



2022 Corporate Social Responsibility Report



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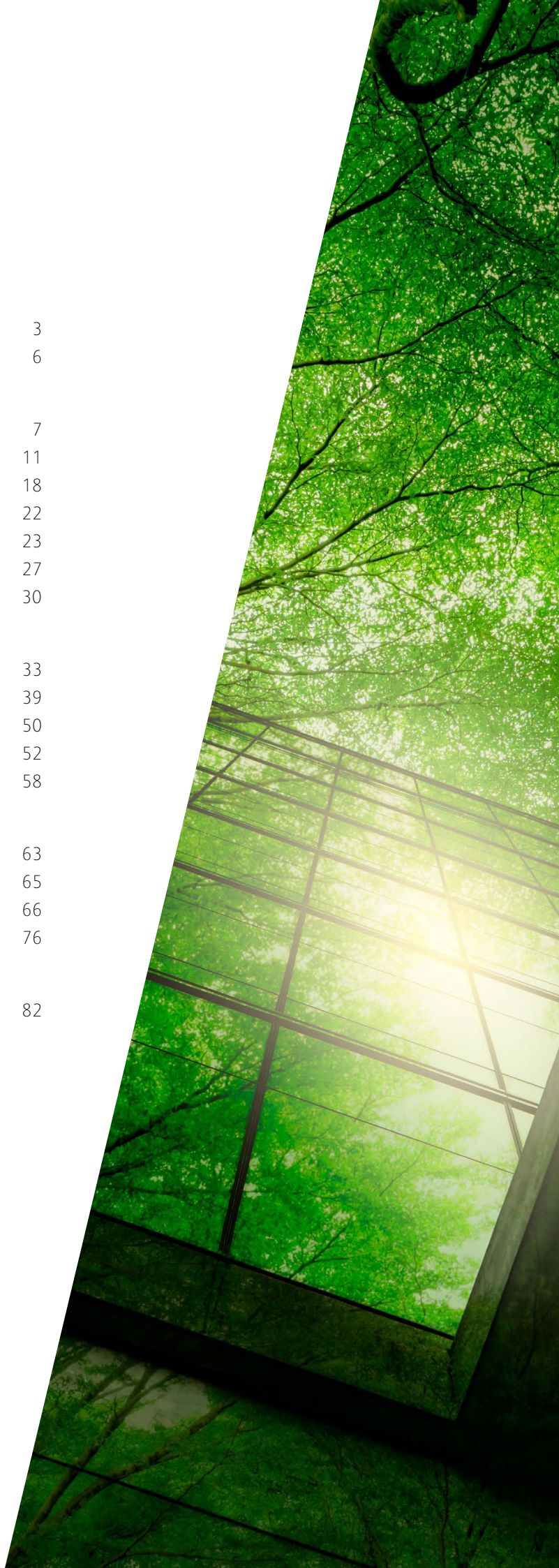
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Letter from the CEO

Since 1906, Xerox has proudly served as a responsible corporate citizen, helping to charter a course toward a more sustainable future. As the global economy and our industry continue to evolve, we remain steadfast in that commitment to care for and support our people, our communities, and the planet.

This year, we continued accelerating toward our goal of reaching Net Zero by 2040 — a target we fast-tracked by 10 years — and implemented climate change awareness training for all Xerox employees worldwide. We remain a strong and visible advocate for environmental progress by showcasing sustainable solutions at conferences, including COP26, continuing to invest in sustainable offerings within our product and services portfolio, such as CareAR, and reducing our operational footprint.

We also continue to build on our legacy of diversity, inclusion, and belonging by executing against a robust roadmap that fosters a culture of inclusion and celebrates diverse perspectives. We increased the diversity and inclusivity of our workforce and expanded partnerships with nonprofits, such as A Better Chance, to help develop the next generation of leaders.

Our commitment to the communities we serve has never been stronger. From launching new programs, such as global Team Xerox Volunteer Days, to building new partnerships with organizations such as the Arbor Day Foundation, United Way of Canada, and the Prince's Trust in the U.K., we continue to open new avenues for our people to give back their time and talents and make a difference in their communities.

Xerox continues to lead by example, operating with integrity and nurturing a culture that upholds the highest ethical standards. Recognizing that there is always more we can do to make a difference, I am incredibly proud of what the Xerox team has accomplished this year. The progress, learnings, and insights we have gathered along our 100+ year journey will continue to inspire us and inform our Corporate Social Responsibility strategies for the next hundred years.

As we look ahead, it is my honor and privilege to build on the legacy created by many Xerox employees over the years, including our late leader and dear friend John Visentin. In John's memory, we will continue making a positive impact on our people, our communities, and the planet in 2022 and beyond.

Regards,



Steve Bandrowczak
Chief Executive Officer



Our Values

At Xerox, six core values guide everything we do, enabling us to deliver excellence to our customers, our shareholders and each other. These values are what make us Xerox. They are a part of our history and a part of our future.

- We succeed through satisfied customers.
- We value our employees.
- We deliver quality and excellence in all we do.
- We require premium return on assets.
- We use technology to develop market leadership.
- We behave responsibly as a corporate citizen.

About this Report

Our work aligns with the United Nations Sustainable Development Goals (SDGs), which provide a framework to end poverty, protect the planet, and improve the lives and prospects of everyone, everywhere. The 2022 Corporate Social Responsibility (CSR) Report includes the SDG icons, representing its 17 goals, next to the corresponding section titles.



Our report also includes stories, highlights, and information from 2021 through mid-2022. For the most up-to-date snapshot of environmental, social, and governance (ESG) data, please refer to our [CSR Progress Summary](#), updated throughout the year as data becomes available.

Executive Summary



ENVIRONMENTAL

- Advanced net zero emissions initiatives to meet 2040 objectives, including launching training to educate all employees on our net zero goal and how they can personally contribute.
- Refreshed our materiality assessment with key internal and external stakeholders to validate our priorities; updates include re-affirmation of our high priority issues such as climate change and supply chain management along with the increasing priority of human rights and waste reduction.
- Collaborated with the EPA to define standards, introducing ENERGY STAR criteria for remanufactured products and developing professional imaging products criteria.
- Reduced energy consumption in our operations, which accounts for a majority of our GHG emissions, by 12.8% in 2021 compared to 2020.



GOVERNANCE

- Included ESG in the compensation criteria for all of senior management, covering climate change, a balanced workforce, and workplace safety.
- Hosted Investors Day with financial analysts and investors to discuss business solutions and financial services that make every day work better for our clients, including digital transformation, augmented reality, and robotic process automation.
- Continued to champion compliance within the company, including requiring all Xerox employees to participate in annual training on the Code of Business Conduct and certifying adherence to the Code.



SOCIAL

- Launched Xerox Volunteer Days, the first annual global month of service. From Earth Day to May 31, more than 500 employees volunteered more than 7,000 hours with organizations in their local communities.
- Invested \$121,500 in the Xerox Community Involvement Program, completed more than 100 employee-led volunteer projects worldwide, and increased participation in our Matching Gifts Program by 23% year-over-year.
- Continued our commitment to maintaining a safe work environment for our people, striving toward a goal of zero workplace injuries. In 2021, we decreased our total recordable injury rate by 24% and our day away from work case rate by 5% from 2020 levels worldwide.
- Continued to execute our robust Diversity, Inclusion, and Belonging roadmap, including increasing the diversity and inclusivity of our workforce, and introducing a tenth Employee Resource Group focused on team members and communities who are part of or involved with disabilities (hidden or otherwise).



