

Epson UK Limited

Gender pay gap results 2019-20



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, 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 2019-20

UK employers with more than 250 employees are required to publish their gender pay gap. We have three companies 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.

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.

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 2019 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 5th April 2019. 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 5th April 2019, 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.

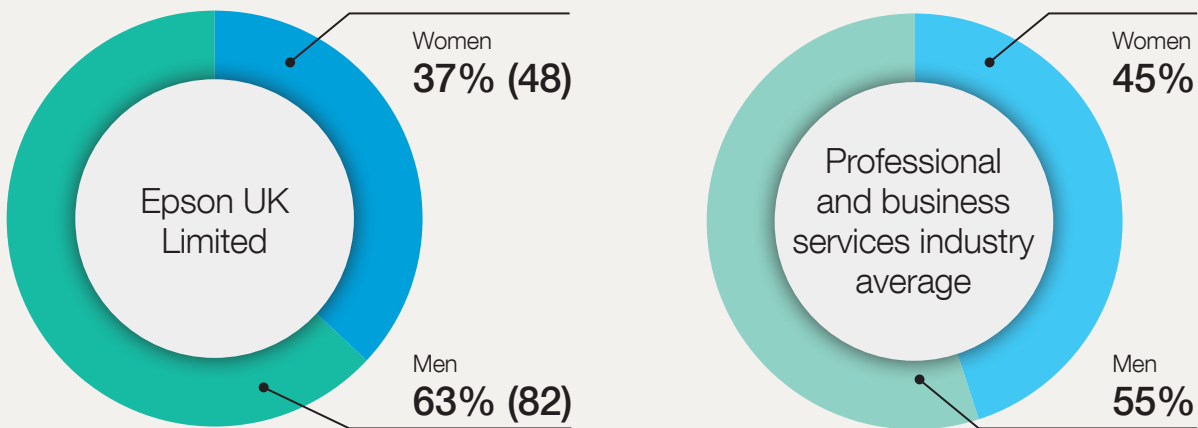
6. Pay Quartiles

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

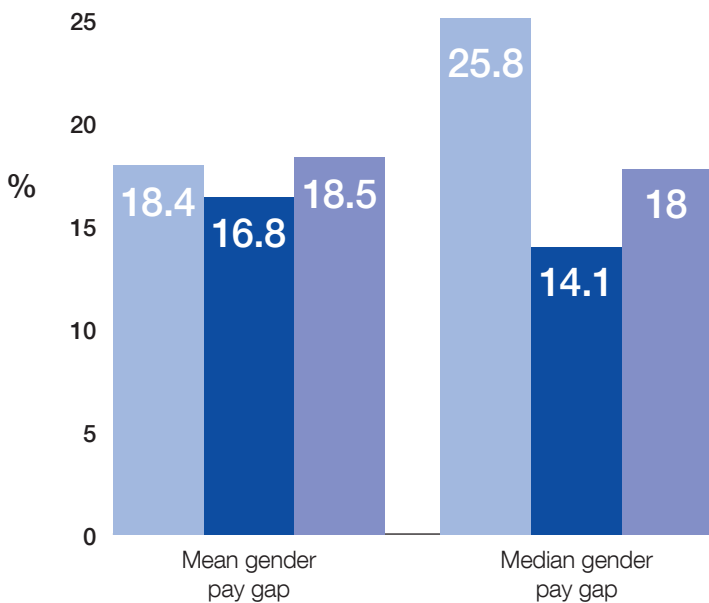
The diagrams below refer to Epson UK Limited, totalling 137 employees, with 130 employees being full pay relevant to this report based on the snapshot data from April 2019.

Total split of men and women employees



The industry average used in this report is based on data from the The Office for National Statistics and data from XperTHR published in 2019 based on 2018/19 Gender Pay Gap Reporting submissions.

