

Our People

- 156 [Top Message](#) ↗
- 157 [Human Resource Strategy](#) ↗
- 162 [Human Resource Development](#) ↗
- 169 [Diversity, Equity and Inclusion](#) ↗
- 181 [Respecting Human Rights](#) ↗
- 191 [Fostering a Better Workplace](#) ↗
- 199 [Health and Productivity Management](#) ↗
- 210 [Occupational Health and Safety](#) ↗

Top Message

Epson is actively endeavoring to create an organizational climate and workplaces that capitalize on our people.

Creating an Environment Where Diverse Talent Can Take the Initiative to Create Value That Solves Societal Issues

Epson is committed to contributing to the resolution of social issues through its business based on the Corporate Purpose, with the aim of enhancing corporate value and sustainable growth over the medium to long term. To achieve this, it is necessary to expand and create businesses through environmental, co-creation, and DX initiatives, in line with the positioning, strategies, and policies for each business domain defined in the long-term vision, Epson 25 Renewed. These activities are supported by efforts to strengthen the management base through human resource strategies.

Based on our medium-term human resource strategy, Epson is actively recruiting diverse human resources and promoting the career formation of internal human resources and human resource development. At the same time, we are assigning those human resources focused on growth areas and building the optimal formation from a global perspective. In addition, we are actively creating an organizational climate which utilizes diverse human resources, fostering a better workplace and promoting health management. We are aiming to increase employee engagement, revitalize our organization and maximize our collective strengths.

Epson wants to drive corporate and personal growth through these initiatives, and to realize “our philosophy of efficient, compact and precise innovation enriches lives and helps create a better world” as we state in our purpose.



Eiichi Abe

Representative Director,
Executive Officer
Chief Human Resources Officer
General Administrative Manager,
Human Capital & Well-Being Management
Division

Human Resource Strategy

Basic Approach to Human Resource Strategy

Epson is a company born and raised in Shinshu. Today, while maintaining its core functions and bases of operations in Shinshu, Epson has established 107 R&D, production, and sales bases in countries and regions outside Japan, which account for 80% or more of the revenue and 70% or more of the employees, and continues to develop its business globally. Therefore, at Epson, the key to our human resource strategy is to build a human resource base that will enable us to survive severe global competition and achieve our management objectives and business growth by proactively acquiring external human resources and achieving diversity, while turning local job security and the relatively long-term employment that comes with it into our strength. For this reason, the following are key points for Epson's human resource strategy.

- We will accurately grasp various customer needs and promote business reform and innovation to respond quickly and flexibly. To this end, we will actively acquire specialists from outside the Company in growth and new fields in addition to highly specialized fields, as well as management personnel who can work from a managerial perspective. We will also provide our own staff with specialized training and conversion training to focus on areas to be strengthened and build optimal formations from a global perspective.
- Epson, as a “company where people continue to grow and develop their careers autonomously” over a long-term time horizon, provides various training programs, reskilling, rotation, internal recruitment systems, and other opportunities for challenge to enhance each employee's ability to respond to changes in the internal and external environment. In addition, to build an optimal formation from a global perspective, we will develop and deploy human resources who can work globally, including overseas personnel.
- We will secure and take advantage of a diverse workforce, including women, non-Japanese, mid-career hires, people with disabilities, and older workers, in order to enhance creativity to realize innovation. We will also create a comfortable work environment that leverages our advantages as a regional company, such as our commitment to organizational culture, the natural environment of Shinshu, and proximity to work and home, to increase employee engagement and maximize the overall strength of the organization for continuous value creation.

Epson Human Resource Strategy

Epson’s corporate activities are supported by initiatives to strengthen its business infrastructure through human resource strategies. Epson is executing human resource strategies that pivot around human capital management and health management. These strategies seek to develop human resources who can think and act autonomously and create an environment where they can capitalize on their abilities to come up with ideas for services that will be sought as society changes and for providing solutions to societal issues.

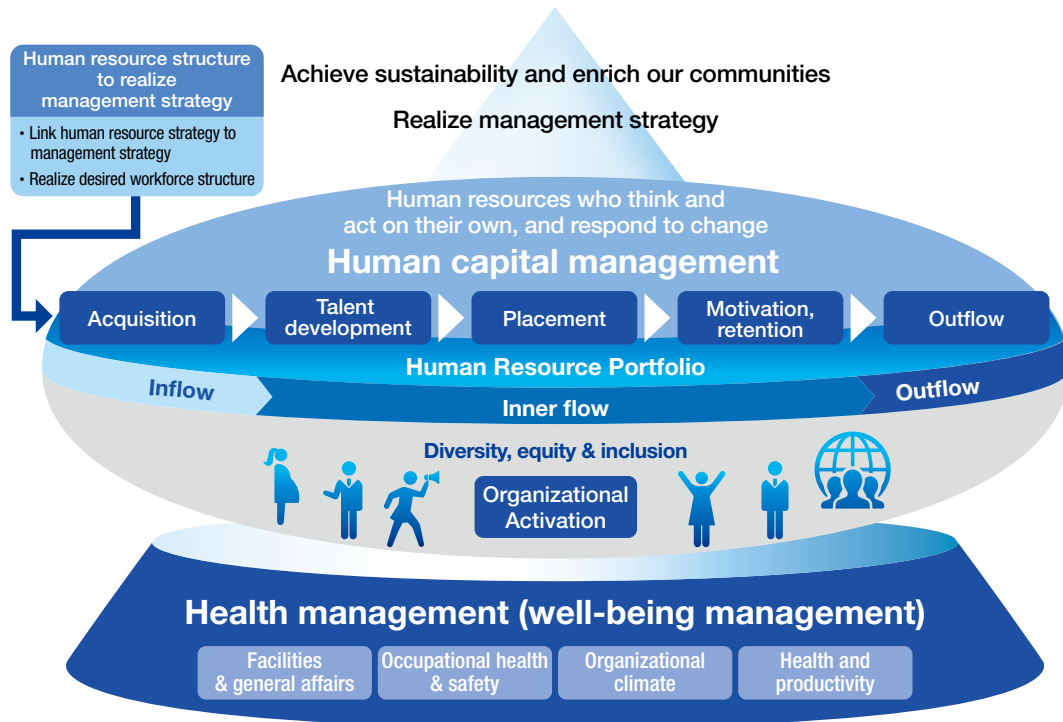


Image of Human Resources We Seek

In order to realize its management strategy and execute its business, Epson needs people who can respond quickly to change with a broad perspective and a high level of expertise, and create customer value independently and autonomously from the customer's perspective, based on the penetration of Corporate Purpose and the Epson Way, and a shared understanding of the business approach set forth in the long-term vision.

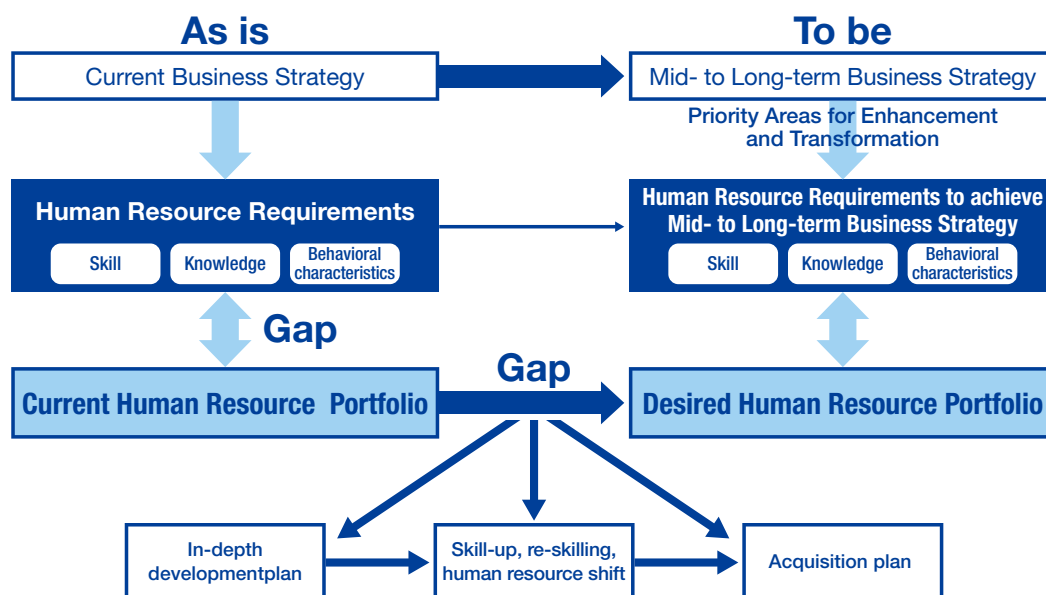
In anticipation of further declining birthrates, an aging society, and a shrinking workforce in Japan, we have been working to formulate a human resource portfolio on a global basis. In FY2023, in a specific operations division, we defined the human resource requirements needed to formulate and execute business strategies and establish new business models based on skills and behavioral characteristics, in an attempt to visualize the current resource portfolio. We will go a step further by expanding these efforts across the Company, as well as manifesting the desired state in the course of preparing the next long-term vision and identifying the gap between the current and desired states both quantitatively and qualitatively. By doing so, we will implement appropriate measures such as recruitment, reskilling, and optimal placement to build an optimal personnel structure company-wide, fulfilling our medium- to long-term strategies.

Human Resource Portfolio

We formulate a human resource portfolio that shows the current [As is] and desired [To be] states of our human resources. We use it to identify gaps in the quality and quantity of human resources required to formulate and execute business strategies and establish new business models, primarily from the perspective of skills and behavioral characteristics. We refer to personnel skill level maps to determine whether the necessary people can be secured by upskilling, reskilling, or reassigning existing personnel or whether we need to acquire external talent.

We also use the human resource portfolio as a communication tool between supervisors and subordinates to encourage their independent learning and growth.

Initiatives of Human Resource Portfolio



Human Resource Management

Allocate Human Resources to Priority Areas

As the foundation of its business operations, Epson formulates workforce plans based on forecasts of future changes in its workforce structure and the workforce needs to realize its business strategies. As a policy, we will hire more than 350 new graduates and mid-career workers combined each year in a planned and stable manner over the future medium term.

In addition to intensively allocating hired personnel to the growth areas of printing (office, commercial and industrial) and production systems (robotics), and to the new areas of environmental business, environmental technology, and sensing, we will provide internal human resources with specialized training, conversion training, etc., to deploy them in the priority areas. We will also acquire management-level human resource and specialists from outside the company and allocate them to the priority areas after clarifying human resource requirements.

In addition to recruiting the numbers we need, we are looking to increase diversity and are actively recruiting women, seniors, persons with disabilities, and foreign nationals. We have set a hiring goal of 25% women for new graduates. Employment of foreign nationals will be examined from multiple angles. Some foreign nationals will be hired in Japan. Others may be brought over from our overseas subsidiaries. Things will be looked at from a site strategy perspective, as well. We have already transferred some printer design functions to a Group company in Indonesia.

Number of Hires

| | FY2020 | FY2021 | FY2022 | FY2023 | Targets |
|---------------|--------|--------|--------|--------|--|
| New graduates | 344 | 200 | 250 | 344 | Continue to hire over 350 people each fiscal year ¹ |
| Mid-career | 30 | 48 | 241 | 204 | |

¹ Total number of new graduates who joined the Company on April 1 of each fiscal year and the number of mid-career hires in each fiscal year

Placement to Priority Areas

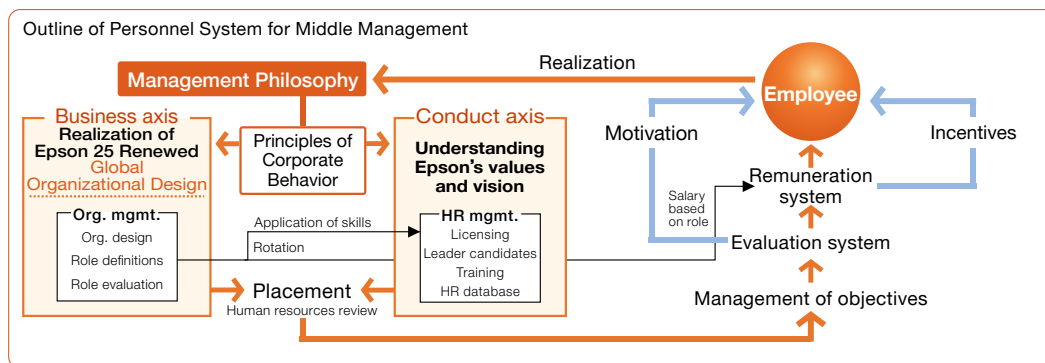
| | Total FY2021-2023 | Plan FY2024 |
|------------------------------|-------------------|-------------|
| All placement | 1,881 | 503 |
| Allocation to priority areas | 1,313 | 374 |

* Placement by recruitment and internal transfer.

Human Resource Review and Succession Planning

The concept of “role” is the basis for the placement of human resources and their assignment to positions. The basic approach is to design a global organization to execute business strategies, define the roles of each position within the organization, and then allocate and appoint the most appropriate people to that role. To achieve this, the company conducts an annual human resources review at each echelon of the organization to get a bird's eye view of the staffing situation, list potential successors for each position, and review their skill development needs.

As in Japan, we also work with local top management and human resource departments to define roles and requirements for overseas human resources, and formulate succession and training plans for key positions and key human resources. Based on these activities, we are working to build an optimal formation from a global perspective.



Human Resource Development

New Initiatives for Human Resource Development

Epson aims to be a company where people autonomously form careers and continue to develop over the long-term. We will achieve the business targets we have set forth in Epson 25 Renewed and support our company's development by raising the ability of each of our employees to respond to changes. That will then lead to the building of sustainable and enriched communities.

Epson has re-examined our education and training system from this perspective. We have begun three new initiatives based on the opinions of our business entities and feedback from our employees.



(1) Support for the Self-formation of a Lifelong Career

Epson continuously implements initiatives aimed at being an organization that promotes personnel development. We provide support toward building motivating and challenging careers that encourage growth. To help our employees set their own medium- and long-term career goals, we have been offering Lifetime Career Support (LTCS) since FY2016. LTCS provides age- and grade-specific training which gives employees an opportunity to independently plan their own career path. We have expanded the system to include LTCS40, LTCS50 and also the Introduction to LTCS Course for employees who have just joined the company.

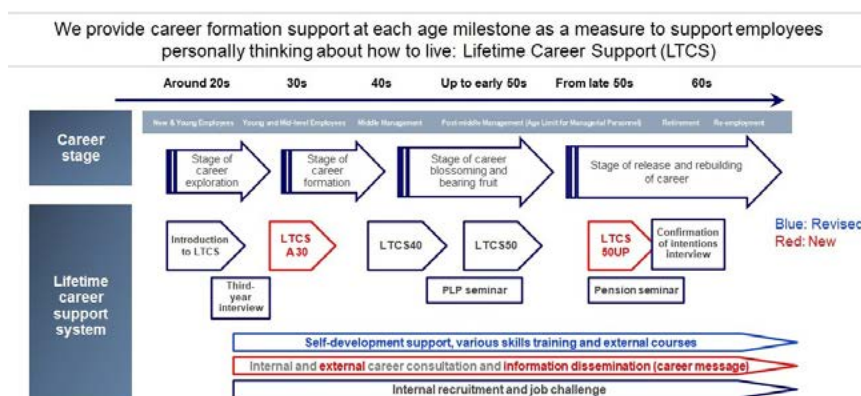
- Number of Participants in FY2023

LTCS50 Training (for all employees age 50): 307 participants (total up to FY2023: 2,903 participants)

LTCS40 Training (for all employees age 40): 186 participants (total up to FY2022: 1,881 participants)

Introduction to LTCS Course (given in new employee training): 344 participants

In FY2023, we launched LTCS A30 for employees in their 30s and LTCS50up with a view to rehiring employees up to age 70. By providing employees with an opportunity to continue thinking about their careers at each age milestone, we help them to overcome various career challenges and to shape their own careers.



Interviews with third-year employees

The Human Resources Department interviews young employees who joined the company right out of school and are in their third year with the company to help them quickly improve their effectiveness and to encourage retention. The goal is to enhance the engagement of individuals with their work and workplace by listening to their concerns regarding their job, work environment, and personal career development, and by providing support, including within the workplace.