INNOVATION WITH IMPACT

- CareAR enabled Xerox to reduce client site visits by more than 21,000 in just one year, with more than 269,000 metric tons of Co2 avoided as a result.
- Launched Novity, a predictive maintenance technology designed to reduce unplanned downtime in industrial manufacturing operations, which helps companies increase profitability while also mitigating the environmental and safety risks associated with failures during ongoing operations.
- Received a grant from the Department of Energy's building technology office to advance our efforts in the Cleantech space to reduce humankind's negative environmental impact.
- Established Xerox Ventures in 2021 as the corporate venture capital fund for Xerox Holdings Corporation to invest in early and growth-stage startups that emphasize Connected Work, Empowered Businesses, and Green Enterprise. In 2022, Xerox Ventures invested in Seurat Technologies, an advanced manufacturing startup, and Li Industries, a climate tech company.

RECENT AWARDS AND RECOGNITION



View [our timeline](#) of awards and recognition.

Environmental

Our Commitment to Net Zero by 2040

Climate change is one of the defining issues of our time. It has already affected many aspects of society and has the potential to cause even greater disruption, threatening populations, economies, food security, resources, and more. At Xerox, we have long believed that businesses — like ours — play a critical role in protecting the health of the planet and that's why we continue to take decisive action.

Given the urgency, we fast-tracked our net zero goal by 10 years and established 2040 as our new goal year. We plan to achieve net-zero emissions through projects that improve operational efficiency, create new technology innovations, and neutralize residual GHG emissions through carbon compensation mechanisms. To reach our goal, we will need all employees to understand how their jobs impact GHG emissions and take steps to reduce or eliminate them. Because we require everyone on board, it is important that our employees have a base understanding of climate change and our organization's targets and goals. In 2022, we launched a Net Zero training for our employees to educate them on the basics of climate change, the organization's plan to reduce emissions, and communicate opportunities to participate in emissions reduction activities.

Since establishing our first targets in 2003, we have achieved a significant reduction in our energy consumption and GHG emissions. Between our first baseline year of 2002 and 2016, we eliminated 320,000 tons of carbon dioxide equivalents (CO₂e). In 2016, we created a goal to reduce Scope 1 and Scope 2 GHG emissions by an additional 25% by 2025, which we achieved by the end 2019. Our focus now is to reduce our Scope 1 and 2 GHG emissions by at least 60% by 2030 against the company's 2016 baseline. When this goal is met, we will have reduced emissions by 85% compared to the company's original 2002 baseline year.

For Scope 3 emissions, we formalized a goal of a 35% reduction by 2030. For the past two decades, we have required our suppliers to meet stringent environmental, health, and safety objectives. We will intensify our efforts and work collaboratively with our supply chain and stakeholders to achieve this.

Our approach to sustainability has included partnerships to accelerate progress. In 2021, our targets for all three scopes received approval from the Science Based Targets Initiative (SBTi), validating that the goals we set align with actions necessary to limit the worst impacts of climate change. We have officially joined the UNFCCC's Race to Zero and SBTi's Business Ambition for 1.5°C campaigns, aligning our climate mitigation targets with the most ambitious aim of the Paris Agreement and what science dictates is necessary to reduce the destructive impacts of climate change on human society and nature: to limit global warming to 1.5°C.

The [CSR Progress Summary](#) includes a detailed breakdown of our GHG emissions; learn more in our Responsible Operations section.



Xerox Roadmap to Net Zero 2040

Energy Efficiency & Process Improvements

- Increase remote solve to reduce service miles
- Increase fleet fuel efficiency
- Real estate optimization
- Process and facilities energy reduction projects
- Incorporate internal carbon pricing into decisions

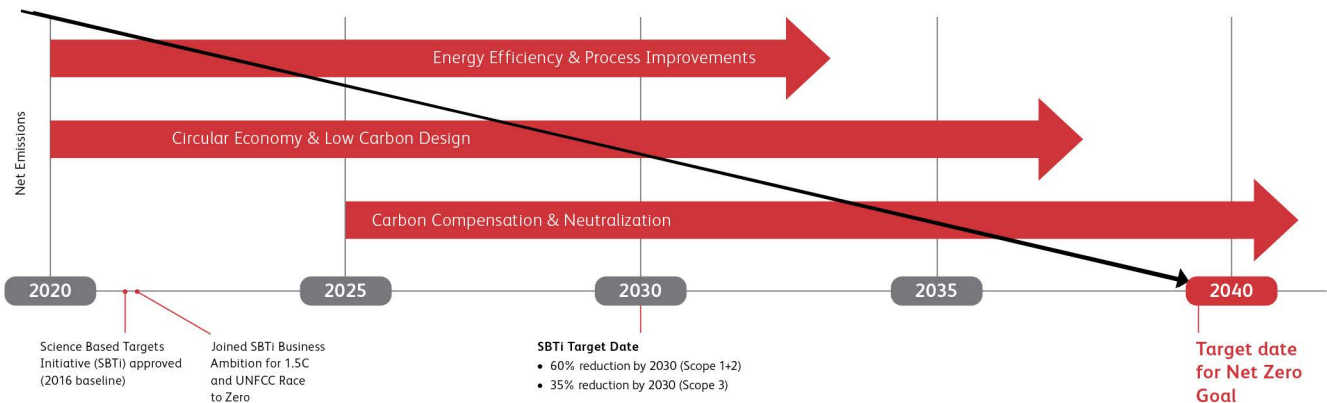
Circular Economy & Low Carbon Design

- Increase energy efficient products
- Increase post-consumer materials in products
- Expand take-back and remanufacturing
- Test and commercialize Cleantech innovations
- Engage suppliers for lower carbon supply chain

Carbon Compensation & Neutralization

- Zero-carbon electricity
- Power Purchase Agreements (Solar / Wind)
- Renewable Energy Credits
- Renewable natural gas
- CO₂ capture, sequestration, and re-forestation

Emissions Reduction Activities and Milestones



Core Principles

Partnerships & Collaborations

We will work with our partners and clients to improve our business to be a catalyst for wider change.

Leadership & Resilience

Integrate low carbon focus into business processes corporate-wide

Innovation-driven

Xerox's innovation areas have potential to reduce the world's carbon footprint, among other benefits.

Xerox on Stage and Behind the Scenes at COP26

The UN climate change conference, known as COP26, brought together nearly 200 world leaders and more than 33,000 delegates in Glasgow in November 2021. For two weeks, attendees participated in negotiations and agreements to prevent the degradation of our natural environment and protect our future. Alongside heads of state, academia, and business was the Xerox team — both center stage and behind the scenes.

We were awarded the contract to be the official print provider for the conference, overseeing the printing of over half a million pages on our FSC-certified paper, having 100% Post-consumer recycled content. Our company deployed more than 200 print devices, which were certified to meet security and environmental standards. The devices earned Electronic Product Environmental Assessment Tool (EPEAT), Blue Angel, and ENERGY STAR ecolabels and were validated by The United Nations Framework Convention on Climate Change (UNFCCC) for their security and functionality.

In addition to being behind the scenes, we took part in the Department for Environment, Food and Rural Affairs (DEFRA)'s Technology for Climate Action e-alliance panel. DEFRA's e-alliance partners' program, a coalition of 300 technology companies, was set up in 2018 to develop a roadmap to a sustainable future through technology. Darren Cassidy, managing director of Xerox U.K. and Ireland and senior vice president of EMEA Enterprise Services and Software, spoke alongside representatives from other global technology companies about the need for collaboration and holding ourselves and each other accountable through transparent reporting.



