Lexmark™

Corporate Social Responsibility Report

Working together for a better today and tomorrow

2022

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Letter from our CEO

Every day at Lexmark, we help our customers make a lasting impression on their world. We use that same drive, focus and passion to improve, enhance and expand our efforts on sustainability, corporate social responsibility, and diversity, equity and inclusion.

Throughout 2022, we continued to drive toward our goal of being carbon neutral by 2035. Construction of a two-megawatt solar array at our corporate headquarters is nearly complete, a smaller test array was designed and installed at our R&D center in Cebu, Philippines, and we began planning for renewable energy projects at our Juárez, Mexico, manufacturing facility. Additionally, the Science Based Target initiative (SBTi) approved Lexmark's near-term science-based emissions reduction target.

In 2022, working with Climate Impact Partners, we announced our first certifications targeting climate action: CarbonNeutral® product certification for two devices and CarbonNeutral manufacturer certification for our Juárez, Mexico, facility.

We have continued to make significant progress with our use of post-consumer recycled (PCR) plastics. This effort reduces single-use plastics and minimizes waste. We have set goals to have an average of 50% PCR in our Lexmark-branded and designed devices and cartridges. Currently, we have an average of 40% PCR in devices and 41% in cartridges.

Lexmark's progress on environmental, social and governance initiatives resulted in a Platinum sustainability rating by EcoVadis, indicating Lexmark is in the top 1% of the over 100,000 companies assessed worldwide.

We also continued to leverage our industry expertise and in-house engineering along with emerging technologies to turn information into insight, data into decisions and analytics into action. Our ever-growing IoT offerings in addition to our many years as a leader in the imaging industry continue to help us meet the needs of our customers and often exceed their expectations.

At Lexmark we are focused on ensuring that our workplace culture is one of collaboration, flexibility and excellence for all. In our recent annual global survey of our employees, 96% said people at Lexmark treat each other with respect and 94% said they can be themselves at work. We are very proud of the culture we have built, and we will continue to advance diversity, equity and inclusion initiatives. These efforts along with our continued support of numerous community organizations, STEM education initiatives and local environmental projects make me extremely proud to be a Lexmarker. We have the best people in the world.

I want to thank our employees, customers and partners for their contributions to our sustainability and corporate social responsibility initiatives. Your support and collaboration have been critical to our success. I invite you to read our 2022 CSR report to learn more about our progress and commitments.

Together, we can create a better world for all.

Allen Waugerman
President and Chief Executive Officer
Lexmark International, Inc.

Lexmark sustainability highlights

EcoVadis Platinum in 2022 and 2023
Top 1%
of 100,000+ assessed companies

Lexmark is committed to
100%
renewable energy

An industry leader with
40%
reclaimed plastics in Lexmark-branded and designed devices

Lexmark's LCCP reused or recycled nearly
120M+
cartridges
since 1991

Committed to becoming fully
carbon neutral by 2035

Perfect
Corporate Equality Index Score since 2005

BEST
HUMAN RIGHTS CAMPAIGN
PLACES TO WORK
2022 for LGBTQ+ Equality

All office printing and testing paper at Lexmark offset through
printreleaf.

Reduced water consumption by
75%
since 2005

Lexmark devices are designed for
durability and long life

Lexmark LCCP reuses or recycles
100%
of the returned cartridges

98%
global workforce trained in human rights

Key performance indicators

Topic	Goal	Progress	United Nations Sustainable Design Goals
Emissions	Reduce Scope 1 and 2 emissions by 40% from 2015 to 2025	43% reduction	12, 13
Energy	Reduce energy consumption 20% from 2015 to 2025	26%	7, 12
Renewable energy	Increase annual sourcing of renewable energy to 100% by 2030	22%	7
Water	Reduce water withdrawal 35% from 2015 to 2025	40% reduction	6
Waste	Reduce waste generated 50% from 2015 to 2025	58% reduction	12
Materials	Increase the average post-consumer recycled (PCR) plastic in Lexmark-designed laser devices to 50% by 2025	40% PCR plastic in Lexmark-branded and designed devices	12
Materials	Increase reclaimed plastic through PCR and reuse in all Lexmark-branded and designed cartridges to 50% by 2025	41% reclaimed plastic in Lexmark-branded and designed cartridges	12
Return, reuse and recycle	Increase the reuse of cartridges and other supplies collected through LCCP to 80% by 2025	69% reuse	9, 12
Regional manufacturing	Maintain a minimum of 80% of our Lexmark-branded and designed toner cartridges supplies regionally sourced in 2021	92% regionally sourced	12
Product energy use	Reduce product energy use for laser products	98% reduction in sleep power for color laser multifunction products since 2006	7, 12
Packaging	Reduce single-use plastics in packaging 50% from 2018 to 2025	33% reduction in hardware and supplies packaging	12
Human rights	Train 100% of employees on human rights	98% employees trained in 2022	5, 8, 10, 16
Workplace injuries	Achieve zero injuries in the workplace	0.14 injuries per 100 employees in 2022	3
Diverse workforce	Increase global representation of female employees to 43% by 2030	41% in 2022	5, 10
Diverse leadership	Increase global representation of female managers to 42% by 2030	37% in 2022	5, 10

Awards & recognition

2022 EcoVadis Platinum Rating

2023 ENERGY STAR® Partner of the Year Award

2022 Quocirca Sustainability Leader

2022 Sustainability Awards

F.A.Z.-Institut Top Employer 2022 Germany

Great Place to Work - Lexmark Cebu & Lexmark India

Human Rights Campaign (HRC) Corporate Equality Index™

Forbes World's Top Female-Friendly Companies

Forbes America's Best Midsize Employers Lexmark US

Manufacturing Leadership Award - Collaborative ecosystems

Clean Air and Climate Change Award Lexmark Cebu

Best Adoption Friendly Workplaces - Lexmark US

Top Company for Executive Women Lexmark US

HRD's five-star Employer of Choice Award Lexmark Australia

ESR Award - Social Responsibility Lexmark Juárez

16th International ICT Awards - Lexmark Cebu

Please click **here** for more award details.

"Because of the hard work, dedication and accomplishments of the global Lexmark team, each day, this team makes a difference, each day, they challenge themselves, and each day, they work to make tomorrow just a little bit better for us all."

John Gagel
Lexmark Chief Sustainability Officer

OUR APPROACH

Working together for a better tomorrow, Lexmark applies sustainable concepts to all areas of our business, these concepts are integrated in our strategy and daily business. We are committed to being transparent about our operations. We identify and assess environmental, social and governance impacts across our value chain and engage with our stakeholders on these topics. As we progress toward our 2035 carbon neutrality goal, we will support global efforts to address climate change in a way that is inclusive, diverse and socially responsible.

Citizenship at Lexmark begins with our pledge to provide our customers with innovative, high-quality products and services in an environmentally and socially responsible manner. This encompasses our operations, where we deploy cost-effective best practices for energy conservation, wise water use and waste reduction. We extend our resources to support our communities, where Lexmark employees are dedicated to creating cleaner and safer futures where we live and work.

in this section:

Governance

Lexmark's business operations are governed by our U.S. based board of directors, including the Lexmark Chief Executive Officer (CEO) and seven independent directors. The chairman of the board is Phillip Cassou. Sustainability is integrated across all business areas and in all levels of the company. Lexmark's sustainability strategy is reviewed by the **executive leadership team** led by the CEO. The team is supportive of goals and the activities and projects that take place to meet these aggressive targets. The **Lexmark Board of Directors** also reviews our sustainability strategy and receives education and regular updates from the Chief Sustainability Officer. The Board of Directors' Finance and Audit Committee oversees Environmental, Social and Governance (ESG) topics as well as risks, opportunities and impacts related to climate change.

Headquartered in Lexington, Kentucky, Lexmark is a privately held company and is governed by a Board of Directors. Every member of our executive leadership team and Board of Directors are American citizens living in the U.S. The Board of Directors possesses final authority and decision-making control over all Lexmark business operations. Lexmark Ventures LLC was formed August 25, 2020, as a wholly owned subsidiary of Lexmark International, Inc. Lexmark Ventures reaches beyond print and imaging to leverage our multidisciplinary talents in engineering, global supply chain and market development.

Our sustainability strategy is directed by Lexmark's Chief Sustainability Officer (CSO). Compensation of the CSO and several other Vice Presidents and Directors are directly associated with Lexmark's ESG performance. Additional oversight is composed of global cross-functional teams with representation from various business areas. These teams are committed to the improvement and integration of corporate social responsibility; circular economy; and environmental, health and safety.

CSR policies

Lexmark CSR Policies are in place to provide guidance and requirements that are to be followed by employees and certain partners and stakeholders. These policies cover corporate social responsibility topics including human rights, due diligence and the precautionary approach. The policies incorporate our vision and values and apply to business activities and relationships globally. Corporate Environmental Social

Governance (ESG) leaders determine the need and content of the policies, which the CEO and/or his direct reports review. They are also accountable for the policy commitments. Lexmark's policies are posted externally and internally on intranet sites and in prominent areas on site. Training and acknowledgment of policies is required annually except for countries with legal limitations. Please visit **CSR policies and statements** to view in detail.

Where we operate

Lexmark creates cloud-enabled **imaging** and **IoT** technologies that help customers in more than 170 countries worldwide quickly realize business outcomes. Through a powerful combination of proven technologies and deep industry expertise, we accelerate business information, turning information into insights, data into decisions, and analytics into action. The map below includes representative territories where Lexmark conducted material business in 2022.

Recognized as a global leader in innovative imaging and output technology solutions, we leverage our deep industry expertise—in banking, education, government healthcare, insurance, manufacturing, retail and more — to simplify the complex intersection of digital and printed information. We are working for a better today and tomorrow by operating our business in a manner that focuses on our people, planet and the communities in which we live and work. We extend our commitment further by developing solutions that assist our customers in achieving their own sustainability goals.

Lexmark prioritizes sustainability practices in our operations and products. We expect this same focus throughout our entire value chain. The graphic below indicates a description of our value chain with primary and supporting activities.

Strategic procurement and inbound logistics → Operations → Outbound logistics → Marketing and sales → Product support and services → Reverse logistics/ circular economy

Primary activities

Supporting activities

Research & Development/Materials selection | Human resource management
Compliance- regulatory, sustainability, quality, etc. | Connected technology
Finance and planning | Privacy and security

Policies & statements

Corporate policies and statements are to be followed by all Lexmark organizations.

Vision and values
Vision and Values

Environmental
Corporate Environmental, Health and Safety Policy
Corporate Social Responsibility Policy
Climate Change Policy

Human rights
Human Rights Policy
Human Trafficking and Slavery Statement
Statement of Support for Customs Trade Partnership
Against Terrorism (CTPAT)

Code of conduct
Lexmark Code of Business Conduct
Lexmark Supplier Code of Conduct
RBA Code of Conduct

Quality
Lexmark Quality Policy Statement

Stakeholders & materiality

Stakeholder engagement is fundamental to determining our direction, not only as a business but also as a global corporate citizen. Our stakeholders are employees, customers, local communities, analysts, the media, regulators and legislators, suppliers, and nongovernmental organizations (NGOs). We regularly seek feedback from our stakeholders; this feedback is incorporated into our ESG material topic prioritization and decision-making processes.

We gather information using many methods and with varying frequency. In addition to biannual employee surveys, we collect input on an ongoing basis from the following sources:

- Employee forums (internal chat sites and diversity network groups)
- Customer feedback through face-to-face meetings, trade shows, Technical Support Center calls, and the web (including social media and blogs)
- Community feedback through active participation in local organizations
- Analyst and press feedback through published reports, articles and briefings

- Conference participation, providing feedback from NGOs, analysts, academia & peer groups
- Lexmark Ethics Committee and Risk Committee feedback
- Market research (peer group materiality assessments, industry trends, global issues and opportunities for improvement)
- Meetings and briefings with government and regulatory bodies
- Review of and participation in voluntary and regulatory standards
- Participation with numerous global industry groups and trade associations

Stakeholder engagement

This table summarizes the categories of topics in which our stakeholder groups are most engaged. Similar stakeholders are grouped together for analytical purposes.

Lexmark — Stakeholder engagement

Stakeholder groups	Environmental	Social	Governance	Workplace	Products
Analysts/media	✓	✓	✓	✓	✓
Regulators/legislators	✓		✓	✓	✓
Nongovernmental organizations (NGOs)	✓	✓		✓	
Customers	✓	✓	✓	✓	✓
End users	✓	✓		✓	✓
Supply chain	✓	✓	✓	✓	✓
Reseller chain	✓		✓		✓
Employees and board	✓	✓	✓	✓	✓
Other corporations	✓	✓	✓	✓	✓
Local community	✓	✓		✓	

Stakeholders & materiality

Industry and association affiliations

Lexmark is active in many associations and advocacy organizations, playing a significant role in groups such as: Information Technology Industry Council, Digital Europe, Global Electronics Council, GreenBiz, Manufacturing Leadership Council, Index Juárez and Electronic Stewardship Canada. Please click **here** for additional prominent groups and organizations that Lexmark is active in.

Stakeholder feedback and materiality

Lexmark's materiality efforts aim to identify economic, environmental, social, and governance issues that present impacts, risks or opportunities. Our efforts are prioritized and balanced to maintain alignment with our vision and values. We focus our efforts on initiatives that are the most relevant and periodically evaluate the impacts and reassess our materiality.

Lexmark takes into consideration our mission and strategy to identify potential negative and positive impacts. We analyze and prioritize the significance of these impacts through qualitative and quantitative data. We also consider stakeholder concerns in our analysis. Our materiality wheel below shows our most significant topics.

Transparency & Ethics

Ethical business practices

We believe that ethical behavior is critical to the Lexmark's Vision, Mission and Values. All Lexmark employees are expected to adhere to the policies set forth in the **Lexmark Code of Business Conduct**. The Code covers the following topics: personal conduct, conflicts of interest, accounting records, internal controls and audits, complying with laws and regulations, supplier relationships, customer relationships, information concerning others and corporate social responsibility.

In 2022, 98% of regular, worldwide employees and managers acknowledged their understanding of the 2022 Code of Business Conduct confirming that they conduct themselves and Lexmark business in accordance with the Code's requirements. Internal Audit, Human Resources and Legal review the Code of Business Conduct on an annual basis. The Code of Business Conduct is sent directly to all employees annually and is available on Lexmark's intranet and lexmark.com, along with other policies related to responsible business conduct.

Employees are encouraged to communicate any critical concerns or conflicts of interest to management, legal, internal audit, human resources or the Ethics Hotline/whistle blower. All reported critical concerns and conflicts of interest are presented to the Board of Directors Finance and Audit committee each quarter.

Lexmark requires targeted anti-corruption and anti-bribery training courses that educate select employee groups about risks of corruption specific to their job functions. 98% of the workforce reviews and acknowledges business ethics and anticorruption training annually. Each of our sites does an annual assessment through Responsible Business Alliance. This assessment evaluates risk management systems, identifies gaps and ensures the systems are in place to prevent violations from occurring in the future. We also do compliance risk audits at our sites periodically and Environmental and Health and Safety audits annually.

Any officer, director, employee or agent acting on behalf of Lexmark who violates the Lexmark Code of Business Conduct can be subject to Lexmark disciplinary action, as well as substantial government fines and/or imprisonment.

Preventing corruption

Lexmark business operations are regularly analyzed for risks related to corruption. All locations and operations are included when considering fraud risks. Significant entities and processes are specifically identified during the review process. Corruption risk factors are considered in the formation of the Lexmark internal audit plan, which is reviewed by the Director of Internal Audit to the Finance and Audit Committee on an annual basis. The company has designed and adopted employee and supplier codes of business conduct that help to mitigate these risks.

The annual audit planning process takes into consideration high-risk fraud areas such as revenue recognition, inventory, receivables, fixed assets, liabilities/disbursements and employee payables. Based on the risk assessment for fraud, Internal Audit evaluates controls in each audited area through test steps designed to address fraud risks.

Lexmark has a zero-tolerance policy towards bribery and corruption among employees and business partners. We terminate business relationships with business partners that operate in an unethical manner. No legal cases regarding corrupt practices were brought against Lexmark or our employees during 2022.

All allegations of employee corruption and fraud are thoroughly investigated by the appropriate business unit in collaboration with Human Resources, Internal Audit, and the Lexmark Legal Department. Results of such investigations determine disciplinary action and whether the incident requires investigation by outside agencies and formal charges. In accordance with the Lexmark zero-tolerance policy toward bribery and corruption, Lexmark will dismiss any employee who commits a non-systemic, personal-level incident of fraud or dishonesty.

Preventing anticompetitive behavior

Lexmark supports efforts to preserve and foster fair and honest competition in a competitive market system. We take care to ensure that our business practices do not violate competition laws (also known as antitrust, monopoly, fair trade or cartel laws) which prohibit business practices that unreasonably restrict the functioning of the competitive system. Lexmark was not the subject of any claims of anticompetitive behavior during 2022.

Monetary fines

Lexmark has not been subject to any significant fines or non-monetary sanctions for noncompliance of laws and regulations related to accounting fraud, human rights, workplace discrimination, health and safety or corruption during this reporting period.

Transparency & Ethics

Political contributions and lobbying

Lexmark is committed to complying with local laws related to the disclosure of political dealings, such as those that require reporting political contributions to the appropriate state or federal political and ethics authorities, and publishing the information on their respective websites. From time to time, Lexmark employs the services of remunerated attorney and non-attorney advocates and consultants. These advocates provide Lexmark with legislative monitoring services, guidance on proposed and enacted legislation, and communication of the applicable Lexmark position on legislation to interested parties and stakeholders.

Gift and gratuity policy

No Lexmark employee or member of his or her family may accept a gift or gratuity from a supplier or prospective supplier. However, a promotional gift of nominal value (no more than $75 or its equivalent in other currencies) may be given or accepted in the spirit of commercial politeness. Cash gifts of any kind are prohibited.

Vision and values

Our employees have defined our vision and values. We live these concepts every day. More than mere words, these statements are truly a framework for how we operate. To learn more about our vision and values, see our **Vision and Values** page.

Ethics hotline

The **Lexmark Ethics Line** (1-866-477-2029) is a 24-hour, international toll-free telephone number established to assist Lexmark employees with questions about the Code of Business Conduct or concerns that something improper or a violation of a rule has occurred or might be occurring. A third-party provider operates the Ethics Line. Where local laws allow, the third-party provider of the telephone lines is prohibited from providing a caller's identity to Lexmark without the caller's permission. Calls are directed primarily to the Chief Audit Executive and the Chief Legal and Compliance Officer for investigation and review.

Items reported through the ethics line in 2022:	
Discrimination / harassment	6
Misconduct / inappropriate behavior	2
Substance abuse	1
Other	1

Marketing communications

As stated in our Code of Business Conduct, "It is Lexmark's policy to avoid any misstatement of fact or misleading impression in any of its advertising, literature, exhibits or other public statements." It is the joint responsibility of the public relations, marketing or content development representative preparing the message, and of the technical experts, to verify that all statements are true and correctly supported. The accuracy of claims is also reviewed by our Legal Department and validated by the Product and Process Quality Assurance Team. We review our compliance with regulations and voluntary codes concerning marketing communications annually. Lexmark had no incidents of noncompliance with regulations or voluntary codes concerning marketing communications in 2022.

Risks, opportunities & impacts

Lexmark's social and environmental impacts are divided into three focus areas, and are addressed by corresponding product, operational and community initiatives. Product initiatives correspond to the environment and social benefits of the solutions we develop. These solutions help our customers reduce their environmental footprint, meet the accessibility needs of their workforce and operate in a more environmentally responsible manner.

We continue to develop product features and solutions that offer our customers opportunities to reduce the environmental impact of their printing and imaging activities. These efforts are validated by third-party certifications, including the Electronic Product Environmental Assessment Tool (EPEAT), a method for consumers to evaluate the effect of a product on the environment. For more information, go to **www.epeat.net**.

Operational initiatives encompass all the activities we engage in to reduce our own environmental footprint at Lexmark facilities. We have made great progress in reducing the environmental impacts of our operations and we are working toward carbon neutrality at all of our site locations. We continue to make aggressive goals and take action at our sites to meet these goals. In addition, Lexmark is committed to human rights, fair labor practices and diversity, equity and inclusion.

We have prioritized our corporate community focus on initiatives that support science, technology, engineering, and math (STEM) education improvement, and that promote diversity, equity and inclusion. By concentrating Lexmark's resources on improvements in these areas, we have made significantly more progress than by focusing on a broader range of issues.

At Lexmark, we first make sure that we are complying with local statutes wherever we have operations. Then, we balance and prioritize our approach by assessing what needs to be done and applying best practices to meet the needs of all stakeholders. We continue to make significant strides in these focus areas. We continually look for opportunities to strengthen the environmental and social benefits of our product offerings, improve the efficiency of our operations and deliver additional positive benefits to the communities where we live and work.

Risks and opportunities

Lexmark maintains a comprehensive and dynamic Enterprise Risk Management (ERM) program. Chaired by Lexmark's treasurer, and supported by a cross-functional committee of no less than 15 additional company leaders, the objective of Lexmark's ERM process is to minimize the probability and potential cost of an adverse event impacting the company by avoiding, accepting and/or mitigating those risks to which the company is exposed.

Risks, opportunities & impacts

Each key business area creates, maintains and implements business continuity plans to address significant business challenges as they arise. The committee submits periodic reports to executive management, including the Board of Directors. Our robust ERM program validates that executives and board members are informed and addressing key risks to the company.

Environmental, Social, Governance (ESG) trends have driven Lexmark to evaluate the potential of physical risks and regulatory restrictions for our business and to consider potential opportunities to enhance and capitalize on our product offerings. Through this due diligence, we can help our customers achieve their own environmental sustainability and social responsibility goals. The most important risks and opportunities for Lexmark that are related to sustainability trends include the following:

Environmental and regulatory matters
Lexmark operations are subject to numerous laws and regulations; specifically, those relating to environmental matters that impose limitations on the discharge of pollutants and that establish protocols for the treatment, storage and disposal of solid and hazardous wastes.

For more information, please see **Environmental management** and **Land & biodiversity**.

Electronic waste obligation
The Waste Electrical and Electronic Equipment (WEEE) Directive issued by the European Union requires producers of electrical and electronic goods to be financially responsible for specified collection, recycling, treatment and disposal of past and future products. Our estimated liability for these costs involves a number of uncertainties, and we consider certain assumptions and judgments that include average collection costs, return rates, and product life cycles. Should actual costs and activities differ from our estimates, revisions to the estimated liability might be required.

For more information, please see **Return, reuse & recycle**.

Climate change
The predictions about the impacts of climate change have led lawmakers across the globe to take a precautionary approach, proposing and implementing new regulations to guide governments, businesses and citizens in their efforts to reduce global warming.

These regulations can potentially impact all businesses. Regulations requiring energy reductions are motivating consumers and businesses to replace wasteful equipment with energy-efficient products. Lexmark recognizes that reducing energy consumption is one of the most effective ways to reduce greenhouse gas emissions, a major contributor to climate change. Lexmark's environmental policies and programs support the reduction of greenhouse gases in our own operations and those of our customers, partners and suppliers.

Climate change and associated weather disruptions can affect the operations of all organizations. Our operations and those of our manufacturing partners, suppliers, and freight transporters are subject to natural and man-made disasters, such as earthquakes, tsunamis, floods, hurricanes, typhoons, fires, extreme weather conditions, environmental hazards, power shortages, water shortages and telecommunications failures. Any of these conditions can disrupt business and can adversely affect our revenue and financial condition by increasing our costs and expenses. For each of its sites, Lexmark has a business continuity plan that describes the risks of climate change.

For more information, please see **Energy**, **Water**, **Greenhouse gas emissions**, **Product energy use** and **Land and biodiversity**.

Product opportunities
Lexmark offers a wide range of beneficial and highly accessible imaging devices that help customers print less and meet the accessibility needs of their workforces. Demand for such products can have a positive financial impact for Lexmark.

For more information, please see **Product certifications**.

OUR OPERATIONS

Being a responsible neighbor, employer, and global corporate citizen is woven into everything Lexmark does. It's part of who we are as individuals and as a corporate community. Operating sustainably is part of Lexmark's corporate vision and values. Using internationally recognized standards for environmental management increases focus on setting and achieving specific goals, reducing environmental impacts and guiding our steps toward carbon neutrality.

in this section:

Lexmark International Headquarters Solar Array
Lexington, Kentucky

Environmental management

Lexmark implemented ISO 14001:2015 for environmental management systems. This system provides a framework for managing and improving environmental performance. Lexmark-owned and leased facilities have received ISO 14001:2015 certification. These include all of our production locations and some research and development and administration facilities.

All facilities that do not hold ISO 14001:2015 certification attest to standard conformance and adhere to the Lexmark Corporate Environmental, Health and Safety Instructions.

Each Lexmark facility sets site-specific goals for improving its performance within the environmental management system. Environmental goals include reducing energy consumption, improving water conservation, generating less waste, and improving emergency preparedness and response planning. Cross functional teams are established at each major manufacturing and development facility to support these efforts.

To reduce negative impacts on the environment, Lexmark has established site-specific pollution prevention plans that encompass compliance with applicable environmental regulations; outline Lexmark's proactive pollution prevention efforts; and address spill prevention, hazardous waste management, recycling, and water quality. These plans cover multiple pollution routes, including discharges to ground, air and water. Pollution prevention plans are in place at all Lexmark-owned manufacturing and research and development facilities worldwide.

Lexmark did not incur any fines or non-monetary sanctions for noncompliance with environmental laws and regulations in the reporting period. No grievances about environmental impacts were filed through formal grievance mechanisms during the reporting period.

Click **here** for a full list of ISO 14001:2105 certificates.

Energy consumption & greenhouse gas emissions

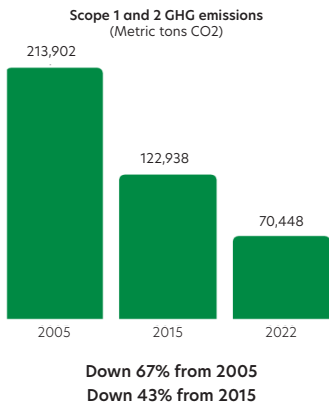| GOAL |
| --- |
| Reduce Scope 1 and 2 emissions by 40% from 2015 to 2025 |

PROGRESS
43% reduction

Lexmark continues to focus on maintaining efficient use of natural resources at our leased and owned manufacturing facilities, research and development facilities, and office spaces worldwide, tracking data since 2005 and meeting aggressive goals. In 2015, we set a goal to reduce energy consumption by 20% by 2025, at the end of 2022, we achieved a 26% reduction. As carbon neutrality goals lead the sustainability forefront for many, Lexmark continues to initiate multiple approaches to ensure company-wide goals are met. We are focused on appropriate and meaningful projects at each location. Lexmark is committed to carbon neutrality by 2035. After achieving this, we will work toward our goal of net zero greenhouse gas emission by 2050. Reaching this goal is highly dependent on the development of new emission reduction, removal and capture technologies.

We have been focused on a previous goal to decrease Scopes 1 and 2 emissions by 40% from 2015 to 2025. At the end of 2022, we had a reduction of 43%. As we continually aim to aggressively reduce our operational energy consumption, we set a near-term science based emissions reduction target. We are committed to reduce absolute scope 1 GHG emissions 27.5% by 2030 from a 2019 base year. Click **here** for detailed GHG emissions data.

