



# Corporate Social Responsibility Report

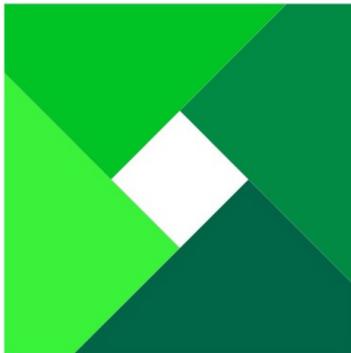


**Working together for a better  
today and tomorrow**

**2021**

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

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## Letter from Our CEO

As I reflect on 2021, I am very proud of how Lexmark continued to show resilience, dedication and commitment to our customers and communities in face of the many continuing global challenges. We remained very focused on building upon and improving our culture, developing our skills and laying the foundation for future successes.

In connection with our goal of being carbon neutral by 2035 we finalized our plans to bring a two MW solar array to our corporate headquarters in Lexington, Kentucky. We expect the array to be fully operational by early spring 2023. This exciting development is just one of many that we have either in the planning or implementation stage as we work to meet our 2035 carbon neutrality goal.



One area of continued innovation was the expansion of Lexmark's IoT offerings. By building on our industry leading cloud, IoT and connectivity technologies and expertise we announced Lexmark Optra IoT Solutions. This success was supported by our heritage as a maker of connected devices and longtime leader in managed services.

Lexmark also continues to advance our efforts related to diversity, equity and inclusion through our three-pillar strategy of leadership commitment, inclusive culture and diverse workforce. By expanding the number and activity of the Lexmark Diversity Network Groups we were able to continue to stay "connected, caring and engaged" both with our employees and our local communities.

Our longstanding commitment to Science, Technology, Engineering and Math (STEM) education has also continued to grow as we support initiatives at the primary, secondary and university level. Looking forward we are very excited about our focus on connecting our efforts on carbon neutrality and overall sustainability with our existing STEM education activities thereby doing our part to prepare future generations to be the next stewards of our planet and communities.

I would also like to recognize the efforts of the entire global Lexmark team once again in a time of unprecedented challenges that may often seem to be overwhelming. The team has faced every challenge with dedication, resourcefulness and perseverance. It is an honor and privilege to work with such an incredible team each and every day.

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

# Our Approach

Working together for a better tomorrow, Lexmark will develop products, services and solutions that are increasingly less impactful on the environment. As we work toward our 2035 carbon neutrality goal, we will support global efforts to address climate change in a way that is inclusive, diverse and socially responsible.

Citizenship at Lexmark begins with our pledge to provide our customers with innovative, high-quality products and services in an environmentally and socially responsible manner. This encompasses our operations, where we deploy cost-effective best practices for energy conservation, wise water use and waste reduction. We extend our resources to support our communities, where Lexmark employees are dedicated to creating cleaner, smarter and 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 and receives education and regular updates from the Chief Sustainability Officer. The Board of Directors' Finance and Audit Committee oversees Environmental, Social and Governance (ESG) topics as well as risks and opportunities related to climate change.

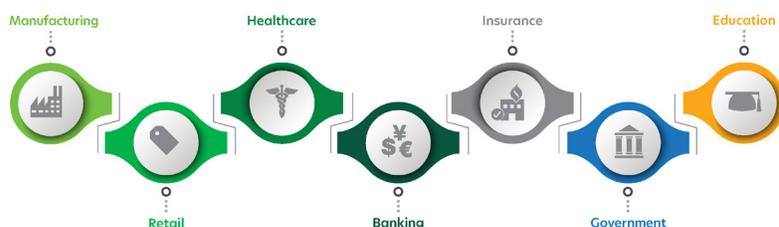
Our sustainability strategy is directed by Lexmark's Chief Sustainability Officer (CSO). [Lexmark CSR Policies](#) are in place to provide guidance and requirements that are to be followed by employees and certain partners and stakeholders. These policies cover due diligence, the precautionary principle and human rights. Corporate Environmental Social Governance (ESG) leaders determine the need and content of the policies, which the CEO and/or his direct reports review. Compensation of the CSO and several other Vice Presidents and Directors are directly associated with Lexmark's ESG performance. Additional oversight is composed of global cross-functional teams with representation from various business areas. These teams, including the ESG Steering Committee, are committed to the improvement and integration of corporate social responsibility; circular economy; and environment, health and safety.

## Where we operate



Lexmark creates cloud-enabled imaging and IoT technologies that help customers in more than 170 countries worldwide quickly realize business outcomes. Through a powerful combination of proven technologies and deep industry expertise, we accelerate business information, turning information into insights, data into decisions, and analytics into action.

## The industries we serve



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 map above includes representative territories where Lexmark conducted material business in 2021.

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.

## Policies & Statements

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

### Vision and Values

[Vision and Values](#)

### Environmental

[Corporate Environmental, Health and Safety Policy](#)

[Corporate Social Responsibility Policy](#)

[Climate Change Policy](#)

### Human Rights

[Human Rights Policy](#)

[Human Trafficking and Slavery Statement](#)

### 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 numerous global industry groups and trade associations

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



## Stakeholder engagement

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

## Stakeholder Engagement

Lexmark is active in many associations and advocacy organizations, playing a significant role in groups such as: Information Technology Industry Council, Digital Europe, Global Electronics Council, GreenBiz, Manufacturing Leadership Council, Index Juarez and Electronic Stewardship Canada.

### Prominent groups & organizations

- Alliance Française des Industries du Numérique (AFNUM)
- Asociación de empresas de electrónica, tecnologías de la información, telecomunicaciones y contenidos digitales (AMETIC)
- 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)
- Chemical Watch (CW)
- Chief Executives for Corporate Purpose (CECP)
- Climate Impact Partners
- Deutsches Institut für Normung (DIN)
- DIGITALEUROPE
- Electronics Product Stewardship Canada (EPSC)
- Employers and Manufacturers Association (Asia Pacific)
- European Remanufacturing Council (founding member)
- Fédération des Industries Electriques, Electroniques et de Communication (FIEEC)
- Gartner
- 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
- Sodality
- Sustainability 50
- 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 economic, environmental, social, and human rights issues that present negative or positive impacts, risks or opportunities. Our efforts are prioritized and balanced to maintain alignment with our vision and values. We focus our efforts on initiatives that are the most relevant and continually evaluate the impacts and reassess of our materiality.

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 related to negative and positive impacts by utilizing extensive qualitative and quantitative analyses. 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 2021, all regular, worldwide employees and managers acknowledged their understanding of the 2021 Code of Business Conduct confirming that they conduct themselves and Lexmark business in accordance with the Code's requirements. Internal Audit, Human Resources and Legal review the Code of Business Conduct on an annual basis. The Code of Business Conduct is sent directly to all employees annually and is available on Lexmark's intranet and [lexmark.com](#), along with other policies related to responsible business conduct.

Employees are encouraged to communicate any critical concerns or conflicts of interest to management, legal, internal audit, human resources or the Whistleblower/Ethics Hotline.

All reported critical concerns and conflicts of interest are presented to the Board of Directors Finance and Audit committee each quarter.

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

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 2021.

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 non-systemic, personal-level incident of fraud or dishonesty.

## Preventing Anticompetitive Behavior

Lexmark supports efforts to preserve and foster fair and honest competition in a competitive market system. We take care to ensure that our business practices do not violate competition laws (also known as antitrust, monopoly, fair trade or cartel

laws) which prohibit business practices that unreasonably restrict the functioning of the competitive system. Lexmark was not the subject of any claims of anticompetitive behavior during 2021.

## Monetary Fines

Lexmark has not been subject to any significant fines or non-monetary sanctions for noncompliance of laws and regulations related to accounting fraud, human rights, workplace discrimination, health and safety or corruption during this reporting period. Insignificant fines related to dock boards and machine guarding occurred in 2021.

## 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.

### 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.

| Items reported through Ethics Line - 2021 |     |
|---|-----|
| Misconduct / inappropriate behavior       | 33% |
| Theft                                     | 33% |
| Other                                     | 33% |

### 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 2021.

### 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](#).

**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 where we live and work.

## Risks and Opportunities

Lexmark maintains a comprehensive and dynamic Enterprise Risk Management (ERM) program. Chaired by Lexmark's Treasurer, and supported by a cross-functional committee of no less than 15 additional company leaders, the objective of Lexmark's ERM process is to minimize the probability and potential cost of an adverse event impacting the company by 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 trends include the following:

## Environmental and Regulatory Matters

Lexmark operations are subject to numerous laws and regulations; specifically, those relating to environmental matters that impose limitations on the discharge of pollutants and that establish protocols for the treatment, storage and disposal of solid and hazardous wastes. For more information, please see [Environmental Management](#) and [Land & Biodiversity](#).

## Electronic Waste Obligation

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

# 2021 CSR Awards & Recognition



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

# Key Performance Indicators



| Topic   | Goal   | Progress   | UN SDG       |
|---|--|--|--------------|
| <br>Emissions                | Reduce Scope 1 and Scope 2 emissions 40% from 2015 to 2025   | 34%  | 12, 13       |
| <br>Energy                   | Reduce energy consumption 20% from 2015 to 2025  | 26%  | 7, 12        |
| <br>Renewable energy         | Increase renewable sourced energy by 30% from 2021 to 2030.  | 0%   | 7            |
| <br>Water                    | Reduce water withdrawal 35% from 2015 to 2025  | 36%  | 6            |
| <br>Waste                    | Reduce waste generated 50% from 2015 to 2025   | 59%  | 12           |
| <br>Materials                | Increase the average post-consumer recycled (PCR) plastic in Lexmark-designed laser devices to 50% by 2025 | 39%  | 12           |
| <br>Materials              | Increase reclaimed plastic through PCR and reuse in Lexmark branded cartridges to 50% by 2025              | 39%  | 12           |
| <br>Return and recycle     | Increase the reuse of cartridges and supplies collected through LCCP to 80% by 2025                        | 74%  | 9, 12        |
| <br>Regional manufacturing | Maintain a minimum of 80% of our supplies regionally sourced in 2021                                       | 86%  | 12           |
| <br>Product energy use     | Reduce product energy use for laser products   | 98% reduction in sleep power for color laser multifunction products since 2005 | 7, 12        |
| <br>Packaging              | Reduce single-use plastics in packaging 50% from 2018 to 2025  | 30%  | 12           |
| <br>Human rights           | Train 100% of employees on human rights  | 97% in 2021  | 5, 8, 10, 16 |
| <br>Workplace injuries     | Achieve 0 injuries in the workplace  | 0.34% injuries per 100 employees in 2021                                       | 3            |

\* Post-consumer recycled plastic percentage calculated by weight of plastic using IEEE1680.2 methodology

# Lexmark 2021 Sustainability Highlights

2700010340

Lexmark Cartridge Collection Program reused or recycled over 100 million cartridges



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



Lexmark products meet top global certifications



ISRI named Lexmark as 2020 Design for Recycling® award winner



Lexmark is committed to being fully carbon neutral by 2035

Lexmark has earned a perfect score on the Corporate Equality Index (CEI) every year since 2005



Lexmark has reduced water consumption by 72% since 2005



EcoVadis awarded Lexmark a 2022 platinum sustainability rating, its highest level



Designed for Durability  
Lexmark devices are built for long life of 7+ years



Lexmark Sustainability

97% of global workforce trained in human rights issues

Actively supporting the circular economy for 30 years

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

# 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 increases focus on setting and achieving specific goals, reducing environmental impacts and guiding our steps toward carbon neutrality.

## 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.

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 fines or non-monetary sanctions for noncompliance with environmental laws and regulations in the reporting period. No grievances about environmental impacts were filed through formal grievance mechanisms during the reporting period.

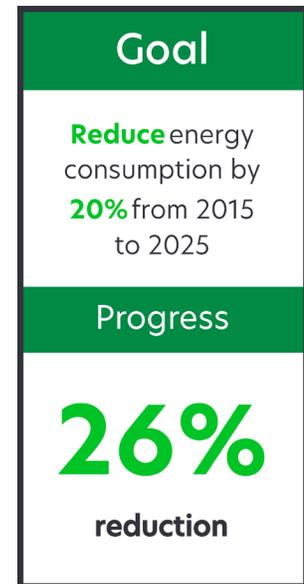
## Energy consumption

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.

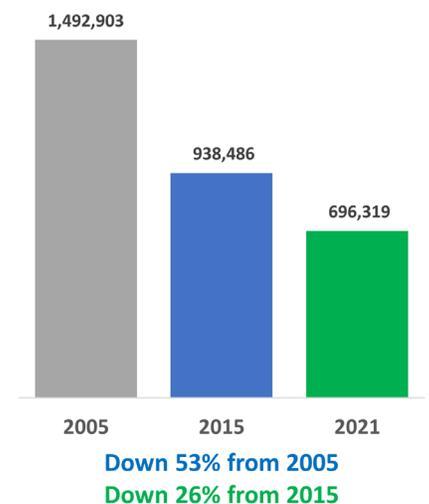
Energy consumption was lower than previous years due to operational adjustments required by our response to the COVID-19 pandemic. As a result, we exceeded our 20% reduction target set to be achieved by 2025. Lexmark will maintain the existing 20% reduction target as compared to the 2015 baseline due to 2021 being an atypical year for Lexmark facilities. To help meet our 30% renewable energy goal by 2030, Lexmark broke ground on a 2MW solar array in 2022 at the headquarters site in Lexington, Kentucky.



Click [here](#) for a full list of ISO 14001:2105 Certificates



Total Energy Direct and Indirect (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
- Space reductions
- Lighting upgrades to more efficient bulbs
- Installation of air compressors with frequency drives

### 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. Employees are also encouraged to be energy conscious and turn off lights and equipment when not in use. In 2021, the first phase of Variable Air Volume (VAV) controllers was upgraded for energy efficient air delivery and integrated into the building management system for data driven monitoring and gathering with controllability. AHU VFD's were also calibrated to improve the accuracy of the varied frequency changes.

## 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

Excepting third party steam provided at our Boulder site, 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.

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

Lexmark's direct energy sources include: natural gas, diesel fuel and gasoline. These nonrenewable energy sources are purchased from local vendors and then used to generate steam, power backup generators, provide heat to certain Lexmark facilities and provide fuel for leased/owned vehicles. We do not use renewable direct-energy sources such as biofuels (ethanol, for example) or hydrogen, nor do we produce renewable or nonrenewable primary energy sources for internal use or external markets.

### 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 allowing 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 type in the Cartridge Assembly (LC) Printer Assembly (PA) and restrooms & the manufacturing area newly designated for Printer Assembly Operation.
- A predictive maintenance / machine learning device was successfully tested on CPT reactor process. Predictive maintenance devices to be added to 20 or more additional motors in 2022.

### Kolkata, India

In 2021, the Kolkata site energy consumption was reduced due to COVID-related employee remote work and non-operation of offices, resulting in lower lighting and HVAC consumption

# 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% since that time. We are now focused on reducing Scopes 1 and 2 GHG emissions 40% by 2025 from the 2015 baseline. In 2021, we achieved a 34% reduction. We work on reducing our impact throughout the year and set aggressive targets. We are assessing our progress as it relates to partial re-occupancy due to COVID-19. Lexmark engaged Apex Companies, LLC to conduct an [independent verification of Scopes 1 and 2 GHG emissions](#). Lexmark has committed to set near-term company-wide emission reductions in line with climate science with the SBTi.



