Seiko Epson Corporation - Water Security 2023

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

We at Epson marked the company's 80th year in business in May of 2022. We have always exercised creativity and challenged ourselves to deliver products and services that exceed the expectations of our customers around the world by drawing on the efficient, compact, and precision technologies we have developed since our company was founded in 1942.

To continuously create new value that exceeds customer expectations and to deliver it worldwide, we will create new markets by collaborating with business partners and embracing open innovation. We will work with others who share our aspirations of using Epson's technologies to create new, environmentally conscious products and services and rapidly meet the needs of even more customers. And we will use our global network to deliver valuable services to markets and customers around the world.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	April 1 2022	March 31 2023

W0.3

(W0.3) Select the countries/areas in which you operate.

Brazil
China
Indonesia
Japan
Malaysia
Philippines
Singapore
Taiwan, China
Thailand
United Kingdom of Great Britain and Northern Ireland
United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

JPY

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which financial control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Water used at sales companies.	We exclude water used at sales companies occupying rental properties. These are properties mainly used as offices. These waters are used for sanitation and hygiene (WASH) services and in daily life and the volume is negligible compared to the total usage of the entire group.And the risk is considered low because these offices are in buildings rented by the Company and not managed by the Company, which is difficult to ascertain, and because the use is sanitation and hygiene (WASH) services related and processed by a third party. According to "Water Resources in Japan" published by Japan's Ministry of Land, Infrastructure, Transport and Tourism, the amount of water used in daily life is 289 litres per person per day. Of this amount, 37% is used in toilets and to wash hands, so we estimate that the amount of water used for WASH services per employee per day is 107L/person/day. There are approximately 7,000 employees working at the sales companies we excluded from our calculation. This means that annual (assuming 200 operating days a year) daily life related water use at the excluded sales companies is estimated to be approximately 145 megalitres.This is less than 2.0% of the Group's total water use. Considering worldwide water use levels and working hours at offices, the volume of water use per person is likely to be even lower than this.

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	JP341475AH94

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Vital	Epson uses large quantities of good quality freshwater in the manufacture of electronic components such as semiconductors. In the manufacture of semiconductors and other electronic components, water is needed for the process of cleaning components. The water taken is purified before use.Our suppliers adopt similar manufacturing processes to us and use large volumes of good quality freshwater. Therefore, the ability to use good quality freshwater in the operation of our plants is vital to the continued operation of both Epson and our suppliers. Neither Epson nor our suppliers anticipates any major changes in the importance of using good quality freshwater to continue similar operations in the future. Even as our business expands, we will actively work to improve the recycling rate of factory wastewater and comply with stricter water quality regulations.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	We use recycled water in production facilities and air conditioning equipment when manufacturing electronic components such as semiconductors. Our suppliers also have similar equipment and machinery and use recycled water. Therefore, the ability to use recycled water in the operation of our plants is important, even if it is not vital, to the continued operation of both Epson and our suppliers. Neither Epson nor our suppliers anticipates any major changes in our assessment of the importance of recycled water to continue similar operations in the future. Even as our business expands, we will actively work to improve the recycling rate of factory wastewater in order to reduce water withdrawals.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Continuously	Water withdrawals are normally measured continuously using a flowmeter at each site/facility. Epson has built an environmental information management system called SeeMS to monitor water withdrawals throughout the Group. Each month, the person in charge of each site/facility enters the volume of water withdrawn into SeeMS, which enables us to aggregate withdrawals from each site/facility on a company-wide basis.	The total amount of water withdrawn is monitored to control costs and monitor environmental impact on water resources at each site. Water withdrawals are measured by source, and data entered into SeeMS each month at each operating site is aggregated and managed by Epson as a whole.
Water withdrawals – volumes by source	100%	Continuously	Water withdrawals by source are normally measured continuously using a flowmeters installed at each water source. Epson has built an environmental information management system called SeeMS to monitor water withdrawals throughout the Group. Each month, the person in charge of each site/facility enters the volume of water withdrawn into SeeMS, which enables us to aggregate withdrawals from each site/facility on a company-wide basis.	The total amount of water withdrawn is tracked to monitor the environmental impact on water resources at each site and to control costs. Since the quality and environmental impact of water varies depending on the source, we track water withdrawals by source. The amount of water withdrawn is measured and controlled at each operating site.
Entrained water associated with your metals & mining and/or coal sector activities - total volumes [only metals and mining and coal sectors]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	Continuously	Epson withdraws water for use in daily life and in production. The water quality of water used in daily life is guaranteed by suppliers. Epson continuously measures the turbidity, pH, organic matter, and other values of the water used in production, according to its intended purpose of use.	Epson uses large quantities of water to clean electronic components, and the water used for cleaning is purified using water purification equipment before use. Water fed into water purification equipment is tested for turbidity, PH, etc. each time, as water quality must be above a certain level. The quality of water withdrawn is monitored for each facility and is monitored monthly using SeeMS at each operating site.
Water discharges – total volumes	100%	Continuously	The volume of water discharged is normally measured continuously using a flowmeter attached to the wastewater system. Epson has built an environmental information management system called SeeMS to monitor water withdrawals throughout the Group. Each month, the person in charge of each site/facility enters the volume of water discharged into SeeMS, which enables us to aggregate discharges from each site/facility on a company-wide basis.	The total amount of water discharged is tracked to monitor the environmental impact on water resources at each site and to control costs. Water may be discharged to the sewage system or water management companies and treated by a third party, or it may be discharged directly into rivers or other bodies of water. Water discharge volumes are tracked by treatment facility and discharge destination, and monitored monthly using SeeMS at each operating site.
Water discharges – volumes by destination	100%	Continuously	The volume of water discharged is normally measured continuously using a flowmeter attached to the wastewater system for each discharge destination. Epson has built an environmental information management system called SeeMS to monitor water withdrawals throughout the Group. Each month, the person in charge of each site/facility enters the volume of water discharged for each discharge destination into SeeMS, which enables us to aggregate discharges from each site on a company-wide basis.	The total amount of water discharged by destination is tracked to monitor the environmental impact on water resources at each site and to control costs. Water may be discharged to the sewage system or water management companies and treated by a third party, or it may be discharged directly into rivers or other bodies of water. Water discharge volumes are tracked by treatment facility and discharge destination, and monitored monthly using SeeMS at each operating site.
Water discharges – volumes by treatment method	100%	Monthly	The amount of water discharged by treatment method is monitored using pump operating hours and flowmeters installed at the wastewater treatment facilities at each site/facility. The frequency of measurement varies according to the wastewater treatment facility and may be monthly, daily, or constant.	The total amount of water discharged by treatment method is tracked to monitor the environmental impact on water resources at each site and to control costs. Water may be discharged to the sewage system or water management companies and treated by a third party, or it may be discharged directly into rivers or other bodies of water.
Water discharge quality – by standard effluent parameters	100%	Monthly	The water discharge quality parameters measured and the measurement frequency is determined based on the laws and regulations of the country or region where each site is located. Measurements are taken by an external analysis institute and the results are reported to each site. Each month, the person in charge of each site enters BOD, COD, SS and other data into SeeMS, which enables the Group department in charge to monitor the quality of discharged water at each site.	Monitoring of water discharge quality is conducted to ensure that water discharged from each site meets the standards set by the laws and regulations of the relevant country or region. Water discharge quality is controlled by operating site and by discharge destination. The Group's regulations on pollution prevention stipulate that each site should set its own self-management values which are stricter than those stipulated by law, as well as the operational control values necessary to meet the self-management values. Self-management standards have basically been set aiming for half of the legal standards, while operational control values have been set aiming for one-tenth of the legal standard. Emergency measures in the event that the respective standards are exceeded are also stipulated in the Group's regulations.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	100%	Quarterly	Water discharge quality inspections are conducted at each site on a quarterly to monthly basis. Pesticides are not measured as they are not used in the production process and no substances requiring monitoring are used in planting management. Nitrate, phosphate, and other priority substances in water discharged are measured if they are used in the production process, by an external analysis institute at the frequency stipulated by law.	The person in charge of each site enters data into SeeMS, which enables us to monitor water discharge quality at each site. Monitoring of water discharge quality is conducted to ensure that water discharged from each site meets the standards set by the laws and regulations of the relevant country or region. Nitrate, phosphate, and other priority substances in water discharged are measured at sites where such chemicals are used due to the risk involved in discharging them into water bodies. For example, at the Suwa Minami Plant, T-P, ammonia, ammonia compounds, nitrite nitrogen compounds and nitrate compounds, nitrite nitrogen and nitrous acid compounds, nitrate nitrogen, and nitrate compounds in water discharged are measured once a month.
Water discharge quality – temperature	100%	Continuously	The monitoring frequency of temperature of water discharged is determined based on the laws and regulations of the countries or regions where each site is located. Water temperature is measured by an external measuring institute or by employees using a water thermometer. Each month, the person in charge of each site/facility enters temperature data of water discharged into SeeMS, which enables us to monitor the temperature at each site/facility.	Monitoring of temperature of water discharged is conducted to ensure that water discharged from each site meets the standards set by the laws and regulations of the relevant country or region.
Water consumption – total volume	100%	Monthly	The Epson Group has built an environmental information management system called SeeMS to gather and disclose environmental data. Each month, the person in charge at each site enters the water withdrawal and water discharge volume into SeeMS, which enables us to calculate the total volume of water consumed, which is the volume of water withdrawn less the volume of water discharged.	The total amount of water consumed is monitored to control costs and monitor environmental impact on water resources at each site. Epson discharges most of the water it withdraws into local waters after use, but some water, such as water used for cooling, is consumed within the operating area. Water consumption is controlled by each operating site and by the difference between water withdrawal and water discharge.
Water recycled/reused	100%	Continuously	The Epson Group has built an environmental information management system called SeeMS to gather and disclose environmental data. Each month, the person in charge of each site/facility enters the volume of water reused into SeeMS, which enables us to monitor the volume of water being reused at each site/facility. The volume of water recycled is normally measured continuously using a flowmeter installed at each facility and the person in charge enters such data into SeeMS.	The volume of water recycled is monitored to control costs and monitor environmental impact on water resources at each site. Water consumption is managed by each operating site and by the difference between water withdrawal and water discharge. For water used on site, the volume of water withdrawn can be reduced by re-purifying after use. The volume of water recycled is measured at each facility and is monitored monthly by SeeMS at each operating site.