Scope 1 and 2 GHG emissions
(Metric tons CO2)

Year	Value
2005	213,902
2015	122,938
2022	70,448

Down 67% from 2005
Down 43% from 2015

Lexmark engaged SGS to conduct an **independent verification** of Scope 1, Scope 2 and limited Scope 3[1] GHG emissions.

GOAL
Increase use of renewable energy (produced and procured) to 100% by 2030[1]

PROGRESS
22% through the procurement of energy attributable certificates

As we continue to drive our emissions and energy consumption to minimal levels with efficiency projects, we will also utilize renewable energy, carbon credits and renewable energy certificates (RECs) to offset emissions.

Renewable energy

We created a goal to increase annual sourcing of renewable energy to 100% by 2030. In 2022, Lexmark broke ground on a two-megawatt solar array installation on headquarters property in Lexington, Kentucky. Residing on a brownfield the solar array location has been seeded with native pollinator plants, which will require little maintenance and will benefit the local ecosystem in several ways. The solar array is expected produce enough renewable energy to achieve a 10% reduction in the carbon footprint for the Lexington site. Similar renewable energy production projects are being considered at other Lexmark locations. A pilot project of 3.2 kilowatt solar array system was installed on the rooftop at one of the Cebu, Philippines office buildings. We procured 28,354 MWh of Renewable Energy Certificates (RECs)[2], 22% of our 2022 total scope 2 emissions.

Electricity – Lexmark's indirect energy source

Solar flower located at Lexmark headquarters Lexington, Kentucky

With the exception of third party steam used for heating our Boulder, Colorado site, Lexmark operations use electricity as its one indirect energy source. We primarily purchase electricity from local energy providers from local grids. The electricity supplied is generated by a variety of nonrenewable and renewable primary energy sources, including coal, nuclear energy, solar power, wind power, geothermal energy and hydropower.

Natural gas – Lexmark's primary direct energy source

Lexmark's direct energy sources include: natural gas, diesel fuel and gasoline. These nonrenewable energy sources are purchased from local vendors and then used to generate steam, power backup generators, provide heat to certain Lexmark facilities and provide fuel for leased/ owned vehicles. We do not use renewable direct-energy sources such as biofuels (ethanol for example) or hydrogen.

CarbonNeutral® manufacturer certified

CarbonNeutral.com

In 2022, working with Climate Impact Partners, we announced our first certification targeting climate action, our Juárez, Mexico facility is now CarbonNeutral® manufacturer certified. Third party certification is our method to achieving carbon neutrality. Through planning, efficiency projects and sustainability strategies applied to daily work and an investment in certified projects to offset the remaining greenhouse gas emissions. Also in 2022, Lexmark announced its first CarbonNeutral® product certification for two devices.

Energy awareness and education

Energy conservation is a priority in the workplace, through simple practices of improving lighting, electronics and equipment and powering off when not in use and using schedules and sensors for lighting and temperature control. These and many other initiatives assist in meeting targets. Some of our employee incentive programs include site energy reductions, which include monetary incentives for employees when the

Energy consumption & greenhouse gas emissions

overall annual energy goal is achieved. In addition to salary incentives, some of our sites promote employee energy awareness through healthy living and sustainable challenges, which provides monetary incentives for various levels of challenge participation.

Emissions methodology

Green house gas emissions is a key focus for Lexmark throughout our value chain. We are committed to taking aggressive actions and making meaningful reductions. In 2023, our targets for scopes 1, 2 and 3 (shown below) received validation from Science Based Targets Initiative (SBTi).

Scope 1 emissions

Scope 1 emissions (direct) include our use of fossil fuels, refrigerants and fleet vehicle transport based on available data. We are committed to reduce absolute scope 1 GHG emissions 27.5% by 2030 from a 2019 base year. We use natural gas, diesel fuel and gasoline to generate steam, power backup generators, provide heat to certain Lexmark facilities and provide fuel for leased/owned vehicles.

We prohibit the use of such chemicals in the manufacture and development of our products; however, we use some ozone-depleting chemicals - specifically refrigerants - for the heating, ventilation and air-conditioning (HVAC) systems that cool our facilities. Lexmark cannot eliminate the use of refrigerants at this time because HVAC systems typically require the use of refrigerants for cooling. Lexmark purchases chillers that use environmentally preferable refrigerants with lower global warming potentials and monitors systems for leaks with stand-alone sensors. In 2022, refrigerant R-22 had ozone depletion potential greater than zero. Lexmark's refrigerant emissions for 2022 totaled 3,293 CO2e tonnes.

Scope 2 emissions

Our Scope 2 emissions (indirect) consist of electricity used to power operations at our sites. We primarily purchase electricity generated by a variety of nonrenewable and renewable primary energy sources, including coal, nuclear energy, solar power, wind power, geothermal energy and hydropower sourced from the local grid. We are committed to increase annual sourcing of renewable electricity from 0% in 2019 to 100% by 2030.

Scope 3 emissions

We report Scope 3 indirect GHG emissions generated from our value chain related to business activities from sources not owned or directly controlled by Lexmark including product use, supply chain, employee commuting, business travel, transportation and distribution. We will continue to take proactive steps toward emissions avoidance in Scope 3 and capture reductions through data disclosure. Lexmark is committed to reduce absolute scope 3 GHG emissions from the use of sold products 22% per printer sold by 2030 from a 2019 baseline.

Travel and commute emissions

Business travel-related emissions

We are conscious of the impact business travel can have on the environment and avoid it when possible with the use of lower impact, real time communication tools. We have collaborated with our vehicle and travel partner to calculate miles traveled with Lexmark-owned, -leased, and -rented vehicles, as well as air travel.

Lexmark France participates in the **BlueBiz CO2ZERO program**. Through this program, companies can cash in blue credits earned from employee travel with Air France, KLM or Delta Air Lines to neutralize CO2 emissions of their flights. Lexmark's contribution helps with planting new trees, maintaining existing forests and supporting local communities in Panama through the reforestation project CO2OL Tropical Mix - offsetting 143.2 metric tons of CO2 to date.

Employee commute and remote working

Many Lexmark positions are open to Flex@Lexmark, giving employees the ability to work remotely two days a week. Sustainable commuting is encouraged. Biking to work is promoted at many Lexmark locations. Bike racks and showers are available and indoor storage is an option at some locations. Challenge programs are available with opportunities to earn prizes and money for biking to work and or carpooling. Lexmark's site in Boulder, Colorado works with Smart Commute Metro North to promote alternative commuting options for employees such as ride sharing and transit travel. In Lexington, the public bus stop is located on the campus parking lot.

Four electric car charging stations are in use at the Lexington, Kentucky campus. Each station is equipped with two charging points for registered employees and clients to use free of charge. In 2022, 17.3 metric tons of GHG were avoided and 48.1 metric tons of greenhouse gas emissions have been avoided since installation. Two charging stations are in use at Boulder, Colorado's campus.

Worldwide logistics, product transportation and distribution

Physical worldwide shipping, handling and processing of products and distribution centers are a necessary part of Lexmark business. We have taken measures to lessen the environmental impacts associated with these activities and work with environmentally progressive partners who apply innovative ideas, best practices and new technologies to their transportation and logistics processes. Lexmark is working to quantitatively report the impact of product logistics.

Initiatives reducing product shipping impacts

Transport Management Systems (TMSs)
- Multiple TMSs are used at our WW regional distribution centers to optimize product transportation. TMS optimization software

Energy consumption & greenhouse gas emissions

selects the most effective mode of transportation, automates carrier selection, reduces air shipments, combines same-customer shipments, improves trailer fill rate, decreases handling and travel distance and cuts logistics expenses while improving customer delivery.

- Lexmark has been a U.S. Environmental Protection Agency (EPA) SmartWay registered partner since September 2008. Smartway, a collaborative program between the U.S. EPA and the freight industry, is chartered to increase the use of energy-efficient vehicles and has impressive goals to reduce GHGs and decrease air pollution.

Inbound container optimization

- Lexmark's strategy to combine inbound vendor shipments in ocean containers has resulted in improved space utilization in each container, a reduction in logistics expense and containers used, a smaller carbon footprint, and improved delivery time.
- Throughout 2022, Lexmark underwent a bulk packaging strategy across several product lines to increase hardware palletization density. These efforts further reduce the number of containers used, better utilize warehouse space and lower the environmental footprint.
- Lexmark was awarded a ML100 Award by Frost & Sullivan's Manufacturing Leadership Council in Sustainability Leadership for outstanding achievement in the Supply Chain Leadership category in 2019. Lexmark's winning project, "Best Fitting Pallets Adoption," focused on optimizing the pallet size to accommodate the maximum quantity of product to reduce waste and cost.

Distribution and warehousing sustainability improvements

- Intermodal freight transportation to ship products by ocean, rail, air, inland water and roadways for inbound moves saves time, money and fuel.
- Direct shipping for high volume products from factory to customer destination reduces the total miles products must travel, as well as handling and warehousing en route, providing a better customer delivery experience and environmental benefits. We also see similar benefits from direct replenishment - whereby the factory ships direct to the country distribution center, bypassing the centralized regional center and reducing miles, handling and cycle time.
- Lexmark's Reverse Logistics and Returns operations continue to improve returns processing and the capability to reduce the number of shipments and mileage, thereby reducing energy use related to returned goods.
- Lexmark partners with best-in-class Third Party Logistics (3PL) warehouse providers who have a shared sustainability focus. Lexmark's 3PL providers manage, monitor, and execute targeted goals in sustainability to reduce the use of electricity, natural gas, propane, and water. They target improving and increasing recycling activities. They also manage their overall carbon footprint.

Lean manufacturing and regional manufacturing/customization

- Lexmark uses a late manufacturing/late customization process for medium volume products in our regional distribution centers to be close to our customers, be flexible and efficient, provide a competitive advantage, and be more sustainable. Some of the benefits to this strategy are a reduction of space and inventory demand, a reduction of expedited and air freight, better container utilization footprint of shipments, a flexible manufacturing system, and customized customer solutions which include printer sustainability settings such as power settings, toner usage and longer life components.
- Lexmark manufactured 92% of cartridges in region of consumption in 2022, maintaining the high rate of regional manufacturing targeted. Regional manufacturing improves supply chain efficiency and helps Lexmark respond more quickly to customer needs. It also benefits the environment by reducing GHG emissions and providing jobs for people in the regions where our cartridges are used most.

Innovative methods of emissions avoidance
Product testing
We test our products throughout their life cycle to ensure high quality. Realizing the impact of paper use on the environment, we are working to lessen this impact in our print testing. We use "paperless print" for some testing applications, which allows us to test certain features of our product without actually printing the page. We also reuse paper where possible. These methods of print testing helped us save over 4,360 trees[3] in 2022 and avoid over 1,696,000 kg of CO_2.

Service delivery
The service delivery team at Lexmark proactively identifies issues with devices under contract, often providing a fix before a service intervention is required. If a call is made to our technical support center, priority is placed on resolving the problem via phone versus dispatching a technician. If a part is required to fix the issue and can be replaced by the customer, technical support will provide step-by-step instruction or support resources, such as video, to help with replacement. Many teams and projects are focused on ensuring that correct parts are sent and unnecessary parts dispatch is avoided. Our focus on "remote fix" and parts accuracy helps reduce wasted resources, such as materials for parts manufacture, mileage associated with parts delivery and onsight service visits. This results in improved customer satisfaction and avoidance of GHG emissions. Click **here** for detailed regulated air emissions data.

[1] Only ten of the 15 Scope 3 Categories apply to Lexmark's business. Four categories (3,5,6,7) are included in our 3rd party verification for the CarbonNeutral Protocol.

[2] The RECs procured consist of Mexico I-RECs to offset Juárez, Mexico site's scope 2 and US Green-eRECs making up 13% of the Lexington site scope 2.

[3] Environmental impact estimates were made using the Environmental Paper Network Paper Calculator Version 4.0. For more information visit www.papercalculator.org.

Water management

Lexmark is focused on efficiently managing water usage at our facilities. Water management data is reported for all Lexmark owned and some leased facilities. Lexmark owned facilities include corporate headquarters in Lexington, Kentucky; the Juárez, Mexico facility for manufacturing printer cartridges and toner and developer roll components and operating the recycling and reuse processes of the Lexmark Cartridge Collection Program; and the Cebu, Philippines research and development and shared services facility. Lexmark reports water management data for leased facilities in Boulder, Colorado; Budapest, Hungary; Shenzhen, China; and Kolkata, India.

GOAL
Reduce water withdrawal by 35% from 2015 to 2025

PROGRESS
40% reduction

The total water withdrawal value for 2022 is compared to the total water withdrawal value for 2015 and percent change is calculated.

In 2022, water withdrawal was 40% less than the 2015 baseline. Lexmark strives to maintain efficient water usage practices in all operations. Lexmark engaged SGS to conduct an **independent verification** of water withdrawal data.

Water is used as part of Lexmark operations for three primary purposes: manufacturing and development; heating, ventilation, and air-conditioning (HVAC) systems; and sanitation. Our water usage can vary due to the need to control temperature. As external temperatures rise, more water is needed to cool our facilities. While we cannot control the water usage related to external temperature, we can aggressively monitor, control and reduce water withdrawal where opportunities exist.

Water stress in areas of Lexmark facilities was assessed using the **World Resources Institute Aqueduct Water Risk Atlas**. Based on this tool, Lexmark has identified two of our reporting facilities to be high or extremely high risk for overall water risk. This information encourages us to focus on the regions highlighted as having the highest risk and work to reduce or maintain low consumption. Click **here** for detailed water management data.

Water management program
Through the years, Lexmark has followed our corporate water plan which concentrates on multiple methods of conserving water. As Lexmark assesses site water requirements and reporting boundaries, changes may occur on site; for example, designating new contacts for water management, utilizing fresh approaches to awareness of site water usage, and pursuing alternate water sourcing or conservation techniques.

Water history
Lexmark has a long history of water projects that have helped reduce water usage in our operations by well over 50% when compared to 2005.

Lexmark Cebu City, Philippines, focuses on preventive and corrective maintenance of the water system, and works to engage employees in awareness activities to conserve water and report leaks. Major water projects over the years have included the installation of sensor-operated faucets and toilet bowls and the interconnection of the water supply between the two buildings on site to reduce water waste. In 2020, a 1,000-liter capacity rainwater catchment tank was installed on site to provide water for mopping, maintaining plant life and vehicle cleaning. In 2022, the catchment tank harvested 34.1 cubic meters of rainwater which was used to maintain plant life and clean janitorial tools and equipment.

In Lexington, Kentucky, many actions over the years have contributed to water conservation. Some of these actions were: more efficient HVAC systems, installation of low-flow plumbing fixtures, upgrades to piping, reduction in the number of fire pumps, site building reductions, and a successful partnership with Suez services. In recent years, Lexmark has also reduced impermeable surfaces on site by 1,475,000 square feet through multiple activities, including building demolition, property sale and conversion of 256,665 square feet of parking space to green space. In 2022, the utility plant cooling towers used 19,591 cubic meters of rainwater collected through the rainwater harvesting system.

In Kolkata, India, recycled water is used by the landlord for the central air conditioning system and contributes to sustained water efficiency at the Lexmark facility.

Juárez, Mexico, continues to refine processes related to water use on site. Lexmark's Physical Chemical Wastewater Treatment Plant is one of the largest installed in the industrial sector of Juárez City and includes three processes: solids separation, filtration and distillation. The plant has a processing capacity of 80 gallons per minute. Over the years, the water reuse infrastructure has grown on campus.

Water management

Water used in HVAC equipment, as well as toilets in Laser Cartridge Assembly operations and LCCP production is reused. Cooling tower basins are isolated to help prevent water loss from evaporation. Restrooms located on the production floor and other areas have been retrofitted with waterless modes.

Water harvesting and reuse

Lexmark values water reuse and harvesting and has found ways to implement projects with this focus at multiple locations. Infrastructure upgrades to the wastewater treatment plant continued to provide great results at Lexmark's campus in Juárez, Mexico. The system generated 46,827 cubic meters of water for reuse in other areas, including irrigation, representing 29% of the total water used at the facility.

In 2022, a conductivity discrimination system implemented in the Deionized Water Plant allowed a significant portion of the reverse osmosis' rejected water to be captured and returned to the initial filtration system, avoiding the usage of freshwater in this process step.

Further improvements in Juárez include development of the Supervisory Control and Data Acquisition (SCADA) system, which enhances the accuracy of the wastewater treatment process and allows the wastewater treatment plant to be operated in remote mode during weekends. These improvements assure enough treated water supply to be reused in the chemically processed toner (CPT) process, thereby minimizing the need to use freshwater in this intensive water consumption process.

Lexmark employees in Cebu, Philippines, continue to make an impact on water usage in their community through the rainwater harvesting systems that they have designed and installed. The first system collects water that can be used by Lexmark Gawad Kalinga locals for watering plants and cleaning. The second 1,000-liter tank capacity rainwater catchment system supports at least 20 families in Cantipla Barangay, whose water source is a spring located 300 meters away by vehicle. The tank and meter for the Cantipla Barangay rainwater catchment system was damaged by Typhoon Odette in December 2021 and is being repaired.

Water quality

Lexmark has long supported **creek cleanup** efforts, realizing the impact that trash and waste in a creek has on the quality of water in the watershed.

Lexmark Cebu supports and participates in the Rivers for Life Program, officially launched through a large-scale river cleanup drive in Cebu by the Department of Environment and Natural Resources (DENR) in Region 7. A Memorandum of Agreement (MOA) was signed with the DENR and Local Government Unit (LGU) of Guadalupe Barangay on November 29, 2021. The project will focus on rehabilitation of the Guadalupe River. Lexmark will support the project by providing funds for three years, printing materials for the information and education campaign, monitoring progress bi-annually, and coordinating activities with partner LGUs and the DENR-EMB7 representative.

In 2022, Lexmark employees donated used tires for use in Guadalupe River landscaping. In September of 2022, Lexmark Cebu employees participated in a coastal cleanup as part of International Coastal Clean-up Day.

[1]Input data is based on site meter readings, utility invoices.

Lexmarkers installing the Gawad Kalinga rainwater catchment system
Cebu, Philippines

Water management

Rainwater harvesting system

Lexmark installed an award-winning bioretention and rainwater harvesting system in Lexington, Kentucky, in cooperation with Lexington-Fayette Urban County Government (LFUCG), EcoGro, Ridgewater, Stantec and the University of Kentucky.

While larger in scale than the three traditional rain gardens at the Lexington site, the rainwater harvesting system acts in much the same way as these smaller rain gardens. The bioretention basin collects rainwater and filters it through a layer of sand. Water not needed for immediate use is stored for later use. The naturally soft water is used in Lexmark's cooling towers, reducing the need for chemically treated water.

The bioretention basin in Lexmark's rainwater harvesting system has some bioremediation value and acts as a retention pond in slowing rainfall runoff in conditions when excess flow is discharged to the creek. In the vein of sustainable resource consumption, the pavement, rock and soil removed for the project was reused or recycled. Existing

pipes and tanks already in place were recommissioned for use in this project to gain further savings. Lexmark received the 2021 International Green Apple Award - Environmental Best Practice for the Lexmark rainwater harvesting system. Prior awards for the project were a Manufacturing Leadership Award in Sustainability in 2020 and a 2019 Grand Conceptor Award in Waste and Storm Water from the American Council of Engineering Companies of Kentucky (ACEC-KY).

Water donation

Lexmark Cebu, in coordination with the Bureau of Fire Protection and Filipino Chinese Volunteer Fire Brigade, has provided water to responding fire trucks during emergencies since 2014. To date, a total of 134 fire trucks were provided water to assist with fire emergencies in neighboring communities. In 2022, there were no major fire incidents within Cebu City or near Lexmark, therefore there was no need for the Fire Bureau to collect water from Lexmark.

1. Precipitate
Rain falls to the ground

2. Runoff
Stormwater runs off 33 acres of impervious area (mostly parking lot)

3. Collect
Stormwater runoff collects in a 2.4-acre bioretention basin

4. Infiltrate
Stormwater infiltrates through amended sand/soil filter to remove pollutants before draining to the pump wet well

5. Convey
Water is pumped from wet well to tanks

6. Store
Water remains stored in tanks until it is needed for non-potable use

7. Evaporate
Cooling towers evaporate water back to the atmosphere

Water management

Water withdrawal

Lexmark is concerned with the origin of our sourced water and where it ends up. We understand that access to clean, abundant and affordable water is a critical issue. We also understand that our commitment to responsible use of water resources and protection of local watersheds helps to ensure that our local communities have access to these water resources. Most Lexmark facilities withdraw water exclusively from municipal water supplies and other water utilities.

Water discharge

Wastewater from Lexmark operations is primarily discharged to local utility systems for treatment. Water used for landscape maintenance purposes is absorbed into the soil. Water is also evaporated from on-site cooling towers.mLexmark reported no significant spills in 2022. In an effort to continually improve our processes, we record and investigate all spills—regardless of size or impact—as directed by site ISO 14001:2015 and ISO 45001:2018 management systems and other corrective and preventive action programs. Water discharges (whether planned or unplanned) that are destined for the local utility or nearby bodies of water are closely monitored by site facilities and environmental teams in accordance with applicable government permits.

Total water withdrawal
(megaliters)

1,030.34 ml

435.7 ml

261.43 ml

2005   2015   2022
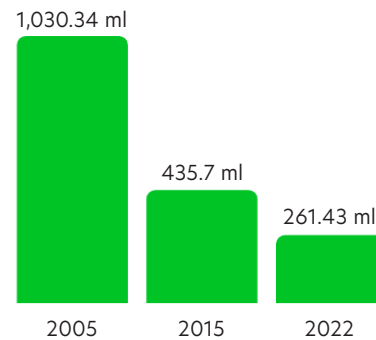
Down 75% from 2005
Down 40% from 2015

This data represents the facilities listed in the chart below the graphic
(Lexington, Boulder, Juárez, Cebu, Kolkata, Budapest, Shenzhen).

Water sources

Lexmark facility	Utility Provider	Original Sources of Water*
Lexington, Kentucky, United States	Kentucky American Water	Kentucky River, Jacobson Reservoir and Lake Ellerslie
Boulder, Colorado, United States	City of Boulder Utilities Division	Barker Reservoir, Lakewood Reservoir, Boulder Reservoir and Carter Lake via the Boulder Feeder Canal
Juárez, Chihuahua, Mexico	Junta Municipal de Agua y Saneamiento de Juárez	Hueco Bolson, underground aquifer
Cebu, Philippines	Metropolitan Cebu Water District (MCWD)	Luyang River
Kolkata, India	DLF IT Park via local municipality	Ganges River processed through osmosis water treatment plant
Budapest, Hungary	Fövárosi Vízmüvek	Multiple sources, but water from the Danube River (from wells located near the river) dominates the supply
Shenzhen, China	Shenzhen Water Company	Pearl River—the biggest river in south China

*To the best of our knowledge, none of these bodies of water are recognized by professionals to be particularly sensitive due to their relative size, function or status as a rare, threatened, or endangered system. In addition, none supports a particular endangered species of plant or animal, or is considered a nationally or internationally proclaimed conservation area. None of these water sources is significantly affected by Lexmark water usage.

Waste management

Sustainable waste management

At Lexmark, we're committed to disposing waste generated by our worldwide facilities in a safe and responsible manner. Our facilities measure and report our generated waste and disposal methods to ensure we are making progress in our overall waste reduction efforts. Waste management programs at our offices and manufacturing sites promote recycling and provide guidance to ensure our waste is responsibly managed.

Lexmark's path to zero waste

Most preferred

PREVENT
REDUCE
REUSE
RECYCLE
RECOVER

Least preferred   DISPOSE
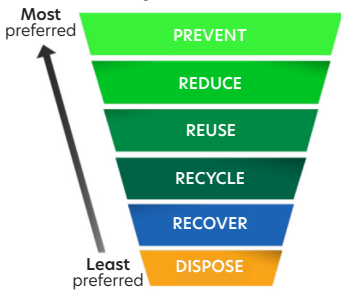
Lexmark's path to eliminating waste begins with our waste management and recycling programs at all our facilities worldwide. Each Lexmark manufacturing or research and development facility has a written plan to address the appropriate handling of waste generated at the site. The plan addresses the handling, storage and/or transportation of waste that is characterized and measured to determine areas of waste prevention. The waste is managed according to international best practice and follow all governmental regulations. Lexmark continually works toward reducing the quantity of waste generated. Lexmark decreases our waste production by reducing waste at the source and recycling and reusing waste in an environmentally safe manner. Our facilities minimize waste through sustainable operations, lean manufacturing techniques and environmental management programs.

Waste generation and recycling statistics

Lexmark generated a total of 8,483 metric tons of waste in 2022, with 98% of the waste generated worldwide being nonhazardous.[1]

GOAL

Reduce waste generated by 50% from 2015 to 2025

PROGRESS

58% reduction

Hazardous waste accounts for approximately 2% of Lexmark total waste. The primary hazardous waste materials are residues from manufacturing and development processes. Hazardous waste that is generated by Lexmark research and development, and manufacturing facilities is managed by external companies that specialize in the management of hazardous waste. Since our baseline year of 2015, we have reduced total waste generated by 11,809 metric tons or 58% with a target to achieve 50% by 2025.

Waste generation by classification

■ Hazardous   ■ Non-hazardous

	2015	2018	2022
Hazardous	465	616	187
Non-hazardous	19,827	16,986	8,296
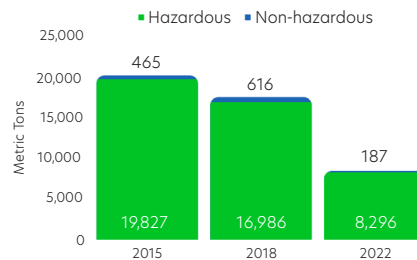
Waste recycling

Disposal methods for waste are determined through the collaborative efforts of Lexmark and our waste-management partners. Working together, we identified new opportunities for recycling waste, reducing our usage of incineration and landfill while increasing usage of waste-to-energy recovery where other recycling options are unavailable.

Waste treatment by disposal method

Recycling 63%   Reuse 14%   Landfill 10%   Energy recovery 10%   Incineration 3%   Composting 0.1%
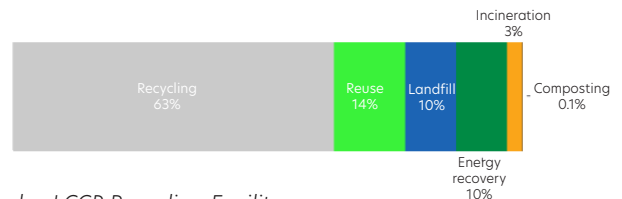
Includes LCCP Recycling Facility

Waste management, recycling development & production

The development, quality testing and manufacturing of Lexmark imaging devices can result in the generation of unique waste streams. Waste from development and production is characterized as chemical waste (toner, component development and manufacturing), paper waste (print testing) or printers and other electronic components (performance and quality testing).