(2) Support for Upskilling by Management

Management and communication by superiors in the workplace play an extremely important role for employees to work and grow dynamically. Questionnaires have made it clear that many managers, especially those with little experience, are concerned about this point. Accordingly, we have newly introduced 1-on-1 communication training. Moreover, in addition to existing new section manager training, we have launched follow-up training after employees are promoted to the level of section manager. That means we have set up opportunities for section managers to share information, think and learn from each other. We also partner with outsiders to provide materials for learning management skills.

(3) Support for Reskilling

To support employees' desire to build their careers and continuously grow, as well as to improve their skills and ability to respond to changes, we have been creating a reskilling program that is designed with the following three main objectives: (i) raise the level of all employees by helping them obtain the minimum digital knowledge and use it in their own work, (ii) provide an opportunity for re-learning knowledge specific to a product or business and for education in specialized fields such as digital transformation to accelerate personnel assignment and rotation to priority areas and new areas, and (iii) establish an environment that provides opportunities for learning and improving skills to accommodate employees' desire to learn and encourage them to apply for jobs inside the company by using the internal recruitment system.

Initiative to Expand Rotation

Epson places importance on job rotations that expand the range of the abilities, experience and knowledge of individuals. One aim of rotation is for each employee to shape their career and continue to grow and improve their ability to respond to change. The other aim is to contribute to the effective and efficient operation of the value chain. However, people were not rotating to new jobs as much as expected in the past. So, to encourage people to seek new opportunities in-house, we eliminated the need for approval by a superior when using the internal recruitment or job challenge systems. We also incorporated rotation as a requirement for promotion, filled vacancies left by personnel who transferred to a new job, and added rotation to managers' performance appraisal. We are also reinforcing our reskilling program to support rotation. Going forward, we will promote rotation while giving consideration to workplaces and support for persons transferred.

Rotation Rate

| | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | Target |
|---------------|--------|--------|--------|--------|--------|------------------------------|
| Rotation Rate | 6.0% | 7.3% | 9.0% | 10.0% | 10.1% | 15% or more each fiscal year |

Revitalization of the Internal Recruitment System

We established an internal recruitment system in FY2007 to empower confident, motivated employees to reach higher and to increase the rate of personnel rotations. Initially, however, only about 20 or 30 people a year were transferred using the system. Therefore, we eliminated the need for supervisor approval to apply for another job in-house in FY2021. This significantly increased the number of applications, with about 200 employees transferring each year for three consecutive years. In addition to responding to employees' willingness to take on challenges, the system helps employees experience different operations and workplaces, broaden their horizons, and improve their skills, thereby making them more adaptable to change.

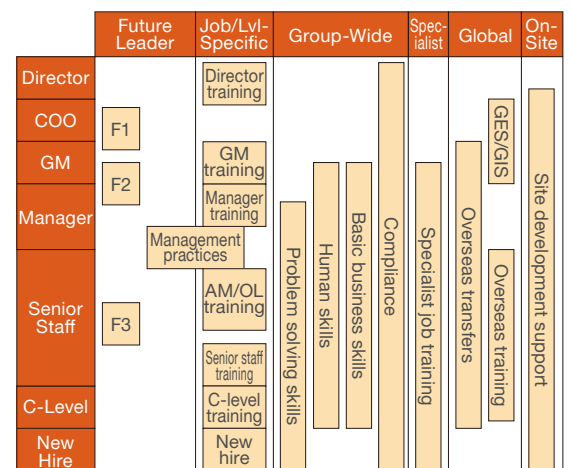
Number of Employees Using the Internal Recruitment System

| | Before the Changes to the System | | After the Changes to the System | | |
|---|----------------------------------|--------|---------------------------------|--------|--------|
| | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 |
| Number of applicants | 142 | 148 | 378 | 293 | 325 |
| Number of transferees using this system | 27 | 12 | 217 | 201 | 176 |

Training Initiatives

Our human resource development is based on on-the-job training (OJT). In addition, we have established an education system to provide education by job level and various types of specialized education as off-the-job training. We have in place screened, rank-based education programs for the development of leadership human resources.

Training System (Japan)



* F1/ F2/ F3: Future leader training
* AM: Assistant manager, OL: On-site leader

Echelon-based Training

Seiko Epson requires that employees complete a course in management practices before being appointed to a management position. This course prepares them to meet the requirements as a manager by ensuring that they understand their role in terms of both business and actions. On the business end, they learn the skills they need to understand strategic business objectives and respond rapidly and nimbly to internal and external changes in the business environment. On the action end, they learn the skills they need to support the growth and development of the people who report to them by putting organizations and individuals in a position to succeed.

In addition, we provide training for new employees, group training for each grade, and various open-type training to develop people who will fulfill roles as future middle managers step-by-step.

Leadership Training

In addition to a course in management practices for managers and employees who will be appointed to a management position, Epson provides training (F1, F2, and F3 course) to selected employees. In the F1 course, director candidates learn the skills needed to be a top executive. The F2 course is used to prepare middle managers to take the reins of a business or division. In the F3 course participants learn the basics of business through simulated exercises. Through these courses, Epson develops future leaders across the group.

Training for New Employees in Japan

Epson considers the first year of employment to be a training period during which new employees learn about the Epson approach to work. For the first three weeks, new employees in Epson Group companies in Japan gather for group training, where they learn the following:

- Conduct expected of them as Epson employees
- The mindset and attitude necessary for practicing “monozukuri” or the art and science of manufacturing, which is the foundation of Epson’s efficient, compact and precision technologies
- The importance of working cooperatively as a team



Training to think about customer satisfaction

Training ranges from lectures on the Epson Global Code of Conduct to hands-on training in manufacturing. New employees learn the importance and enjoyment of working in teams, through group activities that take place throughout the training period.

After they complete group training, new employees are sent to the department where they have been assigned. There they learn their job through on-the-job training under a mentor. Mentors are usually selected from among young employees with three to five years of experience. They produce training plans tailored to the individuals they will be mentoring and, for a full year, provide them with the support they will need to stand on their own. Mentors themselves are expected to grow through this experience.

At the end of the first year, the new employees gather again for follow-up group training, where they can observe how they and others have grown and developed. To further solidify the foundation they have built as a business professional, they review the previous year and consider action plans for the next year and beyond to achieve further growth and expand their contributions to the company.

Overseas Dispatch of Young Employees

Epson has 107 R&D, production, and sales sites outside Japan. Overseas operations generate approximately 80% of consolidated revenue and account for 70% of employees. We actively dispatch young employees to our overseas affiliates to gain international experience and prepare them to thrive on the global stage. (Overseas trainee program)

The program was temporarily suspended due to COVID-19 but resumed in FY2022. We dispatched 27 employees in FY2023.

Number of Employees Assigned to Overseas Training Programs

| | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2022 | FY2023 |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Number | 8 | 20 | 34 | 38 | 29 | 28 | 22 | 13 | 1 | 27 |

Management by Objectives

Epson has used a management by objectives systems for more than 30 years. All employees of every grade are subject to the systems, and managers and their subordinates work together to set objectives that they can both agree on. Progress toward the objectives is periodically reviewed, end results are evaluated, and new, higher objectives are set. The management by objectives system is itself an on-the-job human resource training system. It is a win-win development cycle in which individual growth leads to the growth of the organization and the company.

Creating Value That Exceeds Customer Expectations and the Monozukuri Juku

Epson's Monozukuri Juku, or Manufacturing School, aims to enhance the customer value we create. To this end, we teach our personnel basic technology and skills and have them experience monozukuri (the art and science of manufacturing) by performing specific manufacturing tasks step by step. This helps them tackle jobs from different angles. To give a specific example, employees learn the basics of component processing technology (molding and pressing). Once they learn these, employees have the skills to make the various parts that go into a product. Employees also learn by mastering essential skills for making production lines more efficient (e.g., automating lines or operating them with fewer staff).



In addition, we contribute to the community and society by giving practical training for new employees of local businesses, offering corporate experiences to junior and senior high school students, and providing instruction for technical skill trainings. We also send experts abroad to take part in official development assistance for building technical skill evaluation systems at the request of the Japanese Ministry of Health, Labour and Welfare.

Developing Human Resources to Support Company-wide Production Strategies

Recently, we have faced labor shortages in manufacturing due to rapidly rising wages and workers' preference for non-manufacturing jobs. In addition, we had suffered from logistics being disrupted due to natural disasters and the spread of infectious diseases, causing delays in delivering products to customers. It has become difficult for Epson to manage these changes with conventional manufacturing, which assumes an abundant and low-cost labor force and centralized production. In our Epson 25 Renewed corporate vision we therefore proposed promoting smart factories using automation and digital technologies and strengthening distributed and local production.

Monozukuri Juku provides opportunities for employees to learn. We hold more than 200 training courses a year to develop the technical abilities of engineers supporting production lines. The training includes mechanical drafting and calibration necessary for manufacturing equipment, as well as machining skills. In addition, we offer basic mechatronics training to help cultivate engineers who will promote automation by teaching them basic technologies such as pneumatic and electrical control. the basics of equipment assembly and adjustment, FA robot training, image processing training, and practical mechatronics training to allow them acquire more practical technologies and skills.



Training engineers at an overseas affiliate (Philippines)



Remote training

Monozukuri Juku does not only train Japanese engineers but also engineers from our manufacturing affiliates worldwide, where we seek to educate the employees about manufacturing and machine maintenance in order to develop future local leaders.

In addition to on-site training, we also make full use of a remote training system established during a time when overseas business trips were difficult, to deploy necessary training in a timely manner.

Through these efforts, we will promote optimal human resource development and improve the process control level of each of our worldwide affiliate companies so we can respond strategies such as distributed production.

Developing Young Technicians through National Skills Competition

As a manufacturing company, Epson uses training for WorldSkills competitions to develop “groundbreaker technicians”¹ who have acquired essential manufacturing knowledge and skills at an early age. As a rule, individuals are allowed to take part in two consecutive WorldSkills training, starting in the second year of employment. The purpose of the short-term intensive trainings is to help participants learn technical skills at the all-Japan level. Every year we send 10-15 individuals to the National Skills Competition associated with WorldSkills to compete in seven selected occupational categories that are applicable to our employees’ work: Instrument making, Plastic die engineering, Mechatronics, Industrial electronics, Mobile robotics, Web design, and Watch repair.

New employees sent to Monozukuri Juku as WorldSkills trainees experience monozukuri (the art and science of manufacturing) in such forms as filing and sawing. They also learn basic knowledge about machinery, electricity, and other general topics in each occupational category. In conjunction with everyday occupation-specific training, there are training camps three times a year. Participants lodge together, run a long distance, set targets, and the like. All of this helps to build a sense of solidarity as a team.

To recreate the feel of the national competition, we also hold joint training events with other companies that take part in WorldSkills. Additionally, our employees actively pursue such national qualifications as machining technician, electronic device assembly technician, web design technician, and watch repair technician. After participants finish WorldSkills trainings, they get practical training to help them build the basic skills learned there into skills they can use to make products. Each participant then joins an operations division. The units they join often praise these employees for performing beyond expectations.



Everyday training



The 61st National Skills Competition of Japan 2023

¹ Technicians with the ability to break from precedent to create innovative technologies and systems.

FY2023 Workforce Composition and Training Data

Main Online Courses (Japan)

| Course | Trainees |
|---|----------|
| Fundamentals of Export Control (2023) | 18,466 |
| Epson's Compliance (2023) | 20,532 |
| Basic Information Security (2023) | 21,074 |
| Basic Environmental Training II (2023) | 20,334 |
| Introduction to Procurement (Ethics and code of conduct) (2023) | 17,691 |
| J-SOX (2023) | 20,038 |
| Basic Harassment Preventive Training (2023) | 19,524 |
| Occupational Safety Training (2023) | 19,742 |
| Healthy Balance Between Work and Life Training | 11,551 |
| Business & Human Rights (2022-) | 18,473 |

* The number of persons completing the course by March 31, 2024

Training by Employee Level

| Training | Who People Trained | Trained | Percent |
|---------------------------|----------------------|---------|---------|
| New employee orientation | New hires | 344 | 100% |
| C-level employee training | New C-level staff | 285 | 97.9% |
| Senior staff training | New senior staff | 301 | 98.0% |
| Section manager training | New section managers | 143 | 93.5% |
| General manager training | New general managers | 43 | 91.5% |

* Data for Seiko Epson Corporation employees as of March 31, 2024

* Employees who have not received training are scheduled to do so in FY2024.

Training Hours

| | Unit | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 |
|------------------------------|------|--------|--------|--------|---------|---------|---------|
| Training by regular employee | Hrs. | 11.0 | 11.1 | 7.4 | 20.9 | 21.5 | 34.2 |
| Total training hours | Hrs. | - | - | - | 228,696 | 235,910 | 375,219 |

Seiko Epson HR Department training for regular employees and time spent on online courses. Education and training courses of functional supervisory departments and operations divisions are also included after FY2021.

Diversity, Equity and Inclusion

CEO Message

Epson's customers are the people who use our products and services around the world. I hope that we will enrich the lives of as many people as possible by understanding them in all their diversity and delivering new value that surprises and delights them. To achieve this, we must create an environment in which we recognize and accept each other's differences and must value diversity. For us to be a company that can flexibly and sustainably grow for a decade and beyond, I will create a corporate culture that enables all employees to enjoy work and participate equally in discussions, regardless of their background. A free and open workplace is the foundation that will enable Epson to fulfill its social mission. To that end, I will respect and practice diversity, equity and inclusion (DE&I).

Commitment

DE&I is one of our material management issues. I will develop a corporate culture that enables diverse employees to demonstrate their abilities by encouraging a change in the management mind-set, eliminating any gender gaps and other inequity, and providing various work arrangement options. Through these activities, I aim for us to be a company where neither majorities nor minorities exist in the minds of all people in the Group. I will also transform the company into a place where employees embrace different values, thoughts, and unique new ideas.

Revised on August 1, 2024

Yasunori Ogawa
President and CEO

Promotion of DE&I

We aim to understand our diverse customers and continue creating new value that surprises and delights them in this time of rapid change. To achieve this, we will create a fair and bias-free environment in which individuals of all backgrounds gather from all over the world, respect each other, enjoy work, conduct themselves as responsible members of society, and continue driving innovation by taking on challenges and growing along with the company. We also believe that DE&I is important from the perspective of respect for human rights.

We recognize that gender equality is an urgent issue in Japan. To promptly achieve a state where the ratio of women in executive and managerial positions is equal to the ratio of women in our workforce, we are taking measures to increase the number of female candidates for managers by helping women develop their careers. We are also creating an environment in which employees can enjoy work and have job satisfaction while adapting to changes in their life.

Another priority issue is to promote the advancement of people with disabilities. We want to enable people with disabilities to contribute to the company's performance by taking on challenges and continuing to grow.

From the Empowerment of Women to DE&I

In 2016, Seiko Epson created a Female Empowerment Project team in the Human Resources Department to transform the company into one that has an environment where women can keep working until retirement age. The project team was dissolved in October 2020, and a Diversity and Inclusion Project that reports directly to the president was launched to support employees who want to advance their careers, regardless of gender, and to advance general diversity initiatives. In April 2023, a DE&I Strategic Promotion Department was established in the Human Capital & Well-Being Management Division to expand the scope of DE&I activities to the entire Group.