## Energy data

Click [here](#) for detailed energy data.

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.

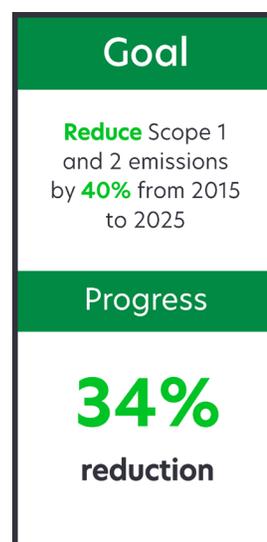
In 2021, two refrigerants, R-22 and R-123 had ozone depletion potentials greater than zero. Lexmark's refrigerant emissions for 2021 total 23 CO<sub>2</sub>e tonnes. In preparation for install of a new more efficient chiller, Lexmark had refrigerant recovered from an older, less efficient chiller in 2021. Prior to refrigerant recovery, losses of 3,065 pounds (13,903 metric tons of emissions) of R114 were incurred.

### Scope 2 emissions

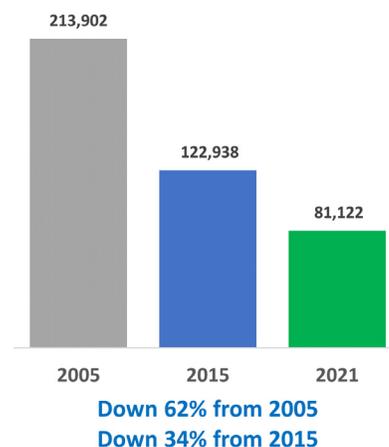
Our Scope 2 emissions (indirect) consist of electricity used to power operations at our sites. We primarily purchase electricity generated by a variety of nonrenewable and renewable primary-energy sources, including coal, nuclear energy, solar power, wind power, geothermal energy and hydropower sourced 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.



Scope 1 & 2 GHG Emissions (Metric tons CO<sub>2</sub>)



# Travel and commute emissions

## 2021 Scope 3 emissions reported categories:

Category 1  
*Purchased Goods and Services*

Category 2  
*Capital Goods*

Category 4  
*Upstream Transport*

Category 5  
*Waste in Operations*

Category 6  
*Business Travel*

Category 7  
*Employee Commuting*

Category 9  
*Downstream Transport*

Category 11  
*Use of Sold Products*

Category 12  
*End of Life Treatment of Sold Products*

Category 13  
*Downstream Leased Assets*



## 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 2021 due to the COVID pandemic. Lexmark's focus on providing our employees with 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 0.6 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, bike racks and showers for manufacturing employees.
- Lexmark's Competence Center in Budapest, Hungary, has bike racks and showers for employees who pedal to work. For employees that commute to work by crossing Budapest's border, Lexmark pays 86% of transportation fares that take place outside of Budapest.
- 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 2021, we accumulated 8.4 metric tons of GHG savings. Since the installation of the electric car charging stations, 30.8 metric tons of greenhouse gas emissions have been avoided, equivalent to the planting of 509 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 a commuter benefit, which allows commuters taking public transportation to deduct their public transit and parking expenses as pretax funds, which can have a \$1,008+ annual tax savings potential.
- 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.

### **Transportation Partnership**

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.

#### **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.

#### **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 2021, 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 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 86% of cartridges in region of consumption in 2021, 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 2021, sourcing in geography eliminated the need to ship an estimated 341 containers from China which was a positive impact in terms of CO<sub>2</sub> emissions of 990 metric tons (CO<sub>2</sub> reduction).
- Lexmark continued to grow North America regional manufacturing for hardware in 2021.

### Innovative methods of emissions avoidance - product testing

We test our products throughout their life cycle to ensure high quality. Realizing the impact of paper use on the environment, we are working to lessen this impact in our print testing. We use “paperless print” for some testing applications, which allows us to test certain features of our product without actually printing the page. We also reuse paper when possible. These methods of print testing helped us save over 3,300 trees in 2021 and avoid over 1,125,000 kg of CO<sub>2</sub>.

### Service delivery

The service team at Lexmark proactively identifies issues with devices under contract, often providing a fix before a service intervention is required. If a call is made to our technical service center, priority is placed on resolving the problem via phone versus dispatching a technician. In addition to helping maintain customer satisfaction, our focus on “remote fix” helps reduce the number of miles traveled by our service teams, thus reducing GHG emissions.

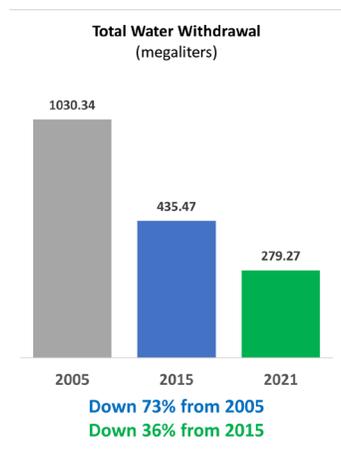
*Based on the carbon calculator at <https://www.dhl-carboncalculator.com/>*

## Water Management

Lexmark is focused on efficiently managing water usage at our facilities. Water withdrawal continued to decrease in 2021, exceeding the target of 35% by 2025 from the 2015 baseline by achieving a 36% reduction. Lexmark will strive to maintain efficient water usage practices as Lexmark operations return to a normal state.

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

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



## Water management program

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

### Water history

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

**Lexmark Cebu City, Philippines**, focuses on preventive and corrective maintenance of the water system, and works to engage employees in awareness activities to conserve water and report leaks. Major water projects over the years have included the installation of sensor-operated faucets and toilet bowls and the interconnection of the water supply between the two buildings on site to reduce water waste. In 2020, a 1,000-liter capacity rainwater catchment tank was installed on site to provide water for mopping, maintaining plant life and vehicle cleaning. In 2021, the catchment tank harvested 176 cubic meters of rainwater which was used to maintain plant life and clean janitorial tools and equipment.

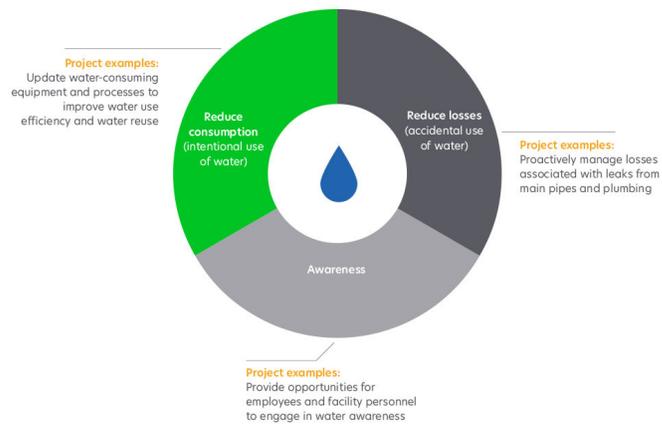
In **Lexington, Kentucky**, many actions over the years have contributed to water conservation. Some of these actions were: more efficient HVAC systems, installation of low-flow plumbing fixtures, upgrades to piping, reduction in the number of fire pumps, site building reductions, and a successful partnership with Suez services. In recent years, Lexmark has also reduced impermeable surfaces on site by 1,475,000 square feet through multiple activities, including building demolition, property sale and conversion of 256,665 square feet of parking space to green space. In 2021, the utility plant cooling towers used 25,576 m3 of rainwater collected through the rainwater harvesting system.

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

**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 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 m3 of water for reuse in other areas, including irrigation, representing 26% of the total water used at the facility.

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

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

### Rainwater Harvesting System

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

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

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

In 2021, Lexmark received the International Green Apple Award - Environmental Best Practice for Lexmark's rainwater harvesting system. Prior awards for the project were a Manufacturing Leadership Award in Sustainability in 2020 and a 2019 Grand Conceptor Award in Waste and Storm Water from the American Council of Engineering Companies of Kentucky (ACEC-KY).

**Water donation**

Lexmark Cebu, in coordination with the Bureau of Fire Protection and Filipino Chinese Volunteer Fire Brigade, has provided water to responding fire trucks during emergencies since 2014. To date, a total of 134 fire trucks were provided water to assist with fire emergencies in neighboring communities.

**Water quality**

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.

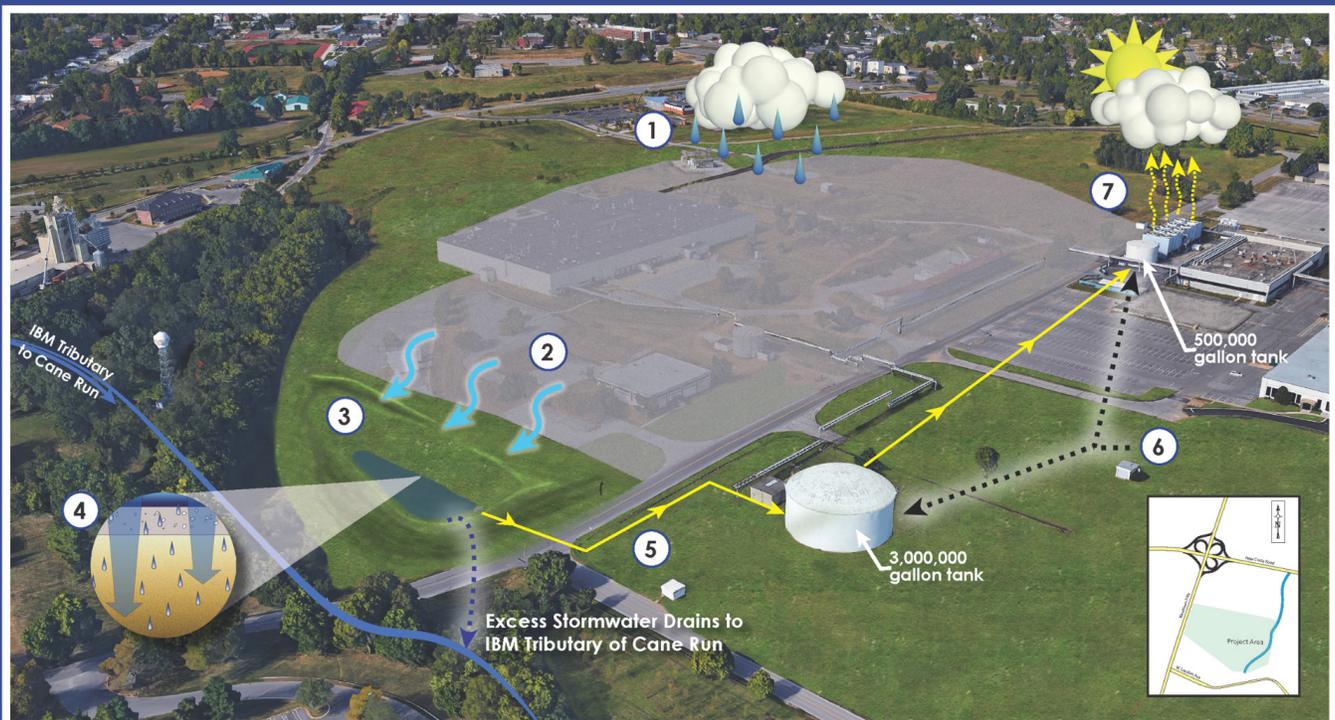
Lexmark Cebu supports and participates in the Rivers for Life Program, which officially launched through a large-scale river cleanup drive in Cebu by the Department of Environment and Natural Resources (DENR) in Region 7.

A Memorandum of Agreement (MOA) was signed with the DENR land Local Government Unit (LGU) of Guadalupe Barangay on November 29, 2021. The project will focus on rehabilitation of the Guadalupe River. Lexmark will support the project by providing funds for three years, printing materials for the information and education campaign, monitoring progress bi-annually, and coordinating activities with LGUs and the DENR-EMB7 representative.

**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.

**Lexmark Rainwater Harvesting System**



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

## Water discharge

Wastewater from Lexmark operations is primarily discharged to local utility systems for treatment. Water used for landscape maintenance purposes is absorbed into the soil. Water is also evaporated from on-site cooling towers.

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 2021. In an effort to continually improve our processes, we record and investigate all spills—regardless of size or impact—as directed by site ISO 14001:2015 and ISO 45001:2018 management systems and other corrective and preventive action programs. Water discharges (whether planned or unplanned) that are destined for the local utility or nearby bodies of water are closely monitored by site facilities and environmental teams in accordance with applicable government permits.

## 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

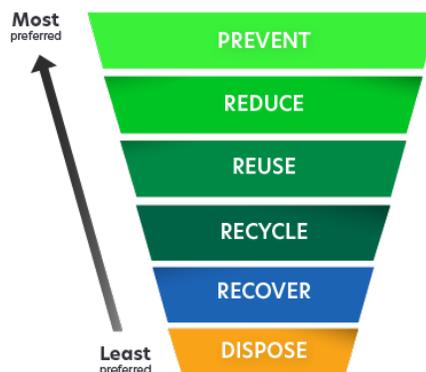
## Sustainable waste management

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 waste is managed according to international best practice and follow all governmental regulations.

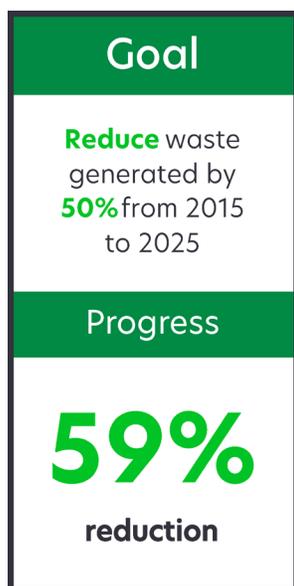
Lexmark continually works toward reducing the quantity of waste generated. Lexmark decreases our waste production by reducing waste at the source and recycling and reusing waste in an environmentally safe manner. Our facilities minimize waste through sustainable operations, lean manufacturing techniques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

## Lexmark's path to zero waste



## Waste generation and recycling statistics

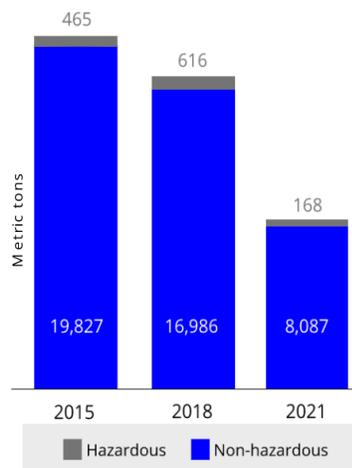
Lexmark generated a total of 8,255 metric tons of waste in 2021, with 98% of the waste generated worldwide being nonhazardous.<sup>1</sup> Hazardous waste accounts for approximately 2% of Lexmark total waste. The primary hazardous waste materials are residues from manufacturing and development processes. Hazardous waste that is generated by Lexmark research and development, and manufacturing facilities is managed by external companies that specialize in the management of hazardous waste. Since our baseline year of 2015, we have reduced total waste generated by 12,037 metric tons or 59% with a target to achieve 50% by 2025. Lexmark exceeded its goal in 2020 due to employees working remotely during the COVID-19 pandemic.



## Waste management data

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

## Waste generation by classification



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

## 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.

## Waste treatment by disposal method



## 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 additive in [asphalt](#) to improve its performance. Paper from print testing is recycled into innovative [paper products](#). Materials from [used cartridges](#) are reused or recycled.