To eliminate hazards to human health and the environment from fires and releases of these waste products, each chemical usage facility provides controls for chemical, petroleum and waste storage tanks. The tanks are installed, operated, inspected and removed according to the specific and applicable governmental regulations. We limit the environmental impact of collected waste by giving it a second life. Chemical waste is primarily processed into usable heat, electricity or fuel through energy recovery. Examples of the waste stream utilization include toner waste reused as a colorant in ink, rubber as an **asphalt** additive to improve its performance, print testing paper recycled into innovative **paper products**, and **cartridge materials** that are reused or recycled. Click **here** for detailed waste management data.

[1]*Waste data is from 100% of Lexmark's owned development and manufacturing sites based on square feet.*

Supply chain

Responsibility

At Lexmark, we choose suppliers who share our vision of corporate citizenship and agree to conform to Lexmark's expectations and standards. We monitor the performance and compliance of our suppliers by analyzing on a regular basis their social, environmental and economic data.

Our membership and participation since 2009 in the Responsible Business Alliance (RBA) has further strengthened our organizational efforts in support of human rights, labor standards, and other corporate social responsibility values. Lexmark has adopted and actively pursues conformance to the **RBA Code of Conduct** supplemented by the **Lexmark Supplier Code of Conduct**.

Compliance with the Lexmark Supplier Code of Conduct and RBA

Lexmark's Supplier Code of Conduct defines our expectations for suppliers regarding ethical behavior, sustainable environmental practices, and protection of the health, safety, dignity and fundamental rights of all workers. Lexmark contracted suppliers have committed to comply with a required supplier code of conduct. The Lexmark Supplier Code of Conduct is based on the following standards:

- RBA Code of Conduct
- United Nations (UN) Global Compact
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights and UN connected conventions
- ILO Declaration on Fundamental Principles and Rights at Work
- OECD Guidelines for Multinational Enterprises

In accordance with RBA guidelines, Lexmark will be conducting third-party VAP audits for each of the Tier 1 final hardware assembly suppliers per the following table:

Tier 1 Final Assembly[1] - RBA VAP Audit Schedule			
Tier 1 - final hardware assembly count	2022 completed audits	2023 VAP planned audits	2024 VAP planned audits
6	3	5	4
[1] Tier 1 Final Assembly is defined as the final production site for hardware devices and where the product is considered to be a finished good.			

Supply chain responsibility program at Lexmark

Lexmark's Responsible Sourcing Team has had training in ESG and ESG impacts are considered prior to entering into a relationship with suppliers. Lexmark procurement personnel have access to a database of supplier information that includes the suppliers' ESG commitments, as well as their performance metrics.

Sustainability is integrated with the Lexmark supplier selection and retention processes. Lexmark provides incentives for suppliers to adhere to RBA guidelines by offering long-term contracts, collaborating on production volumes, consolidating suppliers and partnering on development projects.

The **RBA Code of Conduct** sets forth performance, compliance, auditing and reporting guidelines across five areas of social responsibility:

Locations

Lexmark sourcing teams are encouraged to select suppliers that are near the location where their products will be used—such as near a manufacturing location—when possible. The use of locally based suppliers is both environmentally and financially preferable, resulting in positive local impacts.

Lexmark supplies are strategically produced in local economies near our customers. We produce supplies in Poland to meet the needs of our customers in Europe. Lexmark sources supplies for Asia Pacific from China, and our manufacturing plant in Mexico produces hardware and supplies for Latin America and North America. Manufacturing products regionally near our distribution centers not only allows our customers to receive needed supplies faster, it provides an opportunity for our customers to recycle their end-of-life hardware and supplies closer to home.
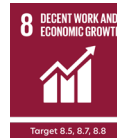
GOAL

Maintain a minimum of 80% of our Lexmark-branded and designed toner cartridges supplies regionally sourced in 2021

PROGRESS

92%
regionally sourced

Supply chain

Critical suppliers

Critical suppliers account for a significant percentage of Lexmark total procurement spending. The map below shows where our suppliers are located.

Accountability

To better understand corporate social responsibility (CSR) risks in the supply chain, Lexmark analyzes the spending behavior of that chain, evaluating basic information (total number of suppliers, geographic spread, and so on), as well as social and environmental aspects such as supplier diversity and environmental factors. Potential and new suppliers undergo a CSR assessment on sustainable procurement issues. These assessments are conducted with data-collection tools specializing in supply chain analyses.

Our spending-analysis process

Over the last 12 years, 100% of Lexmark procurement spending was subject to our spending-analysis process. Through this process, we have identified critical suppliers - our high-volume, high spending suppliers, suppliers of critical components and unique or sole source suppliers. Lexmark has over 4,600 suppliers, 4% of which have been identified as critical.[2]

Risk management

Less than 2% of our suppliers are determined to be high risk. Based on how critical the risk is, Lexmark conducts a deeper analysis of economic (cash management), environmental (weather related), and social (war and political instability) risk factors. Lexmark's supply chain organization continually monitors and leverages proactive forecasting methods to ensure the supply chain is resilient and can meet demand

for its products, services and markets served. These monitoring activities may also include accessing potential risk factors to downstream and upstream impacts across the value chain.

Social responsibility risks are managed in part through the RBA Code of Conduct. This code prescribes best practices related to environmental performance in operations, human rights (forced or child labor, freedom of association, International Labor Organization conventions), working conditions (working hours, layoff practices, remuneration), occupational health and safety and business ethics (corruption, anti-competitive practices). To improve business practices and assist companies in identifying risks and driving improvements, self-audits and site audits are conducted in conformance with the RBA Code of Conduct, laws, and regulations.

Demonstrating improvement

Lexmark requests information from its suppliers to determine their policies and principles that protect the environment and promote social responsibility. We encourage suppliers to demonstrate continual improvement through the completion of the RBA Self-Assessment Questionnaire (SAQ) or EcoVadis Sustainability Assessment.

100% of Lexmark Tier 1 final assembly suppliers have undergone a CSR assessment and received a risk assessment from their response in 2022. Lexmark Tier 1 suppliers receive internal audits and third-party on-site certifications of their environmental or social practices. Lexmark's Tier 1 final assembly hardware suppliers provide progress towards yearly goals and improvements towards environmental and social practices based on these assessments.

Critical suppliers

EUROPE
10 Suppliers

AMERICA
59 Suppliers

ASIA-PACIFIC
106 Suppliers

Supply chain

Supplier questionnaires provide us greater understanding and transparency of the CSR initiatives of the key suppliers of goods and services that support our operations. Questionnaire input creates ongoing discussions between Lexmark and its suppliers so that we can document our progress on environmental and social initiatives, and helps us explore how we can improve as responsible corporate citizens.

Conflict minerals

Lexmark is committed to responsible global sourcing of the minerals in our products. As a member of the Responsible Business Alliance (RBA), we perform due diligence to reasonably assure that conflict minerals (tantalum, tin, tungsten and gold) and extended materials (cobalt and mica) in the products we manufacture do not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. Lexmark is also a member of the **Responsible Minerals Initiative (RMI)**. RMI's tools provide Lexmark guidance in responsible mineral sourcing in our supply chain.

As part of its responsible sourcing efforts, Lexmark conducts a country of origin inquiry to determine whether a conflict mineral originated in the Democratic Republic of the Congo or an adjoining country. Lexmark, as well as its subcontractors and suppliers, discloses its reasonable country of origin inquiry of tin, tungsten, tantalum, gold, cobalt and mica used in the manufacture of Lexmark products. Lexmark also requires a **due diligence** declaration identifying the list of smelters used within a supplier's supply chain. This information must be submitted along with the supplier's due diligence process. Suppliers must report the results using the RBA template, or Lexmark-approved similar template. Click **here** for the Conflict Minerals Report of Lexmark and click **here** for the Extended Minerals report including cobalt and mica.

Human trafficking and slavery

Lexmark has implemented the following practices to prevent human trafficking and slavery. Our practices and procedures uphold the human rights and labor policies and principles in our supply chain.

- Standards—Lexmark upholds and respects international human rights standards that promote workers' rights, fair-employment opportunities and open channels of communication.

- Verification—Lexmark inspects for compliance through supplier assessments, operation reviews, risk management and third-party audit systems.
- Audit—Lexmark monitors and audits its facilities and select partners' facilities by questioning about labor and human rights policies and procedures to ensure that forced, bonded, trafficked, slave or involuntary prison labor is not being used.
- Training—Lexmark provides training on the RBA Code of Conduct to employees in procurement who have direct responsibility for supply chain management.
- Accountability—Lexmark suppliers are required by contract to operate in full compliance with laws and regulations, including those regarding human trafficking and slavery in countries of operation or where products are distributed.

For more details, read our **Human Trafficking and Slavery Statement**.

Diversity

Lexmark strives to encourage and afford opportunities to minority suppliers. The Lexmark Supplier Diversity Program is founded on Lexmark values of mutual respect, corporate citizenship and integrity. Diverse businesses make up a vital segment of the economy, and, therefore, supporting diverse businesses are advantageous to our financial performance and our community.

Our global sourcing efforts with veteran-owned small businesses helped Lexmark earn the distinction of a Military Friendly Employer for the seventh year in a row and placement on the Military Friendly Supplier Diversity Program list. This recognition resulted from a leading survey by Victory Media that recognizes companies with the strongest job opportunities and best-in-class hiring and retention programs for transitioning service members and spouses seeking civilian employment. Click **here** to view our supplier diversity ratings based on our efforts to create sustainable and meaningful benefits for the military community.

How the supplier diversity program works

Lexmark sets goals annually to increase contracting opportunities for eligible minority suppliers. These goals are reviewed to determine if they are attainable and represent a meaningful contribution to the Lexmark supplier diversity program. Lexmark employees are encouraged to take an active role in supporting the supplier diversity program by ensuring that diverse-owned vendors are encouraged and given an opportunity to do business with Lexmark.

Supply chain
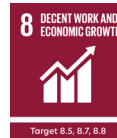
What we buy

- Construction: New work, additions, alterations or maintenance and repairs services
- Manufacturing: Packaging, molded plastics, chemicals
- Printing: Labels, business cards
- Office Supplies: Furniture, office supplies
- Consulting/Professional Services: Photography, translation, environmental consulting services
- Professional Equipment: MRO/Lab supplies
- Administrative Services: Facilities support services, temporary staff services
- Educational Services: Instruction and training services

Who is eligible

- All Small Business (including ANCs and Indian Tribes)
- Small Disadvantaged Business
- Women-Owned Small Business
- Veteran-Owned Small Business
- HUBZone Small Business
- Service-disabled Veteran-Owned Small Business
- LGBTQ-Owned Small Business

Program requirements

- Certification by a third-party agency
- The company must be at least 51% owned and operated by a United States citizen who is a member of one of mentioned groups

Business trade organizations

- Lexmark is member of DiversityInc, Supplier.io and sponsor of the Lexington, Kentucky, Chamber of Commerce and Minority Business Expo.

"Our vision is to create strategic partnerships with qualified, socially responsible and diverse suppliers. We believe this provides us the greatest opportunity to develop innovative and cost-effective business solutions and at the same time, strengthen our company, customers, and community. Supplier diversity brings different strengths and values and a competitive advantage for our company."

Michelle Rawlings
Vice President, Product Life cycle Management, Lexmark

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[2] *Direct material critical suppliers require more than three months for Lexmark to qualify and/or switch to a new supplier. Indirect material critical suppliers are those with whom Lexmark spent more than $1 million in the previous calendar year and, in addition, which require more than three months for Lexmark to qualify and/or switch to a new supplier.*

Land & biodiversity

Lexmark strives to ensure that our operations do not harm the local environment. Understanding our responsibility to help maintain balance in the natural world, we engage our communities primarily in reforestation programs and watershed protection. Lexmark considers the protection status and biodiversity value of existing locations and those areas where we plan to operate. With the exception of an operational site in the Philippines described below, Lexmark does not own, lease or manage operational sites in or adjacent to protected areas, or areas of high biodiversity value outside protected areas. In addition, our activities do not result in significant impacts on biodiversity in these types of areas. We also do not own, lease or manage operational sites in areas where habitat restoration has occurred or in habitat protected areas.

Finally, Lexmark does not operate in areas that are known to be protected or home to **International Union for Conservation of Nature (IUCN)** Red List species or national conservation list species and has no plans to operate in these areas. Despite the fact Lexmark facilities may be located in urbanized areas, we take actions to support the biodiversity in the communities where we live and work.

Lexmark is especially sensitive to the environment in our Philippines operations. Many global organizations recognize the entire country as an area of high biodiversity. The Lexmark Research and Development Corporation (LRDC) located in Cebu, Philippines, is a 30,817 square meter research and development operation. Lexmark employees in the Philippines work diligently to restore habitats near these facilities, focusing on reforestation and watershed protection. Since 2008, Lexmark has planted over 163,500 mangrove trees in various coastal and watershed areas of Cebu and over 19,300 tree seedlings in various areas of Cebu. Much of this work is in partnership with the community Environment and Natural Resources Office for tree and mangrove planting activities. Mangroves are beneficial to the environment; they provide shelter and food for sea life, stabilize coastlines by reducing erosion, and protect coastal communities from storm surges.

Reforestation

Reforestation programs are a focus of Lexmark locations worldwide. Trees have many benefits that extend beyond their beauty. They offer social, environmental, and economic benefits for years after they are planted. Trees not only create an ecosystem to provide habitat and food for birds and numerous other animals but also absorb carbon dioxide and other potentially harmful gases, reducing the overall concentration of greenhouse gases in the atmosphere. Because of this, Lexmark employees have planted trees around the world in parks, schools, cities and forests. Other reasons include reforestation due to invasive species, natural disaster recovery, park revitalizations, community improvements, and tree canopy improvement needs to reduce larger city heat island effects.

While there are countless benefits for planting trees, there is an additional reason that Lexmark has prioritized tree planting in our global community efforts. Life cycle assessment analyses on our devices show that the largest environmental impact associated with printing is paper consumption during the use phase. Planting trees is a way that Lexmark can offset this biomass impact.

Lexmark's reforestation initiatives

Lexmark has teamed up with various organizations and customers to plant trees in communities around the world. Since 2008, Lexmark has planted over 627,500 trees, the majority of which were donated by Lexmark and planted by our employees.

Examples of Lexmark reforestation teamwork include the following:

Partnering with PrintReleaf since 2018 to offset the environmental impact related to internal office and test page printing through their seamless process. This service is being offered to Lexmark managed print services customers. Through 2022, nearly 190,000 trees have been planted.

Lexmark partnered with Arbor Day Foundation, planting 10,000 white and red mangroves in Ile a Vache, Haiti in 2022. Haiti's mangrove forests help stabilize shorelines, improve the quality of the water and provide a natural habitat for fish and other coastal sea life in addition to supporting coral reef health.

In 2021, Lexmark joined Arbor Day Foundation in their Alabama Private Lands project, planting 10,000 longleaf pine trees. The longleaf pine ecosystem supports an incredible diversity of plant and animal species.

Since 2000, Lexmark has given over 72,000 native species tree seedlings to U.S. employees to plant at their homes or in the community. This is an Earth Day tradition that employees look forward to each year.

Land & biodiversity

Lexmark France participated in the BlueBiz CO2ZERO program to use blue credits to offset flight-related CO2 emissions of flights since 2018. The offset occurred by reforestation in the Panama Rainforest.

Lexmark India employees have been working with local non-profit organizations to plant trees as part of the Cyclone Amphan recovery. For example, 2,350 native species saplings and over 1,000 mangroves were planted in areas of need after the devastation. In addition, trees were planted at local parks with the Society for Heritage and Ecological Researches (SHER).

In **Lexington, Kentucky, Lexmark** has been a sponsor of Reforest the Bluegrass since 1999. This community effort has planted more than 200,000 trees and restored over 195 acres of floodplains. This event offers educational booths and children's activities in addition to the tree planting event.

Lexmark Portugal teamed with Informantem on the ReSeed project to reforest areas damaged by wildfires.

Pollination

Lexmark Boulder partnered with Free Range Beehives for on-site corporate beekeeping. The partnership includes three honeybee hives, three gentle bee colonies, a beekeeper, honey extraction and routine inspections and maintenance. The U.S. Environmental Protection Agency (EPA) is supporting this effort by launching a Pollinator Protection Initiative.

A butterfly garden is maintained on Lexmark headquarters' property in Lexington, Kentucky. The registered Monarch Waystation includes milkweeds and a wide array of native nectar plants providing a monarch butterfly habitat. The garden planting was initiated by members of the Lexmark Healthy and Sustainable Living committee.

Many communities are encouraging local businesses and corporations to get involved and provide native species plants and pollinator gardens to help reverse the decline in bee and butterfly populations. Butterflies and bees are declining due to the wide use of pesticides, development and global climate change. Without the required pollination, many plants and crops would fall into short supply, reducing the opportunity to buy fresh produce locally and increasing prices due to food costs and increased transportation. Our Lexington butterfly garden has an added benefit of serving as an education resource for an onsite childcare center.

In 2022, Lexmark constructed a nearly eight-acre solar array. The entire area of the array was planted with a native pollinator seeding mix. These plants will provide habitat and food sources for monarch butterflies, bees and other small mammals. Five beehives were placed around the array.

Lexmark's pollinators at headquarters
are registered with Monarch Waystation

Lexmark HQ honeybee hives
Lexington, Kentucky

OUR PRODUCTS

Lexmark integrates sustainable practices throughout the entire product life cycle. We have a three pillar approach to product sustainability - sustainable design, efficient use and responsible reuse and recycling.

Lexmark's product portfolio is designed to have minimal effects on the environment throughout its entire lifespan, including manufacturing, distribution, use, and end of life. Devices, services and solutions are thoughtfully engineered to last longer and save energy.

Circular economy

Circular economy leader

Lexmark has been in support of the circular economy and remanufacturing initiatives since our inception 30 years ago. In 1991, we began reclaiming material through our Lexmark Cartridge Collection Program (LCCP), and we have been creating post-consumer recycled plastic (PCR) in our closed-loop process for 11 years. As a leading remanufacturer, we understand that the adoption of circular economy principles promotes innovation and economic growth in a more environmentally sustainable manner.

Our founding membership in the **European Remanufacturing Council (CER)** provides Lexmark the opportunity to share with other businesses how to extend product life and retain valuable materials. As a member of CER, we seek changes to policy with the aim of making remanufacturing a normal part of a product life cycle. Members of the CER aim to triple the value of Europe's remanufacturing sector to over $100 billion by 2030.

Design for long life and durability

Lexmark makes a clear choice toward planned durability, intentionally engineering long-life devices designed to last seven years or more. Device life is extended further through remanufactured and repaired parts and supplies. Longer-life devices save finite resources, reduce waste going to landfills and lower carbon emissions. Preserving resources and reusing materials have been important to Lexmark since our inception. We have reused over 34 million kilograms of recovered cartridge materials since 1996 by converting millions of used toner cartridges into Lexmark-certified remanufactured toner cartridges. For more information on how Lexmark designs our products for extended life, click **here**.

Industry leadership

Lexmark actively works with many stakeholders, partners, industry groups and governing bodies to rethink and redesign our products in the framework of a circular economy. Lexmark participated in impactful sustainability initiatives and projects with other industry leaders. Our partnerships with companies committed to advancing the circular economy provided us with the expertise to conduct internal projects that reduce waste and promote the long-term use of resources. At Lexmark, global cross-functional teams from over 20 areas of the business incorporate circular design into our products and maximize their life cycle by offering robust take-back and remanufacturing programs.

Our commitment to remanufacturing is recognized by prominent supporters of sustainable manufacturing. Our endeavors most recently resulted in an EcoVadis Platinum medal, the highest level of this extra-financial assessment. EcoVadis has grown to become the world's largest and most trusted provider of business sustainability ratings, creating a global network of more than 100,000 rated companies and their supply chains to assess their performance in the field of corporate social responsibility (CSR) and governance. Lexmark is in the top 1% of all companies assessed and a clear leader in our sector. Since 2014, Lexmark has consistently received high EcoVadis ratings.

Lexmark also received the **ISRI 2020 Design for Recycling Award** for our toner cartridge design and recycling process. Additionally, Lexmark received Manufacturing Leadership awards in sustainability leadership for reuse and remanufacturing efforts. See more about Lexmark awards and recognitions **here**.

EU research and innovation projects

To assist our innovative efforts in remanufacturing and to promote a circular business model, the European Union Framework Program for Research and Development awarded Lexmark funding for three projects - C-SERVEES, DiCiM and CE-RISE - to build circular economy solutions for the global marketplace.

C-SERVEES

Lexmark received a Horizon 2020 research and innovation grant under agreement N° 776714 to participate in the **C-SERVEES** project. Selected from over 100 applicants, Lexmark worked with other C-SERVEES project participants for four years to develop an innovative circular economic business model for the electrical and electronic (EE) sector. C-SERVEES results revealed the importance of determining the end of life material recovery yield of EE equipment, recovering valuable materials through easy dismantling and providing a digital disassembly instruction manual through a QR code. Environmental impact is reduced, and circularity of the product is enhanced through novel tools to track material data and product characteristics for effective remanufacturing of products.

For more information on Lexmark's contributions to the C-SERVEES project, click **here**.

Circular economy

Digitalized value management for unlocking the potential of the circular manufacturing systems with integrated digital solutions (DiCiM)

Lexmark is one of 12 consortium partners from nine countries in the €6 million EU budget DiCiM project. DiCiM is dedicated to utilizing digital tools to accelerate circular economy business models. The project will develop integrated digital solutions that make use of Internet of Things (IoT), Machine Learning (ML) based Artificial Intelligence (AI), Big Data, Image Processing and Augmented Reality (AR).

As the only print manufacturer participating in DiCiM, Lexmark will assist the DiCiM project with IoT monitoring and identifying the key parameters in real time. This will include implementing an open access digital platform and demonstrating the capability of the printers for enabling tracking, tracing, and condition monitoring. For more information on Lexmark's contributions to the DiCiM project, click **here**.

Circular Economy Resource Information System (CE-RISE)

The CE-RISE project involves 22 partners from 12 countries with a €7.6million EU budget. It aims to lead research into sustainable models and take them one step further by maximizing the use of secondary raw materials (SRMs) and utilizing IoT and AI approaches. CE-RISE will foster a dynamic ecosystem geared toward prolonging the use of materials in the economy while Lexmark will contribute to pilot studies, create prototypes, and gather information for a Digital Product Passport (DPP) which will enable the traceability of materials in the supply chain. The eventual aim will be to provide stakeholders with a better understanding of the green credentials of electronic products and educate the industry on how to preserve important raw materials throughout the reuse, repair and recycling of these items. For more information on Lexmark's contributions to the CE-RISE project, click **here**.

Digital passport

Lexmark has taken a proactive position to help consumers make informed and sustainable decisions. We offer a broad digital passport for our product lines with key environmental information in support of the circular economy. The Lexmark **Digital Passport** can be referenced with information such as product buying guides, providing repair and recycling options, life cycle analysis and material selections.

Recycled plastics industry leader

To encourage the use of recycled plastic, Lexmark accepted the European Commission's call for action in Annex III of the European Strategy for Plastics. Lexmark is one of the initial 70 companies and businesses voluntarily pledging to use more recycled plastics in Europe and to ensure by 2025, 10 million tons of recycled plastics find their way into new products.

Lexmark is an industry leader in the use of reclaimed plastic with 41% of the plastic content, by weight, across all Lexmark designed and branded toner cartridges derived from post-consumer sources, including our own LCCP closed loop process. Of the LCCP reclaimed plastic used, 80% is from remanufacturing reuse, with 10% from the LCCP PCR feedstream and 10% from purchased PCR resin. Lexmark's goal is to increase the use of reclaimed plastic through the PCR and reuse processes to 50% by 2025.

Over 90% of the materials by weight used in our Lexmark designed and branded hardware products are recyclable.[1] Today, 100% of our product offering contains some PCR content with almost 70% of the models containing over 30% PCR content. Continual reuse of recycled materials greatly reduces the amount of waste sent to landfills. Click **here** to learn more about Lexmark's use of PCR.

Electronic precious metals recovery

Lexmark continues to explore the recovery of precious metals to enable clean, domestic recycling of sorted electronic waste through the chemical extraction of precious metals (primarily copper and gold). Recovering valuable materials from end-of-life devices and recycling them into new products expands Lexmark's leadership in the circular economy movement.

Data analytics accelerates circular economy

Leveraging Lexmark data analytics, companies have visibility of the location and condition of their products to continuously monitor performance. Having access to real-time data enables detailed tracking of devices and supplies to ensure efficient use of Lexmark's long-life products. Lexmark manages over one million devices in more than 2,000 locations around the world with over 10 terabytes of data analyzed weekly. Maximizing and extending the life of our products provides our customers with the opportunity to operate more sustainably.

As part of the EU-funded C-SERVEES project, Lexmark is working on a private blockchain data scheme. The data provides a reliable system

Circular economy

for sustainable material optimization throughout the stages of the circular economic process (origination, manufacturing, recycling, transportation, and use phase). Artificial intelligence (AI) may also be used to better predict product performance, reliability, and life cycle analysis.

Remanufacturing role model

Lexmark helps our customers print sustainably by using a combination of new and recycled components to minimize their environmental footprint. Designed and developed for maximum sustainability benefits, Lexmark's Corporate Cartridge product line is guided by the principles of zero waste and a circular economy. The Corporate Cartridge closes the loop through the incorporation of select components returned via the LCCP.

Cartridges returned to our manufacturing facilities through our LCCP are disassembled, components are evaluated for reuse then are incorporated into the production system of the corporate cartridges. Innovative processes created by our engineers recover post-consumer recycled (PCR) plastic and pelletize the PCR for integration into new components. Reclaimed PCR plastic is qualified in over 145 Lexmark components at a level up to 100% PCR plastic.

Since 1991, Lexmark has redirected over 160,000 metric tons of material away from landfills using LCCP. In 2022, through the efforts of our customers, 36% of the total Lexmark-branded and designed toner cartridges shipped worldwide were returned through the LCCP. In some regions, the return rate was even higher. The United States continues to average approximately 50% return rates and we estimate the industry average collection rates to be 20-30%.

Devices returned to Lexmark go through a process that assesses if they can be remanufactured for reuse. If not reused, parts are harvested for the refurbishment process. Lexmark works with recyclers to reclaim parts that can be used to refurbish printers, which keeps the printers in service longer and reduces the need to recycle used hardware.

Continually improving the way we do business

Lexmark affirms our commitment to designing out waste and pollution through collaboration with organizations supporting the circular economy business model. Company-wide innovation has led to the discovery of reuse and recycle techniques novel to our industry. Lexmark strives to minimize waste while maximizing resource efficiency through remanufacturing and empowering our customers to protect natural resources by joining our efforts.

Click **here** to learn more about Lexmark's Product Sustainability.

[1] *Based on data and available recycling streams from our recycling partner, Sims. Click **here** to learn more.*

Product certifications

Multi-attribute environmental standards

Lexmark products are designed to meet or exceed the strict criteria of some of the world's most prominent standards and certifications. These certifications may require testing, analysis, audit, third-party review, standard declaration or disclosure of business or product information.