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
The provision of fully-functioning, safely managed WASH services to all workers	100%	Yearly	Epson undertakes hygiene management in accordance with the laws and regulations of the relevant country or region. Water quality tests are conducted at least once a year and the results are stored. Group standards have been established in accordance with the laws and regulations of each country and Responsible Business Alliance (RBA) requirements, which stipulate that water quality tests should be conducted at least once a year, and that the results should be stored.	Epson believes that maintaining and improving the health and safety environment as well as physical and mental well-being is central to its corporate philosophy. To ensure that all workers around the world can work safely and with vitality, we have established and are developing activities to promote occupational health and safety. Drinking water for workers is managed separately from water used in production and water with established water quality standards is usually purchased from public water companies. The frequency of cleaning sanitation equipment is established based on the regulations imposed on each site/facility and workplace regulations.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	8240	About the same	Other, please specify (Increased business activity and efficiency)	About the same	Other, please specify (Increased business activity and efficiency)	Water withdrawals in FY2022 were at the same level compared to FY2021. Although production is increasing, total withdrawals did not increase significantly due to efforts to reduce water consumption. In the medium-to long-term, the demand for water at production sites will increase as production increases, but we do not believe there will be any significant change in total water withdrawals as we are also taking measures to reduce water consumption
Total discharges	7282	About the same	Other, please specify (Increased business activity and efficiency)	About the same	Other, please specify (Increased business activity and efficiency)	Water withdrawals in FY2022 were at the same level compared to FY2021. Although production is increasing, total discharges did not increase significantly due to efforts to reduce water consumption. In the medium-to long-term, we do not anticipate any changes in total water withdrawal, and we do not believe there will be any significant change in the total discharge.
Total consumption	958	About the same	Other, please specify (Increased business activity and efficiency)	About the same	Other, please specify (Increased business activity and efficiency)	Water consumption in FY2022 was at the same level compared to FY2021. While production is increasing and water withdrawal is at the same level, we are controlling the increase in water consumption by introducing initiatives such as switching from water-cooling air conditioning facilities which consume water to air-cooling conditioning facilities. In the medium to long term, total consumption will increase as production increases, but we do not expect any significant change in total consumption as we are promoting measures such to reduce water use and to recycle water.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	No	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	WRI Aqueduct WWF Water Risk Filter Other, please specify (Survey of local personnel and water suppliers (questionnaires or interviews))	Epson assesses current and future risks related to water using multiple means and takes measures as necessary. Screening of areas with water stress, conducted as part of the drought risk study, indicated that some production sites in Japan, China, Southeast Asia, and South America are located in areas with water stress. Water stress areas are areas where either “baseline water stress” or “baseline water depletion” is “high” or higher when assessed using WRI Aqueduct, or “water depletion,” “blue water scarcity,” or “available water remaining (AWARE)” is 3 or higher when assessed using Water Risk Filter. At sites screened and identified as being in areas of water stress, a secondary survey (questionnaire or interview) was conducted targeting staff in charge at the local corporation and water suppliers to confirm that, at the current level of usage, a slight increase (approximately 30%) would not pose a problem from the perspective of local water environment conservation, and the sites were evaluated as not being under water stress. The climate change risk and opportunity assessment found no future operational risks for these sites, along with limited future changes in operational risks due to climate change. We will continue working to reduce water use and to continuously assess water risks in the actual basins in which our sites are located.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We use third party sources or groundwater (renewable) as the manufacture of printers, projectors and semiconductors, our core products, requires a stable supply and quality of water. For this reason, we are not currently using this water source and do not have any plans to use them in the future.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We use third party sources or groundwater (renewable) as the manufacture of printers, projectors and semiconductors, our core products, requires a stable supply and quality of water. For this reason, we are not currently using this water source and do not have any plans to use them in the future.
Groundwater – renewable	Relevant	773	About the same	Increase/decrease in business activity	Water is essential to the manufacture of printers, projectors and semiconductors, our core products. Groundwater provides us with a stable and inexpensive supply of good quality water and is essential to our operations. Withdrawals of renewable groundwater have increased slightly following increased business activity.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We use third party sources or groundwater (renewable) as the manufacture of printers, projectors and semiconductors, our core products, requires a stable supply and quality of water. For this reason, we are not currently using this water source and do not have any plans to use them in the future.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	We use third party sources or groundwater (renewable) as the manufacture of printers, projectors and semiconductors, our core products, requires a stable supply and quality of water. For this reason, we are not currently using this water source and do not have any plans to use them in the future.
Third party sources	Relevant	7467	About the same	Other, please specify (Increased business activity and efficiency)	Water is essential to the manufacture of printers, projectors and semiconductors, our core products. Third-party water sources consist of water for use in daily life and water for industrial use and are essential to our business operations as they provide a stable supply of water. Production at plants has been increasing since 2020, when our business operations were affected by COVID-19, but water consumption has remained at about the same level due to efforts to reduce water consumption and improve efficiency. More specifically, the use of relatively inexpensive water for industrial use is increasing, while the use of water for use in daily life, which is thoroughly treated by suppliers, is decreasing.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Relevant	2882	About the same	Other, please specify (Increased business activity and efficiency)	The manufacture of printers, projectors and semiconductors, our core products, uses large volumes of water. Although we encourage water recycling, we have no choice but to discharge excess water. Wherever possible, water is discharged into the general water system or the sewage system to prevent water pollution. The fluctuation in FY2022 was the same level as in FY2021. Although production volume increased from the previous fiscal year, water conservation measures have enabled us to limit the increase in the water discharge volume.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	There is no connection between Epson brackish surface water/seawater as Epson does not discharge water to this destination and does not plan to do so in the future.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	There is no connection between Epson and groundwater as Epson does not discharge water to this destination and does not plan to do so in the future.
Third-party destinations	Relevant	4400	About the same	Other, please specify (Increased business activity and efficiency)	The manufacture of printers, projectors and semiconductors, our core products, uses large volumes of water. Although we encourage water recycling, we have no choice but to discharge excess water. Wherever possible, water is discharged into general water system or the sewage system to prevent water pollution.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	2882	About the same	Increase/decrease in business activity	31-40	Water used in operations at sites and facilities is normally discharged to the sewerage system. In areas where there is no sewerage system, water is subject to tertiary treatment before being discharged into general water bodies. Epson uses water in the cleaning process of semiconductors and other electronic components, in the lives of employees, etc.In areas where there is no sewerage system, water is subject to primary, secondary and tertiary treatment before being discharged into general water bodies in order to remove pollutants such as nitrogen, phosphorus and heavy metals. Epson has established internal regulations to improve the quality of water discharged to a level higher than the legal standard. The Group's regulations on pollution prevention stipulate that each site should set its own self-management values for discharge and operational control values (reference values for detecting abnormalities in routine inspections). Self-management values have basically been set aiming for half of the legal standards, while operational control values have been set aiming for one-tenth of the legal standard. Water discharged to the sewerage system is then treated by the water supplier. Meanwhile, tertiary treatment is conducted for water discharged into general water bodies, and we confirm that the levels are below our self-management values.
Secondary treatment	Relevant	0	About the same	Increase/decrease in business activity	Less than 1%	Water used in operations at sites and facilities is normally discharged to the sewerage system. In areas where there is no sewerage system, water is subject to tertiary treatment before being discharged into general water bodies. Epson uses water in the cleaning process of semiconductors and other electronic components, in the lives of employees, etc.In areas where there is no sewerage system, water is subject to primary, secondary and tertiary treatment before being discharged into general water bodies in order to remove pollutants such as nitrogen, phosphorus and heavy metals. Epson has established internal regulations to improve the quality of water discharged to a level higher than the legal standard. The Group's regulations on pollution prevention stipulate that each site should set its own self-management values for discharge and operational control values (reference values for detecting abnormalities in routine inspections). Self-management values have basically been set aiming for half of the legal standards, while operational control values have been set aiming for one-tenth of the legal standard. Water discharged to the sewerage system is then treated by the water supplier. Meanwhile, tertiary treatment is conducted for water discharged into general water bodies, and we confirm that the levels are below our self-management values.
Primary treatment only	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	Water used in operations at sites/facilities is normally discharged into the sewerage system. Tertiary treatment is conducted to meet the discharge standards of each country and region when discharging water into the natural environment.Therefore, there is no effluent that falls under Primary treatment only and it is Not relevant.
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	Water used in operations at sites/facilities is normally discharged into the sewerage system. Tertiary treatment is conducted to meet the discharge standards of each country and region when discharging water into the natural environment.Therefore, there is no effluent that falls under Discharge to the natural environment without treatment and it is Not relevant.
Discharge to a third party without treatment	Relevant	4400	Higher	Increase/decrease in business activity	51-60	Water used in operations at sites and facilities is normally discharged to the sewerage system. In areas where there is no sewerage system, water is subject to tertiary treatment before being discharged into general water bodies. Epson uses water in the cleaning process of semiconductors and other electronic components, in the lives of employees, etc.In areas where there is no sewerage system, water is subject to primary, secondary and tertiary treatment before being discharged into general water bodies in order to remove pollutants such as nitrogen, phosphorus and heavy metals. Epson has established internal regulations to improve the quality of water discharged to a level higher than the legal standard. The Group's regulations on pollution prevention stipulate that each site should set its own self-management values for discharge and operational control values (reference values for detecting abnormalities in routine inspections). Self-management values have basically been set aiming for half of the legal standards, while operational control values have been set aiming for one-tenth of the legal standard. Water discharged to the sewerage system is then treated by the water supplier. Meanwhile, tertiary treatment is conducted for water discharged into general water bodies, and we confirm that the levels are below our self-management values.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	Water used in operations at sites/facilities is normally discharged into the sewerage system. Tertiary treatment is conducted to meet the discharge standards of each country and region when discharging water into the natural environment.There is no effluent that falls under Other and it is Not relevant.