Xerox Honored with the Terra Carta Seal

Xerox was awarded the Terra Carta Seal, launched by King Charles III in his former role as His Royal Highness The Prince of Wales, through his Sustainable Markets Initiative. The inaugural 2021 Terra Carta Seal recognizes global companies that are driving innovation and demonstrating their commitment to creating genuinely sustainable markets and aligning with the ambitions of the Terra Carta recovery plan for Nature, People and Planet, launched in January 2021.

The Terra Carta Seal has been awarded to 44 private sector companies from across the world that hold a leadership position within their industry and have credible transition roadmaps underpinned by globally recognized, scientific metrics for achieving net zero by 2050 or earlier.

The Terra Carta Seal was presented to the awardees at a ceremony during the 2021 UN climate change conference (COP26) in Glasgow, Scotland.



Pioneering a Circular Economy

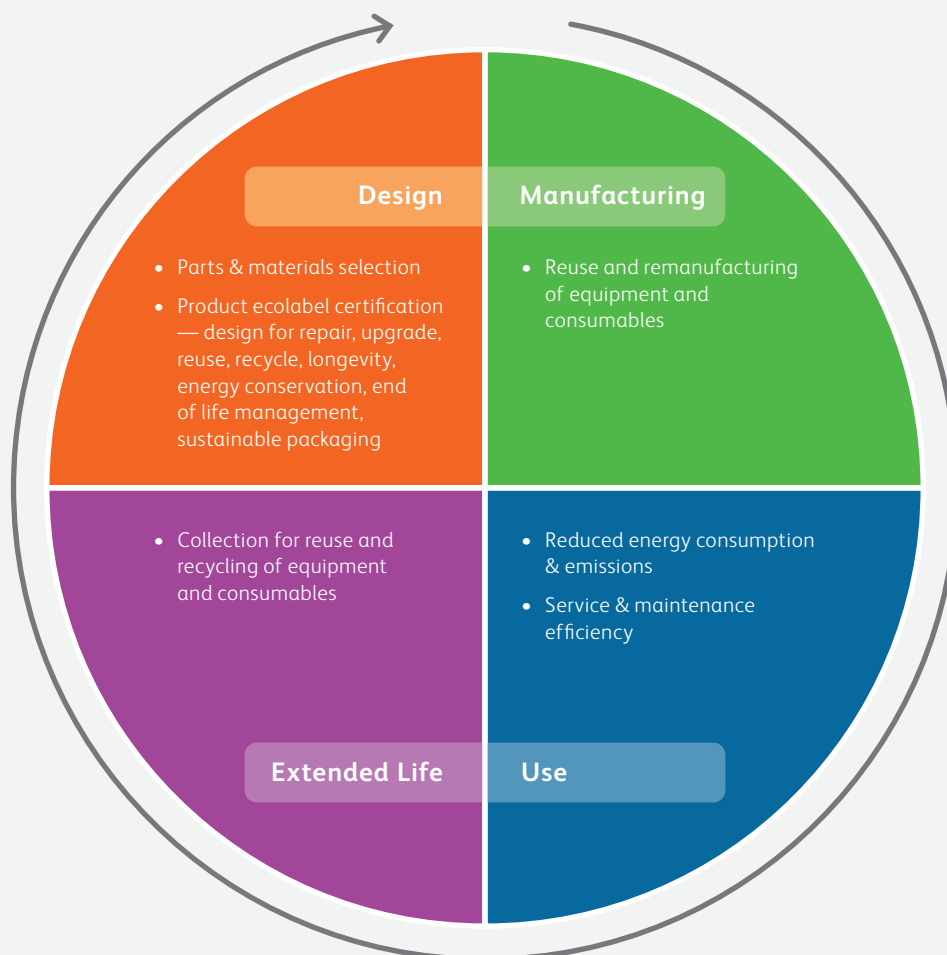


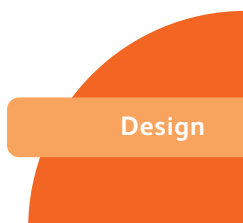
Our first commercial product in 1959, the Xerox 914, introduced electronics remanufacturing long before the term “circular economy” became popular. Our vision was to transform Xerox manufacturing, operations, offices, and facilities into waste-free workplaces.

We had the same vision for our clients’ workplaces: a world where electronics and supplies at the end of their useful life would come full circle to become raw materials for tomorrow’s technology. In this model, quality and performance are not compromised, precious natural resources are conserved, and waste becomes obsolete. Six decades later, we continue to demonstrate that a circular economy delivers environmental, economic, and societal benefits.

CIRCULAR ECONOMY AT XEROX

An integral part of enabling a Circular Economy is Designing for Sustainability, recognizing that products have environmental, social, and economic effects throughout their lifecycle. We design products to be environmentally responsible, from parts selection to efficiency in operation, while extending the life of parts and enabling reuse in manufacturing.





DESIGN PHASE – PARTS AND MATERIALS SELECTION

Design goals are established for each product at the start of the development cycle. They include selecting parts and materials that are safe for use and the environment. Our safety and supplier processes enable us to meet global regulations governing chemical use. Since 2006, our newly launched products have been designed to meet the European Restriction of Hazardous Substances (RoHS) requirements in all markets. However, where regulations allow and promote the circular economy, some products may contain parts with small amounts of RoHS substances to avoid the premature disposal of existing components with a usable life.

Many other market regions continue to implement similar types of legislation governing chemical use. Through our proactive regulatory tracking process, we maintain compliance with all aspects of these regulations as the provisions become effective and applicable. In 2021, we reported no issues with non-compliance to RoHS in any markets.

The company has long worked toward minimizing the use of hazardous substances in our products. In support of this objective, we apply strict internal standards and have deployed requirements to our suppliers, such as [EHS&S 1001 Xerox supplier requirements](#). This standard governs the use of chemicals in our products, parts, and supplies. Additionally, it sets strict requirements for chemical bans, restrictions, and part-marking. It is aligned with IEC62474, an International Standard for the electronics industry on material declaration, and updated twice annually with IEC revisions. The standard sets out the requirements for regulatory compliance, chemical bans and restrictions, and parts-marking for parts and materials intended for use in electronic products and packaging. In addition, we proactively collect data from our suppliers on the presence of Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) regulated substances to provide information to downstream users and regulatory agencies.

All suppliers must meet these requirements as a condition of doing business with Xerox. Our engineers use these standards when designing new products. If a substance is identified above an acceptable threshold, we have proactive supplier engagement through our supplier quality and engineering functions to eliminate it when technically feasible.

We have made a long-term commitment to eliminate the use of persistent bio-accumulative and toxic materials throughout our supply chain by applying strict internal standards and tightly managing chemicals. Our supplier requirements are periodically updated as regulations change, and new information becomes available. All new product designs refer to these requirements and suppliers are expected to verify their compliance with them.

Xerox toxicologists conduct a comprehensive assessment of new materials in our products to ensure conformance with applicable global registration, hazard communication, and waste handling and disposal requirements. [Our strict standards](#) set firm controls on the types of materials approved for use in our consumable products. These products do not cause adverse developmental or reproductive effects; pose a toxicity hazard to humans or aquatic species; cause a permanent adverse effect to the skin, eyes, or respiratory system; or have the potential to generate federally regulated hazardous waste. The company sells imaging supplies through our distribution network that are manufactured by other companies for use in other OEM printers. We review these supplies to ensure compliance with appropriate regulatory requirements and our own stringent standards.

