2022	FY2023	FY2024	FY2025	FY2025 Targets
Mental and physical health	Stress management	Percentage of people who are acting to relieve stress	—	75.3%	75.9%	77.3%	Higher than last year
		Percentage of people who can independently seek advice or help when facing problems	—	73.3%	74.0%	75.4%	
	Percentage of people who practice ≥ 6 of the 9 healthy lifestyle habits		42.8%	43.9%	44.9%	46.3%	≥50%
	Percentage who maintain a suitable body weight		62.5%	62.5%	62.6%	62.4%	≥60%
	Percentage undergoing physicals	Percentage who undergo further tests based on results of physical	83.8%	89.8%	90.5%	90.9%	≥90%
		Percentage who undergo further tests for cancer	67.0%	71.1%	70.7%	75.4%	≥90%
	Percentage of people who are maintaining flexibility and strength to prevent falls & lower back pain		—	38.0%	39.3%	39.6%	Increase from 38.0%
Workplace health	Percentage of employees on mental health leave for 1 month or more		0.97%	0.98%	1.02%	1.13%	≤0.8%
	Incidents of health issues among employees subject to medical checkups due to long working hours		1	1	1	0	0
	Workplace climate[3]	Number of high-risk workplaces	7	12	10	12	0
		Work engagement	2.49	2.50	2.48	2.51	≥2.52

[3] Seiko Epson only

Initiatives under Health Action 2030 (FY2026–FY2030)

To realize ENGINEERED FUTURE 2035, we will support and deploy initiatives supporting employees' self-management of mental and physical health to remain healthy and work energetically over the long term. We believe that proactively maintaining mental and physical condition enhances daily focus and stamina and thereby work performance, and that the accumulation of such improvements becomes a strength of the organization as a whole, increasing corporate value.

■ Overview of Health Action 2030



WEB
Health Action 2030
https://corporate.epson/en/sustainability/our-people/health-and-productivity.html#h2_03

Slogan
"I Build My Health"
The vitality of each individual drives the company forward

Certification as a Health and Productivity Management Organization

In March 2026, Epson was recognized for the 10th consecutive year under the Certified Health and Productivity Management Organization Recognition Program (White 500) operated by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.
The certification recognizes our wide-ranging initiatives that focus on mental and physical health and workplace health on top of the safety-related activities that come under our corporate responsibility, taking into account the impacts on health of diverse work styles, changes in age composition, and other changes around us.

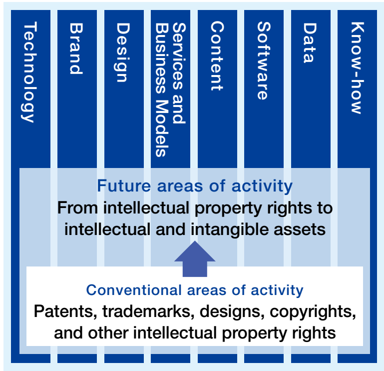
2026
健康経営優良法人
KENKO Investment for Health
大規模法人部門
ホワイト500

Intellectual Property Strategy

Under Epson's long-term vision, ENGINEERED FUTURE 2035, we regard the creation of intellectual capital that realizes innovation as a source of value creation. Accordingly, under our intellectual property strategy, we will identify, connect, and integrate Epson's diverse knowledge to build an intellectual foundation that generates a chain of innovation, and will continue to support sustainable growth through the utilization of all forms of intellectual capital.

Our Approach to Intellectual Capital

In Epson's goal of creating of intellectual capital that realizes innovation, intellectual capital includes not only patents, trademarks, design rights, copyrights, and other intellectual property rights but also brands, business models, data, know-how, and other wide-ranging intellectual capital held by Epson. By optimally combining and utilizing these, we will deliver value to society and translate that to sustainable growth.

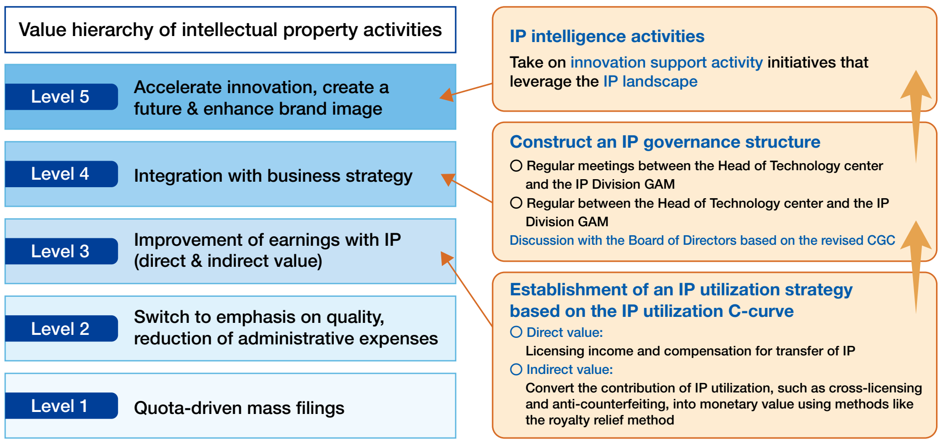


Overview of Our Intellectual Property Strategy

Epson's IP strategy has advanced in alignment with an IP value hierarchy, steadily progressing from one level to the next by building higher-level activities on a strong foundation of lower-level initiatives. We continue to evolve and enhance activities at Levels 1 through 4, but are now aiming to reach Level 5, where we will accelerate innovation, create a future and enhance brand image.
At this level, IP strategies will actively foster innovation, enabling Epson to create the future through innovation. By sustaining this cycle of innovation, Epson seeks to enhance the value and reputation of the Epson brand and deepen positive customer perceptions worldwide.

Intellectual property strategy (overview)

On the foundation of lower-level activities, develop higher-level activities



Value Hierarchy of Intellectual Property Activities (Level 4): Initiatives by Business Segment

Our intellectual property strategy, carried out in accordance with the reorganized business segment positioning under our Long-Term Vision ENGINEERED FUTURE 2035, is as follows.

Segment	Precision Innovation	Industrial & Robotics	Office & Home Printing	Visual & Lifestyle
Business	• Inkjet Solutions • Microdevices • Epson Atmix	• Commercial & industrial printing • Robotics	• Office & Home IJP	• Visual Products • Wearable Products • PC
Role	Growth engine	Full-scale growth in Phase 2	Earnings base	Earnings base
Intellectual Property Strategy	Protection of strengths through a closed strategy	Formation of intellectual assets in preparation for future growth	• Proactive utilization of intellectual assets (anti-counterfeit product measures, etc.) • Securing of operational freedom through cross-licensing • Strengthening of brand	

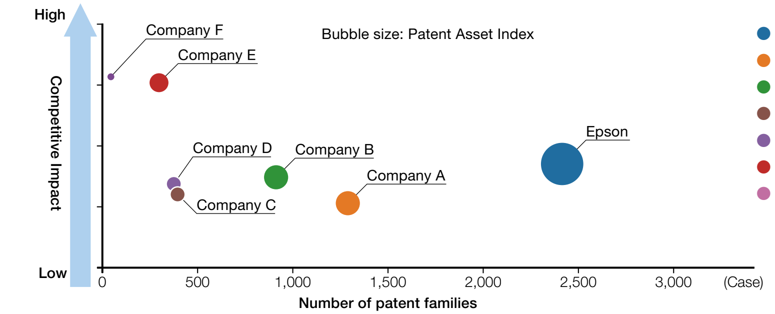
With the Precision Innovation segment positioned as a growth engine, we will secure sustainable competitive advantage by adopting a closed strategy that includes protecting and managing confidential intellectual capital, which serves as a source of business growth and competitive strength, and creating a patent moat that serves as a barrier to entry. → See P42, Example (1)
The Industrial & Robotics segment is expected to achieve substantial growth in Phase 2. We will prepare for they by adopting a strategy emphasizing the formation of intellectual capital that will become a future strength.
The Office & Home Printing segment is positioned as an earnings base. In addition to pursuing new business opportunities that leverage our strong customer base built over many years, we will adopt a strategy that secures stable earnings by effectively utilizing intellectual capital to protect customers from counterfeit ink bottles and ink cartridges. → See P42, Example (2)
The Visual & Lifestyle segment is also positioned as an earnings base. In the Visual Products business, in which we hold an overwhelming market share, we will adopt a strategy of reducing the risk of infringing other companies' intellectual assets through cross-licensing and of securing greater freedom in product design. The Wearable Products business will advance strategies to enhance the value of our ORIENT brand.

To formulate an intellectual property strategy linked with development and business strategies and thereby protect our proprietary core technologies, we hold bilateral meetings between the heads of the operations divisions and Development center and the head of the Intellectual Property Division, and, as needed, hold trilateral meetings among the President, heads of the operations divisions or heads of the Development Center head, and the head of the Intellectual Property Division. We regularly report on and discuss intellectual property strategy at board meetings and reflect the outcomes in our strategy.

Example (1): Precision microfabrication technology know-how and confidentiality management

We regard the Precision Innovation segment as Epson's core growth engine. Its sustained growth stems from robust intellectual capital that competitors cannot easily replicate. An example is the precision microfabrication technology that we have developed from our founding onward. For printheads embodying this technology, we have built a powerful patent portfolio that far surpasses that of competitors in both quality and quantity. We manage these intellectual property rights strategically to create a patent moat that serves as a barrier to entry. This precision microfabrication technology incorporates vast know-how accumulated over years of R&D and manufacturing. We protect key know-how that forms the core of our businesses' competitiveness by keeping it confidential.

■ Assessment of Value of Piezo Head Patents



Example (2): Anti-counterfeit activities in collaboration with government agencies and e-commerce platform operators

Epson seeks to maintain a stable earnings base in part by combating counterfeit products distributed around the world, particularly consumables for office and home printers.
Counterfeit products often do not match genuine products in terms of quality and safety. They can adversely affect customers' usage environment and can become a factor undermining trust in the Epson brand.
Engaging in global initiatives to prevent the manufacture, import/export, sale, or purchase of these products, Epson works with government agencies in countries and with e-commerce platform operators to deter the manufacture and distribution of counterfeit products.
As an example, in collaboration with government agencies, we held exchanges of views with the Indonesian National Police and meetings with the Vietnam Directorate of Market Surveillance.
In FY2025, as part of our collaboration with e-commerce platform operators, we visited major Southeast Asian platforms such as Shopee, Lazada, and TikTok Shop, where we had constructive exchanges regarding Epson's concerns about counterfeit products distributed on e-commerce sites and possible countermeasures.
Going beyond the simple exercise of rights for protection of the brand, these activities maintain an environment in which customers can use products with peace of mind, thereby contributing to the maintenance and enhancement of long-term brand value.

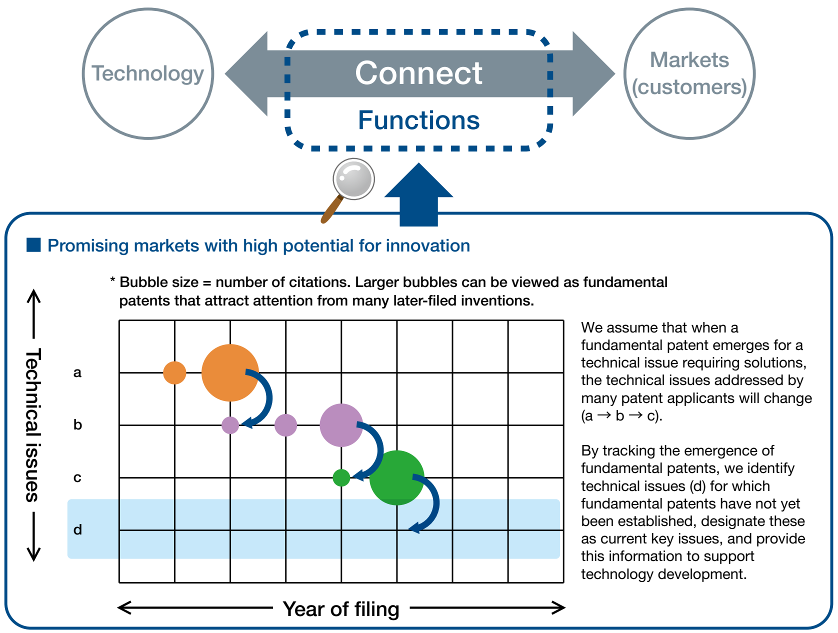
Meeting with the Vietnam Directorate of Market Surveillance[1]

See P66 for footnotes [1]

Value Hierarchy of Intellectual Property Activities (Level 5): Initiatives for the Creation of Intellectual Capital that Realizes Innovation

In our Long-Term Vision ENGINEERED FUTURE 2035, we position "Creation of intellectual capital that realizes innovation" as a foundation for value creation.
An innovation can only be realized when it is accepted by many customers and implemented in the real world. Accordingly, by focusing on the functions that connect technologies with the markets that are our customers, Epson seeks to use the IP landscape to identify current key issues in the market and thereby increase the success rate of innovation.
As an example, we identify current key issues and provide information to our technology development organizations under the hypothesis that after the emergence of a fundamental patent that attracts attention from numerous players in the technological field of a given market, the technical issues in that field may change. Through these efforts, we provide certain insights into the direction of technology development and support the creation of intellectual capital that enables innovation.