W1.2k

(W1.2k) Provide details of your organization's emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

	Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	List the specific substances included	Please explain
Row 1	76	Nitrates Phosphates	<Not Applicable>	Epson uses nitrates and phosphates in some of its manufacturing processes. In this report, ammonia and ammonia compounds, nitrous acid compounds and nitrate compounds, nitrate nitrogen and nitrous acid compounds, nitrite nitrogen and nitrous acid compounds, and T-P were calculated by multiplying the discharge volume. Most water is discharged into the sewerage system, and the discharged water is treated by an external operator. In addition, some bases that discharge to the general water system are located downstream and there are no protected areas nearby.

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	1330000000000	8240	161407766.990291	Epson expects to steadily expand its business in the future. On the other hand, total water withdrawal efficiency (sales per water withdrawal) is expected to improve as we improve the efficiency of water use in our operations.

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	Yes	<Not Applicable>

W1.4a

(W1.4a) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

Regulatory classification of hazardous substances	% of revenue associated with products containing substances in this list	Please explain
Candidate List of Substances of Very High Concern for Authorisation above 0.1% by weight (EU Regulation)	61-80	At present, there are 16 substances, including lead, that are included on the candidate list of substances (SVHC) under the EU REACH Regulation and that are contained in our products at above 0.1% by weight. Products containing these 16 SVHCs account for approximately 70% of revenue. Among these, lead, for example, can be found in the copper alloy of the plugs of AC cables for printers and other electronic devices that operate on commercial power sources, which account for about 65% of our revenue. Specific substances and products are registered and disclosed in the ECHA's SCIP Database, which is operated under the EU Waste Framework Directive, as information must be communicated in accordance with the EU REACH Regulation. Epson has been collecting information on SVHCs since the review stage by authorities and is striving to reduce or replace SVHCs. However, most of the SVHCs in our products are technically impossible to reduce or replace. We will work to further actively reduce the use of hazardous substances if the laws and regulations that apply to our products are expected to be tightened in the future, such as when exemptions from the EU RoHS Directive are abolished or when substances are designated as restricted substances under REACH.
Candidate List of Substances of Very High Concern (UK Regulation)	61-80	The EU REACH Regulation and the UK REACH Regulation List of Substances of Very High Concern are essentially the same, and therefore the explanation is the same as above.
Other, please specify (RoHS Directive)	More than 80%	The EU RoHS Directive and other countries' RoHS regulations prohibit the use of hazardous substances in electrical and electronic products. However, under these regulations exemptions are permitted for the use of lead, cadmium, and mercury in electrical and electronic products such as printers and electronic devices, which account for more than 80% of our revenue. Exempted use under these laws and regulations are periodically reviewed, and so we are monitoring the products that use the specified substances in the exempted use and are working to reduce or substitute of the specified substances as necessary.
Official Mexican Standards (NOMs) / National Inventory of Chemical Substances	More than 80%	We don't use any substances falling under the official Mexican Standards (NOMs). In addition, since a National Inventory of Chemical Substances has not been officially established, we do not currently have any official controls in place. This inventory is a list of existing substances and therefore includes substances found in most products.
Brazilian Regulatory Standards	10-20	Brazil is currently considering establishing a national inventory. Since an inventory has not been officially established, we do not currently have any official controls in place, but once an inventory is established, we expect that some of the substances used in our chemical products will be included in the inventory. We are still labeling the relevant products based on Globally Harmonized System of Classification and Labelling of Chemicals (GHS).
Other, please specify (GHS category)	Less than 10%	For chemical products such as ink, in addition to carcinogens classified in GHS category 1A/1B, mutagens, and reproductive toxicants (CMR substances), endocrine disrupters listed in the UN SAICM report on EDCs, and substances on the Substitute It Now (SIN) list, the substances in group 2B on the IARC Monographs on the Identification of Carcinogenic Hazards to Humans are listed and managed on our own list of substances of concern, and we prohibit their use in principle. However, we use carcinogens classified under GHS category 1A/1B, mutagens, reproductive toxicants (CMR substances), IARC's Group 1 or 2A, and ZDHC carcinogens included in the US National Toxicology Program (NTP) in some of our chemical products such as industrial inks after conducting application-specific risk assessments to determine whether their use is acceptable, and such products currently account for less than 1% of our revenue. Labels and information are provided at the time of use.

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement	Primary reason for no engagement	Please explain
Suppliers	Yes	<Not Applicable>	<Not Applicable>
Other value chain partners (e.g., customers)	Yes	<Not Applicable>	<Not Applicable>

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

Assessment of supplier impact

Yes, we assess the impact of our suppliers

Considered in assessment

Basin status (e.g., water stress or access to WASH services)
Supplier dependence on water
Supplier impacts on water availability
Supplier impacts on water quality
Procurement spend

Number of suppliers identified as having a substantive impact

293

% of total suppliers identified as having a substantive impact

76-99

Please explain

Water-related risks at suppliers are assessed as part of our Socially Responsible Procurement Program. The survey will be conducted among Epson Supply- suppliers with significant impacts based on transaction value (top 80%), geography, and items traded.Self-Assessment Questionnaire (SAQ) responses from suppliers are comprehensively evaluated and ranked.
If risks are assessed to be high, we have a system to conduct on-site verifications and provide improvement support.Under this program, with respect to water, we assess suppliers' systems for responding to floods and other disasters and their plans to reduce resources, including water.
The program assesses plans to reduce resources, including water,. our suppliers' management of water use, their WASH services and sanitation equipment in the cafeteria.

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization's purchasing process?

	Suppliers have to meet specific water-related requirements	Comment
Row 1	Yes, water-related requirements are included in our supplier contracts	<Not Applicable>

W1.5c

(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Water-related requirement
Complying with going beyond water-related regulatory requirements

% of suppliers with a substantive impact required to comply with this water-related requirement
76-99

% of suppliers with a substantive impact in compliance with this water-related requirement
76-99

Mechanisms for monitoring compliance with this water-related requirement
Community-based monitoring

Response to supplier non-compliance with this water-related requirement
Retain and engage

Comment
The requirements for suppliers regarding water under the RBA include not only compliance with laws and regulations, but also management as a documented program.
Each year, we assess whether our suppliers are complying with water-related requirements as part of our Socially Responsible Procurement Program, and if risks are assessed to be high, suppliers are judged to have a substantive strategic impact and we have a system to conduct on-site verifications, request improvements and provide support.
We also conduct Environmental Impact Surveys of suppliers, including water consumption, to gain a more detailed understanding of the actual situation.

