

Epson UK Limited

Gender pay gap results 2023-24



EPSON®

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 80,000 employees in 81 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 we are committed to delivering unique value through innovative and creative solutions.

We foster values, such as customer focus, teamwork, 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.



Introduction Epson UK

UK employers with more than 250 employees are required to publish their gender pay gap results. 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 2023 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 2023. 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 12 months prior to the snapshot date 5 April 2023, 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 to 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

Bonus pay proportion refers to men who received a bonus commission in the 12 months, expressed as a percentage of men; women who received a bonus commission in the twelve months, expressed as a percentage of women.

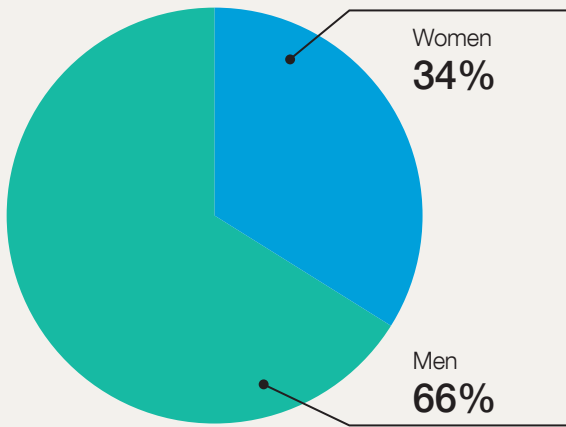
6 Pay quartiles

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.

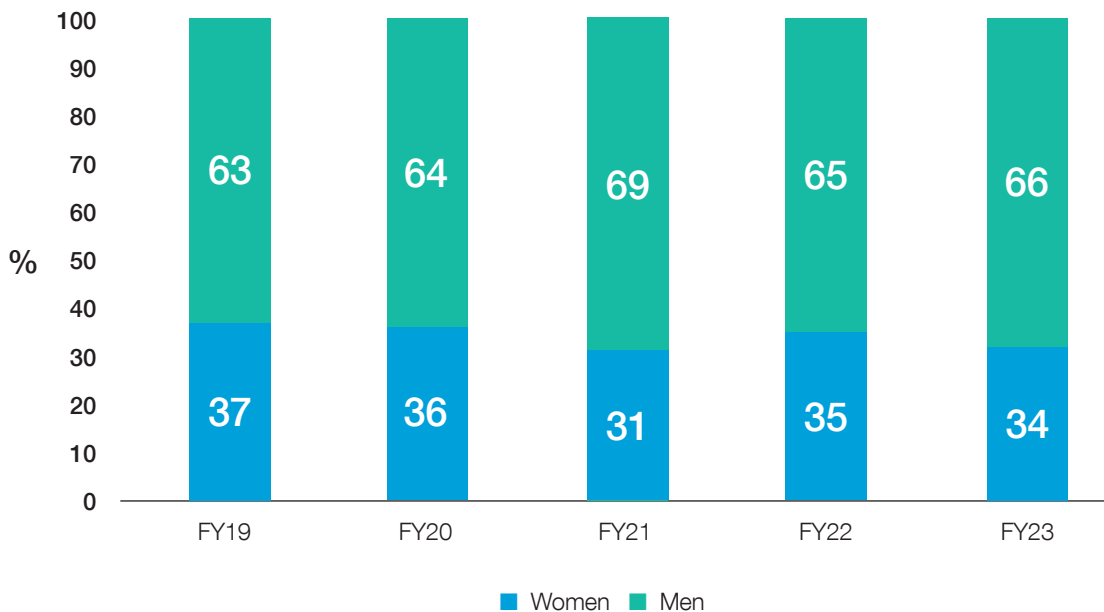
Epson UK total split of men and women

The diagrams below refer to Epson (UK) Limited totalling 124 employees, with 124 employees being full pay relevant to this report based on the snapshot data from April 2023. No employees of Epson (UK) Limited have identified themselves as non-binary or chosen not to declare their gender.