■ Conceptual image of the creation of intellectual capital that realizes innovation

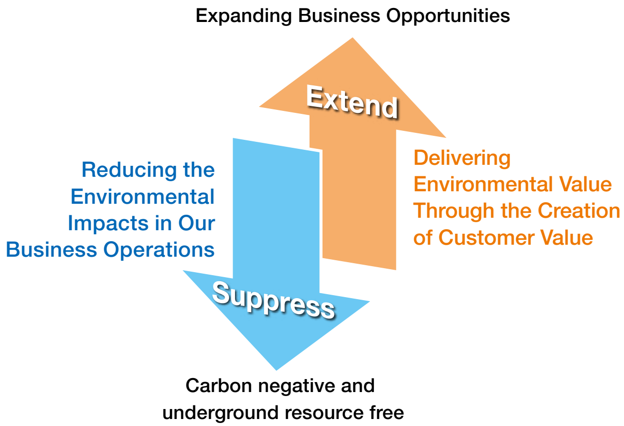


Epson has also begun efforts using the IP landscape to detect at an early stage any disruptive technologies with the potential to fundamentally overturn Epson's existing businesses. By detecting and addressing disruptive technologies early on, this effort aims to contribute to the growth of the company and the realization of an earnings base.
While these initiatives are still in their early stages, we are launching new endeavors aimed at using intellectual property information to create intellectual capital that enables innovation as a source of value creation.

Environmental Policy

The products and services Epson provides can realize their full value only when the environment is preserved and people's lives remain stable. Accordingly, we view efforts to address environmental issues, including climate change, as both a corporate responsibility and a fundamental prerequisite for its sustainable growth of our business.
Since founding, Epson has cultivated our efficient, compact and precise technologies and philosophy. Products and services developed from these strengths have contributed to reducing environmental impacts throughout society in diverse ways. By creating customer value and expanding business opportunities, we also deliver greater environmental value. We will simultaneously achieve business growth and create environmental value across the entire value chain.
To sustain this value creation, we also continuously work to reduce the environmental impacts of our business activities as a fundamental responsibility of a manufacturer. In Environmental Vision 2050, we established the goal of becoming carbon negative and underground resource[1] free by 2050. To achieve this vision, we are implementing a medium-term environmental action plan.
Epson's environmental policy is built on two pillars: delivering environmental value through customer value creation and reducing environmental impacts from our own business activities.

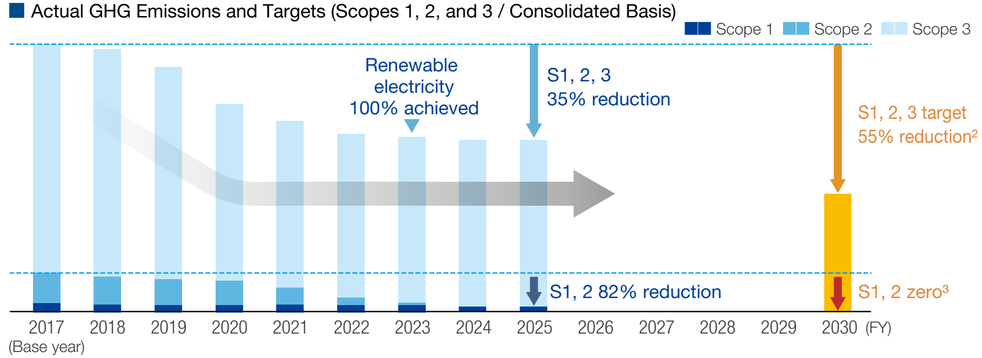
[1] Non-renewable resources such as oil and metals



Progress on the Mid-Term Environmental Action Plan

In our efforts to reduce the environmental impacts of our own business activities, we reduced total Scope 1, 2, and 3 GHG emissions by 35% in FY2025 compared with FY2017, exceeding our target of 34% or more. We also reduced Scope 1 and 2 emissions by 82% compared with FY2017, surpassing our target of 80% or more.
The substantial reduction in Scope 1 and 2 emissions was driven by our achievement of 100% renewable electricity for all electricity used at our sites in 2023, together with continued energy-saving efforts. To sustain and further improve this performance, we will continue to advance energy conservation initiatives and optimize the procurement of renewable electricity.
A substantial share of Scope 3 emissions arises from the procurement and processing of parts and materials, requiring efforts that extend beyond Epson's own operations. We therefore recognize the importance of further initiatives, including stronger collaboration with suppliers and the implementation of measures at the design stage. To achieve our mid-term targets, we will continue to develop and execute measures to address these challenges.

■ Actual GHG Emissions and Targets (Scopes 1, 2, and 3 / Consolidated Basis)



Our sustainable resource ratio[4], a key indicator of progress toward our Underground Resource Free goal, reached 39%, exceeding our FY2025 target of 38%. Through resource recovery and recycling initiatives, as well as innovations in material use in our products, we will continue to implement measures aimed at achieving our mid-term targets.

WEB Closed Resource Loop
https://corporate.epson/en/sustainability/environment/resources/

See P66 for footnotes [2,3,4]

Reducing GHG emissions in the supply chain

Epson completed its transition to renewable electricity for power used at its own sites[5] in 2023, marking a major milestone in its decarbonization efforts.
However, a significant share of GHG emissions arises within the supply chain, making close collaboration with suppliers indispensable. Since FY2024, we have promoted Epson Green Supply Chain activities and strengthened our ability to advance decarbonization together with suppliers. Through these activities, we have helped build understanding of GHG emissions and shared knowledge on effective reduction measures. We have also expanded these initiatives across our global operations, with a particular focus on supporting the adoption of renewable electricity.
Building on the knowledge and expertise developed through these activities, we will expand our efforts across our supply chain to steadily reduce Scope 3 emissions.

[5] Excludes electricity consumption at certain sales offices and leased facilities for which usage data is unavailable, as well as fuel-based onsite power generation, including cogeneration systems (CGS)

Example of supplier initiatives

METCO (Muramoto Electron (Thailand) Public Co., Ltd.), a production site of Muramoto Industry Co., Ltd. in Thailand, manufactures Epson printers and related products.


METCO 3

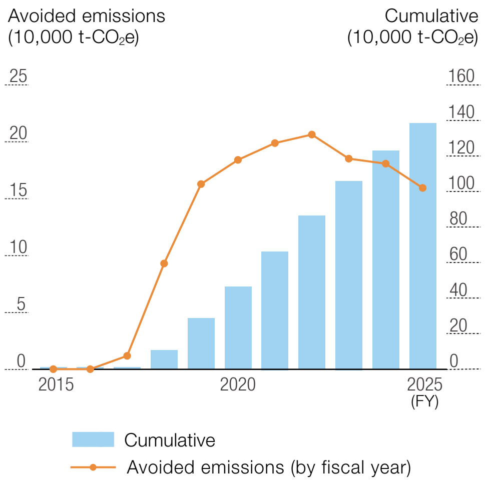
Aligned with Epson's renewable electricity initiative, METCO began efforts in 2022 to reduce GHG emissions as part of our supply chain. In October of that year, it achieved 100% renewable electricity for the electricity it consumes through the use of International Renewable Energy Certificates (I-REC). Since then, it has continued to advance its transition toward self-generated solar power.

Market Transformation Through the Widespread Adoption of High-Capacity Ink Tank Systems

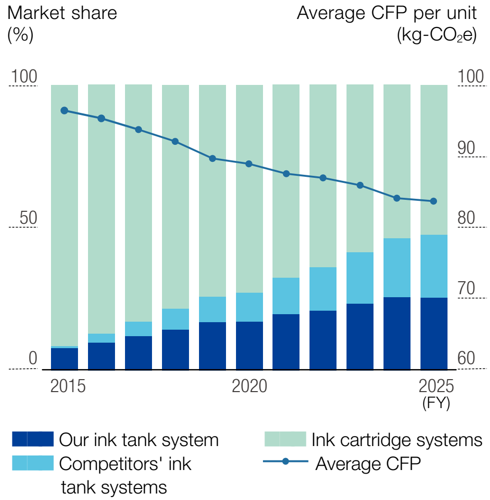
We calculate and disclose avoided emissions as an indicator that quantitatively demonstrates our contribution to reducing GHG emissions through the widespread adoption of our products and services. To date, we have disclosed avoided emissions resulting from the replacement of laser printers with Epson A3 color inkjet printers. We have now expanded the scope of the calculation to include high-capacity ink tank printers, which are sold in substantially larger volumes. The avoided emissions are calculated based on their replacement of ink cartridge printers.
High-capacity ink tank printers, which Epson introduced in 2010, significantly reduce the frequency of ink replacement compared with conventional ink cartridge printers. By reducing the use of consumables and packaging materials, we are reducing environmental impacts across the product life cycle, including reduced GHG emissions from material production, transportation, and disposal.
Based on the replacement of ink cartridge printers with high-capacity ink tank printers, we calculated FY2025 avoided emissions[6] of approximately 160,000 t-CO_2e. The high-capacity ink tank system pioneered by Epson has driven market transformation and become firmly established as a major option for customers. As a result, annual avoided emissions are beginning to level off, reflecting the steady progress of this market transformation. Cumulative avoided emissions from FY2010 to FY2025 reached approximately 1.39 million t-CO_2e[7], demonstrating our contribution to reducing environmental impact over the long term.
Based on these results, we will continue aiming for further environmental impact reductions across society by capturing and expanding business opportunities and by reducing environmental impacts.

See P66 for footnotes 6,7

■ Avoided Emissions from High-Capacity Ink Tank Systems (Applicable Models Only)[7]



■ Average CFP per Unit as High-Capacity Ink Tank Systems Gain Market Share (A4 color printer / 1–19 ipm)



Delivering Environmental Value through Precision Innovation

Epson will deliver environmental value across the value chain by creating customer value and expanding business opportunities through our efficient, compact and precise technologies and philosophy.

Inkjet Technology for Energy and Resource Efficiency in Production Equipment

In the manufacture of perovskite solar cells using inkjet technology, Epson's additive manufacturing technology enables materials to be deposited precisely where and in the amounts needed. This minimizes material loss and reduces energy consumption through low-temperature, non-vacuum processes. As lightweight solar cells with fewer installation constraints, perovskite solar cells can also accelerate the adoption of renewable energy during the use phase, contributing to the reduction of GHG emissions across society.

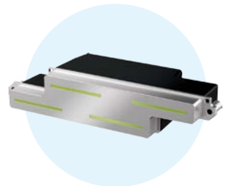
Microdevices for Energy Efficiency in Data Centers

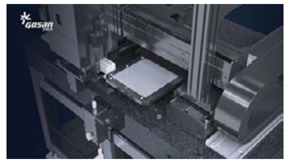
As the proliferation of AI drives rapid growth in data center power demand, Epson's high-frequency crystal oscillators help improve energy efficiency. Leveraging our proprietary crystal and semiconductor technologies, these devices offer high precision, low power consumption, and miniaturization. Their accurate timing control supports faster and more efficient communications between devices, helping to reduce power consumption at data centers.

Metal Powder Technology for Metal Resource Circulation

Epson Atmix upcycles off-specification powders generated during metal powder production, as well as other metal scrap, into high-performance metal powders using its proprietary powder metallurgy technology. Amorphous soft magnetic powders produced through Epson Atmix's unique SWAP® process offer excellent magnetic properties that help reduce power loss and improve energy efficiency. By replacing virgin raw materials with recycled materials, Epson Atmix reduces natural resource consumption and GHG emissions, thereby contributing to resource circulation and the realization of a circular economy.

See P25–34 for information on our business strategies and the value we provide.