# 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 will be conducting third-party VAP audits for each of the Tier 1 final hardware assembly suppliers per the following table:

| Tier I Final Assembly <sup>1</sup> - RBA VAP Audit Schedule |                       |                         |                         |
|---|-----------------------|-------------------------|-------------------------|
| Tier I - Final Hardware Assembly Count                      | 2021 Completed Audits | 2022 VAP Planned Audits | 2023 VAP Planned Audits |
| 4   | 0                     | 4                       | 4                       |

<sup>1</sup>Tier 1 Final Assembly is defined as the final production site for hardware devices and where the product is considered to be a finished good.

### Supply chain responsibility program at Lexmark

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.

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



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



## Locations

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

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

### Critical suppliers

Critical suppliers account for a significant percentage of Lexmark total procurement spending. Based on 2021 spending, the 158 critical suppliers make up about 39% of our purchases.<sup>2</sup>

## 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.

|   |
|---|
| <b>Goal</b>   |
| Maintain a minimum of <b>80%</b> of our supplies regionally sourced in 2021 |
| <b>Progress</b>   |
| <b>86%</b><br>regionally sourced  |



### Our spending-analysis process

Over the last eleven years, 100% of Lexmark procurement spending was subject to our spending-analysis process. Through this process, we have identified critical suppliers—our high-volume, high spending suppliers, suppliers of critical components and unique or sole source suppliers. Lexmark has over 5,200 suppliers, 3% of which have been identified as critical.<sup>1</sup>

### Risk management

Less than 1% of our suppliers are determined to be high risk. Based on how critical the risk is, Lexmark conducts a deeper analysis of economic (cash management), environmental (weather related), and social (war and political instability) risk factors. Lexmark's supply chain organization continually monitors and leverages proactive forecasting methods to ensure the supply chain is resilient and can meet demand for its products, services and markets served. These monitoring activities may also include accessing potential risk factors to downstream and upstream impacts across the value chain.

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

### Demonstrating improvement

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

100% of Lexmark Tier 1 final assembly suppliers have undergone a CSR assessment and received a risk assessment from their response in 2021. 100% of Lexmark Tier 1 suppliers have received third-party on-site certifications of their environmental or social practices in 2021 with third-party and internal audits planned in 2022. Lexmark has four Tier 1 final assembly hardware suppliers worldwide of which each provides progress towards yearly goals and improvements towards environmental and social practices.

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. Lexmark will begin reporting cobalt and mica under RBA guidance with the revised and combined [EMRT format](#) in 2023.

### 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](#).

<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.

## 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

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

### 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



**Michelle Rawlings**  
Vice President, Product Lifecycle Management, Lexmark

### Program requirements

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

### Business trade organizations

Lexmark is member of DiversityInc 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.

<sup>2</sup> Direct material critical suppliers are those which require more than 3 months for Lexmark to qualify and/or switch to a new supplier. Indirect material critical suppliers are those with whom Lexmark spent more than \$1,000,000 USD in the previous calendar year and in addition, which require more than three months for Lexmark to qualify and/or switch to a new supplier.

# Land & Biodiversity

Lexmark strives to ensure that our operations do not harm the local environment. Understanding our responsibility to help maintain balance in the natural world, we engage our communities primarily in reforestation programs and watershed protection. Learn more about Lexmark's reforestation efforts [here](#).

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) E1527-21<sup>1</sup> and E1903-19<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. Despite the fact Lexmark facilities may be located in urbanized areas, we take actions to support the biodiversity in the communities we live and work.

Lexmark is especially sensitive to the environment in our Philippines operations. Many global organizations recognize the entire country as an area of high biodiversity. The Lexmark Research and Development Corporation (LRDC located in Cebu, Philippines, is a 30,817 square meter research and development operation. Lexmark employees in the Philippines work diligently to restore habitats near these facilities, focusing on reforestation and watershed protection. Since 2008, Lexmark has planted 163,000 mangrove trees in various coastal and watershed areas of Cebu and nearly 19,000 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. For more information, visit [Lexmark Monarch Waystation](#).



<sup>1</sup>ASTM Standard E1527-21, 2021, Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process, ASTM International, West Conshohocken, PA, 1993 10.1520/E1527-21, [www.astm.org](http://www.astm.org)

<sup>2</sup>ASTM E1903-19, 2019, Standard Practice for Environmental Site Assessments: Phase II Environmental Site Assessment Process, ASTM International, West Conshohocken, PA, 1997, 10.1520/E1903-19, [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. Our product portfolio is designed to have minimal effects on the environment throughout its entire lifespan, including manufacturing, distribution, use and end of life. Devices, services and solutions are thoughtfully engineered to last longer and save energy.

## Circular economy 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. We've reused over 35 million kilograms of recovered cartridge materials since 1996 by converting millions of used toner cartridges into Lexmark-certified reconditioned toner cartridges. For more information on how Lexmark designs our products for extended life, click [here](#).

### Industry leadership

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



Our commitment to remanufacturing is recognized by prominent supporters of sustainable manufacturing. Our endeavors most recently resulted in an EcoVadis Platinum medal, the highest level of this extra-financial assessment. EcoVadis has grown to become the world's largest and most trusted provider of business sustainability ratings, creating a global network of more than 90,000 rated companies and their supply chains to assess their performance in the field of corporate social responsibility (CSR) and governance. Lexmark is in the top 1% of all companies assessed and a clear leader in our sector. Since 2014, Lexmark has consistently received an EcoVadis gold rating, which was the highest rating until platinum was added last year.

Lexmark also received the [ISRI 2020 Design for Recycling Award](#) for our toner cartridge design and recycling process. Additionally, 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. For more on Lexmark's awards and recognition, click [here](#).

### 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." For more information on Lexmark's contributions to the C-SERVEES project, click [here](#).

### **Digital passport**

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

### **Recycled plastics industry leader**

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

Lexmark is an industry leader in the use of reclaimed plastic with 39% of the plastic content, by weight, across all new Lexmark branded toner cartridges, derived from post-consumer sources, including our LCCP post-consumer, closed loop process. Of the LCCP reclaimed plastic used, 87% directly impacts remanufacturing reuse, with 13% from the LCCP PCR feedstream. Lexmark's goal is to increase the use of reclaimed plastic through the PCR and reuse processes by 50% by 2025.

Over 90% of the materials by weight used in our hardware products are recyclable. Today, 92% of our hardware models contain PCR content with almost 80% of the models containing over 30% 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 continues to explore the recovery of precious metals to enable clean, domestic, recycling of sorted electronic waste through the chemical extraction of precious metals (primarily copper and gold). Recovering valuable materials from end-of-life devices and recycling them into new products expands Lexmark's leadership in the circular economy movement.

### **Data analytics accelerates circular economy**

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

Each year, LCCP prevents millions of Lexmark toner cartridges from ending up in landfill. In 2021, LCCP collected 4,689 metric tons of returned cartridges from our customers. 96% of materials reclaimed from these cartridges were reused or recycled. Energy was generated from 4% 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 219, effective since January 1, 2022. The majority of Lexmark print systems announced after October 2012 have been Blue Angel certified. For a list of Lexmark models that are Blue Angel certified, click [here](#).



### ISO 14021—Type II self-declared environmental claims

#### The Eco Declaration (ECMA-370)

Formerly known as IT Eco Declarations, ECMA-370 declarations provide objective and comparable environmental information. Lexmark signed the original "Industry Voluntary Agreement to Improve the Environmental Performance of Imaging Equipment Placed on the European Market" in June 2011, and the updated agreement in April 2015. Manufacturers are required to make product environmental performance data publicly available, such as through The Eco Declaration (ECMA-370). To view Lexmark's declarations, click [here](#). To request IT Eco Declarations specifically for our laser print supplies, please contact [sustainability@lexmark.com](mailto:sustainability@lexmark.com).

### Electronic Product Environmental Assessment Tool (EPEAT)

Lexmark is committed to helping our customers meet their sustainability, energy and resource efficiency goals by providing products that are environmentally preferable. The EPEAT program is one resource used to recognize products that meet this qualification. EPEAT uses the IEEE 1680.2 standard. This is the basis for assessing imaging equipment for environmental stewardship. We have registered over 200 of our products with Gold and Silver ratings—the highest ratings available. As part of the EPEAT verification process, audits are conducted by third-party laboratories and an outside certification body to ensure full compliance to the IEEE 1680.2 standard. Lexmark is committed to continuing public disclosure and annual reporting as required by EPEAT, including the public disclosure of [supply chain toxics](#) for 4.7.2.2 criteria. A new revision of EPEAT is under consideration for additional product and corporate criteria. 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 2021, 96% 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](#).

### China Environmental Labeling - Ten Ring Certification

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



## Product Lifecycle

As part of Lexmark's commitment to sustainable products, Lexmark has conducted Life Cycle Assessments (LCAs) on 88 of its printer and MFP models as of January 2022 and is committed to performing LCAs on future product models.

LCAs technically evaluate the environmental phases of the product design, manufacturing, distribution, use and end-of-life of our products. Lexmark is continuing to improve accuracy and transparency of our LCAs by working with an external consultant to include all possible phases of the printer life cycle and ensure our electronics are counted and scaled accordingly.

The data from the LCAs is used to create and publish ISO 14025 Type III Environmental Product Declarations (EPDs), which summarize the complex information provided by the assessment. Each EPD conforms to the international standards ISO 14040:2006, ISO 14044:2006 and ISO 14025:2007 and follows the requirements of the Product Category Rules (PCR) for preparing an EPD for Printers and Multi-function Printing Units published by UL Environment (ULE). Lexmark is using the latest edition of PCR published April 23, 2018, for products announced in 2018 and beyond.<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](#).

### 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%, 50% and 100% post-consumer recycled content. Our expectation is that recycled papers perform as well as virgin paper in our printers. While no official standard exists for office equipment use of paper, Lexmark uses European Standard EN 12281 as a minimum properties standard. To ensure breadth of testing, test paper includes 100% recycled papers from North America, Europe and Asia, and tests are conducted at 8-80% relative humidity. Testing includes duplex printing. Office paper using renewable, recycled or chlorine-free content may all be used.

Lexmark printers are also designed with features such as duplex and multi-page printing to minimize the 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% over discarding it in a landfill, consistently confirming the value of the LCCP operations and efforts to increase cartridge collections. This value excludes paper consumed when printing.



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



<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

### Designed for durability and circular economy

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

### 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 materials from the returned cartridges back into our own products for a true closed-loop process. Our engineers innovated our own in-house extrusion and compounding process to produce high quality, 100% recycled resin that is reintegrated into new toner cartridges. Underwriters Laboratory (UL) certified our PCR resin for use at a rate of 100% for print cartridge components in 2016, making it the first UL-certified 100% recycled resin to be processed in house. In 2021, 170 metric tons of PCR plastic material were processed. We have qualified over 60 components with up to 100% closed-loop PCR plastic.

Lexmark prioritizes reusing component over recycling in alignment with the [EPA's waste management hierarchy](#). Lexmark is an industry leader in the use of reclaimed plastic with 39% of the plastic content, by weight, in Lexmark branded toner cartridges coming from post-consumer plastic. In fact, 65% of this reclaimed

<sup>1</sup>PCR calculated using IEEE1680.2 methodology

plastic is from remanufacturing reuse, with 10% coming from the LCCP PCR feed stream, and the plastic balance from purchased PCR resin. Our goal is to increase the use of reclaimed plastic through the PCR and reuse processes to 50% by 2025.

In the future, we plan to incorporate closed-loop recycled materials from our hardware recycling streams into new devices in much the same way we are doing for cartridges. To help prepare for this content, Lexmark has been utilizing greater amounts of recycled plastics in our printers, with some models qualified to include up to 60% PCR by weight of plastics.<sup>1</sup>

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

Lexmark branded, in-house laser printer and multifunction product hardware models sold in 2021 contain an average of 39% PCR plastic by weight of plastic 1, with 100% of these models containing some PCR plastic content. An estimated 1,900+ metric tons of post-consumer recycled plastic was used in the manufacture of the 2021 branded, in-house technology printers and MFPS. Our goal is to increase the average post-consumer recycled content plastic in models to 50% by 2025.

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

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

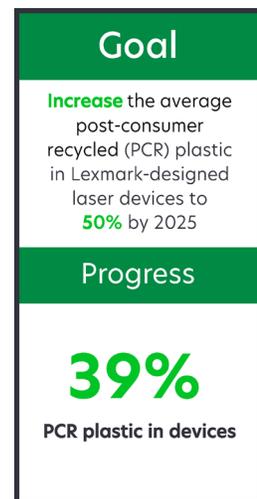
### Recyclable design

Over 90% of the materials used in hardware products by weight are recyclable. Most of these materials are polymers and metals that are formed into components through

injection molding or stamping operations. Lexmark used an estimated 4,900 metric tons of plastic in our 2021 hardware models, with acrylonitrile butadiene styrene (ABS) comprising 55% of that volume, followed by high-impact polystyrene (HIPS) at 15%, polycarbonate/ABS blend at 12% and acetal (POM) at 10%. 5,600+ metric tons of steel were used in Lexmark branded hardware. Our cartridges—primarily comprised of the same materials as the hardware—are designed for zero waste to landfill.

### Lexmark's materials management approach

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



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

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

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

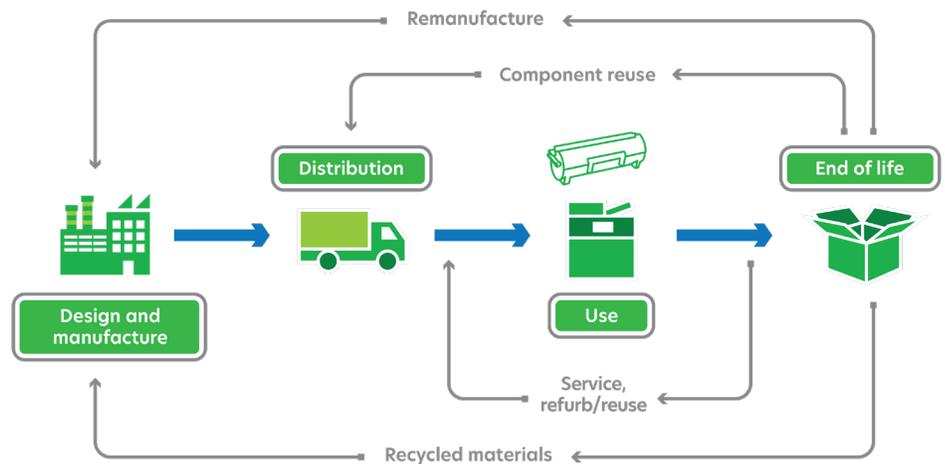
## Regulatory insight

### Restriction of hazardous substances

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

RoHS restricts the amount of certain hazardous substances in electrical and electronic equipment. These hazardous materials include four metals (lead, mercury, hexavalent chromium, cadmium), two brominated flame

## LCCP Collection Process



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 non-compliant parts. Information on conformance may be found in [Product Health and Safety](#).

