



# Lexmark Corporate Social Responsibility Report

Working together for a better  
today and tomorrow

2020

[csr.lexmark.com](https://csr.lexmark.com)

# Contents



3	Letter from Our CEO	46	<b>Our People &amp; Partners</b>
4	<b>Our Approach</b>	46	Global Citizenship
4	Governance	49	Commitment to Employees
5	CSR Policies & Statements	51	Human Rights
6	Stakeholders & Materiality	53	Health & Safety
8	Transparency & Ethics	55	Diversity
10	Risks, Opportunities & Impacts	56	Product Health & Safety
11	CSR Awards & Recognition	57	Security & Privacy
12	Sustainability Highlights		
13	<b>Our Operations</b>	58	<b>Reporting</b>
13	Environmental Management	58	Reporting Parameters
13	Energy Consumption	59	GRI Index
15	Greenhouse Gas Emissions	69	United Nations Global Compact Index
18	Water Management	70	United Nations Sustainable
22	Waste Management		Development Goals
24	Supply Chain	72	ISO 26000 Index
28	Land & Biodiversity	74	Data Dashboard
 		74	Energy Data
28	<b>Our Products</b>	76	Emissions Data
29	Circular Economy	81	Water Data
31	Product Certifications Product	85	Waste Data
32	Product Lifecycle	90	Employee Data
33	Materials		
35	Return & Recycle		
39	Product Emissions		
40	Product Energy Use		
41	Packaging		
42	Accessibility Solutions		
44	Software & Solutions		





## Letter from Our CEO

2020 was a year of challenges unlike any before. As the pandemic spread across the globe, our entire way of life and doing business were impacted. Lexmarkers around the world adjusted, adapted and persevered. They remained focused on meeting the needs of our customers and partners while supporting their local communities. Lexmark continues to be committed to working together with our communities, customers, suppliers and partners to find solutions to ongoing challenges.

Looking back on 2020, I am very proud of how Lexmark continued to grow, develop and enhance our longstanding and successful programs and activities focused on diversity, equity and inclusion (DEI) as well as environmental, social and governance (ESG) and STEM education. We will continue to be very active and focused in these areas.



Climate change is also another major challenge that we all face together. For many years, Lexmark has been dedicated to reducing our impact and footprint while providing our customers with products, services and solutions that allow them to do the same. Lexmark has long been a leader in the application of circular economy business principles, sustainability and operational efficiency – now it is time for us to take more concrete steps in addressing the challenges of climate change. We are excited to announce our commitment to being carbon neutral by 2035. This will require great effort built upon a multi-pronged approach that leverages our accomplishments to date while also employing new activities and actions.

Finally, I want to thank the global Lexmark family for all that you did in 2020 and continue to do to meet the many challenges that we face. I am confident that by continuing to work together we will be successful, and I am so very proud to lead such an outstanding, dedicated and caring team.

**Allen Waugerman**

President and Chief Executive Officer  
Lexmark International, Inc.

# Our Approach

Citizenship at Lexmark begins with our pledge to provide our customers 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; and it extends to our support of community, where Lexmark employees are dedicated to creating cleaner, smarter, safer futures where we live and work. We are committed to transparency in running our business as well as in the reporting of environmental and social progress.

## Governance

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 targets. The [Lexmark Board of Directors](#) also reviews our sustainability strategy. The Board of Directors' Finance and Audit Committee oversees Environmental, Social and Governance (ESG) topics as well as risks and opportunities related to climate change.

Our sustainability strategy is directed by Lexmark's Chief Sustainability Officer. Compensation of the CSO and several other Vice Presidents and Directors are directly associated with Lexmark's ESG performance. Additional oversight is comprised 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 environment, health and safety.

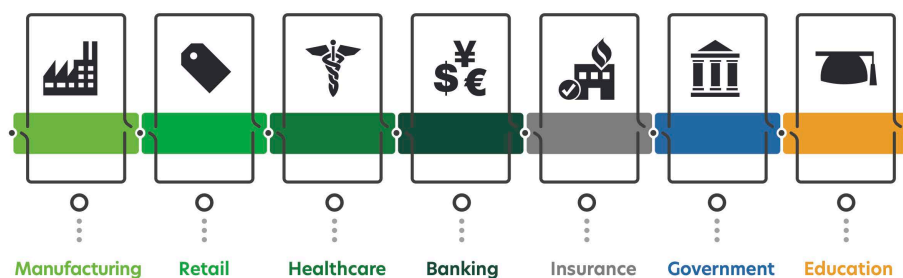


### Industries we serve

Lexmark creates innovative imaging services and technologies that help customers in more than 170 countries worldwide, print, secure and manage information with ease, efficiency and unmatched value.

Recognized as a global leader in innovative imaging and output technology solutions, we leverage our deep industry expertise—in retail, banking, healthcare, manufacturing, education, government and more— to simplify the complex intersection of digital and printed information.

## The industries we serve





We operate our business in a manner that results in a better world by focusing on our people, our planet and the communities in which we live and work. We extend our commitment further by developing solutions that enable our customers to achieve their own sustainability goals.

On November 29, 2016, Lexmark International, Inc. was acquired by a consortium of investors comprised of Ninestar Corporation, PAG Asia Capital and Legend Holdings. Headquartered in Lexington, Kentucky, Lexmark is a privately held company and is governed by a Board of Directors. 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.

## Polices & 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](#)

### Code of conduct

[Lexmark Code of Business Conduct](#)

[Lexmark Supplier Code of Conduct](#)

[Responsible Business Alliance \(RBA\) 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. For this reason, we regularly seek feedback from our stakeholders—employees, customers, and local communities, as well as analysts, the media, regulators and legislators, and suppliers and nongovernmental organizations (NGOs)—and then incorporate the information 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, which provides feedback from NGOs, analysts, academia and 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 industry groups; for example, the Responsible Business Alliance (RBA)

This table summarizes the categories of topics in which our stakeholder groups are most engaged:

Lexmark™		Stakeholder engagement			
Stakeholder groups		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		✓		✓	



## Stakeholder engagement

One method of stakeholder engagement that Lexmark uses is involvement in industry coalitions, trade associations, and externally developed environmental and social charters.

## Prominent groups & organizations

- Alliance Française des Industries du Numérique (AFNUM)
- American National Standards Institute (ANSI)
- Arbor Day Foundation
- Australian Information Industry Association (AIIA)
- Bundesverband Informationswirtschaft, Telekommunikation und neue Medien (BITKOM)
- Business Imaging Association of Australia (BIAA)
- Carbon Disclosure Project (CDP)
- Center for European Manufacturing (CRR)
- Chemical Watch (CW)
- Deutsches Institut für Normung (DIN)
- DIGITALEUROPE
- Electronic Product Stewardship Canada (EPSC)
- Ellen MacArthur Foundation
- Employers and Manufacturers Association (Asia Pacific)
- European Remanufacturing Council (founding member)
- Global Electronics Council (GEC)
- GreenBiz Executive Network
- Green Electronics Council (GEC)
- Information Technology Association of Canada (ITAC)
- Information Technology Industry Council (ITI)
- IT-BPO Tripartite Council (Department of Labor and Employment, Philippines)
- ITI Environmental Leadership Council
- Manufacturing Leadership Council
- Maquiladora association (Index Juarez)
- Mid-America Gay & Lesbian Chamber of Commerce
- National Sanitation Foundation (NSF)
- Responsible Business Alliance (RBA)
- Responsible Minerals Initiative
- U.S. Chamber of Commerce
- United Nations Global Compact
- University of Kentucky Center for Sustainable Manufacturing
- University of Kentucky Office of Technology Commercialization

## Stakeholder feedback and materiality

Lexmark's materiality efforts aim to identify societal and environmental issues that present risks or opportunities while taking into consideration the issues of most concern to our stakeholders. 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, actionable, and impactful.

Our Environmental, Social and Governance (ESG) prioritization began by methodically capturing a wide range of potential key subjects, and then considering more than 50 diverse subjects relevant to our stakeholders. From there we began the process of focusing on the most meaningful issues for Lexmark by utilizing extensive qualitative and quantitative analyses to contribute to making strategic and operational decisions for the company. We also used comparison analysis in our research methodology to add clarity to our focus.

Incorporating stakeholders' key topics of concern into our decision-making process and including them in our materiality analysis ensures proper focus moving forward.



# 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 2020, all regular, worldwide employees and managers acknowledged their understanding of the 2020 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.

Lexmark requires targeted anti-corruption and anti-bribery training courses that educate select employee groups about risks of corruption specific to their job functions.

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 2020.

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. While incidents of corruption are infrequent, they do occur. In accordance with the Lexmark zero-tolerance policy toward bribery and corruption, Lexmark will dismiss any employee who commits a nonsystemic, 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 2020.

## Monetary Fines

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



### 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 \$25 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 Internal Audit Director for investigation and review.

### 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 2020.

**WE BELIEVE IN WHAT WE DO...**

**VISION** 

We help customers make a lasting impression on their world.

We work with **passion**, **conviction**, and **speed** to solve challenges, create new opportunities and enable responsible operations for partners and customers. We power this future through innovative people, technology and services.

**and MISSION** 

# 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](http://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. We continue to make aggressive goals and take action at our sites to meet these goals. In addition, Lexmark is committed to human rights and fair labor practices. It is important to be the best possible employer and business partner.

We have prioritized our corporate community focus on initiatives that support science, technology, engineering, and math (STEM) education improvement, and that promote diversity. 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 how best to do it to meet the needs of all stakeholders as completely as possible. We continue to make significant strides in these focus areas. We will 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 our local communities.

## 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 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 collaboratively identifying, prioritizing, addressing (avoiding, accepting, mitigating), and regularly monitoring those risks to which the company is exposed. 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.

## 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 & 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 environmentally 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](#).



# 2020 CSR Awards & Recognition



2020  
Working Mother  
100 Best Companies



Top Companies for  
Executive Women 2020+

2020 Best Companies  
for Dads



Please click [here](#) for more details on awards.

# Lexmark 2020 Sustainability Highlights

All office  
printing and  
testing paper  
at Lexmark is  
offset through  
PrintReleaf



Lexmark commits to being  
**carbon neutral by 2035**

ISRI names Lexmark as 2020 Design  
for Recycling® award winner



**ISRI**

Voice of the Recycling Industry™

Institute of  
Scrap Recycling  
Industries, Inc.

Lexmark has  
reduced water  
consumption  
by **34%**  
since 2015



Designed for  
Durability

Lexmark  
devices are  
built for  
long life of  
**7+** years

Lexmark  
Cartridge  
Collection  
Program reused  
or recycled over  
100 million  
cartridges



**LCCP**

Lexmark Cartridge Collection Program

Lexmark  
received the  
2021 ENERGY  
STAR®  
Excellence in  
Marketing  
Award



Lexmark has  
earned a  
perfect score  
on the  
Corporate  
Equality Index  
(CEI) for the  
**15<sup>th</sup>** year

Lexmark has  
been a  
supporter  
and partner  
of United  
Way for  
**29** years

Lexmark is an industry leader with  
**39%** reclaimed plastics in  
Lexmark branded devices

**99%**  
of global  
workforce  
trained in human  
rights issues

Actively supporting the circular  
economy for **30** years



**Lexmark**  
Sustainability

# Our Operations

For Lexmark, being a responsible neighbor, employer and global corporate citizen is woven into everything we do. 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 at multiple sites helps us maintain focus on setting and achieving specific goals for environmental health and safety.

## Environmental Management

ISO 14001:2015 is a voluntary standard that provides a framework for environmental management. 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.



[Click here for a full list of ISO 14001:2015 Certificates](#)

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.

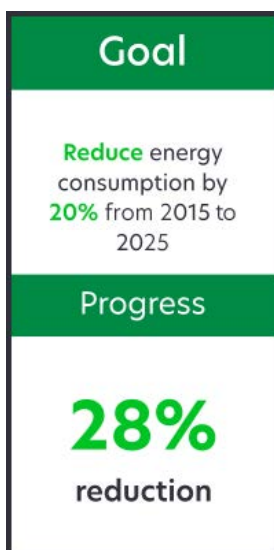
Each Lexmark facility sets site-specific goals for improving its performance within the environmental management system. Environmental goals include reducing energy consumption, improving water conservation, generating less waste, and improving emergency preparedness and response planning. Cross functional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

Lexmark did not incur any 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.

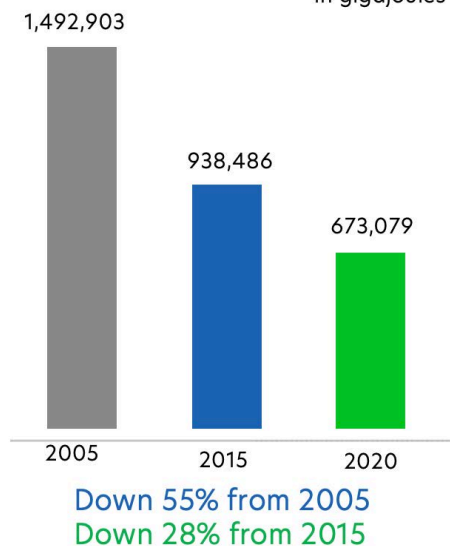
## Energy Consumption

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.

Energy consumption was substantially lower in 2020 due to operational adjustments required by our response to the COVID-19 pandemic. As a result, we exceeded our 20 percent reduction target set to be achieved by 2025. Lexmark will maintain the existing 20 percent reduction target as compared to the 2015 baseline due to 2020 being an atypical year for Lexmark facilities.



Total Energy Direct and Indirect  
In gigajoules



## Energy efficiency investments through the years

Energy management programs at our Lexmark facilities assess energy usage on site and target projects that contribute to reductions in consumption. We have made several investments that are helping drive down usage worldwide.

### Lexington, KY, USA

Lexmark's investments in energy efficiency at headquarters have been significant. Some of the projects through the years include:

- Upgrades to smart building management controls, including data analytics
- Installation of frequency drives on air handling unit motors
- Implementation of schedule for air handling units to minimize peak demands
- Installation of energy efficient state-of-the-art chillers
- Increased insulation on steam piping systems
- Installation of a smaller summer boiler for steam
- Upgrades to a deaerator tank
- Space reductions
- Lighting upgrades to more efficient bulbs

### Cebu City, Philippines

The facilities team in Cebu has achieved significant energy savings over the years through lighting upgrades, real-time monitoring and temperature control through building management software, temperature control through block-out blinds, and implementation of an operation and preventive maintenance schedule for all major equipment, which minimizes equipment downtime and improves performance, especially for on-site chillers. In 2020 a more energy efficient chiller was installed and air balancing was performed. LED lights were also installed to replace compact fluorescent tubes as part of the multi-year lighting project. The estimated annual savings from this installation is 1,824.8 kWh. Employees are also encouraged to be energy conscious and turn off lights and equipment when not in use.

### Juarez, Mexico

The recycling operations building on the Juarez campus, Lexmark LCCP Building, is LEED certified Gold. The Juarez campus is highly focused on energy efficiency targets and continues to improve upon existing projects to garner savings. Some of these projects are:

- Real-time monitoring on main and derivative campus substations allow us to detect and fix abnormal consumption trends.
- Preventive and predictive maintenance programs are used to detect and correct compressed air leaks.
- Energy management of chillers resulted in a smaller 350-ton chiller being used in place of a larger 900-ton piece of equipment.
- A schedule for HVAC equipment to be turned off nights and weekends reduces energy usage when the site is not operating.
- Fluorescent light fixtures were replaced with LED in the restrooms and the manufacturing area newly designated for Printer Assembly Operation.

### Kolkata, India

The Kolkata site realized a 83,387 kWh savings in 2020. The outdoor Precision air conditioning units were regularly cleaned with air and water jets to increase building cooling efficiency. Lighting upgrades over the years have also contributed to energy savings.

## Energy awareness and education

Due to pandemic restrictions, many Lexmark employees were unable to report to Lexmark facilities and successfully transitioned to work from home. Lexmark encouraged safe and environmentally friendly work-from-home practices, including powering down Lexmark work devices. While on-site, Lexmark encourages energy conservation in the workplace, through similar practices of powering off electronics and equipment when not in use and turning off lights when not in use. Lexmark utilizes signage to remind users of shared spaces to turn off lights when not in use. Space heaters, personal refrigerators, and personal printers, which increase energy use, are discouraged. Targets to reduce energy in the office are included in some of our incentive programs at Lexmark, providing a monetary incentive for employees when the overall annual energy goal is achieved. Some of our sites promote employee energy awareness through healthy living challenges, which provide monetary incentives for various levels of challenge participation.

## Electricity -Lexmark's indirect energy source

Lexmark operations use only one indirect energy source: the driver of its Scope 2 emissions, electricity. We primarily purchase electricity used at our facilities 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. We estimate the electrical power derived from renewable sources to be 84,105 Gigajoules in 2020. The total electrical power used that is derived from nonrenewable sources in 2020 is estimated to be 291,976 Gigajoules.



### Natural gas - Lexmark's primary direct energy source

Lexmark Scope 1 emissions are comprised of the following direct energy sources: 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, nor do we produce renewable or nonrenewable primary energy sources for internal use or external markets.



### Energy data

Click [here](#) for detailed energy data

## Greenhouse Gas Emissions

Lexmark is committed to carbon neutrality by 2035. We began tracking and reducing greenhouse gas (GHG) emissions in 2005. We reduced Scopes 1 and 2 emissions 62 percent since that time. We are now focused on reducing Scopes 1 and 2 GHG emissions 40 percent by 2025 from the 2015 baseline. In 2020, we achieved a 34 percent reduction. Lexmark engaged Apex Companies, LLC to conduct an independent verification of Scopes 1 and 2 GHG emissions.