Concrete Actions

| Issues | Strategic Direction of Initiatives | Key Actions |
|--|---|---|
| Gender equality | Aim to enable employees to fully demonstrate their abilities regardless of their gender, etc. To eliminate the gender gap, change the mind-set especially among managers and make behavioral changes of all employees. | <ul style="list-style-type: none"> • Career training for female leaders • Career support for veteran female employees <ul style="list-style-type: none"> - Individual career training - Skill-up training - Seminars on essays and interviews for people who take promotion exams • Measures for young women using external mentoring services |
| Advancement of People with Disabilities | Aim to enable people to contribute to the company's performance by taking on challenges and continuing to grow regardless of whether they have disabilities. Recruit workers so that 3.0% of our workforce will be comprised of people with disabilities in FY2030. | <ul style="list-style-type: none"> • Foster an inclusive climate. <ul style="list-style-type: none"> - Management visits special subsidiaries and issues messages - Hold discussions with people who are interested in the advancement of people with disabilities - Issue company newsletter articles • Provide more opportunities for people with disabilities at special subsidiaries and share the knowledge within the Group • Provide counseling for people with disabilities |
| A healthy balance between work and care or treatment | Create an environment in which employees can enjoy work and have job satisfaction while adapting to changes in their lives. | <ul style="list-style-type: none"> • Support to enable employees to balance work and care for elderly relatives <ul style="list-style-type: none"> - Training for the healthy balance between work and care for the elderly • Support to enable employees to balance work and childcare <ul style="list-style-type: none"> - Post an article about interviews with role model employees on the company intranet - Parents seminar • Paternity leave promotion activities • Introduction of leave systems for fertility treatment |
| Cultivate a corporate culture | Promote a change in employee mind-set as a foundation for various activities. Address DE&I issues throughout the Group. | <ul style="list-style-type: none"> • Senior executive messages • Diversity management training for managers • DE&I fair • Communication using a dedicated DE&I web site • Group-wide diversity personnel meetings and the Diversity Council among Group companies in Japan |

Gender Equality

Action Policy

We will quickly achieve a state where women are evenly positioned at each level. To do so, we will eliminate existing gender gaps and prevent new gaps.

Revision of the Act on Promotion of Women's Participation and Advancement in the Workplace (a three-year plan for FY2023-25)

- Aim to have female employees account for 8% of management positions and 10% of leadership roles (equivalent to assistant manager) by March 2026.
- Recruit new graduates, with a goal of securing at least 25% women.
- Encourage employees to take at least 20 days of paid leave per year.
- Aim to achieve 100% childcare leave rate for both men and women.

We are implementing the measures below for women.

Career training for female leaders

A survey and other data show that there is a misconception that women cannot serve in a managerial position unless they conform to a standardized image of leadership that has traditionally been shaped by men. Since FY2023, we have been conducting training that helps women understand diverse leadership styles, recognize their own strengths, and encourage them to take on the challenge of becoming managers.

Career support for veteran female employees

There is a clear gender gap in promotions among mid-career employees and above. So, since FY2021, we have been providing support for women aged 40 and over to encourage them to take promotion exams. In a career training, participants look back over their own careers. Portable skill-up training enables women to improve their skills. In addition, to improve the writing skills and presentation skills required for the promotion exam, we offer an essays seminar and an interview seminar.

Measures for young women using external mentoring services

A survey showed that young women have a different vision about career advancement than young men. One of the reasons is that women have few female role models. This prevents them from envisioning their future careers and taking on challenges. To help young women, we provide them with opportunities to think about their careers through mentoring with external role models, career training, and discussions with internal managers. We also hold discussions among young women in the company to provide an opportunity to get to know each other.

A Healthy Balance between Work and Care or Treatment

Action Policy

We will draft and execute measures to create an environment in which employees can enjoy work and have job satisfaction while adapting to changes in their lives.

Specific actions are as below.

Support for balancing between work and childcare

Many employees say that they are struggling to balance family affairs and work, and that they do not have role models around them. Focusing on employees who balance childcare and elder care with work, we post on our intranet articles about interviews with role models to provide information for employees who are aiming to balance their careers with their private lives.

We also hold parent seminars for employees who are going to become parents or are raising children. We provide opportunities for the participants to share concerns on a wide range of topics and cheer up each other. We take up issues such as mindset in a pre-childcare leave period and ideas for balancing work and childcare after returning to work.

Support for balancing between work and elder care

A company-wide questionnaire showed that many employees are concerned about balancing elder care and work. In addition to setting up an internal and external help desks for elder care, we posted more than 40 short videos on the company intranet so that employees can obtain the necessary information on things such as remote care and finances. In FY2023, we conducted diversity management training for all Group managers to learn how to balance elder care and work.

Paternity leave promotion activities

We want our employees to be equally involved in childcare regardless of gender and want to enable them to balance work with their childcare responsibilities. To achieve this, we are working to foster a climate where all employees take childcare leave as a given. As a first step, Epson set a target of all eligible employees taking childcare leave in line with the revised Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members. The rate of male employees who took paternity leave was 97.2% in FY2022 and 85.2% in FY2023. We will continue to work to increase the number of paternity leave days taken by male employees. The goal is a 100% acquisition rate.

Introduction of leave systems for fertility treatment

We are working to create an environment in which people can balance fertility treatment and work with peace of mind. We recognize that there are three major issues regarding the treatment: mental strain, scheduling of hospital visits, and physical strain. As a first step to address these issues, we created in FY2022 a Life Support leave system to expand the provision of special leaves. Employees can use Life Support leave to take five days of paid leave a year and Life Support leave of absence to take a total of 365 days of leave over the three years. We will promote understanding of infertility and fertility treatment in the workplace and raise awareness to prevent harassment so that we can create a climate where the leave system is casually used.

Work-from-home system

The work-from-home system was first introduced to support people who need to balance work and childcare or elder care. Application of the system has now expanded to all employees with more choices of work location, enabling flexible arrangements.

Babysitter subsidy

From October 2005, we have offered subsidies for babysitting services. We have gradually increased the subsidy, and currently we pay the full amount for up to 16 hours.

Help for employees with children on nursery school waiting lists

A growing number of children in recent years have been put on waiting lists for childcare services not only in the Tokyo area but also in Nagano Prefecture, where our main offices are located. Therefore, we are promoting a partnership with company-led nursery schools in the areas where employees live. (There were eight schools as of July 2024.)

Cultivate a Corporate Culture

Action Policy

We will promote change in the mind-set of employees so that DE&I becomes a foundation for business activities. We will also expand DE&I initiatives across the entire Group.

Specific actions are explained below.

Senior executive messages

Management communicates policies and ideas both internally and externally to demonstrate the importance of DE&I.

Diversity management training

To raise awareness among managers and deepen their understanding of DE&I, we conducted mandatory diversity training for all managers in the Group in FY2021. Starting from FY2022, we incorporate key DE&I items into annual training for newly appointed managers.

- FY2022: “Work in Life in Managers” Learn about how to work as diverse managers
- FY2023: Training for a healthy balance between work and elder care
- FY2024: “What is the necessary step for achieving advancement of people with disabilities in Epson?”

DE&I fair

We hold a DE&I fair for all Group employees to create opportunities to think about and increase understanding of the meaning and purpose of DE&I in Epson. At the fourth meeting in FY2023, we held lectures by top management, celebrities, and management from other companies on the theme of “Why Epson Needs Diversity, Equity and Inclusion.” We also hold round-table discussions about advancement of people with disabilities and work reforms, as well as workshops on other topics. Photo contests and senryu contests were also held to encourage employees to casually participate in the fair.

Communication using a dedicated DE&I web site

The Diversity, Equity & Inclusion special website was made public to communicate the thoughts of the Group CEO on DE&I and corporate initiatives. It includes things such as an interview of the Group CEO with a DE&I specialist, an interview with employees, and the DE&I fair.

Certification by external parties



Certification as an "Eruboshi" company (2016)



Acquisition of Platinum Kurumin (2016)

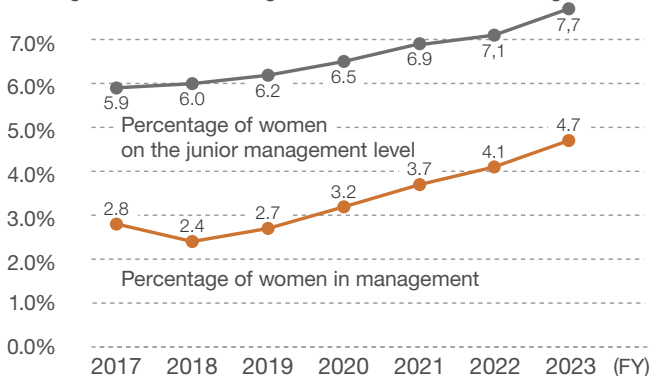
Progress in Closing the Gender Gap (as of March 2024)

Percentage of women in workplace and in management

| | Group Total | | Japan | | Except Japan | |
|---------------------------------|-------------|--------|-------|--------|--------------|--------|
| | Male | Female | Male | Female | Male | Female |
| Percentage of regular employees | 53.5% | 46.5% | 80.4% | 19.6% | 43.3% | 56.7% |
| Percentage of managers | 83.6% | 16.4% | 94.5% | 5.5% | 73.9% | 26.1% |

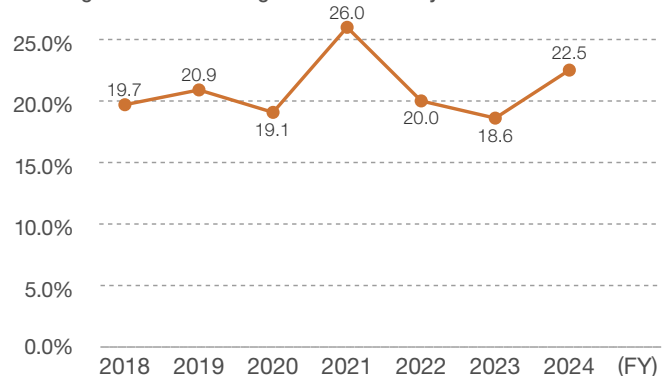
* Manager is section manager and department manager.

Percentage of Women in Management and on the Junior Manager Level



Data for Seiko Epson Corporation employees as of end of March every year. Management means section manager and department manager.

Percentage of Women Among New-hires Directly Out of School



Data for Seiko Epson Corporation employees as of April every year.

Advancement of People with Disabilities

Epson recognizes the active participation of people with disabilities as one of its important DE&I issues. We aim to be a company in which people can contribute to the company’s performance by taking on challenges and continuing to grow regardless of whether they have disabilities. We are working to recruit people with disabilities throughout the Group, with 3.0% of our workforce will comprise of people with disabilities in FY2030. We are also fostering a culture where people with disabilities can advance by creating various opportunities and communicating relevant information.

Concrete Actions

- Provide more opportunities for people with disabilities at special subsidiaries and share the knowledge within the Group.
- Foster an inclusive climate.
 - Hold discussions with people with disabilities and have management visit special subsidiaries.
 - Internally distribute lecture videos and issue company newsletter articles.
- Provide counseling for people with disabilities.



President Ogawa visited a special subsidiary, Epson Mizube, and learned about work being done by people with disabilities.

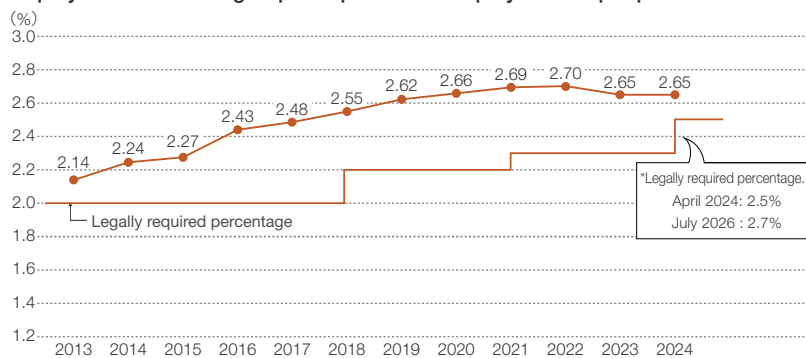


Participants expressed their own experiences, feelings at the round-table discussion.



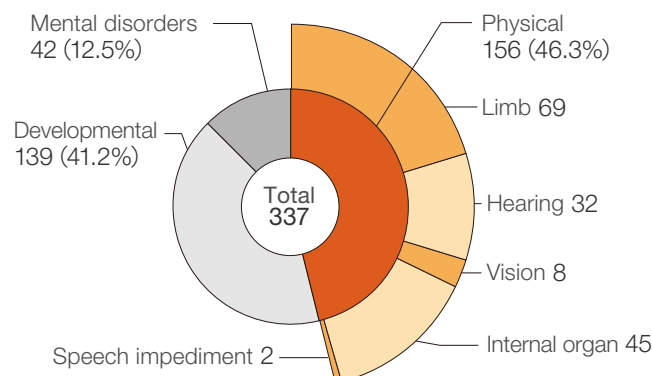
Participants expressed their expectations at the round-table discussion.

Employees of certified group companies for employment of people with disabilities



* Figures for each fiscal year were as of June 1 every year.

Type of Disability (Japan) (Current as of June 1, 2024)



Activities at Special Subsidiaries

Epson was a pioneer in setting up special subsidiaries in Japan. It established Epson Mizube in 1983 and Epson Swan in 2001, steadily increasing the number of employees with disabilities. Work is prepared and assigned according to the type of disability based on the experience and knowledge that have been accumulated over 40 years. New businesses have also been developed to create an environment in which people with disabilities can make the most of their abilities and aptitudes. We will introduce programs that can help people with disabilities achieve individual growth.

Epson Mizube Corporation

Epson Mizube employs 163 people with disabilities (as of June 1, 2024). Its employees are working in offices, manufacturing sites, environmental recycling departments, and other fields in six business sites.

Facilities cleaning services, which were launched in 2008, have grown into a core business of Epson Mizube. There are 64 cleaning crews as of March 2024. In addition, a PaperLab upcycling model line has expanded employment opportunities for people with disabilities since 2017. Employees on the line sort used paper, operate the PaperLab systems, and create business cards, notebooks, and other items using the paper produced in the system. It is planning to expand office assistance work in anticipation of increasing the recruitment of people with mental disabilities.



PaperLab upcycling center



Sorting of used ink cartridges



Building cleaning

Epson Mizube actively uses the Abilympics (skills competition for people with disabilities) to improve workers' professional skills. In FY2023, three employees participated in the National Abilympics and won the silver prize in the electronic device assembly category. The earnestness of candidates and the efforts of assisting workplace motivate employees with disabilities, energizing the workplace.



Shoichi Yokouchi (Epson Mizube) won the silver prize in the electronic device assembly category at the National Abilympics.

Epson Swan Corporation

Located on the grounds of Tohoku Epson, Epson Swan employs 26 people with disabilities (as of June 1, 2024) to clean cleanroom suits and provide facilities cleaning services within Tohoku Epson. In October 2020, the staff also began preparing materials (sorting paper) for processing with PaperLabs.

Cleanroom suit cleaning has been a part of Epson Swan's operations since its founding. It provides this service to multiple Seiko Epson sites as well as to other local companies.



Cleanroom suit cleaning (washing process)



(folding process)

Epson Swan also focuses on human resource development and sends employees to take part in the Abilympics as part of its effort. In FY2023, it received a bronze prize in the building cleaning category of the National Abilympics. Employees with disabilities gained confidence and motivated by the results because the skills they acquired through work were recognized as achievements.



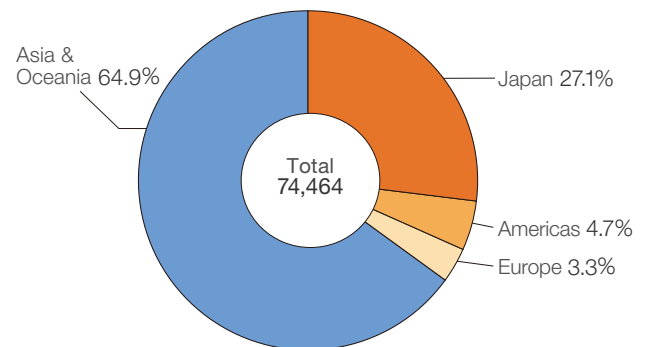
Taisei Domon (Epson Swan) won the bronze prize in the building cleaning category of the National Abilympics.

Drawing on Global Talent

Epson has sites around the world to accurately identify and swiftly and flexibly meet the changing needs of customers at different times and in different regions. The Epson Group currently employs about 75,000 people.

In order to deliver valuable products to customers, it is essential that the entire global value chain operates effectively and efficiently. This requires global human resources who have extensive knowledge and experience in various functions that spread all over the world and are capable of coordinating among respective functions from the perspective of overall optimization and making accurate and prompt decisions in the field. We hold seminars every year to foster management leaders at overseas subsidiaries and promote personnel exchanges across regions in order to develop leaders who share common values and perform actively. As in Japan, we also work with local top management and human resource departments to define roles and requirements for overseas human resources, and formulate succession and training plans for key positions and key human resources. Based on these activities, we continue to hold internal discussions on optimal functional allocation, and are working to build an optimal formation from a global perspective.