ISO 14024— Type I environmental labeling

Lexmark has a long history of designing print systems to meet the Blue Angel standard for environmental performance. The Blue Angel ecolabel, originating in Germany, was established in 1978 and is one of the most prestigious environmental certifications worldwide. The Blue Angel criteria are regularly reviewed and revised - the most recent revision being DE-UZ 219, effective since January 1, 2021. The majority of Lexmark print systems announced after October 2012 have been Blue Angel certified. For a list of Lexmark models that are Blue Angel certified, click **here**.

ISO 14021— Type II self-declared environmental claims
The Eco Declaration (ECMA-370)

Formerly known as IT Eco Declarations, ECMA-370 declarations provide objective and comparable environmental information. Lexmark signed the original "Industry Voluntary Agreement to Improve the Environmental Performance of Imaging Equipment Placed on the European Market" in June 2011, and the updated agreement in April 2015. Manufacturers are required to make product environmental performance data publicly available, such as through The Eco

Declaration (ECMA-370). To view Lexmark's declarations, click **here**.

To request IT Eco Declarations specifically for our laser print supplies, please contact sustainability@lexmark.com.

Electronic Product Environmental Assessment Tool (EPEAT)

Lexmark is committed to helping our customers meet their sustainability, energy and resource efficiency goals by providing products that are environmentally preferable. The EPEAT program is one resource used to recognize products that meet this qualification. EPEAT uses the IEEE 1680.2 standard. This is the basis for assessing imaging equipment for environmental stewardship. We have registered over 200 of our products with Gold and Silver ratings—the highest ratings available. As part of the EPEAT verification process, audits are conducted by third-party laboratories and an outside certification body to ensure full compliance to the IEEE 1680.2 standard. Lexmark is committed to continuing public disclosure and annual reporting as required by EPEAT and has provided an EPEAT Public Declarations Table for reference. A new revision of EPEAT is under consideration for additional product and corporate criteria. For a complete list of Lexmark registered products, click **here**.

EPEAT Public Declarations Table

Shown below is a table that provides all necessary EPEAT (required and optional) points that require public declarations.

Table 1: EPEAT Criteria List - Lexmark Products			
IEE 1680.2 Criteria[1]	**Required* or optional***	**Description name CAB notes:**	**URL link**
4.6.1.1	Required	Provision of product take-back service (not required to publish a URL with the information, but this information is usually found on the manufacturer website)	click **here**
4.6.1.2	Optional	Provision of take-back service for broader scope of products	click **here**
4.7.2.1	Required	Public disclosure of key environmental aspects	click **here**
4.7.2.2	Optional	Public disclosure of supply chain toxics	click **here**
4.7.3.1	Optional	Product life-cycle assessment and public disclosure of analyses	click **here**
4.8.4.1	Optional	Provision of take-back service for packaging (not required to publish a URL with the information, but this information is usually found on the manufacturer website)	click **here**
4.9.2.1	Required	Documentation that product does not prevent the use of nonmanufacturer cartridges and non-manufacturer containers	click **here**
4.9.3.1	Required	Provision of take-back and end-of-life management for cartridges and containers (this one requires the URL to be entered into the EPEAT registry)	click **here**
4.9.3.2	Optional	Manufacturer recycles or reuses toner material collected through its cartridge and container take-back program	click **here**
4.9.3.3	Optional	Manufacturer recycles or reuses plastics collected through its cartridge and container take-back program	click **here**
4.9.4.1	Required	Documentation that the cartridge or container is not designed to prevent its reuse and recycling	click **here**
*Required and optional criteria are defined in IEEE 1680.2 standard.			

Product certifications

Energy standards:

ENERGY STAR®

Lexmark is committed to designing energy efficient products and uses ENERGY STAR® requirements for imaging equipment as a guideline when developing products. Launched in 1992, ENERGY STAR® is the recognized globally program of the U.S. Environmental Protection Agency and the U.S. Department of Energy that awards certification to the most energy efficient models in a product category. The majority of Lexmark products maintain ENERGY STAR® qualification year after year. In 2022, 95% of Lexmark-branded products sold held the latest version of certification. This includes the Lexmark-branded acquisition products that meet ENERGY STAR® qualifications. For more information on ENERGY STAR® and a listing of certified Lexmark products, click **here**.

EC 801

EC 801/2013 is the implementing measure for ErP Lot 26 (Network Standby). As part of this regulation, manufacturers are required to post information about the Network Standby ("sleep") modes of products, including the available network connections, power consumption in sleep mode for each connection, and the default timeout to sleep mode. To view Lexmark's declarations of product sleep modes, click **here**.

China Environmental Labeling
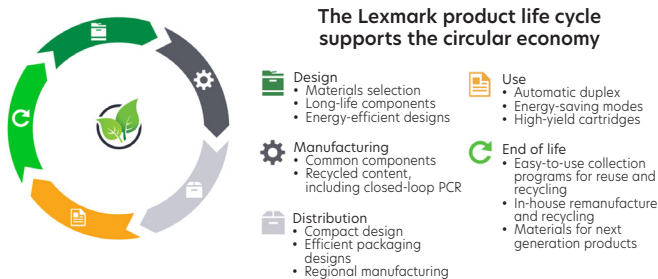
Ten Ring Certification

Lexmark is committed to designing products that meet environmental aspects included in the voluntary certification, Ten Rings. Some aspects are material restrictions, reduced energy consumption, limited chemical emissions and end of life.

Product life cycle

Lexmark has conducted Life Cycle Assessments (LCAs) on 92 of its printer and MFP models by the end of 2022 and is committed to performing LCAs on future product models. LCAs technically evaluate the environmental phases of the product design, manufacturing, distribution, use and end-of-life of our products. Lexmark is continuing to improve accuracy and transparency of our LCAs by working with an external consultant to include all possible phases of the printer life cycle and ensure our electronics are counted and scaled accordingly.

The data from the LCAs is used to create and publish ISO 14025 Type III Environmental Product Declarations (EPDs), which summarize the complex information provided by the assessment. Each EPD conforms to the international standards ISO 14040:2006, ISO 14044:2006 and ISO 14025:2007 and follows the requirements of the Product Category Rules (PCR) for preparing an EPD for Printers and Multi-function Printing Units published by UL Environment (ULE). Lexmark is using the latest edition of PCR published April 23, 2018, for products announced in 2018 and beyond.[1] The EPDs are third-party certified for accuracy and completeness. For information on secondary sources used in the LCAs, see **Life Cycle Assessments data**.

The Lexmark product life cycle supports the circular economy

Design
• Materials selection
• Long-life components
• Energy-efficient designs

Manufacturing
• Common components
• Recycled content, including closed-loop PCR

Distribution
• Compact design
• Efficient packaging designs
• Regional manufacturing

Use
• Automatic duplex
• Energy-saving modes
• High-yield cartridges

End of life
• Easy-to-use collection programs for reuse and recycling
• In-house remanufacture and recycling
• Materials for next generation products

LCA knowledge drives process & design improvements

The LCA reports have identified the use phase as having the greatest impact in the life cycle of the Lexmark printer—in particular, paper. This learning has shaped Lexmark's focus on offerings to help customers print efficiently, to optimize print environments and to return hardware and consumables at end of life.

Lexmark works to reduce the environmental impact of paper by providing customers choices when it comes to printing. One way we achieve this is by testing products to ensure recycled paper may be used—specifically, papers made with 30%, 50% and 100% post-consumer recycled content. Our expectation is that recycled papers perform as well as virgin paper in our printers. While no official standard exists for office equipment use of paper, Lexmark uses European Standard EN 12281 as a minimum properties standard. To ensure breadth of testing, test paper includes 100% recycled papers

from North America, Europe and Asia, and tests are conducted at 8–80% relative humidity. Testing includes duplex printing. Office paper using renewable, recycled or chlorine-free content may all be used.

Lexmark printers are also designed with features such as duplex and multi-page printing to minimize the pages needed in a print job. Options such as Scan to E-mail and Print Release further provide customers with ways to increase efficiency and reduce printed pages.

Additionally, Lexmark partnered with **PrintReleaf** - a company that utilizes its patented software platform that empowers businesses to sustain and grow our global forestry system. PrintReleaf's technology integrates with our print management software to measure paper consumption data. This information is converted into an equivalent number of trees, which are then planted in specific global reforestation projects. These projects are designed to rebuild negatively impacted or endangered forests and help counter the impacts of paper consumption.

Looking beyond the impact of paper in the life cycle assessments, consumables, energy and printer maintenance actions are highlighted as areas for improvement. Lexmark devices are intentionally designed to last seven or more years. Lexmark has dedicated teams working on product energy reductions, consumable sustainability and end of life recycling and remanufacturing, as well as longevity of components and proactive printer maintenance to extend product life. When we compare products generation to generation, we see improvements in these areas.

Further insight: cartridge LCAs

Lexmark also pursues cartridge LCAs to identify areas where improvements can be made within the cartridge life cycle. Conducted in accordance with ISO 14040 and 14044, the Lexmark LCA cartridge studies showed that recycling a used Lexmark toner cartridge reduces the carbon footprint of the cartridges studied by nearly 50% over discarding it in a landfill, consistently confirming the value of the LCCP operations and efforts to increase cartridge collections. This value excludes paper consumed when printing. Click **here** for available Environmental Product Declarations. All compliance documents can be found **here**.

[1]Products announced prior to 2018: Product Category Rules for Printers and Multi-Function Printing Units, UL Environmental Standard, Edition 1 (Dec 12, 2012)
2018 announce products and beyond: Product Category Rules for Printers and Multi-Function Printing Units, UL Environmental Standard, Edition 2 (April 23, 2018)

Materials

An industry leader in product post consumer recycled (PCR) content

Designed for durability and circular economy

At Lexmark, we look at the environmental impact of our products throughout their life cycle. We see where we can deliver optimal environmental performance by incorporating innovative circular design concepts and material improvements. Our intentional design efforts yield high quality, long-lasting products that are not only reusable and recyclable[1,] but also incorporate recovered materials.

Post-consumer recycled (PCR) materials

Lexmark's circular journey began over 30 years ago with the incorporation of PCR plastic in the Optra series of printers. As the availability of PCR plastic in the market increased, we began to offset virgin resin by boldly pursuing recycled options.

Lexmark's award-winning Lexmark Cartridge Collection Program (LCCP), established to keep our cartridges from ending up in a landfill, became an opportunity to further offset the use of virgin materials via cartridge remanufacturing. Materials unable to be directly reused were recycled.

Seeing the value in closing the materials loop, the LCCP facility began to utilize the materials from the returned cartridges back into our own products for a true closed loop process. Our engineers innovated our own in-house extrusion and compounding process to produce high quality, 100% recycled resin that is reintegrated into new toner cartridges. Underwriters Laboratory (UL) certified our PCR resin for use at a rate of 100% for print cartridge components in 2016, making it the first UL-certified 100% recycled resin to be processed in-house by Lexmark. In 2022, 100 metric tons of PCR plastic material were processed. We have qualified over 145 components with up to 100% closed-loop PCR plastic.

GOAL

Increase reclaimed plastic through PCR and reuse in all Lexmark-branded and designed cartridges to 50% by 2025

PROGRESS

41%
reclaimed plastic in Lexmark-branded & designed **cartridges**

Lexmark prioritizes reusing components over recycling in alignment with the **EPA's waste management hierarchy**. Lexmark is an industry leader in the use of reclaimed plastic with 41% of the plastic content, by weight, across all Lexmark designed toner cartridges derived from post-consumer sources, including our own LCCP closed loop process. In fact, 80% of this reclaimed plastic is from remanufacturing reuse, with 10% coming from the LCCP PCR feedstream and 10% from purchased PCR resin. Our goal is to increase the use of reclaimed plastics in Lexmark-branded and designed cartridges through the PCR and product reuse processes to 50% by 2025.

In the future, we plan to incorporate closed loop recycled materials from our hardware recycling streams into new devices in much the same way we are doing for cartridges. To help prepare for this content, Lexmark has been utilizing greater amounts of recycled plastic in our printers, with some models qualified to include up to 60% PCR by weight of plastic.[2]

Lexmark uses several suppliers who declare their base resins are sourced from 100% post-consumer waste electrical and electronic equipment (WEEE). Our use of PCR sourced from used electronics provides incentive to electronics manufacturers and recyclers to continue to grow the circular economy in this industry.

Lexmark-branded, in-house developed laser printer and multifunction product hardware models sold in 2022 contain an average of 40% PCR plastic by weight of plastic[3], with 100% of these models containing some PCR plastic content. An estimated 2,300+ metric tons of post-consumer recycled plastic was used in the manufacture of the 2022 branded, in-house developed printers and MFPs. Our goal is to increase the average post-consumer recycled content plastic in Lexmark-branded and designed models to 50% by 2025.

GOAL

Increase the average post-consumer recycled (PCR) plastic in Lexmark-designed laser devices to 50% by 2025

PROGRESS

40%
PCR plastic in **devices**

Currently, we favor using post-consumer recycled (PCR) materials over using bio-based materials for durability and recyclability.

The metal content in Lexmark printers is dominated by steel products, primarily used for the sturdy steel frames, that provide extended product life. Published industry averages indicate that commercial grades of steel commonly contain between 30% and 80% recycled content.

Recyclable design

Over 90% of the materials by weight used in our Lexmark designed and branded hardware products are recyclable[1]. Most of these materials are polymers and metals that are formed into components through injection molding or stamping operations. Lexmark used an estimated 5,800 metric tons of plastic in our 2022 hardware models, with acrylonitrile butadiene styrene (ABS) comprising 59% of that volume, followed by high-impact polystyrene (HIPS) at 12%, polycarbonate/ABS blend and acetal (POM) at 9% each. 3,180+ metric tons of steel were used in Lexmark-branded hardware. Our cartridges are primarily comprised of the same materials as the hardware and are designed for zero waste to landfill.

Materials

LCCP collection process
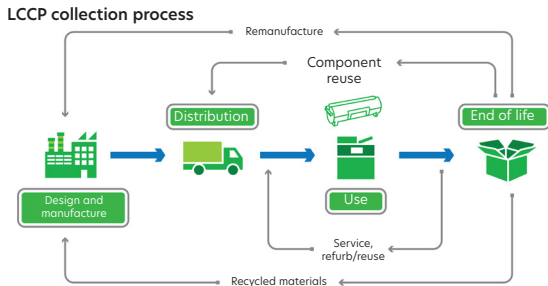
Our approach:
Lexmark's materials management approach

Our materials management approach is broad, ranging from our focus on materials used and sourced from our suppliers, to our active participation in industry trade associations.

Lexmark's Corporate Sustainability team is responsible for maintaining the Product Environmental Specification. Lexmark's Product Environmental Specification defines the minimum environmental requirements associated with the design, manufacture and marketing of Lexmark products. The criteria stem from global regulatory obligations, international treaties and conventions to specific market demands. The team reviews the Product Environmental Specification annually to include the latest regulatory references.

The **Lexmark Product Environmental Specification** is available online for access at any time. We also provide it to suppliers in contract terms and to material suppliers during the development process. Lexmark audits select suppliers for compliance to the Lexmark Product Environmental Specification during the delivery of parts and assemblies.

To support materials management efforts, Lexmark maintains an annual materials content data collection and management system. This system allows our teams to address regulatory issues, communicate with suppliers about substances of concern and respond to customer questions.

Regulatory insight:
Restriction of hazardous substances

Lexmark evaluates printers, supplies and packaging for compliance with material restriction directives and legislation. Lexmark complies with the material restriction requirements adopted under the European Union's Recast of the Restriction of Certain Hazardous Substances (RoHS) in Electrical and Electronic Equipment Directive 2011/65/EU as amended by EC/2015/863. Per the RoHS recast directive, conformance is declared via the CE Mark declarations, which are posted on the Lexmark website: **Regulatory Compliance**.

RoHS restricts the amount of certain hazardous substances in electrical and electronic equipment. These hazardous materials include four metals (lead, mercury, hexavalent chromium, cadmium), two brominated flame retardants (polybrominated biphenyl and polybrominated diphenyl ether), and four phthalates (DEHP, BBP, DBP and DiBP). Lexmark does not claim RoHS exemptions for cadmium or mercury. Lexmark has developed a conformance assurance system for materials restrictions that includes an annual audit process. Audit results indicating a nonconformance lead to further evaluation, material or component changes if needed, and notification to authorities if products ship with non-compliant parts. Information on conformance may be found in **Product Health and Safety**.

Registration, evaluation, authorization and restriction of chemicals

Lexmark works with our suppliers to ensure compliance with international material restriction regulations such as the European Union Registration, Evaluation, and Authorization of Chemicals (REACH) regulation. REACH seeks to improve public health and the environment by controlling the production and use of harmful chemical substances. Lexmark completed the first steps of REACH in 2008, including preregistration, material review and required communications for the initial release of the Substances of Very High Concern (SVHC) candidate list of chemicals. Lexmark continues to monitor REACH developments and the addition of new chemicals to the SVHC list and comply with chemical registration and legal obligations imposed. Please see the **REACH position paper** for more information.

Montreal protocol

In compliance with the Montreal Protocol, Lexmark prohibits the use of ozone-depleting chemicals in the manufacture and development of our products.

Toner safety data sheets

Cartridges deliver toner used in the printing process. Lexmark toners are classified according to the Globally Harmonized System of Classification and Labelling of Chemicals (GHS). At the cartridge level, Lexmark toners are not classified as hazardous chemicals. In the United States, GHS regulations classify toner in bulk container form as a combustible dust; however, Lexmark toners are not classified as hazardous outside the United States. Lexmark provides Safety Data Sheets (SDS) for these toners, where applicable safe handling and health analyses can be found.

Current SDSs are available on the **Lexmark website**.

[1]*Based on data and available recycling streams from our recycling partner, Sims. Click **here** to learn more.*
[2]*PCR calculated using IEEE.1680.2 methodology.*
[3]*Based on the post-consumer recycled materials used in Lexmark's primary imaging equipment sales for 2022 Lexmark-branded, in-house technology.*

Return, reuse & recycle

Product return - reuse & recycle

GOAL
Increase the reuse of cartridges & other supplies collected through LCCP to 80% by 2025

PROGRESS
69% reused

Lexmark continuously seeks new ways to reduce its footprint. While making great strides in waste reduction at our global manufacturing facilities, Lexmark also provides an opportunity for our customers to reduce their waste and increase the number of Lexmark products that are reused and recycled.

By incorporating Life Cycle Assessment results in our product design process, we develop sustainable products that combine high standards of performance, efficiency, and environmental stewardship through each life cycle stage. At the end of product life, Lexmark recovers components and parts to reuse or recycle via our customer return methods: the Lexmark Cartridge Collection Program (LCCP) and the Lexmark Equipment Collection Program (LECP). Click here for additional information on Lexmark's product return and recycle programs.

Return program - supplies

Lexmark is pleased to offer our printer customers the choice of using Lexmark Return Program cartridges for many Lexmark printer families. Lexmark Return Program cartridges are sold at a discount versus the price of regular cartridges in exchange for the customer's agreement to use the cartridge only once and return it only to Lexmark for remanufacturing or recycling. Regular cartridges without this single-use term are sold at regular prices. Regular cartridges, which may be refilled and/or remanufactured (as long as the original Lexmark chip is kept), are available on lexmark.com. Regular cartridges are also recyclable at no cost through the Lexmark Cartridge Collection Program. Lexmark reuses or recycles Return Program cartridges, keeping them out of the waste stream.

LCCP
Lexmark Cartridge Collection Program
since 1991:

120+ million cartridges collected	**60+** countries offered	**160+** thousand metric tons recovered

Cartridge collection

Our extensive cartridge collection network has made Lexmark an industry leader in the recovery, remanufacturing, and recycling of used toner cartridges. In 2022, through the efforts of Lexmark customers,

36% of the total Lexmark-branded and designed toner cartridges shipped worldwide were returned through the LCCP. In some regions, the return rate was higher. For example, the United States continues to average approximately 50% return rates. We estimate the industry average collection rates to be between 20 and 30%.

Extending material life

Lexmark is the world's leading remanufacturer of Lexmark supplies. Our products are designed and optimized for a cycle of disassembly and reuse. Lexmark develops innovative processes to divert reclaimed materials from waste streams and cycle them back into new products. Our processes provide the opportunity to reduce waste through the reuse of toner, cartridge components, and materials. In 2022, 69% of the cartridges and other supplies returned to Lexmark were reused. We have a goal to increase this to 80% by 2025.

Lexmark's R2 certified recycling plant

In 2007, Lexmark established a recycling plant in Juárez, Mexico, to provide customers a place to return their empty laser cartridges for responsible end-of-life reuse or recycling. The LCCP processes approximately 12,000 empty toner cartridges per day. Select components in empty cartridges are removed and reprocessed for reuse. Since 1991, Lexmark incorporated more than 45,000 metric tons of materials recovered through the LCCP into the production of laser cartridges. Reuse efforts at our recycling facility support the United Nations Sustainable Development Goals to increase resource efficiency and promote responsible production. The LCCP facility complies with the highest industry standards and best practices for environmental responsibility by using a tracking and accountability system to manage all materials recovered. The LCCP plant is a Responsible Recycling (R2) certified facility that safely recycles and manages electronics based upon an accredited, third-party auditor. LCCP has achieved other certifications such as ISO 14001 for environmental management, OHSAS 18001 for Occupational Health and Safety and ISO 9001 for quality management. The 99,000 square-foot facility is also a Leadership in Energy & Environmental Design (LEED) Gold certified building.
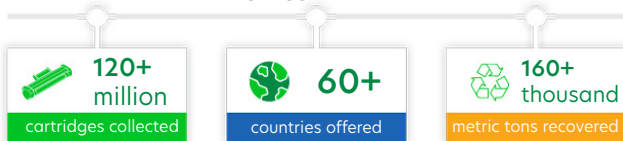
Our collection program are available in more than 60 countries, which represent approximately 90% of our global market.

■ Where we sell and collect
■ Where we sell and may collect in the future

Return, reuse & recycle

Cartridge collection around the world
Each year, the LCCP prevents millions of Lexmark print cartridges from ending up in landfills. This program encourages our customers to return used print cartridges to Lexmark free of charge so that we can reuse and recycle them. Our collection programs are currently available in over 60 countries, which represent approximately 90% of our global market.

Resource conservation through recycling and reuse
Lexmark is actively embracing the emerging concept of a circular economy—a restorative industrial system focused on maximizing the utility and value of products and materials while also eliminating waste. Our long-standing support for the circular economy is evident in Lexmark's founding membership in the **European Remanufacturing Council (CER)**. The CER focuses on remanufacturing policy and encourages sustainability and remanufacturing initiatives.

Our pioneering LCCP provides a great example of remanufacturing through resource recirculation of pre-owned supplies. In addition to reducing landfill waste, the LCCP conserves natural resources through reuse and recycling. When handling used cartridges, we strive for the top levels of the standard environmental hierarchy. Landfill disposal and incineration without energy recovery are the least desirable options, while recycling and reuse produce the greatest sustainability benefit for the environment. Therefore, Lexmark follows a zero-landfill and zero-incineration without energy recovery policy by reusing or recycling cartridges returned from customers.

In 2022, LCCP collected 4,039 metric tons of returned cartridges from our customers worldwide with 37% or 1,494 metric tons reused and 56% or 2,251 metric tons recycled. Energy was generated from 4% or 177 metric tons of toner waste collected from worldwide locations. Material in storage, pending processing was 3% or 117 metric tons. Zero metric tons or 0% of returned cartridge material was landfilled and zero metric tons or 0% was incinerated without energy recovery. Since 1991, Lexmark has redirected over 160,000 metric tons of material away from landfills using the LCCP.

Worldwide reclaimed cartridge material disposal from LCCP take-back program in 2022
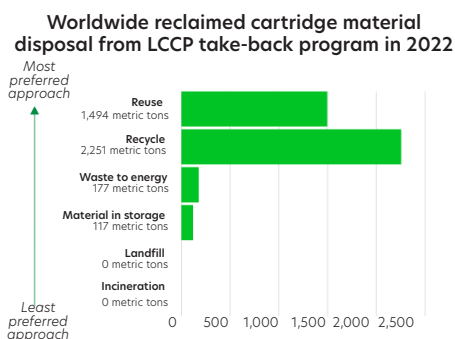
Since 1991, Lexmark has reused over 45,000 metric tons of recovered cartridge material by converting millions of used toner cartridges into Lexmark-certified remanufactured toner cartridges. The eligible cartridges are disassembled and cleaned, and then the critical components are replaced with genuine Lexmark parts. Finally, each remanufactured cartridge is tested to assure the same high quality output and reliable performance as a cartridge with all new components.

If a returned cartridge is not a good candidate for remanufacturing, it is disassembled in such a way to maximize the materials recovered for use in secondary products. Examples of materials given a second life include toner as an asphalt additive to improve quality and performance, and post-consumer recycled plastic integrated into new parts. For more information on Lexmark's reclaimed plastic, visit **Lexmark reuses tons of plastic** and the **Materials** section of this report.

In 2022, we recycled or reused over 4,000 metric tons of plastic, metals, and packaging. We were able to materially recycle or reuse 100% of the reclaimed plastic with 828 metric tons reused in new products and 221 metric tons recycled. Our PCR closed-loop process was used to grind and pelletize 107 metric tons of the plastic extracted for reuse. Conserving materials for reuse in our products means fewer raw materials to be mined or extracted, thus reducing the impact on the environment.

Additional component recycling
Toner
TonerPave™ produces asphalt with recycled material. Lexmark captured 56 metric tons of toner from recycled printer cartridges and manufacturing processes. Close the Loop recycled 468 metric tons of recovered toner into asphalt. An additional 0 metric tons of toner generated construction materials and alternate fuels. Waste to energy processes consumed 177 tons. For more information on TonerPave™, click **here**.

Developer roll
Creating a cleaning process to extend the life of a laser printer component was no easy task for Lexmark engineers. Before the new cleaning process, the developer roller in a laser cartridge was rarely a part of a Lexmark remanufactured cartridge. The roller possesses a difficult-to-clean film of toner on the rubber surface that inhibited its reuse. Testing revealed the roller had an extensive life if the film of toner was removed. Lexmark engineers created a novel washing system to remove the toner film using ceramic agitators with scrubbing agents to clean the roller without damaging it or altering its properties. Reuse of developer rollers results in substantial environmental savings by eliminating the need to harvest new raw materials. In 2022, 54,775 rolls were reused in remanufactured cartridges providing savings of 16 metric tons of material and 269 cubic meters of water.

Return, reuse & recycle

Photoconductor drum

Lexmark devices contain photoconductor units, which are imaging cylinders with photosensitive coatings. In 2022, 358,344 photoconductors from our returned cartridges were collected and sent to our facilities in Boulder, Colorado, for recoating and reuse. An additional 190,000 photoconductors were recovered from the manufacturing line resulting in the reuse of 45 metric tons of aluminum.

Click **here** for additional information on Lexmark's LCCP program. For information on cartridge collection in Europe for medium and large businesses click **here**.

Equipment collection

Lexmark offers our customers environmentally sound choices for disposal of their end-of-life products. Electronic waste, including printers that have reached the end of their usable lives, is recycled through our Lexmark Equipment Collection Program (LECP) by specialized firms with processes to meet state and legislative requirements. The firms we choose are committed to recycling devices in an environmentally and socially responsible manner.