Inkjet printhead

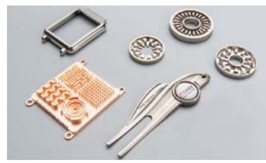

Inkjet Printheads for Perovskite solar cell manufacturing equipment


Perovskite solar cells


Metal scrap


Metal refining


Upcycling into high-performance metal powder


Various metal products

Human Rights Initiatives

Epson's business operations are rooted in our corporate purpose and the Epson Way. We understand that respect for human rights in our business activities is an important responsibility, and we are fulfilling this responsibility through initiatives that are aligned with the United Nations Guiding Principles on Business and Human Rights (UNGPs).
Epson's human rights initiatives are spearheaded by the executive officer in charge of sustainability, under the supervision of the Board of Directors. To appropriately address human rights issues in the supply chain, the department in charge of supply chain CSR educates our suppliers about Seiko Epson's human rights policy and code of conduct, assesses human rights impacts, and takes action for prevention and mitigation. We have also set up a supplier whistleblowing system to provide remedy.
Our human rights initiatives are periodically reported to management meeting bodies and to the board of directors.

Epson Group Human Rights Policy
https://corporate.epson/en/philosophy/epson-way/principle/human-rights-policy.html

1

Epson Group Human Rights Policy

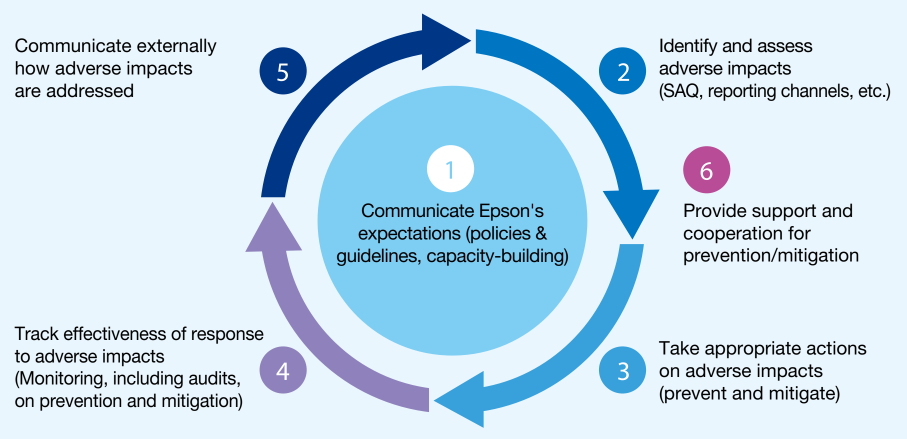
The Epson Group Human Rights Policy was revised with board approval on April 1, 2022, to align it with the UNGPs. Serving as our top-level guideline, the Epson Group Human Rights Policy states our stance on human rights. Our efforts to engage in practices that demonstrate respect human rights extend beyond the Epson Group and into our supply chain.

(In 9/2024, Article 1 of the Policy was revised to incorporate our corporate purpose.)

Approach to Human Rights Due Diligence

Epson continuously implements a human rights due diligence process to identify and assess adverse impacts on human rights for the prevention of the emergence and for the prevention or mitigation of their continuation across the value chain, including at Group companies and in our business partners' operations.

The process of human rights due diligence



Human Rights Due Diligence Activities

Epson is a member of the Responsible Business Alliance (RBA), a global coalition dedicated to corporate social responsibility (CSR) in global supply chains, and we adhere to the RBA Code of Conduct.

2 **Identify and assess adverse human rights impacts.**
Epson believes that the areas currently most susceptible to severe human rights impacts are labor and occupational health and safety issues affecting our employees, employees of Group companies, temporary staff, supplier employees, on-site contracted workers, and migrant workers. These risks are considered particularly significant in Asia and in the manufacturing industry.

3 **Prevent and mitigate adverse impacts on human rights.**
As a method of its human rights due diligence, Epson conducts an annual CSR self-assessment in accordance with the RBA Code of Conduct and the RBA SAQ. This assessment is administered on an ongoing basis at all business facilities, all domestic and overseas group companies and major suppliers. The CSR SAQ results are reported to the RBA. All of Epson facilities, Group companies, and suppliers work to provide a remedy to victims of any human rights abuses identified through CSR self-assessments, formulate corrective action plans to address identified impacts, and strive to prevent and mitigate such impacts.

4 **Monitor results and progress.**
All Epson facilities, Group companies, and suppliers, with the involvement of executive management, work to provide a remedy and also to prevent and mitigate adverse human rights impacts in accordance with action plans. We track the progress of remedy, as well as prevention and mitigation of severe adverse impacts, with related Head Office supervisory departments verifying actions through completion. Through our annual CSR self-assessment, we confirm the status of prevention and mitigation at all companies and facilities. In addition, seven of our major manufacturing sites in Asia continue to voluntarily undergo the RBA's Validated Assessment Program audits.

5 **Communicate and report performance.**
Epson's efforts to address adverse impacts on human rights are reviewed annually by management and are reported on our website and in our Sustainability Report. The Epson Group also publishes an annual statement on modern slavery and human trafficking, reporting on the Group's global initiatives. To build and maintain good labor-management relations, Epson actively provides information to its employees and engages them in sincere talks and discussions.

6 **Provide support and cooperation for remedy and prevention/mitigation of adverse impacts (supply chain).**
Based on the results of assessments of adverse human rights impacts, we provide education and support to suppliers for remedy, and prevention and mitigation of adverse impacts.

Human Rights Measures in the Supply Chain

Supply Chain Initiatives

Epson has declared in its Human Rights Policy that both Epson and its suppliers shall respect human rights. As stated in our policy, we strive for complying with the UNGPs on Business and Human Rights and respecting internationally recognized human rights as stated in the Universal Declaration of Human Rights and other relevant instruments.
Moreover, Epson endorses the RBA principle that workers should be treated with respect and dignity, and, as an RBA member, requires its suppliers to comply with the RBA Code of Conduct and works toward its realization.
Epson, together with its suppliers, is committed to ensuring that human rights are respected throughout the supply chain.

Supply Chain Human Rights Due Diligence Framework

1. Communicate and request compliance through the supplier code of conduct and education
2. Assess adverse impacts at supplier sites (through SAQs and supplier whistleblowing system, etc.)
3. Ensure remedy and prevent/mitigate adverse impacts
4. Monitor actions to prevent and mitigate adverse impacts, and measure the effectiveness (by audits, feedback from the supplier whistleblowing system, etc.)
5. Disclose and provide feedback on addressing adverse impacts (disclosure on corporate website, etc.)
6. Provide support and cooperation for remedy, and prevention/mitigation of adverse impacts

Examples of Having Addressed Adverse Impacts through Human Rights Due Diligence

Examples of Remediation and Prevention at Epson Group Sites 3

- Failure to conduct fit testing for respiratory protective equipment
- Inaudible fire alarm at factory
- Expired medications in first-aid kits
- Delays in wage payments to retirees
- Inadequate maintenance and management of safety equipment (eyewash stations)
- Insufficient number of paid leave days granted to former dispatch worker
- Drinking water (tap water) was not tested for quality
- Failure to equip manufacturing machinery with safety devices

In 2025, at our production site in Malaysia, we underwent a forced-labor-focused audit (S-VAP for Forced Labor) administered by RBA. We are taking diligent and prioritized remedy and prevention measures to address adverse human rights impacts identified through the audit.

Examples of Remediation and Prevention at Supplier Sites 3 6

- Proper management of working hours (granting of one day off per week and of statutory holidays)
- Elimination of interest on personal loans offered by the company
- Conclusion of employment contracts and provision of copies to employees
- Refund of recruitment fees paid by foreign migrant workers
- Provision of uniforms free of charge
- Discontinuation of medical checkup items that could lead to discrimination
- Introduction of reasonable accommodations for disabilities
- Conduct of evacuation drills (mandatory all-hands drills, night drills, dormitory drills, etc.)
- Maintenance of emergency equipment (emergency exit doors, fire extinguishing equipment, etc.)
- Free provision, inspection, and replacement of proper personal protective equipment

In 2025, based on the human rights impact assessment, in addition to the scope determined by transaction amount and type of business, we requested and received responses to a human-rights-focused SAQ from all direct next tier suppliers in Malaysia. While no severe adverse human rights impacts were identified, we took action (planning, implementation, and confirmation of completion) on management items for which adverse impacts were concerned.

Grievance Mechanisms 2

Epson has established a number of grievance mechanisms as required by the UNGPs on Business and Human Rights. These include the Epson Helpline and reporting channels and advisory services for harassment, long working hours, diversity, and foreign employees. These enable employees and on-site workers to raise concerns and report human rights-related issues that Epson can then appropriately address. Epson provides all stakeholders, including customers, investors, and local residents, with access to the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) from April 2024, accepting consultations and reports through the dialogue and remedy platform provided by JaCER.

WEB About JaCER
https://jacer-bhr.org/en/index.html

Remedies through Reporting Channels for Business Partners

All group companies have also established business partner reporting channels to receive consultations and reports. In addition to raising awareness of these channels and encouraging their use through supplier conference, reports can also be submitted via the company website, ensuring that supplier employees can easily access the reporting channels. Where adverse human rights impacts are identified through these consultations and reports, or through audits, Epson provides support to suppliers until appropriate remediation is completed.
These reporting channels also serve as a means of tracking the effectiveness of responses to adverse human rights impacts. The consultation and reporting contact points mentioned above are operated under strict control, prohibiting retaliation against informants and ensuring anonymity.

Education 1

We have been communicating the RBA Code of Conduct and its requirements to relevant departments and people in Epson's global operations who are involved in human resources, health and safety, environmental issues, ethics, and supply chain management. In addition, to raise awareness of human rights issues, we have provided an online course titled "Business and Human Rights" since FY2022. The course covers the fundamentals of respect for human rights and Epson's initiatives in this area. They are mandatory for all executives, employees, contract workers, and temporary staff of Seiko Epson and domestic group companies, as well as for managers and above at all overseas group companies. The completion rate is 88% in Japan and 96% overseas. We also continue to hold expert seminars on human rights for Epson Group officers and employees.

Human rights education for suppliers

To foster understanding of human rights, we hold supplier conferences and seminars that many suppliers attend. We believe it is important for suppliers to understand the purpose of human rights initiatives and to engage in them voluntarily. Given the constantly evolving expectations of society, we hold annual seminars of business and human rights taught by outside consultants to provide suppliers with expert information.

Salient human rights issues

Epson has identified particularly important human rights issues that must be dealt with on a priority basis. These were drawn from sources such as the ILO Core Labour Standards, the principles of the United Nations Global Compact, and the RBA Code of Conduct (RBA CoC).

- Prohibition of child labor (ILO C138/182, RBA CoC A2)
- Prohibition of forced and compulsory labor (ILO C29/105, RBA CoC A1)
- Proper management of working hours (a 60-hour maximum workweek and one day off every seven days) (RBA CoC A3)
- Proper payment of wages (payment of the legal minimum wage and overtime wages, and timely payment of wages (RBA CoC A4)
- Humane treatment (no harassment) (ILO C190, RBA CoC A5)
- Non-discrimination (ILO C100/111, RBA CoC A5)
- Freedom of association and the right to collective bargaining (ILO C87/98, RBA CoC A6)
- A safe and healthy work environment (ILO C155/187, RBA CoC B: Health and Safety)

Realizing Responsible Supply Chains

Epson wants to help solve societal issues and achieve sustainable growth through sustainability initiatives based on the idea of building social trust, the concept that underlies Epson's Management Philosophy. We do so by complying with international norms including the SDGs and the United Nations Guiding Principles on Business and Human Rights (UNGPs), which call for action across the supply chains, as well as value chain-related regulations in individual countries and territories. Epson also endorses the mission and Code of Conduct of the Responsible Business Alliance (RBA), an alliance dedicated to improving sustainability throughout the electronic components supply chain. As an RBA member, we fulfill our social responsibility efficiently and effectively by adhering to high social, ethical, and environmental standards and by leveraging the tools provided by the organization.
From the perspective of sustainability, a prerequisite for creating the social value envisioned by our long-term vision, ENGINEERED FUTURE 2035, we promote supply chain CSR and sustainable procurement. In particular, in collaboration with our business partners we proactively address human rights and the environment and disclose our progress to society.
Epson will strengthen partnerships based on a fundamental stance of fairness, equity, and mutual prosperity with business partners, working to build a responsible supply chain.

Supplier Engagement

Epson's socially responsible supply chain initiatives are aligned with the requirements of international standards such as the UNGPs and the RBA Code of Conduct. It is essential that suppliers understand the underlying issues and objectives behind these societal expectations and norms and that they take voluntary action, while also staying abreast of rapidly changing societal conditions and expectations.
Epson engages its suppliers in dialogue throughout the year in various ways and at various levels. We promote understanding and build supplier capabilities through policy briefings for executive and senior management, specialized training such as human rights seminars led by external experts, briefings on Epson's initiatives and various surveys, and one-on-one dialogue with suppliers.