As we continue to drive our emissions to minimal levels, we will also utilize renewable energy, carbon credits and renewable energy certificates (RECs) to offset the remainder of emissions in some areas of our business.

Scope 3 emissions are reported separately from Scopes 1 and 2 emissions. Lexmark continues to refine data collection and methodologies for transparency in our value chain.



### Emissions reporting

#### Scope 1 emissions

Scope 1 emissions (direct) include our use of fossil fuels, refrigerants and fleet vehicle transport based on available data.

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.

Lexmark is committed to the Montreal Protocol, an international treaty aimed at reducing the use of ozone-depleting chemicals. 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 and monitors systems for leaks with stand-alone sensors.

In 2020, two refrigerants, R-22 and R-123 had ozone depletion potentials greater than zero, generating 0.02 tonnes chlorofluorocarbons (CFC) equivalent. Lexmark's refrigerant emissions for 2020 total 1920 CO<sub>2</sub>e 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.

## Scope 3 emissions

Lexmark reports Scope 3 emissions generated from our value chain. We will continue to take proactive steps toward emissions avoidance in Scope 3 and capture reductions through data disclosure.

Category 1 <i>Purchased Goods and Services</i>	Category 7 <i>Employee Commuting</i>
Category 2 <i>Capital Goods</i>	Category 9 <i>Downstream Transport</i>
Category 4 <i>Upstream Transport</i>	Category 11 <i>Use of Sold Products</i>
Category 5 <i>Waste in Operations</i>	Category 12 <i>End of Life Treatment of Sold Products</i>
Category 6 <i>Business Travel</i>	Category 13 <i>Downstream Leased Assets</i>



Lexmark purchased and retired carbon credits to offset Europe's 2020 total scope 1 emissions usage. Additional carbon credits were purchased in 2021. These carbon credits support renewable energy and biomass offset projects.

## Travel and commute emissions

### Business travel-related emissions

We are conscious of the impact business travel can have on the environment. At Lexmark we have collaborated with our vehicle provider and travel partner to calculate miles traveled with Lexmark-owned, -leased, and -rented vehicles. Air travel is also tracked through our travel partner, which has considerably expanded its scope of reporting.

Travel was significantly reduced in 2020 due to the COVID pandemic. Lexmark's focus on providing our employees lower-impact, real time alternatives to travel helped us naturally pivot to greater use of these tools to continue business from home environments.

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 CO<sub>2</sub> 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 which has offset 90.1 metric tons of CO<sub>2</sub> to date.

### Employee commute

Working from home during the pandemic provided a positive benefit to the environment as emissions generated during employee commute was eliminated for a large portion of Lexmark employees. For essential employees who reported to the office during the pandemic and in normal working conditions, Lexmark encourages environmentally-preferable commuting. The following are examples of programs and/or benefits with a focus on best commuting practices:

- Lexmark's manufacturing plant in Juarez, Mexico, provides bus transportation for manufacturing employees.
- Lexmark's Competence Center in Budapest, Hungary, has bike racks and showers for employees who pedal to work, and offers discounted monthly or yearly fares to those who prefer public transportation.
- Lexmark's headquarters in Lexington, Kentucky, has secure bike storage and showers, as well as a public bus stop located in the parking lot. Four electric car charging stations are in use at the Lexington campus. Each station is equipped with two charging points for registered employees and clients to use free of charge. In 2020, we accumulated 3.8 metric tons of GHG savings. Since the installation of the electric car charging stations, 32.2 metric tons of greenhouse gas emissions have been avoided, equivalent to the planting of 826 trees growing for 10 years.
- Lexmark's site in Boulder, Colorado, works with Smart Commute Metro North to promote alternative commuting options for employees such as ride sharing, transit, and bicycle travel.
- Lexmark's U.S. benefits package includes WageWorks, which allows commuters taking public transportation to deduct their public transit and parking expenses as pretax funds, which can save employees between 25 and 40 percent.

- Lexmark's U.S. health and wellness program promotes healthier lifestyles, including sustainability awareness programs and provides the ability to create challenges, including those focused on "greener" commuting, such as bicycling to work.
- Lexmark formalized and expanded its existing work from home program, Flex@Lexmark gives employees the option of working remotely up to two days a week. This program not only promotes work-life balance for employees, but also reduces emissions associated with employee commute

### **Worldwide logistics, product transportation and distribution**

Physical shipping of products worldwide and product handling and storage in distribution centers are a necessary part of Lexmark business. We have taken measures to lessen the environmental impacts associated with these activities, which includes working 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.

### **TransportationPartnership**

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.

### **Transport initiatives reducing impacts on product shipping**

#### **Cube utilization and packaging**

Robust products and efficient packaging result in a smaller packaged footprint and increased cargo packaging efficiency. Continued improvements are being made in container and truck utilization/fill rate, which decreases the number of ocean containers, air cargo and less-than-full trucks needed to transport products.

#### **Intermodal freight transportation**

Shipping products by ocean, rail, air, inland water and roadways using intermodal freight containers for inbound moves saves us time, money and fuel. Lexmark achieves 95 percent intermodal inbound transport in the U.S.

#### **Direct ship / replenish**

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. In 2020, direct ship continued to be expanded for hardware and supplies. 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.

#### **Transportation Management Systems (TMSs)**

Multiple TMSs are used at our WW regional distribution centers to optimize product transportation. TMS optimization software 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.

#### **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 CO<sub>2</sub> footprint, and improved delivery time. In 2020, efforts continued to utilize the best space in our shipments.

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. Successful launch required the team to take several steps, including setting a minimum order quantity for distributors, partnering with the Lexmark sales team to convince the distributors to accept different-sized pallets, and implementing a fee per pallet for distributors that wanted to keep a standard size.

### Distribution initiatives driving improvements in warehousing sustainability

- Lexmark makes efforts to reduce the space required for warehousing and distribution of our products.
- 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 on 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 CO<sub>2</sub> footprint.

### Lean manufacturing and regional manufacturing/customization

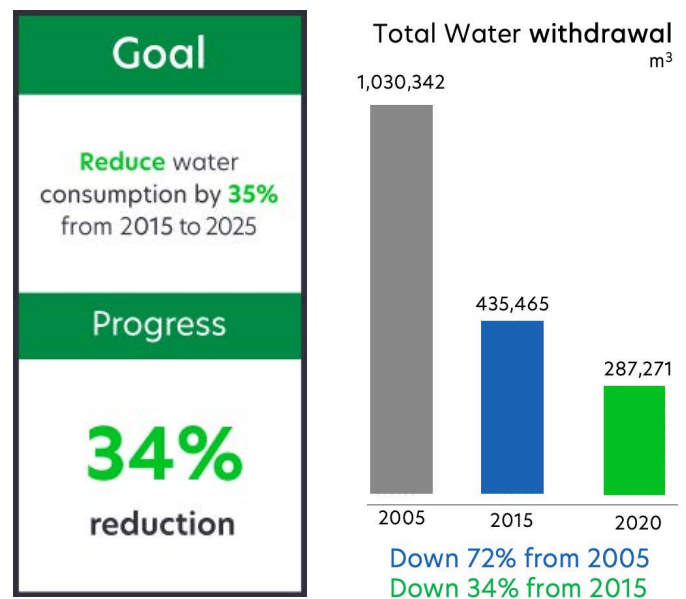
- Lexmark uses a late manufacturing/late customization process for medium volume products in our regional distribution centers to be close to our customers, be flexible and efficient, provide a competitive advantage, and be more sustainable. Some of the benefits to this strategy are a reduction of space 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 over 73 percent of cartridges in region of consumption in 2020, 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. Regional manufacturing in Poland provides an example of avoided emissions. In 2020, sourcing in geography eliminated the need to ship an estimated 464 containers from China which was a positive impact in terms of CO<sub>2</sub> emissions of 1,346 metric tons (CO<sub>2</sub> reduction).
- Lexmark continued to grow North America regional manufacturing for hardware in 2020.

## Water Management

Lexmark is focused on efficiently managing water usage at our facilities. Water withdrawal continued to decrease in 2020, nearly meeting the target reduction of 35 percent by 2025 from the 2015 baseline. Lexmark will strive to maintain this reduction and meet this target as Lexmark operations return to a normal state.

Water is used as part of Lexmark operations for three primary purposes: manufacturing and development; heating, ventilating, 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.

Lexmark has identified four of our reporting facilities to be overall high risk or medium to high risk water locations per the [Aqueduct Water Risk Atlas](#). 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 saving 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

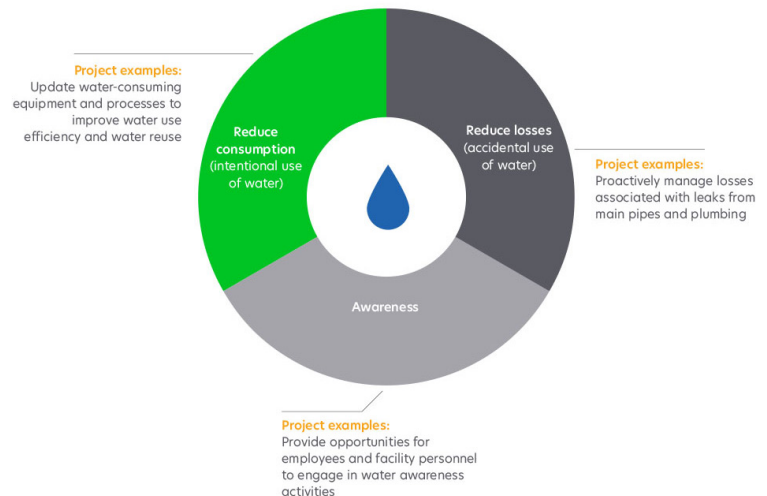
Lexmark has a long history of water projects that have helped reduce water usage in our operations by well over 50 percent when compared to 2005.

**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 **Lexington, Kentucky**, many actions 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 2020, the cooling towers used 17,758 m<sup>3</sup> 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.

**Juarez, Mexico**, continues to refine processes related to water use on site. Lexmark's Physical Chemical Wastewater Treatment Plant is the largest installed in the industrial sector of Juarez City, with a processing capacity of 70 gallons per minute. Over the years, the water reuse infrastructure has grown on campus. Water used in HVAC equipment, toner fill operations and LCCP production,



as well as reject water from the reverse osmosis equipment in the main cafeteria 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 Juarez, Mexico. The system generated 42,291 m<sup>3</sup> of water for reuse in other areas, including irrigation, representing 26 percent of the total water used at the facility.

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.

## Rainwater Harvesting System

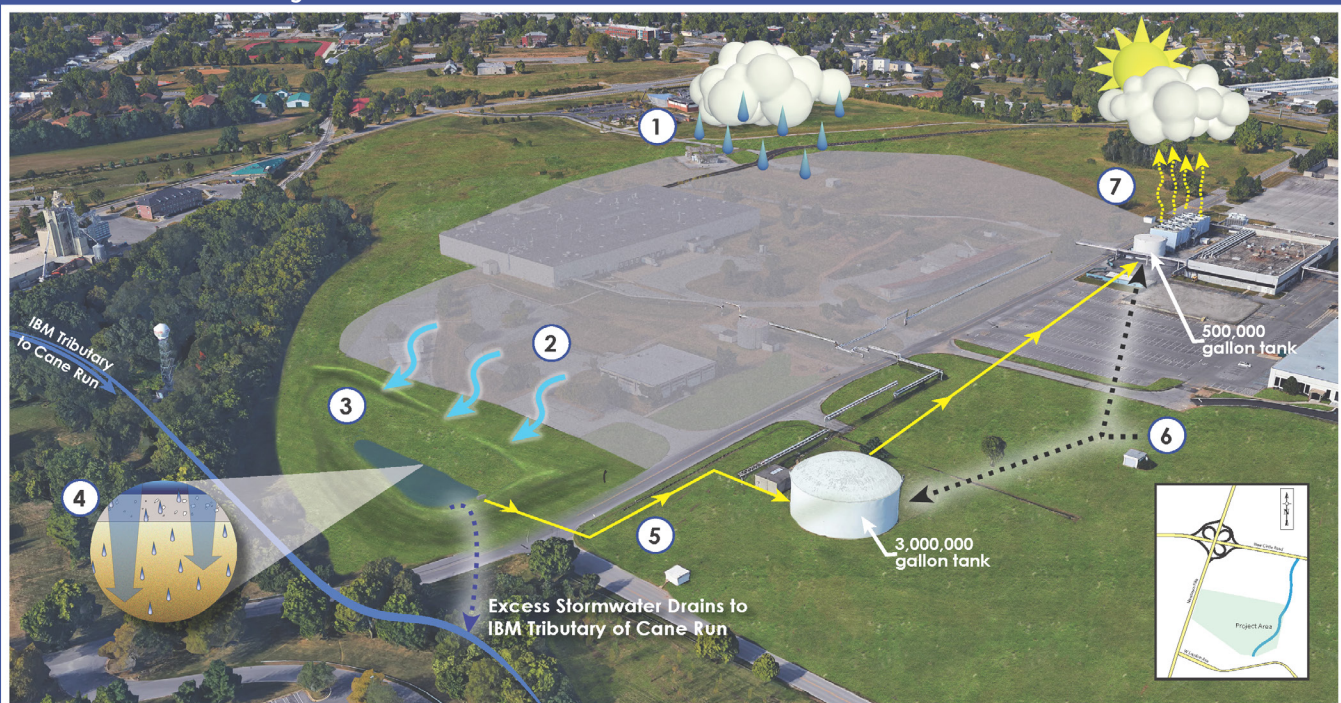
Lexmark installed an award winning bioretention and rainwater harvesting system in Lexington, Kentucky, in cooperation with Lexington Fayette Urban County Government (LFUCG), EcoGro, Ridgewater, Stantec and the University of Kentucky.

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 depression in the ground 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.

Lexmark's rainwater retention area 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.

In 2020, Lexmark received a Manufacturing Leadership Award in Sustainability for the Lexmark rainwater harvesting system. This followed a 2019 Grand Conceptor Award in Waste and Storm Water award from the American Council of Engineering Companies of Kentucky (ACEC-KY).

### How Rainwater harvesting works



- |   |  |   |   |  |   |  |
|---|--|---|---|--|---|--|
| <b>1. Precipitate</b><br>Rain falls to the ground | <b>2. Runoff</b><br>Stormwater runs off 33 acres of impervious area (mostly parking lot) | <b>3. Collect</b><br>Stormwater runoff collects in a 2.4 acres bioretention basin | <b>4. Infiltrate</b><br>Stormwater infiltrates through amended sand/soil filter to remove pollutants before draining to the pump wet well | <b>5. Convey</b><br>Water is pumped from wet well to tanks | <b>6. Store</b><br>Water remains stored in tanks until it is needed for non-potable use | <b>7. Evaporate</b><br>Cooling towers evaporate water back to the atmosphere |
|---|--|---|---|--|---|--|

## 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.

## Water quality

Lexmark is evaluating a feasibility study for the installation of an in-stream floatable trash collection system in a tributary of the Cane Run Creek that flows through Lexmark property in Lexington, Kentucky. The study was funded through a local government grant and completed in partnership with multiple stakeholders, including the University of Kentucky and the Lexington-Fayette Urban County government. Lexmark has long supported [creek cleanup](#) efforts, realizing the impact that trash and waste in the creek has on the quality of water in the watershed.

### 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 our 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 not discharged to the local utility systems is absorbed into the soil when weather demands require care for landscaping, or evaporated from on-site cooling towers.

To prevent 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 reported no significant spills in 2020. 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 and ISO 45001 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 that test for water quality.

## 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
Juarez, Chihuahua, Mexico	Junta Municipal de Agua 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	Fővárosi Vízművek	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 is 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 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 wastes are managed according to international best practice and follow all governmental regulations.

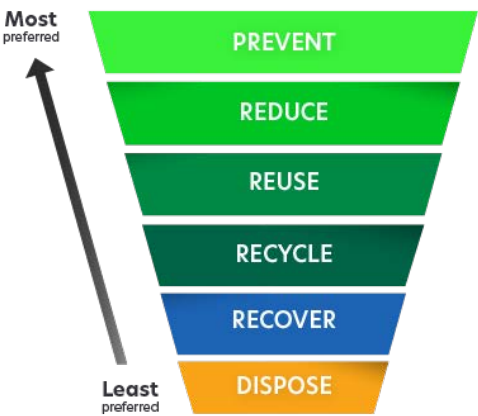
Lexmark continually works toward reducing the quantity of waste generated. Lexmark decreases our waste production by reducing waste at the source and recycling and reusing waste in an environmentally safe manner. Our facilities minimize waste through sustainable operations, lean manufacturing techniques and environmental management programs.



Waste management data

Click [here](#) for detailed waste management data.

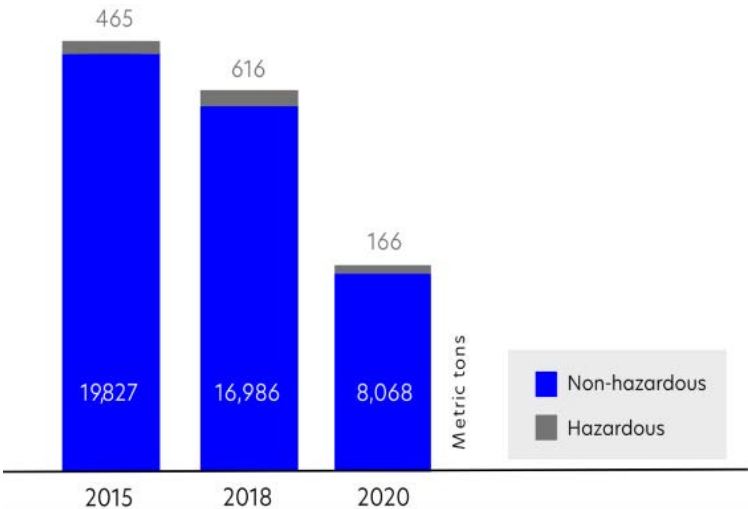
## Lexmark's path to zero waste



## Waste generation and recycling statistics

Lexmark generated a total of 8,234 metric tons of waste in 2020, with 98 percent of the waste generated worldwide being non-hazardous.<sup>1</sup> Hazardous waste accounts for approximately 2 percent 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 12,058 metric tons or 59 percent with a target to achieve 50 percent by 2025. Lexmark exceeded its goal in 2020 due to employees working remotely during the COVID-19 pandemic.