Evergreen

The Evergreen offer provides our customers with remanufactured equipment and a reduction in their impact through reuse. It's a circular economy approach: the collection of equipment enables remanufacturing, which helps Lexmark to offer high quality remanufactured equipment, which enables our clients to reduce your carbon impact thanks to second life. Our equipment collection offer could not exist without our willing and thoughtful customers who utilize it.

With Evergreen, we provide our clients with quality without compromise for remanufactured devices, so they can enjoy their equipment with confidence. Moreover, the remanufactured equipment is covered by guarantee. Our customers can trust that their remanufactured equipment will perform at its best, meeting their business needs while minimizing environmental impact.

End-of-life electronic product recycling

End-of-life electronic product recycling
(in metric tons)

- Americas   - Europe   - Asia-Pacific
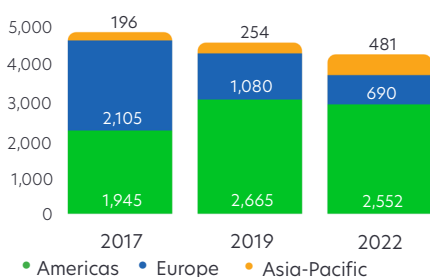
Lexmark partners with recyclers that offer a broad range of services and processing capabilities, are ISO 14001 certified (the environmental management system standard), and are certified R2 or e-Stewards. The R2 (Responsible Recycling) Standard is a comprehensive global criteria for e-recyclers and requires responsible management of used computers and electronics. This standard is managed by Sustainable Electronics Recycling International (SERI). The e-Stewards Standard is a rigorous, internationally compliant certification from Basil Action Network (BAN) based on ISO 14001 that assures full conformance to a comprehensive suite of electronics recycling best practices. Both SERI and BAN are working to ensure the electronics recycling industry is environmentally sustainable. Our recycling partners are audited regularly to ensure that they continue to maintain the high level of service and regulatory compliance that we expect of our recycling partners.

Our recycling partners

The primary U.S. and European Lexmark recycling partner, Sims Recycling Solutions, is one of the world's largest electronics recycler and is R2 certified. Lexmark's recycling partner in Canada is Quantum Lifecycle Partners, an ISO 14001, ISO 9001, ISO 45001 and R2 certified recycler. Quantum works with Lexmark to recycle our consumer and corporate products and their packaging materials. Quantum provides comprehensive processing facilities for e-waste designed to effectively recover materials of electronic equipment.

Sims Recycling Solutions and Global Electronic Recycling (GER) handle our electronic waste from Mexico. GER is an ISO 9001, ISO 14001 and R2/RIOS™ Certified Electronics Recycler. Our recyclers processed more than 3,722 metric tons of electronic waste on behalf of Lexmark in the United States, Canada, Mexico, Latin America, Europe and Asia Pacific in 2022.

The Lexmark service organization works with our recycling partners to reclaim parts that can be used to refurbish printers, which keeps the printers in service longer and reduces the need to recycle used hardware. Devices that are returned to Lexmark go through a process that assesses if they can be refurbished for reuse, and if not, they are harvested for parts that can be used in the refurbishment process.

Lexmark has additional programs in place to recycle printer packaging or other Lexmark hardware. Lexmark has established a shipping container reuse and recycle program with our primary electronic waste recycling partner. Additionally, wooden pallets are reused and recycled (damaged pallets are chipped and used as mulch), and certain types of Styrofoam are sent to an extruder for reuse. Click **here** for additional information on Lexmark's LECP program.

Electronic waste recycling by location
United States

In the United States, we offer the LECP. Through this program, customers may return any end-of-life Lexmark-branded products to us, and we recycle the equipment at no charge. For business customers who are in the process of installing a large fleet of new Lexmark products, Lexmark develops customized collection strategies. We work in partnership with certified electronics-disposal agencies to collect used devices, mark them for
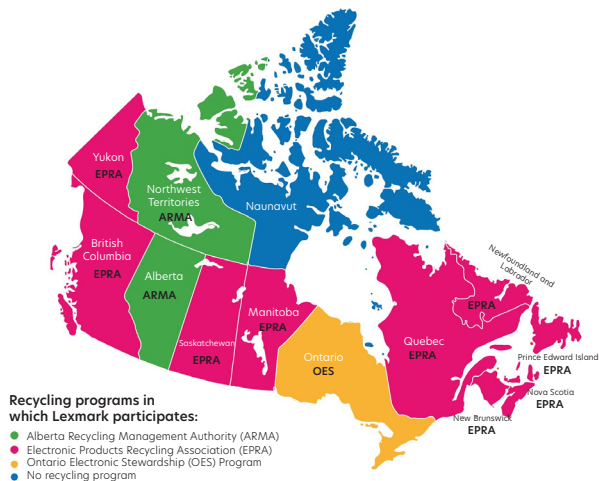
Return, reuse & recycle

recycling, and arrange for them to be sent to the nearest recycling facility. Electronic waste legislation has been proposed in a number of states in the United States. There are 14 states and the District of Columbia with enacted extended producer responsibility (EPR) legislation that includes printers: Connecticut, Hawaii, Illinois, Maine, Michigan, Minnesota, New Jersey, New York, North Carolina, Oregon, South Carolina, Utah, Vermont and Wisconsin. While the details of the legislation vary greatly from state to state, the basic tenet is that the producers of electronic devices are required to collect and responsibly recycle covered electronic devices at the end of the devices' usable lives. A Lexmark printer hardware packaging return program is also in place in the U.S. Packaging material from Lexmark hardware including service parts may be returned to Lexmark for recycling. Customers may use their new printer's packaging material to return their old Lexmark printer or they may return only the packaging material from their printer or hardware to Lexmark. For more details, click **here**.

Canada

Lexmark is a member of Electronic Product Stewardship Canada (EPSC), an organization dedicated to promoting and implementing sustainable solutions for end-of-life electronics. We participate in a number of government-sponsored and industry-supported recycling programs in Canada, which vary by province. All provinces require electronic manufacturers to pay a fee that is used to recycle electronic equipment in those respective provinces. In Ontario, the Electrical and Electronic Regulation under the Resource Recovery and Circular Economy Act, 2016, went into effect January 1, 2021. The regulation places full end-of-life product responsibility on brand owners and manufacturers of products. In 2021, Lexmark contracted with Electronic Products Recycling Association (EPRA) in Ontario to fulfill its responsibility in recovering and recycling products and packaging at end-of-life.

For customers that do not have a provincial recycling program, Lexmark offers product recycling through our Canadian Recycling Partner, Quantum. Click **here** for more information on printer recycling in Canada.

Recycling programs in which Lexmark participates:
- ● Alberta Recycling Management Authority (ARMA)
- ● Electronic Products Recycling Association (EPRA)
- ● Ontario Electronic Stewardship (OES) Program
- ● No recycling program

Europe

In many parts of Europe, our equipment take-back strategy is implemented through country-specific programs that are operated in accordance with the European Union (EU) Waste Electrical and Electronic Equipment (WEEE) Directive (2012/19/EU). Consumers in the EU can take their equipment to locally authorized collection centers or, in some cases, to local retailers. For EU business customers, Lexmark has established a fully compliant logistics system for transporting used products to the nearest storage and sorting facility, where the equipment is properly processed for recycling. Click **here** to see more detailed LECP and WEEE compliance information.

Asia Pacific

The countries that make up Lexmark's Asia Pacific region have enacted regulations mandating electronic waste recycling that vary from country to country to maximize the proper disposal and recycling of electronic waste and to minimize the impact to the environment. A primary focus for Lexmark's Asia Pacific environmental work is to support the Australian national end-of-life electronic equipment and recycling program. Lexmark has joined a government approved service to offer customers an environmentally responsible choice for disposal of their end-of-life printers. In this end-of-life program, all information technology manufacturers and importers are responsible for their shares of actual waste collected. Customers return their end-of-life electronic equipment to designated collection points from which the waste is taken to central consolidation and collection points for recycling by accredited recycling operators.

Proper disposal and recycling on WEEE generated in Hong Kong is guided by the Producer Responsibility Scheme on Waste Electrical and Electronic Equipment (WPRS). Lexmark works with a collector to deliver electronic waste to a licensed facility for proper recycling. The recycling facility turns regulated WEEE into valuable raw materials through a series of dismantling and recycling processes. The introduction of electronic waste laws in India has resulted in Lexmark working closely with the Indian Government to channel electronic waste from end-of-life products to authorized recyclers. Arrangements with authorized recyclers ensure the responsible disposal of electronic equipment to protect the environment and surrounding communities. Click **here** for more information on equipment recycling in Australia.

Latin America

The infrastructure for recycling electronic waste in the regions of Central and South America is emerging as national measures are taken to ensure proper disposal of end-of-life electronic equipment. Many countries and local governments have enacted forms of extended producer responsibility legislation. Lexmark is monitoring Latin America's electronic waste legislation and is working with our recycling partners to set up regional recycling centers to meet these new requirements. Click **here** for more information on equipment recycling in Latin America. Click **here** for recycling in Brazil.

Product emissions

Noise emissions (acoustics)

Acoustics is the science of sound and its human perception. Designing products for the environment includes consideration for sounds in the workplace. Lexmark's environmental design is guided by the Blue Angel standard, and devices meet the requirements of DE-UZ 219.

Lexmark printers offer an ideal combination of efficient performance and quiet operation to enhance comfort in the workplace and to increase productivity. Quiet Mode, featured on many Lexmark products, provides customers with the ability to adjust the sound level of their printer to meet personal preferences.

Lexmark product engineers assess our equipment acoustics and reduce unwanted noise while selectively incorporating helpful sounds. Our devices strive to meet the auditory requirements of Section 508 of the US Rehabilitation Act as well as ETSI EN 301 549. To further enhance the accessibility of our offerings, Lexmark created the Voice Guidance solution to provide auditory output. Voice Guidance lets individuals with varying levels of ability use a keyboard to control select products and receive auditory feedback. The voice output is amplified to at least 65 dB and is reset automatically after every use to the default volume level. Users can hear voice prompts through the device's built-in speakers or through their own headset.

Our ISO 17025 accredited test laboratory allows Lexmark to perform official tests for Blue Angel certification in-house and develop innovative solutions to help reduce unwanted noise and improve the accessibility of our devices. Lab personnel are proficient in test methods for noise emissions under ISO 7779 Sound levels, ISO 532B Zwicker loudness, ISO 9296 declaration and the Blue Angel ecolabel.

Chemical emissions

Laser printers emit low levels of volatile organic compounds (VOCs) due to the heating of internal components, and they produce small amounts of dust (mostly paper remnants) as paper moves through the printer. Emissions in the workplace are subject to occupational exposure restrictions established by individual countries for specific chemicals.

Lexmark printers are tested throughout the development cycle according to the protocols of the internationally recognized Blue Angel ecolabel. Emission results for total volatile organic compounds, benzene, styrene, ozone, dust and ultra fine particles are compared to the stringent Blue Angel limits set forth in the standard, and summary reports of Lexmark product emissions are available to customers upon request.

Lexmark owns and operates a Blue Angel certified and ISO 17025 accredited chemical emission test laboratory. This allows us to perform accredited in-house tests for Blue Angel certification and EPEAT. Moreover, frequent trials are conducted to gain a better understanding of emissions sources and solutions for mitigation.

Learn more about Blue Angel and Blue Angel-certified Lexmark products by clicking **here**.

Visit **ECMA 370/The Eco Declaration** for product declarations which include chemical emissions and acoustics summaries.

Product energy use

Product energy use

The demand for products that consume less energy, and ultimately result in lower emissions, is ever increasing. Our customers wish to lower their impact on the environment while also reducing operating costs. Lexmark invests in developing energy efficient products to not only fulfill our customer's expectations, but also extend the impact of our environmental efforts far beyond what we can do within our walls.

External standards and specifications help shape Lexmark designs. Many Lexmark products meet ENERGY STAR® requirements and ecodesign power consumption requirements of electronic equipment according to European Union requirements (EC 801/2013). Lexmark products save energy by lowering power consumption after a period of inactivity with many consuming less than two watts of power in sleep mode. To further save energy, products either enable Hibernate mode or auto-off when not in use for an extended period. In 2022, 95% of Lexmark-branded products sold held the latest version of certification. For more information on European Union EC 801/2013, see **Product certifications**.

Lexmark was recognized by the U.S. Environmental Protection Agency's ENERGY STAR® program as a 2023 Partner of the Year.

MONOCHROME LASER PRINTERS

95%* reduction in sleep power since 2005

20 watts (2005), 13 watts (2008), 4.5 watts (2012), 0.9 watts (2022)
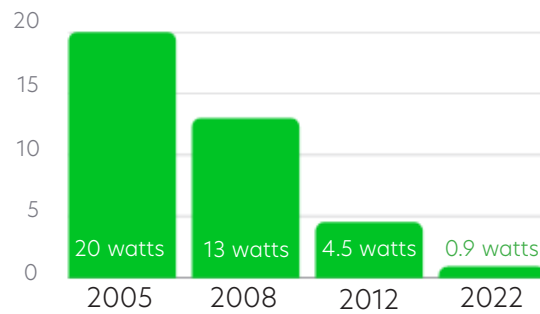
COLOR LASER MULTIFUNCTION PRINTERS

98%* reduction in sleep power since 2006

50 watts (2006), 17 watts (2012), 3.3 watts (2016), 1 watt (2022)
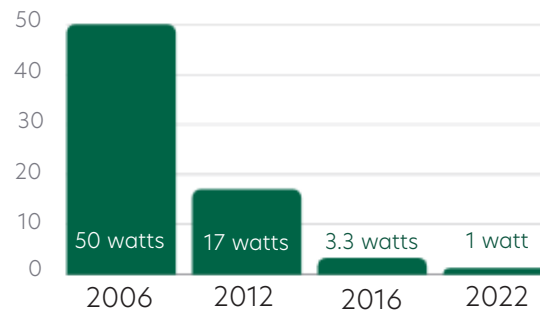
*Monochrome laser printers and color laser multifunction products considered best in Lexmark's class of products

Packaging

Sustainable product packaging

We design our packaging with the environment in mind. For every product, Lexmark packaging engineers determine the shipping requirements, including all forms of transportation within the supply chain. Determining shipping requirements includes consideration of the type of product, overall size and weight of the product, its shape, included accessories and overall ruggedness to ensure shipping standards are met. The ruggedness of the printer is one significant factor in achieving a successful circular economy and ensuring the product is both safely shipped to the customer and maintains its long life at location. The team carefully considers types of materials selected to minimize environmental impact, ensure compliance with worldwide standards and eco-labels and enable the use of recyclable materials.

Types of packaging materials and packaging reductions are considered in each product family and transportation simulations are performed on each of our products throughout the development stages. Lexmark ultimately aims for the least amount of packaging required to securely ship all of our products. Less packaging lowers costs and reduces environmental impact. Driving these efficiencies for each product results in energy and natural resource savings and fewer greenhouse gas emissions.

Lexmark is focused on reducing the amount of single use plastics in packaging. We have a goal to decrease our use of single use plastics in packaging by 50% from 2018 to 2025, by the end of 2021, the total amount of single use plastics was reduced by 33% in Lexmark hardware and supplies.

GOAL
Reduce single-use plastic in packaging by 50% from 2018 to 2025

PROGRESS
33% single-use plastic reduction in hardware and supplies packaging

In 2013, we made improvements to its existing non-plastic cartridge packaging cushions, improving from corrugated fiberboard made from 35% recycled material to molded pulp. The molded pulp cushions are made from 100% recycled waste paper. This effort gave a second life to wastepaper and continued to avoid single use plastics in our cushions. Lexmark contributes our own waste paper from product testing to this initiative.

With continued commitment to reducing single use plastics, packaging changes to our midrange mono product packaging in 2018 has prevented over 324 metric tons of single use plastics from being shipped. The smaller, more robust package was made to tightly protect the imaging unit without the need for end caps, resulting in 1,400 fewer shipping containers. Another area of single use plastic reduction is our high density polyethylene (HDPE) cartridge bags. 30% of the virgin plastic has been replaced with a post-consumer recycled (PCR) plastic version.

Our packaging materials are derived from both renewable and nonrenewable sources. Those derived from renewable sources include corrugated cardboard boxes, molded pulp cushions, and wooden pallets. Those derived from nonrenewable sources include cushions made from expanded polystyrene (EPS) or expanded polyethylene (EPE); polyethylene bags; fasteners such as staples, twist ties, and tape; plastic strapping and plastic stretch wrap. At Lexmark, we evaluate the supply chain and determine levels of either renewable corrugated materials or increasing the level of post-consumer recycled corrugated materials.

Supplies packaging - designed for a second life

Lexmark packaging engineers intentionally design our supplies cartons for durability. They are designed to be shipped twice. Once to ensure that the product is safely delivered to the customer; the second to ensure the product is securely packaged in its return trip to Lexmark.

Lexmark makes it easy for customers to participate in sustainable practices by using our free **Lexmark Cartridge Collection Program** to return cartridges and packaging. Lexmark also offers recycling of printer packaging. For more information about the Lexmark Equipment Collection Program, click **here**.

At Lexmark, we apply this eco-logic not only to printers but also to supplies and service parts. Package design revisions in the Lexmark CX73x printers improve container efficiency during shipping by over 47% through volume-efficient packaging. The new design uses 17% less plastic, to facilitate an increase in recovery and recycle, and reduces total material by 30%.

Packaging environmental specification

Lexmark's Packaging team is responsible for maintaining the **Packaging Environmental Specification**. Lexmark's Packaging Environmental Specification, which is available online, defines the minimum environmental and material requirements associated with the design, sourcing, manufacture and marketing of Lexmark packaging. The criteria takes into account: global regulations, international treaties/conventions and specific eco-label requirements. The **Product Environmental Specification** is revised annually to include the latest regulatory references, including packaging materials and updates and leverages digital platforms to educate and publish those requirements to our packaging suppliers.

Lexmark is active in educating and communicating to its packaging suppliers and in gauging for readiness toward new environmental requirements.

Accessibility solutions

At Lexmark, we want to help our users be more productive. We are therefore committed to developing technologies that work to eliminate physical barriers to workplace success, making common tasks like printing or scanning a document accessible to everyone. We incorporate features that make our products[1] more intuitive, less physically demanding, and easier to use for people of all abilities. Designing for accessibility not only helps individuals with physical limitations be fully productive and successful in their careers, but it also helps address the broader issue of unemployment in the disabled community.

Accessibility innovation at Lexmark is driven by the Lexmark Accessibility Council. The council includes product designers, software engineers, usability experts, solutions designers and publication writers. To determine the best path for future generations of Lexmark products, the council monitors legislation and regulations, conducts research with customers and users, and consults with accessibility experts.

Equipped with data from various perspectives, the council works with the Lexmark development community to drive product design enhancements in current and future products, making them more accessible for all Lexmark solutions users. By applying the principles of universal design to our solutions, the Accessibility Council helps deliver accessible imaging devices and assistive software solutions so that all Lexmark customers can make the most of their unique skills and abilities in the workplace.

Web content accessibility
Lexmark web page designs are guided by WCAG 2.1. Lexmark uses elements of these guidelines to create web pages that are more accessible to visitors with differing abilities.

Assistive technology compatibility
Lexmark includes design features that improve website accessibility for visitors who use screen reader and screen magnifier software, such as alternative text for images and graphs, list-oriented navigation and header tags. Lexmark strives to create a positive experience for all users, regardless of the device used to access our site. For this

Accessibility features and solutions[1]:

On-device guidance
Large, high-contrast icons, focus cursor and voice prompts guide users to perform common tasks using swipe navigation.

Adjustable display
Users can tilt the display to optimize the viewing angle.

Lexmark accessibility solution
Users can create job tickets with their computer or smartphone while using assistive technology, such as the JAWS® screen reader.
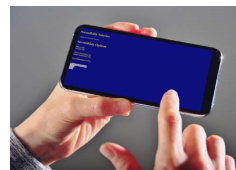
Accessible height and reach
Applying universal design principles helps accommodate the height, reach and force needs of all users.

Magnification
Users with limited vision can magnify the user interface display by 200%.
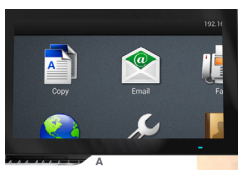
Headphone jack & volume controls
Workers can listen privately to voice prompts using the headphone jack.

Embedded Solutions Framework (eSF) application
A variety of solutions are supported by voice guidance, including Scan to Network, **Print Release**, and Forms.

Multiple interaction options
Users can activate the touch screen with a variety of choices, including a stylus or finger.

Accessibility solutions

reason, our site has been designed to ensure that all devices provide a similar user experience. We aim to make visiting our site a productive experience for all individuals. To ensure that our products are as screen reader friendly as other Internet-enabled devices, designs for our new web-based applications are informed by WAI-ARIA guidelines and attributes. In addition, we are working to make sure that our applications are available to visitors who may have disabled JavaScript.

Customer feedback user input

The Lexmark Accessibility Council seeks customers with disabilities input to better understand their unique requirements. We visit our customers to discuss how our printing and software solutions can increase productivity in the workplace. We also meet with them to see how they currently use Lexmark solutions and to hear their ideas and suggestions for future solutions applications. User input helps us optimize our accessibility solutions for continued effectiveness in the workplace.

Standards and regulations

We are guided by current and developing standards and regulations that prescribe best practices in the development of office equipment, software solutions and communications. Original Section 508 Standards (2000) and Revised Section 508 Standards (2017) of the United States Rehabilitation Act, European Standard EN301549, and Web Content Accessibility Guidelines (W3C WCAG 2.1 AA) are examples of the many national and international standards and regulations that we apply to our designs.

Consultation with experts

The Lexmark Accessibility Council has established external relationships with accessible design experts and accessibility analysts, such as the American Printing House for the Blind (APH) and the Bluegrass Council of the Blind (BCB). We draw on their insights to improve the design of future products and solutions. Lexmark regularly participates in accessibility seminars, share sessions and monthly webinars sponsored by the U.S. Access Board.

Accessibility education

To increase awareness of accessibility challenges and inspire innovation, we use online, internal collaboration tools to encourage informal discussion and problem solving. By educating Lexmark's solution designers, sales force and greater community through various means, such as trainings, webinars, share sessions and conferences, Lexmark further develops an understanding to accessibility issues and demands, and in turn develops solutions for our products and services.

Lexmark is committed to ensuring that all users can easily learn to use our products in order to achieve their goals with a high level of satisfaction.

To aid our customers, we publish our product User's Guides in accessible HTML format. We also publish an Accessibility Guide providing important product accessibility information in a consolidated, accessible document. In addition, customers with disabilities can access Technical Support via phone, chat and email. For questions regarding Lexmark accessibility solutions, please contact accessibility@lexmark.com.

Lexmark incorporates features that make our products easier to use for people of all abilities. **Discover the accessibility features** included in many Lexmark products.

[1]Click **here** to read accessibility conformance reports for Lexmark devices with accessibility features.

Sustainable software & solutions

Lexmark develops software and solutions that improve business processes and benefit the environment by reducing paper consumption and the number of unique electronic devices.

Click **here** to see some paper saving and energy saving solutions that Lexmark offers.

OUR PEOPLE & PARTNERS

As a company that unequivocally cares about its people and communities, Lexmark strives to be the kind of company that employees and partners are proud to work for and with. Volunteerism, charitable giving, education and commitment to diversity, equity and inclusion are part of the Lexmark culture. This genuine sense of connection makes us stronger as a business and empowers employees, while supporting the areas in which we live.

in this section:

Global citizenship

Lexmark strives to be a good corporate citizen in the communities where we live and work. We contribute money, equipment, facilities, loaned talent, technical assistance and volunteer support to organizations on a local, national and global scale. Lexmarkers make a significant impact in our communities through volunteerism.

To learn more about Lexmark's activities across the globe, please see Sustainability on location.

United Way

Lexmark locations around the globe support United Way by donating funds, employee skills, volunteer and personal time, use of company facilities, communications and promotion. Employees are excited about the opportunity to help and often find enthusiastic ways to encourage others to donate to the cause—activities ranging from volunteer day projects to benefit the local United Way organizations to festivals and sports tournaments raising funds for these organizations. Employees at Lexmark Juárez have given generously of their time and financial support to local initiatives through Fondo Unido, the United Way in Mexico, since 2010.

Natural disaster recovery

Lexmark provides aid to communities in times of natural disaster. 2022 took a difficult toll. Recovery assistance was needed following flooding in Eastern Kentucky and wildfires in Boulder, Colorado. Also, a donation was made for humanitarian efforts for Ukraine for the ongoing war with Russia. Lexmark made corporate donations and matched employee donations to provide these communities with relief. Lexmark partnered with non-profit organizations such as the American Red Cross and the International American Red Cross to assist families affected by the devastation and war. In kind contributions were also donated based on specific needs.

Community partnerships

Over the years, Lexmark has formed positive partnerships with universities, local schools, local aid agencies, nongovernmental organizations and our customers to address areas of need within our communities. Activities such as food drives, health and wellness assistance, natural disaster recovery and education are a few of the areas of assistance in which Lexmarkers participate. Lexmark empowers employees to give their time, talent and resources through programs such as Volunteer Time Off and flexible work policies. Lexmark's annual presentation of the Volunteer of the Year award to an employee who demonstrates excellence in volunteerism helps support the causes that are most important to the winning employee.

Understanding the power of teamwork, Lexmark works on joint projects with stakeholders who share our values. For many years, Lexmark has participated in partnerships focused on Science, Technology, Engineering and Math (STEM) education, reforestation initiatives, educational infrastructure improvement, and watershed protection.

STEM education partnerships

Lexmark partners with universities and local schools to support STEM education. Lexmark Established four University of Kentucky College of Engineering $10,000 annual scholarships to women and underrepresented minority students majoring in engineering. The scholarships also come with a paid ten-week summer internship at Lexmark Headquarters in Lexington, Kentucky.

In addition, Lexmark has been the title sponsor of the U.K. Engineering Day (E-Day) since 2017. Lexmark has been a longtime supporter of this interactive event sharing the excitement of engineering with school-aged children. Most recently, the Lexmark Sustainability Product Team presented Lexmark product sustainability innovations as well as renewable energy and other areas of support, including research, security, AI/ML data analytics, public cloud, material science, user experience (UX), motion control, gears, color science, Society of Hispanic Professional Engineers (SHPE) and Lexmark information and recruiting.

In Juárez, Mexico, Lexmark partners with Consejo Regional para el Desarrollo de la Educación y Sustentabilidad (CONREDES), a regional council for education and sustainability. The organization aligns workforce development efforts between business and academic sectors. CONREDES arranges industrial site visits for university students, providing them the opportunity to hear from seasoned professionals from diverse business sectors sharing their experiences. Forums have most recently been focused on leadership, communication, information analysis, and problem-solving.

Global citizenship

Environmental partnerships

From tree and mangrove plantings to trash collection and cleanup efforts, over the years, Lexmark employees have invested time to help the environment in the local communities, as well as raise awareness for environmental stewardship.

PrintReleaf

Lexmark has teamed up with PrintReleaf since 2018 to offset internal operations and test printing. The automatic process measures our paper consumption and calculates the equivalent number of trees needed to offset the environmental impact. The tree planting is audited by a leading global forestry auditor and certification is provided.

This global reforestation service is now available to Lexmark managed print services customers to reduce their overall environmental footprint. They have the opportunity to select the region of their choice among PrintReleaf's list of geographic areas of need.

