

Epson UK Limited

Gender pay gap results 2020-21



Introduction

Epson is a global technology leader dedicated to connecting people, things and information with its original efficient, compact and precision technologies. With a lineup that ranges from inkjet printers and digital printing systems to 3LCD projectors, watches and industrial robots, the company is focused on driving innovation and exceeding customer expectations in inkjet, visual communications, wearables and robotics.

Part of the Japan-based Seiko Epson Corporation (SEC), the Epson Group comprises more than 81,000 employees in 85 companies around the world, and is proud of its contributions to the communities in which it operates and its ongoing efforts to reduce environmental impacts.

Epson aspires to be an indispensable company, trusted throughout the world for its commitment to openness, customer satisfaction and sustainability.

As Epson employees, we always strive to exceed our own vision, and to produce results that bring surprise and delight to our customers. We respect individuality while promoting team work and it is committed to delivering unique value through innovative and creative solutions.

We foster values, such as customer focus, team work, results focus, communication and commitment to excellence as part of our principles of corporate behaviour. We strengthen teamwork by recognising the value of our workforce and creating synergies between individuals and our organisation. We will put Epson in the best position by hiring a diverse workforce and utilising their unique skills effectively, and maintain relationships with our employees based on trust.



Gender pay gap results 2020-21

UK employers with more than 250 employees are required to publish their gender pay gap. We have three companies operating in the UK. Epson (UK) Limited has fewer than 250 employees and is therefore not required to report. However, we have decided to publish the gender pay gap in line with our company values and commitment to openness.

Epson (UK) Limited is a sales and marketing company, which sells and markets products for sale to the United Kingdom and Republic of Ireland only. Many business support services such as information technology, facilities and human resources services are provided to it by direct parent company Epson Europe BV, which employs over 300 people based in the United Kingdom.

Equal pay vs Gender pay gap

Equal pay is comparing the pay of men and women doing roles of equal worth, as set out in the Equality Act 2010. It is unlawful to pay people unequally because they are a man or a woman unless it can be objectively justified. The gender pay gap shows the difference in the average pay between all men and women in a workforce. The gender pay gap is influenced significantly by the shape of an organisation, in particular where there are a higher proportion of one gender at more senior levels.

In this report, we are sharing the median (midpoint) and mean (average) pay gaps between men and women's hourly ordinary pay and bonuses. The hourly rate used is based on earnings in the April 2020 pay and can include any pay, bonus or commission, but does not include overtime. Under the legislation, we have to report six different pieces of information relating to the pay of the included workforce population and these are:

1. Mean – pay gap

This is the difference in the hourly pay of men and women based on the snapshot date 5 April 2020. The pay gap figure is expressed as a percentage of the hourly pay of male employees.

2. Median pay gap

This is the difference between the average hourly earnings of men and women. It takes all hourly rates in the sample, lines them up by gender, in order from lowest to highest, and picks the middle figure from each line.

3. Mean bonus gap

This refers to the bonus and/or commission pay paid during the twelve months prior to the snapshot date 5 April 2020, expressed as a percentage of the bonus/commission pay paid to men.

4. Median bonus gap

This is calculated in the same way as the median pay gap in that it consists of two lists, one of all male bonus/commission payments during the year and the same for all females. Then the middle number from each list is compared calculate the median bonus gap.

Unlike the pay gap figures the bonus gap does not account for any reduction in hours therefore it is possible for a bonus gap to exist when in fact the two genders could be paid exactly the same hourly rate.

5. Proportion of Bonus Pay

Bonus pay proportion refers to men who received a bonus commission in the twelve months, expressed as a percentage of men; women who received a bonus commission in the twelve months, expressed as a percentage of women.