## Waste generation by classification





Waste recycling

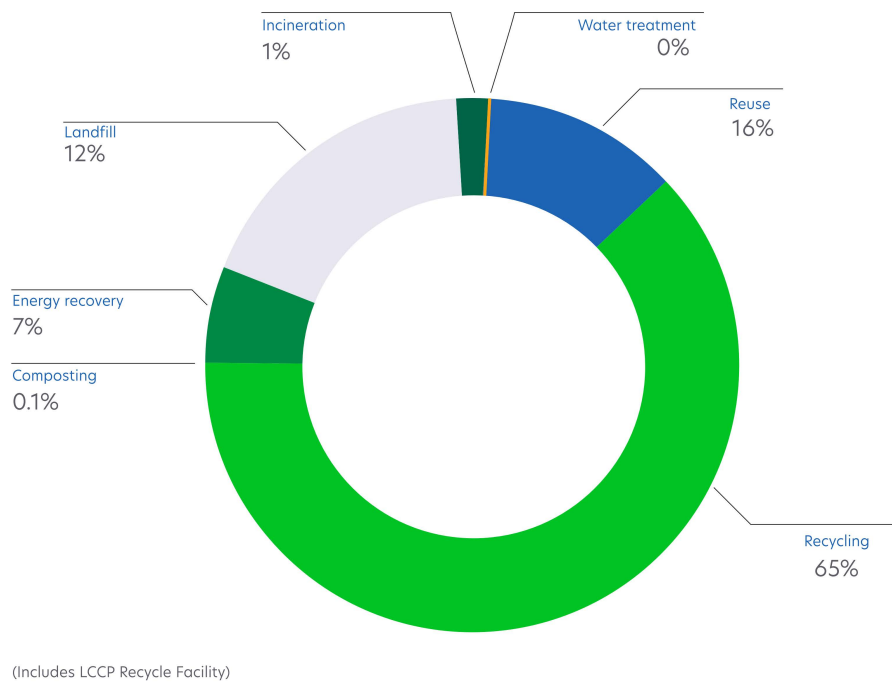
Disposal methods for waste are determined through the collaborative efforts of Lexmark and our waste-management partners. Working together, we have identified new opportunities for recycling waste, reducing our usage of incineration and landfill while increasing usage of waste-to-energy recovery where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

Development and production waste management and recycling

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. Toner waste is reused as a colorant in ink and rubber and as an asphalt to improve its performance. Paper from print testing is recycled into innovative paper products. Materials from used cartridges are reused or recycled.

Waste treatment by disposal method



<sup>1</sup>Waste data is from 100% of Lexmark's owned development and manufacturing sites based on square feet.

# Supply Chain

## Responsibility

At Lexmark, we work closely with our suppliers to ensure our products and services have a positive impact on people, communities, and the environment. 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 conducts third-party audits for several of our Tier 1 suppliers to monitor compliance in these areas.

### Supply chain responsibility program at Lexmark

The Lexmark Vice President of Global Supply Chain and Planning is the senior person responsible for delivering on our environmental, social and governance (ESG) objectives. At the operational level, the management of Global Sourcing and Supplies Operations has responsibility for implementing the ESG objectives.

Lexmark procurement staff have received training in ESG issues related to our procurement processes. Lexmark procurement personnel also have access to a database of supplier information that includes the suppliers' ESG commitments, as well as their performance metrics. All Lexmark staff that engage with suppliers are expected to consider the ESG impacts of engaging with a supplier prior to entering into a relationship with the supplier.



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

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.

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.

Critical suppliers

Critical suppliers account for a significant percentage of Lexmark total procurement spending. Based on 2020 spending, the 92 critical suppliers make up about 46 percent of our purchases.<sup>1</sup>

Goal

Maintain a minimum of 80% of our supplies regionally sourced in 2020

Progress

83%  
regionally sourced



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 eleven years, 100 percent 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 4,800 suppliers, 1.9 percent of which have been identified as critical.<sup>1</sup>

### Risk management

Less than 1 percent 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.

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 Labour 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 Lexmark Supplier Sustainability Questionnaire.

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 cobalt 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 and cobalt 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 Cobalt Report.

### 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 sixth 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.

### 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 percent 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 and sponsor of the Lexington, Kentucky, Chamber of Commerce and Minority Business Expo.

### Diverse supplier registration

Click [here](#) for the Supplier Registration Form. Email the completed form to [supplierdiv@lexmark.com](mailto:supplierdiv@lexmark.com). This data will be used to provide a list of diverse suppliers to the appropriate Lexmark decision maker.

"Our vision is to create strategic partnerships with qualified 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  
Lifecycle Management,  
Lexmark

<sup>1</sup> Critical suppliers produce goods and/or services critical to Lexmark operations, require more than 3 months to qualify and/or switch to a new supplier, and for indirect material, over \$1 million in spend.

## 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 owns or leases facilities used for manufacturing and research and development in the United States, Mexico, Europe and Asia. An important prerequisite for locating these global facilities includes a thorough understanding of local ecology and biological issues so that we can take a prudent approach to their protection. Consequently, an important part of our worldwide environmental assessment is the use of internationally accepted evaluation tools.

As the first step to establishing a facility in the United States or abroad, Lexmark applies the following standards to assess environmental aspects of the site: American Society for Testing and Materials (ASTM E1527-13<sup>1</sup> and E1903-11).<sup>2</sup>

We also consider the protection status and biodiversity value of 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).

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 138,000 mangrove trees in various coastal and watershed areas of Cebu and nearly 17,000 tree seedlings in various areas of Cebu.

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.



A registered Monarch Waystation at Lexmark headquarters provides a food source and habitat for monarch butterflies and other pollinators.



<sup>1</sup> ASTM E1527-13, Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process, ASTM International, West Conshohocken, PA, 2013, [www.astm.org](http://www.astm.org)

<sup>2</sup> ASTM E1903-11, Standard Practice for Environmental Site Assessments: Phase II Environmental Site Assessment Process, ASTM International, West Conshohocken, PA, 2011, [www.astm.org](http://www.astm.org)

## Our Products

Lexmark provides sustainable solutions through the entire product lifecycle - from sustainable design to efficient use to responsible reuse and recycling.

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



# Circular Economy



## Circular economy leader

Lexmark has been in support of the circular economy and remanufacturing initiatives since its 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 10 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 lifecycle. Members in 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 that 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 to landfill and lower carbon emissions. Preserving resources and reusing materials has been important to Lexmark since our inception. We've reused over 33 million kilograms of recovered cartridge materials since 1996. 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. As an early member of the [Ellen MacArthur Foundation](#), 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 lifecycle by offering robust take-back and remanufacturing programs.



Better than New

Our commitment to remanufacturing is recognized by prominent supporters of sustainable manufacturing. Lexmark received the [ISRI 2020 Design for Recycling Award](#) for our toner cartridge design and recycling process. Lexmark also received Manufacturing Leadership awards in sustainability leadership for reuse and reconditioning efforts and ranked 9th in CR Magazine's 100 Best Corporate Citizens list when we were publicly traded. Our endeavors most recently resulted in an EcoVadis Gold level rating for the seventh consecutive year. This recognition was based on an assessment of over 40,000 companies from 120 countries in areas including corporate social responsibility and the environment.



### Digital passport

Lexmark offers a digital passport for its product line with key environmental information in support of the circular economy. The Lexmark Digital Passport can be referenced with information such as product buying guides, lifecycle analysis and material selections.

### EU research 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 a Horizon 2020 research and innovation grant under agreement N° 776714 to participate in the [C-SERVEES](#) project. Selected from over 100 applicants, Lexmark works with other C-SERVEES project participants to develop an innovative circular economic business models for the electrical and electronic (EE sector in areas such as device refurbishment. The objective of the C-SERVEES project participants is to transform the EE sector into an efficient circular economy using new processes and novel information technology solutions. Innovative digital technology is a key element to improve workforce efficiency by transitioning refurbishment processes from manual to automated. Our focus on sustainable resource management resulted in praise for Lexmark. The European Commission's report on "The case of re-usability of printer cartridges" concludes that "Lexmark appears to be the clear market leader in printer cartridge reuse, presenting a comprehensive set of re-use statistics."



### **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 ten million tons of recycled plastics find their way into new products. Lexmark is an industry leader in the use of reclaimed plastic with 37 percent of the plastic content, by weight, across all new Lexmark branded toner cartridges, deriving from our LCCP post-consumer, closed loop process. Lexmark's goal is to increase the use of reclaimed plastic through the PCR and reuse processes by 50 percent by 2025.

Over 90 percent of the materials by weight used in our hardware products are recyclable. Today, 92 percent of our hardware models contain PCR content with almost 80 percent of the models containing over 30 percent PCR content. Continual reuse of recycled materials, greatly reduces the amount of waste sent to landfill. Click [here](#) to learn more about Lexmark's use of PCR.

### **Electronic precious metals recovery**

Lexmark has launched its first-ever license agreement with the University of Kentucky to explore the recovery of precious metals. The project-called SMaRT (Sustainable Materials and Recovery Technologies)-enables 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. Click [here](#) to learn more about Lexmark's technology partnership with the University of Kentucky.

### **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 1 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 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 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 lifecycle 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 the circular economy. The Corporate Cartridge closes the loop during its production through the incorporation of select components returned via the LCCP.

Cartridges returned to our manufacturing facilities through our LCCP are disassembled, and then components suitable for reuse are selected and used in the production of Corporate Cartridges. Innovative processes created by our engineers recover post-consumer recycled (PCR) plastic from empty cartridges and pelletize the PCR for integration into new parts. Reclaimed PCR plastic is incorporated into over 60 Lexmark components at a level up to 100 percent PCR plastic.

Each year LCCP prevents millions of Lexmark toner cartridges from ending up in landfill. In 2020, LCCP collected 5,365 metric tons of returned cartridges from our customers. Ninety-six percent of materials reclaimed from these cartridges were reused or recycled. Energy was generated from 4 percent of toner waste collected.

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.



# 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 205, January 2017. The majority of Lexmark print systems announced after October 2012 have been Blue Angel certified. The next revision of Blue Angel, DE-UZ 219, goes into effect on January 1, 2022. 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](mailto:sustainability@lexmark.com).

### Electronic Product Environmental Assessment Tool (EPEAT)

Lexmark is committed to helping our customers meet their 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 as the basis for assessing imaging equipment for environmental stewardship. We have registered over 200 of our products with Gold or 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, including the public disclosure of [supply chain toxics](#) for 4.7.2.2. For a complete list of Lexmark registered products, click [here](#).



## 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 2020, 96 percent of Lexmark-branded products sold held the latest version of certification. 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](#).

# Product Lifecycle

As part of Lexmark's commitment to sustainable products, Lexmark has conducted Life Cycle Assessments (LCAs) on 85 of its printer and MFP models as of January 2021 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.<sup>1</sup> The EPDs are third-party certified for accuracy and completeness. For information on secondary sources used in the Life Cycle Assessments, see [LCA data](#).



Click [here](#) for available Environmental Product Declarations.



## LCA knowledge drives process and 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 percent, 50 percent, and 100 percent 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 percent recycled papers from North America, Europe and Asia, and tests are conducted at 8-80 percent 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 number of 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 has partnered with [PrintReleaf](#), a Denver, Colorado-based company that offers an automated sustainability program focused on reforestation. PrintReleaf's technology integrates with our print management software to measure paper consumption data. With this information, total paper consumption is converted into an equivalent number of trees, which are then planted around the world to offset the impact.

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 percent 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.

<sup>1</sup>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

## Lexmark's materials management

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 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.

## Designed for durability and circular economy

Our intentional design efforts yield high quality, long-lasting products that are not only reusable and recyclable, but also incorporate recovered materials. Over 1,000 metric tons of plastic parts were reused in the manufacture of the 2020 Lexmark branded cartridges.

## Recyclable design

Over 90 percent of the materials used in hardware products by weight are recyclable.

The majority of these materials are polymers and metals that are formed into components through injection molding or stamping operations. High-impact polystyrene (HIPS) and acrylonitrile butadiene styrene (ABS) are most often used; however, other plastics such as acetals, polycarbonates, polyamides and filled or blended versions of these materials are also utilized. Our cartridges—primarily comprised of metals and plastics, such as ABS, HIPS and polyoxymethylene (POM)—are designed for zero waste to landfill.

## Post-consumer recycled (PCR) materials

Lexmark's circular journey began over 25 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 recycled 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 percent recycled resin that is reintegrated into new toner cartridges. Underwriters Laboratory (UL) certified our PCR resin for use at a rate of 100 percent for print cartridge components in 2016, making it the first UL-certified 100 percent recycled resin to be processed in-house. In 2020, 343 metric tons of PCR plastic material were processed. We have qualified over 60 components with up to 100 percent closed-loop PCR plastic.

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 37 percent of the plastic content, by weight, in Lexmark branded toner cartridges coming from post-consumer plastic. In fact, 75 percent of this reclaimed plastic is from remanufacturing reuse, with 25 percent coming from the LCCP PCR feedstream.

## Goal

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

## Progress

**37%**

reclaimed plastic in Lexmark branded cartridges

## Goal

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

## Progress

**39%**

PCR plastic in devices

Our goal is to increase the use of reclaimed plastic through the PCR and reuse processes to 50 percent 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 plastics in our printers, with some models qualified to include up to 60 percent PCR by weight of plastics<sup>1</sup>

Lexmark uses several suppliers who declare their base resins are sourced from 100 percent 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 laser printer and multifunction product hardware models sold in 2020 contain an average of 39 percent PCR plastic by weight of plastic,<sup>1</sup> with 100 percent of these models containing some PCR plastic content. An estimated 2,500+ metric tons of post-consumer recycled plastic was used in the manufacture of the 2020 branded, in-house technology printers and MFPs.<sup>2</sup> Our goal is to increase the average post-consumer recycled content plastic in models to 50 percent by 2025.

Currently, we favor the use of post-consumer recycled (PCR) materials over the use of biobased materials for durability and recyclability.

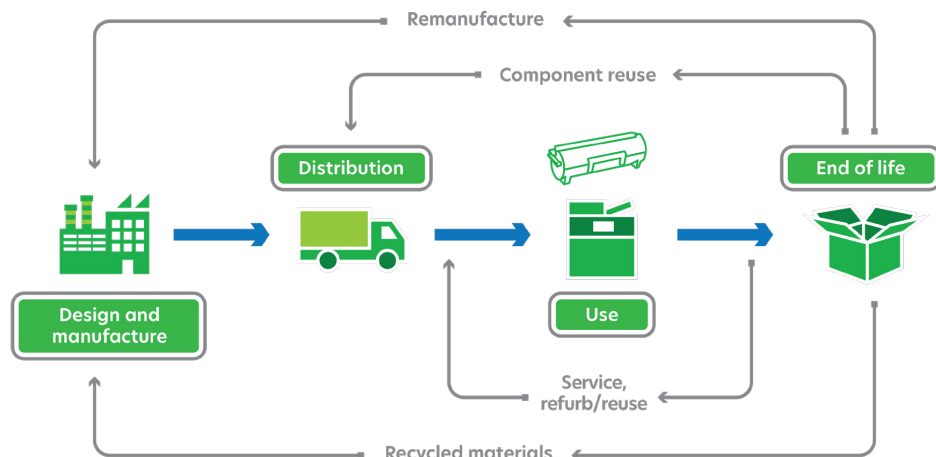
The metal content in Lexmark printers is dominated by steel products, primarily used for the sturdy steel frames, that provide extended product life. Published industry averages indicate that many commercial grades of steel commonly contain between 30 percent and 80 percent recycled content.

## Regulatory insight

### Restriction of hazardous substances

Lexmark evaluates printers, supplies and packaging for compliance to 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. 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 noncompliant 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 deadlines 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 (SDSs) for these toners, where applicable safe handling and health analyses can be found.

Current SDSs are available on the [Lexmark website](#).

<sup>1</sup> PCR calculated using IEEE.1680.2 methodology

<sup>2</sup> Based on the post-consumer recycled materials used in Lexmark's primary imaging equipment sales for 2020 Lexmark branded, in-house technology. PCR calculated using IEEE.1680.2 methodology.



# Return & Recycle

## Product return & recycle

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.

## Cartridge collection

Our extensive cartridge collection network has made Lexmark an industry leader in the recovery, remanufacturing and recycling of used toner cartridges. In 2020, through the efforts of Lexmark customers, nearly 40 percent of the total 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 percent return rates. We estimate the industry average collection rates to be between 20 and 30 percent.

### Extending material life

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 2020, 72 percent of the cartridges and supplies returned to Lexmark were reused. We have established a goal to increase this to 80 percent by 2025.