Epson UK gender split



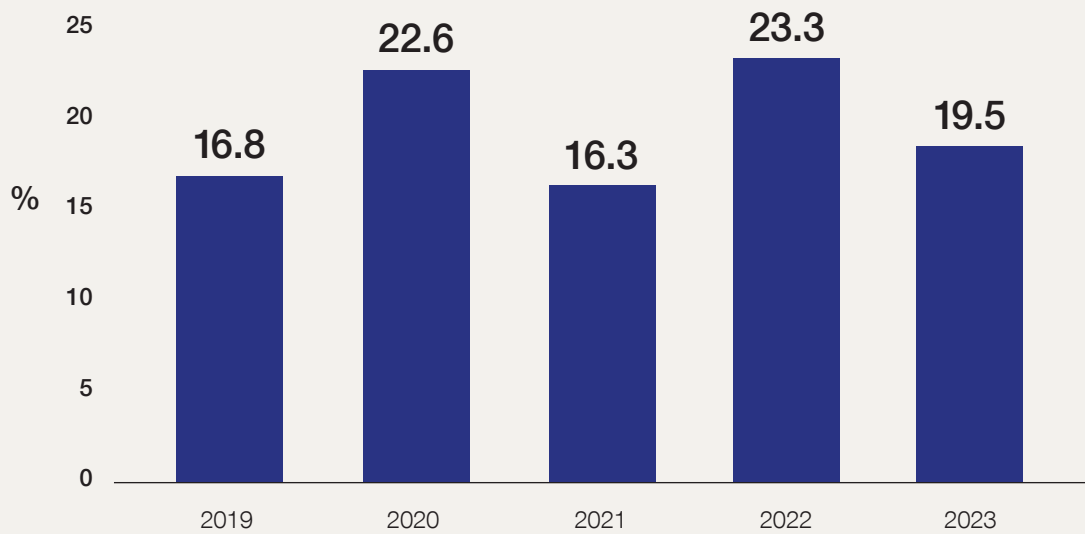
Gender split last 5 years



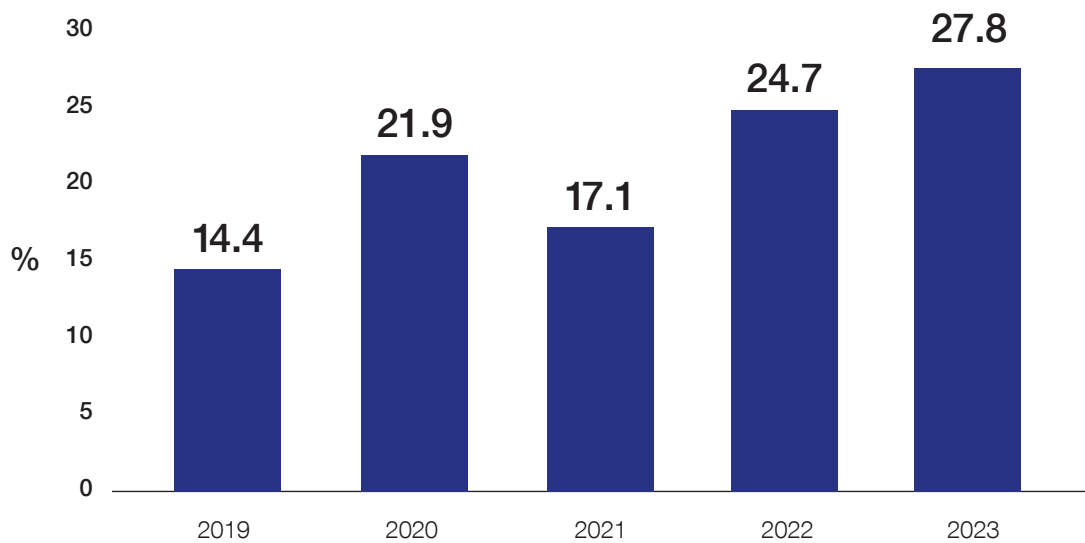
Epson UK mean and median

There is a decrease in the mean gender pay gap within Epson (UK) Limited to 19.5% and median gender pay gap is 27.8%.

