



Environmental Sustainability at Lexmark

Good for the planet. Good for business.

Going beyond win-win

Today's forward-thinking organizations expect to do business with environmentally conscientious companies. That's almost a given in today's green economy. Being a steward to the environment is indicative of a well-run, capable company with lower operational risk.

At Lexmark, we believe that working to improve our customers' businesses and working to improve the environment are complementary goals, not opposing ones. To achieve these goals, we focus on efficiency, continuous improvement and gaining a deep understanding of our customers' business processes. Our philosophy is that business and the environment can both thrive with the right focus and the right capabilities. Together, we all share in the business and environmental successes that follow.

By partnering with Lexmark, you'll benefit from our:

- ▶ Deep industry expertise
- ▶ Awareness of industry-specific regulatory pressures and environmental best practices
- ▶ Highly advanced portfolio of technology
- ▶ Leading managed print services integrated with environmental programs
- ▶ Recognised leadership in corporate sustainability

Our leadership in environmental sustainability starts at home

When it comes to sustainability, we believe in walking our talk. You can see our dedication to environmental sustainability and our depth of knowledge in our own operational results, including achieving a 54% reduction in water use in just nine years. We also reduced greenhouse gas production by 42%—making a positive impact on the global challenge to reduce greenhouse gas emissions.

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We've recently been recognized in the top 2.3%* of companies in corporate citizenship:

- ▶ 100 Best Corporate Citizens 2014: Corporate Responsibility Magazine™ ranked Lexmark 23rd, making this our fourth consecutive year on the list.
- ▶ United Nations Global Compact 100: Lexmark has been selected for inclusion on this global stock index that combines corporate sustainability and baseline financial performance.
- ▶ Numerous other awards and recognition from advocacy groups, analysts and customers worldwide.

Our environmental focus drives efficiencies and cost improvements for our customers as well. Here are a few examples:

- ▶ By implementing our sustainability recommendations, a Fortune 500 transportation company has reduced its paper consumption by over 30%, which has saved the company millions of dollars and tens of millions of pages.
- ▶ One of America's largest and best-known financial services firms partnered with Lexmark to optimise their printing environment and has reduced printed output by 50% in support of its sustainability goals.

Conscientious and innovative product design

The thoughtful way Lexmark designs products positively affects the environment throughout the entire lifecycle of the product. Through the use of product lifecycle assessments, we look at the entire impact of the product and continually work to improve each phase.

When developing products, we start the process by considering the end of the product's useful life. Taking this approach ensures our products have as low an environmental impact as possible. By designing products with this mindset, we offer the highest number of printer models with significant post-consumer recycled (PCR) content in the industry—currently four times more than our nearest competitor.

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What's more, Lexmark's portfolio of leading hardware has advanced energy efficiency features and toner and paper conservation capabilities to help our customers reduce consumption. This, along with our process optimisation software and consulting, helps many customers significantly reduce the environmental impact of their printing, while reducing cost. Lexmark shares the same goals internally. In the last five years we have reduced our own paper consumption by over 50 percent.

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*Top 2.3% based on CR Magazine's ranking of Russell 1000™ companies. For details visit www.thecro.com

Lexmark Managed Print Services (MPS) integration

Our environmental programs are tightly integrated with our leading MPS solutions. MPS has always been a strategy that works in favor of the environment. More efficient use of your print fleet translates into smarter energy and material consumption. “Print less” solutions incorporating smart multifunction products (MFPs) result in fewer pages printed and more fiber from trees saved.

Greening our operations

Lexmark not only participates in recycling and reusing materials to protect our natural resources, we have also developed our own unique processes and run our own recycling facility to ensure material is repurposed in the most beneficial way. As a result, the Lexmark toner cartridge product line contains, on average, 12 percent by weight of post-consumer recycled plastic—the highest in the industry.

Lexmark is a recycling leader and we are continuously innovating new processes to expand our recycling capabilities. Not only do we recycle the paper used in testing our devices, we close the loop by converting it into the molded packaging bumpers used to protect cartridges in their boxes. That same packaging is designed for reuse when customers return empty cartridges.

Since 1991, the Lexmark Cartridge Collection Program (LCCP) has offered customers in more than 60 countries free and easy cartridge recycling. LCCP follows a zero landfill policy, ensuring that empty cartridges returned from customers are reused or recycled to their greatest environmental benefit.

We're dedicated to creating partnerships with purpose. By encouraging our customers to join us in reducing the environmental impact of printing, the number of cartridges returned per year has increased more than 25 times since 1996, with more than 10,000 tons of material saved from landfills worldwide in 2014 alone.

For materials returned through the program, reuse has the greatest sustainability benefit for the environment. In the last 10 years, Lexmark has incorporated more than 20,000 tons of material (select components recovered through the LCCP) into the production of new toner cartridges across our line of monochrome printers.

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Lexmark's Enterprise Software helps reduce paper usage

Reducing the amount of paper used is even better than recycling paper. Through a leading portfolio of industry-specific content and process management software products and solutions, Lexmark's Enterprise Software enables companies to streamline document-driven activities and significantly reduce paper consumption.

For example, accounts payable solutions paired with smart MFPs simplify the capture, management and routing of invoices and other documents—drawing greater value from the information they contain while drastically cutting paper usage and dependency.

Join us in doing better by doing good.

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