Supplier Code of Conduct

In addition to initiatives within our company, we established the Epson Group Procurement Guidelines (now named the Epson Group Supplier Guidelines) in April 2005 with the aim of gaining understanding and cooperation from suppliers regarding Epson's procurement policies. We have made updates to the guidelines for over 20 years. In addition to coverage of basic transaction matters concerning quality, price, and delivery, the Epson Group Supplier Guidelines make requests concerning matters related to environmental initiatives and compliance, including international trade control and security, and provide information on our supplier whistleblowing system. The Supplier Code of Conduct, a part of the guidelines, sets requirements in the areas of labor, health and safety, environment, ethics, and management systems, in accordance with the latest RBA Code of Conduct (Ver. 8.0).
We publish the above guidelines on our website, while also providing information to all suppliers and requesting their compliance with the guidelines. We also ask suppliers to consent in writing to the Supplier Code of Conduct.

Responsible Business Alliance
Advancing Sustainability Globally

Whistleblowing System for Suppliers

Epson actively encourages suppliers to use a grievance mechanism to report issues or discuss concerns. By establishing reporting channels, we seek to further ensure ethical corporate conduct and relief for any human rights violations. In accordance with the requirements of the UNGPs, we protect whistleblowers, including by prohibiting retaliation and by accepting anonymous reports. We also carefully handle personal information in accordance with applicable laws and Epson's internal regulations.

Epson Sites Earn RBA Recognition under the RBA's VAP

We strive to improve our CSR by having our main production sites audited under the RBA's Validated Assessment Program (VAP). Independent auditors assess compliance with applicable laws and regulations, as well as with the RBA Code of Conduct, and award scores and recognition based on their findings.
Since first undergoing a VAP audit at our crystal device production site in Malaysia, we have expanded the number of audited sites. Currently, our seven main production sites undergo VAP audits on a regular basis. Our sites in Malaysia, Indonesia, Thailand, China, and the Philippines have all earned Platinum recognition, which is awarded to sites that receive a perfect score of 200 points with no nonconformances.

VAP-audited production sites

1	Epson Precision Suzhou Co., Ltd.	China
2	Epson Engineering (Shenzhen) Ltd.	
3	Epson Precision (Philippines), Inc.	Philippines
4	Epson Precision (Thailand) Ltd.	Thailand
5	Epson Precision Malaysia Sdn. Bhd.	Malaysia
6	PT. Indonesia Epson Industry	Indonesia
7	PT. Epson Batam	

CSR Due Diligence

Epson implements programs aimed at evaluating suppliers from multiple perspectives. In addition to evaluating levels of management of quality, price, delivery, environment, management systems, and information security through new supplier evaluations and regular evaluations, we also conduct annual CSR evaluations as a CSR due diligence program. The detailed CSR evaluation is conducted in accordance with RBA membership requirements, starting with gaining consent to compliance with the Supplier Code of Conduct (RBA Code of Conduct: Labor, Health and Safety, Environment, Ethics, and Management Systems). Evaluation is implemented through self-assessment (SAQ) of compliance with the Code of Conduct, risk assessments, corrective actions, and audits.

In 2025, we conducted a detailed CSR evaluation globally for major suppliers, including direct materials suppliers that supply parts and materials used in products, those involved in product assembly, and other suppliers (on-site service contractors and staffing agencies). The SAQs identified no suppliers with scores assessed as high risk[1]. Based on the findings of the SAQ and CSR audits, suppliers took corrective actions regarding critical issues including human rights, health and safety, and legal and regulatory violations.

[1] SAQ risk assessment criteria: Low risk: 80+ points; Medium risk: 60–79 points; High risk: Less than 60 points

2025 Examples of corrections

For cases in which deficiencies were identified in the SAQ results, we confirmed the following corrective actions.

- Execution of employment contracts and provision of a copy to the individual
- Formulation of a Zero Recruitment Fee Policy prohibiting the collecting of recruitment fees

■ Supplier CSR Assessment Results (2025)

		Direct material suppliers	Other suppliers
SAQ	Number of target company groups / Number of responding sites	265 company groups / 775 sites	234 companies
	Response rate	100%	100%
	High-risk companies / ratio	0 sites / 0%	0 companies / 0%
Number of CSR audits conducted / audits undergone		257 companies	36 companies

Responsible Mineral Sourcing

Principles of Corporate Behavior
Principle 5: Ensuring effective governance and compliance

5.7 We will establish a system to investigate the source of minerals used in our products and supply chain and will take actions to responsibly source minerals to avoid using any minerals that could be involved in human rights abuses, conflicts or environmental degradation.

Profits from the extraction and sale of 3TG (tantalum, tin, tungsten, and gold) in conflict-affected areas such as the Democratic Republic of the Congo (DRC) and adjoining countries could provide sources of funding for armed groups and anti-government forces carrying out atrocities and gross human rights abuses. Cobalt mines in southeastern DRC have also been pointed out as hotbeds for child labor, along with issues such as violations of rights related to indigenous peoples' land, frequent mining accidents and deterioration of the surrounding living environment, and low-wage labor. We recognize that mineral mining and trade can have adverse social and environmental impacts.

Epson avoids association with any forms of human rights abuses and environmental destruction. As a member of the Responsible Minerals Initiative (RMI), Epson does not tolerate human rights abuses in the procurement of minerals used in Epson products. We will not engage in business relationships with any party involved in human rights abuses, nor will we support operations that result in the degradation of socioeconomic and environmental conditions.

To avoid and mitigate human rights abuses and environmental damage, we conduct annual supply chain due diligence in accordance with the OECD five-step framework using the CMRT and EMRT templates[2] provided by the Responsible Minerals Initiative (RMI) for components and materials used in our products and remaining in the final product. We also disclose the results of these surveys and respond sincerely to customers' requests for supply chain surveys.

[2] CMRT (Conflict Minerals Reporting Template, used for 3TG reporting) and EMRT (Extended Minerals Reporting Template, used for reporting on other minerals, including cobalt and mica)

■ 3TG and Cobalt Survey Results (FY2025)

	3TG Total	Tantalum	Tin	Tungsten	Gold	Cobalt
Number of identified smelters/refiners	359	47	77	56	179	103
Number of conformant smelters/refiners[3]	222	40	53	36	93	61
Number active smelters/refiners[4]	9	1	3	1	4	2
Supplier response rate	99%					98%

See P66 for footnotes 3, 4

■ Overview of initiatives across the value chain

Main value-chain functions (gray indicates out of scope)		Development and design sites (Epson)	Suppliers (production materials / human resources)	Production sites: Epson factories	Production sites: Contract manufacturers' factories	Logistics (external)	Sales sites (Epson)	Customers
Promotion of awareness of the Code of Conduct, request for compliance		Group policies	Supplier Code of Conduct	Group policies	Supplier Code of Conduct	Supplier Code of Conduct	Group policies	
Assessment of compliance with the Code of Conduct	SAQ	●	●	●	●	●	●	
	CSR audits	Internal Audit	RBA-VAP and Epson's supplier CSR audits	RBA-VAP, customer audits, internal audits	RBA-VAP and Epson's supplier CSR audits	RBA-VAP and Epson's supplier CSR audits	Internal Audit	
Establishment of grievance mechanism that allows reporting		●	●	●	●	●	●	●
Surveys	Surveys and assessment of environmental impacts	●	●	●	●	●	●	●
	Responsible mineral sourcing		●		●			
Engagement		Disclosure / briefings / education / individual dialogue, etc.						

Feature Article

Interview with Outside Directors

How Questions from Outside Directors Reframed Management Discussions: Epson's Transformation Driven by the Development of Its Long-Term Vision

Tadashi Shimamoto
Outside Director

Masaki Yamauchi
Outside Director

In March, at the end of the last fiscal year, Epson presented ENGINEERED FUTURE 2035, which outlines its vision for the next decade, and its Phase 1 Mid-Term Business Plan. In the process of formulating the strategic vision and business plan, Epson's Board of Directors engaged in extensive discussions regarding the company's future direction. What kinds of issues were raised during these discussions, and what role did the outside directors play? Insights are drawn from interviews with outside directors Tadashi Shimamoto and Masaki Yamauchi.

Fully Maximizing Epson's Core Strengths

— What were discussions like during the development of the long-term vision?

Shimamoto When we joined as outside directors in June 2023, the need to formulate a new long-term vision was already recognized within the company. While there was broad consensus on the need to establish new core businesses beyond printing, discussions on how to translate this into concrete initiatives were still underway.
Epson has a lot of highly talented people and strong manufacturing capabilities with advanced technology. However, the organization has traditionally operated in a silo structure, with each function focusing deeply on its own area. To effectively leverage these strengths in shaping a future vision, we felt that greater cross-functional collaboration and open, organization-wide dialogue would be essential. Epson's value chain spans technologies, devices, and finished products. To further enhance this strength, I think Epson needs to bridge the silos, starting with finished products, and increase collaboration and integration.

Yamauchi I agree. Epson has a strong technology-driven mindset. There is no doubt that both its technologies and the people behind them are highly capable, but the technologies have not always been fully translated into value for society.
It is important to think about what kind of future the company wants to create and about how its technologies can be leveraged to realize that vision. As an outside director, I have consistently challenged the organization to make these connections explicit. The foundation for the long-term vision was established through these ongoing discussions. We built on this foundation by then focusing on which technologies to strengthen and how to shape the business portfolio. This ultimately culminated in the current long-term vision.

Outside Directors Urged Discussions as a Management Team

— How did you engage as outside directors?

Shimamoto One of the first things I asked the then-president to do was to hold discussions as a management team. This was because I believe that Epson could become even stronger if management took the lead in breaking down silos and building bridges among the various organizations across the company. That is why I kept emphasizing that I wanted the executives to discuss issues and make decisions collectively as a team rather than independently so that everyone is aligned before bringing their ideas to the board of directors.

Yamauchi As a result, we saw a significant improvement in both the quality of proposals submitted to the board and the depth of discussions. The role of outside directors extends beyond simply expressing opinions on individual matters. To orient the company on a path toward its vision, I have consistently asked management to think about and discuss how Epson's existing strengths can be further developed, what needs to change, and what should be prioritized. I believe that these discussions have helped drive changes not only in decision-making but also in the very nature of the management team. In addition, all outside directors participate in meetings of the Director Nomination Committee. We have deepened our involvement with management by holding extensive discussions on succession planning and the overall management structure.

Shimamoto Outside directors sometimes state harsh opinions, but the management team has taken them to heart and is really talking things through and clarifying the way forward. This has created a positive cycle. The ongoing series of constructive talks between the supervisory and executive sides has been a particularly significant and meaningful change.

Yamauchi I believe that these incremental changes accumulated over time, led to a major transformation within the long-term vision, including the reshaping of the business portfolio and the reorganization of segments.

A Segment Reorganization That Reflects Changes in the Business Portfolio

— What is the significance of the segment reorganization?

Shimamoto Epson's strength lies in its printhead technology, but this capability had traditionally been embedded within the printing business, making it difficult for external stakeholders to clearly see the extent to which it could drive growth. Moreover, with earnings leaning heavily on the printing business, it hasn't always been clear which businesses would lead future growth and how the company as a whole was expected to evolve.
The reorganization of the segments is more than just a simple change in how the businesses are grouped. Rather, it represents a rearticulation of Epson's strengths and sources of competitive advantage, while clearly setting out the roles expected of each business and their respective growth directions.

Yamauchi That's right. This is not merely a cosmetic change. During the development of the long-term vision, we discussed which businesses are generating profit, where Epson's competitive advantages

lie, and whether each business is in already mature or still has room for growth. In doing so, we were able to build a shared understanding between the outside directors and the executive team. As a result, I feel we have been able to engage in more substantive discussions about where to focus our efforts and how we can thrive in the market. As we began to understand each other better, our discussions became more dynamic, ultimately leading to the current portfolio structure—one that clearly distinguishes between the earnings base and growth domains.

Shimamoto What was particularly important was that, throughout the process, we were given thorough explanations about each business's competitive strengths and role, which enabled us to build a solid understanding. This gave us a level of comfort with things. While discussions about separating businesses from a financial perspective are common, Epson has a chain of strengths that runs from technology to devices to finished products. Because we shared this understanding, I believe we were able to design a portfolio and segment structure that goes beyond a simple "keep or divest" approach and is instead well aligned with the company's underlying strengths.

Changes in Decision-Making and Execution

— How do you view the changes in execution capability?

Shimamoto The most significant change is in how discussions are conducted. The executives discuss matters as a team and share the outcomes with the board, ensuring alignment in discussions. In addition, the free discussions that we hold with directors have also deepened our understanding of each business and have helped improve the quality of discussions overall. By incorporating input from across the organization, including from younger members of the team who helped develop the long-term vision team, we have moved far closer than before to operating as a cohesive team. As a result, I feel that the Board has evolved from being just a place where information is shared, to a place where real management decisions and direction are actively shaped.