DESIGN PHASE – ECOLABEL CERTIFICATION

Design goals also include a comprehensive set of sustainability elements, largely framed around the Electronic Products Environmental Assessment Tool (EPEAT) ecolabel criteria. EPEAT is composed of criteria encompassing corporate and product requirements. Product criteria reflect several categories of environmental attributes that span the lifecycle of electronic products: design for repair, upgrade, reuse, recycle, product longevity, energy conservation, end-of-life management, and sustainable packaging.

Since 2014, we have committed to launching all new eligible office products with EPEAT Silver or Gold certification. We have achieved this goal consistently on all newly manufactured offerings for the past five years. All new Xerox® VersaLink®, Xerox® AltaLink®, and Xerox® PrimeLink® Products are EPEAT Gold-certified, with a few country-specific exceptions, and the new Xerox® VersaLink® [C Series](#) and [B Series](#) printers and multi-function devices are EPEAT Gold or Silver in all geographies. Xerox is one of two companies to claim all eight EPEAT corporate optional criteria in the U.S. [Learn more](#) about the EPEAT program and view current Xerox ecolabel registered products.

At Xerox, we integrate lifecycle thinking into our product and service development and innovation activities. Lifecycle Assessments (LCAs) are a means of technically evaluating the environmental and health impact of a product's materials, manufacturing, distribution, use, and end-of-life. LCAs are completed according to the appropriate ISO standards to quantify the environmental impact of a product throughout its lifecycle. We currently have completed LCAs for approximately 60% of our products, including the AltaLink, VersaLink, PrimeLink, and Xerox B and C series products. These LCAs directly contribute to Xerox earning EPEAT Gold certifications.

The company continues to support EPEAT initiatives, future successes, and global expansion. We register products in the U.S., Canada, the U.K., France, Germany, Netherlands, Belgium, Luxembourg, Switzerland, Norway, Sweden, Finland, and Denmark.

A second ecolabel, applicable to office products, is the Blue Angel ecolabel of the federal government of Germany. Its governing body, RAL gGmbH, regularly introduces progressively more stringent requirements. Approximately 50 Xerox® Products are currently registered, and Blue Angel certified. These products have achieved or exceeded the rigorous requirements set forth by DE-UZ-219 for chemical emissions, materials selection, recyclable design, and energy consumption, effective January 2022.

Going beyond current ecolabel requirements, our organization has been increasing the amount of post-consumer recycled plastic content in printers, multi-function devices, and toner cartridges. In 2021 and early 2022, we introduced printers and multi-function devices with 10–25% post-consumer recycled (PCR) plastic content, and 21% PCR for the associated toner cartridges. The trend to incorporate more PCR and post-consumer materials reuse into Xerox equipment and consumables will continue in the future.

In addition, goals have been established to reduce single-use plastics and increase the amount of recycled plastic in packaging. We strive to eliminate, reduce, reuse, and recycle packaging whenever feasible. Product teams actively seek out more environmentally responsible packaging alternatives. We also require packaging suppliers to comply with bans and restrictions for a variety of chemicals. We document expectations in the EHS Requirements for [Packaging Standard — EHS -710](#). Commercial equipment is designed and tested to be shipped with minimal packaging. Eliminating or reducing packaging, wherever feasible, conserves natural resources and decreases fuel use for distribution — a sustainability win-win for business and the environment



USE PHASE – ENERGY CONSUMPTION

Sustainability is a key consideration in Xerox® Technology, influencing not just our industry but others. Serving as an ENERGY STAR Charter Partner, we helped the U.S. Environmental Protection Agency (EPA) create its standards and still work with the agency today. Since 1993, more than 500 Xerox® Products have achieved ENERGY STAR registration; since 2010, 100% of our eligible new products have achieved this designation. Many existing products were re-engineered to be more energy-efficient to meet the 3.0 criteria that became effective in October 2019. Over the years, we have cut the power consumption of our laser-based printing products by making adjustments in the fuser design, changing properties in our toner, developing more efficient electronic controls, and improving the performance of the xerographic system. A recent example is the launch of the Xerox® B310 Printer, which uses 30% less energy than its predecessor product. As a general rule, Xerox® Printers and Multi-function Devices are designed with energy conservation features such as duplex, N-up printing, energy savings modes, high-yield cartridges, and smart print drivers.

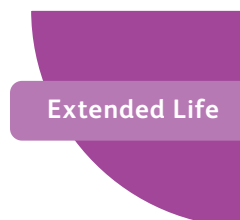
In 2020, we collaborated with the EPA to roll out ENERGY STAR criteria for remanufactured products, referred to as revision 3.1. As a pioneer in remanufacturing, the company provided inputs on the terms and definitions as well as the prerequisites that remanufactured products are required to meet for certification. We subsequently launched three new remanufactured models under the new Xerox factory-Produced Program in 2021 that certified to ENERGY STAR 3.1. We also collaborated with the EPA in the development of professional imaging products criteria, released as revision 3.2 in November 2021.

USE PHASE – MACHINE EMISSIONS

Consistent with the world's most stringent ecolabels, we design products to control chemical emissions. As a result, our current products have achieved emission levels that are well below the global regulatory requirements — often at or near the detection limit of our measurement equipment — and are considered to have a negligible impact on our clients' work environments. We publish emissions data for our products in our product safety data sheets (PSDS).

USE PHASE – REMOTE SERVICE

Many Xerox® Devices are enabled for remote service, bringing automation to common tasks, allowing clients more efficient use of their time, and quicker problem resolution. Xerox Remote Services is the infrastructure and mechanism by which client devices communicate with Xerox, providing access to a suite of time-saving capabilities. When enrolled, a device will send meter readings, supply levels, and diagnostic information. Monthly billing will be done automatically, and toner can be replenished without ever needing to place an order. Clients can also elect to receive automatic software upgrades and security patches. If the printer should have an issue, the diagnostic data sent by the machine will be used by our Digital Support Experts to troubleshoot and resolve your issue promptly.



Extended Life

EXTENDED LIFE PHASE – TAKEBACK AND RECYCLING

Consumables

Starting more than 20 years ago with the 5090-product family, the company has kept toner cartridges out of landfills thanks to our remanufacturing process, which recovers toner cartridges and waste toner for reuse.

The sale and use of Xerox® Products and supplies continued to be down in 2021 due to the COVID-19 pandemic and its impact on the office and supply chain. Despite the challenges of the pandemic, we were able to maintain a steady stream of remanufactured toner cartridges in our production facilities. In 2021, more than 1.9 million Xerox® Toner Cartridges were manufactured using recovered cartridges, representing as much as 50% of toner cartridge production, depending on the cartridge family.

Central to this effort is the Xerox Green World Alliance® (GWA), a collection and reuse/recycling program for spent consumables. GWA efficiently manages supplies at end-of-life and recovers materials for reuse in our supplies and products. As a result, this program reduces the demand for raw materials and diverts them from landfills.

After changing out a toner cartridge, clients can return spent cartridges to Xerox via single returns, Eco boxes, or pallets. We continue to enhance the cartridge take-back program enabling easier returns for toner cartridges and expanding country participation.

