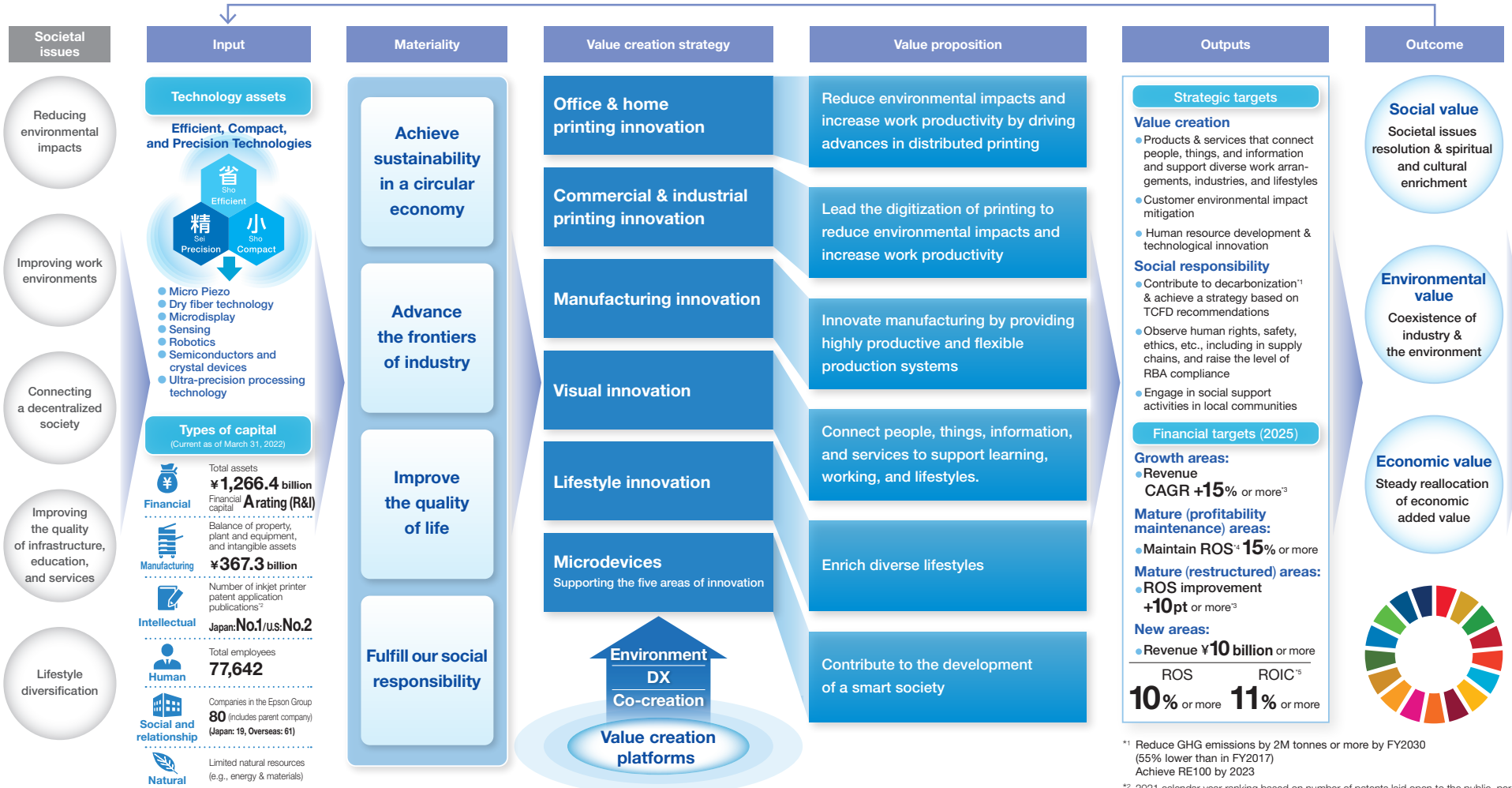


Sustainability and enriched communities



Societal issues

Reducing environmental impacts

Improving work environments

Connecting a decentralized society

Improving the quality of infrastructure, education, and services

Lifestyle diversification

Input

Technology assets
Efficient, Compact, and Precision Technologies

省 (Sho) Efficient
 精 (Sei) Precision
 小 (Sho) Compact

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

Types of capital
 (Current as of March 31, 2022)

Financial
 Total assets: **¥1,266.4 billion**
 Financial capital: **A rating (R&I)**

Manufacturing
 Balance of property, plant and equipment, and intangible assets: **¥367.3 billion**

Intellectual
 Number of inkjet printer patent application publications*: **Japan: No.1 / U.S.: No.2**

Human
 Total employees: **77,642**

Social and relationship
 Companies in the Epson Group: **80** (includes parent company) (Japan: 19, Overseas: 61)

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

Materiality

- Achieve sustainability in a circular economy
- Advance the frontiers of industry
- Improve the quality of life
- Fulfill our social responsibility

Value creation strategy

- Office & home printing innovation
- Commercial & industrial printing innovation
- Manufacturing innovation
- Visual innovation
- Lifestyle innovation
- Microdevices
Supporting the five areas of innovation

Environment
 DX
 Co-creation

Value creation platforms

Value proposition

- Reduce environmental impacts and increase work productivity by driving advances in distributed printing
- Lead the digitization of printing to reduce environmental impacts and increase work productivity
- Innovate manufacturing by providing highly productive and flexible production systems
- Connect people, things, information, and services to support learning, working, and lifestyles.
- Enrich diverse lifestyles
- Contribute to the development of a smart society

Outputs

Strategic targets

Value creation

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

Social responsibility

- Contribute to decarbonization¹ & achieve a strategy based on TCFD recommendations
- Observe human rights, safety, ethics, etc., including in supply chains, and raise the level of RBA compliance
- Engage in social support activities in local communities

Financial targets (2025)

Growth areas:

- Revenue **CAGR +15%** or more³

Mature (profitability maintenance) areas:

- Maintain ROS⁴ **+15%** or more

Mature (restructured) areas:

- ROS improvement **+10pt** or more³

New areas:

- Revenue **¥10 billion** or more

ROS **10%** or more ROIC⁵ **11%** or more

Outcome

- Social value**
Societal issues resolution & spiritual and cultural enrichment
- Environmental value**
Coexistence of industry & the environment
- Economic value**
Steady reallocation of economic added value



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

² 2021 calendar year ranking based on number of patents laid open to the public, per Epson research

³ YoY comparison

⁴ Business profit / revenue

⁵ Return on invested capital