Employee Numbers by Region (Current as of March 31, 2024)



Global Talent Management

Epson actively recruits and utilizes overseas human resources. Using the same role evaluation tool as is used in Japan, we measure the size and weight of responsibilities that accompany each position in Epson Group companies overseas. Key positions are identified and their roles and requirements are specified. Then, through 360-degree evaluations and other means, we collect information about all potential candidates and their capabilities so that we can select the most appropriate people for each position, regardless of age, gender, nationality, and so forth. This information is used to conduct the same type of human resources reviews as are performed in Japan, ascertain personnel needs, and review succession plans.

As a result of these actions, Epson now has home-grown talent in leadership positions at its overseas affiliates. The CEO of Epson's regional head office in the US is an American who owns responsibility for all administrative and business operations at Epson companies in North, Central, and South America. The regional head office in Southeast Asia is also headed by a local who is responsible for sales operations in the region. In Europe, all local affiliates controlled by the regional head office are headed by locals, and a number of Epson sales and manufacturing affiliates around the globe have also recruited or promoted locals to run their operations. Currently, 38% of directors at overseas affiliates are non-Japanese, while 63% of those affiliates' CEOs are non-Japanese. 90% of management positions are filled by locally hired employees.

Initiatives to Develop Global Human Resources

Global Incubation Seminar (GIS)

The Global Incubation Seminar (GIS) is a training program for next-generation leaders at the Group companies around the world. We share Epson's corporate purpose and value creation story to help them understand the roles of their own organization and develop their ability to address issues. The GIS was first held in 1999. More than 400 people were invited, many of whom served in managerial positions in our overseas affiliates.

In FY2023, 25 people from 14 countries took the one-week seminar. The program included things such as a visit to business sites, business strategy briefings by chief operating officers, and an Epson Values Session. In this session, participants deepened their understanding of the corporate purpose, value creation story, and the Epson Way (the Management Philosophy, Principles of Corporate Behavior, etc.) that represents the shared values and expectations of conduct in the Epson Group. They also devised and declared actions that they take to further enhance Epson's value. In addition, through talks with executives, they learned more about the corporate vision and business strategies. The participants work in different regions, functions, and businesses. So, they shared the problems they each face and what they are doing to overcome them. After the seminar, participants commented that they gained a deep understanding of the importance of company values and corporate culture, as well as the importance of linking their values to Epson's values to achieve targets. They also said that they learned how to support their team to enable it to take ownership and fulfill its role.

One month after the face-to-face seminar, an online follow-up seminar was held, where participants presented the results of their efforts in their workplaces and shared issues.

We will continue to provide this training program in the future. Our aim is to further extend the abilities of diverse human resources in countries and regions around the world so that they become the driving force behind the next generation of Epson.



Employees sent to Japan for training

Epson invites technical interns and trainees from its overseas manufacturing sites to stay in Japan for a period of three months to one year to participate in educational programs that give them an opportunity to learn skills and techniques not available in their home countries and helps them enhance their understanding of work processes.



We have accepted a total of more than 1,800 technical internees and trainees since 1988. Unfortunately, we had to suspend the program due to the COVID-19 pandemic in FY2020 and FY2021. However, we welcomed eight participants for the first time in three years in FY2022, and thirty-four from Indonesia, Philippines and Malaysia in FY2023.

The photo shows technical interns inspecting parts manufactured with dies they made themselves.

Workforce Composition and Service Period

Workforce Composition

| | Male/Female Ratio | Mgmt. Diversity | Junior Mgmt. Ratio ¹ |
|--------|-------------------|-----------------|---------------------------------|
| Female | 17.3% | 4.7% | 7.7% |
| Male | 82.7% | 95.3% | 92.3% |

* Data for Seiko Epson Corporation employees as of March 31, 2024.

¹ Team leader

Length of Employment

| Total | Female | Male |
|-------|--------|------|
| 18.6 | 18.4 | 19.3 |

* Data for Seiko Epson Corporation employees as of March 31, 2024.

Turnover Rate

| | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 |
|--------------------------|--------|--------|--------|--------|--------|--------|
| Total turnover ratio | 4.5% | 4.1% | 4.5% | 4.4% | 5.1% | 3.9% |
| Voluntary turnover ratio | 1.8% | 1.5% | 1.4% | 1.5% | 2.2% | 1.2% |

* Data for Seiko Epson Corporation of March 20 of that year.

Respecting Human Rights

Approach and Initiatives

Guided by the corporate purpose statement, Epson is committed to achieving a more sustainable future by addressing societal issues. Epson believes that respect for human rights from the standpoint of each individual is a prerequisite for achieving sustainability and is indispensable as the basis for all business activities around the world. On the other hand, however, Epson recognizes that its operations may cause or contribute to adverse impacts on human rights. Epson believes that respecting human rights in its business activities is an important responsibility that all companies must fulfill.

We established Policies Regarding Human Rights and Labor Standards of the Epson Group in 2005 based on the United Nations Global Compact, and we have been practicing conduct that is aligned with the 2011 United Nations Guiding Principles on Business and Human Rights (“the Guiding Principles”). In April 2019, we joined the Responsible Business Alliance (RBA), a non-profit organization that supports the rights and welfare of workers and communities affected by global supply chains, and we and our suppliers conduct our business in line with the RBA Code of Conduct.

Organizational Structure

Epson’s human rights initiatives are spearheaded by Seiko Epson’s DE&I Strategic Promotion Department under the supervision of the executive officer in charge of human capital & well-being management. It is working in concert with corporate departments that supervise sustainability, RBA activities, supply chain CSR and human resources, and building a network with HR departments and related departments of our global affiliates to guide initiatives to prevent human rights abuses.

Epson Group Human Rights Policy

Epson made significant improvements to Policies Regarding Human Rights and Labor Standards of the Epson Group to further strengthen Epson’s human rights efforts in light of recent changes in the way that the international community views human rights and human rights issues. The new Epson Group Human Rights Policy took effect on April 1, 2022, following a resolution by the Seiko Epson Board of Directors pursuant to the Guiding Principles. Complementing Epson’s Management Philosophy and Principles of Corporate Behavior, the Epson Group Human Rights Policy clarifies the company’s approach to respect for human rights and serves as the highest-level guide in those efforts. Pursuant to this policy, Epson’s human rights efforts are focused primarily on the Epson Group and its supply chains.

 [Epson Group Human Rights Policy \(Please refer to page 355 of “Appendices”\)](#)

Human Rights Due Diligence

Epson continually practices human rights due diligence as based on the Guiding Principles. Group companies as well as business partners fall within the scope of this process. Human rights due diligence concerns human rights risks in value chains connected to the business activities of product development, manufacturing, and sales. The due diligence process seeks to identify and study actual and potential adverse impacts on human rights, identify the problems, and prevent and mitigate them.

Epson's human rights due diligence process is as follows:

1. Identify and assess adverse impacts
2. Make corrective action plan, and prevent, and mitigate adverse impacts
3. Track effectiveness of remediation of adverse impacts
4. Communication and reporting

1. Identify and assess adverse human rights impacts.

In the 2023 fiscal year, Epson again identified adverse human rights impacts and conducted an impact assessment. The information below was consulted for the assessment.

- Awareness and knowledge gained over the past four years through activities as a member of RBA (CSR self-assessments and RBA audits)
- The situation regarding incidents that occur internally and in the supply chain, and the reporting and discussion of such incidents
- Information obtained through publications such as Ministry of Economy, Trade and Industry's Guidelines for Respecting Human Rights in Responsible Supply Chains and its practical reference materials, as well as information obtained through participation in events such as the Caux Round Table (Japan) Stakeholder Engagement Program.

Labor and occupational health and safety were identified as areas that are particularly susceptible to human rights abuses, such as those listed in the table below that affect Seiko Epson's own employees, Epson Group company employees, agency workers, supplier employees, on-site service vendor workers, and migrant workers. Asia and manufacturing were identified as a susceptible region and business type.

| High-Priority Groups | Main Adverse Impacts | Examples Warranting Particular Attention |
|--|------------------------------|--|
| Employees of Seiko Epson Corporation and Epson Group Temporary staff Supplier employees On-site service vendor workers Migrant workers | Forced labor | <ul style="list-style-type: none"> • Intermediary fees, recruitment fees, and other expenses related to employment • Confiscation of passports • Forced overtime • Freedom to leave work or terminate employment |
| | Young workers | <ul style="list-style-type: none"> • Overtime, night shifts, hazardous work |
| | Overwork | <ul style="list-style-type: none"> • Violations of laws and internationally recognized human rights norms related to working hours, and long working hours that are detrimental to health |
| | Wages and benefits | <ul style="list-style-type: none"> • Unpaid overtime wages • Non-payment or deductions from wages as a disciplinary measure |
| | Inhumane treatment | <ul style="list-style-type: none"> • Harassment |
| | Discrimination | <ul style="list-style-type: none"> • Discrimination in dismissal and treatment • Pregnancy tests, dismissal of pregnant women |
| | Occupational health & safety | <ul style="list-style-type: none"> • Hazardous and harmful working environment • Protection of women • Worker protection in emergency situations |

2. Formulate a corrective action plan to prevent or mitigate adverse impacts on human rights.

Since the 2017 fiscal year, Epson has had its overseas manufacturing sites complete a CSR self-assessment questionnaire (SAQ) that conforms to the RBA Code of Conduct and RBA SAQ. After joining the RBA in April 2019, Epson began educating the Epson Group about the RBA Code of Conduct and working to integrate it into Group operations. Epson has continued to ask Seiko Epson plants and offices, domestic and overseas Group companies, as well as suppliers to complete an annual CSR SAQ. This CSR SAQ conforms to the RBA SAQ and the results are reported to the RBA. Each Seiko Epson office, Group company, and supplier has a due diligence process to identify the location of adverse impacts on human rights and to develop corrective action plans to remedy or mitigate the identified negative impacts.

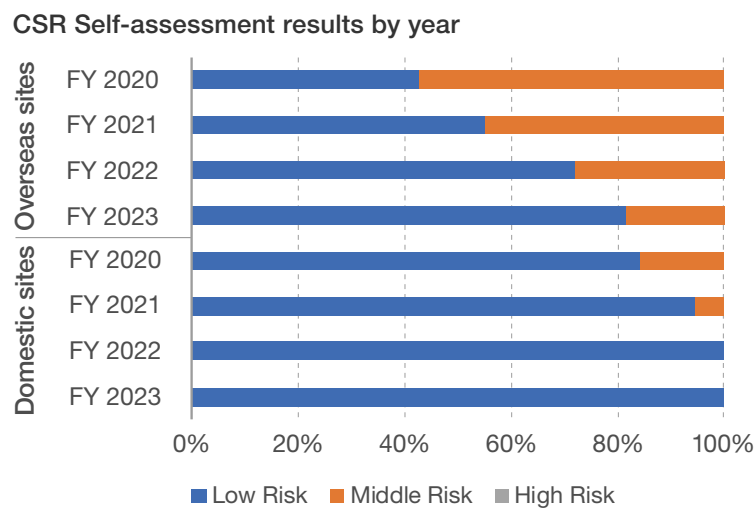
FY2023 CSR Self-assessments by Epson Group Companies

| Items | Details |
|---------------------------|---|
| Questionnaire content | <ul style="list-style-type: none"> A. Freely chosen employment, young workers, working hours, wage and benefits, humane treatment, non-discrimination, freedom of association, etc. B. Health & Safety: Occupational safety, occupational injury and illness, dormitory & canteen, etc. C. Environment: Environmental permits & reporting, pollution prevention & resource reduction, hazardous materials, wastewater & solid waste, air pollution, energy consumption & greenhouse gas emissions, etc. D. Ethics: Business integrity, intellectual property, fair business, advertising & competition, responsible sourcing of minerals, privacy, etc. E. Management system: Company commitment, management accountability & responsibility, risk assessment & risk management, training, supplier responsibility, etc. |
| When the SAQ is conducted | Survey : April – June, 2023 Analysis and corrective action: July, 2023~ |
| Surveyed business units | 11 Seiko Epson facilities 8 domestic affiliated companies (6 manufacturing companies and 2 sales companies) 49 overseas subsidiaries (17 manufacturing companies and 32 sales and other companies) |
| Questionnaire form | RBA SAQ |
| Corrective action | Formulate a corrective action plan, and prevent or mitigate adverse impacts on human rights under supervision of Seiko Epson corporate supervisory departments. |

Summary of FY2023 results:

- The FY2023 CSR SAQ showed that there were no high-risk Epson site.
- In the 2022 fiscal year, 14 sales sites were found to be medium risk. The Seiko Epson Head Office thus took the following actions to enable these sites to earn a low-risk rank so that the score of all of those 14 sales sites was improved and 5 of them became low risk:
 - (1) Familiarized the sites with Epson Group regulations and provided guidance to meet them
 - (2) Explained the SAQ questions and corrected answers where the answers did not match the actual situation
 In total, the number of middle-risk sites decreased from 20% in the previous year to 13% this year.
- In the 2023 fiscal year, we will build further awareness and understanding of Group policies, Group regulations, rules, guidelines and so forth at our business sites to eliminate potential priority non-conformances and further reduce the number of medium-risk sites.

Changes in the CSR self-assessment results from FY2020 onward are as shown below. The risk level is decreasing as a result of corrective actions taken.



* Low risk: over 85 points, basically meeting the requirements of the RBA Code of Conduct, and is able to independently correct weaknesses.
 Middle risk: over 65 and under 85 points, not meeting all the requirements of the RBA Code of Conduct, but is able to independently correct weaknesses.
 High risk: under 65 points, needed to be monitored based on an improvement plan to meet the requirements of the RBA Code of Conduct.

3. Monitor results and progress.

Seiko Epson sites, Group companies, and suppliers have engaged management and are working to correct and mitigate adverse impacts on human rights in accordance with corrective action plans. The corporate supervisory department monitors the progress of corrective action to address significant adverse impacts and see them through to completion.

Epson continues to administer a CSR SAQ once a year to check corrective actions at Epson sites and address nonconformances to the RBA Code of Conduct. Furthermore, in order to identify and correct issues from a third-party perspective and enhance the level of actions being taken, seven of Epson's main manufacturing sites (as of May 2024) located in Southeast Asia and China have been voluntarily undergoing audits under the RBA's Validated Assessment Program (VAP). So far, Epson's manufacturing facilities in Indonesia, Malaysia, Thailand, China, and the Philippines have all earned Platinum or Gold recognition. Platinum is exclusively reserved for factories that are compliant with the RBA Code of Conduct and receive a perfect score of 200.