Water-related requirement
Providing fully-functioning, safely managed WASH services to all workers

% of suppliers with a substantive impact required to comply with this water-related requirement
76-99

% of suppliers with a substantive impact in compliance with this water-related requirement
76-99

Mechanisms for monitoring compliance with this water-related requirement
Community-based monitoring

Response to supplier non-compliance with this water-related requirement
Retain and engage

Comment
Our requirements for suppliers regarding water under the RBA include that toilets and cafeterias and so on be maintained and operated in a clean and well maintained manner and in compliance with local health regulations.
Each year, we assess whether our suppliers are complying with water-related requirements as part of our Socially Responsible Procurement Program, and if risks are assessed to be high, suppliers are judged to have a substantive strategic impact and we have a system to conduct on-site verifications, request improvements and provide support.
We also conduct Environmental Impact Surveys of suppliers, including water consumption, to gain a more detailed understanding of the actual situation.

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

Type of engagement
Information collection

Details of engagement
Collect water management information at least annually from suppliers
Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)

% of suppliers by number
1-25

% of suppliers with a substantive impact
76-99

Rationale for your engagement
As part of the Socially Responsible Procurement Program, Epson collects and evaluates information from key suppliers who account for more than 80% of our global procurement spend, using a questionnaire (SAQ) developed independently by Epson based on the RBA standards. 80% of this procurement spend can be attributed to approximately 20% of the total number of suppliers. These suppliers are highly critical to our business continuity. We believe that the number of suppliers selected is sufficient to derive the benefits of our supplier engagement activities.
Key suppliers can do business with us on an ongoing basis by responding to the SAQ. We call on suppliers directly to respond to the SAQ during our "Supplier Conference for CSR". In the 2021 performance survey (conducted in FY2022), 90% of the targeted suppliers responded.

Impact of the engagement and measures of success
As part of our Socially Responsible Procurement Program, we evaluate suppliers based on their water requirements, and if they are assessed as having a high risk,we have a system in place to conduct on-site verification, request improvements, and provide support.
By gathering information through this survey, we can reduce water-related risks and prevent the financial impact of water-related risks by requesting improvements and providing support to high-risk suppliers.
The survey consists of questions related to the environment and occupational health and safety.
We investigate (1) not only compliance with laws and regulations, but also management as a documented program and (2) toilets and cafeterias be maintained and operated in a clean and well maintained manner and in compliance with local health regulations and so on as requirements regarding water.
Evaluations are based on a comprehensive aggregation of responses to these questions and are classified into three groups: low risk (86 points or more), medium risk (66-85 points), and high risk (65 points or less). Epson's measure of success in this activity is to achieve 0% high-risk by FY2020: Achieved in FY2020. Currently, we aim to have all major suppliers ranked as low risk in terms of CSR by 2025.
The percentage of suppliers judged to be low risk is increasing year by year. In the 2020 survey, it was 84%, but in the 2021 survey, it was 91%.
FY2021 Survey (CONDUCTED IN FY2022)
-High risk: 65 points or less；0％
-Medium risk: 66-85 points；9％
-Low risk: 86-100 points；91％
We aim to have all suppliers ranked as low risk in terms of CSR by 2025. 91% of suppliers were considered low risk in the CY2021 survey(Implemented in FY2022).
The results of responses to individual requirements are not disclosed.

Comment
Epson is a member of the Responsible Business Alliance (RBA), dedicated to corporate social responsibility in the global supply chain.
The RBA has a Code of Conduct to improve the environment, including water, and the working environment.
Epson requires its suppliers to submit a letter agreeing to abide by the RBA Code of Conduct when executing contracts with suppliers and we check their compliance with the code annually. (Socially Responsible Procurement Program)

W1.5e

(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

Type of stakeholder
Customers

Type of engagement
Innovation & collaboration

Details of engagement
Collaborate with stakeholders on innovations to reduce water impacts in products and services

Rationale for your engagement
In October 2022, Epson entered into a partnership with the fashion brand YUIMA NAKAZATO. This partnership aims to promote the production of high-quality apparel while reducing environmental impact using Seiko Epson's digital textile printing technology.
Digital textile printing technology can reduce the quantity of water, ink, and chemicals used. The amount of water used can be reduced to one-tenth of the normal amount because "steaming" and "washing" in the process after textile printing are unnecessary.
We will collaborate with YUIMA NAKAZATO for three years with the aim of transforming the fashion industry by experimenting with a value chain that does not produce waste, such as realizing production at the right time, in the right quantity, and in the right place.

Impact of the engagement and measures of success
As a result to assess the success of this collaboration, a new collection of clothing upcycled from used clothing using Epson's digital textile printing technology and dry fiber technology was used in YUIMA NAKAZATO's collection presented at Paris Haute Couture Fashion Week Spring - Summer 2023, which took place in France in January 2023. As a result, together with YUIMA NAKAZATO, we have transmitted information into the fashion industry on the technologies, processes, and mechanisms that enable the creation of high-quality garments that meet the diverse needs of individuals while reducing environmental impact. This initiative has been well received.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Fines, enforcement orders, and/or other penalties	Comment
Row 1	No	<Not Applicable>	

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified	Please explain
Row 1	Yes, we identify and classify our potential water pollutants	Epson's Regulations on Pollution Prevention identify substances specified by countries and regions as being water pollutants for each operating site. Substances specified by countries and regions are revised from time to time, and we believe that responding to these revisions will lead to the identification and classification of potential water pollutants. As an example, the water quality of water discharged from our sites in Japan is analyzed for items specified in the Water Pollution Prevention Act, and the method and frequency of such analysis is based on the details stipulated in the Act. For example, the Act stipulates that the discharge standard for cadmium and its compounds be 0.03 mg Cd/L, and that measurement be taken at least once a year. Epson controls half of these values as self-management values and one-tenth as operational control values, and takes measurements multiple times a year.	<Not Applicable>

W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category
Inorganic pollutants

Description of water pollutant and potential impacts
Epson's Pollution Prevention and Control Regulations identify substances designated by the government and regions as water pollutants for each site of operation. The national and regional substances are revised from time to time, and we believe that responding to these revisions will lead to the identification and classification of potential water pollutants.
Substances designated by the Water Pollution Prevention Act (part): Cd, Pb, Cr, As, F, CN compounds, mercury and alkylmercury and other mercury compounds, organic phosphorus compounds, benzene and other toxic organic substances, etc.

Value chain stage
Direct operations
Supply chain

Actions and procedures to minimize adverse impacts
Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience
Resource recovery
Beyond compliance with regulatory requirements
Implementation of integrated solid waste management systems
Industrial and chemical accidents prevention, preparedness, and response
Water recycling
Reduction or phase out of hazardous substances
Requirement for suppliers to comply with regulatory requirements
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements
Upgrading of process equipment/methods

Please explain
Water quality tests are conducted regularly on water discharged from the operating sites to check that it meets the required water quality standards for each discharge destination.This will be the biggest success or failure assessment In addition, we conduct necessary treatment of discharged water, including secondary and tertiary treatment, depending on route to be taken by the discharged water.
Recyclable discharged water is recycled to increase water use efficiency.
These processing facilities/methods are being upgraded to further reduce the environmental impact. As an example which was awarded the President Award in FY2022, the SEP Plating Division (Singapore) installed a water recycling equipment and increased its water recycling rate from 61% (FY2017) to 76% (FY2021).
We are developing infrastructure such as dikes, secondary receptacles, and double piping as measures to prevent leaks. In addition, emergency response preparations and drills are regularly conducted to be prepared in the event of a leak.
We have established regulations for waste management, and we strive to promote recycling while sorting waste for collection at each site and proper disposing of waste in accordance with the regulations of each country.
We confirm that suppliers agree to and are in compliance with the RBA Code of Conduct, which sets forth a code of conduct that goes beyond regulatory requirements to improve the water and working environments.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?
Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage
Direct operations

Coverage
Full

Risk assessment procedure
Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment
Annually

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Tools on the market
Other

Tools and methods used
WRI Aqueduct
WWF Water Risk Filter
Internal company methods
External consultants

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level

Stakeholder conflicts concerning water resources at a basin/catchment level
Impact on human health
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Customers
Employees
Investors
Local communities
NGOs
Regulators
Suppliers
Water utilities at a local level
Other water users at the basin/catchment level

Comment

Value chain stage
Supply chain

Coverage
Full

Risk assessment procedure
Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment
Annually

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Tools on the market
Other

Tools and methods used
Internal company methods
External consultants

Contextual issues considered
Water availability at a basin/catchment level
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Employees
Suppliers

Comment
Our supply chain ethics requirements are based on the Code of Conduct of the Responsible Business Alliance (RBA), of which Epson is a member. Epson, which has mapped each of its supply chain initiatives to one or more of the Sustainable Development Goals (SDGs) of the United Nations, will help to achieve the SDGs by taking action throughout the supply chain.
The SAQ survey of suppliers is conducted by screening the top 80% of companies by transaction value. The survey was administered to approximately 300 companies in CY2021(Aggregate in FY2022).