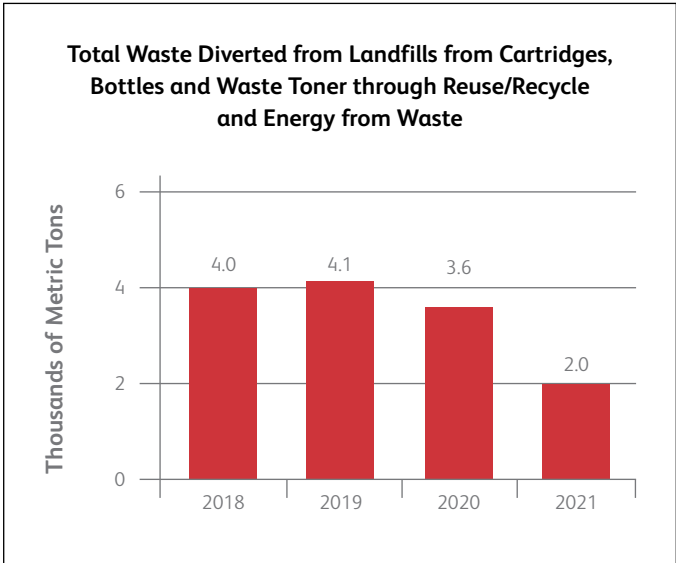
Returned toner cartridges are collected by our partners — Close the Loop in the U.S., Greiner Associates in Europe, and SCI in Canada — and managed using a specially designed manual and robotic process that scans and identifies products based on their codes. Spent toner cartridges are unboxed, assessed for damage, disassembled, cleaned, inspected, and packaged for shipment to our offices. Toner collected from spent cartridges is used for color additives or returned to us for reprocessing.

If items are not suitable for remanufacturing, they are recycled or recovered through energy from waste. Recycled waste toner and toner reclaimed from manufacturing that qualifies for reuse may account for 25% of the new toner's weight without compromising toner functionality. Reusing waste/reclaimed toner saves several million dollars in raw material costs each year. Of the toner that cannot be reclaimed, 75% is recycled by our consumables recycling partner, while the remaining volume is sent to a third party that processes it for generating steam and electricity.

More than 35 countries currently participate in the Xerox GWA. In 2021, our clients from around the world returned over 4.58 million cartridges, toner containers, and other used supply items, equaling 2,000 metric tons, 1,600 metric tons less than in 2020. This decrease was driven by the continued global impact on the office environment in response to the COVID-19 pandemic. As people continue returning to the office, we expect to see an increase in the total number of returns.

Equipment

We at Xerox are committed to collecting and reusing equipment at the end of its useful life. In geographies where we exercise direct control over the end-of-life management of equipment, return rates are high. In 2021, 6,415 metric tons of equipment and parts-related waste were diverted from landfills to be recycled at our U.S. Reverse Logistics Center. Globally, that volume rose to 17,810 metric tons. We also participate in several European Union member states' Waste Electrical and Electronic Equipment (WEEE) programs. However, the equipment collected and recycled through these programs is not included in our recycling data.



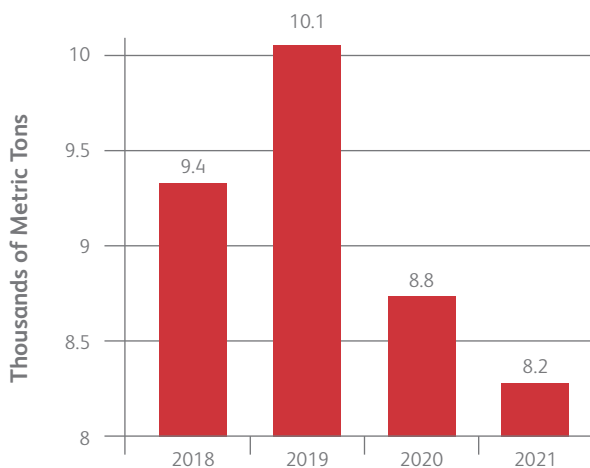
Manufacturing

MANUFACTURING PHASE – REUSE AND REMANUFACTURING

Our equipment reuse is guided by the following:

- **Reuse of complete end item:** This approach requires the least reprocessing, transportation, and energy usage.
- **Remanufacture or conversion into a newer-generation product or part:** Product families are designed with a high level of commonality to maximize reuse. This allows us to remanufacture parts to “like new” performance specifications while reusing 70–90% of the machine components by weight, without degrading quality or performance. In 2021, we remanufactured approximately 10,740 office devices, with 8,200 metric tons of electronic devices and components diverted from being potentially discarded at landfills or through other forms of uncontrolled disposal.
- **Used equipment:** Equipment returns are evaluated for potential reuse. Based on the condition and market demands, equipment may be put through an extended maintenance and verification process to return it to a high standard before redeploying it. In 2021, approximately 43% of machines returned in the U.S. were sold as used or sent for remanufacturing.
- **Reuse of major modules, subcomponents, and parts for spares or manufacturing:** Many machines that have outlived their useful life are stripped of usable parts and components before the scrap/reclaim process. Used spare parts returned from the field by our service technicians are also included in this reuse stream. We have continually increased the number of reused components in upstream and downstream processes after the original machine has been designated for recycling.
- **Material recycling:** After the processes noted above have been followed, any remaining portion of a machine is stripped of any recyclable material (e.g., plastics, copper wire) and material requiring special disposal services, such as printed wire boards, batteries, and lamps. The remainder is then sent to an industrial reclaim facility.

Waste Diverted from Landfills through Equipment Remanufacture and Parts Reuse



Sustainability Recognition & Awards

Our deep-seated commitment to sustainability continues to earn recognition around the world. We are humbled and honored to share a recent sampling of these awards.



ENERGY STAR®
2022 Partner of the Year



Corporate Knight's 100 Most
Sustainable Corporations



Terra Carta Seal



Quocirca 2022 Sustainability
Leader, Print Industry



3BL Media 100 Best Corporate
Citizens for 2022



Gold Tier EPA Sustainable
Materials Management
Electronics Challenge Award



CDP Supplier Engagement
Leader Award



EcoVadis - Gold Sustainability
Rating for 2022



Pacesetter Awards
Sustainability in Production,
and Comprehensive MPS

View [our timeline](#) of awards and recognition.

Delivering Sustainable Innovation with Impact



Building a more sustainable world is a challenge that must be tackled on multiple fronts. We believe that innovation is key to creating a better future, not just for Xerox, but for the world. Our focus is on areas where we can have the most impact by solving some of the largest problems affecting business, society, and the planet.

We have a long history of solving intractable problems and a wide range of expertise that enables us to create solutions for issues facing the world today. The company's innovation areas — Augmented Reality and Artificial Intelligence, 3D Printing and Digital Manufacturing, Industrial Internet of Things (IoT) Sensors and Services, and Clean Technology (Cleantech) have the potential to help mitigate global supply chain issues, monitor critical infrastructure assets, and reduce the world's carbon footprint.

CareAR™

CareAR, a Xerox Company, created the industry's first end-to-end Service Experience Management platform to digitally transform service experience and deliver:

- Improved customer outcomes
- Greater operational efficiencies, and
- Better environmental, health, and safety results

Since 2021, we have differentiated its service experience through CareAR, allowing experts to visually diagnose and solve client issues remotely, resulting in improved uptime and reducing carbon emissions associated with dispatching a service technician to a client site. When onsite visits are required, CareAR delivers instant access to additional product expertise for faster resolution. In one year, CareAR has enabled Xerox to reduce client site visits by more than 21,000, with more than 269,000 metric tons of Co2 avoided as a result.