Epson sites that currently hold Platinum and Gold status

| Site name (country) | Main Products Manufactured | Recognition (Score) | Expiration Date |
|--|--|------------------------|-------------------|
| PT. Indonesia Epson Industry (Indonesia) | Inkjet printers, large format printers, small printers, impact dot matrix printers | Platinum (200) | February 28, 2026 |
| Epson Precision (Philippines), Inc. (Philippines) | 3LCD projectors, Inkjet printers | Platinum (200) | October 16, 2025 |
| PT. Epson Batam (Indonesia) | Inkjet printer ink cartridges and ink bottles, scanners | Platinum (200) | March 16, 2025 |
| Epson Engineering (Shenzhen) Ltd. (China) | Inkjet printers, large format printers, 3LCD projectors, industrial robots | Gold (196.5) | December 7, 2024 |

Below are some examples of situations that have an adverse impact on human rights that were identified in the 2023 fiscal year through CSR assessments or RBA audits and that have been remediated or are being addressed.

| Situation | Location | How it Was or Is Being Addressed |
|--|-----------------------|--|
| Long working hours for a subcontractor's employees | On-site subcontractor | Discussed and implemented corrective action with the subcontractor |
| Workers are charged recruitment fees | On-site subcontractor | Fees were reimbursed |
| Violation of the Worker Dispatch Act | Manufacturing company | Ensure outsourced operations within the scope of the law. |
| Nonconforming emergency exit door along a factory evacuation route | Manufacturing company | The structure of the emergency exit door has been changed. |

The table shows examples of adverse human rights impacts that we have addressed and corrected to date.

| Situation | Location | How it Was or Is Being Addressed |
|---|-----------------------|---|
| Requiring migrant workers to pay broker and recruitment fees to recruitment agencies | Manufacturing company | Stopped requiring fees from migrant workers and reimbursed them |
| Holding passports that belong to migrant workers | Manufacturing company | Strictly prohibited the confiscation of passports |
| Agreement process with workers regarding overtime work | Sales company | Stated the process for requiring overtime |
| Workers were required to temporarily pay the cost of a physical checkup on behalf of their employer at the time of employment | Manufacturing company | Reimbursed the workers and changed the process to eliminate advance payment |
| Contracts between a labor agent and its workers did not meet all legal requirements. | Labor agent | Modified the contract document to comply with the law |
| Inadequate overtime records | Labor agent | Paid the unpaid overtime wages and improved the overtime recording system |
| Error in the calculation of withholding amounts | Labor agent | Adjusted withholding payments and updated the calculation system |
| Unpaid statutory reserves for employees | On-site subcontractor | Discussed with the subcontractor and corrected |
| Inadequate working hours management | On-site subcontractor | Discussed with the subcontractor and corrected |
| Unpaid overtime wages for an on-site service vendor | On-site subcontractor | Paid overtime wages based on the local law |

4. Communication and reporting

Epson's efforts to address issues requiring corrective action are reviewed annually and reported on Epson's websites and in its Sustainability Report. The Epson Group's global efforts are also reported through statements on modern slavery and human trafficking.

 [Epson Slavery & Human Trafficking Statement \(Please refer to page 361 of "Appendices"\)](#)

To build and maintain good labor-management relations, Epson actively provides information to its employees and engages them in sincere talks and discussions. Epson also communicates with customers as needed about its efforts to respect human rights.

Epson recognizes that areas such as labor and health and safety pose the highest risk of human rights abuses. In FY2023, we assessed risks in other areas too. The Ministry of Justice defined 25 human rights categories that companies should respect. Referring to those and considering the severity (degree of difficulty in recovering human rights) and the extent of the impact, as well as the relevance to our business operations, we selected AI, privacy, consumer safety (product safety and marking in particular), and the environment and climate change as our four main subjects.

Human rights categories that companies should respect

| | | | |
|--------------------------------|---|--------------------------|---|
| 1 Wages | Unpaid wage, living wage | 14 Technologies and A.I. | Technologies and A.I. |
| 2 Working hours | Excessive working hours | 15 Privacy | Privacy |
| 3 Health and safety | Occupational health and safety | 16 Consumer rights | Consumer rights |
| 4 Social security | Social security | 17 Discrimination | Discrimination |
| 5 Workplace bullying | Workplace bullying (abuse of authority) | 18 Gender equality | Gender equality (including sexual minorities) |
| 6 Sexual harassment | Sexual harassment | 19 Freedom of expression | Freedom of expression |
| 7 Discrimination for pregnant | Workplace discrimination for pregnant woman and father | 20 Rights of indigenous | Rights of indigenous people and local residents |
| 8 Discrimination for caregiver | Workplace discrimination for caregiver | 21 Environment | Environment and climate change |
| 9 Forced labor | Forced labor | 22 Intellectual property | Intellectual property |
| 10 Freedom of movement | Freedom of movement | 23 Corruption | Corruption |
| 11 Freedom of association | Freedom of association and collective bargaining rights | 24 Supply chain | Human rights issues in supply chain |
| 12 Migrant workers' rights | Migrant workers' rights | 25 Access to remedy | Access to remedy |
| 13 Child labor | Child labor | | |

Assessed these 4 themes.

We discussed the four subjects with relevant departments and determined the current state in Epson. Examples of subjects discussed include generally assumed adverse human rights impacts; adverse impacts in which Epson could be involved; general mechanisms and frameworks for preventing, stopping, and mitigating adverse impacts; mechanisms and frameworks at Epson; reporting channels for stakeholders; and the actual state of reporting. As a result of the discussions, we found no serious adverse impact of AI since its use is currently limited in-house. Nevertheless, we will keep monitoring it because there is a possibility that AI will be deployed in our businesses and incorporated into our products, which could cause adverse human rights impacts. We have not found any serious adverse impacts in the other three subjects at this time, but we will continue to monitor them.

Grievance mechanism

Epson has set up numerous grievance mechanisms. In addition to the Epson Helpline, the company has specialized advisory services to handle human rights-related inquiries and reports from employees (including contract employees, part-time employees, temporary employees, agency workers, etc.). There are advisory services for harassment, long working hours, foreign employees, diversity issues, among others. The Epson Helpline and the diversity advisory service can also be used to report or discuss human rights related issues that are not covered by the specialized advisory services. The advisory services take into consideration the wishes of the person making an inquiry or reporting an incident as they ascertain the facts and act to remedy the situation and prevent recurrences. In FY2023, we exchanged information with these advisory services and launched an effort to understand the overall situation regarding reporting on human rights.

Epson has established supplier compliance hotlines that suppliers and their employees can use to seek remediation. Customers, investors, community residents, and other stakeholders can access advisory services on the corporate website. In addition, they can file grievances via an Engagement and Remedy Platform provided by the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), which Epson joined as a member in April 2024. JaCER is an organization that aims to provide a cooperative “Engagement and Remedy Platform” involving multiple member companies for redress of grievances and to act in a professional capacity to support and promote redress of grievances by member companies based on the Guiding Principles on Business and Human Rights. Epson will use these advisory services and platforms to appropriately respond to reports and concerns regarding human rights from a wide range of stakeholders.

The information contained in reports is strictly protected at advisory services, reprisals against whistleblowers are prohibited, and anonymity is ensured.

Education

We have been educating our global workforce of people working in areas such as human resources, health and safety, environment, ethics, and supply chain management about the RBA Code of Conduct and its requirements. In 2021, we revised the Epson Group Human Rights Policy. We took this as an opportunity to hold further study sessions on the subject of business and human rights for directors and personnel in corporate and global HR departments. In the 2022 fiscal year, we conducted an online course for all officers, employees, contract employees, and temporary staff, who work at Seiko Epson and all other group companies in Japan, to raise awareness of human rights and prevent human rights abuses. Through this course, participants learned about the fundamentals of business and human rights, as well as about Epson’s efforts to respect human rights, which are essential for conducting global business. The number of employees and workers who completed the course was 18,473 as of September 2023. In the 2023 fiscal year, the course on business and human rights was offered online to managers and above at seven of Epson’s main overseas manufacturing and sales affiliates. The course completion rate was 92.7% as of the end of June 2024. In FY2024, Epson plans to implement the course at all overseas affiliates.

Epson Slavery & Human Trafficking Statement

Epson issues annual slavery and human trafficking statements. These statements disclose Epson's modern slavery and human trafficking policy and report the results of actions taken to eradicate these from the supply chain pursuant to the UK Modern Slavery Act 2015, the Australian Modern Slavery Act 2018, and the U.S. California Transparency in Supply Chain Act 2010 (SB 657), Dutch Child Labour Due Diligence Law (Wet Zorgplicht Kinderarbeid), and Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act.

 [Epson Slavery & Human Trafficking Statement for Financial Year 2023](#)
(Please refer to page 361 of "Appendices")

Initiatives to Prevent Power Harassment

Employee Advisory Service

Epson seeks to create a fair and pleasant working environment. Toward this end, we have set up an advisory service and are addressing grievances to prevent and stamp out power harassment. In FY2024, we added a new external reporting channel to accept anonymous claims. We also provide training to personnel who handle grievances to improve their skills and reduce their stress. We do so by sharing examples of how claims have been handled in the past and sharing information on legal changes.

Power Harassment Prevention Training

We provide Group-wide training on the prevention of power harassment that is tailored to the different echelons. For executive management, the training provides an opportunity to think about how to create an organization that is free of power harassment. For middle managers, the training reminds them of the seriousness of the impact that power harassment can have. After sharing power harassment examples, participants engage in discussions and consider preventative actions. In addition, we require all employees to take an online course every year. We also provide executives and employees who will be assigned overseas with training tailored to their needs and local circumstances.

Since FY2021, we have been working to create a power-harassment-free organizational climate by taking individually tailored action in each workplace. This action takes many forms, including individual follow-up with workplaces in which health management information indicates that stress levels are high and the establishment of consultation services for managers.

Harassment Recurrence Prevention

Human rights abuses including harassment and labor-related grievances are regularly reported to executive management. This information and company responses are shared with managers and disclosed company-wide to prevent similar incidents in the future. We require Group companies to report all material harassment incidents. There have been no omissions in reporting in recent years.

Anger Management Training

Anger management training is said to be an effective way to prevent so-called power harassment (abuse of authority at work).

Seiko Epson has provided anger management training sessions since FY2015 to teach employees skills needed to control feelings of anger at work. We have held echelon- and department-based anger management training 800 times up to the end of FY2023. An introductory course teaches people the skills they need to defuse their anger and improve their control long-term, while a course in constructive criticism teaches managers and others effective communication skills. More than 13,000 Epson Group employees in Japan have taken a course. By providing its people with the proper training and skills, Epson hopes to eliminate power harassment from the workplace.

This initiative has been recognized externally. We received the 1st Japan Anger Management Business Leadership Award Grand Prize for it from the Japan Anger Management Association in June 2023.

Power Harassment Prevention Training/Anger Management Training (after 2015)

| | Course | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | People Trained |
|--------------------|--|------|------|------|------|------|------|------|------|------|--|
| All | Harassment preventive e-learning | | | | ● | ● | ● | ● | ● | ● | Mandatory for all employees and executives FY2023: participation ratio 97.6% |
| | Awareness building for all employees | ● | ● | ● | ● | ● | ● | ● | ● | ● | Educate the entire workforce about corporate efforts and about reporting/counseling services |
| | Anger management training | | ● | ● | ● | ● | ● | ● | ● | ● | Voluntary training for those who wish it. FY2023: 530 people at 64 trainings |
| Executive | Power harassment prevention training/anger management training for executive | ● | ● | ● | ● | ● | ● | ● | ● | ● | Mandatory |
| Management | Power harassment prevention training for managers | ● | ● | | | | | | | | 1,303 people at 70 trainings at 27 sites in Japan |
| | New general manager training | | | | ● | ● | ● | ● | ● | ● | FY2023: 43 people |
| | New section manager training | | ● | ● | ● | ● | ● | ● | ● | ● | FY2023: 123 people |
| | Anger management training | | | | | ● | ● | ● | ● | ● | FY2023: 156 people at 11 trainings |
| Overseas Assignees | Power harassment prevention training prior to assignment overseas | ● | ● | ● | ● | ● | ● | ● | ● | ● | FY2023: 72 people at 6 trainings |
| | Anger management training | | | | | | | ● | ● | ● | FY2023: 87 people at 6 trainings |
| Junior management | Power harassment prevention training for junior management | | ● | | | | | | | | 2,561 people at 131 trainings at 27 sites in Japan |
| | New senior staff training | | | ● | ● | ● | ● | ● | ● | ● | |
| Other | Harassment prevention/anger management training conducted by division | ● | ● | ● | ● | ● | ● | ● | ● | ● | Conducted upon demands of the division or the affiliated company FY2023: 972 people at 54 trainings |

Current as of March 31, 2024

Security Personnel Trained in Human Rights

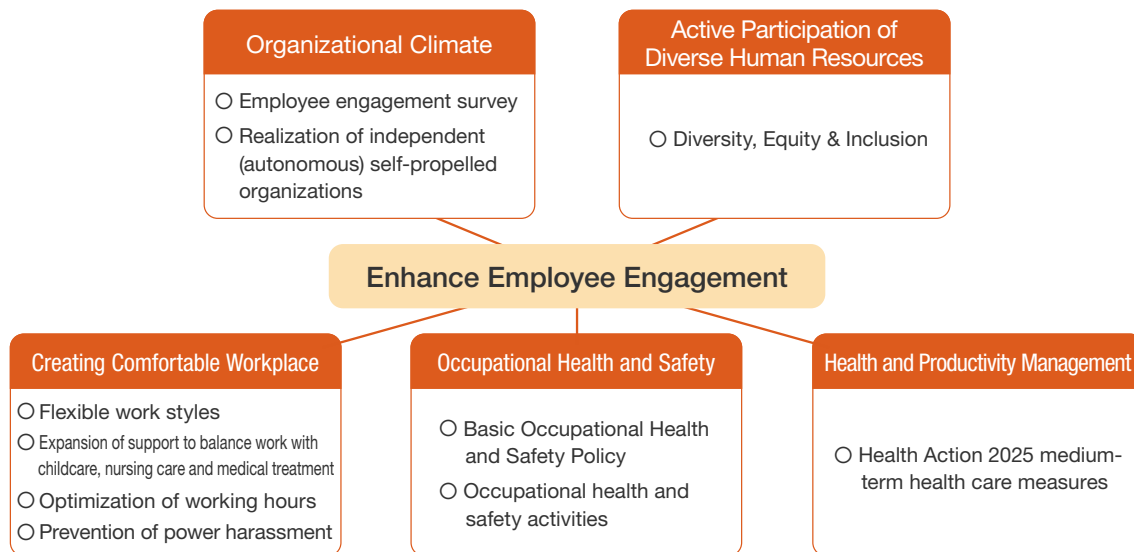
Seiko Epson outsources security operations to security companies and asks them to train those employees in human rights policies or procedures. In FY2023 we conducted a CSR self-assessment questionnaire to confirm that those suppliers, as well as other suppliers of indirect materials, provided human rights training to those people.

Fostering a Better Workplace

Approach & Initiatives

We will secure and take advantage of a diverse workforce, including women, non-Japanese, mid-career hires, people with disabilities, and older workers, in order to enhance creativity to realize innovation. We will also create a comfortable work environment that leverages our advantages as a regional company, such as our commitment to organizational culture, the natural environment of Shinshu, and proximity to work and home, to increase employee engagement and maximize the overall strength of the organization for continuous value creation.

Initiatives for fostering a better workplace



Employee Engagement Survey and Initiatives for Improving the Organizational Climate

Epson has conducted an annual organizational climate survey since 2005 to gain an understanding on the current state of organizational culture, with the aim of creating an environment where each employee has more motivation and initiative than before, and where diverse human resources can work autonomously and with vitality.

We introduced and conducted an engagement survey which allows us to compare our company with external organizations in FY2022. The aim of the survey is to engage in effective activities based on even more specialized and multifaceted detailed analysis. The results clearly show there is a relationship of mutual trust at the foundations of our entire company and that Epson is an organization in which employees act when given instructions by their superiors. However, the results have also revealed there are many challenges to realizing an independent (autonomous) self-propelled organization in which individuals take the initiative to improve the weaknesses of the organization on their own.

Based on these results, we began initiatives to (1) instill our philosophy among employees, (2) change the prevailing mindset and adopt an outward-facing perspective, and (3) achieve further growth and a sense of contribution through work in order to maximize our organizational strength.

Each workplace will share and consider with its members their detailed survey results. Those workplaces will then establish improvement measures and set improvement targets focused on those three items. The improvement targets will be linked to management by objectives for middle managers. We will look to achieve these targets by FY2025.

We will also help them fulfill their management roles and improve their management skills by providing various opportunities and examples in conjunction with the results of a 360-degree survey. This includes things such as 1-on-1 skills training, changes to the education and training system for current and future managers, discussions among managers from throughout the company, and a management consultation service and mentoring program. We specifically help workplaces and areas that need thoroughgoing support.

The overall rating in the Engagement Survey in FY2023 was BB, one rank higher than the previous year. We aim to improve productivity by building a strong organization. Toward this end, we are developing people who take initiative and building relationships of trust in the workplace.