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	Water risk assessment concerning our direct operations is carried out as part of the climate change risk and opportunity assessment (in-house method) led by the department in charge of CSV and CSR, and assesses physical risks related to water (flooding and high tides) and drought risks now and in the future when climate change has advanced (2050, 2090 or 2085). Other water risk factors (water availability, water quality, conflict, biodiversity importance, water, sanitation and hygiene (WASH) services, etc.) relating to our direct operations are assessed by the department in charge of environmental issues using the WRI Aqueduct and WWF Water Risk Filter at all Group sites. In addition, when necessary, we conduct surveys to ascertain the current situation from the person in charge of the local site and relevant organizations. Water risk assessments for suppliers are conducted as part of our Socially Responsible Procurement Program by sending suppliers a Self-Assessment Questionnaire (SAQ) which includes water-related questions such as the types of wastewater, wastewater treatment methods, and systems for dealing with floods and other disasters. The risk assessment covers all suppliers, however, in the interest of feasibility, we request that the top 80% of suppliers respond to the SAQ. We rank suppliers and provide feedback. We receive advice from external consultants on how to conduct these water risk assessments to continuously improve the way we conduct assessments.	- Water availability - Stakeholder conflicts - Biodiversity We use a lot of water in our operations and it is important to assess the availability of water in our river basins. We need to manage water consumption and quality as well as to communicate with local communities and other water users in the river basin to avoid conflicts and friction. We also need to work with local communities to conserve ecosystems and habitats. - Water quality - human health -Biodiversity There is a risk that the living environment of local residents will be threatened and customers' and investors' trust will be lost if wastewater that exceeds regulatory values is discharged. There is also a risk that ecosystems and habitats will be destroyed if the incident occurs - Implications of water on your key commodities/raw materials The impact of a drought, for example, that makes it difficult for our direct operations and suppliers to withdraw water would be enormous. - Water regulatory In order for operations to proceed without delay, the use of water, and especially the quality of wastewater, must comply with the regulatory values set by governments and local authorities. Disruptions to the supply of water from water utilities and increases in water rates are a major risk to our business continuity. - WASH services Without the ability to access sufficient quantities of safe drinking water and wash services, there is a risk of an impact on the health of employees and an impact on plant operations.	-Local communities/other water users in the river basin: In direct operations, we need to manage water consumption and quality as well as communicate with local communities and other water users in the river basin to avoid conflicts and friction. -Government/regulatory authorities: To keep the business running without delay the use of water, especially drainage water quality, must comply with the regulatory values set by governments and local authorities . -Customers/investors/NGOs: There is a risk of a loss of customers' and investors' trust if wastewater that exceeds regulatory values is discharged. We consider them to be entities that represent the demands of society. -Employees; Employees are the resource responsible for managing these water uses and wastewater. -Suppliers: We also have suppliers in our supply chain that use large volumes of water to manufacture the raw materials they supply to us. -Water utilities at a local level: Approximately 90% of the water we use at our direct operations is purchased from water utilities. Therefore, disruptions to the supply of water from water utilities and increases in water rates are a major risk to our business continuity.	The water-related risks assessed here are reviewed by the Corporate Strategy Council and reported to the Board of Directors, and then reflected in medium- to long-term buisiness strategies and financial plans for the entire company and each business unit. These risks are then discussed and deliberated by the Corporate Strategy Council and if the risks are deemed to be significant, the Board of Directors decides response measures and manages the progress of the response. We then support suppliers' improvement activities through on-site verifications and audits of high-risk suppliers.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

<Direct Operations>

Our assessment of climate change risks and opportunities, including our assessment of water-related risks at direct operations, establishes the following impact levels:

-High: 10 billion yen or more per year

-Medium: 1-10 billion yen per year

-Low: Less than 1 billion yen per year

If a risk assessment deems the impact to be “High” we consider the financial impact to be substantive.

Under our overall company-wide risk management system, we have traditionally treated an approximately 1% impact on sales as a level that makes it difficult to conduct business and we have adopted this rule of thumb in our assessment of climate change risks and opportunities. Based on this definition, given that Epson’s FY2022 sales were 1330.3billion yen, 1% of that amount (10 billion yen) is the threshold for judging the impact to be “High”, in other words, there is a substantive financial impact. Water-related physical risks, such as damage to business sites/facilities due to flooding and rising sea levels, were included in our assessment of water risks. When we updated the results of our 2020 risk assessment in 2021, the results indicated that the impact of severe weather events due to climate change was relatively small with respect to water-related physical risks, and there were no water-related physical risks or specific examples of physical risks with a “high” impact.

<Suppliers>

Water-related risks at suppliers are assessed as part of our Socially Responsible Procurement Program, and Self-Assessment Questionnaire (SAQ) responses from suppliers are comprehensively evaluated and ranked as follows:

-High risk: 65 points or less

-Medium risk: 66-85 points

-Low risk: 86-100 points

If risks are assessed to be high, suppliers are judged to have a substantive strategic impact and we have a system to conduct on-site verifications and provide improvement support.

Under this program, with respect to water, we assess suppliers’ systems for responding to floods and other disasters and their plans to reduce resources, including water. The 2021 assessment results (Survey conducted in FY2022) did not identify any high-risk suppliers or specific risk cases.

W4.2b

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Epson assesses current and future risks related to water using multiple means and takes measures as necessary. Water risk assessment concerning our direct operations is carried out as part of the climate change risk and opportunity assessment (in-house method) led by the department in charge of CSV and CSR, and physical risks related to water (flooding and high tides) and drought risks now and in the future (RCP8.5 as a pessimistic scenario and RCP2.6 as an optimistic scenario in 2050, 2090 or 2085 when climate change has advanced) were assessed by our contractor, a P&C insurance company group assessment agency. The results indicated that although none of the sites fell into the highest risk level in the overall risk indicators of both assessment tools, which take into account aspects such as physical water resources and water pollution risk, some production sites in Japan, China, Southeast Asia, and South America are located in areas with water stress. Water stress areas are areas where either “baseline water stress” or “baseline water depletion” is “high” or higher when assessed using WRI Aqueduct, or “water depletion,” “blue water scarcity,” or “available water remaining (AWARE)” is 3 or higher when assessed using Water Risk Filter. At sites screened and identified as being in areas of water stress, a secondary survey (questionnaire or interview) was conducted targeting staff in charge at the local corporation and water suppliers to confirm that, at the current level of usage, a slight increase (approximately 30%) would not pose a problem from the perspective of local water environment conservation, and the sites were evaluated as not being under water stress. The climate change risk and opportunity assessment found no future operational risks for these sites, along with limited future changes in operational risks due to climate change. We will continue working to reduce water use and to continuously assess water risks in the actual basins in which our sites are located.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	As part of our Socially Responsible Procurement Program, Epson collects and evaluates information from key suppliers who account for 80% of our global procurement spend, using a questionnaire (SAQ) developed independently by Epson based on the RBA standards. There are questions relating to the environment on the SAQ, including those relating to water, for example questions on the type of wastewater, the treatment method, systems for dealing with floods and other disasters, and plans for reducing resources, including water. As a result of risk assessments based on the following substantive impact threshold relating to suppliers in our Socially Responsible Procurement Program responded to in W4.1a, we did not find any high risk suppliers. Therefore, we have not identified any water-related risks that may have a substantive impact on suppliers. - High risk: 65 points or less - Medium risk: 66-85 points - Low risk: 86-100 points In our latest Socially Responsible Procurement Program, 293 companies were evaluated and we had the following results. - High risk: 0 % - Medium risk: 9% - Low risk: 91%

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Products and services

Primary water-related opportunity

Sales of new products/services

Company-specific description & strategy to realize opportunity

Epson anticipates market growth in the area of effective use of resources and positions these as environmental businesses and business opportunities.
We recognize that a large amount of fresh water is needed to recycle paper and believe that solving this issue will lead to the conservation of water sources and water-related opportunities.
—PaperLab
In 2015 we developed PaperLab, a dry office papermaking machine capable of recycling paper in the office. PaperLab uses Epson's proprietary technology to make new paper from used paper with almost no water.
Epson proposes Eco-Conscious Offices to customers that are sustainable in terms of resources, working styles, and the environment, as an office environment suited to the SDG era and we have started to introduce such offices at our own sites/facilities.
Through PaperLab, we hope to build a sustainable society by helping our customers reaffirm the value of paper and realize the value of environmental initiatives through paper recycling, and by expanding the scope of such environmental initiatives. To this end, we aim to make "PaperLab" a solution that further reduces environmental impact, and to continue to expand the environmental value created by "PaperLab" throughout the world.
In December 2020, a new PaperLab concept model was unveiled to the world at the Epson booth at EcoPro 2022, an environmental exhibition held at Tokyo Big Sight. Compared to the previous model, the new concept model has been improved by being made compact and by installing a separate dedicated shredder, which enables paper to be shred at various locations and the safe collection of used paper.
—Digital printing machine Monna Lisa
The Monna Lisa digital textile printing machine, a new product in the ML-32000 series, was launched in FY2022. We have entered into a partnership with the fashion brand YUIMA NAKAZATO and we supported the presentation of a new collection for the Paris Haute Couture Fashion Week Spring- Summer 2023 held in January 2023.
In its medium-term management plan (FY2021-FY2025), Epson has positioned PaperLab as business launch field, aiming for revenue of 10 billion yen or more by 2025. Sales in FY2022 are 300 million yen, and although elemental technology development is progressing, commercialization is not progressing. On the other hand, the business area including the digital textile printing machine "Monna Lizsa" is positioned as a growth strategies field and targets a CAGR of 15%. CAGR up to FY2022 was +16%.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