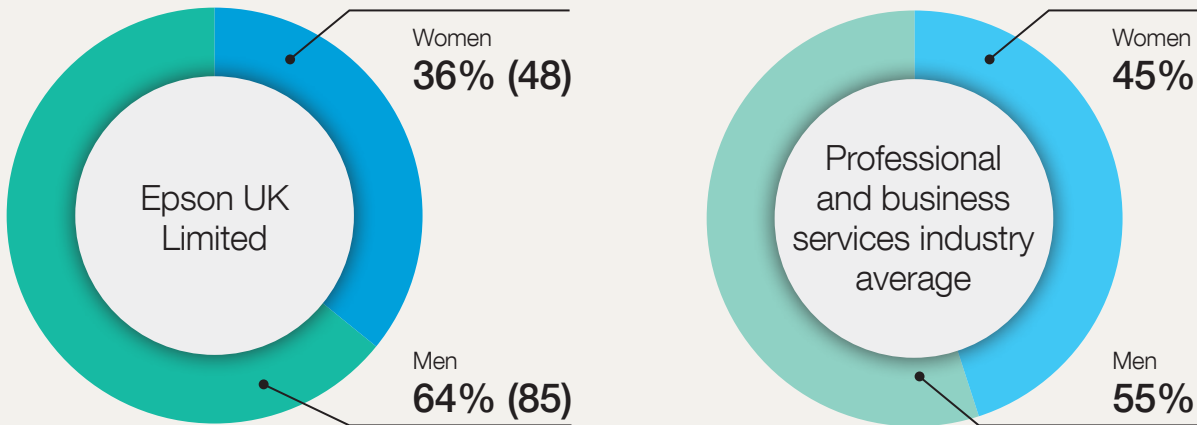
6. Pay Quartiles

This organises the workforce into evenly sized quartiles based on ranking of all included employees from lowest to highest by hourly rate of pay. This is then split equally into four quartiles for each gender. The report shows for each quartile the number of full-pay relevant men and women in each quartile as a percentage of the total in the quartile.

Gender pay gap

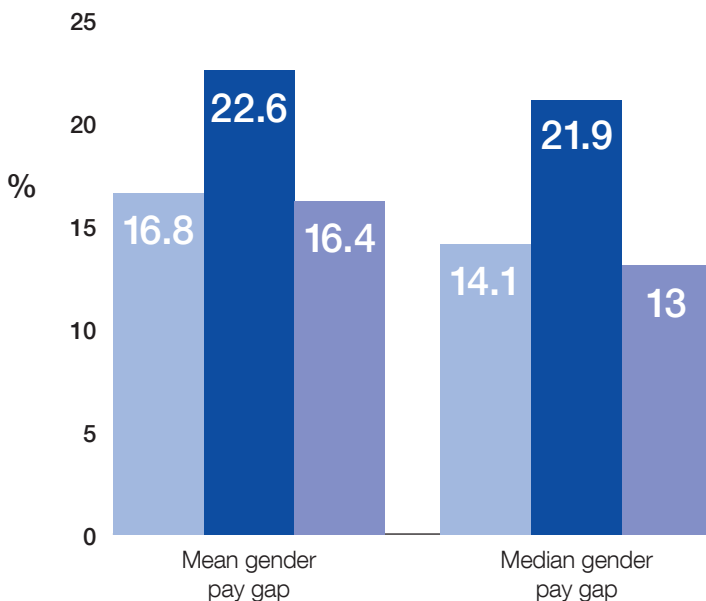
The diagrams below refers to Epson (UK) Limited, totalling 134 employees, with 133 employees being full pay relevant to this report based on the snapshot data from April 2020. No employees of Epson (UK) Limited have identified themselves as non-binary.

Total split of men and women employees



The industry average used in this report is based on data from The Office for National Statistics and data from XperHR published in 2020 based on 2019/20 Gender Pay Gap Reporting submissions.