Employee Engagement Survey Results and Targets

| Company-wide Indicators | | FY2022 | FY2023 | Target (End of FY2025) |
|------------------------------|-----------------------|--------|--------|---------------------------|
| Overall rating | | B | BB | A |
| | Score | 51.8 | 52.9 | 58.0 |
| Number of D-rated workplaces | | 47 | 45 | Zero |
| Sub-items | | | | |
| | Job areas | 3.2 | 3.3 | 3.6 |
| | External adaption | 3.2 | 3.2 | 3.6 |
| | Activities for change | 3.1 | 3.2 | 3.6 |

Diversification of Work Arrangements

Epson aims to create an environment where employees have motivation and can work with vitality and in a physically and mentally healthy and safe manner while adapting to various changes in life stages and others. In particular, we are promoting flexible working styles that allow employees to work at any time and any place, such as a flexible working hours system and telework, and creating an environment that enables a work-life balance in life-stage events such as childcare, medical treatment, nursing care, and infertility treatment. We are also promoting measures to prevent harassment in the workplace and keep working hours at an appropriate level. At Epson, a Group whose main sites are concentrated in the Shinshu area, we believe that it is important to further promote flexibility in working hours and workplaces, and create an environment that enables our diverse human resources to realize their individual career development, in order to promote diversity in the future based on hiring and retention of diverse human resources including managerial human resources and specialists.

Seiko Epson has been driving additional work reforms since 2017. In Phase I (FY2017-2019), we prioritized the management of overtime and the prevention of long working hours. In Phase II (FY2020-2022), we established a work-from-home system for all employees, abolished core hours in flex time, expanded the applicable age range for shortened working hours for childcare reasons (up to the sixth grade of elementary school) and otherwise expanded our systems for the diversification of workstyles and increase in choices.

We are striving to reform workstyles in Phase III (FY2023-FY2025) from FY2023. The birthrate will decrease and the population will age, the working population will decline and there will be other changes in the environment in the future. To continue contributing to society even in face of such issues, we believe it is important to foster a better workplace where employees from various backgrounds can balance their work and family lives with peace of mind.

The diversification of work arrangements is bringing a wide range of issues to the forefront in areas including hu-

man resources management and organizational operations. Everything from health to how we communicate and how we develop/evaluate/appraise personnel are affected. As a part of our efforts to create a healthy and vibrant work environment, we will also review our human resources systems and provide management with support.

Progress on Measures to Diversify Workstyles

| Initiative | Measure | FY2023 Results |
|--|---|--|
| Ensure flexibility in place and time of work | Evolve the remote work system | Revised the system to allow employees to work by the minute (September 2024) |
| | Set guidelines for working onsite and working from home | Set guidelines for working onsite and working from home, taking into account the importance of face-to-face communication, organizational management issues, and flexible working styles |
| | Apply flextime without core hours | Abolished core hour |
| Ensure employees can balance work with childcare, nursing care and medical treatment | Support employees balancing work with medical treatment | Expanded the short-term leave and long-term leave systems for infertility treatment |

Offering Flexible Work Location Options and Work Hours

Remote work system

Seiko Epson introduced a system in FY2018 that gives time-constrained employees the opportunity to work from home so that they can provide care to dependents, including children and other sick or ill family members. In September 2020, the remote work option was expanded to encompass all employees. This allows employees to work from home even if they are not constrained by childcare or nursing/caregiving responsibilities. Employees can also work remotely from approved locations outside the home in case of sudden needs for care, providing even greater flexibility. Effective from July 2022, Seiko Epson expanded the work location options so that employees can also work from the home of their parents or their spouse's parents or at the home of their spouse who lives separately.

However, we recognized the importance of face-to-face communication and saw that there were organizational management issues during the rapid implementation of the work-from-home system due to the COVID-19 pandemic. So, in September 2023, we established company-wide guidelines that require workers to come to the office at least once a week in order to achieve the best organizational productivity and performance using the optimal form of working arrangements. In addition, in September 2024, we changed the system to allow workers to work from home in one-minute increments in addition to all-day and half-day.

Time Off by the Hour

From October 2022, employees will be allowed to request time off by the hour at any time during the workday. This is meant to strike a better balance between work and the care of a child or family member or with one's own medical care. Enabling employees to take up to five days' worth of annual paid leave by the hour has made it possible to lead to the realization of a work-life balance.

Flex Time without Core Hours

Epson amended its flex-time system to eliminate the requirement to be present during core hours. This change took effect in March 2023 to provide greater flexibility in the use of the system that is available to many employees. The elimination of core hours has given employees a wider range of options about when to start and end the work-day.

Enhanced Support for Balancing Work with Treatment

Epson is creating an environment that facilitates a better work-life balance so that employees can continue to work with peace of mind while adapting to changes in their situation. Since FY2022, we have been encouraging all fathers to take paternity leave. As a result, the ratio of male employees who took paternity leave increased significantly. In addition, we established a new system to support employees undergoing infertility treatment from September 2023.

Childbirth and Childcare Support

We are also focusing our efforts on childcare support. For instance, we enable both men and women to work without disparity at the time of childbirth and childcare. Our aim is to create an environment where both male and female employees can play an active role to realize their desired career. Specifically, we have set up systems which allow employees to balance work while valuing childbirth such as with short-term leave, long-term leave and shortened working hours.

<Childcare Leave Trends>

| FY | Childcare Leave | | | |
|---------------------|-----------------|------------------------------|-----|----------------------------|
| | Women | Ratio of women granted leave | Men | Ratio of men granted leave |
| 2023 ¹ | 46 | 97.9% | 208 | 85.2% |
| 2022 ¹ | 38 | 90.5% | 273 | 97.2% |
| 2021 ^{2,3} | 38 | 100% | 131 | 53.5% |
| 2020 ^{2,3} | 37 | 100% | 72 | 30.8% |
| 2019 ^{2,3} | 41 | 100% | 61 | 21.3% |
| 2018 ^{2,3} | 35 | 100% | 40 | 13.6% |

* Data for Seiko Epson Corporation employees as of March 31, 2024.

Calculation for FY2022:

¹ Ratio of the number of employees who took childcare leave in the fiscal year prior to publication with respect to the number of employees who gave birth or whose spouse gave birth in the fiscal year prior to publication

Calculation for the fiscal years up to FY2021:

² Number of people including those who took wellbeing leave which is a system unique to Epson

³ Number of people who took childcare leave / Number of people eligible for the system (people eligible for the system: those who gave birth to a child and who became eligible to take childcare leave)

Support for Employees Undergoing Infertility Treatment

There is a need for companies to establish workplace environments where it is possible for employees to continue working while undergoing infertility treatment in response to the social issue of the declining birthrate. We expanded our short-term leave and long-term leave systems in September 2023 to ensure that employees can undergo infertility treatment without worrying about work. Both male and female employees are equally using this system.

<Support Systems for Infertility Treatment>

| System | Overview |
|-------------------------------|--|
| Short-term life support leave | Gives employees five days of special leave (paid leave) which can be taken within a fiscal year. |
| Long-term life support leave | Allows a total of 365 days of leave to be taken over three fiscal years (can be divided). If continuing treatment even after three years, allows a total of 365 days of leave over the next three years. |

Responding to Employee Caregiver Needs

With advancing population aging, the number of people requiring care is on the rise. Consequently, the number of employees acting as caregivers for their families is also on the rise. Aiming to eliminate turnover due to caregiver needs, Epson provides the following types of support to caregivers.

- Launched a website related to caregiving to provide information related to in-house programs and nursing care insurance systems.
- Conducting nursing care preparation seminars to equip employees with the knowledge that will enable them to respond calmly to sudden nursing care needs.
- We contracted with an outside advisory service that employees can privately consult about caregiving issues.
- Enable the use of the following programs to support balance between work and caregiving.

<Caregiving Program>

| Name | Overview |
|-----------------------------------|--|
| Caregiver leave | May take up to 1 year and 6 months per applicable family member |
| Caregiver reduced hours | Can be taken up to March 20th after three full years from start of use An extension will be granted if ongoing care is necessary. |
| Caregiver overtime exemption | Exempt employees from overtime exceeding nominal hours |
| Caregiver overtime restriction | Restricts employee overtime to less than 24 hours per month or 150 hours per year |
| Caregiver night shift restriction | Restricts night shift assignments for employee |
| Caregiver telecommuting program | Enables telecommuting up to limited time specific for each work shift |
| Caregiver leave | Allows employee to take 5 days/year for 1 applicable family member or 10 days/year for 2 applicable family members as caregiver leave (unpaid) |

<Caregiver Leave Trends>

| FY | Caregiver Leave | Employees using caregiver reduced hours |
|------|-----------------|---|
| 2023 | 3 | 4 |
| 2022 | 2 | 5 |
| 2021 | 5 | 6 |
| 2020 | 2 | 4 |
| 2019 | 6 | 4 |
| 2018 | 2 | 5 |

* Data for Seiko Epson Corporation employees as of March 20, 2024.

Epson's Wellbeing Leave Program

Seiko Epson introduced a special paid leave program in March 1998 that allows employees who do not use all their annual paid vacation days during the year to stockpile the remainder, up to 60 days, in a separate account. They have the option of using special paid leave days in the event of personal injury or illness, or to care for children or family members, or to participate in school events for their children in elementary and middle school.

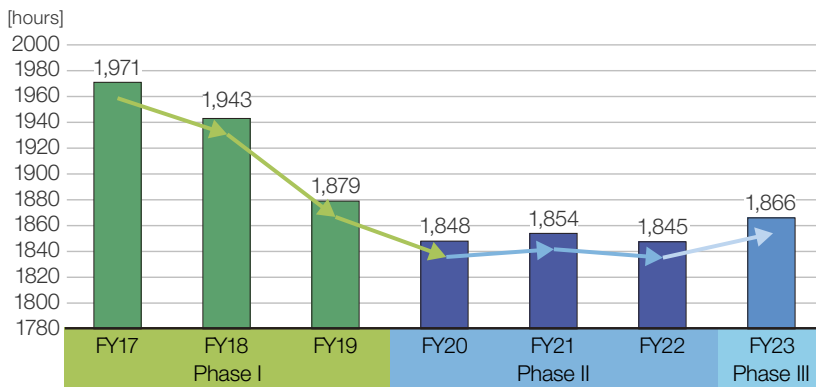
Managing Working Hours

Seiko Epson has been acting to more closely manage working hours and prevent long working hours as part of work reforms we began in 2017 and as a priority field in our Health Action 2025 medium-term health management measures we enacted in April 2022. In addition to ensuring legal compliance by familiarizing employees with an operations manual for managing working hours, we monitor in-out times and hours spent at work with automated tracking systems. We also remind personnel of the importance of maintaining reasonable working hours.

Achievements and Targets for Managing Working Hours and Preventing Long Working Hours Through the Above Activities

Target in FY2024 for actual total annual working hours: 1,845 hours

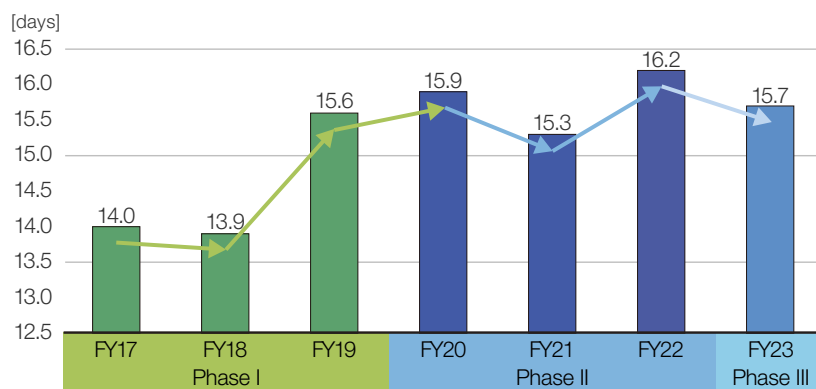
Annual Total Working Hours per Employee



Data for Seiko Epson Corporation employees as of March every year.

Target in FY2024 for number of days of paid leave taken: 20 days (including leave taken other than annual paid leave)

Number of paid leave used



Data for Seiko Epson Corporation employees as of March every year.

Wages

Epson's wage standards are compliant with the local labor regulations in the countries where we operate. Our standards provide for things such as suitable wages, allowances, and extraordinary pay.

The Epson Group Human Rights Policy states "Epson promotes equality of opportunity and treatment in respect to employment, occupation, and remuneration, with a view to eliminating any discrimination." In Japan, Epson pays its people based on the principle of equal pay for equal work, regardless of type of employment, as required by law. The wage system does not discriminate by age or gender. Seiko Epson eliminated the gender pay gap in 1983.

In Japan, for regular employees who are not in management positions, we have introduced a qualified grade-based system wherein compensation is primarily determined by the employee's job and competencies. For leaders, we have a system wherein the compensation is determined by their job, which is given based on their competencies, and the level of roles they are fulfilling. We have a role-based grade system for managers wherein compensation is determined by the size of the person's role. The suitability of non-management employee and leader wages and the wage system are reviewed by a committee made up of members of management and the labor union.

In every country and region outside Japan, we establish rules that are compliant with all local wage-related regulations governing things such as minimum wages, legal benefits, and overtime. Wages, deductions, and so forth are calculated based on these rules, and employees receive an electronic or printed pay stub showing the details of each pay period. Payment is made directly to employees on the appointed date.

Labor-Management Relations

Epson states in its Human Rights Policy that it respects the right to freedom of association and collective bargaining based on applicable laws and regulations. It also commits to providing workers with necessary information and exchanges opinions with them in good faith to maintain good labor-management relations.

A labor-management council forms the basis of the labor-management relationship. Held regularly and as needed, this council is where management explains important management matters to labor union representatives and where the two sides discuss proposed changes to employment conditions. In addition to the labor-management council, Seiko Epson has formed labor-management committees, the safety and health committee, as well as some other committees, to discuss and solve issues related to things such as working styles, family support, and benefits and wages.

Informal discussions are also held on the division and department level to provide a venue for bidirectional communication between employees and managers. Management communicates its thoughts and wishes to employees as well as get direct feedback from them.

* Rate of joining the labor union among all regular employees: 86.3%

Main Employee Welfare and Benefits Systems (Japan)

| Category | Description of System |
|----------------------|--|
| Insurance | Health insurance, welfare pension, long-term care insurance, employment insurance, workman's accident compensation insurance |
| Pensions | Corporate pension fund, defined contribution pension plan |
| Assistance | Commuting expense subsidy, employee cafeterias & shops, uniforms |
| Leisure | Subsidies for get-togethers between employees, clubs for employees with shared interests |
| Personal development | Distance learning and license/qualification acquisition subsidies |
| Asset-building | Employee savings scheme, employee stock ownership plan |
| Housing | Company housing and apartments for singles |
| Medical & health | Company infirmaries and therapy (massage) |
| Caregiving | Time off, leaves of absence, reduced hours, and home care services for employees who are caring for children or other family members |
| Other | Congratulatory and condolence payments, long-term service awards, group insurance, etc. |

Health and Productivity Management

Health Management at Epson

Epson considers the health of all people in the Epson Group to be our top priority. We are thus working to create an enjoyable and dynamic workplace environment to ensure their physical and mental well-being in line with Epson's Purpose Statement, the Epson Way, the Epson Group's Basic Occupational Health and Safety Policy, and the Epson Group Health and Productivity Management Declaration.

In April 2020, the president of SEC made free and open communication, enjoyment of work, and changes in the organizational climate priorities. In conjunction with this, Epson publicly committed to the Health and Productivity Management Declaration.

In April 2024, Epson partially revised the Health and Productivity Management Declaration to clearly state that our health management programs are for all Epson Group contributors and not just our own employees. In June, we also established English and Chinese translations of the Declaration and are rolling it out globally to 62 of our overseas sites (as of March 31, 2024). Occupational health laws and regulations may differ from country to country and region to region, but our efforts to ensure a healthy organizational climate and employee happiness do not change. Our overseas affiliates will manage health in line with their local laws and culture and will strive to support continuous improvement in health through initiatives tailored to prevailing conditions. In this way, we are reiterating our commitment to promoting the health and well-being of everyone in the global Epson Group and to achieving our corporate aspiration of achieving sustainability and enriching communities.

Health and Productivity Management Declaration

At Epson, we consider the health of all people in the Epson Group to be our top priority.

We therefore take a proactive, participatory approach to creating a rewarding, dynamic, and engaging workplace environment and promoting physical and mental wellness for all.

Our goal is for all Epson Group contributors to feel energized, produce results that surprise and delight, and make the world a better place.