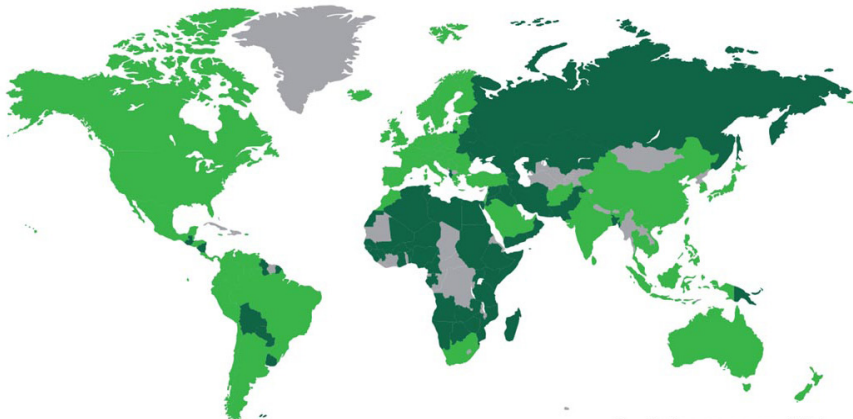
### Lexmark's R2 certified recycling plant

In 2007 Lexmark established a recycling plant in Juarez, Mexico, to provide customers a place to return their empty laser cartridges for responsible end-of-life reuse or recycling. The [LCCP](#) processes approximately 15,000 empty toner cartridges per day. Select components in empty cartridges are removed and reprocessed for reuse. In the last 16 years, Lexmark incorporated more than 67 million pounds 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.

### 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 percent of our global market.



Our collection programs 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

**Goal**

Increase the reuse of cartridges and supplies collected through LCCP to **80%** by 2025

**Progress**

**72%**

**reused**

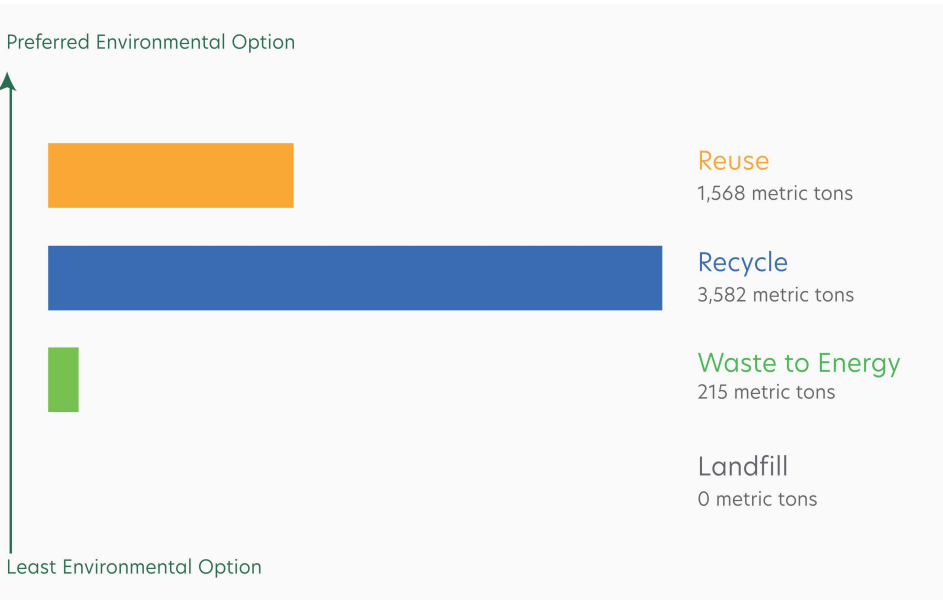
Resource conservation through recycling and reuse

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 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 policy by reusing or recycling cartridges returned from customers.

In 2020, LCCP collected 5,365 metric tons of returned cartridges from our customers. 96 percent or 5,150 metric tons of materials reclaimed from our customers' returned cartridges were reused or recycled. Energy was generated from 4 percent or 215 metric tons of toner waste collected in Brazil, Europe and Asia Pacific. Since 2004, Lexmark has redirected over 135,000 metric tons of material away from landfills using the LCCP.

Reclaimed cartridge material disposal in 2020



Since 1996, Lexmark has reused over 73 million pounds of recovered cartridge material by converting millions of used toner cartridges into Lexmark-certified reconditioned toner cartridges. The eligible cartridges are disassembled and cleaned, and then the critical components are replaced with genuine Lexmark parts. Finally, each reconditioned cartridge is tested to assure the same high quality output and reliable performance as a cartridge with all new components. In 2020, reuse of 173,000 developer rolls and 278,000 photoconductor units in remanufactured cartridges eliminated the need to harvest virgin raw materials resulting in substantial environmental savings.

If a returned cartridge is not a good candidate for reconditioning, 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 [Innovations in cartridge recycling](#), [Lexmark reuses tons of plastic](#), and the [Materials section](#) of the CSR.

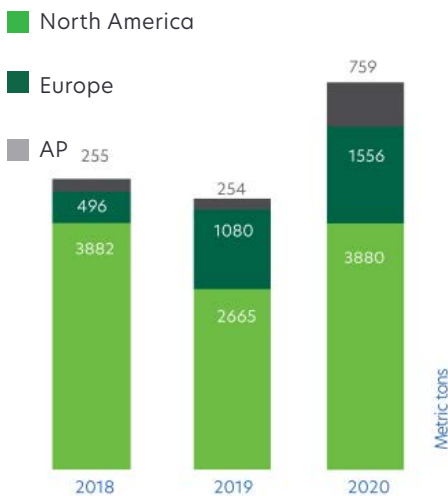
In 2020, we recycled or reused nearly 5,000 metric tons of plastic, metals and packaging, and were able to materially recycle or reuse 100 percent of the reclaimed plastic with 718 metric tons reused in new products and 880 metric tons recycled. Our PCR closed-loop process was used to grind and pelletize 217 metric tons of 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.

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.

### End-of-life electronic product recycling



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.



Click [here](#) to view the R2 certificate.

### 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 6,000 metric tons of electronic waste on behalf of Lexmark in the United States, Canada, Mexico, Europe and Asia Pacific in 2020.

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 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.

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.

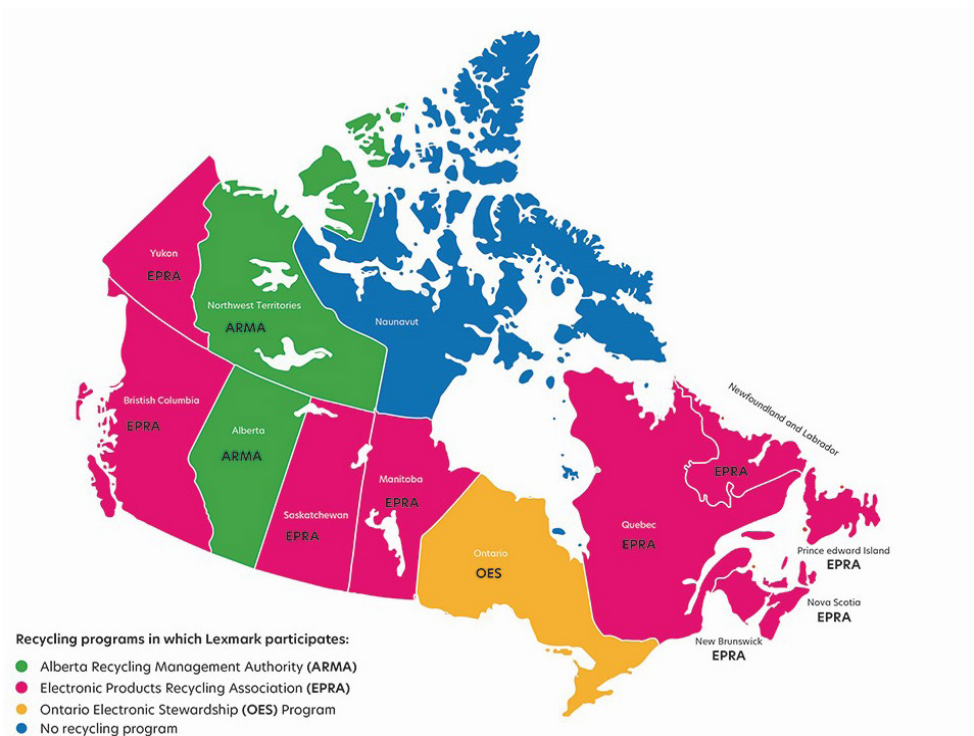
## Europe

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 perception by people. 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 205.

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 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 the 2017 Revised Section 508 of the US Rehabilitation Act of 1973, as amended (29 U.S.C. 794d). 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 ultrafine 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 [here](#) about Blue Angel and Blue Angel-certified Lexmark products.

Visit [ECMA 370/The Eco Declaration](#) for product declarations which include chemical emissions and acoustics summaries.

# 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.

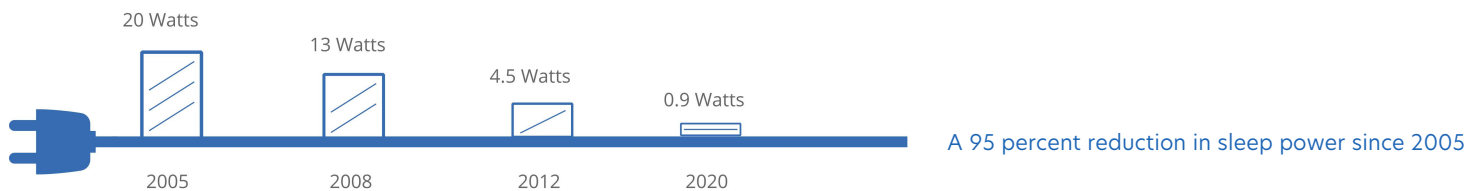


External standards and specifications help shape Lexmark designs. Many Lexmark products meet ENERGY STAR® requirements and ecodeign power consumption requirements of electronic equipment according to European Union requirements (EC 801/2013). Lexmark products save energy by lowering power consumption after a period of inactivity with many consuming less than 2 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 2020, over 87 percent of Lexmark printer and multifunction product models held ENERGY STAR certification. For more information on European Union EC 801/2013, see [Product Certifications](#).

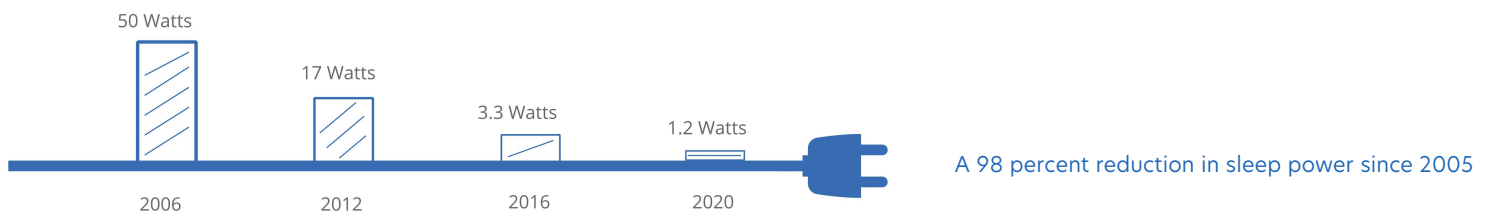
The ENERGY STAR program honors a group of businesses and organizations that have made outstanding contributions to protecting the environment through superior energy achievements. In 2021, Lexmark received the 2021 ENERGY STAR® Excellence in Marketing Award from the U.S. Environmental Protection Agency and the U.S. Department of Energy.

## Power savings evolution: sleep power

### Monochrome laser printers



### Color laser multifunction products



\*Monochrome laser printers and color laser multifunction products considered best in Lexmark's class of products

ENERGY STAR and the ENERGY STAR mark are registered trademarks owned by the U.S. Environmental Protection Agency. ENERGY STAR products are third-party certified by an EPA-recognized Certification Body.

# Packaging

## Sustainable product packaging

We design our packaging with the environment in mind. For every product, the Lexmark packaging team carefully considers the following environmental concerns:

- The amount of packaging used
- The effects of packaging on shipping
- The types of materials used
- The recyclability of packaging materials

During the design phase, Lexmark engineers determine the shipping requirements of each product. They consider the overall size of the product, its shape, and the included accessories. The overall ruggedness of the printer is another significant factor: the more robust the printer is, the less packaging it requires. Less packaging lowers costs, reduces materials disposed in local landfills and ensures that goods are transported in the most efficient manner. These efficiencies result in energy and natural resource savings, and fewer greenhouse emissions. Package design revisions of the Lexmark MS33/43x printers improve container efficiency during shipping by over 30 percent through volume-efficient packaging and utilizing alternate materials. The new design uses 50 percent less plastic, to facilitate an increase in recovery and recycle, and reduces total material by 38 percent. Lexmark commits to reducing single-use plastic packaging by 50 percent from 2018 to 2025. For hardware programs introduced in 2020, we reduced the single-use plastic in packaging by an average of 19 percent.<sup>1</sup>

At Lexmark, we apply this eco-logic not only to printers but also to supplies and service parts. 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. Minimum recycled content of Lexmark packaging materials is 35 percent for corrugated fibreboard and 100 percent for molded pulp.



[Watch](#) how Lexmark recycles waste paper into pulp that's molded into product packaging.



Lexmark catalogs the amount of packaging material used with every product to ensure that designs adhere to a minimalist approach and remain highly recyclable.

## Recycled paper becomes product packaging

Protecting our products with re-designed packaging allows us to reuse material and minimize waste. Lexmark supplies-packaging engineers designed a process to create molded pulp cushions composed of used paper. Cost-effective and practical, these packaging cushions not only provide excellent protection for our cartridges during shipping but can also be recycled. They are made from 100 percent post-consumer waste. In the past two years, our pulp cushions gave over 350 metric tons of used paper a second life protecting our cartridges.

For our efforts on this project, Lexmark was recognized as a Manufacturing Leadership 100 Award winner (ML 100) in the Sustainability Category. Presented by the Manufacturing Leadership Council, the ML100 Awards honor businesses that shape the future of global manufacturing.

## Supplies packaging with reduced carbon footprint

Lexmark packaging engineers design our supplies cartons to reduce their environmental impact while maintaining their structural integrity. The durability of our supplies packaging is put to the test by being 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](#).

<sup>1</sup>Weighted for total sales based on 2018 sales volumes

# 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 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.

One example of our commitment to accessible design is the variety of features offered by the Lexmark CX825dte. It's one of several Lexmark products that offer individuals with vision, mobility or dexterity impairments a control panel that tilts from horizontal to vertical, paper trays that can be closed with less than five pounds of force, built-in voice guidance navigation with a headphone jack for private listening and raised keypad icons. With the Lexmark CX825dte, all workers can conveniently copy, fax, email and scan.

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.

## Accessibility features and solutions



### Tactilely discernible numpad

Raised and outlined buttons with tactile imprints help orient visually impaired users.



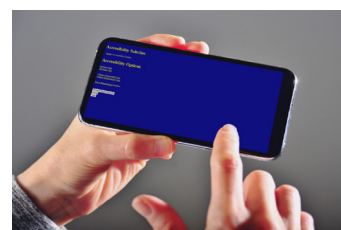
### On-device guidance

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%.



### Paper tray adjustments

Users can adjust paper size in the automatic document feeder and paper trays with a fingertip.



### Headphone jack and 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.



### Expanded interaction options

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



## 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.

### Compatibility with assistive technology

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 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 input from customers with disabilities 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. For example, Lexmark incorporated customer feedback into our latest smart card authentication solution and into our control panels to improve tactility. 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 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 conferences, seminars and share sessions. We send representatives to the annual International Technology and Persons with Disabilities Conference sponsored by California State University, Northridge (CSUN), and participate in monthly webinars sponsored by the U.S. Access Board.

## Accessibility education

To increase awareness of accessibility challenges and inspire innovation, we host educational sessions on the topic of accessibility. We also use online, internal collaboration tools to encourage informal discussion and problem solving.

### Educating solution designers

The Accessibility Council hosts training meetings and webinars to inform Lexmark solution designers about the needs of the disabled community. These meetings may include information on design requirements, methods, and national or international legal design mandates, and involve Lexmark's global development sites in Lexington, Kentucky; Cebu, Philippines; and Kolkata, India. The council also relays the customer information that it collects directly to solution designers to enhance accessibility, and hosts share sessions with development teams to demonstrate how their efforts directly impact accessibility

improvements in Lexmark's products.

### Educating the greater Lexmark community

Lexmark hosts share sessions on accessibility topics to educate the greater Lexmark community about the wants and needs of our customers with disabilities. The council works to increase awareness and collaboration among the various development test functions, Quality Assurance organization, the Usability team and Lexmark Technical Support representatives. 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.

### Educating the sales force

The Lexmark Accessibility Council educates the Lexmark sales force about accessibility issues so that they can then work with our customers' purchasing and IT personnel to find the best solutions for their workforces. This education includes participating in conference calls and hosting webinars for sales teams.

### Educational material

The Lexmark Accessibility Council regularly refreshes and creates training materials and presentations targeted for various groups including internal sales, development and technical support teams, and develops educational material for external customers. This information is maintained and made available on the company's internal network site.

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](mailto: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.



# 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. The following table lists some of these offerings as well as the key environmental benefit they provide.

To see Lexmark's comprehensive software and solutions, please click [here](#).