1000000000

Potential financial impact figure – maximum (currency)

10000000000

Explanation of financial impact

Epson conducted scenario analysis in the transition risk, physical risk, and opportunity categories to assess the importance of climate change related risks and opportunities. "Progress in the paper circulation cycle in the office" has been selected as an opportunity assessment target and assessments are conducted by establishing the following two scenarios to assess the importance of the assessment target.
-Increased paper recycling costs due to higher used paper prices and confidential document collection and disposal costs
-Popularized paper recycling culture in the office by improving environmental awareness and confidentiality management, and developing recycling technology, etc.
Our assessments found that opportunities to sell PaperLab increased due to increases in the cost of recycling paper and the popularization of paper recycling culture. The impact of this opportunity assessment target has been rated "medium", in other words, the financial impact is rated between 1 and 10 billion yen per year, and there is a medium-term manifestation period, in other words, between 10 and 50 years.
In its medium-term management plan (FY2021-FY2025), Epson has positioned PaperLab as business launch field, aiming for revenue of 10 billion yen or more by 2025. Sales in FY2022 are 300 million yen, and although elemental technology development is progressing, commercialization is not progressing. On the other hand, the business area including the digital textile printing machine "Monna Lizsa" is positioned as a growth strategies field and targets a CAGR of 15%. CAGR up to FY2022 was +16%.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Commitment to align with international frameworks, standards, and widely-recognized water initiatives Commitment to prevent, minimize, and control pollution Commitment to reduce or phase-out hazardous substances Commitment to reduce water withdrawal and/or consumption volumes in supply chain Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace Commitment to water stewardship and/or collective action Commitments beyond regulatory compliance Reference to company water-related targets Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	In our Sustainability Report (SR), we indicate our basic policies and perceptions relating to water.This is the Epson Group's company-wide policy. Specifically, the SR explains and states the following: - Water is closely linked to other environmental factors including climate change - Our business activities rely on water and affect the external water environment - The importance that all employees have access to safe drinking water and a sanitary water environment Quantitative Targets: To improve business profit intensity and total water withdrawal from the previous year Water Quality Objectives: discharge to a level higher than the legal standard This target and goal correspond to our water-related performance standards for direct operations. Epson has announced our commitment to contributing to the SDGs in the name of our president (CEO). We have established “Creating new products and services with leading technology” as one of our water-related Key CSR themes, thereby contributing to the innovation of water-related technologies. Consent to the human right to water and sanitation: We are a member of the Responsible Business Alliance (RBA), a global alliance of companies in the electronics industry that promotes CSR. And Linking the company's materiality and key sustainability themes to the SDG targets. As part of our Socially Responsible Procurement Program, Epson collects information from and evaluates suppliers using our own questionnaire (SAQ) based on the RBA’s auditing standards. Specific examples of questions relating to water in the SAQ include questions about the type of wastewater, the treatment method, and systems for dealing with floods and other disasters, and the responses we receive are used to evaluate suppliers for procurement purposes. Lake Suwa is located in the Suwa area where Epson headquarters is located. Local governments, citizens, and organizations in the region have organized the "Suwa Lake Creation Vision Promotion Council" to improve the water quality and desirable use of the lake. Epson is committed to this council through the Suwa Branch of the Nagano Environmental Conservation Association, which is organized by local companies. In order to appropriately disclose information externally, Epson bases information disclosure on compliance with core options in the GRI standards, an international initiative for sustainability reporting, that includes water, and publishes a GRI standards comparison table, that includes water.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-related issues
Chief Executive Officer (CEO)	All final decisions on environmental management, including water and climate change, are made and enforced by the Board of Directors, which is chaired by the Chairman. The Board of Directors manages information on environmental management, including water and climate change related issues and maintains a process for confirming what we should do based on that information at lower levels meetings. Environmental activities related to water and climate change are a Group-wide activity, and therefore fall under the responsibility and authority of our Group's Chief Executive Officer (President). In FY2020, the Board of Directors made revisions to Environmental Vision 2050 and made decisions on Epson 25 Renewed. And the final decision of revisions to Environmental Vision 2050 and Epson 25 Renewed was made by the President (CEO). Example of a decision related to water made by our CEO (President): In FY2021, the results of our climate change risk and opportunity assessment, including the assessments of physical risks relating to water (flooding, high tides and droughts) at direct operations, the impact on operations, and the financial impact are ultimately approved by our Board of Directors and CEO, following a directional review by our Sustainability Strategy Council.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Monitoring progress towards corporate targets Overseeing acquisitions, mergers, and divestitures Overseeing and guiding public policy engagement Overseeing and guiding scenario analysis Overseeing major capital expenditures Overseeing the setting of corporate targets Overseeing value chain engagement Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation/R&D priorities Setting performance objectives	The Board of Directors makes decisions on basic business policies, important business affairs, and other matters that the Board of Directors is responsible for deciding as provided for in internal regulations. Business affairs that the Board of Directors is not responsible for deciding are delegated to executive management, and the Board monitors these. As such, matters discussed by the Board of Directors are limited to motions of the highest importance (e.g., governance, capital policy, compliance, risk management, deliberations on megatrends and mid- to long-term strategies). Environmental activities, including water-related issues, are also considered one of the highest important issues. Management meeting bodies have been established for executing operations. Among them is the Corporate Strategy Council, which usually meets about once a week to allow Directors, Executive Officers, and Special Audit & Supervisory Officers to exhaustively discuss important business themes that affect the entire Epson Group and matters brought up before the Board of Directors. Environmental initiatives, including water-related issues, are positioned as a important business theme, and the executive officer in charge of the environment regularly reports to the Corporate Strategy Council. The Council discusses reviews to targets and strategies for the environmental initiatives and revises budgets and plans in line with such reviews, and then submits the result of their discussions to the Board of Directors.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	No, but we plan to address this within the next two years	<Not Applicable>	Other, please specify (Regular reports are made and discussions are held by the executive officer in charge of environmental issues, who is responsible for a specialised organisation under the Board of Directors)	Scenario analyses and target reviews to respond to environmental issues including water related issues are regularly reported by the executive officer in charge of environmental issues, who is responsible for a specialised organisation under the Board of Directors, and discussed at the Board of Directors. For this reason, the Board of Directors considers that it has a certain level of competence on environmental issues including water related issues and has not appointed a director specifically responsible for those issues. However, in the future, we plan to appoint a director with competence to accelerate our efforts towards realizing Environmental Vision 2050. That person will be invited to join the Board of Directors as outside director with the expectation that he or she will provide useful recommendations on environmental issues including water related issues for the company from an objective position.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)
Chief Executive Officer (CEO)

Water-related responsibilities of this position
Assessing future trends in water demand
Assessing water-related risks and opportunities
Managing water-related risks and opportunities
Conducting water-related scenario analysis
Setting water-related corporate targets
Monitoring progress against water-related corporate targets
Managing public policy engagement that may impact water security
Managing value chain engagement on water-related issues
Integrating water-related issues into business strategy
Managing annual budgets relating to water security
Managing major capital and/or operational expenditures related to low water impact products or services (including R&D)
Managing water-related acquisitions, mergers, and divestitures
Providing water-related employee incentives

Frequency of reporting to the board on water-related issues
More frequently than quarterly

Please explain
The Corporate Strategy Council meets on a weekly basis to deliberate important execution of business as an advisory body to the CEO. The Council was established as a place for executives to discuss important management topics pertaining to the entire Group and is chaired by the CEO (President). Environmental initiatives, including water risks, are positioned as a key management theme, and the executive officer in charge of environment reports such initiatives to the Corporate Strategy Council. As an example of water-related case study, in FY2021, we assessed the water-related physical risks (flooding, high tides and droughts) at direct operations as part of our climate change risks assessment, and the water-related risks assessed here have been reviewed by the Council and reported to the Board of Directors.
The President (CEO) is responsible for the final decision on matters related to our environmental management and environmental activities, including water related issues.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Monetary reward	Chief Executive Officer (CEO)	Company performance against a sustainability index with water-related factors (e.g., DJSI, CDP Water Security score, etc.) Other, please specify (ESG management (environment assessment, CSR survey ranking) including water related issues.)	From the perspective of creating a more practical sustainability governance structure, monetary awards for board members is restricted stock compensation linked to the 4 sustainability key theme indicator items which are tied to materiality. One of these sustainability indicators is an assessment of the company's achievement of the Environmental Vision 2050.	ESG management (environment assessment, CSR survey ranking) as a qualitative evaluation based on the progress of strategies toward achieving the operating performance targets of the Epson 25 Renewed.
Non-monetary reward	Director on board Other C-suite Officer (Executive Officers) Other, please specify (Presidents of subsidiary companies)	Reduction of water withdrawals – direct operations Reduction in water consumption volumes – direct operations Improvements in water efficiency – direct operations Improvements in wastewater quality – direct operations Increased access to workplace WASH – direct operations	Our President Award include an environmental award, as a non-monetary award system aimed at recognizing business units (including directors and executive officers in charge of business units) and sites/facilities (including presidents of subsidiary companies) that have demonstrated high performance through outstanding overall environmental activities. In relation to water, units and sites/facilities that reduce water consumption, improve water use efficiency, improve wastewater quality, and improve water-related sanitation are eligible for the award. Many of these water related activities at business units and sites/facilities have relation to our water policies (detailed at W6.1a).	Units and sites/facilities are comprehensively evaluated on a 100 point scale in terms of their specific environmental activities such as reducing water consumption, environmental management, and environmental indicator achievement, and the units and sites/facilities that achieve 80 points or more are eligible to receive an environmental award of excellence. Which was awarded the President Award in FY2022, the SEP Plating Division (Singapore) installed a water recycling equipment and increased its water recycling rate from 61% (FY2017) to 76% (FY2021).