### Registration, evaluation, authorization and restriction of chemicals

Lexmark works with our suppliers to ensure compliance with international material restriction regulations such as the European Union Registration, Evaluation, and Authorization of Chemicals (REACH) regulation. REACH seeks to improve public health and the environment by controlling the production and use of harmful chemical substances. Lexmark completed the first steps of REACH in 2008, including preregistration, material review and required communications for the initial release of the Substances of Very High Concern (SVHC) candidate list of chemicals. Lexmark continues to monitor REACH developments and the addition of new chemicals to the SVHC list and comply with chemical registration 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 IEEE1680.2 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 IEEE1680.2 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 2021, through the efforts of Lexmark customers, nearly 40% 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% return rates. We estimate the industry average collection rates to be between 20 and 30%.

### 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 2021, 74% of the cartridges and supplies returned to Lexmark were reused. We have established a goal to increase this to 80% by 2025.

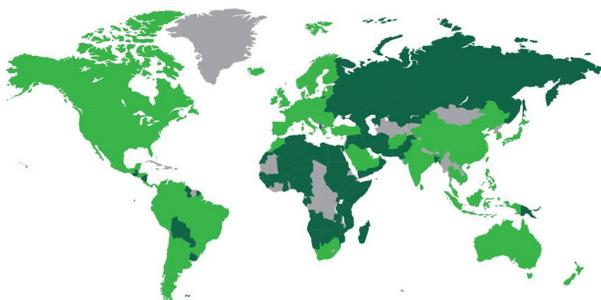
### Lexmark's R2 certified recycling plant

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 13,000 empty toner cartridges per day. Select components in empty cartridges are removed and reprocessed for reuse. In the last 17 years, Lexmark incorporated more than 71 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.

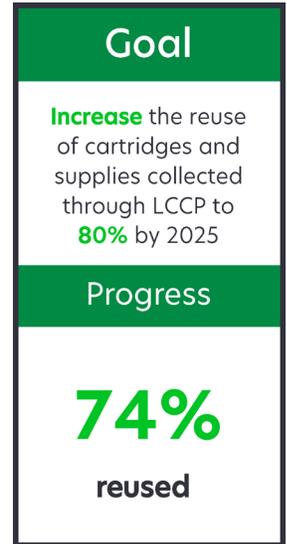
### Cartridge collection around the world

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% 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



### 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 2021, LCCP collected 4,689 metric tons of returned cartridges from our customers. 96% or 4,510 metric tons of materials reclaimed from our customers’ returned cartridges were reused or recycled. Energy was generated from 4% or 179 metric tons of toner waste collected in Brazil, Europe and Asia Pacific. Since 2004, Lexmark has redirected over 140,000 metric tons of material away from landfills using the LCCP.

Since 1996, Lexmark has reused over 77 million pounds of recovered cartridge material by converting millions of used toner cartridges into Lexmark-certified reconditioned toner cartridges.

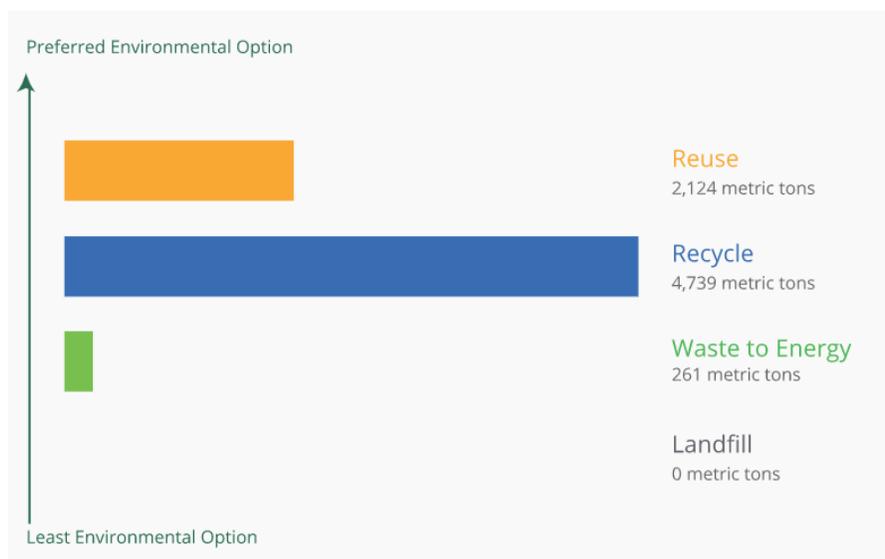
The eligible cartridges are disassembled and cleaned, and then the critical components are replaced with genuine Lexmark parts. Finally, each reconditioned cartridge is tested to assure the same high quality output and reliable performance as a cartridge with all new components. In 2021, reuse of 162,000 developer rolls and 260,000 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 [Lexmark reuses tons of plastic](#) and the [Materials](#) section of the CSR. For additional information on cartridge recycling efforts, please see [Lexmark’s innovations in cartridge recycling](#).

In 2021, we recycled or reused nearly 5,000 metric tons of plastic, metals and packaging. We were able to materially recycle or reuse 100% of the reclaimed plastic with 828 metric tons reused in new products and 221 metric tons recycled. Our PCR closed-loop process was used to grind and pelletize 154 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](#).

### Reclaimed cartridge material disposal in 2021



## 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 () 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.



Lexmark partners with recyclers that offer a broad range of services and processing capabilities, are ISO 14001 certified (the environmental management-system standard), and are certified R2 or e-Stewards.

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

### Our recycling partners

The primary U.S. and European Lexmark recycling partner, Sims Recycling Solutions, is one of the world's largest electronics recycler and is R2 certified. Lexmark's recycling partner in Canada is Quantum

Lifecycle Partners, an ISO 14001, ISO 9001, ISO 45001 and R2 certified recycler. Quantum works with Lexmark to recycle our



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

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 over 4,500 metric tons of electronic waste on behalf of Lexmark in the United States, Canada, Mexico, Latin America, Europe and Asia Pacific in 2021.

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.

In Ontario, the Electrical and Electronic Regulation under the Resource Recovery and Circular Economy Act, 2016, went into effect January 1, 2021. The regulation places full end-of-life product responsibility

on brand owners and manufacturers of products. In 2021, Lexmark contracted with Electronics Products Recycling Association (EPRA) in Ontario to fulfill its responsibility in recovering and recycling products and packaging at end of life.

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

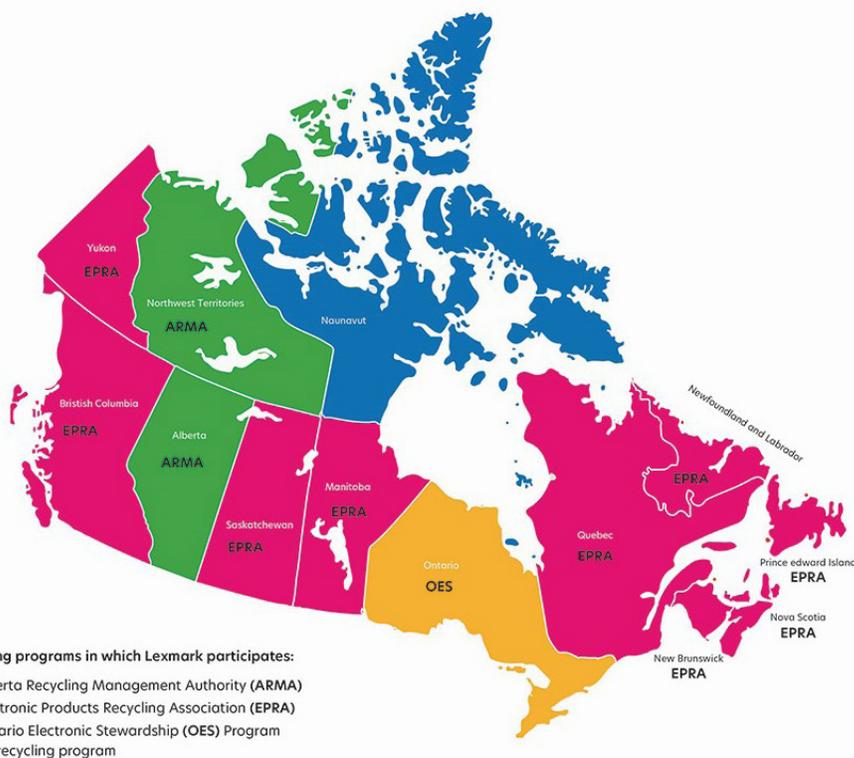
### Europe

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.

### 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 Australia.

Click [here](#) for recycling in Brazil.

Click [here](#) for more information on equipment recycling in Latin America.

# Product Emissions

## Noise emissions (acoustics)

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

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

Lexmark product engineers assess our equipment acoustics and reduce unwanted noise while selectively incorporating helpful sounds. Our devices strive to meet the auditory requirements of 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 ultra fine particles are compared to the stringent Blue Angel limits set forth in the standard, and summary reports of Lexmark product emissions are available to customers upon request.

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



Learn more [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 ecodesign power consumption requirements of electronic equipment according to European Union requirements (EC 801/2013). Lexmark products save energy by lowering power consumption after a period of inactivity with many consuming less than two watts of power in sleep mode. To further save, energy, products either enable Hibernate mode or auto-off when not in use for an extended period. In 2021, 96% 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 evolutions: sleep power

### Monochrome Laser Printers



95%  
reduction in  
sleep power  
since 2005

### Color Laser Multifunction Products



98%  
reduction in  
sleep power  
since 2006

\*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 in the Lexmark CX73x printers improve container efficiency during shipping by over 47% through volume-efficient packaging and alternate material utilization. The new design uses 17% less plastic, to facilitate an increase in recovery and recycle, and reduces total material by 30%.

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.

To incorporate sustainable materials in our packaging, Lexmark replaced 30% of the virgin plastic in our high-density polyethylene (HDPE) cartridge bags with post-consumer recycled (PCR) plastic. Designing packaging with PCR material helps us reach our goal of reducing single-use plastic packaging by 50% from 2018 to 2025.

Additionally, the minimum recycled content of Lexmark packaging materials is 35% for corrugated fiberboard and 100% for molded pulp. Lexmark catalogs the amount of packaging material used with every product to ensure that designs adhere to a minimalist approach and remain highly recyclable.



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



## 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% post-consumer waste. In 2021, our pulp cushions gave over 190 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.

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



### On-device guidance

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



### Adjustable display

Users can tilt the display to optimize the viewing angle.



### Lexmark accessibility solution

Users can create job tickets with their computer or smartphone while using assistive technology, such as the JAWS® screen reader.



### Accessible height and reach

Applying universal design principles helps accommodate the height, reach and force needs of all users.



### Magnification

Users with limited vision can magnify the user interface display by 200%.



### Headphone jack 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.



### Multiple 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. User input helps us optimize our accessibility solutions for continued effectiveness in the workplace.

### Standards and regulations

We are guided by current and developing standards and regulations that prescribe best practices in the development of office equipment, software solutions and communications. Original Section 508

Standards (2000) and Revised Section 508 Standards (2017) of the United States Rehabilitation Act, European Standard EN301549, and Web Content Accessibility Guidelines (W3C WCAG 2.1 AA) are examples of the many national and international standards and regulations that we apply to our designs.

### Consultation with experts

The Lexmark Accessibility Council has established external relationships with accessible design experts and accessibility analysts, such as the American Printing House for the Blind (APH) and the Bluegrass Council of the Blind (BCB). We draw on their insights to improve the design of future products and solutions.

Lexmark regularly participates in accessibility seminars, share sessions and monthly webinars sponsored by the U.S. Access Board.

## Accessibility education

To increase awareness of accessibility challenges and inspire innovation, we use online, internal collaboration tools to encourage informal discussion and problem solving.

### 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

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="#">Cloud Fleet Management</a>          | Lexmark Cloud Fleet Management makes it possible for service providers to remotely monitor, manage and secure your print environment—all without ever visiting on site. Fewer visits means less fuel for service fleets, resulting in overall energy savings.   |
| <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.   |
| <a href="#">Optra IoT Platform</a>              | With Optra IoT Platform, you can harness the power of the Internet of Things (IoT) to operationalize data from your connected devices and grow your business into an intelligent enterprise. Using this platform, Lexmark has achieved 70% of support issues resolved remotely, reducing the need for services to go on-site. When issues are resolved remotely, it reduces onsite service visits which reduces service vehicle fuel consumption. |
| <a href="#">Optra Edge</a>                      | Optra Edge executes AI applications closer to the source at the point of need, providing powerful local computation ability without the cloud, reducing or eliminating travel time for data processing, improving energy and resource management, and preventing large machine downtime and service interruptions for increased productivity.   |
| <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="#">Cloud Print Management</a>          | As many as 40% of pages are printed unnecessarily due to no visibility and control of printing and copying behavior. Lexmark Cloud Print Management eliminates excess printing, allows for better device consolidation and provides user level reporting and controls.  |
| <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="#">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.   |
| <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.  |

## SOFTWARE & SOLUTIONS

| Lexmark Offer  | Description  |
|--|--|
| <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="#">Scan to Network</a>                        | Capture an image of a printed document and route the image to a predefined personal or public shared network folder.   |
| <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.  |
| <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="#">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. |
| <b>Device consolidation</b>                            |  |
| <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 and 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. In 2021, in-person activities halted during the COVID-19 pandemic began to resume, enabling employees to participate in activities that support our longtime partnerships and nonprofit organizations.

To learn more about Lexmark's activities across the globe, please see [Sustainability on Location](#).

## United Way

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

## Natural disaster recovery

Lexmark provides aid to communities in times of natural disaster. 2021 was a year that took an unusually difficult toll on communities particularly close to Lexmark locations. Longterm recovery assistance was needed due to tornadoes in Mayfield, Kentucky; Boulder, Colorado wildfires and the super-typhoon in Cebu, Philippines all occurring in December 2021. Lexmark made corporate donations and matched employee donations to provide these communities with relief. Lexmark partnered with non-profit organizations such as the American Red Cross and Ramon Aboitiz Foundation, Inc. to assist families affected by devastation. In kind contributions were also donated based on specific needs.

## Community partnerships

Over the years, Lexmark has formed positive partnerships with universities, local schools, local aid agencies, nongovernmental organizations and our customers to address areas of need within our communities. Activities such as food drives, health and wellness assistance, natural disaster recovery and education are a few of the areas of assistance in which 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

## STEM education partnerships (continued)

is a method for recovering valuable materials from end-of-life devices and reusing these materials in new products. The collaboration led to four 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.



# 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.

## 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.



## Contributions

As outlined in the Lexmark Vision and Values, we strive to be good corporate citizens in the communities where our employees live and work. Our commitment to local and global communities is visible in the contributions of financial, product, and volunteer support to organizations working to help meet the challenges and needs of modern society.

We apply the same standards of excellence to our contribution and community support activities that we use in our business operations.

## In-kind gifts

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

## The Mira Foundation

Lexmark Canada has partnered with the Mira Foundation, a 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 220 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.

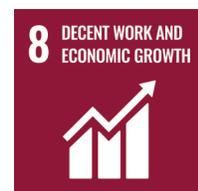
Employees are also encouraged to recruit a mentor who is willing to provide guidance and support either informally or through Lexmark's formal program.

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 on-site medical facilities where employees can get healthcare exams conveniently during the workday. Many facilities offer their employees recreational areas or sports leagues where they can participate in friendly challenges and competitions that promote health and fitness. Typical benefits include health insurance, life and accident insurance, and dental and vision insurance. Employee profit sharing is available in geographies where it is mandated by law.