Yamauchi There used to be a perception that those with strong engineering skills took the lead. Today, however, we are talking more about how best to leverage specific technologies. This requires consensus decision-making by the management team. There is a growing sense of urgency that printers cannot continue to drive growth indefinitely and that new sources of growth must be established. This seems to have sparked the development of new processes for executing strategy and more concrete initiatives compared with the past.
Another big change is a shift in mindset. We now start by defining the end goal. The focus used to be more on making incremental improvements over the previous year, but now the team articulates the goal and works backward from there. At the same time, organizations and talent allocation are being reassessed. This is not merely a change in strategy; it reflects the beginning of a transformation in management thinking and in the very mechanisms of decision-making.

Human Capital and Organizational Culture as the Keys to Transformation

— How do you view the challenges related to human capital?

Yamauchi Having a workforce of highly capable and hardworking individuals is a significant strength. However, this strength has at times remained confined within individual roles. Going forward, it will be essential to take it a step further, finding ways to integrate the technology and knowledge that these individuals possess and translating that into tangible value. As the long-term vision becomes more deeply embedded, I expect that cross-organizational and cross-business collaboration, as well as a willingness to take on new challenges, will accelerate. This, in turn, should enable Epson to transform its existing strengths into even greater capabilities.

Shimamoto At the same time, it would be unrealistic to assume that the current talent base alone is sufficient. There are limits that cannot be overcome simply by doing more of what has always been done. In particular, expanding in the B2B domain requires dialog and a deep understanding of customers, as well as collaboration with external partners. To achieve this, you have to bring in new talent. People have to be willing to reach out to people in other domains. Greater flexibility and a willingness to cross boundaries will be essential. In addition to developing internal talent, you have to bring in outside talent and ensure that they become fully integrated into Epson's culture.

Yamauchi I totally agree. In working toward the long-term vision, there will inevitably be areas where our current talent base alone is insufficient. While developing people is still important, Epson also needs to bring in people with new experience and expertise, expose them to Epson's culture, and integrate them to drive progress. The integration of such diverse talent will serve as a driving force in achieving the long-term vision.

Supporting Transformation as an Outside Director

— What are your expectations going forward, and how do you see your role as an outside director?

Shimamoto "Technological innovation" and "engineering excellence" are phrases that stood out to me in the long-term vision because they clearly capture what Epson is all about. Technology alone does not serve society. What matters is how technologies are combined and shaped into solutions that have real value. This concept has been clearly articulated, so I hope it will become a shared language among employees and serve as a foundation for aligning around the question, "Where are we trying to go?"

Yamauchi I think it is hugely significant that we are now seeing a clear shift from a focus on manufacturing products to a focus on creating a prosperous future. Of course, change can be daunting, and there is always concern about failure. That is precisely why, as outside directors, we aim to foster an environment that enables healthy progress by supporting bold challenges while carefully distinguishing between risks that should be taken and those that must be avoided to ensure sustainable growth for Epson. Epson possesses many promising technologies for future growth.

Shimamoto From a governance perspective, it will be important to closely monitor the progress of the long-term vision, to see whether the strategies are being executed and whether the company is moving in the intended direction. In doing so, we will also assess whether risks are being taken appropriately. Since generating earnings is a fundamental priority for any company, I intend, as an outside director, to provide support by monitoring progress from both a short- and long-term perspective, ensuring that Epson can fully deliver on the transformation it has set out to achieve.

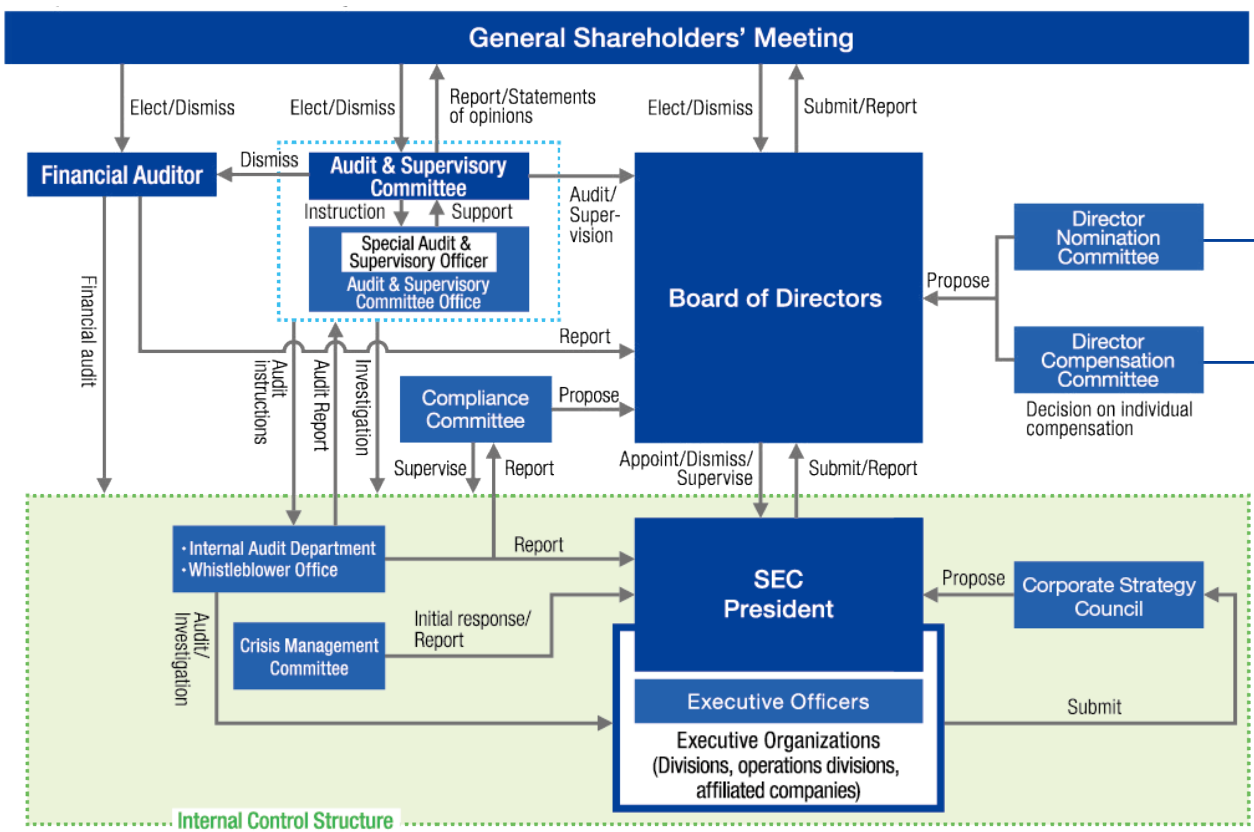
Strengthening Governance

Corporate Governance

Basic Principles

To realize our Purpose, which expresses our aim or reason for being in society based on the Epson Way, which defines our values and behaviors based on the Management Philosophy, EXCEED YOUR VISION, promote sustainable growth, and increase corporate value over the medium and long term, Seiko Epson Corporation strives to continuously enhance and strengthen corporate governance so as to realize transparent, fair, fast, and decisive decision-making.

■ Corporate Governance System



Optional Deliberative Body Activities

* The committee chairs are elected from among the outside directors by mutual vote.
* Outside directors have comprised the majority of both committees since June 2016, when Epson transitioned to a company with an Audit & Supervisory Committee.

Internal Director | Outside Director

Director Nomination Committee Met 10 times (4/2025–6/2026)[1]

- Deliberate on the selection of directors, & executive officers, etc.

President and Representative Director | Outside Directors | Chair

Content of Discussions

- Succession plans for the President & Representative Director
- Officer (director, executive officer, special audit & supervisory officer) selection policies and proposed candidates

Director Compensation Committee Met 12 times (4/2025–6/2026)[1]

- Review of compensation for directions, executive officers, etc.

President and Representative Director | Outside Directors | Chair

Content of Discussions

- Individual base compensation
- Bonus payment coefficient and individual bonuses
- Assignment coefficient, number of shares allocated, and amount of monetary compensation claims under the restricted stock compensation plan
- Renewal of liability insurance for officers
- Conclusion of corporate indemnity agreements and liability limiting agreements
- Revision of the compensation system for executive directors

[1] By the time of the ordinary general meeting of shareholders

Board of Directors Effectiveness Evaluation

Seiko Epson seeks to continuously enhance the effectiveness of its board of directors pursuant to its Corporate Governance Policy. Toward this end, Seiko Epson has been analyzing and evaluating the effectiveness of its board of directors every year since FY2015 based on a self-evaluation questionnaire that all board members complete. To incorporate a more objective perspective, an independent third-party organization conducts an evaluation every three years[2]. The results of the FY2025 effectiveness evaluation confirmed that the board has maintained overall effectiveness.

[2] Most recently, this was conducted for the FY2023 board of directors.

＜Topics on the Board Effectiveness Evaluation Questionnaire for FY2025＞

1. Composition of the Board of Directors and how it is positioned
2. Operation of the Board of Directors
3. Board of Directors discussions and functions
4. Directors' activities
5. Training
6. Dialogue with shareholders (investors)
7. Functions and operations of advisory bodies to the Board (the Director Nomination Committee, Director Compensation Committee, and Compliance Committee)
8. Response to issues identified in the FY2024 Board of Directors effectiveness evaluation
9. Summary

FY2025 Activities

FY2024 Board of Directors Effectiveness Evaluation

(1) Support for deepening strategic discussions and strengthening the execution capabilities of the executive management team	The Board of Directors discussed key items related to long-term strategy as well as points requiring advice and oversight by the Board, following clarification of these by the executive management team.
(2) Oversight of the status of deliberations on the next long-term strategy and the status of action under Epson 25 Renewed	Throughout FY2025, we held a total of ten discussion sessions regarding the next long-term strategy during Board of Directors meetings and open board discussions. On March 13, 2026, the Board of Directors adopted our long-term vision ENGINEERED FUTURE 2035, which targets the year 2035. At the time of quarterly approvals of financial results, the Board received explanations of business status and of progress toward business plans related to Epson 25 Renewed and provided ongoing oversight.
(3) Improvements to Board of Directors operations aimed at strengthening collaboration between the Board and the executive management team	To promptly align awareness of issues among internal and outside directors, we prepared opportunities for looking back on every Board meeting as it was held. We reflected the feedback and insights gained from this in Board discussions and operations, and worked to make improvements.

FY2026 Activities

FY2025 Board of Directors Effectiveness Evaluation

Board effectiveness in the 2025 fiscal year was evaluated by having all Board members complete a questionnaire that covered the topics aforementioned, and then analyzing and evaluating effectiveness based on the answers. For certain items, executive officers and others who attend Board meetings were asked to complete a questionnaire that was then analyzed to determine whether there were any significant gaps in understanding between the Board of Directors and the executives responsible for business execution. During the fiscal year, we also conducted interviews of directors by the Chairman of the Board and more deeply examined evaluations and the perception of issues.
The evaluation showed that the board is generally operating effectively. At the same time, the Board engaged in discussions and identified the following issues to further enhance its effectiveness going forward.

Issues to be addressed in FY2026

(1) Oversight based on priority measures and management indicators for achieving ENGINEERED FUTURE 2035 and Phase 1 Mid-Term Business Plan

(2) Oversight of the implementation of succession plans for executive officers

Audit & Supervisory Committee Effectiveness Evaluation

The effectiveness of the Audit & Supervisory Committee has been evaluated to improve audits and corporate governance since 2017. The evaluation consists of six areas and is carried out through a questionnaire in which committee members quantitatively score themselves on a three-point scale for each area and write free comments. The committee then discusses the results and applies the PDCA cycle, thereby further enhancing effectiveness.
It has been standard practice since FY2019 to share the findings of committee effectiveness evaluations with the board of directors. The effectiveness evaluations are also used as the basis for recommendations for improving internal control and corporate governance.

Main initiatives	● Discussion and implementation of measures to ensure effective functioning under the new organizational structure ● Further strengthening collaboration with the internal control function and external auditors, and enhancing monitoring capabilities ● Monitoring the progress of transformation and structural reform initiatives and their impact on organizational culture
Recom-mendations	● Monitor the redesign of Group governance in line with ENGINEERED FUTURE 2035 ● Oversee early identification of material risks that could affect business performance and ensuring their timely escalation

Providing Information to Outside Directors

We provide opportunities for outside directors to deepen their understanding of the company's management, governance, and business characteristics so that they can adequately fulfill their supervisory functions. When they are first appointed, we brief them on our business in overview, our strategy, and so on. Thereafter, we support their efforts to gain the knowledge they need. During the fiscal year under review, the heads of divisions and businesses gave briefings and site tours, among other opportunities to learn. In addition, outside directors may ask for explanation or reports from executive directors, executive officers,and employees, or request internal documents whenever needed. There are systems in place for outside directors to work with the Audit & Supervisory Committee and get support from the department serving as the board of directors secretariat so that directors are better able to gather information without it affecting their independence.