## SOFTWARE & SOLUTIONS

Lexmark Offer	Description
<b>Energy savings</b> <a href="#">In-Store Capture</a>	Lexmark In-Store Capture's technology designed for retailers and Lexmark's smart MFP platform streamlines paper-based processes, driving greater efficiency and improving security while reducing energy usage.
<b>Reduce paper consumption</b> <a href="#">Distributed Intelligent Capture</a>	Distributed Intelligent Capture transforms the time-consuming and error-prone task of manually processing all types of documents into a fast, effective, automated workflow, enabling digital document usage throughout a process.
<a href="#">Capture apps</a>	Lexmark provides a high-speed "on-ramp" to scan paper into document workflow and the leading document management systems.
<a href="#">GHS Label Printing</a>	Our GHS Label Printing solution enables manufacturers to produce color-printed labels for transporting and using hazardous materials. With color laser printers from Lexmark, time is saved and waste is reduced by on demand printing, only needed labels.
<a href="#">Patient Communication</a>	Lexmark Patient Communication for Healthcare eliminates the need for preprinted stock, clinicians can boost the accuracy of information and patients can easily read, understand and follow health-impacting documents.
<a href="#">Print and Digital Signage</a>	Lexmark Print and Digital Signage streamlines the signing process. Stores print everything they need and nothing they don't, in color and in optimized execution order, this cuts costs by eliminating waste and reduces the time it takes to hang and change signs.
<a href="#">Print Management</a>	As many as 40% of pages are printed unnecessarily due to no visibility and control of printing and copying behavior. Lexmark Print Management eliminates excess printing, allows for better device consolidation and provides user level reporting and controls.
<a href="#">Scan Center</a>	Lexmark Scan Center consolidates all scan-related functions into one sophisticated yet easy-to-use application. This powerful tool enables users to review, enhance and index images, then route to multiple destinations using an intuitive, touch screen interface.
<a href="#">Smart Document Capture for Banking</a>	Banks and financial institutions can achieve time-savings of up to 80% and maintain high data quality by automating the onboarding process while minimizing manual paper handling and distribution.

## SOFTWARE & SOLUTIONS

Lexmark Offer	Description
<a href="#">Smart Document Capture for Government</a>	Government agencies can achieve time-savings of up to 80% and maintain high data quality by automating core government processes such as application case management and recertification while minimizing manual paper handling and distribution.
<a href="#">Smart Document Capture for Insurance</a>	Insurance institutions can achieve time-savings of up to 80% and maintain high data quality by automating core insurance processes such as new application policyholder maintenance and claims while minimizing manual paper handling and distribution.
<a href="#">Scan to Network Folder</a>	Capture an image of a printed document and route the image to a predefined personal or public shared network folder.
<a href="#">Tamper Resistant Prescription Printing</a>	Lexmark's Tamper Resistant Prescription Printing enables printing prescriptions on demand using plain paper. This eliminates expensive and wasteful preprinted forms which must be scrapped with regulation changes.
<a href="#">Testing Assistant</a>	Lexmark's Testing Assistant solution saves time, reduces costs and supports student achievement. Available from virtually any web browser, Testing Assistant leverages the power of Lexmark multifunction printers (MFPs) to create test answer sheets, scan and grade completed tests, and export results to virtually any learning management system.
<a href="#">Training and Certification</a>	The Lexmark Training and Certification solution for manufacturing provides easy access to training materials, tests and pre-populated employee rosters printed directly from a Lexmark multi-function product (MFP). Completed tests are scanned and automatically graded with results linked to the employee record for instant and accurate recording of all employee-training activities.
<a href="#">Downtime Assistant</a>	Ensure 24/7 access to critical documents and reports even if your IT system fails or the network goes down. As documents are updated throughout the day, they are streamed to your printer or MFP and stored on the secure hard disk. *Hard disk required.
<a href="#">RFID Laser Printing</a>	RFID Laser Printing for Manufacturing enables consolidated printing and programming to a single Lexmark multifunction device, reducing confusion and increasing the impact of RFID technology.
<a href="#">Supply Chain Document Optimization</a>	Lexmark's Supply Chain Document Optimization solutions for manufacturing help gain visibility, consolidate devices, raise productivity, lower costs and improve compliance.

# Our People & Partners

Lexmark strives to be the kind of company that communities welcome; the kind of company that people want to work for because we are a company that cares. 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.

## 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. The year 2020 saw a reduction in our annual activities due to the global pandemic and safety guidance to quarantine at home and be socially distant, but we continued to support our long time partnerships and non-profit organizations while in quarantine.



## Response to COVID-19

As the world isolated itself to prevent the spread of COVID-19, Lexmark employees reacted to the many needs that arose while trying to fight the Coronavirus. When personal protective equipment (PPE) became a necessity for healthcare workers, Lexmark employees found innovative ways to contribute and fill the immediate need to protect front line workers by creating polycarbonate face shields. Lexmark's prototyping facility at headquarters was shifted to produce face shields to provide protection from airborne and liquid particles. Within two weeks after the face shields initiative, six more PPE projects began to help area healthcare front line workers. In collaboration with local companies, we were able to create a simplified splash guard face shield, ear guards to hold surgical masks in place, intubations boxes, filtration face masks and nasal swabs.

Lexmark employees in the U.S. and South America served healthcare workers, food banks, nursing homes and community centers by creating face masks sewn from cloth and printed using a 3D printer. Employees also use 3D printers for respirators, face shields and ear guards in Spain.



In the Philippines, employees organized a fundraiser to purchase food and provide monetary support to those serving on the front line and those struggling during the pandemic. Lexmark Cebu partnered with the Cebu City government to print 15,000 educational materials as part of its COVID-19 information drive; an additional 15,000 were printed for nearby Mandaue City.

In India, employees participated in efforts to distribute sanitizer and feed the homeless, migrant laborers, children and elderly. As Indians struggle to meet the essential needs of their families, our dedicated employees in Kolkata gave freely of their time and resources to help their community during this crisis.

Lexmark field service engineers (FSEs) continued to help our customers in hospitals, pharmacies, banks and grocery stores during the pandemic with proper distancing precautions to protect everyone's health. When COVID-19 vaccines were available in the U.S., Lexmark assisted numerous vaccination locations by providing printing devices, supplies and IT services.



## 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 Lexmark participates.

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 to support STEM education. Lexmark has many partnership initiatives with the University of Kentucky. In March 2020, Lexmark and The University of Kentucky Office of Technology Commercialization (OTC) furthered their partnership with a signed license agreement involving a project exploring the recovery and recycling of precious metals. This agreement is related to and in support of a framework agreement for sponsored research and professional services. The technology to be developed under the project is a method for recovering valuable materials from end-of-life devices and reusing these materials in new products. The collaboration led to two University of Kentucky College of Engineering \$10,000 annual scholarships to one woman and one underrepresented minority student majoring in engineering. The scholarships also come with a paid 10-week summer internship at Lexmark headquarters in Lexington.

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. Other areas of support include research, faculty support and program advising, college advisory board membership and various philanthropic activities. Most recently, the event was held virtually. Lexmark's chief sustainability officer, John Gagel, presented information about sustainability and the circular economy.

In Juarez, 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 experience plant operations first-hand. Visits to Lexmark have been focused on problem-solving and improvements in areas such as supply chain, facilities, and lean manufacturing processes.



## 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 Juarez have given generously of their time and financial support to local initiatives through Fondo Unido, the United Way in Mexico, since 2010.

## Building homes for the community

Lexmark is a longtime sponsor of Lexington Habitat for Humanity providing 24 homes to families in need. 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.

## 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.



Official Imaging and Printing Solutions Provider  
of the PGA of America

### 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.

Learn [more](#) about Lexmark's reforestation efforts.

### 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.



### Supporting Veterans

In an effort to raise funds for veterans, Lexmark and Humana, along with GE and Salesforce came together to sponsor an annual stair step race. Since 2013, the sponsors' employees have raced to the top of the Humana Tower in Louisville, Kentucky, to celebrate health and wellness while supporting various veteran-related charities and organizations. In addition, Since 2017, Lexmark has offered a comprehensive printer service training partnership to create meaningful training and career opportunities for U.S. Veterans.



### The Mira Foundation

Lexmark Canada has partnered with the Mira Foundation, a registered charity that offers free guide and service dogs to people living with visual impairments, physical disabilities and/or youth living 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 200 people with 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 such as women and minorities.

Lexmark monitors its 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 giving employees the option of working remotely up to two days a week.

## Employee engagement

Employee engagement is an important part of Lexmark's community and culture. Two-way conversations are encouraged to happen regularly between managers and their team members. The CHRO 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 Lexmark's intranet. In addition, Diversity Network groups sponsor activities that welcome all employees to participate. Lexmark also has a team of environmental advocates that are focused on promoting sustainability activities and education. In the U.S., a tool is available for employees to track health, wellness and sustainability tasks. Many of these tasks are set up in the form of fun competitions and may have monetary advantages.

## Employee feedback

Twice per year, Lexmark employees are asked to respond to a worldwide employee survey which is 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.

## Employee development

Lexmark encourages 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.

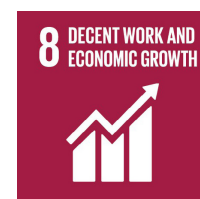
All worldwide employees are directed to work with their managers to create performance objectives that support goals on personal, department, business area, and company levels.

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.

Lexmark offers 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.



## 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.

Lexmark is 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. Lexmark's 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; Juarez, Mexico; and Lexington, Kentucky, have onsite 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 accidental insurance, and dental and vision insurance. Employee profit sharing is available in geographies where it is mandated by law.

Across the globe, Lexmark supports employee family life and offers paid parental time off options to both women and men in addition to flextime, which continues to aid new parents. Flexible schedules, accommodating Mothers Rooms, the options to work remotely (where applicable) and on-site or nearby childcare let parents have positive work experiences.



### U.S. benefits

In the U.S., benefit offerings include employee spouses, domestic partners and dependents. Lexmark offers 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 their 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. Lexmark is 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. Lexmark is 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](#). These policies address nondiscrimination, workplace safety, child labor, forced labor and human trafficking, working hours and minimum ages, and freedom of association and collective bargaining. Lexmark is 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. 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 his position of authority in this regard, is subject to immediate disciplinary measures, up to and including dismissal. Lexmark is committed to public reporting; however, due to reasons of individual privacy and legal limitations, Lexmark 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.

Lexmark upholds the human rights of our employees and treats them with respect as understood by the international community. Lexmark closely monitors 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. Lexmark maintains a good reputation worldwide by ensuring that our practices positively impact the communities where we live and work. Fully 100 percent of our 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 99 percent of the global workforce in 2020.

## Supports International Labour Organization

Lexmark respects the conventions of the International Labour Organization (ILO), which promote workers' rights, fair-employment opportunities, and open channels of communication among employees. Lexmark honors its employees' free choices and complies 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](http://www.etuc.org). Lexmark employees are covered by collective bargaining agreements where required by law, including 7 percent 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.

In our experience, open communication and direct engagement between workers and management are key factors in resolving any workplace issues. Whenever possible, Lexmark typically provides 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. Lexmark requires managers to be trained on the human rights aspects of EEO policies.

## 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*





# Health & Safety

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

ISO 45001:2018 is an international standard providing requirements for an occupational health and safety management system. Lexmark's ISO 45001:2018 management systems provide 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 higher risk activities, representing over 70 percent of Lexmark employees worldwide. Lexmark has not incurred any fines related to health and safety non-compliance in the last five years.

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 in order 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.

A cross-functional subcommittee of Lexmark's Crisis Management Team directed all facilities during the COVID-19 pandemic. Employee health and safety was the top concern. Based on guidance issued by national public health authorities in countries where Lexmark operates, such as Centers for Disease Control and Prevention (CDC) guidance in the U.S., Lexmark mandated work from home where possible and social distance practices where applicable and appropriate by region. The Crisis Management Team continues to monitor the status of the pandemic and communicates regularly with Lexmark employees. Lexmark's CEO also provides regular communications to Lexmark employees.

The Philippine Economic Zone Authority (PEZA) recognized Lexmark Cebu with the COVID-19 Response Award. This award recognizes businesses that provided proof of collaboration between employers, supervisors and employees through workplace safety and health committees to promote and improve COVID-19 response and preparedness.

In Juarez, Mexico, the Lexmark facility's Siempre Seguro program was established to create a Zero Accident culture. Existing safety programs were improved and new ones were added. Ergonomics is one area of continuous focus and improvement. Weekly status meetings and increased engineer training resulted in a significant decrease in ergonomic-related issues. Actions were directed to promote employee participation in accident and work-related illness prevention. A system for employees to submit safety suggestions and observations was implemented and a prize program is used to promote employee participation. The Performance Bonus program was improved with a safety-leading indicator linked to the results of the weekly safety audits. Improved safety communication, awareness and accountability are a large part of the program. The program is periodically reviewed and adjusted based on trends in injury and illness reporting.



Click [here](#) for a full list of ISO 45001:2018 certificates



Click [here](#) for detailed health & safety data



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 nonconformities, 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 offered online, instructor-led, and on-the-job health and safety training annually, and are encouraged to report concerns about health and safety issues. 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 inspections on a regular basis. To ensure that action items are tracked and completed in a timely fashion, they 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 2020 reportable injury and illness rate calculated using OSHA injury and illness recordkeeping and reporting requirements was 0.15 injuries per 100 full-time employees.<sup>1</sup> This is significantly lower than the industry average of 0.6 that includes printer manufacturing.<sup>2</sup> Slip, trip and fall, strain injuries and repetitive motion injuries/illnesses were most frequently reported. (Minor injuries are excluded from injury rate data.) The annual lost workday rate was 0.80 lost workdays per 100 full-time employees. 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.

<sup>1</sup> Reporting facilities listed in the [Employee Data Dashboard](#).

<sup>2</sup> Computer terminal and other computer peripheral equipment manufacturing industry average per the Bureau of Labor Statistics 2019 Industry Injury and Illness Summary Data Report.

# Diversity

## A diverse workforce

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.

## Our stance on racism

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## A unified vision

[Lexmark Diversity Council](#) is a tiered structure comprised of an Executive Diversity Council and Diversity Advisory Council. [Lexmark's Diversity Network Groups \(DNGs\)](#) are instrumental in advising and supporting these efforts. Each entity works in partnership with the others to reframe the current initiatives around diversity worldwide. Lexmark's 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 Lexmark 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.

Lexmark's 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.



## Three-year strategic plan

Lexmark is implementing a three-year strategic plan which includes DEI goals and defined actions the organization will take to achieve them.

- Ensure Leadership Commitment - Leaders should demonstrate their commitment and accountability for modeling behavior that advances DEI
- 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.
- 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.

# 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 health and safety noncompliance or associated fines in 2020.

### 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;

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	<a href="#">Tech Library</a>
Disposal or recycling information	<a href="#">Tech Library</a> , <a href="#">Lexmark CSR report: Return &amp; Recycle</a>
Environmental and social impacts	<a href="#">Regulatory Compliance web page</a> , <a href="#">Lexmark CSR Report: Materials; Supply Chain</a> ; <a href="#">Product Eco Declarations (ECMA 370)</a>
Safety Data Sheets	<a href="#">Regulatory Compliance web page</a> , <a href="#">Lexmark CSR report: Materials</a>

# 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 2020.

## 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 and Cloud Configurations 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).

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

## 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](mailto:privacy@lexmark.com)

Lexmark International, Inc.  
Privacy Mailbox  
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 and diversity, equity and inclusion, as well as our environmental impact.

## Reporting Parameters

This publication is Lexmark's fourteenth 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 2020) includes updates to key programs and performance metrics as well as 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 June 2020. Lexmark was acquired on November 29, 2016, and is now privately owned.

This report has been prepared in accordance with the GRI Standards: Core option. Our reporting is also guided by the ISO 26000 international standard and the Ten Principles of the United Nations Global Compact. Lexmark reviewed and verified all data internally and our Scope 1 and Scope 2 GHG emissions have been [verified by an independent third-party](#), according to World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. Lexmark's CSR report assesses our operations globally. Unless noted, principles and policies referenced in the report apply to worldwide, company-owned locations and to all Lexmark employees. There are no restatements of information from previous reports.

The metrics and goals in this report are established and measured by Lexmark International to deliver a meaningful and accurate description of our performance. 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. Using 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](mailto:sustainability@lexmark.com).