The PGA of America

Lexmark is the print provider for The PGA of America. This partnership extended into the communities in 2012. Trees have been planted to offset the environmental impact associated with the paper consumed during the championships. Some examples of carefully chosen planting projects include reforestation in areas that have suffered from the negative effects of invasive species, community sports park revitalization, wetland restoration, tornado devastation and city tree canopy needs. To learn more about Lexmark's reforestation efforts, please click on our **land and biodiversity** page.

Building homes for the community

Lexmark has sponsored more than 25 homes in the Lexington, Kentucky area. Habitat for Humanity is one of our longest-running community partnerships. For over 20 years, Lexmark employees and retirees have joined the families in constructing the homes that will help transform their lives.

Since 2006, Lexmark Cebu has partnered with Gawad Kalinga, a Philippine organization with a mission to end poverty. As part of this partnership, Lexmark and our employees have donated time and money to construct homes and meet other community needs in the Lexmark Gawad Kalinga-Minglanilla village. To date, Lexmark volunteers have completed construction of 100 homes, a playground and a basketball court.

Contributions

As outlined in the Lexmark Vision and Values, we strive to be good corporate citizens in the communities where our employees live and work. Our commitment to local and global communities is visible in the contributions of financial, product, and volunteer support to organizations working to help meet the challenges and needs of modern society. We apply the same standards of excellence to our contribution and community support activities that we use in our business operations.

In-kind gifts

Lexmark makes numerous in-kind contributions to nonprofit organizations. In addition to printers and gifts associated with printing, employees collect items for numerous other needs. These collections are not tracked for value purposes but are meaningful contributions for the community. School supplies, food, clothing, health supplies, disaster relief supplies, and trees are some of the many items Lexmark has donated.

The Mira Foundation

Lexmark Canada has partnered with the Mira Foundation, a non-profit organization that offers free guide and service dogs to people living with visual impairments, physical disabilities and/or the youth with Autism Spectrum Disorder (ASD). All of Mira's services are made available free of charge. Lexmark's partnership with the Mira Foundation has changed the lives of over 337 people disabilities who now benefit from a fully trained guide or service dog.

Commitment to employees
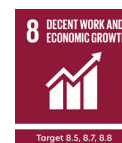
Lexmark is committed to promoting a diverse and inclusive business culture where employees can reach their full potential. We strive to show continuous progress in the hiring and promotion of people with diverse thoughts, experiences and backgrounds, as well as underrepresented groups, including women and minorities.

We monitor our workforce breakdown based on gender and race or ethnicity in accordance with International Labour Organization (ILO) convention No. 111 and No. 100. These include analyses of underrepresented groups in management positions and remuneration. Flex@Lexmark is a program that allows for a formalized, flexible work environment where applicable, giving employees the option of working remotely up to two days a week.

Employee engagement

Employee engagement is an important part of our community and culture. Two-way conversations are encouraged to happen regularly between managers and their team members. Lexmark's Chief People Officer has regular roundtables with employees and managers to gather perspectives and feedback.

Employees have many opportunities to be engaged in corporate social responsibility. Recycling and conserving environmental resources is common practice for employees at Lexmark. Volunteer activities are frequently available for participation and are shared through our intranet. In addition, Diversity Network Groups sponsor activities that welcome all employees to participate. We also have a team of environmental advocates focused on promoting sustainability activities and education. In the U.S. and the Philippines, tools are available for employees to track health, wellness, and sustainability tasks. In the U.S., many of these tasks are set up in the form of fun competitions and have monetary incentives for completing goals. In Cebu, Philippines, the tool was designed by employees to help track employees' carbon footprint with tips to help reduce their personal footprint as well as that of the Cebu site. Employees at the Juárez site are engaged in sustainability activities, such as pollution prevention, energy savings, waste reduction, and water conservation.

We are honored to have been recognized with **several awards** for workplace culture and global engagement.

Employee feedback

Twice per year, Lexmark employees are asked to respond to a worldwide employee survey focused on engagement in areas such as teamwork, organizational culture, innovation, and manager effectiveness. Corporate actions are determined from the results, and managers are encouraged to develop action items to address employees' concerns. Employees also are asked to participate in an annual global survey seeking feedback on progress toward the goal of the Diversity, Equity, and Inclusion (DEI) strategic plan.

Employee development

We encourage professional and personal growth for all employees. We support continued education to help our employees become more effective in their current positions and develop skill sets for future positions.

Development plans are utilized to identify opportunities and highlight career goals, interests, and strengths. Employees are encouraged to update their career goals and development plans in preparation for conversations with their managers on development and performance. All worldwide employees are directed to work with their managers to create performance objectives that support goals on personal, department, business area, and company levels.

96%
of employees say their manager holds them accountable for results they are expected to achieve

Employees are also encouraged to recruit a mentor who is willing to provide guidance and support either informally or through Lexmark's formal program.

Funding for external training is allocated at the manager's discretion to develop employees' skills, knowledge and abilities. Virtual global training opportunities are encouraged around topics like unconscious bias, change management, and more. Lexmark's online training platform affords the opportunity for all employees to receive training on a vast array of topics depending on their individual development needs. Programs like the Management Enhancement Series and Self-empowerment Series are offered in locations like Cebu, Philippines to encourage continued development for individual contributors and managers. Continuing education opportunities include a tuition reimbursement program or external courses and degrees, the requirements and benefits for which vary by Lexmark locations. Retirement planning assistance is available through online and on-site workshops offered by our 401(k) partner.

Leadership training, onboarding and company-wide development programs are also offered. All employees are required to complete the Code of Business Conduct and IT Security programs each year, and harassment training periodically. Numerous courses are available globally to help employees learn more about our business, better understand one another, and work more cohesively in an international environment.

We offer a Technical Rotation Program in order to recruit and hire top, diverse, entry-level talent and expose them to various parts of the business while learning technical, business, and leadership skills.

Commitment to employees

Benefits and compensation

Lexmark and our subsidiaries around the world offer benefit plans that are very competitive in each of the countries in which we operate. Plans are benchmarked frequently to ensure that compensation and salary levels remain competitive, enabling us to attract and retain quality employees in each region.

We are continually evaluating how we can better support the needs of our employees and their families. Our employees' feedback gives us insight into how we can help add balance to their busy lives and make Lexmark an even better place to work. Part-time employees in the United States are eligible for the same benefits (some on a prorated basis) as full-time regular employees. Our competitive benefits program provides employees with the opportunity to ensure the wellness of their families and create a positive working environment.

Every geography provides for variable health coverage, time off, retirement savings, and more in compliance with local laws and regulations. Benefit packages are available to full-time and part-time employees based on the location.

Healthcare is also a priority at Lexmark. Each geography strives to find ways to help employees succeed at being the healthiest that they can be. The locations in Cebu, Philippines; Juárez, Mexico; and Lexington, Kentucky, have on-site medical facilities where employees can get healthcare exams conveniently during the workday. Many facilities offer their employees recreational areas or sports leagues where they can participate in friendly challenges and competitions that promote health and fitness. Typical benefits include health insurance, life and accident insurance, and dental and vision insurance. Employee profit sharing is available in geographies where it is mandated by law.

Across the globe, we support employee family life and offer paid parental time off options. Flexible schedules, accommodating Mothers' Rooms, the options to work remotely (where applicable) and on-site or nearby childcare promote positive experiences for families.

U.S. benefits

In the U.S., benefit offerings include employee spouses, domestic partners and dependents. We offer transgender benefits as well as support and guidelines for transitioning employees. Flexible spending accounts for both health care and childcare are available. Assistance for adoption is provided. An interactive wellness tool is also available for U.S. employees and their spouses or domestic partners providing a way to join challenges and track fitness activities to promote physical, mental and financial wellness. This program includes incentive dollars when employees meet their health, wellness and sustainability goals. In addition, Geriatric Care Management Services are offered in the U. S. benefits.

The health and wellness center at Lexmark's headquarters location in Lexington, Kentucky, offers health coaching, allergy injection programs, physical therapy, telehealth, wellness, and sick visits. The Lexington site has sports courts for its employees and offers group exercise classes. In addition, the site is also recognized by the League of American Bicyclists as a Gold-level Bicycle Friendly Business (BFB). A subsidized childcare center is located on-site in a Leadership in Energy and Environmental Design (LEED) Gold certified facility. The environmentally beneficial features that earned this certification are used as an educational experience for the children. The children learn about water and energy conservation, local harvest and material reuse, and recycling.

Lexmark is focused on providing ways for employees to maintain a healthy work-life balance. Flexible work hours for most jobs allow employees to enjoy their lives and take care of personal business while optimizing work performance and productivity. Employees have paid time off for volunteering, holidays and vacation. In the U.S., an unlimited vacation policy allows employees to take time off when needed. This empowers employees to make decisions that are best for themselves, their families and the company. Employees have open communication with their management and the time is not tracked. This applies to all U.S. employees other than those in California, who continue under the current California Vacation Program due to considerations under California state law.

Equal pay

Lexmark's presence has positive impacts on the economies that surround our global locations. We provide competitive employee compensation and hire the majority of our employees from surrounding communities.

Salaries vary at Lexmark, depending upon the location of employment, education level, job function and a number of other factors. We are committed to equal pay for work of equal value. This commitment includes equal remuneration for male and female workers. In support of this commitment, we contract third-party agencies to conduct remuneration studies, and we conduct other studies internally. For example, in the U.S. a third party performs an analysis to ensure pay equity based on demographics.

A significant portion of Lexmark employees, including those in the U.S., Mexico and the Philippines, work in locations that have minimum wage laws. We are committed to rewarding our employees for their hard work. Compensation plans are frequently benchmarked to ensure that we remain competitive. Moreover, providing above-average employee compensation has a favorable economic impact on the markets in which we do business.

Human rights

Lexmark's commitment to human rights is outlined in our **Global Human Rights Policy** and in the **Lexmark Code of Business Conduct**, which is available in 15 different languages. These policies address nondiscrimination, workplace safety, child labor, forced labor and human trafficking, working hours and minimum wages, and freedom of association and collective bargaining. We are committed to providing a work environment free from harassment or discrimination based on race, color, sexual orientation, gender identity, national origin, age, disability, veteran status, or for any other unlawful violation. This policy is driven by our respect for the dignity of the individual and our commitment to treating all persons equitably.

GOAL
Train 100% of Lexmark employees on human rights

PROGRESS
98% employees trained

We investigate all credible complaints of discrimination brought to the attention of management in an expedient and non-retaliatory manner. Any employee who is found to have engaged in harassment or discrimination according to the terms of this policy, or to have misused their position of authority in this regard, is subject to immediate disciplinary measures, up to and including dismissal. We are committed to public reporting; however, due to reasons of individual privacy and legal limitations, we cannot disclose information about specific cases. Actions taken in response to incidents include the review of the incident as well as the development and implementation of remedial plans.

We uphold the human rights of our employees and treat them with respect as understood by the international community. We closely monitor our operations to ensure that our company complies with international regulations. We have never been cited for any human rights violations, including the rights of indigenous employees or communities near existing operations that are likely to be affected by planned or proposed future operations.

We maintain a good reputation worldwide by ensuring that our practices positively impact the communities where we live and work. Fully 100% of our global security personnel, including contractors and third-party organizations providing security services, are trained in the Lexmark's policies and procedures for human rights issues and their application to security. Employees are trained on policies and procedures that prepare them to address human rights in the course of their daily work.

An estimated 3,000 hours were devoted to training global employees on human rights issues, accounting for 98% of the global workforce in 2022.
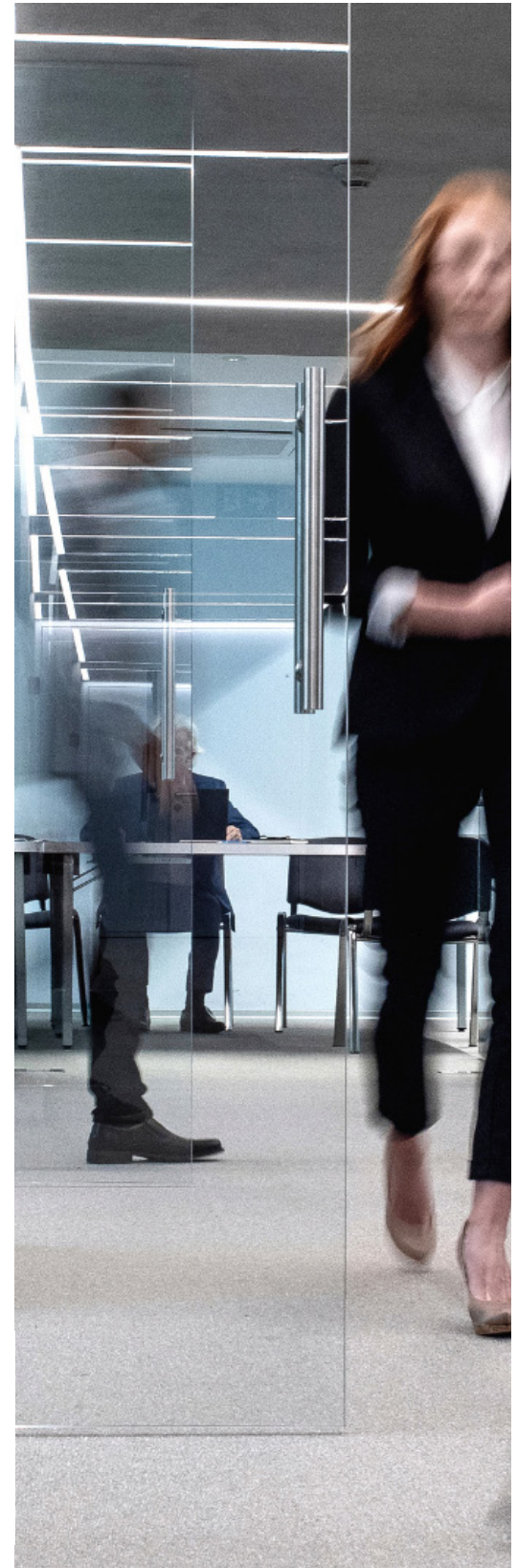
Human rights

Lexmark respects the conventions of the International Labour Organization (ILO), which promote workers' rights, fair-employment opportunities, and open channels of communication among employees. We honor our employees' free choices and comply with all state and federal workplace laws and guidelines, including those associated with labor-organizing activities. Works councils are established at some Lexmark European locations that require employers to provide company information for review and to engage in worker consultation on certain company decisions. Information on the European Works Councils is available at **www.etuc.org**. Our employees are covered by collective bargaining agreements where required by law, including 8% of the total workforce. At Lexmark, there has never been a situation where employee rights to exercise freedom of association for collective bargaining has been at risk.

Other ILO and United Nations Global Compact initiatives include the abolition of forced labor, freedom of association, and prohibition of child labor. These initiatives are explained in the Lexmark Code of Business Conduct to which Lexmark and applicable Lexmark suppliers are bound. The Code of Business Conduct also describes the Lexmark Freely Chosen Employment Policy. Our periodic reviews have never found any of our operations to have significant risk for incidents of forced or compulsory labor, child labor, or young workers exposed to hazardous work. All Lexmark operations have undergone human rights review or human rights impact assessments in accordance with Lexmark's adherence to the Responsible Business Alliance (RBA) Code of Conduct and Lexmark's Code of Business Conduct.

We contract a portion of our global workforce through third party organizations. Contingent workers are selected for short timeframe projects, specialized or niche skill positions and in areas of varied workload.

In our experience, open communication and direct engagement between workers and management are key factors in resolving any workplace issues. Whenever possible, we typically provide employees with a 30-day notice of significant operational changes that can substantially affect them. In locations with collective bargaining agreements, the notice period and provisions for consultation and negotiation are specified in the collective agreements.

No grievances have been filed through formal grievance mechanisms about labor practices or human rights impacts in the reporting period.

Equal employment opportunity

Lexmark is proudly an Equal Employment Opportunity and Affirmative Action employer. We are committed to equal employment opportunity (EEO) in all areas of our operations. All business activities and employment-related activities are administered without regard to race, color, religion, gender, sexual orientation, gender identity, national origin, disability, age or veteran status. For more information, click **here**.

New Lexmark employees are required to understand and abide by the Code of Business Conduct, which addresses EEO and aspects of human rights relevant to our operations. All employees are required to review the Code of Business Conduct every year. We require managers to be trained on the human rights aspects of EEO policies.

94%
of employees say they are treated with respect regardless of their job
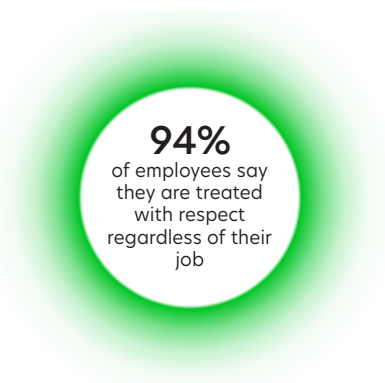
Health & safety

The health and safety of our employees is a priority for Lexmark. To offer workplaces that are free from unsafe equipment, situations and practices, we monitor facilities for safety issues on an ongoing basis.

Lexmark implemented ISO 45001:2018 for occupational health and safety management systems. This system provides a framework for controlling occupational health and safety risks and improving health and safety performance. Lexmark-owned and -leased research and development and manufacturing facilities are ISO 45001:2018 certified by an external third party, as is the Shenzhen Asian Customization Center facility. Certified facilities include those with low to high-risk activities, representing over 85% of Lexmark employees worldwide.

Lexmark employees are involved in setting the objectives for our health and safety management systems. The effectiveness of the Lexmark Safety Program is measured by completion of ISO 45001:2018 objectives and targets as well as internal audits and senior management reviews. These audits and reviews are conducted in conjunction with the conformance audits required as part of ISO recertification. We use the findings to improve our internal processes and to promote best practices across our operations.

Lexmark facilities, including smaller leased administrative and sales offices, are guided by our corporate health and safety instructions, which define the essential programs that each facility must manage to meet the objectives of our environmental health and safety policy. At Lexmark, it is mandatory to develop written programs that ensure legal and regulatory compliance and address safety-critical processes. Changes to health and safety procedures are communicated to applicable employees through bulletin boards, corporate intranet postings, electronic communications, handbooks and meetings with managers.

Programs are put in place at our global sites to target continuous improvement. For example, in Juárez, Mexico, the Siempre Seguro program promotes a zero-accident culture. This includes education and awareness on various health and safety topics. Prize programs promote employee participation,

different perspectives, and new ideas. In addition, safety is part of the performance bonus program which is linked to results of weekly safety audits. In Boulder, Colorado, safety delegates were appointed to promote and monitor health and safety. Cebu, Philippines and Lexington, Kentucky have a targeted focus on laboratory safety. Lexmark sites worldwide participate in OSHA Safe and Sound Week to promote health and safety awareness across the company.

In the United States, Lexmark employees are not represented by trade unions; therefore, no formal work agreements address health and safety. Instead, Lexmark has established health and safety committees at the facility level. The members of these committees represent the interests of all workers. The committees are integral to the operation of the health and safety management systems at each facility, monitoring programs, advising on improvements and collecting employee feedback.

Lexmark has corrective action teams that work with personnel from the department or area where nonconformities occur to address audit findings, monitor and report on progress and determine whether actions are completed. Internal audit teams evaluate the function and effectiveness of actions taken to address nonconformities in the Health and Safety Management System.

Employees and contractors with jobs that require health and safety training are required to take job-specific training annually. General health and safety training is provided periodically to employees company-wide.

Employees are encouraged to report concerns about health and safety issues, including near-miss events. Training requirements are determined by health and safety program managers, as well as employees' direct managers, and are based on job requirements, equipment and materials usage, regulations and other factors. The safety performance of subcontractors is reviewed during initial contract discussions. Subcontractors must have proof that their employees are properly trained and aware of all health and safety aspects of the jobs that they will perform on behalf of Lexmark. Compliance and safety teams conduct audits and perform job hazard assessments on a regular basis to minimize risk. Ensuring that action items are tracked and completed in a timely fashion,

Health & safety

the teams document their findings in the ISO 45001:2018 corrective action system (or similar tool). Follow-up inspections verify completion and effectiveness of the actions taken. Best practices are then implemented in other areas or sites.

Each Lexmark manufacturing and development facility is required to maintain an emergency preparedness plan as well as an emergency response team. Lexmark complies with applicable local, state and federal regulations for recording and reporting workplace accident statistics. Lexmark continually works toward the goal of an injury-free workplace. The 2022 reportable injury and illness rate calculated using OSHA injury and illness recordkeeping and reporting requirements was 0.14 injuries per 100 full-time employees.[1] This is significantly lower than the industry average of 0.9 that includes printer manufacturing.[2] Strain/overexertion injuries and repetitive motion injuries/illnesses were most frequently reported. Minor injuries are excluded from injury rate data. The 2022 annual lost workday rate was 2.7 lost workdays per 100 full-time employees. Confidentiality of workers' personal health related information is maintained in strict privacy. Lexmark did not have any reported work-related fatalities and did not have any employees involved in occupational activities with high incidence or high risk of specific diseases.

Lexmark does not maintain injury information, injury rate, lost day rate, absentee rate or work-related fatality information for independent contractors working on-site.

Click **here** for a full list of ISO 45001:2018 certificates.

Click **here** for more detailed health and safety data.

GOAL
0
injuries and illnesses in the workplace

PROGRESS
0.14
injuries per 100 employees

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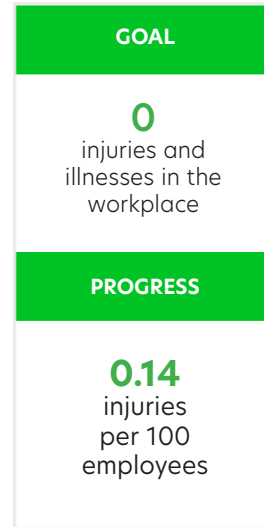
[1] *Reporting locations listed in the Employees Data Dashboard.*

[2] *Computer terminal and other computer peripheral equipment manufacturing industry average per the Bureau of Labor Statistics 2021 Industry Injury and Illness Summary Data Report.*

Diversity, equity & inclusion

A diverse workforce

As a global company, Lexmark's goal is to have a highly diverse and vibrant workplace that understands and is responsive to the needs of our employees, customers and partners around the world. We are proactive in making our workplace one that is inclusive and allowing each employee the opportunity to bring their complete self to work.

As a continued commitment to a workforce that represents our global communities, we have set the following diverse workforce goals to achieve by 2030:

- 43% representation of global female employees
- 42% representation of global female managers
- 22% U.S. minority representation in the workforce
- 20% U.S. minority representation in management
- 10% of overall U.S. employees with disabilities
- 10% U.S. protected veteran employment

Our stance on racism

Lexmark condemns racial injustice and violence, and we acknowledge that the institution of racism still permeates our culture. Each of us has a responsibility to end discrimination and promote healing. Lexmark commits to doing our part, today and every day.

A unified vision

Lexmark's diversity, equity and inclusion (DEI) efforts are supported by a **Diversity Advisory Council** and **Diversity Network Groups (DNGs)**. Our DNGs are instrumental in advising and supporting these efforts. Each entity works in partnership with the others to reframe the current initiatives around diversity worldwide. Our Diversity Mission Statement is aligned with the ideal future state of diversity at Lexmark. The mission statement encourages our employees to embrace individuality of thought and background as a means of creating success for our workforce, our customers, and our stakeholders. These practices help us operate with one unified vision — using the individual talents of our diverse workforce to their full potential. Respecting diversity fosters good relations within the company as well as in the communities in which we live and work.

96%
of employees say people at this organization treat each other with dignity and respect

Our DNGs are employee groups created to foster a more inclusive environment through networking, employee and community engagement, recruiting efforts and diversity awareness. DNGs are established through a grassroots process whereby employees recruit members, design a mission statement, and develop programming and events to help advance the mission. Each DNG offers a space where employees can benefit from a supportive network as well as celebrate and share their cultures and individuality with others.

DEI strategic plan

Lexmark began implementing a Diversity, Equity and Inclusion (DEI) strategic plan in 2021, including DEI goals and defined actions the organization will take to achieve them:

1. Ensure Leadership Commitment – Leaders should demonstrate commitment and accountability for modeling behavior that advances DEI.
2. Cultivate and Support an Inclusive Culture – Grow and promote an inclusive culture that maximizes the talent, skills and diversity within the Lexmark community leading to authentic, empowered participation and a true sense of belonging.
3. Build and Maintain a Diverse Workforce - Identify, attract, and retain a pipeline of diverse and qualified candidates with a wealth of experience and talent through targeted outreach, recruitment and selection.

Mission statement for diversity and inclusion at Lexmark

We, the employees of Lexmark, value and respect our individual differences. We foster an open and inclusive environment that not only embraces new and alternative ideas, but seeks them out at all levels. This appreciation of diversity is vital to attract, retain and develop employees to their full potential. A diverse global workforce that mirrors our customers and the communities where we do business will lead to greater success for our customers, our employees and our stakeholders. We each take responsibility to make this happen.

European diversity charter

Lexmark sites in France, Germany and Spain have signed the **European Diversity Charter**, committing to ban discrimination in the workplace and create diversity. Joining the charter provides benefits such as offering challenges and new opportunities in the field of diversity and sharing knowledge and best practices with other businesses.

94%
of employees say they would recommend Lexmark as an inclusive place to work

Product health & safety

We prioritize customer and community health and safety from product conception to end-of-life. Lexmark's internally developed product compliance engineering tool is used to inform relevant parts of our business when certifications and regulations need to be pursued and when they will expire or be terminated.

We comply with worldwide standards and local laws and test our products in laboratories accredited by third-party agencies. The **Regulatory Compliance web page** provides additional information on Lexmark's compliance with select standards. Lexmark often exceeds regulatory requirements by pursuing third-party voluntary certifications as may be found in the **Product certifications** section.

Many of our test labs are certified or adhere to ISO 17025/ANSI Z540 standards. This system of certifications is also used by our suppliers worldwide at subassembly and finished-product stages. The individual agencies responsible for the regulatory marks audit our suppliers regularly for compliance. Any noncompliance or variation notice resulting from these audits are promptly addressed within the required compliance period and resolved prior to shipping our products.

Lexmark did not have any recorded product health and safety noncompliance or associated fines in 2022.

Product compliance cross functional team

Several years ago, Lexmark compliance engineers formed a cross functional team to share information and develop an internal tracking system to drive and monitor new and existing compliance activities. The team is comprised of representatives from multiple departments, each having a different primary focus. These departments include: Product Safety; EMC; Fax/Homologation; Product Sustainability; Environmental, Health and Safety; Energy; Acoustics; and Chemical Emissions. As an example, the Product Safety department focuses on the safety of our products throughout the development cycle and investigates any reported safety incidents, taking appropriate action such as recommending design changes or modifications to manufacturing processes and procedures. The other departments follow a similar approach.

Working together this combined team ensures our products comply with relevant national and international standards and ensures the documentation and certification marks needed for devices are present. In addition, they educate the development community about design requirements so the teams will be able to meet newly introduced or revised standards.

Product and service information
We are committed to providing our customers information about the products and services we provide.

