Epson UK Limited

Gender pay gap results 2021-22







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 2021-22

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 2021 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 2021. 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 2021, 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.

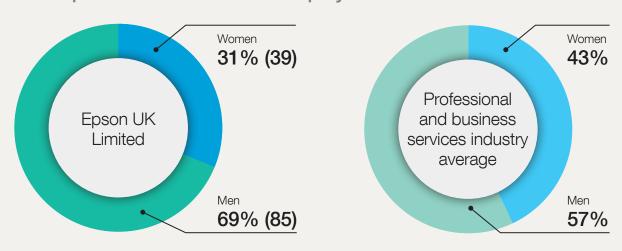
6. Pay Quartiles

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

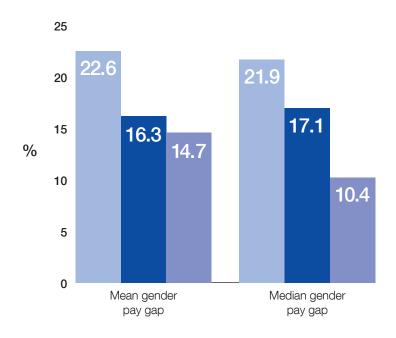
The diagrams below refers to Epson (UK) Limited, totalling 128 employees, with 124 employees being full pay relevant to this report based on the snapshot data from April 2021. No employees of Epson (UK) Limited have identified themselves as non-binary.

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 XpertHR published in 2021 based on 2020/21 Gender Pay Gap Reporting submissions.

Employee gender pay gap



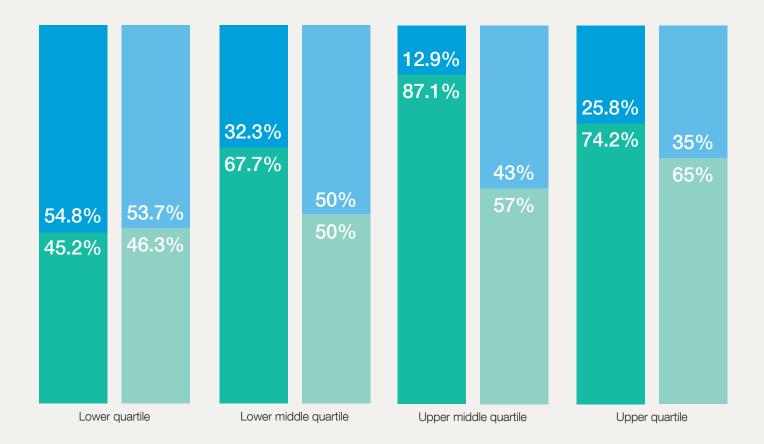
In summary there is a gender pay gap within Epson (UK) Limited of 16.3% mean and 17.1% median. Both the mean and median pay gaps have improved compared to 2020's figures.

The changes in result 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.

Epson UK Limited 2020
 Epson UK Limited 2021
 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 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

Gender bonus gap %

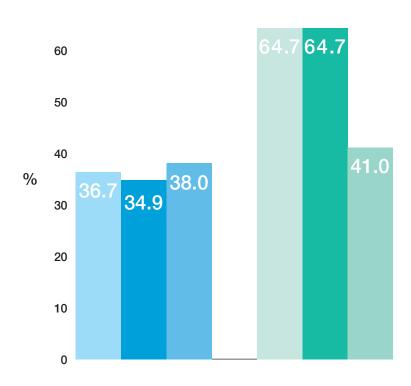


This chart shows the % gap between male and female bonus awards compared to last years' results and the industry standard.

At Epson (UK) Limited women continue to meet and exceed sales bonus targets compared to their male counterparts in equivalent roles. This is demonstrated as a negative percentage for the mean. In addition, Epson (UK) Limited's mean and median gender bonus gaps remain better than the industry's average.

- Epson UK Limited 2020
- Epson UK Limited 2021
- Professional and business services industry average

% of employees receiving a bonus



The percentage of women receiving a bonus continues to be better than the industry average.