Across the globe, 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 wages, 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 their 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% 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 97% of the global workforce in 2021.

## 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% 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.

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

In our experience, open communication and direct engagement between workers and management are key factors in resolving any workplace issues. Whenever possible, 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.

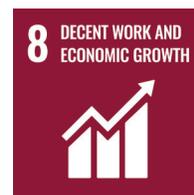
### Equal employment opportunity

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 implemented this system to 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 low to high risk activities, representing over 70% of Lexmark employees worldwide. In December of 2021, Lexmark's Boulder, Colorado facility was cited for violations by OSHA related to the anchoring of portable dock boards and machine guards, resulting in a civil penalty of \$18,000. Lexmark takes these occurrences very seriously. To ensure the continued safety of its workplace, the facility has taken this as an opportunity for continuous improvements - enhancing our processes and making a significant investment in these and similar areas throughout the facility.



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

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

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



Programs are put in place at our global sites to target continuous improvement. For example, in Juarez, Mexico, the Siempre Seguro Program promotes a zero accident culture. This includes education and awareness on various health and safety topics. Prize programs promote employee participation, different perspectives, and new ideas. In addition, safety is part of the performance bonus program, which is linked to results of weekly safety audits. In Boulder, Colorado, safety delegates were appointed to promote and monitor health and safety. Cebu, Philippines and Lexington, Kentucky have a targeted focus on laboratory safety. Lexmark sites worldwide participate in Safe and Sound Week to promote health and safety awareness across the company.



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

Lexmark has corrective action teams that work with personnel from the department or area where nonconformities occur to address 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 2021 reportable injury and illness rate calculated using OSHA injury and illness recordkeeping and reporting requirements was 0.34 injuries per 100 full-time employees.<sup>1</sup> This is significantly lower than the industry average of 0.7 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 2021 annual lost workday rate was 1.2 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 Industry Injury and Illness Summary Data Report.

# Diversity, Equity & Inclusion

## A diverse workforce

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



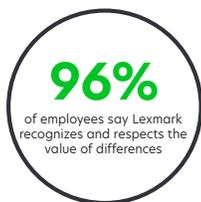
## Our stance on racism

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

## A unified vision

[Lexmark 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 product health and safety noncompliance or associated fines in 2021.

### Product compliance cross functional team

Several years ago, Lexmark compliance engineers formed a cross functional team to share information and develop an internal tracking system to drive and monitor new and existing compliance activities.

The team is comprised of representatives from multiple departments, each having a different primary focus. These departments include: Product Safety; EMC; Fax/Homologation; Product Sustainability/Environmental, Health and Safety; Energy; Acoustics; and Chemical Emissions. As an example, the Product Safety department focuses on the safety of our products throughout the development cycle and investigates any reported safety incidents, taking appropriate action such as recommending design changes or modifications to manufacturing processes and procedures. The other departments follow a similar approach.

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

### Product and service information

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

#### Information Type

#### Source

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Service and service part sourcing, user content, safety/regulatory instructions or notices [Tech Library](#)

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Disposal or recycling information

- [Tech Library](#)
- [Lexmark CSR report: Return & Recycle](#)

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Environmental and social impacts

- [Regulatory Compliance web page](#)
- [Lexmark CSR Report: Materials](#)
- [Supply Chain](#)
- [Product Eco Declarations \(ECMA 370\)](#)

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Safety Data Sheets

- [Regulatory Compliance web page](#)
  - [Lexmark CSR Report: Materials](#)
-

# Security & Privacy

Lexmark respects the privacy of our customers and takes safeguarding their personal data very seriously. As of the publication date, we have received no customer complaints regarding any loss or misuse of personal information for the calendar year 2021.

## 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). For more information, see Lexmark's Secure by Design.

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

In addition, Lexmark has been certified to the Open Trusted Technology Provider Standard (O-TTPS) for Laser Printer controller cards and firmware stored on the card. This standard has been adopted as ISO 20243-1 and addresses threats related to maliciously tainted and counterfeit products. The O-TTPS is a set of guidelines, requirements, and recommendations that address specific threats to the integrity of hardware and software for Commercial Off-the-Shelf Information and Communication Technology products. The standard has a wide scope as it covers the entire product life cycle. In addition, Lexmark received a 2021 CSO50Award from foundry (formerly IDG Communications) for supply chain security.

## Privacy Program

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

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

[privacy@lexmark.com](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, diversity, equity and inclusion, and our environmental impact.

## Reporting Parameters

This publication is Lexmark's fifteenth 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 2021) includes updates to key programs and performance metrics and a transparent assessment of our progress against established targets. The scope, boundary and measurement methods applied in this report do not significantly differ from previous reports, the last of which was published in June 2021. Lexmark was acquired on November 29, 2016, and is now privately owned.

As of January 1, 2021, to December 31, 2021, Lexmark reports being in accordance with the GRI Standards. The GRI Standards reporting principles have been applied throughout the report. Substantial effort goes into verifying statements and data to ensure accurate information is clear for all readers. A balanced approach including both positive and less than positive information relative to the current year as well as compared to previous years is represented in our annual report. Sustainable development is represented throughout the report.



Lexmark's internal processes include internal review and verification of all statements and metrics. Lexmark engaged Apex Companies, LLC to perform an independent review of our operational Greenhouse Gas emissions Scope 1, Scope 2 and Scope 3. This decision was approved by senior executives and went through all policies and procedures in our Global Sourcing organization. Please see the independent review report [here](#).

Our reporting is also guided by the ISO 26000 international standard and the Ten Principles of the United Nations Global Compact. Lexmark's CSR report assesses our global operations, including all of our domestic and non-U.S. subsidiaries (including, without limitation, Lexmark International Technology, S.a.r.l. (Switzerland); Lexmark Canada, Inc.; Lexmark International (Singapore) Pte Ltd; Lexmark International Mexico, S. de R.L. de C.V.; Lexmark International Do Brasil Ltda.). All subsidiaries and entities are wholly owned within the Lexmark company group. Unless noted, our sustainability reporting approach is consistent across our company group. There are no differences in approach to disclosures based on entity. Lexmark does not have financial statements filed on public record. Restatements of information from the previous reporting period can be found [here](#).

Lexmark International established and measured the metrics and goals to deliver a meaningful and accurate description of our performance in this report. The complex nature of collecting data in a global manufacturing company with multiple sites and facilities presents challenges in compiling consistent and comparable metrics. While this report includes consistent metrics in most areas, we continue to improve the standardization of our measurement systems. Our performance metrics cover Lexmark-operated facilities.

Environmental metrics are reported using widely accepted parameters and units. By utilizing the World Business Council for Sustainable Development (WBCSD) and World Resource Institute (WRI) Greenhouse Gas (GHG) Protocol methodology, we track greenhouse gas emissions, as well as our use of natural gas, fuel oil, diesel, gasoline, and electricity. For questions regarding this report, please contact [sustainability@lexmark.com](mailto:sustainability@lexmark.com).

## GRI Index

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

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE | LOCATION | REQUIREMENT(S)<br>OMITTED | OMISSION |             | GRI SECTOR<br>STANDARD<br>REFERENCE<br>NO. |
|-------------------------------|------------|----------|---------------------------|----------|-------------|--|
|                               |            |          |                           | REASON   | EXPLANATION |  |

### GENERAL DISCLOSURES

|                                 |  |  |  |                             |                                      |  |
|---------------------------------|--|--|--|-----------------------------|--------------------------------------|--|
| GRI 2: General Disclosures 2021 | 2-1 Organizational details   | <a href="#">Governance</a>   |  |                             |                                      |  |
|                                 | 2-2 Entities included in the organization's sustainability reporting             | <a href="#">Governance,</a><br><a href="#">Reporting</a><br><a href="#">Parameters</a>   |  |                             |                                      |  |
|                                 | 2-3 Reporting period, frequency and contact point                                | <a href="#">Reporting</a><br><a href="#">Parameters</a>  |  |                             |                                      |  |
|                                 | 2-4 Restatements of information  | <a href="#">Restatements</a>   |  |                             |                                      |  |
|                                 | 2-5 External assurance   | <a href="#">Reporting</a><br><a href="#">Parameters,</a><br><a href="#">Declaration</a>  |  |                             |                                      |  |
|                                 | 2-6 Activities, value chain and other business relationships                     | <a href="#">Supply Chain</a>   |  |                             |                                      |  |
|                                 | 2-7 Employees  | <a href="#">Employee-Data</a><br><a href="#">Dashboard</a>   |  |                             |                                      |  |
|                                 | 2-8 Workers who are not employees  | <a href="#">Human Rights,</a><br><a href="#">Employee-Data</a><br><a href="#">Dashboard</a>  |  |                             |                                      |  |
|                                 | 2-9 Governance structure and composition   | <a href="#">Governance,</a><br><a href="#">Board of</a><br><a href="#">Directors,</a><br><a href="#">Executive</a><br><a href="#">Profiles</a> |  |                             |                                      |  |
|                                 | 2-10 Nomination and selection of the highest governance body                     |  | 2-10 Nomination and selection of the highest governance body | Confidentiality constraints | Lexmark is a privately held company. |  |
|                                 | 2-11 Chair of the highest governance body  | <a href="#">Board of</a><br><a href="#">Directors</a>  |  |                             |                                      |  |
|                                 | 2-12 Role of the highest governance body in overseeing the management of impacts | <a href="#">Governance,</a><br><a href="#">Policies &amp;</a><br><a href="#">Statements</a>  |  |                             |                                      |  |
|                                 | 2-13 Delegation of responsibility for managing impacts                           | <a href="#">Risks,</a><br><a href="#">Opportunities</a><br><a href="#">&amp; Impacts</a>   |  |                             |                                      |  |

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

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

| GRI STANDARD/<br>OTHER SOURCE | DISCLOSURE   | LOCATION                           | REQUIREMENT(S)<br>OMITTED | OMISSION |             | GRI SECTOR<br>STANDARD<br>REFERENCE<br>NO. |
|-------------------------------|--|------------------------------------|---------------------------|----------|-------------|--|
|                               |  |                                    |                           | REASON   | EXPLANATION |  |
|                               | 302-4 Reduction of energy consumption                            | <a href="#">Energy Consumption</a> |                           |          |             |  |
|                               | 302-5 Reductions in energy requirements of products and services | <a href="#">Product Energy Use</a> |                           |          |             |  |

### WATER AND EFFLUENTS

|                                   |   |  |  |  |  |  |
|-----------------------------------|---|--|--|--|--|--|
| GRI 3: Material Topics 2021       | 3-3 Management of material topics                   |  |  |  |  |  |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource  | <a href="#">Water Management</a>                       |  |  |  |  |
|                                   | 303-2 Management of water discharge-related impacts | <a href="#">Water Management</a>                       |  |  |  |  |
|                                   | 303-3 Water withdrawal                              | <a href="#">Water Management, Water-Data Dashboard</a> |  |  |  |  |
|                                   | 303-4 Water discharge                               | <a href="#">Water Management, Water-Data Dashboard</a> |  |  |  |  |
|                                   | 303-5 Water consumption                             | <a href="#">Water Management, Water-Data Dashboard</a> |  |  |  |  |

### BIODIVERSITY

|                             |   |   |  |  |  |  |
|-----------------------------|---|---|--|--|--|--|
| GRI 3: Material Topics 2021 | 3-3 Management of material topics   |   |  |  |  |  |
| GRI 304: Biodiversity 2016  | 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas | <a href="#">Land &amp; Biodiversity</a> |  |  |  |  |
|                             | 304-2 Significant impacts of activities, products and services on biodiversity  | <a href="#">Land &amp; Biodiversity</a> |  |  |  |  |
|                             | 304-3 Habitats protected or restored  | <a href="#">Land &amp; Biodiversity</a> |  |  |  |  |

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

| GRI STANDARD/<br>OTHER SOURCE                | DISCLOSURE   | LOCATION                                | REQUIREMENT(S)<br>OMITTED | OMISSION |             | GRI SECTOR<br>STANDARD<br>REFERENCE<br>NO. |
|--|--|---|---------------------------|----------|-------------|--|
|  |  |   |                           | REASON   | EXPLANATION |  |
|  | 306-5 Waste directed to disposal   | <a href="#">Waste-Data Dashboard</a>    |                           |          |             |  |
| <b>EMPLOYEE ENGAGEMENT</b>                   |  |   |                           |          |             |  |
| GRI 3: Material Topics 2021                  | 3-3 Management of material topics  |   |                           |          |             |  |
|  | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | <a href="#">Commitment to Employees</a> |                           |          |             |  |
| <b>LABOR/MANAGEMENT RELATIONS</b>            |  |   |                           |          |             |  |
| GRI 3: Material Topics 2021                  | 3-3 Management of material topics  |   |                           |          |             |  |
| GRI 402: Labor/Management Relations 2016     | 402-1 Minimum notice periods regarding operational changes   | <a href="#">Human Rights</a>            |                           |          |             |  |
| <b>OCCUPATIONAL HEALTH AND SAFETY</b>        |  |   |                           |          |             |  |
| GRI 3: Material Topics 2021                  | 3-3 Management of material topics  |   |                           |          |             |  |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system   | <a href="#">Health &amp; Safety</a>     |                           |          |             |  |
|  | 403-2 Hazard identification, risk assessment, and incident investigation                                 | <a href="#">Health &amp; Safety</a>     |                           |          |             |  |
|  | 403-3 Occupational health services   | <a href="#">Health &amp; Safety</a>     |                           |          |             |  |
|  | 403-4 Worker participation, consultation, and communication on occupational health and safety            | <a href="#">Health &amp; Safety</a>     |                           |          |             |  |
|  | 403-5 Worker training on occupational health and safety  | <a href="#">Health &amp; Safety</a>     |                           |          |             |  |
|  | 403-6 Promotion of worker health   | <a href="#">Commitment to Employees</a> |                           |          |             |  |

| GRI STANDARD/<br>OTHER SOURCE                                  | DISCLOSURE   | LOCATION  | REQUIREMENT(S)<br>OMITTED | OMISSION |             | GRI SECTOR<br>STANDARD<br>REFERENCE<br>NO. |
|--|--|---|---------------------------|----------|-------------|--|
|  |  |   |                           | REASON   | EXPLANATION |  |
|  | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships  | <a href="#">Health &amp; Safety</a>                         |                           |          |             |  |
|  | 403-8 Workers covered by an occupational health and safety management system   | <a href="#">Health &amp; Safety</a>                         |                           |          |             |  |
|  | 403-9 Work-related injuries  | <a href="#">Employee-Data Dashboard</a>                     |                           |          |             |  |
|  | 403-10 Work-related ill health   | <a href="#">Employee-Data Dashboard</a>                     |                           |          |             |  |
| <b>TRAINING AND EDUCATION</b>                                  |  |   |                           |          |             |  |
| GRI 3: Material Topics 2021                                    | 3-3 Management of material topics  |   |                           |          |             |  |
|  | 404-2 Programs for upgrading employee skills and transition assistance programs                                      | <a href="#">Commitment to Employees</a>                     |                           |          |             |  |
| <b>DIVERSITY AND EQUAL OPPORTUNITY</b>                         |  |   |                           |          |             |  |
| GRI 3: Material Topics 2021                                    | 3-3 Management of material topics  |   |                           |          |             |  |
| GRI 405: Diversity and Equal Opportunity 2016                  | 405-1 Diversity of governance bodies and employees   | <a href="#">Employee-Data Dashboard, Board of Directors</a> |                           |          |             |  |
| <b>NON-DISCRIMINATION</b>                                      |  |   |                           |          |             |  |
| GRI 3: Material Topics 2021                                    | 3-3 Management of material topics  |   |                           |          |             |  |
| GRI 406: Non-discrimination 2016                               | 406-1 Incidents of discrimination and corrective actions taken   | <a href="#">Human Rights</a>                                |                           |          |             |  |
| <b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>        |  |   |                           |          |             |  |
| GRI 3: Material Topics 2021                                    | 3-3 Management of material topics  |   |                           |          |             |  |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | <a href="#">Human Rights</a>                                |                           |          |             |  |