Employee gender pay gap



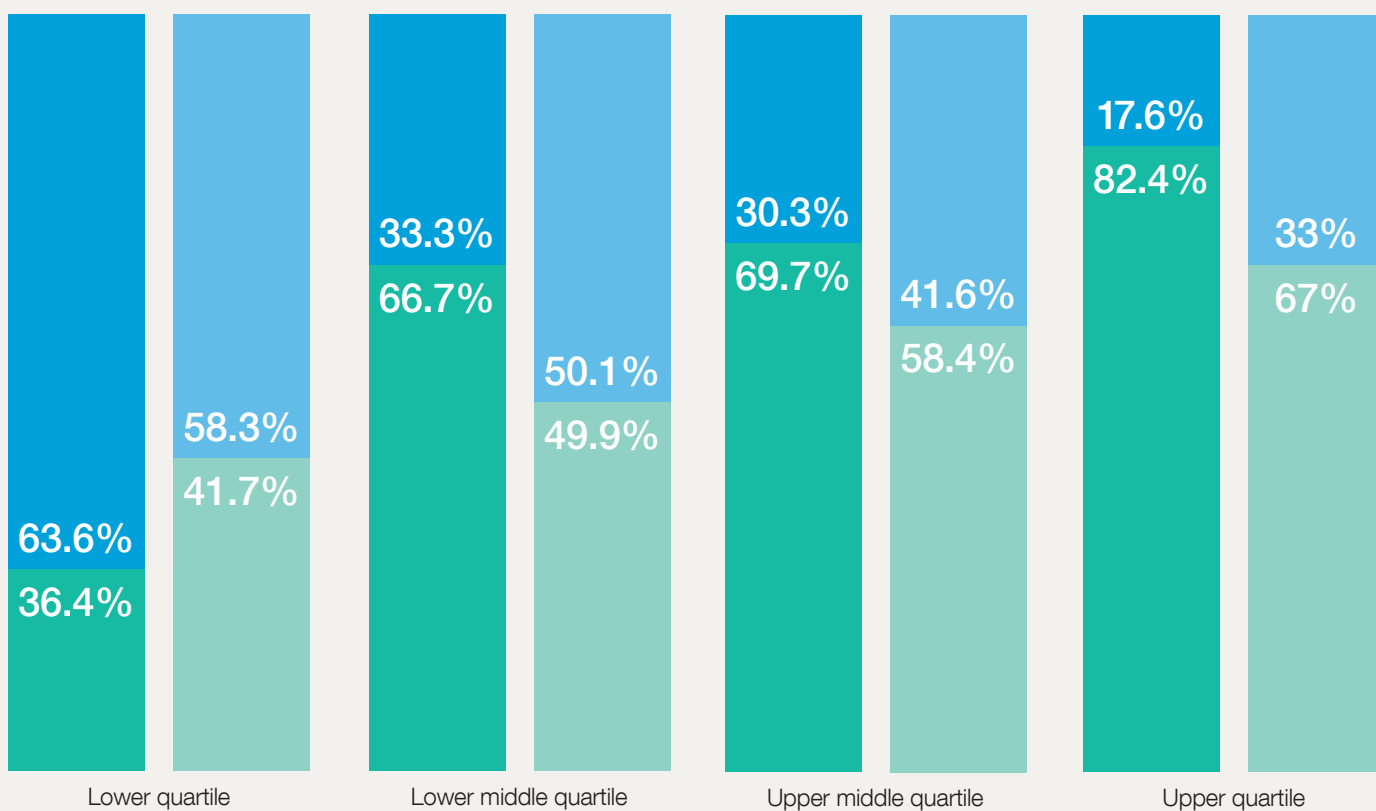
In summary there is a gender pay gap within Epson (UK) Limited 22.6% mean and 21.9% median.

The changes in results compared to last year should be taken in context of the small number of employees we are reporting on.

Epson have chosen to report despite not being required to however the small sample size can have an influence on the mean. This has been a result of two senior female leaders leaving Epson to further their career and they were replaced by males.

- Epson UK Limited 2019
- Epson UK Limited 2020
- Professional and business services industry average