- Epson UK Limited women 2020
- Epson UK Limited women 2021
- Epson UK Limited men 2020
- Epson UK Limited men 2021
- Women Professional and business services industry average
- Men Professional and business services industry average

Career testimonials

Emily Blach Distribution Manager – Consumer and Channel Sales

Education / Prior Work Experience



Emily began her working career as a Sales Support Administrator for one of the largest distributors in the United Kingdom. Here Emily worked her way up and was promoted into roles as Sales Coordinator, Account Manager and a Key Accounts Sales Manager. She led a Sales Team, winning 'Sales Team of the Month' for 23 out of 24 months, generating sales of excess £22 million. Feeling like a change in role, Emily moved to work as a Director for a European Office Products Wholesaler, setting up a Supplies business from infancy, to achieving annual

revenues of $\mathfrak{L}120$ million. Here Emily led a team of sales professionals and business managers, delivering significant increases in profitability and exceeding strategic growth plans.

Emily joined Epson UK in 2007 as a Channel Sales Manager responsible for managing major Supplies distributors. During her 14 years' service Emily has consistently achieved sales targets, developed commercial policy structures, managed external distribution partners and supported sales teams, winning awards for 'Vendor Account Manager of the Year' and receiving Epson's 'Champions' award for excellence.

Last year, Emily was promoted to become Distribution Manager and now manages a team of account and sales managers focused on planning and implementing sales strategy, developing customer relationships at a senior level to achieve maximum revenue potential from Epson's product range.

"I truly feel part of a family at Epson, being immersed in the culture of which we are all seeking to achieve the same objectives and goals. I've always been pushed out of my comfort zone to grow here. One of the best parts about working for Epson is that employee's voices are heard. regardless of where they are within the organisation. I've had a great amount of in-house coaching and development over my 14 years' service. This has allowed me to progress and expand the roles that I have enjoyed being a part of."

Career testimonials

Claire Huckle Business Manager – Video Projection

Education / Prior Work Experience



Claire began her working career as a National Account Sales Assistant for a company focused on distributing musical instruments into the retail sector in the United Kingdom. Within two years, Claire changed industries and began work in IT & Audio Visual (AV) Distribution. Over the next 10 years, her roles within distribution included Account Manager, Strategic Sales Representative, Displays & AV Sales Specialist and Business Manager for AV, Print and Peripherals. These roles gave Claire significant experience in multimedia account management for distributors, major retail brands and strengthened her career ambitions.

In 2010, Claire became responsible for commercial and sales relationships of distribution partners for a multinational electronics corporation. Working as Displays Distribution Manager, Claire's focus was growing market share, revenue, and traded accounts. After receiving a great opportunity, in 2012 Claire became a Distribution Account Manager for another multinational corporation which manufactures laser printers and imaging products.

In 2015, Claire joined Epson as a Channel Sales Manager for Visual Instruments looking after the UK distribution channel. Claire chose Epson for the opportunity to progress and continue to develop within her career. 18 months later, Claire moved to become a Senior Account Manager, managing a small team focused on delivering the go to market strategy for resellers and distributors. During this time, Claire completed the Epson Management Excellence Programme that helped enhance her negotiation and management skills. Since 2019, Claire has been the Business Manager for High Brightness within the Video Projection division in EUL, managing relations between the central business unit and local sales teams to create a commercial environment to maximise sales target achievements.

"Epson recognises and rewards individuals for their commitment, hard work, tenacity and determination. I have loved the variation within my roles during my seven years of working for Epson so far. I have been fortunate to be a part of some great teams who have allowed me to develop to be who I am today. We all as employees have a great respect for each other here and culturally treat others how we'd like to be treated. This is what makes Epson a great company to me. I'm proud of our products, the people who work here, our customers and I wouldn't be where I am today without the support that Epson has given me within my career so far!"

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 100% between 01 April 2020 31 March 2021. 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.
- We have enhanced the pay of our maternity leave, shared parental leave, adoption leave
 and paternity leave linked to length of service. 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.
- Epson continues to review agile working across both EEGB and EUL to understand the impact on both the business and employees. This is to assess a more agile working arrangement where people had the opportunity to work from home. 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 permits. This will be effective during 2022.

Talent Acquisition

• Between 01 April 2020 – 01 April 2021, 30% of external hires were women. 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

- Epson is proactive in enhancing female career progression and for the last three years
 we have focused on mentoring. We are working with Mission Gender Equity (30% Club/
 Moving Ahead), an initiative focused on supporting the progression, development and
 retention of female talent in our business. We hope this will support and encourage gender
 diversity, develop talent and encourage women to realise their value and potential.
- 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 Managing Director