Appointment of Officers

To ensure transparency and objectivity, the Director Nomination Committee, which is chaired by an outside director and composed of a majority of outside directors, recommends candidates for director positions, and the board of directors makes the final decision on whether to approve their appointment.

■ Policies

① Considering the role that Officers of the Company are required to fulfill and the nomination criteria that Epson has established, Officers must meet the standard requirements of insight, accountability, and ethics. They must also satisfy the selection criteria in 2, depending on their respective roles, and must be able to contribute to an increase in corporate value.

② In addition to the foregoing requirements, Officers of the Company shall satisfy the selection criteria below

A Non-Executive Director candidates

Oversight capability, management knowledge, professional knowledge

B Executive Director candidates

Oversight capability, foresight/insight, the ability to conceive a vision, decisiveness/courage, the ability to execute and produce results, an inclination to drive change and innovation, the ability to be a unifying force

A candidate for President and Representative Director in particular shall possess the following:

・The ability to face societal issues, construct a vision based on deep insight, and the courage to carry out that vision

・A strong sense of ethics and the ability to humbly accept diverse values, tap the initiative of employees, and be a unifying force that consolidates the power of the entire company

③ Outside Directors must satisfy criteria concerning the independence of Outside Directors in order to guarantee their independence. The Board of Directors established “Criteria for Independence of Outside Directors.”

In addition to the foregoing, we appoint a well-balanced group of diverse individuals as outside directors based on our Corporate Governance Policy and skills matrix. Selection deliberations are conducted primarily with reference to the three roles they are expected to serve. They are expected to:

(1) contribute as an experienced manager;
(2) contribute based on specialized expertise; and
(3) contribute from the perspective of diversity.

We take multiple opportunities to contact potential candidates to learn not only general background information, but also how they think. This is used as basic information for our selection process.

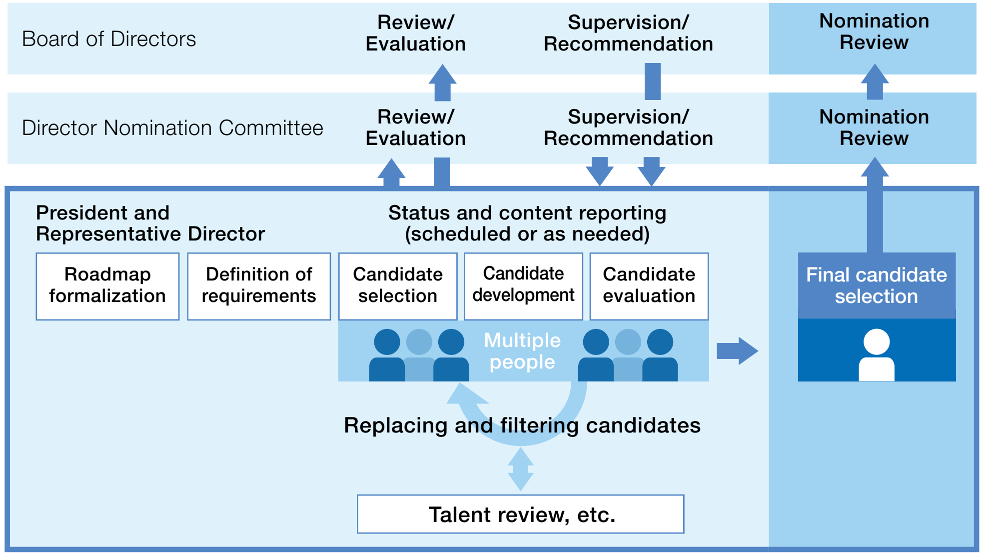
Evaluation of the President and Representative Director and Directors

Officers are evaluated annually through a regular review process designed for executive management. All internal directors, including the president, are evaluated against defined requirements, roles, and themes. They are also the subject of a 360-degree evaluation. The results of these evaluations are reported when the Director Nomination Committee deliberates on the board structure and serve as a reference for selection decisions.

Succession Plans

Succession planning is a process whereby the president drafts a list of candidates and plans for their development based on the results of an HR executive management review and talent requirements. This is followed by deliberation by the Director Nomination Committee and final discussion and resolution by the board of directors. We also revisit succession planning to prepare for unforeseen circumstances and future changes. This includes considering multiple possible timing scenarios for leadership transition and developing plans that take into account the composition of the entire management team, including executives who will work alongside the president.

■ President & Representative Director Successor Selection Process



Experience in the areas below is considered desirable before taking on an executive management role. We try to ensure that each candidate can gain sufficient experience in these areas through our development program.

1) Experience as a business leader during critical phases of corporate strategy
Ex. core businesses, businesses with significant challenges, new businesses
2) Experience across multiple businesses and functions, including areas outside one’s specialty
Ex. roles broadly overseeing corporate functions, head of a subsidiary or overseas affiliate
3) Sufficient experience participating in corporate management at the same level as executive management, through discussions in top level management meeting
4) Experience leading company-wide projects, such as projects to formulate the next medium- and long-term plans
5) Experience in external exchange programs with other industries, gaining exposure to diverse values, acquiring new perspectives, thinking about business from a broad viewpoint, objectively assessing the company’s strengths and weaknesses, and building cross-industry networks

Officer Compensation

The Director Compensation Committee's purpose is to plan and review the compensation system and internal regulations for the Company's officers (directors, executive officers, and special audit & supervisory officers), and to deliberate fairly on the amount of compensation to individual officers through a process that ensures transparency and objectivity. The Committee is mandated by the board of directors to determine the amount of compensation to individual directors who are not Audit & Supervisory Committee members. The maximum amount of compensation for directors is determined by resolution of shareholders.

■ Officer Compensation Policy

Compensation for executive officers

1. Compensation shall provide an incentive to improve business performance and reflect the commitment thereof in order to promote the Epson Group's sustainable growth and corporate value in the medium and long term.
2. Compensation shall be sufficient to attract and retain qualified persons both from within the Company and from outside.
3. Compensation shall be commensurate with period performance so that directors and executive officers can demonstrate their management capabilities to the fullest during their tenure.
4. Compensation shall clearly reflect the linkage between officer compensation and the value of the Company's shares and strengthen awareness of the need to share profits with shareholders.
5. A mechanism to suppress fraud shall be embedded.
6. The process for determining compensation shall be highly transparent, objective, and fair.

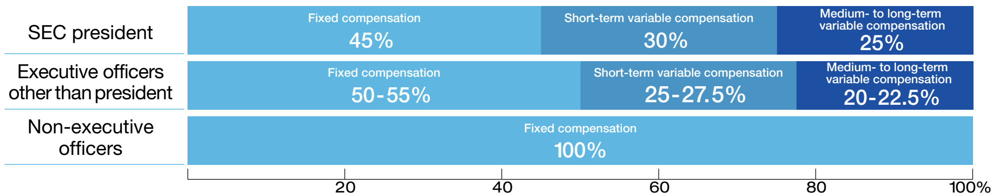
Compensation for non-executive officers

1. The composition of compensation shall guarantee independence so that these Officers can suitably exert their general management supervisory function, etc.
2. Compensation shall be sufficient to attract and retain qualified persons both from within the Company and from outside.

■ Compensation Structure

Officer compensation at the Company consists of base compensation, bonuses, and restricted stock compensation. Directors who do not have executive duties receive only base compensation (which is fixed) because their role is to generally supervise management from a perspective that is independent from executive functions.
Total and base compensation are set at levels at or above the median of peer companies in Japan to enable the Company to secure and retain top talent.
The compensation mix varies depending on the individual's position and the size of his or her role and assigned duties (this is called the "role grade"). For officers who have executive duties, the higher the role grade, the greater the proportion of variable compensation, thereby strengthening the link to performance and share value. The composition of president and representative director's compensation is benchmarked against major Japanese corporation in the TOPIX 100 and Nikkei 225 and is determined with reference to survey data provided by multiple external services.

■ Composition of Compensation



Officer Compensation System

■ How Compensation is Calculated

In transforming management to be ROIC-driven under the Medium-Term Business Plan, we have adopted ROIC and revenue growth rate as evaluation indicators for variable compensation (bonuses and restricted stock compensation) from FY2026. This will realize enhanced capital efficiency and sustainable growth and will promote corporate management aimed at enhancing corporate value over the medium to long term.

Fixed compensation	Base compensation is a monetary amount paid on a monthly basis. It is determined by the individual's position and role grade. Base compensation may be raised or lowered by the board of directors if warranted by Company performance or for other reasons.
Short-term variable compensation	Bonuses are monetary compensation paid once a year. They serve as a short-term incentive. The amount is determined based on the company's annual performance indicator and the degree of achievement with respect to individual objectives. Seiko Epson has adopted ROIC and revenue growth rate as company-wide performance evaluation indicators. **Standard bonus (Total compensation for the year × bonus ratio)** × [**Company-wide performance evaluation (0–210%) × 50%** + **Individual evaluation (60–140%) × 50%**]
Medium- to long-term variable compensation	Restricted stock compensation is non-monetary compensation paid once a year. It is designed to provide greater incentive to increase the share price, sustain growth, and increase long-term corporate value. The amount to be paid is determined by taking into account a sustainability evaluation on top of the previous fiscal year company-wide performance evaluation. Shares equivalent to this calculated amount are allocated. Seiko Epson has adopted ROIC and revenue growth rate as company-wide performance evaluation indicators. **Standard stock compensation (Total compensation for the year × stock compensation ratio)** × [**Company-wide performance evaluation 80–100%** + **Sustainability evaluation 0–20%**]

LINK For details of the sustainability evaluation, see p. 38, "■ Evaluation indicators for executive management compensation".

■ Total Amount of Compensation (FY2025)

(Millions of yen)

Director category	No. of individuals paid	Base compensation	Bonus	Restricted stock compensation	Total
Directors who are not Audit & Supervisory Committee members (amount accounted for by outside directors)	8 (3)	199 (44)	- (-)	41 (-)	241 (44)
Directors who are Audit & Supervisory Committee members (amount accounted for by outside directors)	4 (3)	81 (48)	- (-)	- (-)	81 (48)
Total	12	281	-	41	322

The above is based on the compensation calculation method for FY2025.
The bonus amount is calculated as: standard bonus × company-wide performance evaluation (0–200%) × individual evaluation (60–140%). ROE is used for the company-wide performance evaluation. The FY2025 company-wide ROE used in the calculation is 2.0%. Company-wide ROE is calculated excluding treasury shares acquired in or after FY2022 from the actual company-wide ROE of FY2025.
The stock compensation amount is calculated as: standard stock compensation × [{company-wide performance evaluation (80–120%) × 50%} + {sustainability evaluation (80–120%) × 50%}]. ROIC is used for the company-wide performance evaluation. The FY2024 company-wide ROIC used in the calculation is 5.9%. Company-wide ROIC is calculated excluding treasury shares acquired in or after FY2022 from the actual company-wide ROIC of FY2024.

Compliance

Epson engages in a variety of compliance activities to ensure that we observe all applicable laws, regulations, company rules, and business ethics and meet the expectations of society. The Epson Way (comprising the Management Philosophy, Principles of Corporate Behavior, and the Epson Global Code of Conduct) represents the shared values and expectations of conduct within the Epson Group, forming the foundation for our compliance efforts. We strive to build, maintain, and strengthen trust with all stakeholders by ensuring management transparency and fairness and practicing swift and effective compliance management based on the Epson Way.

Compliance Organization

An advisory body to the board of directors, the Compliance Committee is made up of outside directors and a director who is a full-time member of the Audit & Supervisory Committee. Chaired by the latter, it oversees compliance activities and makes reports and suggestions to the board of directors. The Chief Compliance Officer (CCO) supervises and monitors the execution of all compliance operations and periodically reports the state of compliance affairs to the Compliance Committee.
Under the supervision of the president, the compliance control department globally promotes and enforces compliance in cooperation with businesses and subsidiaries.
To advance effective compliance initiatives globally, Epson has appointed a Regional Chief Compliance Officers (R-CCOs) in each of five regions, grouped by geography, language, legal, regulatory, and cultural similarities. At global compliance meetings, the CCO impresses upon the R-CCOs the importance of compliance and promotes collaboration across the Group by sharing compliance incidents and discussing effective preventive measures.