# GRI Index

GRI Standard Title	GRI Standard Number	Disclosure Title	Page/ URL	Remarks	Omission
<b>2020 General Disclosures</b>					
General Disclosures	102-1	Name of the organization	<a href="#">Governance</a>	Lexmark International, Inc.	
General Disclosures	102-2	Activities, brands, products, and services	<a href="#">Governance</a>	Lexmark doesn't sell products that are banned in any market worldwide.	
General Disclosures	102-3	Location of headquarters	<a href="#">Governance</a>	Lexington, Kentucky	
General Disclosures	102-4	Location of operations	<a href="#">Governance</a>		
General Disclosures	102-5	Ownership and legal form		Delaware Corporation owned by a consortium of investors comprised of Ninestar Corporation, PAG Asia Capital (PAG) and Legend Capital Management Co Ltd. (Legend Capital)	
General Disclosures	102-6	Markets served	<a href="#">Governance</a>		
General Disclosures	102-7	Scale of the organization	<a href="#">Data Dashboard Employees</a>		
General Disclosures	102-8	Information on employees and other workers	<a href="#">Data Dashboard Employees</a>		
General Disclosures	102-9	Supply chain	<a href="#">Supply Chain</a>		
General Disclosures	102-10	Significant changes to the organization and its supply chain	<a href="#">GHG Emissions, Supply Chain</a>		
General Disclosures	102-11	Precautionary Principle or approach	<a href="#">Supply Chain, Human Rights Policy, Human Trafficking and Slavery Statement</a>		
General Disclosures	102-12	External initiatives	<a href="#">Stakeholders &amp; Materiality</a>		
General Disclosures	102-13	Membership of associations	<a href="#">Stakeholders &amp; Materiality</a>		
General Disclosures	102-14	Statement from senior decision-maker	<a href="#">Letter from Our CEO</a>		
General Disclosures	102-15	Key impacts, risks, and opportunities	<a href="#">Risks, Opportunities &amp; Impacts</a>		

## GRI Index (continued)

GRI Standard Title	GRI Standard Number	Disclosure Title	Page/ URL	Remarks	Omission
<b>2020 General Disclosures</b>					
General Disclosures	102-16	Values, principles, standards, and norms of behavior	<a href="#">Transparency &amp; Ethics</a>		
General Disclosures	102-17	Mechanisms for advice and concerns about ethics	<a href="#">Transparency &amp; Ethics</a>		
General Disclosures	102-18	Governance structure	<a href="#">Governance Executive Profile</a>		
General Disclosures	102-19	Delegating authority	<a href="#">Governance</a>		
General Disclosures	102-20	Executive-level responsibility for economic, environmental, and social topics	<a href="#">Governance Executive Profile</a>		
General Disclosures	102-21	Consulting stakeholders on economic, environmental, and social topics	<a href="#">Stakeholders &amp; Materiality</a>		
General Disclosures	102-22	Composition of the highest governance body and its committees	<a href="#">Board of Directors</a>		
General Disclosures	102-23	Chair of the highest governance body	<a href="#">Board of Directors</a>	The Chair of Lexmark's Board of Directors is Phillip Cassou. He is not an executive officer of Lexmark.	
General Disclosures	102-24	Nominating and selecting the highest governance body			Confidentiality constraints
General Disclosures	102-25	Conflicts of interest		The members of Lexmark's Board of Directors complete a conflicts of interest questionnaire on annual basis.	
General Disclosures	102-26	Role of highest governance body in setting purpose, values, and strategy		The Board of Directors manages and directs the overall purpose and strategy of Lexmark's business.	
General Disclosures	102-27	Collective knowledge of highest governance body	<a href="#">Board of Directors</a>		

# GRI Index (continued)

GRI Standard Title	GRI Standard Number	Disclosure Title	Page/ URL	Remarks	Omission
<b>2020 General Disclosures</b>					
General Disclosures	102-28	Evaluating the highest governance body's performance		Lexmark became a privately held company in November 2016.	Not applicable
General Disclosures	102-29	Identifying and managing economic, environmental, and social impacts	<a href="#">Risks, Opportunities &amp; Impacts</a>		
General Disclosures	102-30	Effectiveness of risk management processes	<a href="#">Risks, Opportunities &amp; Impacts</a>		
General Disclosures	102-31	Review of economic, environmental, and social topics	<a href="#">Risks, Opportunities &amp; Impacts</a>		
General Disclosures	102-32	Highest governance body's role in sustainability reporting	<a href="#">Governance</a>		
General Disclosures	102-40	List of stakeholder groups	<a href="#">Stakeholders &amp; Materiality</a>		
General Disclosures	102-41	Collective bargaining agreements	<a href="#">Human Rights</a>		
General Disclosures	102-42	Identifying and selecting stakeholders	<a href="#">Stakeholders &amp; Materiality</a>		
General Disclosures	102-43	Approach to stakeholder engagement	<a href="#">Stakeholders &amp; Materiality</a>		
General Disclosures	102-43	Approach to stakeholder engagement	<a href="#">Stakeholders &amp; Materiality</a>		
General Disclosures	102-44	Key topics and concerns raised	<a href="#">Stakeholders &amp; Materiality</a>		
General Disclosures	102-45	Entities included in the consolidated financial statements		Lexmark no longer publicly issues consolidated financial statements.	Not applicable
General Disclosures	102-46	Defining report content and topic Boundaries	<a href="#">Reporting Parameters</a>		
General Disclosures	102-47	List of material topics	<a href="#">Stakeholders &amp; Materiality</a>		
General Disclosures	102-48	Restatements of information	<a href="#">Reporting Parameters</a>		

## GRI Index (continued)

GRI Standard Title	GRI Standard Number	Disclosure Title	Page/ URL	Remarks	Omission
<b>2020 General Disclosures</b>					
General Disclosures	102-49	Changes in reporting	<a href="#">Governance</a>	There are no significant changes from previous reporting periods in the list of material topics and topic boundaries.	
General Disclosures	102-50	Reporting period	<a href="#">Reporting Parameters</a>	January - December 2020	
General Disclosures	102-51	Date of most recent report	<a href="#">Reporting Parameters</a>		
General Disclosures	102-52	Reporting cycle	<a href="#">Reporting Parameters</a>		
General Disclosures	102-53	Contact point for questions regarding the report	<a href="#">Reporting Parameters</a>		
General Disclosures	102-54	Claims of reporting in accordance with the GRI Standards	<a href="#">Reporting Parameters</a>		
General Disclosures	102-55	GRI content index	<a href="#">GRI</a>		
General Disclosures	102-56	External assurance	<a href="#">Reporting Parameters</a>		
<b>MATERIAL TOPICS: OUR OPERATIONS</b>					
<b>Environmental Compliance</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	<a href="#">Environmental Management</a>		
Biodiversity	304-2	Significant impacts of activities, products, and services on biodiversity	<a href="#">Land &amp; Biodiversity</a>		
Biodiversity	304-3	Habitats protected or restored	<a href="#">Land &amp; Biodiversity</a>		
Biodiversity	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	<a href="#">Land &amp; Biodiversity</a>		

# GRI Index (continued)

GRI Standard Title	GRI Standard Number	Disclosure Title	Page/ URL	Remarks	Omission
<b>2020 General Disclosures</b>					
<b>Energy</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Energy	302-1	Energy consumption within the organization	<a href="#">Data Dashboard -Energy</a>		
Energy	302-3	Energy intensity	<a href="#">Data Dashboard - Energy</a>		
Energy	302-4	Reduction of energy consumption	<a href="#">Energy Consumption</a>		
Energy	302-5	Reductions in energy requirements of products and services	<a href="#">Product Energy Use</a>		
<b>Greenhouse gas emissions</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Emissions	305-1	Direct (Scope 1) GHG emissions	<a href="#">Data Dashboard Emissions</a>		
Emissions	305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">Data Dashboard Emissions</a>		
Emissions	305-3	Other indirect (Scope 3) GHG emissions	<a href="#">Data Dashboard Emissions</a>		
Emissions	305-4	GHG emissions intensity	<a href="#">Data Dashboard Emissions</a>		
Emissions	305-5	Reduction of GHG emissions	<a href="#">Greenhouse Gas Emissions</a>		
Emissions	305-6	Emissions of ozone-depleting substances (ODS)	<a href="#">Greenhouse Gas Emissions</a>		
Emissions	305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions	<a href="#">Data Dashboard Emissions</a>		
<b>Waste</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Effluents and Waste	306-1	Water discharge by quality and destination	<a href="#">Water Management</a>		
Effluents and Waste	306-2	Waste by type and disposal method	<a href="#">Waste Management, Data Dashboard Waste</a>		
Effluents and Waste	306-3	Significant spills	<a href="#">Water Management</a>		



## GRI Index (continued)

GRI Standard Title	GRI Standard Number	Disclosure Title	Page/ URL	Remarks	Omission
<b>2020 General Disclosures</b>					
<b>Waste</b>					
Effluents and Waste	306-4	Transport of hazardous waste	<a href="#">Data Dashboard Waste</a>		
Effluents and Waste	306-5	Water bodies affected by water discharges and/or runoff	<a href="#">Water Management</a>		
<b>Water</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Water	303-1	Interactions with water as a shared resource	<a href="#">Water Management</a>		
Water	303-2	Management of water discharge-related impacts	<a href="#">Water Management Data Dashboard-Water</a>		
Water	303-3	Water withdrawal	<a href="#">Water Management Data Dashboard-Water</a>		
Water	303-4	Water discharge	<a href="#">Water Management Data Dashboard-Water</a>		
<b>MATERIAL TOPICS: OUR PEOPLE &amp; PARTNERS</b>					
<b>Anti-corruption</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Anti-corruption	205-1	Operations assessed for risks related to corruption	<a href="#">Transparency &amp; Ethics</a>		
Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	<a href="#">Transparency &amp; Ethics</a>		
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<a href="#">Transparency &amp; Ethics</a>		
<b>Customer Health &amp; Safety</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		

# GRI Index (continued)

GRI Standard Title	GRI Standard Number	Disclosure Title	Page/ URL	Remarks	Omission
<b>2020 General Disclosures</b>					
<b>Customer Health &amp; Safety</b>					
Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories		100% of our significant product families are assessed for health and safety impacts.	
Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		Lexmark did not have any recorded health and safety noncompliance or associated fines in 2020.	
Marketing and Labeling	417-1	Requirements for product and service information and labeling	<a href="#">Product Health &amp; Safety</a>		
<b>Customer Privacy</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<a href="#">Security &amp; Privacy</a>	As of the publication date, we have received no customer complaints regarding any loss or misuse of personal information for the calendar year 2020.	
<b>Ethics</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Transparency &amp; Ethics</a>		
Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labeling		Lexmark did not have any recorded incidents of non-compliance for service information or labeling in 2020.	
Marketing and Labeling	417-3	Incidents of non-compliance concerning marketing communications	<a href="#">Transparency &amp; Ethics</a>	Lexmark did not have any non-compliance concerning marketing communication in 2020.	
Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	<a href="#">Transparency &amp; Ethics</a>	Lexmark has not been subject to any significant fines or nonmonetary sanctions for noncompliance of laws and regulations related to accounting fraud, human rights, workplace discrimination, health and safety or corruption in 2020.	

## GRI Index (continued)

GRI Standard Title	GRI Standard Number	Disclosure Title	Page/ URL	Remarks	Omission
<b>2020 General Disclosures</b>					
<b>Human Rights</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	<a href="#">Human Rights</a>		
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	<a href="#">Data Dashboard Employees</a>		
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	<a href="#">Human Rights</a>		
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<a href="#">Human Rights</a>	At Lexmark, there has never been a situation where employee rights to exercise freedom of association for collective bargaining has been at risk.	
Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	<a href="#">Human Rights, Supply Chain</a>		
Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	<a href="#">Human Rights, Human Trafficking &amp; Slavery Statement</a>		
Security Practices	410-1	Security personnel trained in human rights policies or procedures	<a href="#">Human Rights</a>	All of our security personnel are trained in the Lexmark's policies and procedures for human rights issues and their application to security.	
Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	<a href="#">Human Rights</a>	Lexmark has never been cited for any human rights violations, including the rights of indigenous employees.	
Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	<a href="#">Human Rights</a>		
Human Rights Assessment	412-2	Employee training on human rights policies or procedures	<a href="#">Human Rights</a>		
<b>Labor</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		

# GRI Index (continued)

GRI Standard Title	GRI Standard Number	Disclosure Title	Page/ URL	Remarks	Omission
<b>2020 General Disclosures</b>					
<b>Labor</b>					
Economic Performance	201-3	Defined benefit plan obligations and other retirement plans		Information on Lexmark's defined benefit plan can be found on Lexmark's 5500 filing, this can be found on <a href="#">FreeERISA</a> by searching Lexmark's name.	
Employment	401-1	New employee hires and employee turnover	<a href="#">Data Dashboard Employees</a>		
Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<a href="#">Commitment to Employees</a>		
Employment	401-3	Parental leave	<a href="#">Commitment to Employees</a>		
Training and Education	404-1	Average hours of training per year per employee	<a href="#">Data Dashboard Employees</a>		
Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs	<a href="#">Commitment to Employees</a>		
<b>Occupational Health and Safety</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Occupational Health and Safety	403-5	Worker training on occupational health and safety	<a href="#">Health &amp; Safety</a>		
Occupational Health and Safety	403-8	Workers covered by an occupational health and safety management system	<a href="#">Health &amp; Safety</a>		
Occupational Health and Safety	403-9	Work-related injuries	<a href="#">Data Dashboard Employees</a>		
Occupational Health and Safety	403-10	Work-related ill health	<a href="#">Data Dashboard Employees</a>		

# GRI Index (continued)

GRI Standard Title	GRI Standard Number	Disclosure Title	Page/ URL	Remarks	Omission
<b>2020 General Disclosures</b>					
<b>MATERIAL TOPICS: OUR PRODUCTS</b>					
<b>Innovation</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Management Approach	103-2	The management approach and its components	<a href="#">Materials Return &amp; Recycle</a>		
<b>Materials</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Materials	301-2	Recycled input materials used	<a href="#">Materials</a>		
<b>MATERIAL TOPICS: PRODUCT COMPLIANCE</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality</a>		
Management Approach	103-2	The management approach and its components	<a href="#">Product Health Safety, Stakeholders &amp; Materiality, Product Energy Use, Product Certifications</a>		
<b>Supply Chain Responsibility</b>					
Management Approach	103-1	Explanation of the material topic and its Boundary	<a href="#">Stakeholders &amp; Materiality, Supply Chain</a>		
Procurement Practices	204-1	Proportion of spending on local suppliers	<a href="#">Supply Chain</a>		



# United Nations Global Compact Index



The [United Nations Global Compact](#) 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 against the United Nations Global Compact principles within the content of this 2020 performance update of our Corporate Social Responsibility Report.

Principle Number	Description	Report Section / Links
1	Support and respect protection of internationally proclaimed human rights	<a href="#">Human Rights, Human Rights Policy, Human Trafficking and Slavery Statement, Supply Chain</a>
2	Make sure business is not complicit in human rights abuses	<a href="#">Human Rights, Human Rights Policy, Human Trafficking and Slavery Statement, Supply Chain</a>
3	Uphold freedom of association and the effective recognition of the right to collective bargaining	<a href="#">Human Rights, Human Rights Policy</a>
4	Support elimination of all forms of forced and compulsory labor	<a href="#">Human Rights, Human Rights Policy, Human Trafficking and Slavery Statement</a>
5	Support effective abolition of child labor	<a href="#">Human Rights, Human Rights Policy</a>
6	Eliminate discrimination in employment and occupation	<a href="#">Human Rights, Human Rights Policy, Lexmark Code of Business Conduct</a>
7	Support a precautionary approach to environmental challenges	<a href="#">CSR Policies &amp; Statements, Corporate Social Responsibility Policy, Environmental Health &amp; Safety Policy, Climate Change Policy</a>
8	Undertake initiatives to promote greater environmental responsibility	<a href="#">Energy Consumption, Greenhouse Gas Emissions, Water Management, Waste Management, Land &amp; Biodiversity, Environmental Management, Return &amp; Recycle</a>
9	Encourage the development and diffusion of environmentally friendly technologies	<a href="#">Products Life Cycle, Materials, Emissions, Energy Use, Product Certifications, Return &amp; Recycle, Packaging</a>
10	Work against all forms of corruption, including extortion and bribery	<a href="#">Transparency &amp; Ethics</a>

# United Nations Sustainable Development Goals

Lexmark supports each of the 17 [United Nations Sustainable Development Goals \(SDGs\)](#) through our global initiatives, we are highlighting four goals that align with our business commitments and strategy.

## SUSTAINABLE DEVELOPMENT GOALS



### 6 CLEAN WATER AND SANITATION



Lexmark has many global initiatives focused on water conservation, reuse and watershed restoration. For example, in Juarez, Mexico, a water treatment plant was installed on site to clean and filter water for reuse in site facility operations and manufacturing processes. A rainwater harvesting system was installed in Lexington, Kentucky, to capture storm water for use in site cooling towers. This reduces the need to purchase water and controls excess runoff, preventing erosion and allowing water to naturally enter the groundwater system. Additionally, Lexmark employees participate in an annual creek cleanup on a watershed that is a source of drinking water for a nearby community, and a wildlife habitat for numerous aquatic and terrestrial species. For more details, click [here](#).

### 10 REDUCED INEQUALITIES



Lexmark is committed to a culture that embraces [Diversity, Equity, and Inclusion \(DEI\)](#). Our stated strategic DEI goals include ensuring leadership commitment by holding leaders accountable for modeling behaviors that advance DEI, cultivating and supporting an inclusive culture, and building and maintaining a diverse workforce. We strive for a culture that maximizes the talent, skills, and diversity within the Lexmark community and leads to authentic, empowered participation and a true sense of belonging.

### 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Lexmark products are designed for the circular economy. Lexmark devices are durable and designed for long-life use. Post Consumer Recycled (PCR) [materials](#) are used in both printers and toner cartridges. [The Lexmark Cartridge Collection Program](#) makes recycling easy for users. Cartridges are returned to Lexmark's R2 certified recycling center where they are either remanufactured or [materially recycled or reused](#) for inclusion in new products. Lexmark is an industry leader in the use of PCR plastic content in products. Lexmark-owned sites are ISO 14001, ISO 45001 and ISO 9001 certified. Lexmark has global environmental [goals](#) in place to minimize our ecological footprint, each site monitors consumption toward these goals.

### 15 LIFE ON LAND



Lexmark participates in a number of worldwide [reforestation](#) projects to improve local watersheds and repair damage caused by natural disasters, invasive insects, and deforestation due to human activity. Lexmark employees support [land and biodiversity](#) preservation with volunteer efforts such as community, [creek](#) and road cleanups, and planting a pollinator garden at the headquarters property along with several rain gardens. Lexmark also provides native tree seedlings at no cost for employees to plant at their homes or in the community. Additionally, Lexmark has coordinated the removal of invasive species in impacted watersheds.