3D Printing and Digital Manufacturing

Complex global supply chains leave manufacturers and their customers vulnerable to external risks. This point has been driven home during the past two and a half years between the global pandemic and other issues that resulted in massive disruptions in supply chains around the world. Elem Additive, our additive manufacturing (AM) business, has developed solutions that can help manufacturers more easily deploy local, on-demand 3D printing to increase the flexibility and resiliency of their supply chains while also reducing their carbon footprint and hidden costs like transportation and warehousing.

Xerox® ElemX® 3D Printer is a groundbreaking 3D metal printer that's simpler and safer to use and addresses supply chain resiliency for transportation, aerospace, defense, and industrial manufacturing. The printer is easily deployed and requires minimal post-processing, providing a faster time-to-part than other 3D technologies. The ElemX uses cost-effective aluminum wire as an input, so unlike other powder-based technologies, there are no special facility modifications required, and it eliminates the explosion risk associated with powders.

At the end of 2020, we established a strategic collaborative project with the U.S. Naval Postgraduate School (NPS) to evaluate the use of 3D printing throughout the U.S. Navy.

This collaboration included the first installation of the ElemX® 3D Printer at the NPS campus in Monterey, CA, in late 2020. Feedback from NPS helped to refine the roadmap of the machine, and this relationship also led to the installation of an ElemX® on board USS Essex in July 2022, the first deployment of a metal 3D printer on board a U.S. Navy ship.

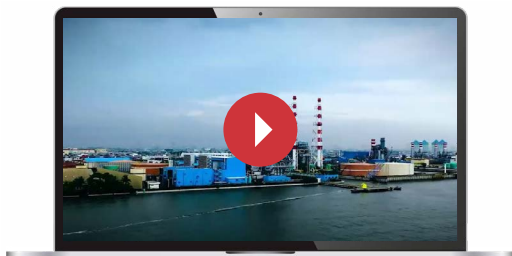
Industrial IoT Sensors and Services

For years, PARC has partnered with government agencies and outside companies, to develop IoT-based solutions. We have leveraged this expertise and experience to create new solutions focused on predictive maintenance and geospatial sensing.

Novity™ Predictive Maintenance Solution

Unplanned downtime costs industrial manufacturers an estimated \$50 billion annually. One of the ways that forward-thinking companies are facing unplanned downtime is by investing in predictive maintenance. But, many solutions on the market today do not provide the level of accuracy that manufacturers can rely on to make decisions. Novity, a new Xerox PARC® venture launched in the industrial IoT space, leverages PARC's decades of experience in artificial intelligence (AI), sensors, and manufacturing to provide an exceptionally accurate predictive maintenance solution to the market.

The Novity solution combines physics-based equipment modeling with sensors and machine learning to achieve a more than 90% accuracy rate, helping manufacturers reduce the frequency and duration of unplanned downtime, leading to increased profitability while mitigating the environmental and safety risks associated with failures during ongoing operations.



Ocean of Things

The ocean makes up more than 70% of the Earth's surface. 76% of global trade takes place in the ocean, and it produces 50-80% of the Earth's oxygen. Still, 80% of it remains unmapped, unobserved, and unexplored. The Ocean of Things (OOT) project was established to change that. OOT, a partnership between PARC® and the Defense Advanced Research Projects Agency (DARPA), developed low-cost drifters to deploy at scale in the ocean for the purpose of collecting information on environmental and human impacts. This includes sea surface temperature, sea state, and surface activities and information on ships and marine life moving through the ocean. This data can be used to have a significant impact in a variety of areas, including transportation route optimization, aquafarming, coastal security, and cleanup of ocean pollution.

Cleantech

On the Cleantech front, we have focused on developing technologies that reduce humankind's negative environmental impact. For instance, air conditioning accounts for nearly 10% of all electricity consumption and 3.9% of GHG gas emissions. That's why we focused on engineering an air conditioning solution that could reduce the energy consumption of air conditioners by up to 80%, improve indoor air quality in buildings, and reduce greenhouse gas emissions through greater energy efficiency. In 2022, we received a grant from the Department of Energy's building technology office to advance our work.

Xerox Ventures

Established in 2021 as the corporate venture capital fund for Xerox Holdings Corporation, Xerox Ventures invests in early and growth-stage startups that focus on the next generation of business solutions with an emphasis on Connected Work, Empowered Businesses, and Green Enterprise.

In early 2022, Xerox Ventures made its first investment in advanced manufacturing, backing the additive manufacturing startup Seurat Technologies. Seurat's "Area Printing" technology enables massively scalable printing of end-use metal parts and solves today's industrial challenges around sustainability and supply chains to usher forth a new era of truly distributed mass manufacturing. Seurat's technology also leverages 100% renewable electricity to replace traditional thermally driven metal forming techniques like investment casting and forging, thus presenting a commercially optimal viable path towards decarbonizing a hard-to-abate industrial segment. Focusing on a more distributed, resilient, and sustainable future for manufacturing is a broader theme at Xerox, and the investment in Seurat represents a synergistic opportunity to accelerate the realization of distributed manufacturing.

Furthering its commitment to support sustainable innovations for a better tomorrow, Xerox Ventures has also invested in Li Industries, a climate tech company developing recycling technologies for lithium-ion batteries from electric vehicles and consumer electronics. Driven by increasing demand for electric vehicle batteries and reshoring the supply of critical battery materials, battery recycling is poised to be a valuable circularity solution for a complex supply chain sensitive to geopolitical dynamics. Investment in the recycling startup aligns with Xerox Venture's efforts to back the next generation of business solutions across industries, including enabling green enterprises of the future.

ADVANCING INNOVATION THROUGH ACADEMIC PARTNERSHIPS

At Xerox, innovation is our foundation for success. Academic organizations are important for the long-term strategic interests of the company by furthering scientific research and training the next generation of scientists.

We partner with universities worldwide to collaborate, innovate, and ideate — all in an effort to quickly bring to market thoughtful and sustainable technology for clients.

Academia	Focus	Benefits	Outcome
Brown University	Lead-free alternates to lead zirconate titanate (PZT) for printheads	Addresses removal of lead from printheads (PH), thus meeting regulatory requirements and offering a competitive advantage	<ul style="list-style-type: none"> • Several potential candidate materials developed, tested, and the PH manufacturing team engaged • Received \$250,000 funding from the National Science Foundation – Partnership for Innovation Technology Transfer (NSF-PFI TT) for additional fundamental work on PH
Purdue	3D, electrical, and computer engineering; materials science	Exploring collaborative research and business opportunities in 3D, materials science	<ul style="list-style-type: none"> • Developed the curriculum for electrical and computer engineering programs to teach intellectual property generation and management and soft skills • Xerox Customer Innovation Center on campus • Faculty residency • New hires • Working with the MPS sales team for the renewal of the printing contract and exploring ElemX® sales opportunity
Rochester Institute of Technology	Advanced Manufacturing (AM), service learning, talent, consulting, specialized analytical tools	Collaboration with 3D market leaders and subject matter experts; state-of-the-art facility and equipment	<ul style="list-style-type: none"> • AM Print Center • More than \$5M of Research and Development cost savings as a result of open innovation and collaboration • Working with Lockheed Martin and Rochester Institute of Technology to enable 3D metal jetting technology for printed electronics • New hires • Learnings translate to new Xerox® Product innovation • Faculty sabbaticals

Academia	Focus	Benefits	Outcome
The State University of New York (SUNY) at Binghamton	Roll-to-roll prototype infrastructure, 3D Printing	Access to tools and research	<ul style="list-style-type: none"> • New hires
Clarkson University	Access to analytical tools, polymer colloids for printing applications	Leverage Clarkson's expertise in particle design, polymer colloids, particle removal from surfaces, and thin film fabrication	<ul style="list-style-type: none"> • New hires and visiting scientists working in Xerox R&D labs for a full year with favorable IP ownership • \$75,000 grant from NYS-CAT to work on Xerox-supported project • Our presence on the Clarkson-CAMP Industry Advisory Board

Redefining the Workplace Experience

For more than a century, we have continually redefined the workplace experience. Harnessing our leadership position in office and production print technology, we've expanded into software and services to sustainably power today's workforce. From the office to industrial environments, our differentiated business solutions and financial services are designed to make everyday work better for clients — no matter where that work is done.