Epson UK Mean



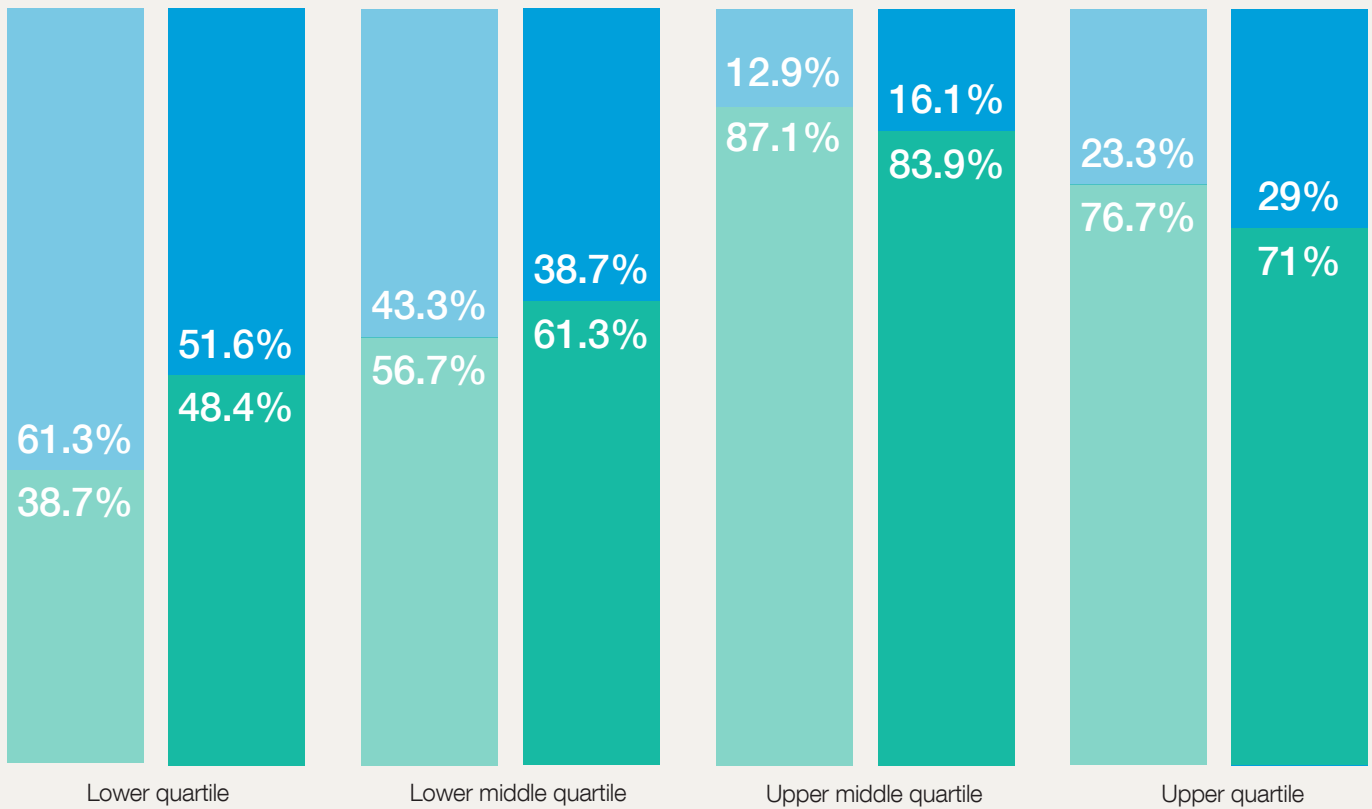
Epson UK Median



Epson UK workforce quartiles

With fewer women in Epson (UK) Limited, a higher percentage of women are found in administrative and support roles, and within the lower pay quartiles compared to men. However, there has been an increase of women in the upper pay quartiles.