# United Nations Sustainable Development Goals



**Goal 1**  
End poverty in all its forms everywhere

**Lexmark's progress**  
[Global Citizenship](#)



**Goal 2**  
End hunger, achieve food security and improved nutrition and promote sustainable agriculture

**Lexmark's progress**  
[Global Citizenship](#)



**Goal 3**  
Ensure healthy lives and promote well-being for all at all ages

**Lexmark's progress**  
[Global Citizenship](#),  
[Health & Safety](#),  
[Commitment to Employees](#)



**Goal 4**  
Ensure inclusive and quality education for all and promote lifelong learning

**Lexmark's progress**  
[Global Citizenship](#),  
[Partnerships](#)



**Goal 5**  
Achieve gender equality and empower all women and girls

**Lexmark's progress**  
[Global Citizenship](#),  
[Diversity](#),  
[Commitment to Employees](#)



**Goal 6**  
Ensure access to water and sanitation for all

**Lexmark's progress**  
[Water Management](#),  
[Land & Biodiversity](#),  
[Cane Run Creek](#), [Global Citizenship](#), KPIs



**Goal 7**  
Ensure access to affordable, reliable, sustainable and modern energy for all

**Lexmark's progress**  
[Energy Consumption](#),  
[Product Energy](#), KPIs



**Goal 8**  
Promote inclusive and sustainable economic growth, employment and decent work for all

**Lexmark's progress**  
[Human Rights](#), [Supply Chain](#), [DEI](#),  
[Commitment to Employees](#), [CSR Policies](#)



**Goal 9**  
Build resilient infrastructure, promote sustainable industrialization and foster innovation

**Lexmark's progress**  
[Global Citizenship](#),  
[Return & Recycle](#),  
[Circular Economy](#), [PCR](#),  
[Innovations in Cartridge Recycling](#)



**Goal 10**  
Reduce inequality within and among countries

**Lexmark's progress**  
[Global Citizenship](#),  
[Human Rights](#),  
[Supply Chain](#), [Diversity](#),  
[Accessibility Solutions](#),  
[Commitment to Employees](#)



**Goal 11**  
Make cities inclusive, safe, resilient and sustainable

**Lexmark's progress**  
[Global Citizenship](#),  
[Risks & Opportunities](#)



**Goal 12**  
Ensure sustainable consumption and production patterns

**Lexmark's progress**  
[KPI](#), [Energy Consumption](#),  
[GHG Emissions](#), [Waste Management](#), [Supply Chain](#), [Materials](#), [Product Energy](#), [Return & Recycle](#)



**Goal 13**  
Take urgent action to combat climate change and its impacts

**Lexmark's progress**  
[GHG Emissions](#),  
[KPIs](#)



**Goal 14**  
Conserve and sustainably use the oceans, seas and marine resource

**Lexmark's progress**  
[Land & Biodiversity](#),  
[Cane Run Creek](#)



**Goal 15**  
Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss

**Lexmark's progress**  
[Global Citizenship](#),  
[Product Life Cycle](#),  
[Land & Biodiversity](#),  
[Reforestation](#), [Monarch Waystation](#)



**Goal 16**  
Promote just, peaceful and inclusive societies

**Lexmark's progress**  
[Global Citizenship](#),  
[Supply Chain](#)



**Goal 17**  
Revitalize the global partnership for sustainable development

**Lexmark's progress**  
[UNGC Index](#), [Global Citizenship](#), [Innovations in Cartridge Recycling](#)

# ISO 26000 Index

Subjects	Issues	References
<b>6.2 ORGANIZATIONAL GOVERNANCE</b>		
6.2	Organizational governance	<a href="#">Governance</a>
<b>6.3 HUMAN RIGHTS</b>		
6.3.3	Due diligence	<a href="#">Human Rights, Supply Chain, Human Trafficking</a>
6.3.4	Human rights risk situations	<a href="#">Human Rights</a>
6.3.5	Avoidance of complicity	<a href="#">Human Rights</a>
6.3.6	Resolving grievances	<a href="#">Human Rights</a>
6.3.7	Discrimination and vulnerable groups	<a href="#">Human Rights, Human Rights Policy, Diversity</a>
6.3.8	Civil and political rights	<a href="#">Human Rights</a>
6.3.9	Economic, social and cultural rights	<a href="#">Human Rights</a>
6.3.10	Fundamental principles and rights at work	<a href="#">Human Rights, Supply Chain, Human Trafficking</a>
<b>6.4 LABOUR PRACTICES</b>		
6.4.3	Employment and employment relationships	<a href="#">Human Rights, Commitment to Employees, Supply Chain</a>
6.4.4	Conditions of work and social protection	<a href="#">Human Rights, Commitment to Employees</a>
6.4.5	Social dialogue	<a href="#">Human Rights</a>
6.4.6	Health and safety at work	<a href="#">Health &amp; Safety, Commitment to Employees</a>
6.4.7	Human development and training in the workplace	<a href="#">Commitment to Employees</a>
<b>6.5 THE ENVIRONMENT</b>		
6.5.3	Prevention of pollution	<a href="#">Greenhouse Gas Emissions, Water Management, Waste Management, Land &amp; Biodiversity, Return &amp; Recycle, Energy Consumption, Energy Use, Emissions</a>
6.5.4	Sustainable resource use	<a href="#">Materials, Greenhouse Gas Emissions, Water Management, Waste Management, Land &amp; Biodiversity, Energy Consumption, Energy Use, Product Life Cycle, Return &amp; Recycle, Packaging</a>
6.5.5	Climate change mitigation and adaptation	<a href="#">Greenhouse Gas Emissions, Energy Consumption, Energy Use, Risks, Opportunities &amp; Impacts</a>
6.5.6		<a href="#">Land &amp; Biodiversity, Water Management</a>

# ISO 26000 Index (continued)

Subjects	Issues	References
<b>6.6 FAIR OPERATING PRACTICES</b>		
6.6.3	Anti-corruption	<a href="#">Transparency &amp; Ethics</a>
6.6.4	Responsible political involvement	<a href="#">Governance</a>
6.6.5	Fair competition	<a href="#">Transparency &amp; Ethics</a>
6.6.6	Promoting social responsibility in the value chain	<a href="#">Supply Chain, Materials, Energy Consumption, Packaging, Human Rights, Human Trafficking</a>
6.6.7	Respect for property rights	<a href="#">Transparency &amp; Ethics, Human Rights</a>
<b>6.7 CONSUMER ISSUES</b>		
6.7.3	Fair marketing, factual and unbiased information and fair contractual practices	<a href="#">Transparency &amp; Ethics, Product Health &amp; Safety</a>
6.7.4	Protecting consumers' health and safety	<a href="#">Product Health &amp; Safety</a>
6.7.5	Sustainable consumption	<a href="#">Product Health &amp; Safety, Packaging, Waste Management, Materials, Product Life cycle, Return &amp; Recycle, Energy Use, Energy Consumption</a>
6.7.6	Consumer service, support, and complaint and dispute resolution	<a href="#">Product Health &amp; Safety, Commitment to Employees</a>
6.7.7	Consumer data protection and privacy	<a href="#">Security &amp; Privacy</a>
6.7.8	Access to essential services	<a href="#">Global Citizenship</a>
6.7.9	Education and awareness	<a href="#">Product Health &amp; Safety, Commitment to Employees</a>
<b>6.8 COMMUNITY INVOLVEMENT AND DEVELOPMENT</b>		
6.8.3	Community involvement	<a href="#">Global Citizenship, Land &amp; Biodiversity, Commitment to Employees</a>
6.8.4	Education and culture	<a href="#">Commitment to Employees, Global Citizenship, Diversity</a>
6.8.5	Employment creation and skills development	<a href="#">Commitment to Employees</a>
6.8.6	Technology development and access	<a href="#">Commitment to Employees, Global Citizenship</a>
6.8.7	Wealth and income creation	<a href="#">Commitment to Employees</a>
6.8.8	Health	<a href="#">Commitment to Employees</a>
6.8.9	Social investment	<a href="#">Global Citizenship</a>



# Data Dashboard - Energy

Total energy: Operations within organization (gigajoules)

2005	2015	2016	2017	2018	2019	2020
1,492,903	938,486	871,287	884,546	813,635	806,467	673,039

## ELECTRICITY PURCHASED

Lexington, KY, U.S.	153,763	142,552	129,559	105,194	96,623	84,105
Boulder, CO, U.S.	188,224	186,276	185,364	173,986	181,014	143,921
Juarez, Mexico	121,047	113,157	105,985	100,584	100,208	90,158
Cebu City, Philippines	40,911	40,302	35,502	30,283	25,967	19,608
Kolkata, India	9,973	9,973	9,200	7,354	6,458	6,008
Budapest, Hungary	4,626	3,327	3,284	1,986	1,826	860
Other	58,056	57,299	56,244	44,233	38,895	34,626
<b>Total</b>	<b>576,600</b>	<b>552,886</b>	<b>525,138</b>	<b>463,620</b>	<b>450,991</b>	<b>379,286</b>

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

2005	2015	2016	2017	2018	2019	2020
0.179	0.206	0.189	0.191	0.207	0.207	0.188

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

	2015	2016	2017	2018	2019	2020
Lexington, KY, U.S.	267,881	256,735	241,309	202,494	191,093	174,233
Boulder, CO, U.S.	274,088	280,518	324,909	339,953	359,620	275,502
Juarez, Mexico	245,098	186,282	172,687	156,044	164,303	148,697
Cebu City, Philippines	44,219	42,337	36,402	30,668	26,646	20,121
Kolkata, India	12,063	10,686	9,479	7,896	6,926	6,325
Budapest, Hungary	6,649	5,894	5,593	3,826	3,634	2,381
Other	88,488	88,835	94,167	72,755	54,245	45,779

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

Direct energy by type	2015	2016	2017	2018	2019	2020
Natural Gas	326,879	284,539	319,685	320,027	340,625	156,505
Diesel/gas oil	35,007	33,862	39,723	29,988	14,851	10,343
<b>Total</b>	<b>361,886</b>	<b>318,401</b>	<b>359,408</b>	<b>350,015</b>	<b>355,476</b>	<b>166,848</b>

# Data Dashboard - Energy (continued)

Indirect energy by type and location						
ELECTRICITY PURCHASED	2015	2016	2017	2018	2019	2020
Lexington, KY, U.S.	153,763	142,552	129,559	105,194	96,623	84,105
Boulder, CO, U.S.	188,224	186,276	185,364	173,986	181,014	143,921
Juarez, Mexico	121,047	113,157	105,985	100,584	100,208	90,158
Cebu City, Philippines	40,911	40,302	35,502	30,283	25,967	19,608
Kolkata, India	9,973	9,973	9,200	7,354	6,458	6,008
Budapest, Hungary	4,626	3,327	3,284	1,986	1,826	860
Other	58,056	57,299	56,244	44,233	38,895	34,626
<b>Total</b>	<b>576,600</b>	<b>552,886</b>	<b>525,138</b>	<b>463,620</b>	<b>450,991</b>	<b>379,286</b>

## Energy consumption boundary and accounting methodology

### Organizational boundary

Reported data covers the 2020 calendar year. Energy use data represents approximately 100 percent of Lexmark's 2020 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

2005	2015	2016	2017	2018	2019	2020
4,545,407	4,602,342	4,633,431	3,938,007	3,893,340	3,893,340	3,576,742

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.

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

## Total Scope 1 and 2 GHG emissions (Metric tons CO<sub>2</sub>e)

	2005	2015	2016	2017	2018	2019	2020
Scope 1 Direct	28,679	20,857	19,326	21,352	21,134	20,687	11,107
Scope 2 Indirect	185,223	102,081	94,777	93,892	82,006	76,249	69,462
<b>Total Scope 1 and 2 GHG Emissions</b>	<b>213,902</b>	<b>122,938</b>	<b>114,103</b>	<b>115,244</b>	<b>103,140</b>	<b>96,936</b>	<b>80,569</b>

## Scope 1 and 2 GHG emissions intensity (Metric tons CO<sub>2</sub>e/sq ft)

	2015	2016	2017	2018	2019	2020
Scope 1 Direct	0.0046	0.0042	0.0046	0.0054	0.0053	0.0031
Scope 2 Indirect	0.0225	0.0206	0.0203	0.0209	0.0196	0.0194
<b>Total Scope 1 and 2 GHG Emissions</b>	<b>0.0270</b>	<b>0.0248</b>	<b>0.0249</b>	<b>0.0263</b>	<b>0.0249</b>	<b>0.0225</b>

## Greenhouse gas emissions by scope and type (Metric tons CO<sub>2</sub>e)

Scope 1 emissions	2015	2016	2017	2018	2019	2020
Natural Gas	17,409	15,288	17,431	17,723	18,200	8,451
Diesel/gas oil	152	144	95	42	56	42
Refrigerants	1,083	1,715	1,285	1,356	1,444	1,920
Owned vehicles/transportation fleet	2,213	2,179	2,541	2,013	987	694
<b>Total</b>	<b>20,857</b>	<b>19,326</b>	<b>21,352</b>	<b>21,134</b>	<b>20,867</b>	<b>11,107</b>
Scope 2 emissions	2015	2016	2017	2018	2019	2020
Electricity (purchased)	102,081	94,777	93,892	82,006	76,249	69,462

# Data Dashboard - Emissions (continued)

## Electricity (purchased)

Scope 3 emissions	2015	2016	2017	2018	2019	2020
Purchased Goods and Services (Category 1)	-	251,795	266,474	171,717	257,364	205,434
Capital Goods (Category 2)	-	7,114	15,296	20,256	12,202	10,818
Upstream Transport (Category 4)	-	21,890*	11,615	10,101	7,949	8,539
Waste in Operations (Category 5)	-	Negligible	Negligible	Negligible	Negligible	Negligible
Business Travel (Category 6)	17,634	17,821	12,256	8,000	7,219	1,316
Employee Commuting (Category 7)	-	25,262	15,929	14,525	13,674	5,144
Downstream Transport (Category 9)	-	-	-	-	1,739	1,153
Use of Sold Products, Direct Emissions - Energy use of product	-	598,008	615,090	528,346	641,557	278,473
Use of Sold Products, Upstream Transport (Categories 11, 4) Direct and Indirect Emissions, Including Paper	-	14,164,318	14,607,209	14,511,763	14,697,124	9,839,203
Use of Sold Products, Upstream Transport (Categories 11, 4) Direct and Indirect Emissions, Excluding Paper	-	2,459,408	2,616,667	2,708,032	2,946,658	2,189,534
End of Life Treatment of Sold Products (Category 12)	-	2,202	2,356	2,468	2,202	1,903
Downstream Leased Assets (Category 13)	24,841	22,862	19,254	8,112	2,870	423

## 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; Juarez, Mexico; Kolkata, India; Budapest, Hungary; and estimated for U.S. leased offices, representing 87 percent of Lexmark's 2020 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 reported for Lexington, Kentucky; Juarez, Mexico; Cebu City, Philippines; and Kolkata, India, representing 78 percent of Lexmark's 2020 square footage of occupied space.
- Scope 1 vehicle data was provided from sites in the United States, Canada and Switzerland; Austria, Germany; Budapest, Hungary; Juarez, Mexico; Shenzhen, China; Kolkata, India; and Cebu City, Philippines. Leased/owned vehicle reports are provided by rental agencies and/or site estimations.

# Data Dashboard - Emissions (continued)

## GHG consumption boundary and accounting methodology

- Scope 1 fossil fuel data was reported by the following Lexmark sites: Lexington, Kentucky; Boulder, Colorado; Cebu City, Philippines; Juarez, Mexico; Kolkata, India; Budapest, Hungary; and estimated for U.S. leased offices, representing 87 percent of Lexmark's 2020 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 reported for Lexington, Kentucky; Juarez, Mexico; Cebu City, Philippines; and Kolkata, India, representing 78 percent of Lexmark's 2020 square footage of occupied space.
- Scope 1 vehicle data was provided from sites in the United States, Canada and Switzerland; Austria, Germany; Budapest, Hungary; Juarez, 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 percent of Lexmark owned and leased locations using the operational control approach. Data prior to the 2015 base year will not be recalculated.

Scope 1 and 2 GHG emission intensity is calculated per Lexmark square footage.

### Square footage

2015	2016	2017	2018	2019	2020
4,545,407	4,602,342	4,633,431	3,928,007	3,893,340	3,576,742

### 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.

### Scope 3 GHG emissions

Category	Description	Scope/Methodology
Category 1	Purchased Goods and Services	Lexmark conducts Life Cycle Assessments (LCAs) of our imaging equipment in accordance to 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 will be used to report estimated emissions for Purchased Goods and Services, as well as other Scope 3 categories. Assumptions and methodology behind our LCAs may be found in our EPDs, which are published according to ISO 14045 and third party verified for completeness and accuracy. A small amount of dot matrix printers and acquisition laser models are not included. 2020 reporting does not include full cartridge impacts; but will be a goal of future reporting.



# Data Dashboard - Emissions (continued)

## Scope 3 GHG emissions (continued)

Category	Description	Scope/Methodology
Category 2	Capital Goods	Assessed using average-spend based method and emission factors from Embodied Energy and Emission Intensity Data (3E1D) published by the National Institute for Environmental Studies Center for Global Environmental Research.
Category 3	Fuel and energy related activities not accounted for in Scope 1 and 2	Not applicable to Lexmark at this time.
Category 4	Upstream Transport	Emissions provided by transport partner for road, air and sea transport. *U.S. transport data as calculated through the US EPA SmartWay tool included in 2016 only.
Category 5	Waste in Operations	Emissions resulting from non-hazardous and hazardous waste disposal at Lexmark reporting locations (see Waste Management section/Waste Dashboard for locations) assessed using the waste-type-specific method where emissions factors are published. The following sources were used: U.S. Environmental Protection Agency's (EPA) Waste Reduction Model (WARM), Version 14, Waste Sector GHG Protocol Calculation Tool, Version 5, October 2013, Institute for Global Environmental Strategies (IGES) GHG Simulation Version II, and David A. Turner*, Ian D. Williams, Simon Kemp, "Greenhouse gas emission factors for recycling of source-segregated waste materials" (2015).
Category 6	Business Travel	Covers business travel worldwide based on availability of data. 2020 reporting covers data as reported for U.S. (rentals and fleet vehicles), Canada (rentals and fleet vehicles), Kolkata, Cebu, Shenzhen, Juarez, Switzerland, Austria, Germany and Budapest. Air travel is currently reported for locations worldwide using our primary corporate travel agencies. We estimate that the data not currently reported is minimal. Leased vehicle reports are provided by rental agencies. Travel agency partners provide reports for business travel via air.
Category 7	Employee Commuting	Estimated using the average data method. When available, average annual working days data was sourced for representative geographies. Vehicle types and average commute distances were primarily based on a U.S. transportation survey, with inputs from geographies where data existed. The World Resources Institute (2015) GHG Protocol tool for mobile combustion, Version 2.6 was used for calculation in 2016. The National Household Transport Survey was used for calculation in 2017 through 2019.
Category 8	Upstream Leased Assets	Not applicable at this time.
Category 9	Downstream Transport	Data provided by transport partner.
Category 10	Processing of Sold Products	Not assessed at this time.
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.
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.