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?
No

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	21-30	In March 2021, we revised our Environmental Vision 2050, which describes our vision for where we want to be in 2050, as a long-term strategic business plan for the environment. The environmental aspects of our long-term vision, Epson 25 Renewed, which is based on the Environmental Vision 2050, states that we are committed to decarbonization and resource recycling, as well as to providing products and services that reduce the impact on the environment and to promoting the development of environmental technologies. Our Environmental Vision 2050 aims for the appropriate use of natural capital as a renewable resource, and water-related issues are included in this vision. Epson is committed to the sustainable use of water, a form of natural capital. In order to achieve the desirable state (sustainable use of water) defined in the Environmental Vision 2050, we will research and develop products and technologies that solve water-related issues and take measures to improve the efficiency of water use. Since water is closely related to other environmental aspects, including climate change, we will also take measures to address future risks of flooding and droughts due to changes in environmental aspects.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	21-30	Our Environmental Vision 2050 aims to make appropriate use of natural capital, including water, as a renewable resource. Water is a resource that can be used sustainably if used properly. However, excessive use can lead to depletion and other environmental problems. We will set medium-term goals for water use over a span of several years and manage appropriate usage levels while evaluating local conditions. In addition, we will closely monitor changes in water quality regulations in each country and maintain a management structure to ensure that our management of discharged water complies with laws and regulations. In terms of opportunities involving water-related issues, Epson will make full use of the dry fiber technology and inkjet technology it has accumulated to expand products and services that solve society's water issues. We will visualize the environmental value of our products and develop strategic promotional activities in order to make the environmental value of Epson products known to as many customers as possible.
Financial planning	Yes, water-related issues are integrated	21-30	Epson plans to invest 100 billion yen over the 10-year period to 2030 in decarbonization, resource recycling, and environmental technology development in order to achieve Environmental Vision 2050. A portion of this amount is being used to research and develop products and technologies that solve water-related issues. We are improving the efficiency of water use at each site and installing facilities to save water when we upgrade equipment. As an example of how facilities have improved water use efficiency, the SEP Plating Division (Singapore) installed a water recycling equipment and increased its water recycling rate from 61% (FY2017) to 76% (FY2021). One example of a measure taken in FY2022 in response to the results of the water risk assessment is the relocation of production lines from sites identified as being at increased risk of flooding in the future due to climate change impacts in the pessimistic scenario.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

106.15

Anticipated forward trend for CAPEX (+/- % change)

53.35

Water-related OPEX (+/- % change)

8.81

Anticipated forward trend for OPEX (+/- % change)

6.18

Please explain

We calculated CAPEX based on actual capital expenditure relating to water and projected investment. Capital expenditures are mainly for renewal of wastewater equipment, piping, pumps, tanks, etc.
In FY2022, CAPEX increased significantly due to the replacement of wastewater treatment facilities which had been postponed at some sites. CAPEX is expected to increase further in FY2023 as we are planning to upgrade many of our facilities.
OPEX is the cost of water withdrawal calculated based on actual water and wastewater rates. Since FY2021, OPEX has once again started to increase and it increased further in FY2022. The OPEX increase can be attributed to a slight increase in water consumption as well as higher water and sewer rates.
As our business expands, we expect the unit price of water supply to continue to rise and for OPEX to increase further even if water consumption remains at the current level due to our efforts for water conservation and water recycling.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related	We have analysed scenarios in the transition risk, physical risk, and opportunity categories to assess the importance of climate change related risks and opportunities (including water related risks and opportunities). As a result, we have achieved the following water-related outcomes. -Physical risks We analysed floods, high tides and drought risks using RCP 8.5 as a pessimistic scenario and RCP 2.6 as an optimistic scenario for sites/facilities in Japan and abroad. [Time horizon] Our assessment was based on the year 2050 with long-term time points of 2085 for floods and 2090 for high tides and droughts. [Summary of scenario analysis] For floods, a future hazard grade was assigned taking into consideration future changes to the current 100-year replication period reported in Global flood risk under climate change (by Hirabayashi et al., 2013) . For high tides, a high tide hazard grade was established based on inundation hazard information and topographical conditions, and the future hazard grade was assessed by adding the projected sea level rise of the IPCC WGI Interactive Atlas: Regional information (Advanced), CMIP6-Sea Level Rise (SLR) . For droughts, baseline hazard grade was established using the WRI Aqueduct Water Risk Atlas and the future grade was assessed based on future change projections using the IPCC WGI Interactive Atlas, selecting parameters of Regional information (Adapted), CMIP6 Standardised Precip Index (SPI-6), Annual. -Opportunities As a climate change scenario, we analysed opportunities associated with the development of future paper circulation cycles and industrial structure innovation, focusing on the IEA 2DS. This scenario analysis was revised in line with the 1.5°C scenario in 2021. [Time horizon] Assessment time horizons were assumed for the short-term (up to 2030) and the medium-term (up to 2070). [Summary of scenario analysis] We assessed environment-related businesses opportunities on the assumption of an increase in social demand for innovation in driving the circular economy and industrial structure, which is one of our materialities.	-Physical risks We assessed the future risk to Epson due to flooding (river flooding), high tides and drought. As a result, taking into account the amount of physical water resources and the risk of water pollution, there are no sites that fall under the highest risk level. While some of our production sites in Japan, China, Southeast Asia, and South America are located in areas under water stress, we have confirmed with local sites and water supply agencies that the risk of drought in these areas is low. Furthermore, we commissioned an external agency to assess future operational risks due to flooding (river overflows), high tides, and drought, and confirmed that future changes are limited. - Opportunities In the future, environmental business opportunities will expand that apply our proprietary inkjet and dry fiber technologies developed through printer manufacturing are expected to expand in areas where new market growth is expected following world's climate change countermeasures and the shift to a circular economy.	-Physical risks The physical risks is limited and the impact on our business strategy will also be small.Climate changed related physical risks involve a plethora of uncertainties. The Production Planning Division's Production Planning Dep. and Environmental Planning Dep. spearhead efforts to collect and analyse information on suppliers BCPs to raise the accuracy of our information and forecasts. We also encourage our suppliers to address risks. Epson promotes supply chain Business Continuity Management (BCM) to manage and minimize damage and loss to the business. Since 2019 we have been working to collect and analyze supplier BCP information to improve the accuracy of our information and forecasts. Specifically, we have conducted an annual self-assessment survey of approximately 300 primary suppliers with whom we have had direct transactions. Our goal is to have all suppliers ranked as low risk by 2025. -Opportunities In our environmental business, sales revenues are expected as a result of the development of products that are expected to reduce the use of water resources, which will contribute to the shift to a circular economy. For example, a digital textile printer that uses our printing technology can reduce water consumption by approximately 96% compared to analog textile printing that uses dye ink. Epson has positioned these areas as growth areas in its medium-term management plan and aims for a CAGR of 15% or more from FY2021 to FY2025.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

We are currently collecting and reviewing information on our use of water pricing.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	Yes	Epson develops products that use our technologies to help solve social issues. Of these, we define products that can drastically reduce water consumption compared to conventional production processes as “products with minimal impact on water.”	<Not Applicable>	PaperLab is an in-office paper secure recycler that turns waste paper into new paper using a virtually dry process powered by Epson’s unique Dry Fiber Technology. PaperLab does not require a water supply or drainage equipment and is capable of producing recycled paper using only a very small amount of water for humidification. According to P.R. VAN OEL & A.Y. HOEKSTRA (2010), 7,759 cubic meters of water is required to produce a standard recycled paper. PaperLab produces recycled paper using 71 cubic meters of water, or 1% of that amount. - Digital textile printing machines that use Epson’s inkjet technology greatly shorten the conventional textile printing process. When this product is used, water consumption can be reduced by approximately 96% compared to conventional analog textile printing that uses dye ink.