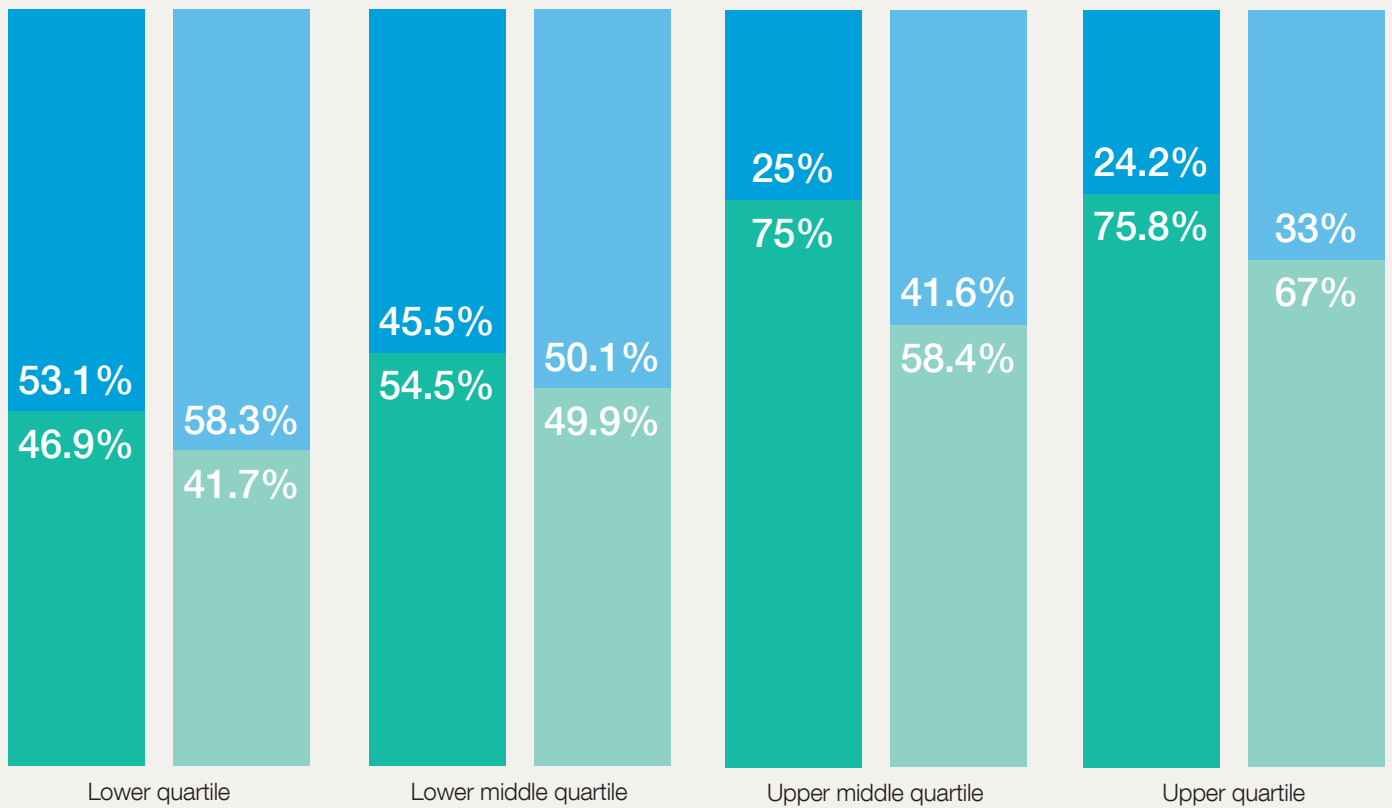
Employee gender pay gap



There is a Gender Pay Gap within Epson UK Limited which has improved from 18.4% mean gender pay gap last year to 16.8% mean this year. The median gender pay gap has improved significantly from 25.8% last year to 14.1%.