# Data Dashboard - Emissions (continued)

<b>Category 14</b>	Franchises	Not applicable to Lexmark at this time.
<b>Category 15</b>	Investments	Not applicable to Lexmark at this time.

## Regulated air emissions (U.S. short tons per year)

<b>Methane</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Lexington, KY, U.S.	0.12	0.11	0.12	0.10	0.10	0.10
<b>Volatile organic compounds (non-methane)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Boulder, CO, U.S.	4.28	5.06	4.44	2.95	2.46	1.51
Lexington, KY, U.S.	0.31	0.29	0.31	0.23	0.24	0.25
Juarez, Mexico	34.04	16.60	19.08	22.66	17.79	22.004
<b>SO<sub>x</sub></b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Lexington, KY, U.S.	0.06	0.04	0.05	0.03	0.03	0.03
Juarez, Mexico	0.03	0.02	0.02	0.02	0.02	0.016
<b>NO<sub>x</sub></b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Lexington, KY, U.S.	5.49	5.15	5.52	4.23	4.31	4.49
Juarez, Mexico	3.15	1.86	1.69	1.41	1.63	1.488
<b>CO<sub>2</sub></b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Boulder, CO, U.S.	347.90	379.00	428.00	433	491	385
Lexington, KY, U.S.	6,038.81	5,895.01	6,317.70	4,988.62	4,988.62	5,257,510
Juarez, Mexico	4,009.65	2,361.45	2,151.11	1,788.49	2,067.72	1,891.94
<b>Particulate matter (PM10)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Boulder, CO, U.S.	0.06	0.06	0.06	0.06	0.06	0.04
Lexington, KY, U.S.	0.41	0.39	0.42	0.32	0.30	0.26
Juarez, Mexico	0.24	0.14	0.13	0.11	0.12	0.11
<b>Hazardous air pollutants</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Boulder, CO, U.S.	0.17	0.27	0.31	0.25	0.23	0.15
Lexington, KY, U.S.	0.09	0.09	0.08	0.08	0.08	0.62
<b>Toxic release inventory (TRI)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Boulder, CO, U.S.	1.89	1.77	1.97	1.45	1.03	0.62
<b>Registro de Emisiones y Transferencia de Contaminantes (RETC)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Juarez, Mexico	3,113.03	1,831.84	1,667.12	1,381.17	1,590.61	1,457.80

\*Data is not available at this time and will be updated when received.

# Data Dashboard - Emissions (continued)

## 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, Colorado 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 percent with a target to achieve 50 percent by 2025 since our baseline year of 2015. An error was identified in the program that calculates Volatile Organic Compounds (non-methane), CO2 and Hazardous Air Pollutant at the Boulder location. The 2016 data reflects the program change; prior years have not been recalculated.

## Data Dashboard - Water

Total water withdrawal (m3)

2005	2015	2016	2017	2018	2019	2020
1,030,342	459,189	498,338	470,464	366,861	300,917	287,271

Water reuse<sup>1</sup> (m<sup>3</sup>)

	2016	2017	2018	2019	2020
Amount of water reused (m <sup>3</sup> )	33,606	41,714	65,617	59,189	43,964
Percent reuse (based on total water use)	6.6	8.6	15.8	16.4	15.3

Water withdrawal by facility (m<sup>3</sup>)

	2015	2016	2017	2018	2019	2020
Lexington, KY, U.S.	188,421	179,958	177,153	103,543	80,524	71,618
Boulder, CO, U.S.	96,904	91,809	98,503	96,479	82,138	81,585
Juarez, Mexico	118,001	166,573	131,259	115,400	107,441	117,630
Cebu City, Philippines (LRDC)	23,109	26,337	27,286	22,257	20,452	9,303
Kolkata, India	4,930	4,925	4,918	5,027	4,712	2,232
Budapest, Hungary	2,976	3,224	3,774	2,539	2,123	1,014
Shenzhen, China	1,110	1,036	2,324	3,187	3,527	3,508
Other	14	-	843	-	-	381

# Data Dashboard - Water (continued)

## 2020 Water withdrawal by source (m³)

	All areas	All areas with water stress
Surface water (total)	17,758	0
Ground water (total)	0	0
Seawater (total)	0	0
Produced water (total)	0	0
Third-Party (total)	269,513	210,750
Surface water		93,120
Groundwater		117,630
Seawater		0
Produced water		0
Total water withdrawal	287,271	210,750

\*All water withdrawn is Freshwater ( $\leq 1,000$  mg/L Total Dissolved Solids)

## 2020 Water discharge by source (m³)

	All areas	All areas with water stress
Water discharge by destination		
Surface water	0	
Groundwater	0	
Seawater	0	
Third-party water (total)	187,195	146,813
Third-party water sent for use to other organizations	0	
Total water withdrawal	187,195	146,813

\*Discharged water is Freshwater ( $\leq 1,000$  mg/L Total Dissolved Solids) without treatment

<sup>1</sup> 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 - Water (continued)

## Water discharge by facility (m³)

	2015	2016	2017	2018	2019	2020
<b>Lexington, KY, U.S.</b>						
Sanitary Sewer	94,712	98,925	100,116	75,102	45,317	35,479
Creek	10,606	10,908	5,826	0	0	0
Evaporation/Losses	83,103	70,125	71,211	28,441	35,207	36,139
<b>Boulder, CO, U.S.</b>						
Sanitary Sewer	30,681	22,130	37,843	37,465	40,516	49,408
Use in product/ evaporation/losses	66,223	69,679	60,271	58,479	41,554	32,177
Landfill	-	-	389	535	68	0
<b>Juarez, Mexico</b>						
Sanitary Sewer	118,001	58,486	95,819	77,400	78,432	85,870
Evaporation	-	54,636	35,440	38,000	29,009	31,760
Use in product/losses	-	53,451	-	-	-	-
<b>Cebu City, Philippines (LRDC)</b>						
Sanitary Sewer	23,109	26,337	27,286	22,257	20,452	9,303
<b>Kolkata, India</b>						
Sanitary Sewer	4,930	4,925	4,918	5,027	4,712	2,232
<b>Budapest, Hungary</b>						
Sanitary Sewer	2,976	3,224	3,774	2,539	2,123	1,014
<b>Shenzhen, China</b>						
Sanitary Sewer	1,110	1,036	2,324	3,187	3,527	3,508
<b>Other</b>						
Sanitary Sewer	14	-	843	-	-	381

## 2020 Water consumption (m³)

2020	All areas	All areas with water stress
<b>Total water consumption</b>	100,076	100,076



# Data Dashboard - Water (continued)

Water consumption (m<sup>3</sup>)

Facilities with Water Stress	Water withdrawal		Water Consumption
	Surface water	Third-party water	Total
Juarez, Mexico	0	117,630	31,760
Boulder, CO, U.S.	0	81,585	32,177
Cebu City, Philippines (LRDC)	0	9,303	0
Kolkata, India	0	2,232	0

## Water boundary and accounting methodology

### Organizational boundary

Reported data covers the 2020 calendar year. Lexmark calculates water data for all owned and operated sites and includes a portion of leased spaces as data is available. The 2020 water data represents approximately 87 percent of Lexmark's 2019 estimated square footage of Lexmark occupied space. Slight changes may occur in the reporting boundary for location changes and/or operational control. Available data for these locations will be placed in "Other".

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.

Metered readings and utility bills were used to calculate and/or estimate water withdrawal and water reuse. Water data in Kolkata, India was recalculated for 2015-2019 and records have been updated to reflect the new data. Water data was recalculated at the Boulder location between 2013 and 2016 as a new calculation methodology allowed for a better estimate of actual water withdrawal at this location, resulting in updated data for this individual location and total water reported. New meters were also installed at the facility in Boulder, allowing for greater accuracy in reporting. The 2005 Total Water Withdrawal has not been recalculated and represents the reporting boundary and calculation methodology used during that year.

Wastewater from Lexmark operations is primarily discharged to local utility systems (sanitary sewer) for treatment, but is not metered at many of our reporting

locations; discharge to the local utility is assumed to be equivalent to withdrawal. Prior to 2016 reporting, Lexmark conservatively reported 100 percent discharge of wastewater to the local utility for Juarez and Boulder due to lack of metered wastewater data. Data was available in Boulder to allow for the delineation of wastewater discharge details. The reporting of data in Juarez began in 2016.

# Data Dashboard - Waste

## Total waste generation enterprise level (metric tons)

	2015	2016	2017	2018	2019	2020
Non-Hazardous	19,827	16,986	14,052	13,129	11,173	8,068
Hazardous	465	616	569	591	268	166
Total	20,292	17,602	14,621	13,721	11,441	8,234

## Total waste generation facility level (metric tons)

	2015	2016	2017	2018	2019	2020
Lexington, KY, USA	1,228	1,253	1,190	1,030	1,029	690
Boulder, CO, USA	2,833	3,490	3,059	2,553	2,289	1,594
Juarez, Mexico, Manufacturing	4,815	4,507	4,040	3,771	3,070	2,182
Juarez, Mexico, LCCP Recycling Plant <sup>1</sup>	11,345	8,132	6,170	6,177	4,868	3,708
Cebu City, Philippines (Research & Dev)	70	144	163	189	184	60

## Non-hazardous waste generation facility level (metric tons)

	2015	2016	2017	2018	2019	2020
Lexington, KY, USA	1,209	1,235	1,177	1,028	1,028	688
Boulder, CO, USA	2,794	3,438	3,041	2,535	2,264	1,576
Juarez, Mexico, Manufacturing	4,425	3,988	3,535	3,249	2,903	2,063
Juarez, Mexico, LCCP Recycling Plant <sup>1</sup>	11,332	8,124	6,163	6,176	4,865	3,706
Cebu City, Philippines (Research & Dev)	67	125	136	142	112	36

## Data Dashboard - Waste (continued)

### Hazardous waste generation facility level (metric tons)

	2015	2016	2017	2018	2019	2020
Lexington, KY, USA	19	17	13	2	1.4	2
Boulder, CO, USA	39	52	17	19	25	18
Juarez, Mexico, Manufacturing	390	519	505	522	167	120
Juarez, Mexico, LCCP Recycling Plant <sup>1</sup>	13	9	6	1	2.4	3
Cebu City, Philippines (Research & Dev)	4	19	27	47	73	24

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

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

	2015	2016	2017	2018	2019	2020
Reuse	5,706	1,936	1,747	1,659	1,519	1,278
Recycling	11,133	10,549	9,088	8,801	7,467	5,330
Composting	10	12	10	8	8	8
Energy Recovery	847	1,527	810	721	796	598
Incineration	136	439	300	347	139	63
Deep well injection	-	-	-	-	-	-
Landfill	2,461	3,139	2,665	2,185	1,512	958
On-site storage	-	-	-	-	-	-
Water Treatment	-	-	-	-	-	-
<b>Total</b>	<b>20,292</b>	<b>17,602</b>	<b>14,052</b>	<b>13,721</b>	<b>11,441</b>	<b>8,234</b>

## Data Dashboard - Waste (continued)

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

	2015	2016	2017	2018	2019	2020
Reuse	5,475	1,923	1,501	1,441	1,349	1,062
Recycling	5,564	5,801	4,381	4,536	3,314	2,350
Composting	-	-	-	-	-	-
Energy Recovery	6	8	37	80	113	208
Incineration	-	-	-	-	-	-
Deep well injection	-	-	-	-	-	-
Landfill	300	400	251	120	91	88
On-site storage	-	-	-	-	-	-
Water Treatment	-	-	-	-	-	-
<b>Total</b>	<b>11,345</b>	<b>8,132</b>	<b>6,170</b>	<b>6,177</b>	<b>4,868</b>	<b>3,708</b>

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

	2015	2016	2017	2018	2019	2020
Reuse	5,706	1,936	1,747	1,659	1,519	1,278
Recycling	11,131	10,543	9,074	8,757	7,400	5,313
Composting	10	12	10	8	8	8
Energy Recovery	715	1,402	731	684	753	560
Incineration	134	437	299	344	131	57
Deep well injection	-	-	-	-	-	-
Landfill	2,130	2,656	2,191	1,677	1,363	853
On-site storage	-	-	-	-	-	-
Water Treatment	-	-	-	-	-	-
<b>Total</b>	<b>19,826</b>	<b>16,986</b>	<b>14,052</b>	<b>13,129</b>	<b>11,173</b>	<b>8,068</b>

# Data Dashboard - Waste (continued)

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

	2015	2016	2017	2018	2019	2020
Reuse	-	-	-	-	-	-
Recycling	2	6	15	43	67	17
Composting	-	-	-	-	-	-
Energy Recovery	132	125	79	37	43	38
Incineration	1	2	1	3	8	6
Deep well injection	-	-	-	-	-	-
Landfill	330	483	475	508	150	105
On-site storage	-	-	-	-	-	-
Water Treatment	-	-	-	-	-	-
Total	465	616	569	591	268	166

2020 Non-hazardous waste generation by type (metric tons)

	General	Recyclables	Ink/water mix or other liquid	Construction debris	Batteries	Electronic scrap
Lexington, KY, USA	122	390	11	-	-	165
Boulder, CO, USA	142	1,017	403	11	0.06	2
Juarez, Mexico, Manufacturing	1,021	945	97	-	-	-
Juarez, Mexico, LCCP Recycling Plant <sup>1</sup>	569	3,094	38	-	-	4
Cebu City, Philippines (Research & Dev.)	29	7	0.5	-	-	16

2020 Hazardous waste generation by type (metric tons)

	Ignitables/solvents	Metals	Corrosive	Mercury/ Lamps	Other
Lexington, KY, USA	0.6	1	-	-	0.7
Boulder, CO, USA	10	0.2	5	0.6	2
Juarez, Mexico, Manufacturing	18	-	-	0.6	101
Juarez, Mexico, LCCP Recycling Plant <sup>1</sup>	2	-	-	-	1
Cebu City, Philippines (Research & Dev.)	2	-	2	0.6	3

# Data Dashboard - Waste (continued)

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

(Metric tons)	HW Transported			HW Imported			HW Exported			HW Treated		
	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
Lexington, KY, USA	2	1	2	-	-	-	-	-	-	2	1	2
Boulder, CO, USA	18	25	18	-	-	-	-	-	-	18	25	18
Juarez, Mexico, Manufacturing	522	167	120	-	-	-	-	-	-	522	167	120
Juarez, Mexico, LCCP Recycling Plant <sup>1</sup>	1	2	3	-	-	-	-	-	-	1	2	3
Cebu City, Philippines (Research & Dev.)	19	73	24	-	-	-	-	-	-	19	73	24

## Hazardous waste shipped internationally

(%)	2017	2018	2019	2020
Lexington, KY, USA	-	-	-	-
Boulder, CO, USA	-	-	-	-
Juarez, Mexico, Manufacturing	-	-	-	-
Juarez, Mexico, LCCP Recycling Plant <sup>1</sup>	-	-	-	-
Cebu City, Philippines (Research & Dev.)	-	-	-	-

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

## Total electronics waste recycling (metric tons)

	2020	2020
	Voluntary	Regulated
USA	3072	627
Canada	-	177
EU	-	1556
Mexico	4	-
India	5	-
Asia Pacific	-	754



# Data Dashboard - Employees

2020 Global Workforce	Employees	% Women	New Hires
Asia Pacific	2,267	49%	315
Europe, Middle East, Africa	1,024	42%	142
Latin America	2,478	46%	1,021
North America	1,955	25%	185
<b>Total Employees</b>	<b>7,724</b>	<b>41%</b>	<b>1,663</b>

2020 By Job level	Employees	% Women	Average Training Hours
Senior Vice President	8	25%	21
Vice President	20	15%	21
Director	106	27%	21
Senior Manager	85	28%	35
Manager	687	37%	35
Individual Contributor	6,818	42%	35
<b>Total</b>	<b>7,724</b>	<b>41%</b>	

The average number of hours for training is 34.9 for women, 34.7 for men. Averages based on the corporate-level systems capturing employee development activities, not including formal education supported by Lexmark.

2020 By Employment type	Employees	% Women
Full Time	7,668	41%
Part time	56	91%
<b>Total</b>	<b>7,724</b>	<b>41%</b>

<b>2020</b>		
Temporary Employees	52	48%
Contingent Workers	1,815	Gender not reported

2020 Worldwide by Age	Total Workforce
30 and under	19%
31-50	62%
51 and over	19%

Lexmark's worldwide minimum age is 18.

2020 US Minorities	
Workplace	17%
Management	14%
New Hires	22%

## 2020 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	
	Total	% Women	Total	% Women	Total	% Women	Total	% Women	Total	% Women
Boulder, Colorado	3.43	33%	0	0%	1.20	0%	0	n/a	Not Reported	
Budapest, Hungary	0	0%	0	0%	0	0%	0	n/a	Not Reported	
Cebu, Philippines	0	0%	0	0%	0	0%	0	n/a	Not Reported	
China	0	0%	0	0%	0	0%	0	n/a	Not Reported	
Juarez, Mexico	0.12	100%	0	0%	2.24	100%	0	n/a	Not Reported	
Lexington/U.S. sales & home offices	0.14	33%	0	0%	0.75	0%	0	n/a	Not Reported	
<b>Total</b>	<b>0.15</b>	<b>33.33%</b>	<b>0</b>	<b>0%</b>	<b>0.80</b>	<b>77%</b>	<b>0</b>	<b>n/a</b>	<b>Not Reported</b>	

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