People: Top management, employees, contractors, temporary workers, and other workers who do work activities and are under the control of the company.

Yasunori Ogawa
President and CEO
Seiko Epson Corporation

Health Management Objectives and Organization

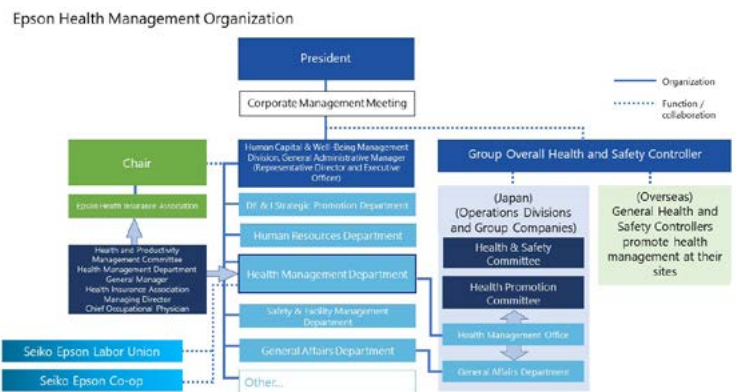
Health Management Goals

The goals of health management are employee happiness and contributions to society. We want all who work at the Epson Group to enjoy a dynamic workplace and to feel that their job is worthwhile and rewarding, with the result that even more societal issues get resolved. We believe that this will lead in turn to achieving sustainability and enriching communities.

We recognize that this will require each individual to engage in health practices that suit their needs and situation, which may change as different work arrangements are introduced and the workplace environment evolves. Our efforts are thus being directed toward the self-management of mental and physical health and fostering a positive, healthy workplace climate.

Organization

Seiko Epson created an integrated Human Capital & Well-Being Management Division under the president, who holds the ultimate responsibility for health management, to drive the Group's unique health initiatives forward. The Representative Director and General Administrative Manager of the division is responsible for overseeing all health management initiatives. As an Executive Officer, this individual participates in the Corporate Management Council and serves as the Chair of the Health Insurance Association.



In Japan, we are executing a mid-term health plan in cooperation with relevant departments, business sites, and affiliated companies. A Health and Productivity Management Committee, which is jointly run by the company and the health insurance association, is responsible for analyzing health and productivity-related data and for establishing, evaluating, and improving health-related measures and policies. Health promotion committees, led by employees and involving the company and health insurance association, meet regularly to coordinate activities.

Epson Group companies overseas began implementing initiatives to maintain and improve employee health at the start of the 2024 fiscal year. The initiatives are tailored to the specific needs of each company and are aligned with the local culture and occupational health laws and regulations. In June 2024, we introduced the Health and Productivity Management Declaration globally and are collaborating with our overseas sites to promote certain unified actions Group-wide.

See the following links for more information about actions being carried out with the Human Capital & Well-Being Management Division:

[Epson Group Basic Occupational Health and Safety Policy \(Please refer to page 354 of "Appendices"\)](#)

The “Health Action 2025” Health Management Policy

Health Action 2025

Epson has been establishing and regularly updating mid-range health plans since 2001. The latest is Health Action 2025, which we established in 2022.

Significant changes are happening in the workplace. More diverse work arrangements are being introduced and the workforce is aging. To adapt to these changes, we believe employees need to understand the state of their own health and to work toward personal wellness. We are working on two important areas. One is mental and physical health, where we are looking to foster autonomy and strike a harmonious balance between work and health. The other is workplace health¹, where we aim to ensure safety and foster an organizational climate in which teams work in an enjoyable and dynamic manner. Health Action 2025 programs are being carried out under the slogan “Notice, learn, act, and acknowledge.”

¹ Epson has used the term “workplace health” since FY2016. It is based on the World Health Organization’s definition of health as “a state of complete physical, mental and social well-being” but also incorporates the idea of health and productivity management, which has elements of both mental and physical well-being coupled with how we work. It is creating a safe, dynamic, communicative workplace in which everyone feels energized and enjoys job satisfaction.

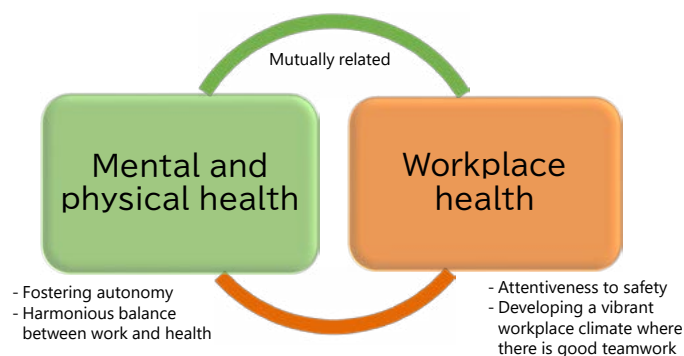
Health Action 2025

FY2022-FY2025



Key Areas

We have a duty as a company to provide a safe working environment and have safety programs geared toward this. But we also have programs to address mental and physical health¹ and workplace health². These programs are designed to deal with changes that could impact health, such as new work arrangements and an aging workforce.



Slogan

In the midst of diversifying work arrangements and changing employee demographics, we anticipate major changes in things such as lifestyle and communication methods. These changes have the potential to improve work-life balance, but they could also adversely impact health. To adapt to these changes, it will be more important than ever for employees to understand themselves and to work toward personal wellness. On top of this, workplaces must embrace diversity and foster relationships where there is mutual acknowledgement and respect.

Therefore, to translate the intent of the policies under Health Action 2025 into action, we added “acknowledge” to the key words “notice, learn, act” to emphasize the importance of mutual respect and cooperation.

Notice, learn, act, and acknowledge



| | |
|--|--|
| Notice | <ul style="list-style-type: none"> • Monitor mental and physical health with health examinations • Self-measure (weight, blood pressure, and steps) • Notice changes in yourself and your surroundings (Don't ignore the signs when you don't feel quite right) |
| Learn | <ul style="list-style-type: none"> • Do your own research and allow yourself to be taught • Utilize the training and education • Get the right knowledge |
| Act <small>Increase the things you can do now to improve your health</small> | <ul style="list-style-type: none"> • Don't smoke • Manage stress • Good sleep quality • Get the necessary tests and treatment • Move more than you do now • Eat healthily |
| Acknowledge | <ul style="list-style-type: none"> • Greet with a smile • Encourage and thank each other • Help each other • Listen to others |

Objective and Targets

Mental and Physical Health

Objective

Promote the self-management of mental and physical health and achieve a balance between work and health among all employees.

| Indicators of consciousness transformation and behavior change | | Indicator (2025) |
|---|---|------------------|
| Percentage of people who are managing stress | | > last year |
| Percentage of people who practice ≥ 6 of the 9 healthy lifestyle habits | | ≥ 50% |
| Physique | Percentage who maintain a suitable body weight | ≥ 60% |
| | Percentage of people overweight and obese people who lost ≥3% of their body weight from the previous year | ≥ 22% |
| Percentage undergoing physicals | Percentage who undergo further tests based on results of physical checkup | ≥ 90% |
| | Percentage who undergo further tests for cancer | ≥ 90% |
| Percentage who have maintained flexibility and strength (avoided locomotive syndrome) | | > 33.2% |

Workplace Health

Objective

Pay sufficient attention to safety to prevent impairment of health due to work or the work environment.
Develop a vibrant workplace climate where there is good teamwork.

| Indicators of consciousness transformation and behavior change | | Indicator (2025) |
|---|--|------------------|
| Indicator for the percentage of employees missing one month or more of work due to a mental disorder ¹ | | ≤ 0.83 |
| People working a lot of overtime who are found to have impaired health | | 0 |
| Cluster infections in a workplace or site | | 0 |
| Organizational climate | Number of high-risk workplaces | 0 |
| | Workplaces that continue to be or are once again high risk | 0 |
| | Work engagement | ≥ 2.52 |

¹ Indexed with the FY2022 percentage set to 1

Health-Related Data Analysis

We have established a health information analysis platform that integrates and visualizes the health information held separately by the company and the health insurance association. Our focus is on maintaining a cycle of health management by collaborating with outside professional services to swiftly identify and address health issues affecting employees and the workplace.

Recognized under the Health & Productivity Stock Selection Program for the 3rd Consecutive Year

In March 2024, Epson was recognized under the Health & Productivity Stock Selection Program for the third consecutive year.

The Health and Productivity Management Stock program was launched jointly by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange. The program selects publicly traded companies that pursue strategic health management initiatives to promote the health of employees and other personnel from a management perspective. By highlighting companies that are attractive for investors who prioritize long-term improvement in corporate value, the program seeks to encourage companies to engage in health management efforts.

Epson received high scores in all four areas of health and productivity management: management philosophy and policy, organization, program and action implementation, and evaluation and improvement. As a result of its ongoing efforts, Epson has also been certified for eight consecutive years under the Certified Health and Productivity Management Organization Recognition Program (White 500), which was started in 2017 by METI and the Nippon Kenko Kaigi as a way to recognize companies that practice excellent health and productivity management.



Mental and Physical Health

Increasing health literacy

We provide various education and training courses as part of our mental and physical health and workplace health initiatives. These courses are tailored to different echelons and roles within the organization and are designed to encourage people to manage their own health.

In the area of mental and physical health, the courses focus on key topics such as stress management, healthy lifestyle habits, and weight management. They are offered primarily online to accommodate diverse working arrangements.

In the area of workplace health, we conduct self-care education courses focused on fostering a healthy workplace climate. The courses are mainly provided online, but some also combine online study with face-to-face workshops.

In FY2023, we provided an online course in body weight management for all personnel. (The completion rate was 88.2%.) In FY2024, we plan to offer online courses in sleep, cancer, and communication. We also provide self-care education tailored to different age groups from the time people join the company.

Wellness activities

The health promotion committees at our various sites have been operating since the 1990s based on THP (Total Health Promotion Plan) guidelines to maintain and improve health and to revitalize and energize the workplace. These committees have been set up at each business site to give employees themselves an avenue to develop and implement wellness activities through cooperation among management, the union, and the health insurance association.

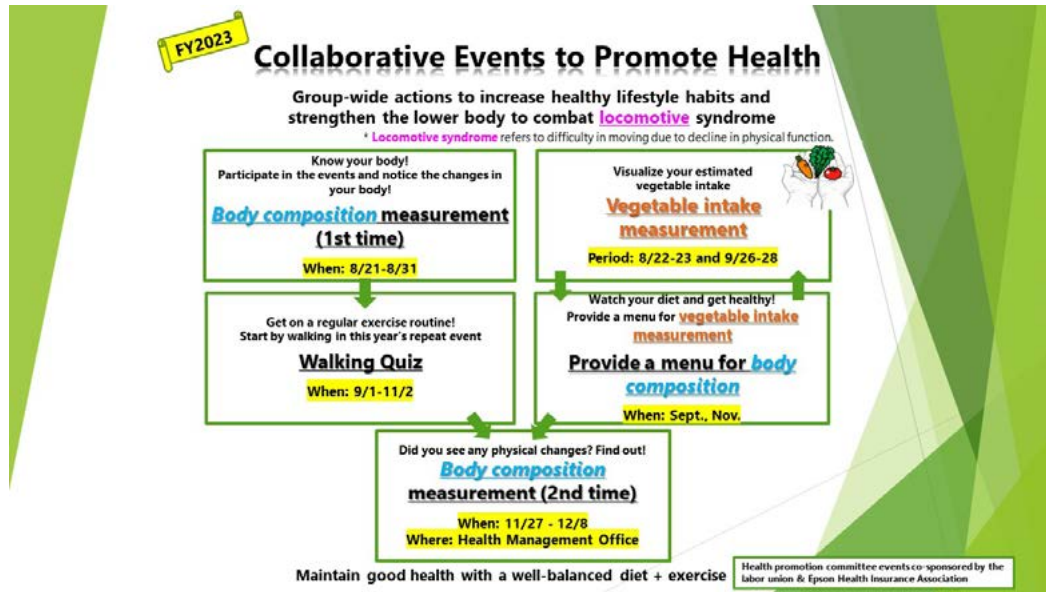
Training sessions for committee members were held separately at the start of the fiscal year at each of the 15 sites. However, beginning in FY2024, we held a single training session online simultaneously. To foster a sense of company-wide unity and to ensure a certain level of knowledge, messages from management were sent to the health promotion committees, roles were clarified, and education was provided. The FY2024 session was attended by 285 people, both on-site and online.



Health Promotion Committee Member Training

- Well-being activities created by employees themselves

The health promotion committees select health issues at their sites and organize events that help to address them in a way that people enjoy. For example, there are events for measuring body composition, events that encourage people to get on a regular exercise program, lectures on nutrition to improve dietary habits, and sleep seminars. Some of the more unique events meant to encourage regular exercise include a photo contest in which people post the best photo of something they found on a walk and a quiz in which people look for answers that can be found along a walking course.



Examples of Site Activities

- Company-wide events to promote health Walking events

Walking events have been held annually since FY2021 with the health insurance association. Employees can participate as individuals or as members of a team. Awards and incentives are provided based on site participation and achievement rates. Participation has been increasing with each iteration, contributing to the establishment of a regular exercise routine, mental and physical refreshment, and improved workplace communication.



- Events to improve eating habits

Epson and the co-op have been partnering since 2019 to promote dietary health. As part of this program, they arranged to offer vegetable-rich, lower-sodium soups at all Epson Group cafeterias in Japan during the months of October and January of fiscal 2023. These menu choices help to encourage employees to improve their eating habits.



Vegetable-Rich, Lower-Sodium Soups

Individual Support

The Health Management Offices at Seiko Epson sites have medical professionals, including occupational physicians and nurses, who are available to provide counseling. Communication is emphasized, and employees are encouraged to seek counseling and mental and physical health support whenever they feel the need. Particular emphasis is placed on getting employees who show signs of potential cardiovascular or brain disease at the annual physical checkup to seek medical care to prevent the progression of symptoms. Furthermore, supervisors, HR, occupational physicians, and others collaborate to provide personalized support to enable individuals who are receiving treatment to continue to work in good health.

Meanwhile, we have employee counseling offices staffed by industrial counselors who provide both mental health and career counseling.

Cancer Screening

Epson and the health insurance association work together to provide cancer screening at the annual physical. They help build awareness and increase the cancer screening rate and follow-up testing by distributing informational materials and encouraging symptomatic individuals to seek further testing.

Workplace Health

Mental Health and Wellness Programs

In the area of mental health and wellness, employees whose mental health issues have caused them to take time off from their jobs can benefit from our back-to-work program. The program has helped smooth the transition back to the workplace and prevent relapses. We have strengthened our efforts to review what led each individual to take a leave of absence when they return to work and have been successful in reducing repeats. Medical professionals and industrial counselors come together to consider how to respond as a team, and they work closely with the individual's primary care physician, manager or supervisor, and human resources department to provide better support. Apart from this, individuals whose stress check scores indicate that they are highly stressed are encouraged to speak with a physician. Those who do not wish to do so are encouraged to come in for counseling with a member of the occupational health staff. Moreover, we educate managers, supervisors, and leaders regarding mental health by providing online courses and group training seminars. These are designed to enable them to better foster a healthy, vibrant workplace climate.

Workplace Environment Improvement Activities (sharing of good practices & support for improving high-risk workplaces)

To avert work-related mental health issues, we conduct stress checks to assess the situation in each department and provide support to relieve stress in collaboration with senior management.

We began providing workplaces with feedback on analysis results in 2017 with the goal of further enhancing workplace support. The main actions that started from 2020 were the use of workplace improvement sheets and the facilitation of discussions.



Discussion facilitation

We continue to provide traditional workplace support because we are seeing the average overall health risk across the company decrease. On the other hand, the percentage of high-risk workplaces has stopped declining, so we continue to provide workplace support while also enhancing training for managers and supervisors to prevent further increases.

Measures to Prevent the Spread of Infectious Disease

- Common infectious diseases

In March 2024, we provided an online course on infection prevention in the workplace. When designing the course, which was completed by 90.3% of the workforce, we used the lessons learned from the COVID-19 pandemic to teach personnel how to avoid becoming infected and how to avoid infecting others.