Workforce quartile

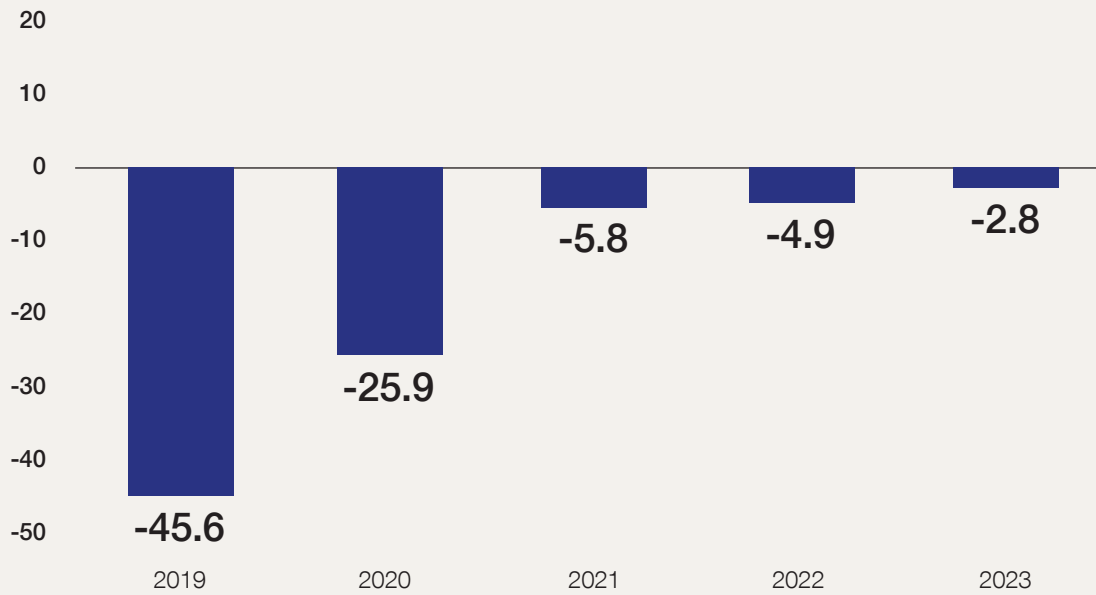


- Epson UK Limited women 2023
- Epson UK Limited men 2023
- Epson UK Limited women 2022
- Epson UK Limited men 2022

