

Epson Atmix to Build New Used Metal Recycling Factory **– Company aims to establish closed-loop recycling of metal powders to become underground resource¹ free by 2050 –**

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Epson Atmix Corporation ("Atmix"), a Group company of Seiko Epson Corporation (TSE: 6724, "Epson"), will build a new factory to recycle used metal from Atmix and the market, creating a closed-loop system for metal powder manufacturing. The recycled metal will be used as raw material for metal powder products.

Atmix is one of the world's top manufacturers and sellers of metal powder products. The company employs unique manufacturing technology to produce extremely fine metal powder products with grain sizes on the order of several micrometers. Magnetic powder products in particular are used in power supply circuits as coils for IT equipment such as smartphones and for hybrid cars and electric vehicles, and demand is expected to grow further in the future.

The Epson Group has set a goal of becoming underground resource free by 2050. At the same time, Atmix has needed to establish a closed-loop metal powder manufacturing system to meet growing demand because of potential future difficulty in obtaining metal due to the depletion of underground resources and soaring prices for metal materials.

Atmix plans to invest several billions of yen to build and equip the new factory for recycling used metals to obtain material used in producing metal powder products. The factory will have, for example, an induction furnace for melting metals, refining equipment for removing impurities from metal, and a pig casting machine for forming ingots. Operations are scheduled to begin in 2025. This factory will enable Atmix to recycle used metal that will be used as raw material in its own metal powder products. The used metal will come from sources such as out-of-spec metal powder products in Atmix's manufacturing process, metal waste from its factory, metal scraps and used molds and dies discharged by Epson and others. Within three years after the new factory begins operating, Atmix expects recycled metal materials to meet about 25% of its total raw metal material needs. This will help to reduce its consumption of virgin underground resources.

As stated in Environmental Vision 2050, Epson seeks to become carbon negative and underground resource free by 2050 to achieve sustainability and enrich communities. This new Atmix factory is positioned as the first step toward becoming underground resource free and is a crucial part of Atmix's efforts to develop a sustainable metal powders business.

¹ Non-renewable resources such as oil and metals

About Epson

Epson is a global technology leader dedicated to co-creating sustainability and enriching communities by leveraging its efficient, compact, and precision technologies and digital technologies to connect people, things, and information. The company is focused on solving societal issues through innovations in home and office printing, commercial and industrial printing, manufacturing,

visual and lifestyle. Epson will become carbon negative and eliminate use of exhaustible underground resources such as oil and metal by 2050.

Led by the Japan-based Seiko Epson Corporation, the worldwide Epson Group generates annual sales of around JPY 1 trillion.

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