Today, Xerox scientists and engineers are continuing our legacy of innovation with disruptive technologies in digital transformation, augmented reality, robotic process automation, additive manufacturing, Industrial Internet of Things, and Cleantech. Learn more about how we are redefining the workplace experience for our clients.

Redefining Data Capture with Xerox® Capture and Content Services

At Xerox, we are redefining how companies manage physical and electronic data capture. Xerox® Capture and Content Services leverage the power of AI and machine learning to help advance a company's digital transformation. Intelligent information capture management can not only tame the influx of physical and digital documents but also enhance collaboration, automate processes, and boost productivity.



Transforming the banking process with Xerox® Accounts Payable Services

Bradesco, Brazil's third-largest bank, wanted a partner who could provide an end-to-end platform as well as a digitized solution to manage invoices and processes. Xerox® Accounts Payable Services created a bespoke solution that integrated all processes, rules, and functionalities according to the Brazilian tax system. This not only streamlined the process but also shifted more than 400,000 payments to process automatically, which significantly reduced the banks' paper consumption.



Modernizing Today's Classroom with Xerox® Workflow Central Platform

The Buena Park School District, serving approximately 4,600 diverse ethnic and socio-economic students in Orange County, Calif., sought to integrate its educational, administrative, and communications within a single platform.

With Xerox® Workflow Central Platform, the school district was able to create an environment where students could thrive. By providing access to an ever-growing library of cloud-based, single, and multi-step combination workflows, the platform helped everyone do their job smoothly and securely and improved the way staff, teachers, students, and the community connected with one another.



Responsible Operations



Reducing our Environmental Footprint

Operating in an environmentally responsible manner has been a cornerstone of our operations for decades. We continue to strive to optimize and reduce these impacts for ourselves and our communities. Review the [CSR Progress Summary](#) for a detailed breakdown of environmental metrics and our goals to reduce environmental effects across the value chain.

At Xerox, we invest in solutions that conserve natural resources and lower the energy intensity of our operations.

- As a part of our operational upgrade activities, we have replaced chillers, boilers, and compressors at manufacturing locations around the world with smaller, high-efficiency equipment with advanced controls to minimize energy use.
- We take advantage of seasonal opportunities to utilize free cooling systems instead of mechanical cooling for chilled water systems. We also recover warm air from our compressor rooms when the outside temperature is low to limit the need to preheat intake air.
- We have an ongoing program that targets lighting energy efficiency through migration to LED lighting in our manufacturing and research facilities.
- We improve product manufacturability and reduce the energy needed for production. For instance, we have modified some conventional toner products to incorporate more friable raw materials, thus improving the ease with which it can be ground down to the ultrafine sizes needed in our toner products and significantly reducing the grind time and energy use.

Here are some key points about the information presented in this section::

- Figures on air emissions, releases, water use, and hazardous and non-hazardous waste represent total quantities for our manufacturing, research, development, warehouse, and equipment recovery/recycle operations.
- Statistics on energy and GHG emissions represent total quantities for our manufacturing, research, development, warehouse, and equipment recovery/recycle operations, offices, and data centers. Normalized values from 2016 onward have been calculated using Xerox revenue from continuing operations. Unless otherwise noted, values represent worldwide totals, and are reported in commonly used international units.

- Data is based on actual measurements to the extent possible. Vendor invoices from utility and fuel providers are our preferred source of data, when available. Where direct measurements are not available, we employ engineering calculations or estimates. At Xerox, we continue to strive to increase the accuracy of the data we report.

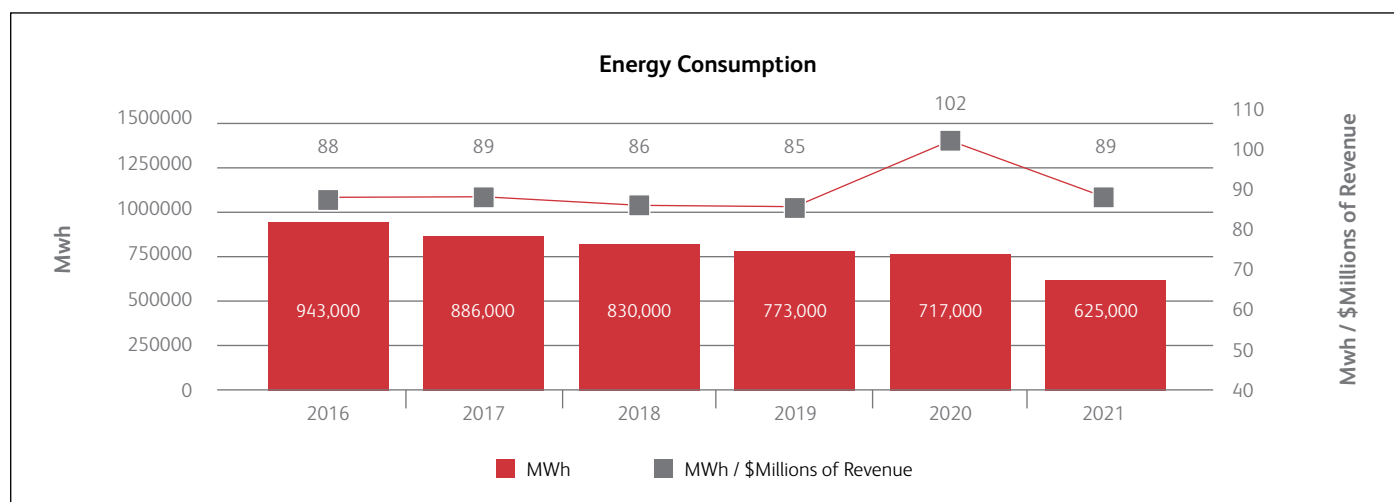
Major manufacturing sites and some administrative offices employ an Environmental Management System (EMS) that conforms to ISO 14001:2015. The EMS:

- Establishes a framework to ensure compliance with regulations and Xerox standards;
- Identifies environmental effects considering a lifecycle perspective and sets objectives and performance targets;
- Identifies, manages, and addresses risks and opportunities related to environmental aspects, compliance obligations, other issues or needs, and expectations of interested parties;
- Strives for continual improvement by conserving natural resources, eliminating toxic and hazardous materials, preventing pollution, and recovering, reusing, and recycling materials;
- Ensures integration between day-to-day business activities, environmental planning, and program management; and
- Encourages innovative engineering solutions, creative partnerships, and employee involvement.

Our major manufacturing operations have been certified to ISO 14001 since 1997. Quarterly status meetings and an environmental performance scorecard provide visibility, best-practice sharing, and innovation across our operations.