| GRI STANDARD/<br>OTHER SOURCE              | DISCLOSURE  | LOCATION  | REQUIREMENT(S)<br>OMITTED | OMISSION |             | GRI SECTOR<br>STANDARD<br>REFERENCE<br>NO. |
|--|---|---|---------------------------|----------|-------------|--|
|  |   |   |                           | REASON   | EXPLANATION |  |
| <b>CHILD LABOR</b>                         |   |   |                           |          |             |  |
| GRI 3: Material Topics 2021                | 3-3 Management of material topics   |   |                           |          |             |  |
| GRI 408: Child Labor 2016                  | 408-1 Operations and suppliers at significant risk for incidents of child labor                     | <a href="#">Human Rights</a> ,<br><a href="#">Supply Chain</a>  |                           |          |             |  |
| <b>FORCED OR COMPULSORY BEHAVIOR</b>       |   |   |                           |          |             |  |
| GRI 3: Material Topics 2021                | 3-3 Management of material topics   |   |                           |          |             |  |
| GRI 409: Forced or Compulsory Labor 2016   | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor      | <a href="#">Human Rights</a> ,<br><a href="#">Human Trafficking and Slavery Statement</a> ,<br><a href="#">Supply Chain</a> |                           |          |             |  |
| <b>SECURITY PRACTICES</b>                  |   |   |                           |          |             |  |
| GRI 3: Material Topics 2021                | 3-3 Management of material topics   |   |                           |          |             |  |
| GRI 410: Security Practices 2016           | 410-1 Security personnel trained in human rights policies or procedures                             | <a href="#">Human Rights</a>  |                           |          |             |  |
| <b>RIGHT OF INDIGENOUS PEOPLES</b>         |   |   |                           |          |             |  |
| GRI 3: Material Topics 2021                | 3-3 Management of material topics   |   |                           |          |             |  |
| GRI 411: Rights of Indigenous Peoples 2016 | 411-1 Incidents of violations involving rights of indigenous peoples                                | <a href="#">Human Rights</a> ,<br><a href="#">Human Trafficking and Slavery Statement</a> ,<br><a href="#">Supply Chain</a> |                           |          |             |  |
| <b>CUSTOMER HEALTH AND SAFETY</b>          |   |   |                           |          |             |  |
| GRI 3: Material Topics 2021                | 3-3 Management of material topics   |   |                           |          |             |  |
| GRI 416: Customer Health and Safety 2016   | 416-1 Assessment of the health and safety impacts of product and service categories                 | <a href="#">Product Health &amp; Safety</a>   |                           |          |             |  |
|  | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | <a href="#">Product Health &amp; Safety</a>   |                           |          |             |  |

GRI Index (continued)

| GRI STANDARD/<br>OTHER SOURCE        | DISCLOSURE   | LOCATION                                   | REQUIREMENT(S)<br>OMITTED | OMISSION |             | GRI SECTOR<br>STANDARD<br>REFERENCE<br>NO. |
|--------------------------------------|--|--|---------------------------|----------|-------------|--|
|                                      |  |  |                           | REASON   | EXPLANATION |  |
| <b>CUSTOMER PRIVACY</b>              |  |  |                           |          |             |  |
| GRI 3: Material<br>Topics 2021       | 3-3 Management of<br>material topics   |  |                           |          |             |  |
| GRI 418:<br>Customer<br>Privacy 2016 | 418-1 Substantiated<br>complaints concerning<br>breaches of customer<br>privacy and losses of<br>customer data | <a href="#">Security &amp;<br/>Privacy</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 2021 performance update of our Corporate Social Responsibility Report.

| Principle Number | Description  | Report Section or Links   |
|------------------|--|---|
| 1                | Support and respect protection of internationally proclaimed human rights.                         | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Human Trafficking and Slavery Statement</a></li> <li>• <a href="#">Supply Chain</a></li> </ul>  |
| 2                | Make sure business is not complicit in human rights abuses.  | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Human Trafficking and Slavery Statement</a></li> <li>• <a href="#">Supply Chain</a></li> </ul>  |
| 3                | Uphold freedom of association and the effective recognition of the right to collective bargaining. | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Human Rights Policy</a></li> </ul>   |
| 4                | Support elimination of all forms of forced and compulsory labor.                                   | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Human Trafficking and Slavery Statement</a></li> </ul>  |
| 5                | Support effective abolition of child labor.  | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Human Rights Policy</a></li> </ul>   |
| 6                | Eliminate discrimination in employment and occupation.   | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Lexmark Code of Business Conduct</a></li> </ul>   |
| 7                | Support a precautionary approach to environmental challenges.                                      | <ul style="list-style-type: none"> <li>• <a href="#">CSR Policies &amp; Statements</a></li> <li>• <a href="#">Corporate Social Responsibility Policy</a></li> <li>• <a href="#">Environmental Health &amp; Safety Policy</a></li> <li>• <a href="#">Climate Change Policy</a></li> </ul>  |
| 8                | Undertake initiatives to promote greater environmental responsibility.                             | <ul style="list-style-type: none"> <li>• <a href="#">Energy Consumption</a></li> <li>• <a href="#">Greenhouse Gas Emissions</a></li> <li>• <a href="#">Water Management</a></li> <li>• <a href="#">Waste Management</a></li> <li>• <a href="#">Land &amp; Biodiversity</a></li> <li>• <a href="#">Environmental Management</a></li> <li>• <a href="#">Return &amp; Recycle</a></li> </ul> |
| 9                | Encourage the development and diffusion of environmentally friendly technologies.                  | <ul style="list-style-type: none"> <li>• <a href="#">Products Life Cycle</a></li> <li>• <a href="#">Materials</a></li> <li>• <a href="#">Emissions</a></li> <li>• <a href="#">Energy Use</a></li> <li>• <a href="#">Product Certifications</a></li> <li>• <a href="#">Return &amp; Recycle</a></li> <li>• <a href="#">Packaging</a></li> </ul>  |
| 10               | Work against all forms of corruption, including extortion and bribery.                             | <ul style="list-style-type: none"> <li>• <a href="#">Transparency &amp; Ethics</a></li> </ul>   |

# 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.

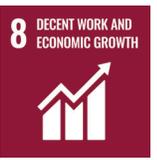
**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

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 \(LCCP\)](#) 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

|  |   |   |   |   |  |   |  |
|--|---|---|---|---|--|---|--|
|    | <p><b>Goal 1</b><br/>End poverty in all its forms everywhere</p> <p><b>Lexmark's progress</b><br/><a href="#">Global Citizenship</a></p>  |    | <p><b>Goal 2</b><br/>End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p> <p><b>Lexmark's progress</b><br/><a href="#">Global Citizenship</a></p>   |    | <p><b>Goal 3</b><br/>Ensure healthy lives and promote well-being for all at all ages</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Health &amp; Safety</a></li> <li>• <a href="#">Commitment to Employees</a></li> </ul>   |    | <p><b>Goal 4</b><br/>Ensure inclusive and quality education for all and promote lifelong learning</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Partnerships</a></li> </ul>  |
|    | <p><b>Goal 5</b><br/>Achieve gender equality and empower all women and girls</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Diversity</a></li> <li>• <a href="#">Commitment to Employees</a></li> </ul>  |    | <p><b>Goal 6</b><br/>Ensure access to water and sanitation for all</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Water Management</a></li> <li>• <a href="#">Land &amp; Biodiversity</a></li> <li>• <a href="#">Cane Run Creek</a></li> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">KPIs</a></li> </ul>   |    | <p><b>Goal 7</b><br/>Ensure access to affordable, reliable, sustainable and modern energy for all</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Energy Consumption</a></li> <li>• <a href="#">Product Energy Use</a></li> <li>• <a href="#">KPIs</a></li> </ul>  |    | <p><b>Goal 8</b><br/>Promote inclusive and sustainable economic growth, employment and decent work for all</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Supply Chain</a></li> <li>• <a href="#">DEI</a></li> <li>• <a href="#">Commitment to Employees</a></li> <li>• <a href="#">CSR Policies</a></li> </ul>   |
|  | <p><b>Goal 9</b><br/>Build resilient infrastructure, promote sustainable industrialization and foster innovation</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Return &amp; Recycle</a></li> <li>• <a href="#">Circular Economy</a></li> <li>• <a href="#">PCR</a></li> <li>• <a href="#">Innovations in Cartridge Recycling</a></li> </ul> |  | <p><b>Goal 10</b><br/>Reduce inequality within and among countries</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Supply Chain</a></li> <li>• <a href="#">Diversity</a></li> <li>• <a href="#">Accessibility Solutions</a></li> <li>• <a href="#">Commitment to Employees</a></li> </ul> |  | <p><b>Goal 11</b><br/>Make cities inclusive, safe, resilient and sustainable</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Risks &amp; Opportunities</a></li> </ul>  |  | <p><b>Goal 12</b><br/>Ensure sustainable consumption and production patterns</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">KPIs</a></li> <li>• <a href="#">Energy Consumption</a></li> <li>• <a href="#">GHG Emissions</a></li> <li>• <a href="#">Waste Management</a></li> <li>• <a href="#">Supply Chain</a></li> <li>• <a href="#">Materials</a></li> <li>• <a href="#">Product Energy Use</a></li> <li>• <a href="#">Return &amp; Recycle</a></li> </ul> |
|  | <p><b>Goal 13</b><br/>Take urgent action to combat climate change and its impacts</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">GHG Emissions</a></li> <li>• <a href="#">KPIs</a></li> </ul>  |  | <p><b>Goal 14</b><br/>Conserve and sustainably use the oceans, seas and marine resource</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Land &amp; Biodiversity</a></li> <li>• <a href="#">Cane Run Creek</a></li> </ul>  |  | <p><b>Goal 15</b><br/>Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Product Life Cycle</a></li> <li>• <a href="#">Land &amp; Biodiversity</a></li> <li>• <a href="#">Reforestation</a></li> <li>• <a href="#">Monarch Waystation</a></li> </ul> |  | <p><b>Goal 16</b><br/>Promote just, peaceful and inclusive societies</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Supply Chain</a></li> </ul>   |
|  | <p><b>Goal 17</b><br/>Revitalize the global partnership for sustainable development</p> <p><b>Lexmark's progress</b></p> <ul style="list-style-type: none"> <li>• <a href="#">UNGC Index</a></li> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Innovations in Cartridge Recycling</a></li> </ul>   |   |   |   |  |   |  |

# ISO 26000 Index

| Subject                              | Issues  | Reference  |
|--------------------------------------|---|--|
| <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                                   | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Supply Chain</a></li> <li>• <a href="#">Human Trafficking</a></li> </ul>  |
| 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            | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Diversity</a></li> </ul>   |
| 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       | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Supply Chain</a></li> <li>• <a href="#">Human Trafficking</a></li> </ul>  |
| <b>6.4 LABOUR PRACTICES</b>          |   |  |
| 6.4.3                                | Employment and employment relationships         | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Commitment to Employees</a></li> <li>• <a href="#">Supply Chain</a></li> </ul>  |
| 6.4.4                                | Conditions of work and social protection        | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Commitment to Employees</a></li> </ul>  |
| 6.4.5                                | Social dialogue                                 | <a href="#">Human Rights</a>   |
| 6.4.6                                | Health and safety at work                       | <ul style="list-style-type: none"> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Commitment to Employees</a></li> </ul>  |
| 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                         | <ul style="list-style-type: none"> <li>• <a href="#">Greenhouse Gas Emissions</a></li> <li>• <a href="#">Water Management</a></li> <li>• <a href="#">Waste Management</a></li> <li>• <a href="#">Land &amp; Biodiversity</a></li> <li>• <a href="#">Return &amp; Recycle</a></li> <li>• <a href="#">Energy Consumption</a></li> <li>• <a href="#">Energy Use</a></li> <li>• <a href="#">Emissions</a></li> </ul>   |
| 6.5.4                                | Sustainable resource use                        | <ul style="list-style-type: none"> <li>• <a href="#">Materials</a></li> <li>• <a href="#">Greenhouse Gas Emissions</a></li> <li>• <a href="#">Water Management</a></li> <li>• <a href="#">Waste Management</a></li> <li>• <a href="#">Land &amp; Biodiversity</a></li> <li>• <a href="#">Energy Consumption</a></li> <li>• <a href="#">Energy Use</a></li> <li>• <a href="#">Products Life Cycle</a></li> <li>• <a href="#">Return &amp; Recycle</a></li> <li>• <a href="#">Packaging</a></li> </ul> |
| 6.5.5                                | Climate change mitigation and adaptation        | <ul style="list-style-type: none"> <li>• <a href="#">Greenhouse Gas Emissions</a></li> <li>• <a href="#">Energy Consumption</a></li> <li>• <a href="#">Energy Use</a></li> <li>• <a href="#">Risks, Opportunities &amp; Impacts</a></li> </ul>   |

| Subject  | Issues  | Reference   |
|--|---|---|
| 6.5.6  |   | <ul style="list-style-type: none"> <li>• <a href="#">Land &amp; Biodiversity</a></li> <li>• <a href="#">Water Management</a></li> </ul>   |
| <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="#">Transparency &amp; Ethics</a>   |
| 6.6.5  | Fair competition  | <a href="#">Transparency &amp; Ethics</a>   |
| 6.6.6  | Promoting social responsibility in the value chain                              | <ul style="list-style-type: none"> <li>• <a href="#">Supply Chain</a></li> <li>• <a href="#">Materials</a></li> <li>• <a href="#">Energy Consumption</a></li> </ul> <ul style="list-style-type: none"> <li>• <a href="#">Packaging</a></li> <li>• <a href="#">Human Rights</a></li> <li>• <a href="#">Human Trafficking</a></li> </ul>  |
| 6.6.7  | Respect for property rights   |   |
| <b>6.7 CONSUMER ISSUES</b>                       |   |   |
| 6.7.3  | Fair marketing, factual and unbiased information and fair contractual practices | <ul style="list-style-type: none"> <li>• <a href="#">Transparency &amp; Ethics</a></li> <li>• <a href="#">Product Health &amp; Safety</a></li> </ul>  |
| 6.7.4  | Protecting consumers' health and safety   | <a href="#">Product Health &amp; Safety</a>   |
| 6.7.5  | Sustainable consumption   | <ul style="list-style-type: none"> <li>• <a href="#">Product Health &amp; Safety</a></li> <li>• <a href="#">Packaging</a></li> <li>• <a href="#">Waste Management</a></li> <li>• <a href="#">Materials</a></li> </ul> <ul style="list-style-type: none"> <li>• <a href="#">Products Life Cycle</a></li> <li>• <a href="#">Return &amp; Recycle</a></li> <li>• <a href="#">Energy Use</a></li> <li>• <a href="#">Energy Consumption</a></li> </ul> |
| 6.7.6  | Consumer service, support, and complaint and dispute resolution                 | • <a href="#">Product Health &amp; Safety</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</a>   |
| <b>6.8 COMMUNITY INVOLVEMENT AND DEVELOPMENT</b> |   |   |
| 6.8.3  | Community involvement   | <ul style="list-style-type: none"> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Land &amp; Biodiversity</a></li> <li>• <a href="#">Commitment to Employees</a></li> </ul>  |
| 6.8.4  | Education and culture   | <ul style="list-style-type: none"> <li>• <a href="#">Commitment to Employees</a></li> <li>• <a href="#">Global Citizenship</a></li> <li>• <a href="#">Diversity</a></li> </ul>  |
| 6.8.5  | Employment creation and skills development                                      | <a href="#">Commitment to Employees</a>   |
| 6.8.6  | Technology development and access   | <ul style="list-style-type: none"> <li>• <a href="#">Commitment to Employees</a></li> <li>• <a href="#">Global Citizenship</a></li> </ul>   |
| 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    | 2019    | 2020    | 2021    |
|--|-----------|---------|---------|---------|---------|
|  | 1,492,903 | 938,486 | 806,467 | 673,039 | 696,319 |