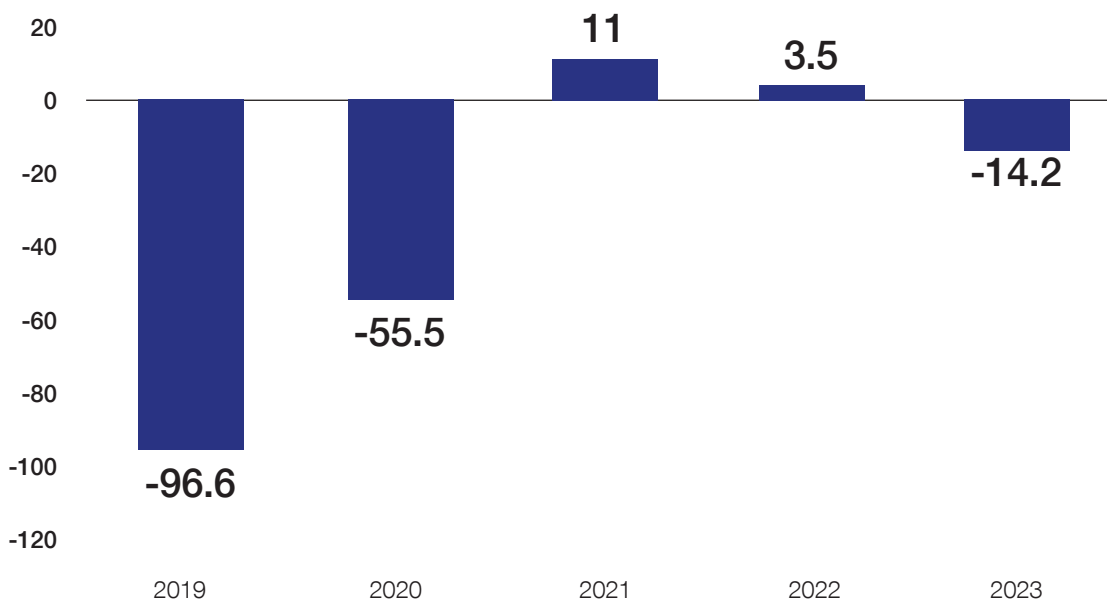
Epson UK bonus pay gap

The mean gender bonus gap increased to -2.8%. The median gender bonus pay gap decreased to -14.2%.

Epson UK employee gender bonus gap mean



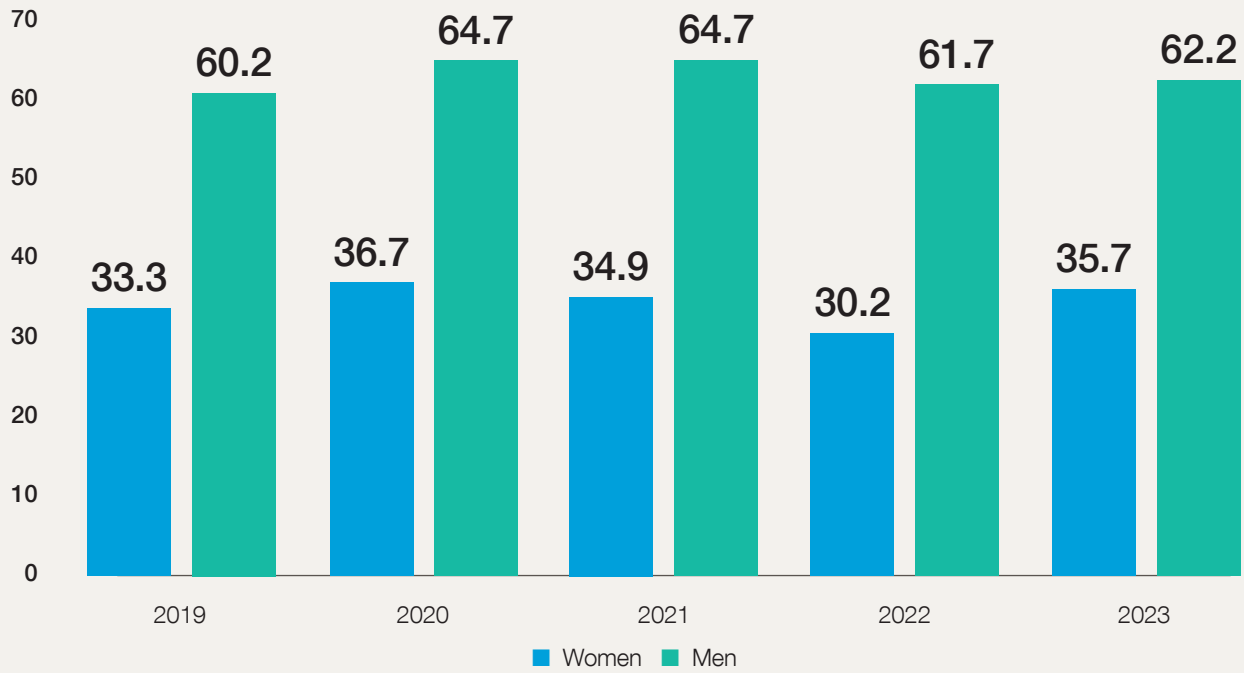
Epson UK employee gender bonus gap median



Gender bonus gap

The percentage of men and women receiving a bonus both increased compared to last year.