W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	No, but we plan to within the next two years	Epson complies with its own standards to improve emissions to a level higher than the legal standard. The Group’s regulations on pollution prevention stipulate that each site should set its own self-management values for discharge and operational control values (reference values for detecting abnormalities in routine inspections). Self-management values have basically been set aiming for half of the legal standards, while operational control values have been set aiming for one-tenth of the legal standard. Emergency measures in the event that the respective standards are exceeded are also stipulated in the Group’s regulations.
Water withdrawals	Yes	<Not Applicable>
Water, Sanitation, and Hygiene (WASH) services	Yes	<Not Applicable>
Other	Please select	<Not Applicable>

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number
Target 1

Category of target
Water withdrawals

Target coverage
Company-wide (direct operations only)

Quantitative metric
Reduction in withdrawals per revenue

Year target was set
2022

Base year
2021

Base year figure
8900

Target year
2023

Target year figure
8899

Reporting year figure
8600

% of target achieved relative to base year
30000

Target status in reporting year
Achieved

Please explain
We set a Group-wide water-related target for FY2022.That is reduce the business profit intensity of water withdrawal to below FY2021 levels.
The business profit intensity of water withdrawal in FY2022 was 8,600 cubic meter per 100 million yen. This is an improvement from 8,900 cubic meter per 100 million yen in FY2021. This is because water withdrawal was kept at the same level as in FY2021 through water conservation and other efforts, while business profit increased significantly in FY2022.

Target reference number
Target 2

Category of target
Water, Sanitation and Hygiene (WASH) services

Target coverage
Company-wide (including suppliers)

Quantitative metric
Other, please specify (WASHサービスを含む労働安全衛生が確保されているサプライヤーの割合)

Year target was set
2021

Base year
2020

Base year figure
84

Target year
2025

Target year figure
100

Reporting year figure
91

% of target achieved relative to base year
43.75

Target status in reporting year
Underway

Please explain
Epson is committed to the RBA Code of Conduct. The RBA Code of Conduct stipulates the maintenance of water and sanitation (WASH) services for employees. Epson maintains a water and sanitation (WASH) service as part of its basic activities to meet the Code of Conduct. We require our suppliers to comply with this Code of Conduct. We investigate (1) not only compliance with laws and regulations, but also management as a documented program and (2) toilets and cafeterias be maintained and operated in a clean and well maintained manner and in compliance with local health regulations and so on as requirements regarding water.
Evaluations are based on a comprehensive aggregation of responses to these questions and are classified into three groups: low risk (86 points or more), medium risk (66-85 points), and high risk (65 points or less).
Epson's measure of success for this activity is to rank all major suppliers as low-risk in terms of CSR by 2025.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Water consumption data for a total of 43 Epson Group sites.	ISAE 3000	An external verification organization verified water-related data at a total of 43 Epson Group sites through document reviews and on-site verifications.

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Value chain stage	Please explain
Row 1	Not mapped – but we plan to within the next two years	<Not Applicable>	

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Value chain stage	Please explain
Row 1	Not assessed – but we plan to within the next two years	<Not Applicable>	

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Value chain stage	Type of risk	Please explain
Row 1	Yes	Direct operations	Regulatory Reputational Physical	Regulations on plastics are becoming stricter and stricter every year. For example, regulations on Expanded Poly-Styrene (EPS) are becoming stricter, and there is a possibility that EPS may no longer be used as a packaging material. These regulations are being tightened due to social concerns, and the use of foamed plastics as packaging materials also risks damaging the corporate brand.

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Target type	Target metric	Please explain
Row 1	No – but we plan to within the next two years	<Not Applicable>	<Not Applicable>	Epson uses plastic in some of its products and packaging materials. In recent years, regulations on the use of plastics have been tightened in consideration of environmental aspects. Epson is constantly checking and complying with these regulations. Epson has set a goal of zero consumption of underground resources by 2050. This includes plastics derived from petroleum, and we are working to switch to recyclable resources such as recycled materials and bio-derived materials.

W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	No	
Production of durable plastic components	Yes	Plastic is used for some parts such as semiconductor chips and ink heads.
Production / commercialization of durable plastic goods (including mixed materials)	Yes	Plastic is used in some of our products such as printers and projectors.
Production / commercialization of plastic packaging	No	
Production of goods packaged in plastics	Yes	Plastic is used as part of the packaging material.
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	No	

W10.7

(W10.7) Provide the total weight of plastic durable goods/components sold and indicate the raw material content.

Row 1

Total weight of plastic durable goods/components sold during the reporting year (Metric tonnes)
79946

Raw material content percentages available to report
None

% virgin fossil-based content
<Not Applicable>

% virgin renewable content
<Not Applicable>

% post-industrial recycled content
<Not Applicable>

% post-consumer recycled content
<Not Applicable>

Please explain

W10.8

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	% virgin fossil-based content	% virgin renewable content	% post-industrial recycled content	% post-consumer recycled content	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used	84	None	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	

W10.8a

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	% of plastic packaging that is reusable	% of plastic packaging that is technically recyclable	% of plastic packaging that is recyclable in practice at scale	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used	None	<Not Applicable>	<Not Applicable>	<Not Applicable>	

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Approved by the CEO at a meeting of the Environmental strategy council.	Chief Executive Officer (CEO)

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	1330300000000

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

No facilities were reported in W5.1

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	Yes, for all facilities	

SW1.2a

(SW1.2a) Please provide all available geolocation data for your facilities.

Identifier	Latitude	Longitude	Comment
Seiko Epson Corp. Head Office	36.053441	138.115102	
Seiko Epson Corp. Hirooka Office	36.152927	137.951959	
Seiko Epson Corp. Fujimi Plant	35.936918	138.207244	
Seiko Epson Corp. Suwa Minami Plant	35.932436	138.217333	
Seiko Epson Corp. Shiojiri Plant	36.105029	137.969383	
Seiko Epson Corp. Matsumoto Minami Plant	36.158039	137.976186	
Seiko Epson Corp. Toyoshina Plant	36.302507	137.93012	
Seiko Epson Corp. Ina Plant	35.922437	137.981375	
Seiko Epson Corp. Hino Office	35.672129	139.404145	
Seiko Epson Corp. Chitose Plant	42.790328	141.699172	
Seiko Epson Corp. Matsumoto Plant	36.23786	137.95752	
Seiko Epson Corp. Kanbayashi Plant	36.190331	137.922326	
Seiko Epson Corp. Sapporo Software Center	43.03619	141.499813	
Seiko Epson Corp. Oita Software Center	33.3368	131.488987	
Epson Repair Corp.	35.458523	134.242694	
Epson Mizube Corp.	36.059804	138.110602	
Epson Atmix Corp. Head Office	40.538114	141.505235	
Epson Atmix Corp. Kita-Inter Plant	40.546493	141.427934	
Miyazaki Epson Corp.	31.843367	131.375137	
Akita Epson Corp. Head Office	39.204422	140.498671	
Epson Avasys Corp. Head Office	36.363437	138.22757	
Epson Avasys Corp. Ueda Office	36.360368	138.221103	
Epson Telford Ltd.	52.717943	-2.465233	
EPSON DO BRASIL INDUSTRIA E COMERCIO LTDA.	-23.495573	-46.835783	
Epson Portland Inc. Head Office	45.548269	-122.890335	
Epson Portland Inc. Longview Office	46.14722	-122.987502	
PT. Indonesia Epson Industry	-6.327955	107.116783	
Epson Precision (Philippines), Inc. Lipa Plant	14.011959	121.173149	
Epson Precision Malaysia Sdn. Bhd.	3.205032	101.616882	
Epson Precision (Thailand) Ltd.	13.603507	101.343337	
Epson Precision (Johor) Sdn. Bhd.	1.515206	103.730026	
PT Epson Batam	1.069511	104.019875	
Epson Engineering (Shenzhen) Ltd.	22.554459	113.936268	
Tianjin Epson Co., Ltd.	39.118648	117.148828	
Epson Precision Suzhou Co., Ltd.	31.311885	120.527987	
Epson Wuxi Co., Ltd.	31.548771	120.353937	
Epson Surface Engineering (Zhenjiang) Co., Ltd.	32.162478	119.614982	
Singapore Epson Industrial Pte. Ltd. Main-Plant	1.334589	103.641393	
Singapore Epson Industrial Pte. Ltd. Plating-Plant	1.326158	103.691228	
Epson Taiwan Technology & Trading Ltd.	25.034263	121.567851	
Tohoku Epson Corp. Head Office	38.884787	139.814495	
Epson Precision (Thailand) Ltd. Branch office 2	13.600013	101.340177	
ETF	35.493851	139.682834	

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Product name
Printer and Scanner, Visual Ploducts, Industrial Products, Watches, Micro Devices, Components, Materials, and Other Products

Water intensity value
6.1

Numerator: Water aspect
Water withdrawn

Denominator
The Seiko Epson Group's total water intake is divided by sales revenue.

Comment
The unit is megaliter/billion yen.

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.
Yes, CDP may share our Main User contact details with the Pacific Institute

Please confirm below
I have read and accept the applicable Terms