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

|  | 2005  | 2015  | 2019  | 2020  | 2021  |
|--|-------|-------|-------|-------|-------|
|  | 0.179 | 0.206 | 0.207 | 0.188 | 0.197 |

## Facility level energy (Scope 1 and 2):

### Operations within organization (gigajoules)

|                        | 2015    | 2019    | 2020    | 2021    |
|------------------------|---------|---------|---------|---------|
| Lexington, KY, U.S.    | 267,881 | 191,093 | 174,233 | 172,834 |
| Boulder, CO, U.S.      | 274,088 | 359,620 | 275,502 | 295,012 |
| Juarez, Mexico         | 245,098 | 164,303 | 148,697 | 154,102 |
| Cebu City, Philippines | 44,219  | 26,646  | 20,121  | 24,728  |
| Kolkata, India         | 12,063  | 6,926   | 6,325   | 4,008   |
| Budapest, Hungary      | 6,649   | 3,634   | 2,381   | 2,652   |
| Other                  | 88,488  | 54,245  | 45,779  | 42,983  |

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

### Direct energy by type

|                | 2015           | 2019           | 2020           | 2021           |
|----------------|----------------|----------------|----------------|----------------|
| Natural Gas    | 326,879        | 340,625        | 156,505        | 160,620        |
| Diesel/gas oil | 35,007         | 14,851         | 10,343         | 14,145         |
| <b>Total</b>   | <b>361,886</b> | <b>355,476</b> | <b>166,848</b> | <b>174,765</b> |

### Indirect energy by type and location

| <b>ELECTRICITY PURCHASED</b> | 2015           | 2019           | 2020           | 2021           |
|------------------------------|----------------|----------------|----------------|----------------|
| Lexington, KY, U.S.          | 153,763        | 96,623         | 84,105         | 84,451         |
| Boulder, CO, U.S.            | 188,224        | 181,014        | 143,921        | 163,963        |
| Boulder Supplied Team        | -              | -              | 125,128        | 122,539        |
| Juarez, Mexico               | 121,047        | 100,208        | 90,158         | 92,989         |
| Cebu City, Philippines       | 40,911         | 25,967         | 19,608         | 19,688         |
| Kolkata, India               | 9,973          | 6,458          | 6,008          | 3,588          |
| Budapest, Hungary            | 4,626          | 1,826          | 860            | 957            |
| Other                        | 58,056         | 38,895         | 34,626         | 33,379         |
| <b>Total</b>                 | <b>576,600</b> | <b>450,991</b> | <b>504,414</b> | <b>521,554</b> |

# Data Dashboard - Energy

## Energy consumption boundary and accounting methodology

### Organizational boundary

Reported data covers the 2021 calendar year. Energy use data represents approximately 100% of Lexmark's 2021 square footage of occupied space. Reported data 2015 -2017 has been re-calculated for the Lexmark Enterprise Software divestiture. Data prior to the 2015 base year (including 2005) has not been recalculated for divestitures.

### Data input and calculation methodology

Lexmark calculates energy usage for owned and operated sites and fuel used in company owned/leased vehicles under Scope

1. Data is calculated from utility bills, onsite refrigerant tracking, maintenance records, site fuel estimates or rental agency vehicle reports, and other documentation. For leased sites where metered data is available through utility bills and other invoices, the data is compared to the average intensity for the region and increased for HVAC energy support if higher or left the same

as a region otherwise. For leased sites where no metered data is available, current Commercial Buildings Energy Consumption Survey (CBECS) data is used to calculate energy for U.S. locations and International Energy Agency (IEA) data is used to estimate usage for leased locations in other parts of the world. All energy use (direct office use and HVAC support) is assumed to be electrically derived.

Energy intensity is calculated per Lexmark square footage.

### Square footage

|  | 2015      | 2019      | 2020      | 2021      |
|--|-----------|-----------|-----------|-----------|
|  | 4,545,407 | 3,893,340 | 3,576,742 | 3,536,664 |

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

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

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

# Data Dashboard - Emissions

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

|  | 2005           | 2015           | 2019          | 2020          | 2021          |
|--|----------------|----------------|---------------|---------------|---------------|
| Scope 1 Direct                           | 28,679         | 20,857         | 11,204        | 11,207        | 24,951        |
| Scope 2 Indirect                         | 185,223        | 102,081        | 84,124        | 69,462        | 56,171        |
| <b>Total Scope 1 and 2 GHG Emissions</b> | <b>213,902</b> | <b>122,938</b> | <b>95,328</b> | <b>80,569</b> | <b>81,122</b> |

In preparation for install of a new more efficient chiller, Lexmark had refrigerant recovered from an older, less efficient chiller in 2021. Prior to refrigerant recovery, losses of 3,065 pounds (13,903 metric tons of emissions) of R114 were incurred.

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

|  | 2015          | 2019          | 2020          | 2021          |
|--|---------------|---------------|---------------|---------------|
| Scope 1 Direct                             | 0.0046        | 0.0053        | 0.0029        | 0.0031        |
| Scope 2 Indirect                           | 0.0225        | 0.0196        | 0.0216        | 0.0159        |
| <b>Total Scope 1 &amp; 2 GHG Emissions</b> | <b>0.0270</b> | <b>0.0249</b> | <b>0.0245</b> | <b>0.0190</b> |

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

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

| Scope 1 emissions                   | 2015          | 2019          | 2020          | 2021          |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Natural Gas                         | 17,409        | 18,200        | 8,451         | 8,065         |
| Diesel/gas oil                      | 152           | 56            | 42            | 368           |
| Refrigerants                        | 1,083         | 1,444         | 1,920         | 15,858        |
| Owned vehicles/transportation fleet | 2,213         | 987           | 694           | 659           |
| <b>Total</b>                        | <b>20,857</b> | <b>20,687</b> | <b>11,107</b> | <b>24,951</b> |

| Scope 2 emissions                          | 2015    | 2019   | 2020   | 2021   |
|--|---------|--------|--------|--------|
| Electricity & Boulder, CO steam purchased) | 102,081 | 76,249 | 69,462 | 56,171 |

| Scope 3 emissions  | 2015   | 2019       | 2020       | 2021    |
|--|--------|------------|------------|---------|
| Purchased Goods and Services (Category 1)                          | -      | 257,364    | 175,382    | 213,806 |
| - Capital Goods (Category 2)                                       | -      | 12,202     | 10,818     | 8,363   |
| - Fuel & energy-related activities not in Scope 1 & 2 (Category 3) | -      | -          | -          | 15,017  |
| Upstream Transport (Category 4)                                    | -      | 9,688      | 9,692      | 26,593  |
| Waste in Operations (Category 5)                                   | -      | Negligible | Negligible | 1,367   |
| Business Travel (Category 6)                                       | 17,634 | 7,219      | 1,316      | 1,218   |

# Data Dashboard - Emissions

| Scope 3 emissions (continued)                             | 2015   | 2019       | 2020      | 2021       |
|---|--------|------------|-----------|------------|
| Employee Commuting (Category 7)                           | -      | 13,674     | 8,736     | 9,294      |
| Use of sold products, including paper total (Category 11) |        | 14,697,124 | 9,842,214 | 12,260,139 |
| Use of sold products, excluding paper total (Category 11) |        | 2,946,658  | 2,199,740 | 3,139,586  |
| Use of sold products, energy only (Category 11)           | -      | 412,046    | 259,960   | 266,589    |
| End of Life Treatment of Sold Products (Category 12)      | -      | 2,702      | 1,823     | 2,147      |
| Downstream-leased Assets (Category 13)                    | 24,841 | 316        | 423       | 206        |

## 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 89% of Lexmark's 2021 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 80% of Lexmark's 2021 square footage of occupied space.
- Scope 1 vehicle data was provided from sites in the United States, 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% 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      | 2019      | 2020      | 2021      |
|--|-----------|-----------|-----------|-----------|
|  | 4,545,407 | 3,893,340 | 3,576,742 | 3,536,664 |

### Data input and calculation methodology

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

### Scope 1 emissions

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

### Scope 2 emissions

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

# Data Dashboard - Emissions

## Scope 3 GHG emissions

| Category   | Description  | Scope/Methodology   |
|------------|--|---|
| Category 1 | Purchased Goods and Services   | 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.   |
| Category 2 | Capital Goods  | Annual summary reports for capital purchases are provided by the Global Planning Team. Emissions are calculated using an average spend-based method from the capital assets report and applying 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 | Emissions due to extraction, production, and transportation of fuels and energy purchased by the reporting company, including transmission and distribution losses, are calculated using International Energy Agency (IEA) emissions factors.   |
| 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.  |
| 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) GHG emissions factors hub, Table 9.  |
| Category 6 | Business Travel  | Covers business travel worldwide. Travel was significantly reduced in 2021, due to global travel restrictions per the COVID-19 pandemic. For U.S. (rentals and fleet vehicles), Canada (rentals and fleet vehicles), Kolkata, Cebu, Shenzhen, Juarez, Switzerland, Austria, Germany and Budapest. Travel is reported for locations worldwide using our primary corporate travel agencies. We estimate that unreported is minimal. Leased/rental vehicle reports are provided by Enterprise and National car rental agencies. Travel agency partners and American Express provides reports for business air travel.  |
| Category 7 | Employee Commuting   | Assumptions for commute distance, vehicle type and number of on-site and remote working days for Lexmark employees are based on badge-in data and most recent U.S. National Household Travel Survey. Emissions factors for the conversion of fuel to carbon dioxide equivalents were obtained from the EPA's Greenhouse Gas Equivalencies and estimated using the average data method. Average annual working days data was sourced online for representative geographies. Due to COVID-19, employee commutes were impacted as workers transitioned to remote work environments. Emissions associated with remote work for an eight-hour workday was estimated using average U.S. household energy per day times the IEA worldwide electricity conversion factor of 478.7 grams of CO <sub>2</sub> per kWh. |
| Category 8 | Upstream Leased Assets   | Not applicable to lexmark.  |

# Data Dashboard - Emissions (continued)

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

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

|   | 2015  | 2019  | 2020  | 2021  |
|---|-------|-------|-------|-------|
| <b>Methane</b>                                  |       |       |       |       |
| Lexington, KY, U.S.                             | 0.12  | 0.10  | 0.10  | 0.10  |
| <b>Volatile organic compounds (non-methane)</b> |       |       |       |       |
| Boulder, CO, U.S.                               | 4.28  | 2.46  | 1.51  | 2.21  |
| Lexington, KY, U.S.                             | 0.31  | 0.24  | 0.25  | 0.24  |
| Juarez, Mexico                                  | 34.04 | 17.79 | 22.00 | 19.24 |
| <b>SO<sub>x</sub></b>                           |       |       |       |       |
| Lexington, KY, U.S.                             | 0.06  | 0.03  | 0.03  | 0.04  |
| Juarez, Mexico                                  | 0.03  | 0.02  | 0.016 | 0.017 |
| <b>NO<sub>x</sub></b>                           |       |       |       |       |
| Lexington, KY, U.S.                             | 5.49  | 4.31  | 4.49  | 4.2   |
| Juarez, Mexico                                  | 3.15  | 1.63  | 1.49  | 1.55  |
| <b>CO<sub>2</sub></b>                           |       |       |       |       |
| Boulder, CO, U.S.                               | 348   | 491   | 385   | 503   |
| Lexington, KY, U.S.                             | 6,039 | 4,996 | 5,258 | 4,740 |
| Juarez, Mexico                                  | 4,010 | 2,068 | 1,892 | 1,971 |
| <b>Particulate matter (PM10)</b>                |       |       |       |       |
| Boulder, CO, U.S.                               | 0.06  | 0.06  | 0.04  | 0.04  |

\*Data is not available at this time. Information will be updated and available after publication.

# Data Dashboard - Emissions (continued)

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

|  |             |             |             |             |
|--|-------------|-------------|-------------|-------------|
| Lexington, KY, U.S.  | 0.41        | 0.30        | 0.26        | 0.25        |
| Juarez, Mexico   | 0.24        | 0.12        | 0.113       | 0.118       |
| <b>Hazardous air pollutants</b>                                      | <b>2015</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> |
| Boulder, CO, U.S.  | 0.17        | 0.23        | 0.15        | 0.2         |
| Lexington, KY, U.S.  | 0.09        | 0.08        | 0.62        | 0.07        |
| <b>Toxic release inventory</b>                                       | <b>2015</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> |
| Boulder, CO, U.S.  | 1.89        | 1.03        | 0.62        | 0.82        |
| <b>Registro de Emisiones y Transferencia de Contaminantes (RETC)</b> | <b>2015</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> |
| Juarez, Mexico   | 3,113       | 1,591       | 1,458       | 1,517       |

\*Data is not available at this time. Information will be updated and available after publication.

## Regulated air emission boundary and accounting methodology

Regulated air emissions are reported for our primary research and development and manufacturing locations, with the exception of Cebu City, Philippines. Lexmark monitors regulated air emissions and submits the necessary reports to agencies requesting this information. The Lexmark manufacturing location in Boulder, CO falls in scope of Toxic Release Inventory reporting. Our planned actions to reduce toxic materials under EPA TRI include, but are not limited to the following:

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

# Data Dashboard - Water

## Total water withdrawal (megaliters)

|  | 2005     | 2015   | 2019   | 2020   | 2021   |
|--|----------|--------|--------|--------|--------|
|  | 1,030.34 | 435.47 | 300.92 | 287.27 | 279.27 |

## Water reuse<sup>1</sup>

|  | 2019  | 2020  | 2021  |
|--|-------|-------|-------|
| Amount of water reused (megaliters)      | 59.19 | 43.96 | 30.00 |
| Percent reuse (based on total water use) | 16.4% | 15.3% | 9.7%  |

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>.