Pay quartiles

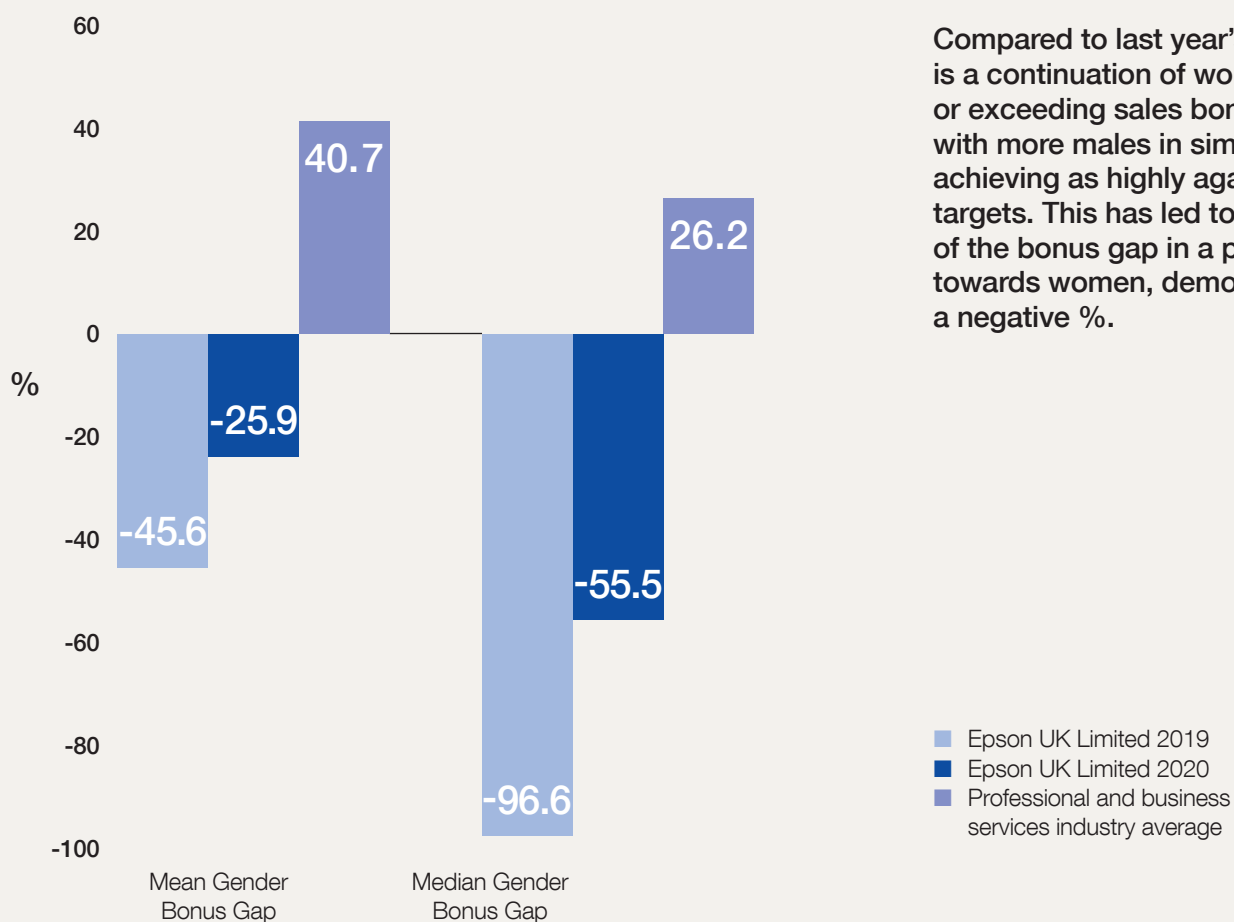


With fewer women in Epson (UK) Limited a higher percentage of women are found in administrative, support roles and within the lower pay quartile compared to men.

However there has been an increase of women in the upper middle pay quartile.

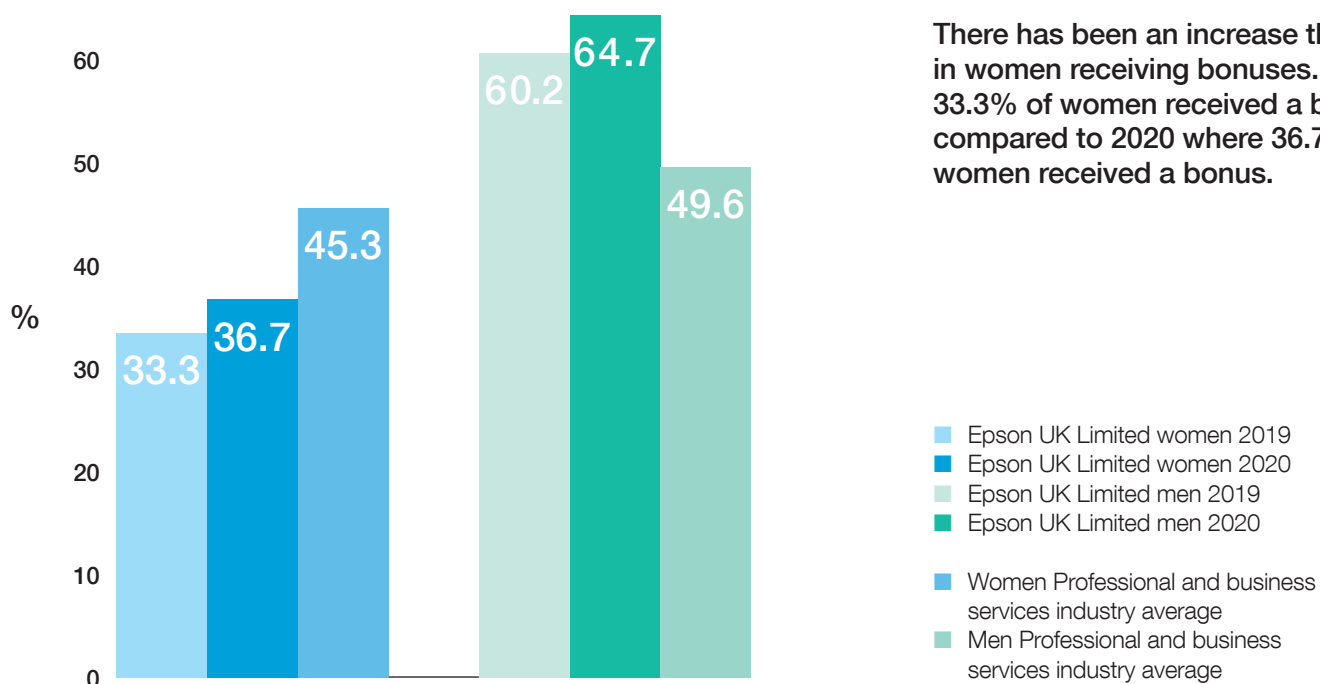
- Epson UK Limited women
- Epson UK Limited men
- Women professional and business services industry average
- Men professional and business services industry average