- Emerging infectious diseases

To eliminate Epson Group plant closures caused by outbreaks of disease, we have been taking action to ensure that our people are alert to infectious diseases and that they practice measures to prevent their spread in the workplace. Epson views infectious diseases as a major risk affecting its global corporate activities. We are advancing efforts across the global Epson Group to keep employees safe, minimize damage, and ensure business continuity. These efforts include formulating regionally tailored business continuity plans (BCP) to control risks in the event of an outbreak of emerging infectious disease, conducting contingency drills, and stockpiling of epidemic prevention supplies.

Other Initiatives

Support for Japanese Employees Working Overseas

We have set up a global health support desk to provide consultation services and health-related information to Epson employees from Japan who are working overseas.

Prior to assignment, our occupational physician responsible for overseas provides information and education on three major infectious diseases (HIV, malaria, and tuberculosis).

To reduce mental and physical health risks associated with overseas assignments, the physician interviews expats when they temporarily return to Japan during the first three to six months after assignment. In addition, individual interviews are conducted online within the first year of the assignment.

Expats are provided with the same level of health-related support health as our employees in Japan. We regularly send them health-related information, conduct physical and mental health assessments, provide follow-up, and post information on the company intranet.

Support for Women's Health Issues

Counseling services

Epson aims to create a work environment where employees can work comfortably together, regardless of gender. We offer counseling and support for health issues related to childbirth, childcare, menopause, and more. Support is available not only to the employees themselves but also to their supervisors and coworkers.

Education programs

- The company provides education on women's health issues at various echelon-based seminars.
- The Human Resources Department, the DE&I Strategic Promotion Department, and other related departments are working together to explore additional initiatives and programs.

Training in Life-Saving Procedures

There have been incidents in the past in which individuals have suffered cardiopulmonary arrest at Epson sites. In view of this, Epson began to spread awareness of emergency procedures at Group companies in Japan so that we can provide the best first aid and life-saving treatment if we should ever be present when someone suffers such an event.

Executives and other personnel have been given online and hands-on training in cardiopulmonary resuscitation (CPR) and the use of automated external defibrillators (AEDs). As of the end of June 2024, over 17,000, people took the courses.

Initiatives Involving External Partners

We consider the self-management of physical and mental health to be relevant to everyone who works at Epson sites, so we invite external partners who work on our sites in Japan to participate in health literacy education and company-wide walking events. The company-wide walking events that we organize not only create an impetus for physical activity but also promote communication among participants and within the workplace.

Promoting Broader Health Management Activities

As part of our efforts to promote employee health, we respond to surveys requested by other companies, contribute articles to health-related magazines, provide information about Epson's health management initiatives, and organize inter-company networking events.

We also presented the results of our analysis from the perspective of positive mental health at the 97th Japan Society for Occupational Health at the conference and provided information on our activities.

Occupational Health and Safety

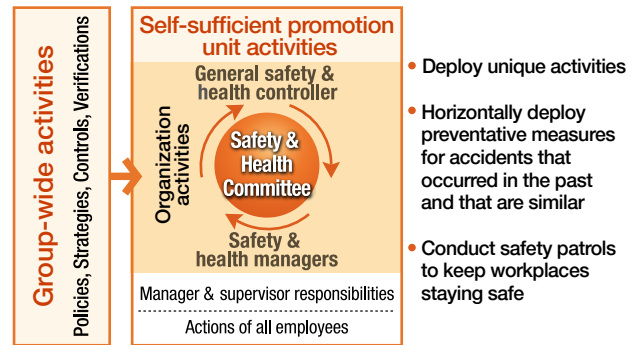
Approach to Occupational Health and Safety

At Epson, safety, health, and compliance take precedence over performance. We believe that initiatives to promote a healthy and safe work environment and to protect the physical and mental wellbeing of our people are essential for a healthy company. We are thus carrying out occupational health and safety activities around the globe to ensure that all workers in the Epson Group can enjoy work in the knowledge that they are safe.

Epson has established a Basic Occupational Health and Safety Policy that is founded on the four pillars of safety, health, fire and disaster management, and facilities, and we make officers, employees, and our partners aware of our occupational health and safety (OH&S) activities.

[Epson Group Basic Occupational Health and Safety Policy \(Please refer to page 354 of "Appendices"\)](#)

Basic Concept of Occupational Health and Safety Activities



Commitment

Epson is evolving the Group's OH&S activities to align them with ISO 45001, thereby further improving the workplace health and safety environment. Bearing in mind that safety, security, and health are the lifblood of the company, we will comply with all applicable local and international laws and regulations as well as with company rules. We will strive to maintain and promote both mental and physical health. Together, we will work as one to achieve our goals of zero serious occupational accidents and industrial incidents and zero occupational illnesses, thereby laying the foundation for achieving sustainability and enriching communities.

Yoshihiko Kubota

Deputy General Administrative Manager
 Overall Safety and Health Controller
 Human Capital & Well-Being Management Division

Occupational Accident Situation

In FY2023, we did not have a serious occupational accident¹. The actions we took reduced the number of collisions and hit-by accidents from 12 to 3. However, the number of falls increased from 18 to 21, while the number of accidents involving reaction to motion and over-exertion increased from 3 to 10. In FY2022, we revamped our tracking indicators to include sales companies along with manufacturing companies and began stepping up our OH&S activities. Nevertheless, we are seeing occupational accidents at sales companies trend higher. Many of the accidents involve lower back injuries from warehouse work and injuries from falls in offices. We have been holding OH&S meetings with all business units, including Epson sales companies, and continue to implement actions to prevent such accidents from recurring.

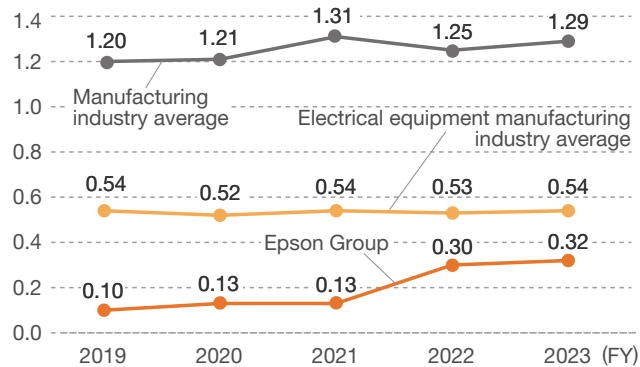
The number of incidents involving smoke and fire increased from 3 to 5. These incidents involved consumer appliances, including an electric fan and a dish dryer. For this reason, we are taking steps to strengthen the management of such appliances.

The occupational accident frequency rate and severity rate² rose slightly from last year, but they remain below the national average.

¹ Accidents involving death, disability, or other comparable aftereffects

² Occupational accident indicators that are calculated in accordance with a formula of the Ministry of Health, Labour and Welfare

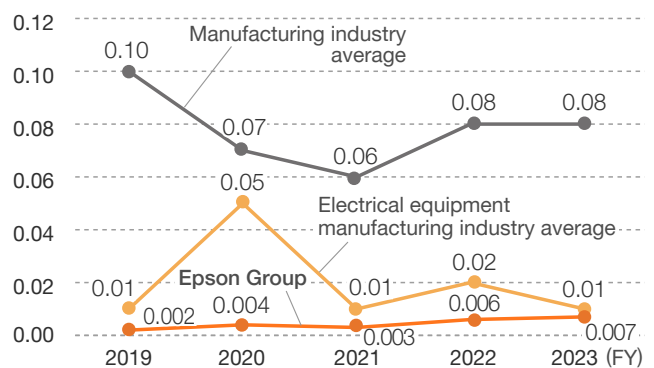
Occupational Injury Accident Frequency



$$\text{Occupational injury accident frequency} = \frac{\text{Number of injury accidents}}{\text{Total actual working hours}} \times 1,000,000$$

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

Occupational Injury Accident Seriousness



$$\text{Occupational injury accident seriousness} = \frac{\text{Number of working days missed}}{\text{Total actual working hours}} \times 1,000$$

* Occupational injury accident seriousness: the number of working days missed per 1,000 work hours, where an injury accident is an incident that causes a worker to miss one or more days of work

Workdays lost are calculated based on the criteria below.

- Fatality: 7,500 days
- Permanent total disability: 7,500 days for physical disability levels 1–3
- Permanent partial disability: 50 to 5,500 days depending on disability levels 4 to 14
- Temporary disability: The total number of lost days, including designated holidays, is multiplied by 300/365

Number of Occupational Accidents, by Type, in FY2023

(Unit: Accident)

| Falls | Reaction to motion, over-exertion | Fire & smoke | Collisions | Cuts, scrapes | Other | Total |
|-------|-----------------------------------|--------------|------------|---------------|-------|-------|
| 21 | 10 | 5 | 3 | 2 | 7 | 48 |

* The count only includes accidents that resulted in the loss of one or more work days.

Safety Management Activities

After reviewing the results from FY2023, we set the targets for FY2024 as follows:

| Indicator | FY2023 Target | FY2023 Actual | FY2024 Target |
|---|---------------|---------------|---------------|
| Serious occupational accidents & industrial incidents | Zero | Zero | Zero |
| Occupational accident frequency rate | ≤ 0.30 | 0.32 | ≤ 0.30 |
| Occupational accident severity rate | ≤ 0.006 | 0.007 | ≤ 0.006 |

Actions for FY2024

Based on an analysis of occupational accidents that occurred in FY2023, we will focus on the activities below in FY2024 to prevent the same or similar accidents from recurring and preemptively avoid other accidents.

- Falls: In addition to making environmental improvements to staircases and eliminating trip hazards, etc., we will try to eliminate falls by helping employees to improve or maintain their physical fitness.
- Reaction to motion & over-exertion: To address lower back injuries and other injuries that occur when transporting objects or when performing continuous physical tasks, we will better identify risks associated with physical stresses through on-site observation and take corrective action.
- Fire and smoke: In response to incidents involving general household appliances, we will enhance pre-purchase specification checks and regular inspections.

When introducing new machinery or equipment, including during the research and development stage, we identify and assess risks in accordance with the Group's risk assessment criteria. We then implement safety measures based on the findings.

ISO 45001 Certification Acquisition Situation

To protect employees from occupational health and safety risks, Epson manufacturing companies as well as some other sites have been systematically working to obtain ISO 45001 certification, the international standard for OH&S management systems, over a three-year period. By the end of FY2023, 12 out of our 14 manufacturing sites in Japan and all 14 of our overseas manufacturing sites have obtained ISO 45001 certification, making for a certification rate of 92.9% (26/28). The remaining two sites will earn certification this fiscal year.

Global Sharing of OH&S Activities Information

Epson production sites in Japan and abroad regularly hold meetings between management and operational staff and between labor and management to share information and level up their OH&S activities.

At the management level, the senior executives and Epson Group company presidents who head up health and safety programs at Epson sites in Japan gather twice a year for a General Health & Safety Controllers' Meeting in which the director in charge participates. The same thing happens separately overseas. These meetings are used to discuss the current situation and challenges faced in occupational health and safety and to work on improvements.



A February 2024 general health and safety controllers' meeting in Japan

At the labor-management level, members of the labor union and management convene monthly Health and Safety Committee meetings to gather ideas and feedback from workers that can be used to improve site health and safety.

Building Awareness Internally through Safety News Bulletins

Epson analyzes all occupational accidents and industrial incidents in the Epson Group, identifies causes, and implements measures to prevent similar incidents. Information on occupational accidents and industrial incidents—including causes, countermeasures, and recurrence prevention measures—is compiled into “Safety News” bulletins and disseminated to all employees through the company intranet.

Human Resource Development through Health and Safety Education

Epson considers its comprehensive health and safety education courses to be among the most important in its education program. A key feature of the program is that the curriculum is tailored to the different echelons and roles of employees. For general employees, we focus on practical training in things such as risk assessment and hazard prediction. For management and supervisory staff, the emphasis is on acquiring skills to lead the workplace. This approach is integrated into the company-wide education curriculum.

In FY2023, we provided online safety education courses. These courses were completed by 19,697 employees, or 97.97% of the workforce. Outside Japan, 27,336 employees completed the courses. We keep track of, and follow up with, those who have not completed the courses.

Fire and Disaster Prevention

Epson is committed to fire safety and disaster management. Our fire brigades help to protect lives and property. We hold fire and disaster drills and practice extinguishing incipient fires to help minimize damage in the event of a disaster. These actions both increase our preparedness and heighten employee awareness.

Formation of Fire Brigades

Epson has had independent fire brigades in place for 68 years. The first brigade was formed in 1955, with 15 men dedicated to protecting their factory from fire. As our business has grown, so has the number of fire brigades. There are now approximately 900 employee firefighters active at business sites in Japan and at facilities around the world. Fire brigades train year-round to protect life and company property.



Members of the Group's first independent fire brigade (1955)

Purpose and significance of independent fire brigade initiatives

- Regular training teaches members about firefighting techniques and skills and raises their safety awareness so they can take immediate and proper action in an emergency. This is part of company safety education.
- Fire brigade training is meant to enable personnel to ensure personal safety (rescue and render first aid) and minimize damage to facilities and equipment by fighting incipient fires when there is an accident or disaster.
- Employees who learn about safety and firefighting techniques and skills become key members of the workplace to instruct others there. They model fire/disaster prevention and safety for all employees, which raise workplace awareness of the same.
- Initiatives to fight fire enhance communication. Brigades are a good place to foster friendships between members from different departments, develop character, and cultivate human resources.

Drills in Fighting Incipient Fires

Fire brigades

Fire brigades practice fighting incipient fires (fires in the early stage) primarily using portable fire pumps and indoor/outdoor fire hydrants. They prepare for the possibility of a fire with monthly fire drills. Not only do they practice using site firefighting equipment and guiding people to safety during evacuations, they also practice assisting local fire departments that may be called by replenishing water for fire engines.

Special nighttime firefighting teams made up of employees who live near the company conduct drills to ensure preparedness in the event of a fire or disaster that occurs on a weekend or at night.



Fire brigade drill



Firefighting drill



Nighttime firefighting drill

General firefighting training

Fires, should they occur, must be extinguished in the early stages to limit damage. We periodically train everyone in the workplace in the use of fire extinguishers to ensure that they can quickly and effectively use them when needed.



Training in fire extinguisher use



Employees practicing fire extinguisher use

Facility Safety Maintenance

Epson maintains safe facilities in line with the Epson Group Basic Occupational Health and Safety Policy to prevent accidents caused by faulty buildings, equipment, and facilities.

Facility safety maintenance covers all domestic and foreign Epson Group buildings and building equipment, including but not limited to electrical equipment, air conditioning and sanitary equipment, drainage equipment, disaster management equipment, communication equipment, and equipment for supplying gas and chemicals to production machinery. Maintaining the soundness of buildings and building equipment, planning and maintaining them to minimize damage from fires and earthquakes, and ensuring the safety of employees and others will help Epson to ensure business continuity and deliver products and services on time. Epson thus has in place a variety of facility safety measures.

For example, before a new building or new building equipment is constructed, installed, refurbished, or removed, a safety assessment is conducted to identify potential problems and improve designs. In addition to managing safety during construction, we also conduct safety assessments prior to use to verify that buildings and building equipment were constructed or installed as designed. If there is a problem, we have it fixed, and if it is not fixed, the building or equipment cannot be used until the problem is resolved.

In addition to ensuring compliance with applicable laws, regulations, and codes when conducting safety assessments, we are also working to build safer buildings and building equipment by establishing our own standards and preventing the recurrence of past accidents and problems.

In many cases, we enlist the cooperation of outside partners to do the actual construction work. When we hire a partner, we carefully manage safety by communicating the construction rules, controlling access to the site, ensuring that confidentiality is maintained, and providing instructions for working safely. We also try to raise safety awareness among our partners by holding safety conferences.

To encourage employees to acquire the licenses and qualifications needed for facility management and to maintain and raise the level of facility management, Epson provides employees with ongoing professional education. To help ensure electrical safety, Epson created its own program for training and qualifying electrical equipment technicians. Only qualified technicians are allowed to perform electrical work and maintenance on machinery used at Epson sites worldwide.

We at Epson will continue to try to eliminate occupational accidents through activities like these.



Building safety assessment



Outside partner safety conference



Electrical equipment technician training