- Epson UK Limited 2018
- Epson UK Limited 2019
- Professional and business services industry average

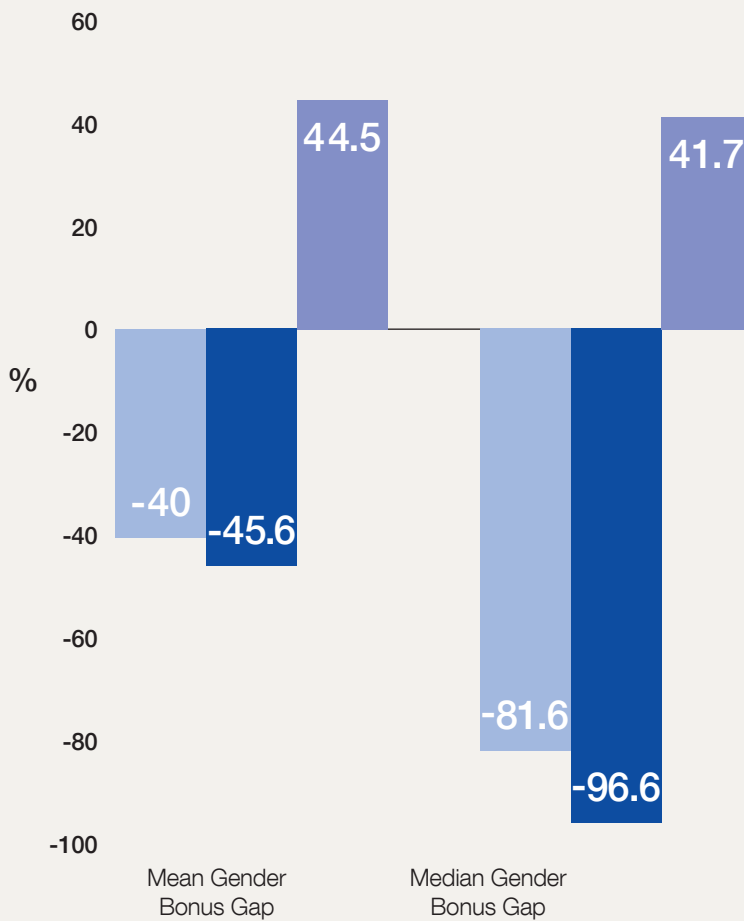
Pay quartiles



This is a result of increase of hires of males in the lower quartile bands with long serving women progressing into higher pay quartiles.

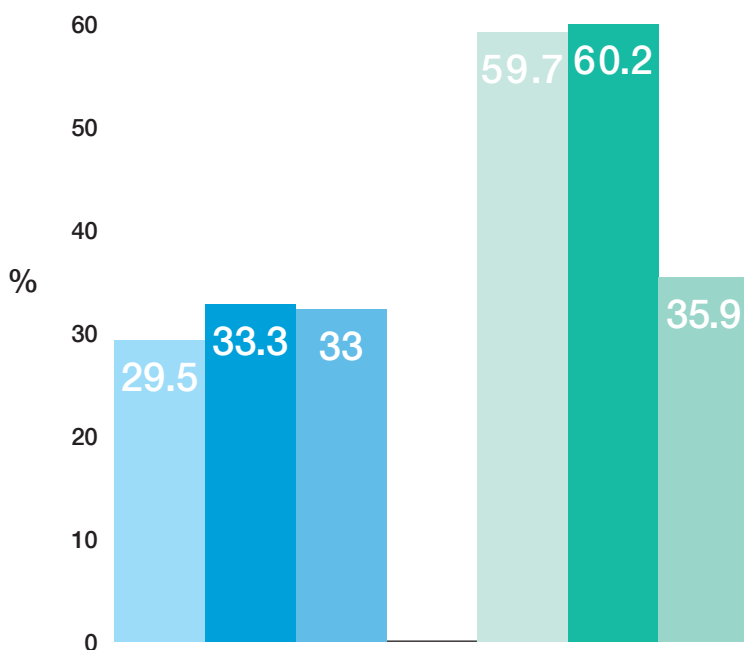
- Epson UK Limited women
- Epson UK Limited men
- Women professional and business services industry average
- Men professional and business services industry average

Gender bonus gap



There is a continuation of women meeting or exceeding sales bonus targets with more males in similar roles not achieving their targets. This has led to a widening of the bonus gap in a positive way towards women more so than last year, demonstrated as a negative %.

% of employees receiving a bonus



There has been a 3.8% increase in % of women receiving a bonus in the last year.