Compliance Activities

To engrain compliance awareness and ensure effectiveness, we have translated the Epson Global Code of Conduct into 14 languages. We provide compliance training to all personnel, including online courses and rank-specific training given by internal and external instructors. October is Compliance Month at Epson. One of the things we do across the global Epson Group during the month is remind all personnel of the Epson Way, the foundation on which our business activities rest, and urge them to maintain high ethical standards. We raise compliance awareness by having the COO and the heads of our business units and subsidiaries issue compliance messages, familiarizing employees with the Epson Global Code of Conduct, requiring compliance training, and conducting a compliance awareness survey. Survey answers are analyzed for each department and subsidiary to give us ideas for further improvement.

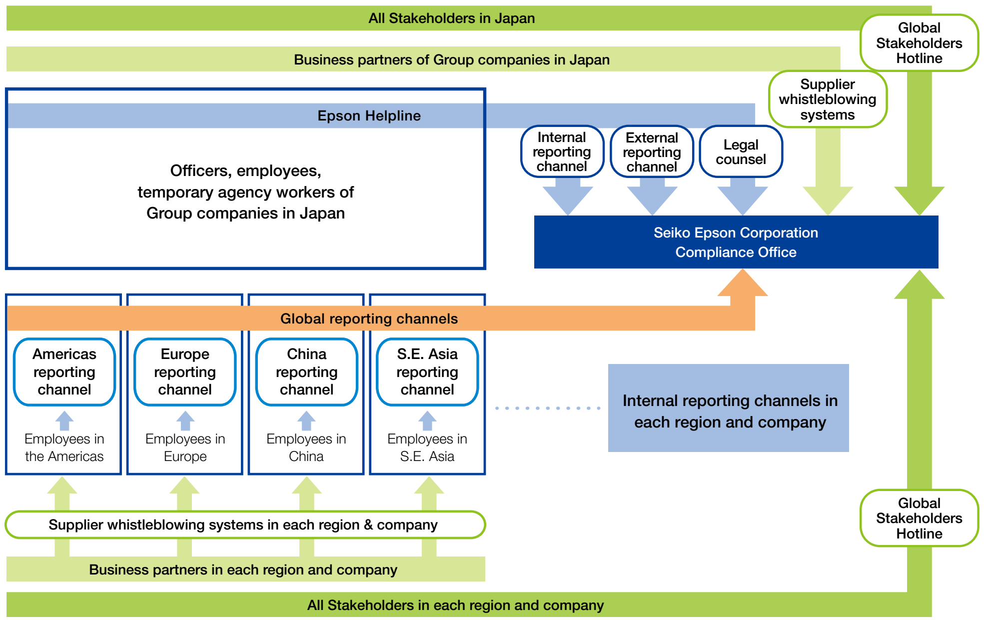
Whistleblowing Systems

Epson ensures the anonymity of people who make reports, strictly controls the reported information, and prohibits all forms of reprisals in Principles of Corporate Behavior and the Epson Group Whistleblowing Systems Regulation. Epson regularly reviews and improves the operation of its reporting channels in response to changes in response to legal and regulatory changes and other relevant developments.

Whistleblowing systems have been introduced at all Group companies and are open to officers, employees, temporary agency workers, external business partners, and others. In addition to the Global Stakeholders Hotline (GSH), which accepts reports from all stakeholders, Epson has established several channels in Japan. These include the Epson Helpline, which offers three reporting options: an internal reporting channel for reporting directly to the company, an external reporting channel managed by an independent third-party service provider, and a reporting channel that contacts outside legal counsel. Epson has also established a Supplier Whistleblowing System to receive whistleblowing from business partners. Group companies abroad provide local reporting channels for employees and suppliers. The Epson Executive Compliance Hotline is a global reporting channel that directly takes reports on compliance issues involving executives at subsidiaries outside Japan. This helps us to improve the reliability and effectiveness of the Group's whistleblowing system. A total of 453 reports were received across the Epson Group in FY2025. We investigate all reports and, if necessary, take corrective action. The nature of reports and how they were addressed is reported regularly to the Board of Directors, the Audit & Supervisory Committee, the Compliance Committee, and the Corporate Strategy Council, with due care taken to protect the identity of reporters.

LINK We have established a separate channel to handle stakeholder inquiries and reports regarding human rights issues.
For details, see P46, "Grievance Mechanisms."

■ Epson Group Whistleblowing System

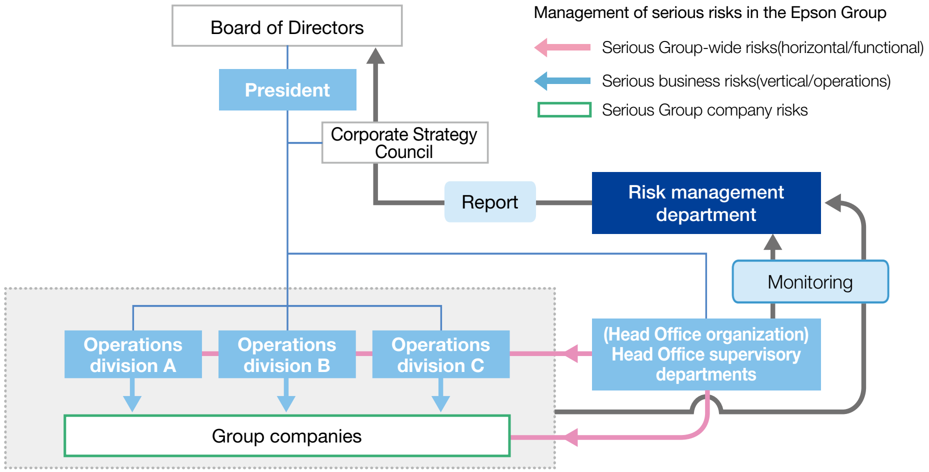


Risk Management

Risk Management Organization

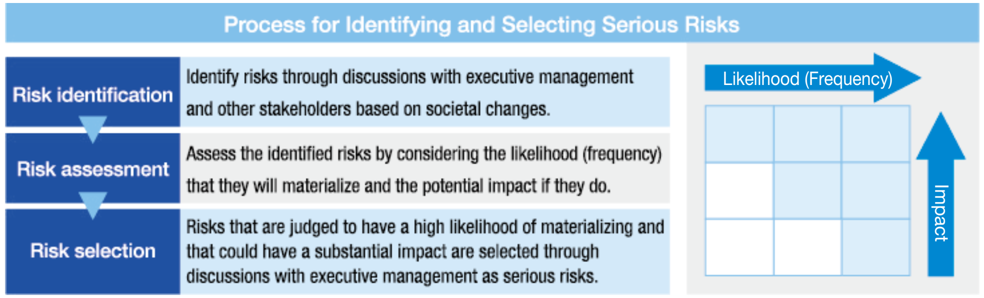
Based on the Basic Internal Control System Policy, overall responsibility for risk management in the Epson Group, including subsidiaries, belongs to the president of Seiko Epson. Group-wide risk management is carried out by Head Office supervisory departments with the cooperation of the operations divisions and subsidiaries. Risks unique to an individual business are managed by the Chief Operating Officer of that business, including at subsidiaries consolidated under them. The Company has also set up the risk management department, monitors overall risk management Group-wide, makes corrections and adjustments thereto, and ensures the effectiveness of risk management programs. The risk management structure is defined in the Epson Group Risk Management Basic Regulations.

■ Risk Management Structure Chart



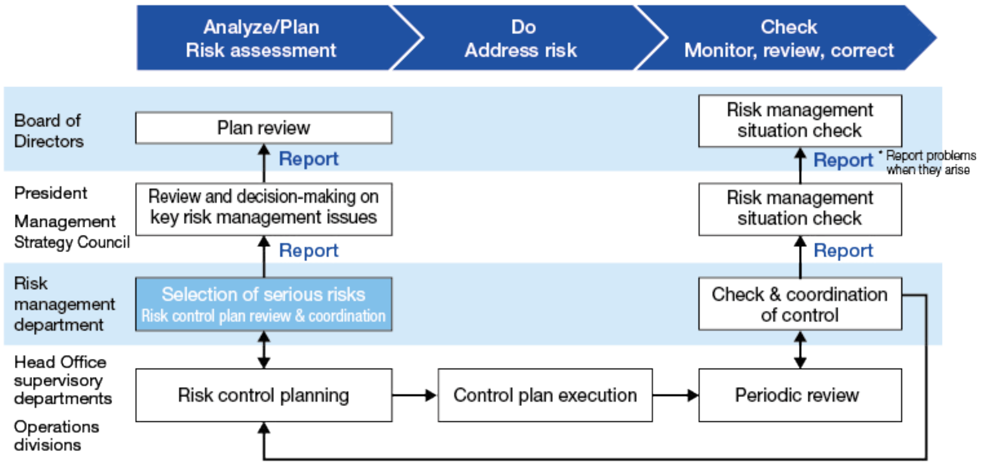
Epson identifies a wide range of ethical risks as important business challenges based on the Code of Conduct of the Responsible Business Alliance (RBA), such as information transparency, IP protection, fair competition, whistleblower protection, responsible mineral procurement, and privacy protection, in addition to misconduct such as bribery, corruption, and cartels. These risks are prioritized based on risk assessment in reference to the internal control framework "COSO[3]" and the international standard for risk management "ISO 31000." Risks that could have serious adverse effects on Epson Group operations are considered "serious Group-wide risks." Risks that could have serious adverse effects on business operations are considered "serious business risks." And risks that could have serious adverse effects on subsidiaries' operations are considered "serious subsidiary risks."

[3] Committee of Sponsoring Organizations of the Treadway Commission: An organizational committee intended to help businesses to enhance ethics, implement internal control and ensure governance and others



Epson drafts and executes plans to control those serious risks identified and periodically monitors their progress. The Company also strives to ensure control activities effectiveness of control activities by evaluating activities related to "serious Group-wide risks" every quarter and evaluating "serious business risks" and "serious subsidiary risks" every six months, as well as by striving to monitor the risk environment at all times and, if any change that may become serious is found, by analyzing and assessing the relevant risk and revising the control plans so that the risk is handled as a serious risk as necessary. The president of Seiko Epson reports important risk management affairs to the Board of Directors every six months. Furthermore, the company fulfills its accountability to a wide range of stakeholders in and outside the Group, such as shareholders, customers, employees, business partners, communities, and the environment, while continuously working to improve the transparency and effectiveness of risk management.

■ Management Cycle for Controlling Serious Risks



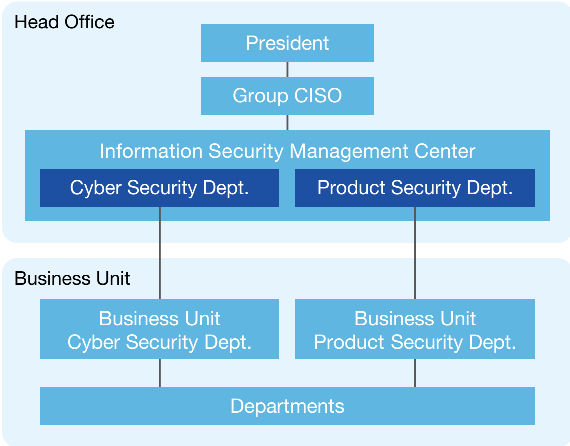
Information Security

Epson regards all information handled in corporate activities as an important management resource and regards information security initiatives as a key management issue. By sharing the importance of information security across the Group and by having each individual reflect that awareness in work, we are advancing the development of information security governance and our corporate culture.

■ Information Security Framework

Under the Chief Information Security Officer (Group CISO), Epson has each of its business units develop and operate an information security framework based on shared Group-wide regulations. We also conduct internal assessments of these business units and continuously evaluate the effectiveness of control measures and the status of risk management functions.

■ Information Security Organization



■ Information Security Management Center

Against a backdrop of increasingly sophisticated cyberattacks, tightening global laws and regulations, emerging risks associated with products and services, and growing demands for security-related disclosures, Epson expanded its existing information security framework in FY2026 and established a new Information Security Management Center as its core oversight body. Through this, we are accelerating efforts to strengthen a globally consistent security framework and to communicate information to stakeholders.

■ Cybersecurity

Cyberattacks are becoming more advanced and sophisticated by the day, making them a major risk for companies. With reference to the “Cybersecurity Management Guidelines” of the Ministry of Economy, Trade and Industry and the Cybersecurity Framework (CSF) of the U.S. National Institute of Standards and Technology (NIST), Epson is strengthening its countermeasures through the formulation of a medium-term plan covering the entire Group.