Gender bonus gap



Compared to last year's results, there is a continuation of women meeting or exceeding sales bonus targets with more males in similar roles not achieving as highly against their targets. This has led to a widening of the bonus gap in a positive way towards women, demonstrated as a negative %.

% of employees receiving a bonus



There has been an increase this year in women receiving bonuses. In 2019 33.3% of women received a bonus compared to 2020 where 36.7% women received a bonus.

Career Testimonials

Natalie Harrison Marketing Services Manager

Education / Prior Work Experience



Natalie's career in marketing spans over 10 years across various specialisms and market segments in both the UK and Gibraltar. She now oversees all consumer and business marketing activity for Epson in the UK and Ireland.

After graduating from De Montfort University with a degree in Marketing and Psychology, Natalie began her career in 2006 as a marketing and data prospects officer in the technology and gaming industry. Natalie's successful career progression is supported by a strong specialist knowledge in her field. She obtained a postgraduate diploma from the Chartered Institute of Marketing before completing a Master's degree in Marketing and Innovation in 2014 at Anglia Ruskin University.

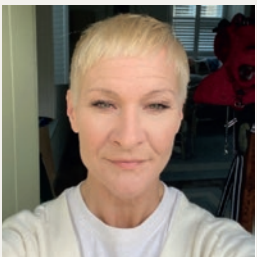
Natalie joined Epson in October 2018 as the marketing services manager for Epson (UK) Limited and manages a team of seven, specialising in channel marketing, PR, social media, events and digital marketing. Natalie is responsible for the strategic planning, implementation and forecasting of local marketing and for ensuring all activity aligns with Epson's local and European business objectives.

In her role, Natalie faces a variety of new experiences, challenges and opportunities that require an integrated marketing approach to support Epson's different business units. She enjoys working closely with her team and her other key stakeholders from inside and outside of the business to drive a collective and commercial impact from marketing initiatives aimed at business and consumer audiences.

“Working with such a wide breadth of product categories and target audiences certainly has its challenges, but the people at Epson inspire success in their products across the board and it's a privilege to be driving my career forwards in a company with such a sustainable vision”

Joanne Russell Account Manager – Sales

Education / Prior Work Experience



Joanne studied up to A Levels at school and went on to study Art and Sociology at Henley College, Oxfordshire. After this, she gained her qualification in childcare and set up and ran her own after-school club for two village schools. As part of her role she looked after the P&L and the planning of all the sessions; from organising the meals to the activities and helping with homework. Joanne found this challenging yet incredibly rewarding.

She then went onto travel America and eventually started her office career in telesales, developing into channel management looking after a national account. Her career now spans over 18 years' experience within direct and channel management in the print industry.

Joanne's journey began with Epson (UK) Limited in March 2018, as an account manager in sales for the IT reseller team. In August 2018, Joanne moved into the role of account manager for the solutions+ team. As part of Joanne's role, she develops and implements the business sales plan for her customers and partners to generate business growth and maximise sales for Epson both regionally and nationally. She also provides training and support on device functionality and advice on MPS, as well as demonstrating products for the reseller's customers. She also liaises with the end user team to help them and her resellers collaborate on opportunities.

“The first thing you notice when joining Epson is the quality of people. Because of its size, you almost expect Epson to be siloed, but that is not the case at all. I have formed such strong friendships with all my colleagues within my team and the other BUs, it is very much like a family and I love that, and I love working with everyone at Epson.