Information Type	Source
Service and service part sourcing, user content, safety/regulatory instructions or notices	Tech Library
Disposal or recycling information	Tech Library, Lexmark CSR report: Return & Recycle
Environmental and social impacts	Regulatory Compliance web page, Lexmark CSR Report: Materials; Supply Chain; Product Eco Declarations (ECMA 370)
Safety Data Sheets	Regulatory Compliance web page, Lexmark CSR Report: Materials

Security & privacy

Lexmark respects the privacy of our customers and takes safeguarding their personal data very seriously. As of the publication date, we have received no customer complaints regarding any loss or misuse of personal information for the calendar year 2022.

Security of customer information

Lexmark maintains security measures to protect personal data against accidental or unlawful destruction or accidental loss, alteration, unauthorized disclosure or access, in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing. These measures ensure a level of security appropriate to the risks presented by the method of processing and the categories of data to be protected, taking into account the state of the art and the cost of implementation.

ISO 27001 is an information security management system (ISMS) international standard that provides a comprehensive set of requirements for maintaining confidentiality, integrity and availability of data. Lexmark has **ISO 27001 certification** for its worldwide Managed Print Services, Predictive Services, Cloud Configuration Services and Lexmark cloud services. Lexmark services certified under ISO 27001 are provided in accordance with ISO 27001 standards or alternative standards that are substantially equivalent to ISO 27001.

Lexmark's ISMS is managed by a chief information security officer who is supported by a team of information security professionals.

Lexmark designs products to meet ISO/IEC 15408 Common Criteria Certification, an international standard on security capabilities. Lexmark is committed to validating this design through both the IEEE 2600 family of standards and the U.S.-based National Information Assurance Partnership's (NIAP's) Hard Copy Device Protection Profile (HCDPP). For more information, see Lexmark's **Secure by Design**.

Lexmark also follows the Federal Information Processing Standards (FIPS) 140 Publication Series issued by the National Institute of Standards and Technology (NIST), which outlines requirements and standards for cryptographic modules, including both hardware and software components. Adherence to this standard for hard disk encryption and IPsec networking helps Lexmark provide the necessary conditions to secure information.

In addition, Lexmark has been certified to the Open Trusted Technology Provider Standard (O-TTPS) for Laser Printer controller cards and firmware stored on the card. This standard has been adopted as ISO 20243-1 and addresses threats related to maliciously tainted and counterfeit products. The O-TTPS is a set of guidelines, requirements, and recommendations that address specific threats to the integrity of hardware and software for Commercial Off-the-Shelf Information and Communication Technology products. The standard has a wide scope as it covers the entire product life cycle. In addition, Lexmark received a **2021 CSO50 Award** from IDC's Chief Security Officer for supply chain security.

Privacy program

Lexmark's privacy program, Privacy at Lexmark (P@L), is a multi-disciplinary global team of dedicated professionals at both the corporate and business unit level. Led by a chief privacy officer located at Lexmark's headquarters, the program's mission is to protect the privacy of company, employee, customer and other confidential information. P@L ensures the proper use and disclosure of such sensitive information and is committed to fostering a culture of ethics and integrity that respects privacy through awareness and accountability. Within the changing landscape of global regulations, P@L also provides advice and guidance on best privacy practices for the Lexmark community.

Lexmark invites individuals to make inquiries related to their personal data. The designated email and postal addresses are:

privacy@lexmark.com
Lexmark International, Inc.
Data Protection Officer
740 West New Circle Road
Lexington, Kentucky 40550

Click **here** to sign up for security news and updates in our Global Preference Center.

REPORTING

For Lexmark, reporting is about more than just compliance with guidelines or regulations. It's about offering a transparent view of our operations and progress concerning health, climate change, diversity, equity and inclusion, and our environmental impact.

in this section:

Reporting parameters

This publication below is Lexmark's sixteenth Corporate Social Responsibility (CSR) report. Annually, we strive to provide a full account of our CSR and sustainability strategy and performance in our worldwide operations for our many stakeholders across the globe. This report (January–December 2022) includes updates to key programs and performance metrics and a transparent assessment of our progress against established targets. The scope, boundary and measurement methods applied in this report do not significantly differ from previous reports, the last of which was published in July 2022. Lexmark was acquired on November 29, 2016, and is now privately owned.

As of January 1, 2022, to December 31, 2022, Lexmark reports being in accordance with the GRI Standards. The GRI Standards reporting principles have been applied throughout the report. Substantial effort goes into verifying statements and data to ensure accurate information is clear for all readers. A balanced approach including both positive and less than positive information relative to the current year as well as compared to previous years is represented in our annual report. Sustainable development is represented throughout the report.

Lexmark's internal processes include internal review and verification of all statements and metrics. Lexmark engaged SGS to perform an independent verification of our operational Greenhouse Gas emissions and environmental data in accordance with ISO 14064-3:2006. The decision for third party verification was approval by senior executives and went through all policies and procedures in our Global Sourcing organization. Please see the independent statement **here**.

Our reporting is also guided by the ISO 26000 international standard and the Ten Principles of the United Nations Global Compact.

Lexmark's CSR report assesses our global operations, including all of our domestic and non-U.S. subsidiaries (including, without limitation, Lexmark International Technology, S.a.r.l. (Switzerland); Lexmark Canada, Inc.; Lexmark International (Singapore) Pte Ltd; Lexmark International Mexico, S. de R.L. de C.V.; Lexmark International Do Brasil Ltda.). All subsidiaries and entities are wholly owned within the Lexmark company group. Unless noted, our sustainability reporting approach is consistent across our company group. There are no differences in approach to disclosures based on entity. Lexmark does not have financial statements filed on public record. There are no significant restatements of information from the previous reporting period. Slight changes to data is indicated where applicable.

Lexmark International established and measured the metrics and goals to deliver a meaningful and accurate description of our performance in this report. The complex nature of collecting data in a global manufacturing company with multiple sites and facilities presents challenges in compiling consistent and comparable metrics. While this report includes consistent metrics in most areas, we continue to improve the standardization of our measurement systems. Our performance metrics cover Lexmark-operated facilities. Environmental metrics are reported using widely accepted parameters and units. By utilizing the World Business Council for Sustainable Development (WBCSD) and World Resource Institute (WRI) Greenhouse Gas (GHG) Protocol methodology, we track greenhouse gas emissions, as well as our use of natural gas, fuel oil, diesel, gasoline, and electricity.

For questions regarding this report, please contact sustainability@lexmark.com.

Accuracy   Balance   Clarity   Comparability   Completeness   Sustainability context   Timeliness   Verifiability

GRI Index

Statement of use			Lexmark has reported in accordance with the GRI Standards for the period [January-December 2021]			
GRI 1 used			GRI 1: Foundation 2021			
Applicable GRI Sector Standard(s)			[Titles of the applicable GRI Sector Standards]			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REFERENCE NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GENERAL DISCLOSURES						
GRI 2: General Disclosures 2021	2-1 Organizational details	Governance				
	2-2 Entities included in the organization's sustainability reporting	Governance, Reporting Parameters				
	2-3 Reporting period, frequency & contact point	Reporting Parameters				
	2-4 Restatements of information	Reporting Parameters				
	2-5 External assurance	Declaration, Reporting Parameters, Greenhouse gas emissions				
	2-6 Activities, value chain and other business relationships	Supply Chain				
	2-7 Employees	Employee-Data Dashboard				
	2-8 Workers who are not employees	Human Rights, Employee-Data Dashboard				
	2-9 Governance structure and composition	Governance, Board of Directors, Executive Profiles				
	2-10 Nomination and selection of the highest governance body		2-10 Nomination and selection of the highest governance body	Confidentiality constraints	Lexmark is a privately held company.	
	2-11 Chair of the highest governance body	Board of Directors				
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance, Policies & Statements				
	2-13 Delegation of responsibility for managing impacts	Risks, Opportunities & Impacts				

GRI Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REFERENCE NO.
	2-14 Role of the highest governance body in sustainability reporting	Governance				
	2-15 Conflicts of interest	Transparency & Ethics				
	2-16 Communication of critical concerns	Transparency & Ethics				
	2-17 Collective knowledge of the highest governance body	Governance, Board of Directors				
	2-18 Evaluation of the performance of the highest governance body		2-18 Evaluation of the performance of the highest governance body	Not applicable	Lexmark is a privately held company.	
	2-19 Remuneration policies		2-19 Remuneration policies	Confidentiality constraints	Lexmark is a privately held company.	
	2-20 Process to determine remuneration		2-20 Process to determine remuneration	Confidentiality constraints	Lexmark is a privately held company.	
	2-21 Annual total compensation ratio		2-21 Annual total compensation ratio	Confidentiality constraints	Lexmark is a privately held company.	
	2-22 Statement on sustainable development strategy	Letter from the CEO				
	2-23 Policy commitments	Governance, Policies & Statements				
	2-24 Embedding policy commitments	Governance, Policies & Statements				
	2-25 Processes to remediate negative impacts	Risks, Opportunities & Impacts				
	2-26 Mechanisms for seeking advice and raising concerns	Transparency & Ethics				
	2-27 Compliance with laws and regulations	Transparency & Ethics, Health & Safety				
	2-28 Membership associations	Stakeholders				

GRI Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REFERENCE NO.
	2-29 Approach to stakeholder engagement	Stakeholders				
	2-30 Collective bargaining agreements	Human Rights				
STAKEHOLDERS						
GRI 3: Material Topics 2021	3-1 Process to determine material topics					
	3-2 List of material topics	Stakeholders				
ANTI-CORRUPTION						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Transparency & Ethics				
	205-2 Communication and training about anti-corruption policies and procedures	Transparency & Ethics				
	205-3 Confirmed incidents of corruption and actions taken	Transparency & Ethics				
MATERIALS						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Materials				
	301-2 Recycled input materials used	Materials				
	301-3 Reclaimed products and their packaging materials	Materials				
ENERGY						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy-Data Dashboard				
	302-3 Energy intensity	Energy-Data Dashboard				

GRI Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION		GRI SECTOR STANDARD REFERENCE NO.
				REASON	EXPLANATION	
	302-4 Reduction of energy consumption	Energy Consumption & GHG emissions				
	302-5 Reductions in energy requirements of products and services	Product Energy Use				
WATER AND EFFLUENTS						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management				
	303-2 Management of water discharge-related impacts	Water Management				
	303-3 Water withdrawal	Water Management, Water-Data Dashboard				
	303-4 Water discharge	Water Management, Water-Data Dashboard				
	303-5 Water consumption	Water Management, Water-Data Dashboard				
BIODIVERSITY						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Land & Biodiversity				
	304-2 Significant impacts of activities, products and services on biodiversity	Land & Biodiversity				
	304-3 Habitats protected or restored	Land & Biodiversity				

GRI Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION		GRI SECTOR STANDARD REFERENCE NO.
				REASON	EXPLANATION	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Land & Biodiversity				
EMISSIONS						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions-Data Dashboard				
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions-Data Dashboard				
	305-3 Other indirect (Scope 3) GHG emissions	Emissions-Data Dashboard				
	305-4 GHG emissions intensity	Greenhouse Gas Emissions, Emissions-Data Dashboard				
	305-5 Reduction of GHG emissions	Greenhouse Gas Emissions				
	305-6 Emissions of ozone-depleting substances (ODS)	Greenhouse Gas Emissions				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Emissions-Data Dashboard				
WASTE						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management				
	306-2 Management of significant waste-related impacts	Waste Management, Return, reuse & recycle				
	306-3 Waste generated	Waste-Data Dashboard				
	306-4 Waste diverted from disposal	Waste-Data Dashboard				

GRI Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REFERENCE NO.
	306-5 Waste directed to disposal	Waste-Data Dashboard				
EMPLOYMENT						
GRI 3: Material Topics 2021	3-3 Management of material topics					
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Commitment to Employees				
LABOR/MANAGEMENT RELATIONS						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Human Rights				
OCCUPATIONAL HEALTH AND SAFETY						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health & Safety				
	403-3 Occupational health services	Health & Safety				
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health & Safety				
	403-5 Worker training on occupational health and safety	Health & Safety				
	403-9 Work-related injuries	Employee-Data Dashboard				
TRAINING AND EDUCATION						
GRI 3: Material Topics 2021	3-3 Management of material topics					
	404-2 Programs for upgrading employee skills and transition assistance programs	Commitment to Employees				

GRI Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION		GRI SECTOR STANDARD REFERENCE NO.
				REASON	EXPLANATION	
DIVERSITY AND EQUAL OPPORTUNITY						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employee-Data Dashboard, Board of Directors				
NON-DISCRIMINATION						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Rights				
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights				
CHILD LABOR						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights, Supply Chain				
FORCED OR COMPULSORY BEHAVIOR						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights, Human Trafficking and Slavery Statement, Supply Chain				
SECURITY PRACTICES						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Human Rights				

GRI Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION REASON	EXPLANATION	GRI SECTOR STANDARD REFERENCE NO.
RIGHT OF INDIGENOUS PEOPLES						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Human Rights, Human Trafficking and Slavery Statement, Supply Chain				
CUSTOMER HEALTH AND SAFETY						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product Health & Safety				
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Health & Safety				
CUSTOMER PRIVACY						
GRI 3: Material Topics 2021	3-3 Management of material topics					
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Security & Privacy				

United Nations Global Compact Index

The **United Nations Global Compact (UNGC)** is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. As stated by Lexmark's CEO, Allen Waugerman, "Lexmark International has and will continue to support the principles and initiatives of the United Nations Global Compact." Below is an index of our reporting as it applies to the United Nations Global Compact principles within the content of this 2022 performance update of our Corporate Social Responsibility Report.

Principle Number	Description	Report Section or Links
1	Support and respect protection of internationally proclaimed human rights	Human rights Human rights policy Human trafficking and slavery statement Supply chain
2	Make sure business is not complicit in human rights abuses	Human rights Human rights policy Human trafficking and slavery statement Supply chain
3	Uphold freedom of association and the effective recognition of the right to collective bargaining	Human rights Human rights policy
4	Support elimination of all forms of forced and compulsory labor	Human rights Human rights policy Human trafficking and slavery statement
5	Support effective abolition of child labor	Human rights Human rights policy
6	Eliminate discrimination in employment and occupation	Human rights Human rights policy Lexmark Code of Business Conduct
7	Support a precautionary approach to environmental challenges	CSR policies & statements Corporate social responsibility policy Environmental health & safety policy Climate change policy
8	Undertake initiatives to promote greater environmental responsibility	Energy consumption & GHG emissions Water management Waste management Land & biodiversity Environmental management Return, reuse & recycle
9	Encourage the development and diffusion of environmentally friendly technologies	Product life cycle Materials Product emissions Energy use Product certifications Return, reuse & recycle Packaging
10	Work against all forms of corruption, including extortion and bribery	Transparency & ethics

CSR Index - United Nations Sustainable Development Goals (SDGs)

17 PARTNERSHIPS FOR THE GOALS
Target 17.7, 17.16

Lexmark supports each of the 17 United Nations **Sustainable Development Goals (SDGs)** through our global initiatives. In a strategic effort to leverage our resources, our business commitments, and the impact of our work, we focus on five SDGs: Goal 6 - Clean Water and Sanitation, Goal 7 - Affordable and Clean Energy, Goal 10 - Reduced Inequalities, Goal 12 - Responsible Consumption and Production, Goal 15 - Life on Land.

6 CLEAN WATER AND SANITATION   **7 AFFORDABLE AND CLEAN ENERGY**   **10 REDUCED INEQUALITIES**   **12 RESPONSIBLE CONSUMPTION AND PRODUCTION**   **15 LIFE ON LAND**

To further see how Lexmark supports each of the 17 SDGs, please click on the links below:

1 NO POVERTY
Target 1.4, 1.5

Lexmark's progress
- Global citizenship
- Lexmark Budapest
- Lexmark Cebu
- Lexmark South Africa

2 ZERO HUNGER
Target 2.1

Lexmark's progress
- Global citizenship
- Lexmark Budapest
- Lexmark India
- Lexmark Juárez

3 GOOD HEALTH AND WELL-BEING
Target 3.8, 3.9

Lexmark's progress
- Commitment to employees
- Global citizenship
- Lexmark Budapest
- Lexmark Cebu
- Lexmark France
- Lexmark headquarters
- Lexmark India
- Lexmark UK

4 QUALITY EDUCATION
Target 4.3, 4.4, 4.7, 4.A

Lexmark's progress
- Global citizenship
- Lexmark Budapest
- Lexmark DACH
- Lexmark India
- Lexmark South Africa

5 GENDER EQUALITY
Target 5.1, 5.5, 5.C

Lexmark's progress
- Commitment to employees
- Diversity, equity & inclusion
- Global citizenship
- Lexmark DACH
- Lexmark Budapest
- Lexmark Cebu

6 CLEAN WATER AND SANITATION
Target 6.3, 6.4, 6.5, 6.6

Lexmark's progress
- KPIs
- Land & biodiversity
- Water management
- Lexmark Budapest

7 AFFORDABLE AND CLEAN ENERGY
Target 7.1, 7.2, 7.B

Lexmark's progress
- Energy consumption & GHG emissions
- KPIs
- Product energy use
- Lexmark Budapest

8 DECENT WORK AND ECONOMIC GROWTH
Target 8.5, 8.7, 8.8

Lexmark's progress
- Commitment to employees
- CSR Policies
- Diversity, equity & inclusion
- Human rights
- Supply chain
- Lexmark South Africa

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Target 9.4

Lexmark's progress
- Circular economy
- Global citizenship
- Greenhouse gas emissions
- Materials
- Return, reuse & recycle
- Lexmark Cebu
- Lexmark Juárez

10 REDUCED INEQUALITIES
Target 10.2, 10.3, 10.4

Lexmark's progress
- Accessibility solutions
- Commitment to employees
- Diversity, equity & inclusion
- Global citizenship
- Human rights
- Supply chain

11 SUSTAINABLE CITIES AND COMMUNITIES
Target 11.1, 11.C

Lexmark's progress
- Global citizenship
- Risks, opportunities & impacts

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Target 12.2, 12.4, 12.5, 12.6, 12.a

Lexmark's progress
- Energy consumption & GHG emissions
- KPIs
- Materials
- Product energy use
- Return, reuse & recycle
- Supply chain
- Waste management
- Lexmark Budapest

13 CLIMATE ACTION
Target 13.2

Lexmark's progress
- Climate change policy
- Greenhouse gas emissions
- KPIs

14 LIFE BELOW WATER
Target 14.1, 14.2

Lexmark's progress
- Land & biodiversity
- Lexmark Cebu

15 LIFE ON LAND
Target 15.1, 15.2, 15.5, 15.a, 15.b

Lexmark's progress
- Global citizenship
- Land & biodiversity
- Product life cycle
- Lexmark Budapest
- Lexmark Cebu
- Lexmark France

16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Target 16.3, 16.b

Lexmark's progress
- Global citizenship
- Human rights
- Human rights policy
- Human trafficking and slavery statement
- Supply chain
- Transparency & ethics
- Lexmark EMEA

17 PARTNERSHIPS FOR THE GOALS
Target 17.7, 17.16

Lexmark's progress
- UNGC Index
- Global citizenship
- Circular economy
- Lexmark EMEA
- Lexmark South Africa

ISO 26000 Index

Subject	Issues	Reference	
6.2 ORGANIZATIONAL GOVERNANCE			
6.2	Organizational governance	Governance	
6.3 HUMAN RIGHTS			
6.3.3	Due diligence	• Human rights • Supply chain • Human trafficking	
6.3.4	Human rights risk situations	Human rights	
6.3.5	Avoidance of complicity	Human rights	
6.3.6	Resolving grievances	Human rights	
6.3.7	Discrimination and vulnerable groups	• Human rights • Human rights policy • Diversity, equity and inclusion	
6.3.8	Civil and political rights	Human rights	
6.3.9	Economic, social and cultural rights	Human rights	
6.3.10	Fundamental principles and rights at work	• Human rights • Supply chain • Human trafficking	
6.4 LABOUR PRACTICES			
6.4.3	Employment and employment relationships	• Human rights • Commitment to employees • Supply chain	
6.4.4	Conditions of work and social protection	• Human rights • Commitment to employees	
6.4.5	Social dialogue	Human rights	
6.4.6	Health and safety at work	• Health and safety • Commitment to employees	
6.4.7	Human development and training in the workplace	Commitment to employees	
6.5 THE ENVIRONMENT			
6.5.3	Prevention of pollution	• Greenhouse gas emissions • Water management • Waste management • Land & biodiversity	• Return, reuse & recycle • Energy consumption & GHG emissions • Energy use • Product emissions
6.5.4	Sustainable resource use	• Materials • Greenhouse gas emissions • Water management • Waste management • Land & biodiversity	• Energy consumption & GHG emissions • Energy use • Product life cycle • Return, reuse & recycle • Packaging
6.5.5	Climate change mitigation and adaptation	• Greenhouse gas emissions • Energy consumption & GHG emissions	• Energy use • Risks, opportunities & impacts

ISO 26000 Index

Subject	Issues	Reference	
6.5.6		• Land & biodiversity • Water management	
6.6 FAIR OPERATING PRACTICES			
6.6.3	Anti-corruption	Transparency & ethics	
6.6.4	Responsible political involvement	Transparency & ethics	
6.6.5	Fair competition	Transparency & ethics	
6.6.6	Promoting social responsibility in the value chain	• Supply chain • Materials • Energy consumption & GHG emissions	• Packaging • Human rights • Human trafficking
6.6.7	Respect for property rights	• Transparency & ethics • Human rights	
6.7 CONSUMER ISSUES			
6.7.3	Fair marketing, factual and unbiased information and fair contractual practices	• Transparency & ethics • Product health & safety	
6.7.4	Protecting consumers' health and safety	Product health & safety	
6.7.5	Sustainable consumption	• Product health & safety • Packaging • Waste management • Materials	• Product life cycle • Return, reuse & recycle • Energy use • Energy consumption & GHG emissions
6.7.6	Consumer service, support, and complaint and dispute resolution	Product health & safety	
6.7.7	Consumer data protection and privacy	Security & privacy	
6.7.8	Access to essential services	Global citizenship	
6.7.9	Education and awareness	Product health & safety	
6.8 COMMUNITY INVOLVEMENT AND DEVELOPMENT			
6.8.3	Community involvement	• Global citizenship • Land & biodiversity • Commitment to employees	
6.8.4	Education and culture	• Commitment to employees • Global citizenship • Diversity, equity and inclusion	
6.8.5	Employment creation and skills development	Commitment to employees	
6.8.6	Technology development and access	• Commitment to employees • Global citizenship	
6.8.7	Wealth and income creation	Commitment to employees	
6.8.8	Health	Commitment to employees	
6.8.9	Social investment	Global citizenship	

Data dashboard - energy

Total energy: Operations within organization (gigajoules)

	2005	2015	2019	2021	2022
	1,492,903	938,486	814,795	702,521	698,068

Facility level energy (Scope 1 and 2):
Operations within organization (gigajoules)

	2015	2019	2021	2022
Lexington, KY, U.S.	267,881	191,094	172,834	170,858
Boulder, CO, U.S.	274,088	359,620	295,012	287,557
Juárez, Mexico	245,098	164,303	154,102	161,957
Cebu City, Philippines	44,219	27,042	24,728	27,513
Kolkata, India	12,063	6,926	4,051	3,757
Budapest, Hungary	6,649	3,308	2,511	2,046
Other	88,488	62,502	49,283	44,379

Energy consumption by type/location: Operations within organization (gigajoules)

	2015	2019	2021	2022
Direct energy by type (Scope 1) total	282,779	193,219	180,967	184,699
Natural gas	247,703	170,041	160,620	164,102
Diesel/gas oil	35,076	23,178	20,347	20,597
Indirect energy by type and location (Scope 2) total	**656,594**	**621,575**	**521,554**	**513,369**
Lexington, KY, U.S.	153,763	96,623	84,451	83,923
Boulder, CO, U.S.	188,224	181,014	163,963	150,277
Boulder supplied stream (purchased)	79,994	170,584	122,539	129,089
Juárez, Mexico	121,047	100,208	92,989	94,766
Cebu City, Philippines	40,911	25,967	19,688	24,456
Kolkata, India	9,973	6,458	3,588	3,528
Budapest, Hungary	4,626	1,826	957	838
Other	58,056	38,895	33,379	26,492

Total energy intensity: Operations within organization (gigajoules/square foot)

	2005	2015	2019	2021	2022
	0.179	0.206	0.209	0.199	0.205

Data dashboard - energy

Energy consumption boundary and accounting methodology

Organizational boundary

Reported data covers the 2022 calendar year. Energy use data represents approximately 100% of Lexmark's 2022 square footage of occupied space. Reported data 2015 -2017 has been re-calculated for the Lexmark Enterprise Software divestiture. Data prior to the 2015 base year (including 2005) has not been recalculated for divestitures.

Data input and calculation methodology

Lexmark calculates energy usage for owned and operated sites and fuel used in company-owned/leased vehicles under Scope 1. Data is calculated from utility bills, onsite refrigerant tracking, maintenance records, site fuel estimates or rental agency vehicle reports, and other documentation. For leased sites where metered data is available through utility bills and other invoices, the data is compared to the average intensity for the region and increased for HVAC energy support if higher or left the same as a region otherwise. For leased sites where no metered data is available, current Commercial Buildings Energy Consumption Survey (CBECS) data is used to calculate energy for U.S. locations and International Energy Agency (IEA) data is used to estimate usage for leased locations in other parts of the world. All energy use (direct office use and HVAC support) is assumed to be electrically derived.

Energy intensity is calculated per Lexmark square footage.

Square footage

2015	2019	2021	2022
4,545,407	3,893,340	3,536,664	3,402,562

Direct energy consumption includes natural gas and diesel/gas oil use. We are not currently using renewable fuel sources or generating electricity.

Indirect energy consumption includes electricity purchased for use at Lexmark locations and electricity and fuels used to produce steam, chilled water and compressed air provided to Lexmark in Boulder.

Lexmark uses the World Business Council for Sustainable Development (WBCSD) and World Resource Institute (WRI) Greenhouse Gas Protocol (GHG Protocol) methodology to track GHG emissions, as well as our use of natural gas, fuel oil, diesel, gasoline and electricity.