% of employees receiving a bonus



Career testimonials

Taran Rai

Corporate Sustainability Manager

Education / Work Experience



After graduating from the University of Birmingham with a degree in Environmental Geology, Taran began her career at an Environmental Compliance Scheme which specialises in packaging, electronics, and battery compliance. During her time there, Taran worked her way up from a dual role as a Technical Advisor and Sales Manager, to Senior Environmental Compliance Advisor, taking care of several strategic accounts, handling audits, and project managing a Civil Sanctions service. In addition to her role at Valpak, she sat on the Sustainability Taskforce, in charge of

implementing sustainable initiatives across the office, as well as the Charity Committee, which raised over £7,000 for Acorn Children's Hospice.

Wanting to pursue new opportunities at a company already established in sustainability, Taran joined Epson in June 2023 as Epson UK Ltd's Corporate Sustainability Manager. Her responsibilities include supporting the Sales Teams when promoting Epson's environmental credentials, regulatory horizon scanning, environmental data compliance and cross departmental collaboration and coordination on sustainability project and initiatives.

"Epson has given me the opportunity to progress in my career, it's challenged me, and I learn so much from the wealth of knowledge available. It's a pleasure to work in an environment filled with people who care about what they do and who listen to new ideas. The favourite part of my day is seeing all the friendly faces around the office."

Action plan to address gap

In line with supporting the UN 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.

Research commissioned by the Government Equality Organisation (GEO) found that more companies have prioritised reducing their gender pay gap since the introduction of gender pay gap legislation in 2017.

Epson is proud to have engaged with external consultants to create a bespoke and tailored Diversity Equity & Inclusion (DE&I) programme 'The Power of All Managing Inclusion,' with all line managers attending a one day workshop and plans to roll out further training in FY24 to all employees.

The workshop has been specifically designed for managers, acknowledging the important role they play in leading teams, and communicating and modelling the behaviour that can help create and maintain an inclusive culture.

Agile working

In April 2022 we introduced an agile working model which combined home and office working where roles and responsibilities permitted. With effect from 01 January 2023 employees can now work a minimum of six days per month from the office including two set team days and the flexibility of choice for the other four days a month. The successful roll out empowers teams to work collaboratively and yet have autonomy to manage their own attendance and enjoy a mix of working from home and our office.

By implementing agile working we aim to improve employee well-being, engagement, and diversity by allowing employees to balance their personal and professional needs. Agile working requires a supportive culture, a clear vision, and suitable technology that enable communication, coordination, and feedback.

Mission gender equity (30% Club)

We previously committed 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.

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 have six mentees and five mentors from the UK participating per year, from Epson Europe and Epson (UK) Limited.

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.

Talent acquisition

Between 01 April 2022 - 31 March 2023, 30.8% of Epson UK external hires were women for Epson UK. 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.

In FY24 our objective is to review and enhance our talent management policies and processes, starting with a focus on recruitment to ensure equity is a primary consideration .



Action plan to address gap

Pay

We continue to utilise the systematic and analytical job levelling methodology that we subscribed to with Willis Towers Watson's market pay data. This support us to make competitive and commercial pay decisions. 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.

Employee opinion and DE&I focus groups

In FY23, we ran our second employee opinion survey across our EMEA organisation as part of our commitment to understanding our employees' views. We are working to reflect on the survey outcomes and focus on the key themes that emerge.

We ran a specific DE&I survey and are currently holding female specific focus groups and look to work together with our employees to take further DE&I actions in FY24 as a result of the employee feedback

New DE&I Programme

Key strategic action has been to create awareness and embed DE&I in ways of working, through targeted DE&I learning interventions for all managers and individual contributors. Our tailored DE&I programme, 'The Power of All Managing Inclusion,' has been rolled out with 90 managers across Epson Europe and Epson (UK) Limited being trained before the end of the financial year.



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.



Duncan Ferguson
Vice President
Epson (UK) Limited Managing Director



Nicola Isdale
HR Director EMEAR