Career Testimonials

Sharon Head

Sales Manager – Professional Displays Sales

Education / Prior Work Experience



Sharon began her career as an Account Manager for a logistics company transporting garments for fashion houses. Moving on to the recruitment industry where she built a team of 75 contractors, supplying staff in the Hertfordshire region. After having her two children and with further education she freelanced as a Microsoft Trainer which led to her role in a Global Collaboration Team where for 10 years she supported training programmes, IT & sales courses, requiring extensive travel across Europe, Asia and the USA.

At Epson, Sharon joined as a UK Customer Relationship Manager (CRM) responsible for rolling out the Microsoft Dynamics 2011 platform. A new opportunity to move back into sales resulted in Sharon moving to Business Systems as a Reseller Account Manager developing the point of sales channel. Progression was offered with a new role of Business Manager implementing a 'Go-to-Market' sales growth plan for the Business Systems channel.

In October 2016 Sharon moved to Professional Displays to develop and build the team for UK & Ireland. The team have built a strong Pro AV channel which has resulted in #1 market share in the UK and are outperforming the market growth. Sharon was a nominated Epson Champion in 2015 and has been awarded the Epson 'Outstanding Achievement Award' for introducing a new Tier 1 reporting system, resulting in significant financial savings for the business.

“Epson has given me the opportunity to continually grow. I have always been keen to learn and improve my skillset, I hope that doesn't stop. With role progression I've been lucky enough to go through the sales and management excellence development programs which have been outstanding. Epson have always supported my career aspirations. The challenge and variety in my roles have always been welcome and I do feel I make a difference.”

Gemma Turtle

Account Manager – Business Sales Department

Education / Prior Work Experience



After completing her Bachelor of Arts Degree in English and Psychology from St Mary's College, University of Surrey, Gemma was a part time Customer Service Assistant for John Lewis Partnership whilst she was pursuing her Athletic career. During this period Gemma was sponsored by John Lewis as an International athlete and Olympic prospect in long distance running representing Great Britain. A serious injury impacted her 2012 Olympic quest. Gemma decided to reconsider her future and career. Gemma was an internal Account Manager for a number of companies, having a

portfolio of over 100 clients, maintaining and growing existing accounts by seeking new business opportunities.

In early 2016 Gemma was recommended to apply for an End User Sales Representative role at Epson. Here, Gemma focused on creating new business by articulating the benefits of Epson's product range and the benefits of inkjet versus laser. A few months later Gemma became a Reseller Acquisition Sales Representative, focusing on acquiring new resellers to transact Print 365 and to help them build pipeline. Since mid-2017 Gemma has been an Account Manager, completing global tenders focusing on growth for large corporate accounts and forming strong relationships with distributors by creating Go To Market Strategies.

“Having come from an athletics background I am an extremely ambitious and driven individual. The opportunity to progress, whilst working towards targets have been key to my career both on and off the track. Epson have been great because they have allowed me to develop my sales career from both an end user and reseller perspective. I believe that this has made me a more rounded sales person. Epson encourages progression and individual development, which I believe to be really important and is the one of the key reasons I went into sales.”

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 of our employees with flexible working requests through following our consistent policy. Flexible working requests were approved at a rate of 80% between 01 April 2018 – 31 March 2019. 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 and paternity leave linked to length of service with effect from 01 April 2020. Furthermore, if the baby 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.

Talent Acquisition

- Between 01 April 2018 – 01 April 2019, 29% of hires were women which is an increase from 50% 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 Recruitment team. We continue 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.

Progression

- Between 01 April 2018-01 April 2019, 45% of all promotions were women which is an increase from 35% last year. Epson is proactive in enhancing female career progression and this year we have focused on mentoring. We have developed a partnership with the 30% Club, an initiative focused on supporting the progression, development and retention of female talent in our business.
In our first year of implementation we have successfully placed 10 women mentees and provided 10 mentors, (men and women), of which we hope will support promoting gender diversity, develop talent and encourage women to realise their potential..
- We have scheduled unconscious bias training to be delivered across the EMEAR region in 2020. This training is designed to expose people to their 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

I 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 2017.

Michelle Taylor
HR Director EMEAR

Robert Clark
Senior Vice President