Career-wise, I have had to fight for every role I have pursued. Fortunately, managers and heads of sales see me demonstrate the tenacity and the abilities I have built up over the years. I am very grateful to them for their strong belief in my abilities”

Action plan to address gap

In line with supporting the United Nation's Sustainable Development Goal #5: Achieve gender equality and empower all women and girls.

We believe this can be achieved by providing insight and transparency to influence Epson business activity; it is our ambition as a diverse and inclusive employer to close the Gender Pay Gap.

Epson aspires to be a company that professionals within the industry want to work for. As part of this we are committed to the following:

Flexibility

- We support all our employees with flexible working requests through following our consistent policy. Flexible working requests were approved at a rate of 86% between 01 April 2019 – 31 March 2020, which is 6% more requests accommodated than the previous year. Epson continues to support different ways of working to meet employee needs whilst continuing to maintain our productivity and performance. All employees can adjust their start and finish time to meet their personal commitments, subject to their line manager's approval, as part of Epson's core hours policy.
- Following the review of our Family Friendly Policies we have decided to enhance the pay of our maternity leave, shared parental leave, adoption leave and paternity leave linked to length of service with effect from 01 April 2020. Furthermore, if any child is born prematurely (defined as 28-35 weeks gestation), and as a result requires neonatal intensive care, we will provide additional maternity pay for the period between the time of birth and the original due date. This change ensures that we continue to be an organisation that provides market leading benefits and Epson is recognised as a great place to work.
- At the start of the year Epson undertook a homeworking trial across both EEGB and EUL to understand the impact on both the business and employees. The trial was to assess a more agile working arrangement where people had the opportunity to work from home.
- Unfortunately, only two weeks into the trial the COVID19 lockdown happened and this resulted in most of our employees working from home, and in effect everyone became part of the working from home pilot. The feedback we have received from our employees is that many aspects of roles can be undertaken effectively from home, therefore we have agreed to an agile hybrid working model which will combine home and office working, where roles and responsibilities permit this and this will be effective as our employees return to office working during 2021.

Talent Acquisition

- Between 01 April 2019 – 01 April 2020, 32% of external hires were women which is an increase from 3% last year. This is an example of how our bias free, skills and knowledge-based talent acquisition practices led by our in-house talent acquisition team. We continue to take all candidates through our structured and objective selection & assessment process. This can involve face to face interviews, personality & ability assessments, and additional role specific assessments where appropriate, in order to make hiring decisions based on candidate's skills, knowledge and experience and never gender. This leads to equality of opportunity for all to apply and work for Epson, which is a great place to work.

Pay

- To make competitive and commercial pay decisions we use a systematic and analytical job levelling methodology and we subscribe to Willis Towers Watson's market pay data. The processes and tools we deploy ensure consistent, competitive, efficient and fair processes are applied to all pay decisions. Monitoring market pay trends and movements enables us to be highly competitive in our pay strategy to ensure we are successful in attracting, engaging and retaining talent across the organisation. Our robust and fair pay policy and tools ensure that our female and male workforce is treated objectively and equally.



Action plan to address gap

Progression

- Between 01 April 2019 – 01 April 2020, 43% of all promotions were women. Epson is proactive in enhancing female career progression and for the last two years we have focused on mentoring. We are working with the 30% Club, an initiative focused on supporting the progression, development and retention of female talent in our business. After a successful first year of implementation we have expanded our remit to include mentees in UK, Ireland, Russia, Norway and Denmark and we will provide mentors from UK and Netherlands (male and female), of which we hope will support and encourage gender diversity, develop talent and encourage women to realise their value and potential.
- We are rolling out Equality, Diversity and Inclusion learning across the EMEAR region in FY20. The training outlines the importance of an inclusive workplace, it outlines the responsibilities we all have in promoting and maintaining an inclusive environment for all and covers how to recognise discrimination, harassment and victimisation, and how to become more aware of your own unconscious biases and provide tools to adjust automatic patterns of thought and action.
- We will continue to enhance our development programmes for leadership training, mentoring and coaching focused on female progression. This will support our female employees seeking promotional opportunities and those looking to develop within their role.



Declaration

We confirm that the data reported is accurate and meets the requirements of the Regulations and methodology outlined in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2018.



Michelle Taylor
HR Director EMEAR



Robert Clark
Senior Vice President