## Water withdrawal by facility (megaliters)

|                               | 2015   | 2019   | 2020   | 2021   |
|-------------------------------|--------|--------|--------|--------|
| Lexington, KY, U.S.           | 188.42 | 80.52  | 71.62  | 66.92  |
| Boulder, CO, U.S.             | 96.90  | 82.14  | 81.59  | 82.92  |
| Juarez, Mexico                | 118.00 | 107.44 | 117.63 | 110.90 |
| Cebu City, Philippines (LRDC) | 23.11  | 20.45  | 9.30   | 9.35   |
| Kolkata, India                | 4.93   | 4.71   | 2.23   | 1.82   |
| Budapest, Hungary             | 2.98   | 2.12   | 1.01   | 0.94   |
| Shenzhen, China               | 1.11   | 3.53   | 3.51   | 6.09   |
| Other                         | 0.01   | -      | 0.38   | 0.33   |

## 2021 Water withdrawal by source (megaliters)

| Water Withdrawal by Source                                     | All areas     | All areas with water stress |
|--|---------------|-----------------------------|
| Surface water (total)  | 25.58         | 0                           |
| Ground water (total)   | 0             | 0                           |
| Seawater (total)   | 0             | 0                           |
| Produced water (total)   | 0             | 0                           |
| Third-party (total)  | 253.69        | 11.17                       |
| <b>Total third-party Water Withdrawal by Withdrawal Source</b> |               |                             |
| Surface water  | N/A           | 11.17                       |
| Groundwater  | N/A           | 0                           |
| Seawater   | N/A           | 0                           |
| Produced water   | N/A           | 0                           |
| <b>Total water withdrawal</b>                                  | <b>279.27</b> | <b>11.17</b>                |

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

# Data Dashboard - Water (continued)

## 2021 Water discharge by destination (megaliters)

|   | All areas     | All areas with water stress |
|---|---------------|-----------------------------|
| Surface water   | 0             | 0                           |
| Groundwater   | 0             | 0                           |
| Seawater  | 0             | 0                           |
| Third-party water (total)                             | 190.51        | 11.14                       |
| Third-party water sent for use to other organizations | 0             | 0                           |
| <b>Total water discharge</b>                          | <b>190.51</b> | <b>11.14</b>                |

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

## Water discharge by facility (megaliters)

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

# Data Dashboard - Water (continued)

## Water discharge by facility (megaliters)

|                |      |   |      |      |
|----------------|------|---|------|------|
| Sanitary Sewer | 0.01 | - | 0.38 | 0.33 |
|----------------|------|---|------|------|

## Total water consumption (m<sup>3</sup>)

| 2021                           | All areas | All areas with water stress |
|--------------------------------|-----------|-----------------------------|
| <b>Total water consumption</b> | 88.76     | 0.03                        |

## 2021 Facilities in Areas with Water Stress (megaliters)

| Water Withdrawal (megaliters)  | Cebu City, Philippines | Kolkata, India |
|--------------------------------|------------------------|----------------|
| Surface Water                  | 0                      | 0              |
| Groundwater                    | 0                      | 0              |
| Seawater <sup>1</sup>          | 0                      | 0              |
| Produced Water                 | 0                      | 0              |
| Third-party Water              | 9.35                   | 1.82           |
| Water Consumption (megaliters) |                        |                |
| <b>Total Water Consumption</b> | 0                      | 0.03           |

## Water boundary and accounting methodology

### Organizational boundary

Reported data covers the 2021 calendar year. Lexmark calculates water data for all owned and operated sites and includes a portion of leased spaces as data is available. The 2021 water data represents approximately 87% of Lexmark's 2019 estimated square footage of Lexmark occupied space. Slight variations may occur in the reporting boundary due to location changes and/or operational control adjustments. Available data for these locations will be placed in the "Other" category. Water risks have been assessed using the [Aqueduct Water Risk Atlas](#).

### Data input and calculation methodology

Water was sourced from local municipal water suppliers, unless reused from another process on site. Meters are in place in Boulder, Lexington, and Juarez for certain water use and/or discharge activities.

1 - Water reuse (also known as water recycling or water reclamation) reclaims water from various sources and then treats and reuses it for beneficial purposes such as agriculture and irrigation, potable water supplies, groundwater replenishment, industrial processes, and environmental restoration. <https://www.wri.org/data/aqueduct-water-risk-atlas>

# Data Dashboard - Waste

## Total waste generation enterprise level (metric tons)

|               | 2015          | 2019          | 2020         | 2021         |
|---------------|---------------|---------------|--------------|--------------|
| Non-hazardous | 19,827        | 11,173        | 8,068        | 8,087        |
| Hazardous     | 465           | 268           | 166          | 168          |
| <b>Total</b>  | <b>20,292</b> | <b>11,441</b> | <b>8,234</b> | <b>8,255</b> |

## Total waste generation facility level (metric tons)

|   | 2015   | 2019  | 2020  | 2021  |
|---|--------|-------|-------|-------|
| Lexington, KY, USA                                | 1,228  | 1,029 | 690   | 646   |
| Boulder, CO, USA                                  | 2,833  | 2,289 | 1,594 | 1,455 |
| Juarez, Mexico Manufacturing                      | 4,815  | 3,070 | 2,182 | 2,609 |
| Juarez, Mexico LCCP Recycling Plant <sup>1</sup>  | 11,345 | 4,868 | 3,708 | 3,421 |
| Cebu City, Philippines (Research and Development) | 70     | 184   | 60    | 95    |

<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.

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

|   | 2015   | 2019  | 2020  | 2021  |
|---|--------|-------|-------|-------|
| Lexington, KY, USA                                | 1,209  | 1,028 | 688   | 659   |
| Boulder, CO, USA                                  | 2,794  | 2,264 | 1,576 | 1,436 |
| Juarez, Mexico Manufacturing                      | 4,425  | 2,903 | 2,063 | 2,514 |
| Juarez, Mexico LCCP Recycling Plant <sup>1</sup>  | 11,332 | 4,865 | 3,706 | 3,417 |
| Cebu City, Philippines (Research and Development) | 67     | 112   | 36    | 74    |

<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.

## Hazardous waste generation facility level (metric tons)

|   | 2015 | 2019 | 2020 | 2021 |
|---|------|------|------|------|
| Lexington, KY, USA                                | 19   | 1.4  | 2    | 14   |
| Boulder, CO, USA                                  | 39   | 25   | 18   | 18   |
| Juarez, Mexico Manufacturing                      | 390  | 167  | 120  | 95   |
| Juarez, Mexico LCCP Recycling Plant <sup>1</sup>  | 13   | 2.4  | 3    | 4    |
| Cebu City, Philippines (Research and Development) | 4    | 73   | 24   | 21   |

<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.

# Data Dashboard - Waste

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

|                     | 2015          | 2019          | 2020         | 2021         |
|---------------------|---------------|---------------|--------------|--------------|
| Reuse               | 5,706         | 1,519         | 1,278        | 1,555        |
| Recycling           | 11,133        | 7,467         | 5,330        | 5,068        |
| Composting          | 10            | 8             | 8            | 7            |
| Energy recovery     | 847           | 796           | 598          | 551          |
| Incineration        | 136           | 139           | 63           | 207          |
| Deep well injection | -             | -             | -            | 0            |
| Landfill            | 2,461         | 1,512         | 958          | 868          |
| On-site storage     | -             | -             | -            | 0            |
| Water treatment     | -             | -             | -            | 0            |
| <b>Total</b>        | <b>20,292</b> | <b>11,441</b> | <b>8,234</b> | <b>8,255</b> |

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

|                     | 2015          | 2019         | 2020         | 2021         |
|---------------------|---------------|--------------|--------------|--------------|
| Reuse               | 5,475         | 1,349        | 1,062        | 1,294        |
| Recycling           | 5,564         | 3,314        | 2,350        | 1,899        |
| Composting          | -             | -            | -            | -            |
| Energy recovery     | 6             | 113          | 208          | 4            |
| Incineration        | -             | -            | -            | 145          |
| Deep well injection | -             | -            | -            | -            |
| Landfill            | 300           | 91           | 88           | 79           |
| On-site storage     | -             | -            | -            | -            |
| Water treatment     | -             | -            | -            | -            |
| <b>Total</b>        | <b>11,345</b> | <b>4,868</b> | <b>3,708</b> | <b>3,421</b> |

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

|           | 2015   | 2019  | 2020  | 2021  |
|-----------|--------|-------|-------|-------|
| Reuse     | 5,706  | 1,519 | 1,278 | 1,555 |
| Recycling | 11,131 | 7,400 | 5,313 | 5,050 |

# Data Dashboard - Waste (continued)

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

|                     | 2015          | 2019          | 2020         | 2021         |
|---------------------|---------------|---------------|--------------|--------------|
| Composting          | 10            | 8             | 8            | 7            |
| Energy recovery     | 715           | 753           | 560          | 525          |
| Incineration        | 134           | 131           | 57           | 202          |
| Deep well injection | -             | -             | -            | -            |
| Landfill            | 2,130         | 1,363         | 853          | 748          |
| On-site storage     | -             | -             | -            | -            |
| Water treatment     | -             | -             | -            | -            |
| <b>Total</b>        | <b>19,826</b> | <b>11,173</b> | <b>8,068</b> | <b>8,087</b> |

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

|                     | 2015       | 2019       | 2020       | 2021       |
|---------------------|------------|------------|------------|------------|
| Reuse               | -          | -          | -          | -          |
| Recycling           | 2          | 67         | 17         | 17         |
| Composting          | -          | -          | -          | -          |
| Energy recovery     | 132        | 43         | 38         | 26         |
| Incineration        | 1          | 8          | 6          | 5          |
| Deep well injection | -          | -          | -          | -          |
| Landfill            | 330        | 150        | 105        | 120        |
| On-site storage     | -          | -          | -          | -          |
| Water treatment     | -          | -          | -          | -          |
| <b>Total</b>        | <b>465</b> | <b>268</b> | <b>166</b> | <b>168</b> |

## 2021 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             | 569     | 3,094       | 38                             | -                   | -         | 4                |
| Cebu City, Philippines (Research & Development) | 29      | 7           | 0.5                            | -                   | -         | 16               |

# Data Dashboard - Waste (continued)

## 2021 Hazardous waste generation by type (metric tons)

|   | Ignitables/solvents | Metals | Corrosiver | 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             | 2                   | -      | -          | -             | 1     |
| Cebu City, Philippines (Research & Development) | 2                   | -      | 2          | 0.6           | 3     |

## 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 | 2021 | 2018        | 2019 | 2020 | 2021 | 2018        | 2019 | 2020 | 2021 | 2018       | 2019 | 2020 | 2021 |
| Lexington, KY, USA                              | 2              | 1    | 2    | 14   | -           | -    | -    | -    | -           | -    | -    | -    | 2          | 1    | 2    | 14   |
| Boulder, CO, USA                                | 18             | 25   | 18   | 18   | -           | -    | -    | -    | -           | -    | -    | -    | 18         | 25   | 18   | 18   |
| Juarez, Mexico Manufacturing                    | 522            | 167  | 120  | 88   | -           | -    | -    | -    | -           | -    | -    | -    | 522        | 167  | 120  | 88   |
| Juarez, Mexico LCCP Recycling Plant             | 1              | 2    | 3    | 4    | -           | -    | -    | -    | -           | -    | -    | -    | 1          | 2    | 3    | 4    |
| Cebu City, Philippines (Research & Development) | 19             | 73   | 24   | 21   | -           | -    | -    | -    | -           | -    | -    | -    | 19         | 73   | 24   | 21   |

## Hazardous waste shipped internationally (%)

|  | 2019 | 2020 | 2021 |
|--|------|------|------|
| Lexington, KY, USA                               | -    | -    | -    |
| Boulder, CO, USA                                 | -    | -    | -    |
| Juarez, Mexico Manufacturing                     | -    | -    | -    |
| Juarez, Mexico LCCP Recycling Plant <sup>1</sup> | -    | -    | -    |
| Cebu City, Philippines (Research & Development)  | -    | -    | -    |

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

# Data Dashboard - Waste (continued)

| Total electronics waste recycling (metric tons) | 2020      |           | 2021      |           |
|---|-----------|-----------|-----------|-----------|
|   | Voluntary | Regulated | Voluntary | Regulated |
| USA   | 3 072     | 627       | 1,981     | 702       |
| Canada  | -         | 177       | -         | 115       |
| EU  | -         | 1 556     | -         | 1,192     |
| Mexico  | 4         | -         | N/A       | N/A       |
| LA  | -         | -         | 8         | -         |
| India   | 5         | -         | N/A       | N/A       |
| Asia & ANZ                                      | -         | 754       | -         | 493       |

# Data Dashboard - Employees

## 2021 Global workforce

|                             | Employees    | % Women    | New hires    |
|-----------------------------|--------------|------------|--------------|
| Asia Pacific                | 2,356        | 50%        | 361          |
| Europe, Middle East, Africa | 989          | 44%        | 151          |
| Latin America               | 2,453        | 44%        | 808          |
| North America               | 1,948        | 25%        | 185          |
| <b>Total</b>                | <b>7,746</b> | <b>41%</b> | <b>1,505</b> |

| 2021 By job level      | Employees    | % Women    |
|------------------------|--------------|------------|
| Senior Vice President  | 7            | 29%        |
| Vice President         | 18           | 11%        |
| Director               | 105          | 31%        |
| Senior Manager         | 90           | 24%        |
| Manager                | 654          | 41%        |
| Individual contributor | 6,872        | 42%        |
| <b>Total</b>           | <b>7,746</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.

| 2021 worldwide by age | Total workforce |
|-----------------------|-----------------|
| 30 and under          | 19%             |
| 31-50                 | 61%             |
| 51 and over           | 20%             |

Lexmark's worldwide minimum age is 18.

| 2021 By employment type          | Part-time Employees | % Women    |
|----------------------------------|---------------------|------------|
| Asia Pacific                     | 1                   | 100%       |
| Europe, the Middle East & Africa | 38                  | 92%        |
| Latin America                    | 0                   | 0%         |
| North America                    | 12                  | 58%        |
| <b>Total</b>                     | <b>51</b>           | <b>41%</b> |

| 2021 By employment type | Full-time Employees | % Women             |
|-------------------------|---------------------|---------------------|
| Temporary employees     | 38                  | 63%                 |
| Contingent employees    | 1,839               | Gender not reported |

<sup>1</sup>Gender is not reported.

| 2021 By employment type          | Full-time Employees | % Women    |
|----------------------------------|---------------------|------------|
| Asia Pacific                     | 2,266               | 49%        |
| Europe, the Middle East & Africa | 986                 | 40%        |
| Latin America                    | 2,478               | 46%        |
| North America                    | 1,936               | 25%        |
| <b>Total</b>                     | <b>7,673</b>        | <b>41%</b> |

| 2021 U.S. minorities | Total workforce |
|----------------------|-----------------|
| Workplace            | 18%             |
| Management           | 16%             |
| New hires            | 33%             |

## 2021 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                     | 3.5         | 20%           | 0          | 0%        | 0                  | 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                        | 0.23        | 0%            | 0          | 0%        | 2.94               | 0%        | 0                       | N/A        | Not reported        |         |
| Lexington/U.S. sales and home offices | 0.73        | 12.5%         | 0          | 0%        | 12.4               | 0%        | 0                       | N/A        | Not reported        |         |
| <b>Total</b>                          | <b>0.24</b> | <b>10.53%</b> | <b>0</b>   | <b>0%</b> | <b>1.44</b>        | <b>0%</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.

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