Data dashboard - emissions

Greenhouse Gas Emissions

Total Scope 1 and 2 GHG emissions (Metric tons CO_2e)

	2005	2015	2019	2021	2022
Scope 1 Direct	28,679	20,857	11,168	11,459	12,998
Scope 2 Indirect	185,223	102,081	73,682	56,743	57,450
Total Scope 1 and 2 GHG Emissions	213,902	122,938	84,850	68,202	70,448

Greenhouse gas emissions by scope and type (Metric tons CO_2e)

	2015	2019	2021	2022
Scope 1 emissions total	**20,857**	**11,168**	**11,459**	**12,998**
Natural gas	17,409	8,620	8,066	8,227
Diesel/gas oil	152	85	368	238
Refrigerants	3	878	1,932	3,293
Owned vehicles/transportation fleet	2,213	1,585	1,093	1,240
Scope 2 emissions total (electricity & purchased steam for Boulder, CO)	**102,081**	**73,682**	**56,743**	**57,450**
Scopes 1 and 2 data as been updated as needed based on 3rd party validation 3rd party validation guidance to increase data accuracy, improve calculations procedures and modify refrigerant and natural gas reporting.				
Scope 3 emissions total (Category 11 - excluding paper)		**3,267,519**	**1,959,650**	**2,129,648**
Purchased goods and services (category 1)	–	547,241	316,324	329,904
Capital goods (category 2)	–	12,202	8,363	9,297
Fuel & energy-related activities not in Scope 1 & 2 (category 3)		14,118	15,017	14,040
Upstream transport (category 4)	–	9,688	38,146	31,141
Waste in operations (category 5)	–	2,467	1,367	1,670
Business travel (category 6)	17,634	7,219	1,218	3,019
Employee commuting (category 7)	–	13,674	9,294	10,903
Use of sold products, including paper total (category 11)	–	13,883,892	7,929,957	9,129,802
Use of sold products, excluding paper total (category 11)	–	2,660,698	1,568,340	1,727,554
End of life treatment of sold products (category 12)	–	2,400	1,375	1,642
Downstream-leased assets (category 13)	24,841	316	206	400

As we continue to develop our Scope 3 reporting, we are learning and growing data collection. We have made some minor adjustments as we continue to improve. Category 1 -We have added indirect, nonproduction purchased goods and services. Category 3 - We added FERA calculations during SBTi validation process. Category 4 - We added DHL, Kuehne & Nagel EU road data and SmartWay data. Category 5 - We added waste. Category 11 - We included calculations for both including and excluding paper. Category 12 - Data corrections were added. Category 13 - We converted from gigajoules to tons of carbon.

Data dashboard - emissions

Scope 1 and 2 GHG emissions intensity (Metric tons CO_2e/sq ft)

	2015	2019	2021	2022
Scope 1 Direct	0.0046	0.0029	0.0032	0.0038
Scope 2 Indirect	0.0225	0.0189	0.0160	0.0169
Total Scope 1 & 2 GHG Emissions	0.0271	0.0218	0.0193	0.0207

Lexmark has an intensity goal to reduce GHG emissions per square foot by 2.5% year-on-year for a total 25% reduction from 2015 to 2025.

GHG consumption boundary and accounting methodology

Organizational boundary - The boundary for GHG emissions covers Scope 1, Scope 2 and Scope 3 emissions.

Scope 1/Direct emissions include the use of fossil fuels, refrigerants and fleet vehicle transport based on available data.

- Scope 1 fossil fuel data was reported by the following Lexmark sites: Lexington, Kentucky; Boulder, Colorado; Cebu City, Philippines; Juárez, Mexico; Kolkata, India; Budapest, Hungary; and estimated for U.S. leased offices, representing 90% of Lexmark's 2022 square footage of occupied space. Scope 1 fossil fuel emissions for U.S. leased offices were estimated using 2012 Commercial Buildings Energy Consumption Survey (CBECS) data.
- Scope 1 refrigerant usage was monitored to report any losses for Lexington, Kentucky; Boulder, Colorado; Juárez, Mexico; Cebu City, Philippines; and Kolkata, India, representing 88% of Lexmark's 2022 square footage of occupied space.
- Scope 1 vehicle data was provided from sites in the U. S. and Switzerland; Austria, Germany; Budapest, Hungary; Juárez, Mexico; Shenzhen, China; Kolkata, India; and Cebu City, Philippines. Leased/owned vehicle reports are provided by rental agencies and/or site estimations.

The Scope 2 emissions boundary represents indirect energy consumption/electrical power purchased for use at approximately 100% of Lexmark owned and leased locations using the operational control approach. Data prior to the 2015 base year will not be recalculated.

Square footage

2015	2019	2021	2022
4,545,407	3,893,340	3,536,664	3,404,562

Data input and calculation methodology
Lexmark publicly reports GHG emissions that are related to the use of direct and indirect energy through the Carbon Disclosure Project. Using the World Business Council for Sustainable Development (WBCSD) and World Resource Institute (WRI) Greenhouse Gas Protocol (GHG Protocol) methodology, we track greenhouse gas emissions, as well as our use of natural gas, fuel oil, diesel, gasoline and electricity.

Scope 1 emissions
Scope 1 emissions data is received from site inputs such as onsite refrigerant tracking, natural gas utility bills and maintenance records.

Scope 2 emissions
Scope 2 emissions are calculated based on energy usage for all owned and operated sites. Data is calculated from utility bills or landlord billings where available. For leased sites where metered data is available through utility bills and other invoices, the data is compared to the average intensity for the region and increased for HVAC energy support if higher or left the same as a region otherwise. For leased sites where no metered data is available, current Commercial Buildings Energy Consumption Survey (CBECS) data and 2018 eGrid factors are used to calculate energy and emissions for U.S. locations and International Energy Agency (IEA) data is used to estimate usage and emissions for leased locations in other parts of the world. All energy use (direct office use and HVAC support) is assumed to be electrically derived.

Data dashboard - emissions

Scope 3 GHG emissions

Category	Description	Scope/Methodology
Category 1	Purchased goods and services	Direct, production-related goods and services: Lexmark conducts Life Cycle Assessments (LCAs) of our imaging equipment in accordance with ISO 14040 and ISO 14044. The LCAs cover the emissions of our products from raw material extraction and processing through manufacturing and distribution through use and end-of-life and are used to report estimated emissions for Purchased Goods and Services directly related to products, as well as other Scope 3 categories. Assumptions and methodology behind our LCAs may be found in our Environmental Product Declarations (EPDs), which are published according to ISO 14045 and third party verified for completeness and accuracy. A small number of dot matrix printers and acquisition laser models are not included. For other indirect, nonproduction goods and services, Lexmark uses a spend-based calculation within the Quantis Scope 3 evaluator to estimate GHG emissions for purchased goods and services not directly related to production. For off-site, cloud-based data servers Lexmark obtains GHG emissions reports from its service providers based on annual data usage rates.
Category 2	Capital goods	Annual summary reports for capital purchases are provided by the Global Planning team. A spend-based method is then used to calculate emissions from capital goods using the economic value of purchased goods and multiplying by relevant emissions factors from USEPA (environmental protection agency). Industry average emissions factors are derived from environmentally-extended input-output (EEIO) databases to provide average emissions per monetary value of goods.
Category 3	Fuel and energy related activities, not accounted for in Scope 1 and 2	Emissions due to extraction, production, and transportation of fuels and electricity purchased by the reporting company, including transmission and distribution losses, are calculated using IEA (International Energy Agency) and DEFRA emissions factors.
Category 4	Upstream transport	Emissions provided by transport partners for road, air and sea transport. *U.S. transport data as calculated through the US EPA SmartWay tool (report not available until November for previous year).
Category 5	Waste in operations	Emissions resulting from non-hazardous and hazardous waste disposal at Lexmark reporting locations (see Waste Management section/Waste Dashboard on CSR page for locations) assessed using the waste-type-specific method where emissions factors are published. The following sources used: US Environmental Protection Agency's (EPA) GHG emissions factors hub, Table 9.
Category 6	Business travel	Covers business travel worldwide. Data as reported for U.S. (rentals and fleet vehicles), Canada (rentals and fleet vehicles), Kolkata, Cebu, Shenzhen, Juárez, Switzerland, Austria, Germany and Budapest. Travel is reported for locations worldwide using our primary corporate travel agencies. We estimate that unreported data is minimal. Leased/rental vehicle reports are provided by rental agencies. Travel agency partners provide reports for business air travel.
Category 7	Employee commuting	Assumptions for commute distance, vehicle type and number of on-site and remote working days for Lexmark employees are based on staffing data and regional remote working policies provided by corporate human resources. These data are combined with the most recent U.S. National Household Travel Survey. Emissions factors for the conversion of fuel to carbon dioxide equivalents were obtained from the EPA's Greenhouse Gas Equivalencies. Estimated using the average data method. Annual working days are defined by corporate human resources less company holidays for representative geographies. Emissions associated with remote work for an eight-hour workday was estimated using average U.S. household energy per day times the IEA (International Energy Agency) worldwide electricity conversion factor of 478.7 grams of CO_2 per kWh.

Data dashboard - emissions

Category	Description	Scope/Methodology
Category 8	Upstream leased assets	Not applicable to Lexmark.
Category 9	Downstream transport	Not applicable to exmark.
Category 10	Processing of sold products	Not applicable to Lexmark.
Category 11	Use of sold products	Calculated as part of the imaging equipment LCAs. Includes some assumptions for transport within the U.S. that are calculated in the LCAs. See LCA notes for Category 1.
Category 12	End of life treatment of sold products	Calculated as part of the imaging equipment LCAs. Emissions from processing cartridges returned to Lexmark through LCCP are captured in Scopes 1 and 2 for Lexmark-owned return facilities.
Category 13	Downstream leased assets	Data included for Lexmark owned space leased to tenants for which the tenant has operational control.
Category 14	Franchises	Not applicable to Lexmark.
Category 15	Investments	Not applicable to Lexmark.

Regulated air emissions (U.S. short tons per year) - some 2022 data is not available at time of publish

Methane	2015	2019	2021	2022
Lexington, KY, U.S.	0.12	0.10	0.10	0.1
Volatile organic compounds (non-methane)	**2015**	**2019**	**2021**	**2022**
Boulder, CO, U.S.	4.28	2.46	2.21	2.22
Lexington, KY, U.S.	0.31	0.24	0.24	0.22
Juárez, Mexico	34.04	17.79	19.24	1.587
SO_x	**2015**	**2019**	**2021**	**2022**
Lexington, KY, U.S.	0.06	0.03	0.04	0.03
Juárez, Mexico	0.03	0.02	0.017	0.018
NO_x	**2015**	**2019**	**2021**	**2022**
Lexington, KY, U.S.	5.49	4.31	4.2	3.9
Juárez, Mexico	3.15	1.63	1.55	1.693
CO_2	**2015**	**2019**	**2021**	**2022**
Boulder, CO, U.S.	348	491	503	492
Lexington, KY, U.S.	6,039	4,996	4,740	4,558
Juárez, Mexico	4,010	2,068	1,971	2,153
Particulate matter (PM10)	**2015**	**2019**	**2021**	**2022**
Boulder, CO, U.S.	0.06	0.06	0.04	0.04

Data dashboard - emissions

Particulate matter (PM10) continued	2015	2019	2021	2022
Lexington, KY, U.S.	0.41	0.30	0.25	0.26
Juárez, Mexico	0.24	0.12	0.12	0.129
Hazardous air pollutants	**2015**	**2019**	**2021**	**2022**
Boulder, CO, U.S.	0.17	0.23	0.2	0.21
Lexington, KY, U.S.	0.09	0.08	0.07	0.07
Toxic release inventory (TRI)	**2015**	**2019**	**2021**	**2022**
Boulder, CO, U.S.	1.89	1.03	0.82	0.79
Registro de Emisiones y Transferencia de Contaminantes (RETC)	**2015**	**2019**	**2021**	**2022**
Juárez, Mexico	3,113.03	1,590.61	1,517	1,653

Regulated air emission boundary and accounting methodology

Regulated air emissions are reported for our primary research and development and manufacturing locations, with the exception of Cebu City, Philippines. Lexmark monitors regulated air emissions and submits the necessary reports to agencies requesting this information. The Lexmark manufacturing location in Boulder, CO falls in scope of Toxic Release Inventory reporting.

Our planned actions to reduce toxic materials under EPA TRI include, but are not limited to the following:

- Substitution of materials to safer materials, when alternatives are available, including those used in the manufacturing of toner.
- Utilization of ISO 14001 management program which ensures environmental aspects of manufacturing operations are evaluated, and proper controls put in place.
- Elimination of hazards to human health and the environment on a regular basis.
- Active use of process control(s) which include dust collectors, house vacuums and regenerative thermal oxidizer(s) to minimize the release of harmful materials.
- Optimization and regular review of manufacturing equipment control processes.
- Annual evaluation of the manufacturing processes, including yield and handling of solvents, to determine the optimum treatment method to reduce pollution. Process improvements managed through our ISO 14001 program result in an annual reduction of TRI materials released during the design and manufacture of our products.

As a result of our above-planned actions, we reduced our Total TRI by 46% with a target to achieve 50% by 2025 since our baseline year of 2015.

Scope 1 emissions

Scope 1 emissions data is received from site inputs such as onsite refrigerant tracking, natural gas utility bills and maintenance records.

Scope 2 emissions

Scope 2 emissions are calculated based on energy usage for all owned and operated sites. Data is calculated from utility bills or landlord billings where available. For leased sites where metered data is available through utility bills and other invoices, the data is compared to the average intensity for the region and increased for HVAC energy support if higher or left the same as a region otherwise. For leased sites where no metered data is available, current Commercial Buildings Energy Consumption Survey (CBECS) data and 2018 eGrid factors are used to calculate energy and emissions for U.S. locations and International Energy Agency (IEA) data is used to estimate usage and emissions for leased locations in other parts of the world. All energy use (direct office use and HVAC support) is assumed to be electrically derived.

Data dashboard - water

Total water withdrawal (megaliters)

	2005	2015	2019	2020	2021	2022
	1,030.34	435.47	283.67	263.43	255.01	261.43

Water reuse[1]

	2016	2019	2020	2021	2022
Amount of water reused (megaliters)	31.61	59.19	43.96	30.09	48.92
% reuse (based on total water use)	6.6%	16.40	15.3%	9.7%	15.8%

Water withdrawal by facility (megaliters)

	2015	2019	2020	2021	2022
Lexington, KY, U.S.	188.42	80.52	71.62	66.92	58.96
Boulder, CO, U.S.	96.90	64.89	57.75	58.66	60.30
Juárez, Mexico	118	107.44	117.63	110.90	113.26
Cebu City, Philippines (LRDC)	23.11	20.45	9.30	9.35	20.07
Kolkata, India	4.93	4.71	2.23	1.82	2.47
Budapest, Hungary	2.98	2.12	1.01	0.94	1.40
Shenzhen, China	1.11	3.53	3.51	6.09	4.97

-All Philippines employees returned to the office in April 2022 resulting in a water withdrawal amount similar to pre-pandemic year of 2019.

Water withdrawal by source (megaliters)

Water withdrawal by source	All areas	All areas with water stress
Surface water (total)	19.59	0
Groundwater (total)	0	0
Seawater (total)	0	0
Produced water (total)	0	0
Third-party (total)	241.84	22.54
Total third-party water withdrawal by withdrawal source		
Surface water	N/A	22.54
Groundwater	N/A	0
Seawater	N/A	0
Produced water	N/A	0
Total water withdrawal	261.43	22.54

*All water withdrawn is freshwater (≤1,000 mg/L total dissolved solids)

Data dashboard - water

Water discharge by destination (megaliters)

	All areas	All areas with water stress
Surface water	0	0
Groundwater	0	0
Seawater	0	0
Third-party water (total)	189.85	22.51
Third-party water sent for use to other organizations	0	0
Total water discharge	189.85	22.51

*Discharged water is freshwater (≤1,000 mg/L total dissolved solids) without treatment

Water discharge by facility (megaliters)

Lexington, KY, U.S.	**2015**	**2019**	**2020**	**2021**	**2022**
Sanitary sewer	94.71	45.32	35.48	29.74	36.29
Creek	10.61	0	0	0	0
Evaporation or losses	83.10	35.21	36.14	29.98	22.67
Boulder, CO, U.S.	**2015**	**2019**	**2020**	**2021**	**2022**
Sanitary sewer	30.68	40.52	38.45	40.47	41.98
Use in product, evaporation, or losses	56.76	41.55	32.18	33.37	33.18
Landfill	-	0.07	0	0	0
Juárez, Mexico	**2015**	**2019**	**2020**	**2021**	**2022**
Sanitary sewer	118.00	78.43	85.87	101.79	82.7
Evaporation	-	29.01	31.76	9.11	21.5
Use in product or losses	-	-	-	-	-
Cebu City, Philippines (LRDC)	**2015**	**2019**	**2020**	**2021**	**2022**
Sanitary sewer	23.11	20.45	9.30	9.35	20.07
Kolkata, India	**2015**	**2019**	**2020**	**2021**	**2022**
Sanitary sewer	4.93	4.71	2.23	1.80	2.44
Budapest, Hungary	**2015**	**2019**	**2020**	**2021**	**2022**
Sanitary sewer	2.98	2.12	1.01	0.94	1.40
Shenzhen, China	**2015**	**2019**	**2020**	**2021**	**2022**
Sanitary sewer	1.11	3.53	3.51	6.09	4.97

Water discharge in Boulder, Colorado in 2015 and 2020 was updated due to conversion error corrections.

Data dashboard - water

Total water consumption (megaliters)

	All areas	All areas with water stress
Total water consumption	61.93	0.029

Facilities in areas with water stress (megaliters)

Water withdrawal (megaliters)	Cebu City, Philippines	Kolkata, India
Surface water	0	0
Groundwater	0	0
Seawater	0	0
Produced water	0	0
Third-party water	20.07	2.47
Water consumption (megaliters)		
Total water consumption	0	0.029

Water boundary and accounting methodology

Organizational boundary

Reported data covers the 2022 calendar year. Lexmark calculates water data for all owned and operated sites and includes a portion of leased spaces as data is available. The 2022 water data represents approximately 91% of Lexmark's 2022 estimated square footage of Lexmark occupied space.

Slight variations may occur in the reporting boundary due to location changes and/or operational control adjustments. Available data for these locations will be placed in the "Other" category.

Water risks have been assessed using the **Aqueduct Water Risk Atlas**.

Data input and calculation methodology

Water was sourced from local municipal water suppliers, unless reused from another process on site.

Meters are in place in Boulder, Lexington, and Juárez for certain water use and/or discharge activities.

[1]*Water reuse (also commonly known as water recycling or water reclamation) reclaims water from a variety of sources then treats and reuses it for beneficial purposes such as agriculture and irrigation, potable water supplies, groundwater replenishment, industrial processes, and environmental restoration. For more information, go to https://www.epa.gov/waterreuse/basic-information-about-water-reuse.*

Data dashboard - waste

Total waste generation enterprise level (metric tons)

	2015	2019	2020	2021	2022
Non-hazardous	19,827	11,173	8,068	8,087	8,296
Hazardous	465	268	166	168	187
Total	20,292	11,441	8,234	8,255	8,483

Total waste generation facility level (metric tons)

	2015	2019	2020	2021	2022
Lexington, KY, USA	1,228	1,029	690	673	686
Boulder, CO, USA	2,833	2,289	1,594	1,455	1,901
Juárez, Mexico Manufacturing	4,815	3,070	2,182	2,609	2,618
Juárez, Mexico LCCP Recycling Plant[1]	11,345	4,868	3,708	3,421	3,051
Cebu City, Philippines (Research and Development)	70	184	60	95	227

Non-hazardous waste generation facility level (metric tons)

	2015	2019	2020	2021	2022
Lexington, KY, USA	1,209	1,028	688	646	662
Boulder, CO, USA	2,794	2,264	1,576	1,436	1,868
Juárez, Mexico Manufacturing	4,425	2,903	2,063	2,514	2,544
Juárez, Mexico LCCP Recycling Plant[1]	11,332	4,865	3,706	3,417	3,049
Cebu City, Philippines (Research and Development)	67	112	36	74	175

Hazardous waste generation facility level (metric tons)

	2015	2019	2020	2021	2022
Lexington, KY, USA	19	1.4	2	14	25
Boulder, CO, USA	39	25	18	18	33
Juárez, Mexico Manufacturing	390	167	120	95	74
Juárez, Mexico LCCP Recycling Plant[1]	13	2.4	3	4	3
Cebu City, Philippines (Research and Development)	4	73	24	21	53

[1]LCCP Recycling Plant processes empty toner cartridges from customers for recycle or reuse. This data includes facility operations in addition to cartridge processing.

Data dashboard - waste

Total waste generation enterprise level by disposal method, with LCCP (metric tons)

	2015	2019	2020	2021	2022
Reuse	5,706	1,519	1,278	1,555	1,161
Recycling	11,133	7,467	5,330	5,068	5,259
Composting	10	8	8	7	5
Energy recovery	847	796	598	551	893
Incineration	136	139	63	207	248
Deep well injection	–	–	–	-	-
Landfill	2,461	1,512	958	868	917
On-site storage	–	–	–	0	-
Water treatment	–	–	–	0	-
Total	**20,292**	**11,441**	**8,234**	**8,255**	**8,483**

Waste generation for the Lexmark Cartridge Collection Program (LCCP) facility (metric tons)

	2015	2019	2020	2021	2022
Reuse	5,475	1,349	1,062	1,294	971
Recycling	5,564	3,314	2,350	1,899	1,844
Composting	–	–	–	-	-
Energy recovery	6	113	208	4	-
Incineration	–	–	–	145	171
Deep well injection	–	–	–	-	-
Landfill	300	91	88	79	61
On-site storage	–	–	–	-	-
Water treatment	–	–	–	-	-
Total	**11,345**	**4,868**	**3,708**	**3,421**	**3,049**

Total non-hazardous waste generation enterprise level by disposal method (with LCCP) (metric tons)

	2015	2019	2020	2021	2022
Reuse	5,706	1,519	1,278	1,555	1,162
Recycling	11,131	7,400	5,313	5,050	5,210

Data dashboard - waste

Total non-hazardous waste generation enterprise level by disposal method (with LCCP) (metric tons)

	2015	2019	2020	2021	2022
Composting	10	8	8	7	5
Energy recovery	715	753	560	525	852
Incineration	134	131	57	202	239
Deep well injection	–	–	–	-	-
Landfill	2,130	1,363	853	748	829
On-site storage	–	–	–	-	-
Water treatment	–	–	–	-	-
Total	**19,826**	**11,173**	**8,068**	**8,087**	**8,297**

Total hazardous waste generation enterprise level by disposal method (with LCCP) (metric tons)

	2015	2019	2020	2021	2022
Reuse	–	–	–	-	-
Recycling	2	67	17	17	49
Composting	–	–	–	-	-
Energy recovery	132	43	38	26	41
Incineration	1	8	6	5	9
Deep well injection	–	–	–	-	-
Landfill	330	150	105	120	88
On-site storage	–	–	–	-	-
Water treatment	–	–	–	-	-
Total	**465**	**268**	**166**	**168**	**189**

2022 Non-hazardous waste generation by type (metric tons)

	General	Recyclables	Ink, water mix or other liquid	Construction debris	Batteries	Electronic scrap
Lexington, KY, USA	108	480	8	–	0.5	65
Boulder, CO, USA	165	899	796	5	0.1	3
Juárez, Mexico Manufacturing	1,044	1,395	92	–	–	13
Juárez, Mexico LCCP Recycling Plant	420	2,600	28	–	–	-
Cebu City, Philippines (Research & Development)	138	37	-	–	–	35

Data dashboard - waste

2022 Hazardous waste generation by type (metric tons)

	Ignitables/solvents	Metals	Corrosives	Mercury/lamps	Other
Lexington, KY, USA	-	-	-	-	25
Boulder, CO, USA	20	0.5	9	0.5	4
Juárez, Mexico Manufacturing	13	-	-	0.5	61
Juárez, Mexico LCCP Recycling Plant[1]	2	-	-	-	0.1
Cebu City, Philippines (Research & Development)	1	-	5	-	12

Hazardous waste (HW) transported, imported, exported or treated under the terms of Basel Convention Annex I, II, III & VIII (metric tons)

	HW transported				HW imported				HW exported				HW treated			
	2019	2020	2021	2022	2019	2020	2021	2022	2019	2020	2021	2022	2019	2020	2021	2022
Lexington, KY, USA	1	2	14	25	-	-	-	-	-	-	-	-	1	2	14	25
Boulder, CO, USA	25	18	18	33	-	-	-	-	-	-	-	-	25	18	18	33
Juárez, Mexico Manufacturing	167	120	88	74	-	-	-	-	-	-	-	-	167	120	88	74
Juárez, Mexico LCCP Recycling Plant	2	3	4	3	-	-	-	-	-	-	-	-	2	3	4	3
Cebu City, Philippines (Research & Development)	73	24	21	53	-	-	-	-	-	-	-	-	73	24	21	53

Hazardous waste shipped internationally (%)

	2019	2020	2021	2022
Lexington, KY, USA	-	-	-	-
Boulder, CO, USA	-	-	-	-
Juárez, Mexico Manufacturing	-	-	-	-
Juárez, Mexico LCCP Recycling Plant[1]	-	-	-	-
Cebu City, Philippines (Research & Development)	-	-	-	-

[1] Waste data is from 100% of Lexmark's owned development and manufacturing sites based on square feet.

Data dashboard - waste

Total electronics waste recycling (metric tons)

	2020		2021		2022	
	Voluntary	Regulated	Voluntary	Regulated	Voluntary	Regulated
USA	3,072	627	1,981	702	1,464	508
Canada	–	177	–	115	-	567
EU	–	1,556	–	1,192	-	690
Mexico	4	–	8	–	13	–
India	5	-	–	–	-	-
Asia & ANZ	-	754	-	493	-	481

Data dashboard - employees

2022 global workforce	Employees	% Women	New hires
Asia Pacific	2,492	49%	529
Europe, the Middle East and Africa	973	45%	137
Latin America	2,649	44%	1,231
North America	2,060	26%	249
Total employees	8,174	41%	2,146

2022 by job level	Employees	% Women
Senior vice president	8	38%
Vice president	18	6%
Director	115	30%
Senior manager	102	26%
Manager	674	41%
Individual contributor	7,257	42%
Total	8,174	41%

2022 worldwide by age	Total workforce
30 and under	21%
31-50	58%
51 and over	21%

Lexmark's worldwide minimum age is 18.

2022 by employment type - full time	Full-time Employees	% Women
Asia Pacific	2,491	49%
Europe, the Middle East and Africa	938	43%
Latin America	2,649	44%
North America	2,047	26%
Total	8,115	41%

2022 by employment type - part time	Part-time Employees	% Women
Asia Pacific	1	100%
Europe, the Middle East and Africa	45	93%
Latin America	0	0%
North America	13	77%
Total	59	90%

2022 by employment type - Temporary and contingent	Workplace	% Women
Temporary employees	35	43%
Contingent workers	1,844	Gender not reported

2022 U.S. minorities	Total workforce
Workplace	19%
Management	16%
New hires	32%

2022 injury rate, ill health, lost work day rate, absentee rate and work related fatalities by region

Lexmark location	Injury rate			Ill health		Lost work day rate		Work-related fatalities		Absentee rate	
	Number	Rate	% women	Total	% women	Total	% women	Total	% women	Total	% women
Boulder, Colorado	2	1.31	50%	0	0%	0	0%	0	N/A	Not reported	
Budapest, Hungary	1	0.25	0%	0	0%	0	0%	0	N/A	Not reported	
Cebu, Philippines	2	0.12	0%	0	0%	30	0%	0	N/A	Not reported	
China	0	0	0%	0	0%	0	0%	0	N/A	Not reported	
Juárez, Mexico	2	0.11	50%	0	0%	50	0%	0	N/A	Not reported	
Lexington, Kentucky	0	0	0%	0	0%	0	0%	0	N/A	Not reported	
U.S. sales and home offices	1	0.19	0%	0	0%	78	0%	0	N/A	Not reported	
Total	8	0.14	25%	0	0%	158	0%	0	N/A	Not reported	

*Injury/illness and lost work days assessed using OSHA injury and illness recordkeeping and reporting requirements.

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