■ Product Security

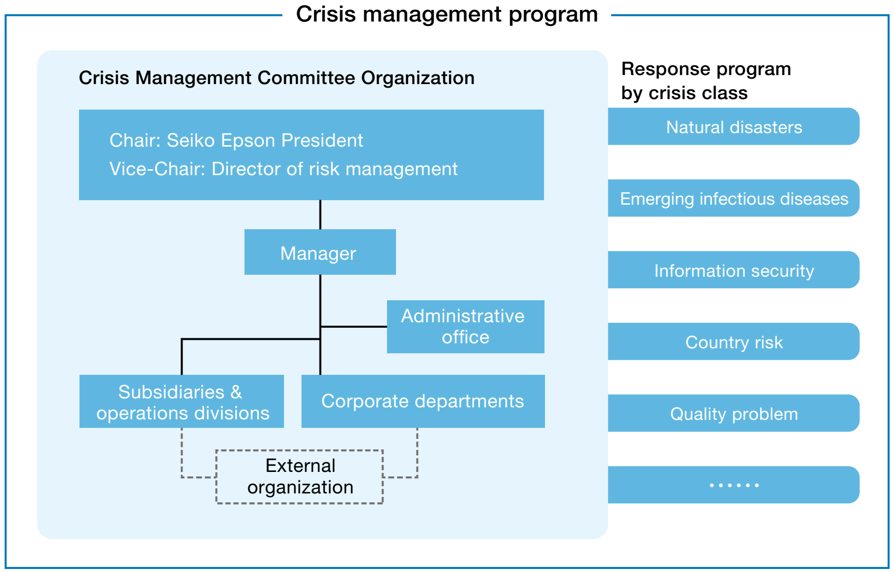
Incorporating the concept of “secure by design,” we are working to create products and services that build in security from the development stage onward. We are also strengthening our framework to enable a globally consistent response that achieves early detection of vulnerabilities and rapid response even after product launch.

■ Data Privacy

We handle personal data responsibly in compliance with laws, regulations, and other norms related to personal data protection. For personal data entrusted to us by customers and business partners and for employees’ personal data, we have formulated control measures based on the 11 principles of ISO/IEC 29100 and undertake activities for the protection of personal data across the Group.

Crisis Management

At Epson, we maintain a standing crisis management program to enable us to quickly address incidents that could have a significant impact on Group management. This program provides for a Crisis Management Committee chaired by the president and vice-chaired by the general manager in charge of risk management, and initial response procedures are in place to handle crises.



In the event of a crisis, the general manager of the relevant Head Office department in charge of the type of crisis will act as the person responsible for crisis management and will set up a system that enables a rapid response based on a quick decision made by the chairperson of the Crisis Management Committee through direct confirmation. The crisis management program includes response programs for each type of crisis, which specify initial procedures to be taken in response to anticipated crises. The relevant organizations promptly work together to grasp and analyze the situation and draft and implement measures to prevent further damage. If necessary, we also seek the cooperation of external organizations such as lawyers, consulting firms, and government authorities to ensure a thorough response.
The crisis management system will be lifted when the situation stabilizes. However, the situation will continue to be monitored within the risk management cycle, and measures will be taken to ensure recovery, prevent recurrence, and share information within the Group. These will be regularly reported to executive management, including outside directors, through meetings of the Board of Directors and other bodies. The crisis management program will be reviewed, and measures in risk control activities will be reflected to improve the ability to respond to new crises.

List of Main Risks

Note: The content of the list was excerpted from “Risks related to Epson’s business operations” in Epson’s Annual Report. Please see the Annual Report for additional details.

Epson’s Annual Report 2026
https://corporate.epson/en/investors/publications/annual-report.html

Main risks	General description of risk	Main countermeasures
Parts procurement risks from certain suppliers	● A supplier parts shortage or quality problem with supplier parts could interfere with Epson’s manufacturing and selling activities.	● Procure parts and materials from multiple suppliers whenever possible. ● Work with suppliers to maintain or improve quality and reduce costs to ensure stable and efficient procurement.
Intellectual property rights risks	● An objection might be raised to, or an application to invalidate might be filed with respect to, an intellectual property right of Epson, and as a result, that right might be recognized as invalid. ● A third party to whom we originally had not granted a license could come to possess a license as a result of a merger with or acquisition by another party, potentially causing us to lose the competitive advantage conferred by that intellectual property. ● New restrictions could be imposed on an Epson business as a result of a buyout or a merger with a third party, and we could be forced to spend money to find a solution to those restrictions.	● Independently develop technologies we need; acquire patent, trademark, and other IP rights for them; and license the rights for products and technologies. ● Strengthen our intellectual property portfolio by placing personnel in key positions to manage our IP.
Environmental risks	● An environmental problem could arise that would require us to pay damages and/or fines, bear costs for cleanup, or halt production. ● New regulations could be enacted that would require major expenditures.	● Develop and manufacture products with reduced environmental impact, develop environmental technologies, reduce energy consumption, recover, recycle, and reuse products, comply with international chemical substance regulations, and improve environmental management systems in line with Environmental Vision 2050, under which Epson aims to become carbon negative and underground resource[7] free by 2050. [7] Non-renewable resources such as oil and metals
Hiring and personnel retention risks	● Competition could intensify for the best talent to develop advanced new technologies and manufacture advanced new products.	● Secure and retain top-notch talent by introducing role-based compensation, developing internal talent, promoting diversity, implementing flexible work arrangements, managing health, and promoting global talent to create an amenable work environment and climate in which diverse human resources can make the most of their abilities.
Legal, regulatory, licensing and similar risks	● Epson conducts business internationally. In the event of an international legal or regulatory violation, or in the event of an investigation or proceedings against Epson by responsible authorities, or the introduction of stricter laws or regulations or their more rigorous enforcement by the authorities, Epson could incur damage to its credibility, large civil fines, constraints on its business activities, higher expenses to comply with laws and regulations, or other negative consequences.	● Ensure compliance by building a robust compliance framework in each country and business and through internal awareness campaigns. ● Treat compliance as a high management priority, and develop measures to prevent and control potential issues as appropriate.
Natural disasters, infectious diseases, etc.	● There could be war, acts of terrorism, and supply chain disruptions caused by unpredictable events such as natural disasters, pandemics involving new infectious diseases, or disasters affecting suppliers.	● Conduct disaster drills, prepare earthquake disaster action plans, and establish business continuity plans to mitigate the effects of disasters to the extent possible. ● Advance supply chain business continuity management (BCM) to properly maintain and improve BCP ● Insure against losses arising from earthquakes. (However, the scope of indemnification is limited.)
Information security	● Computer virus infections, customer data leaks, failures of critical internal core systems, cyberattacks, or misuse of AI could result in information leaks, infringement of third parties' rights, or reputational damage on social media	● Conduct information security education for all employees ● Formulate and establish policies on cybersecurity measures and implement measures

Board of Directors (As of June 25, 2026)

Yasunori Ogawa

Chairman of the Board

Reasons for Selection

As Chairman of the Board of Directors, Mr. Ogawa ably fulfills functions of oversight for important management decisions and business execution. He will provide oversight from a company-wide perspective and contribute to enhancing corporate value.

Junkichi Yoshida

President and Representative Director

Reasons for Selection

Since assuming the position of Representative Director, Mr. Yoshida has worked toward the global transformation of our earnings base, drawing on his experience in overseas marketing, business strategy promotion, and development of business models utilizing digital technologies. He will continue to exercise strong leadership during this period of transformation and contribute to the enhancement of our corporate value.

Yasunori Yoshino

Director, Executive Officer

Reasons for Selection

Since assuming the position of Chief Operating Officer of the Visual Products business, Mr. Yoshino has strengthened and improved the company's earnings structure through business structural reforms. As General Administrative Manager of the Corporate Strategy Division, he was responsible for driving the formulation of our new long-term vision. He will continue contributing to the enhancement of our corporate value.

Akihiro Fukaishi

Director, Executive Officer

Reasons for Selection

Through his experience in sales function-focused business operations and secondment to overseas affiliates, Mr. Fukaishi has worked to strengthen the management foundation of the Group overall from a balanced company-wide and business-specific perspective. He will continue contributing to the enhancement of our corporate value.

Masayuki Kawana

Director, Full-Time Audit & Supervisory Committee Member

Reasons for Selection

Mr. Kawana possesses extensive work experience and a record of achievements, mainly in human resources. As a full-time Audit & Supervisory Committee member, he is well-versed in the company's internal and business status and has worked to ensure the effectiveness of the Audit & Supervisory Committee through close collaboration with outside directors. He will continue to contribute to ensuring the soundness of management.

Tadashi Shimamoto

Outside | Independent Director

Outside Director

Reasons for Selection

In addition to serving in top Independent Director management positions at Nomura Research Institute, Ltd., Mr. Shimamoto has considerable experience and deep knowledge in base technology, logistics, service, industry-related systems, and more. He will monitor corporate management appropriately by offering his opinions from the perspectives of overall management and DX/IT systems.

Masaki Yamauchi

Outside | Independent Director

Outside Director

Reasons for Selection

Mr. Yamauchi has served as president and chairperson of Yamato Holdings Co., Ltd. and has considerable insight and experience in corporate management.
He will monitor corporate management appropriately by offering his opinions from such perspectives as organizational management related to the fundamentals of corporate management.

Kahori Miyake

Outside | Independent Director

Outside Director

Reasons for Selection

Ms. Miyake promoted ESG strategies as an executive officer of AEON Co., Ltd. and is currently a fellow officer of Sumitomo Mitsui Trust Bank, Limited. She has also served as Executive Director of JCLP and will monitor corporate management appropriately by offering her opinions from the perspective of environmental management with her expertise in environmental and social contributions.

Michiko Ohtsuka

Outside | Independent Director

Outside Director, Audit & Supervisory Committee Member

Reasons for Selection

Ms. Ohtsuka has a high level of expertise as a certified public accountant and considerable insight and experience as an outside officer of a listed company. She will continuously contribute to monitoring management appropriately and ensuring sound management.

Akira Marumoto

Outside | Independent Director

Outside Director, Audit & Supervisory Committee Member

Reasons for Selection

At Mazda Motor Corporation, Mr. Marumoto was in charge of a wide range of administrative areas, including corporate planning and production and sales operations in the U.S. Since becoming president, he has dealt with various management issues and strengthened earning power, and his experience and knowledge will contribute to monitoring management appropriately and ensuring sound management.

Reiko Fuchigami

Outside | Independent Director

Outside Director, Audit & Supervisory Committee Member

Reasons for Selection

Ms. Fuchigami possesses advanced professional knowledge as an attorney and extensive experience in the legal profession, including serving as President of the Japan Federation of Bar Associations. She will contribute to monitoring management appropriately and ensuring sound management.

Areas of Particular Expertise (Skill Matrix)

The company believes that a diverse board of directors is useful for facilitating substantive board discussions that cover all angles. Therefore, our basic policy is to maintain a board that is well-balanced and composed of diverse persons who combine a broad spectrum of knowledge, experience, and skill in their respective areas of expertise. Since the Annual General Meeting of Shareholders in June 2023, outside directors have comprised the majority of the board of directors. We will continue to review the composition of the board, taking into account the Company's medium- to long-term direction.

Title	Name	Tenure as a director at the end of the 6/26/2026 general shareholders' meeting	Voluntary Committee		Independent Director	Areas of expertise and skills particularly expected by the company								
			Director Nomination Committee (◎ Chair)	Director Compensation Committee (◎ Chair)		Corporate Management	Development, Design, Business Development	Sales & Marketing	IT, Digital	Finance, Accounting, Investment	Compliance, Governance	HR Development, HR Management	Environment, Sustainability	Global Perspective
Chairman of the Board	Yasunori Ogawa	8 years					●				●		●	
President and Representative Director	Junkichi Yoshida	2 years	○	○		●		●	●					
Director, Executive Officer	Yasunori Yoshino	2 years					●		●	●				
Director, Executive Officer	Akihiro Fukaishi	1 year						●				●		●
Outside Director	Tadashi Shimamoto	3 years	◎	○	○	●	●		●					
Outside Director	Masaki Yamauchi	3 years	○	◎	○	●		●				●		
Outside Director	Kahori Miyake	2 years	○	○	○			●					●	●
Director, Full-Time Audit & Supervisory Committee Member	Masayuki Kawana	12 years								●	●	●		
Outside Director, Audit & Supervisory Committee Member	Michiko Ohtsuka	6 years	○	○	○					●	●	●		
Outside Director, Audit & Supervisory Committee Member	Akira Marumoto	2 years	○	○	○	●	●							●
Outside Director, Audit & Supervisory Committee Member	Reiko Fuchigami	—	○	○	○					●	●		●	

* Up to three areas of particular expertise are indicated.