MANAGING ENERGY AND GREENHOUSE GASES

We recognize that energy costs and security are issues that affect our operations, suppliers, and clients. Given that energy sources account for most of our GHG emissions, our focus is on reducing energy consumption, whether in our own operations or in the impact we have on our clients' consumption. In 2021, our energy consumption decreased by 12.8% from 2020. Similarly, energy intensity normalized to revenue decreased by 13.0%.



INVESTING IN TECHNOLOGY TO REDUCE ENERGY USE AND GHG

To meet the company's commitment to reducing energy use and protecting the climate, we continue to invest in technologies that reduce the carbon footprint of our operations and develop technologies that help clients reduce the energy and environmental impact of their businesses. We will also pursue energy reduction through the following means that have been proven drivers in our past reduction efforts:

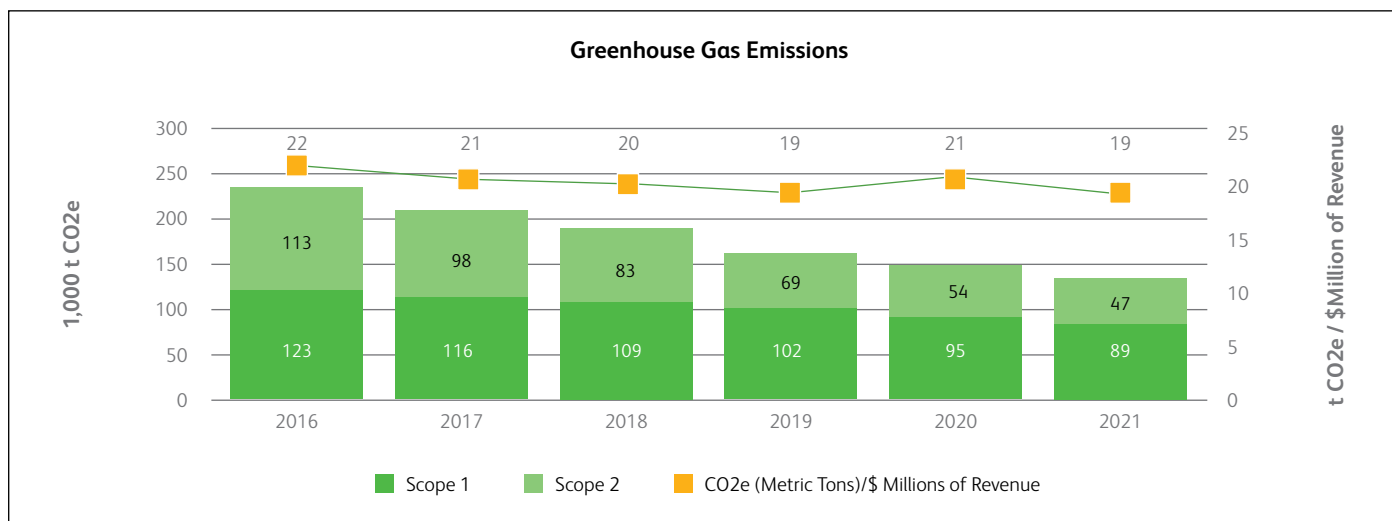
- Manufacturing process changes;
- Improved product reliability and field support strategies;
- Building consolidations and facility upgrades; and
- Product innovation (e.g., toners that require less energy to manufacture and less material to achieve print quality).

Beyond energy reduction, we will further reduce our GHG emissions by employing low- and no-carbon alternatives, such as alternative fuels for service and sales fleet vehicles and renewable energy for Xerox operations.

TRACKING GREENHOUSE GASES

Under the international guidelines of the Greenhouse Gas Protocol developed by the World Resources Institute and the World Business Council for Sustainable Development, we track the six major GHGs: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF₆). As noted, we express our carbon footprint in terms of carbon dioxide equivalents (CO₂e).

Our GHG inventory includes direct emissions from the combustion of fossil fuels in our facilities, primarily natural gas, and the combustion of gasoline and diesel fuels in our service and sales vehicle fleet (Scope 1). Indirect emissions included in the inventory primarily result from purchased electricity and steam at our manufacturing sites, offices, warehouses, and electric service vehicles (Scope 2).



We continually strive to expand the tracking of our GHG emissions from our product and operations value chain, or Scope 3 emissions. Our [CSR Progress Summary](#) includes relevant Greenhouse Gas Protocol Scope 3 emissions categories.

In accordance with the Greenhouse Gas Protocol, and to make annual data comparable, we make baseline adjustments each year based on the opening and closing of facilities, changes to fleet inventory, and the availability of more appropriate emission factors. These adjustments are reflected in the Energy Consumption and GHG emission data. In 2022, we expanded the boundary of its Scope 1 and 2 emission inventory, resulting in the recalculation of previous years of GHG emissions, including a re-baseline of our 2016 emissions.

SCOPE 1 AND 2 EMISSIONS

In 2021, Xerox Scope 1 and 2 GHG emissions totaled 133,617 metric tons of CO2e, a 43% reduction from the 2016 baseline. About 65% were direct emissions from natural gas, gasoline, and diesel fuel combustion. The remaining 35% of the total GHG emissions were indirect emissions from purchased electricity and steam. Facilities owned or leased by Xerox, such as manufacturing sites, offices, and warehouses, contributed to 69% of our Scope 1 and 2 GHG emissions. The remaining 31% are emissions from our service and sales vehicle fleet and other mobile sources.

SCOPE 3 EMISSIONS

Scope 3 emissions result from Xerox activities but occur at a third party and/or arise from sources we do not own or control. Therefore, the collection of these GHG emissions is challenging. The probability of data inaccuracy with these emission estimates is higher than for Scope 1 or 2 emissions due to the limited availability of data from the value chain and a lack of transparency in the data collection process.

To overcome some of these challenges, we calculate Scope 3 emissions according to the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard

This standard provides requirements and guidance to collect, prepare, and publicly report a GHG inventory that includes indirect emissions. The Scope 3 emissions information is also used to prioritize our GHG emission reduction efforts and integrate the consideration of carbon impact into our sourcing and internal decision-making. In 2021, calculated Scope 3 emissions decreased by 18% compared to 2020. Details by category are available in the [CSR Progress Summary](#).

VERIFYING GHG

Our 2021 Scope 1, Scope 2, and Scope 3 GHG emissions have been [third-party verified](#), according to ISO 14064-3:2019, as well as by an internally defined methodology described in the company's inventory management plan.

ANALYZING CLIMATE CHANGE RISKS AND OPPORTUNITIES

For the last two decades, we have maintained a comprehensive GHG emissions inventory and tracking function to stay abreast of developing external factors.

In 2021, the company updated an analysis to identify the physical, transitional, and reputational market risks and opportunities associated with climate change across our value chain and develop appropriate action plans. Please see the [2021 Task Force on Climate Change Related Disclosures Report](#) for further details.

We recognize that our business, suppliers, and clients could be affected by more frequent disruptions because of severe weather in the locations where we operate. We may need to invoke our business continuity and resumption plans to aid clients and employees affected by extreme weather disruptions.

We have experience working to ensure the continuity of critical applications by prioritizing business needs and developing client-specific preparedness plans, where appropriate. These plans include communication with employees and clients, management of employee health and safety issues, business continuity and resumption processes, and interaction with government organizations.

Preserving Clean Air and Water

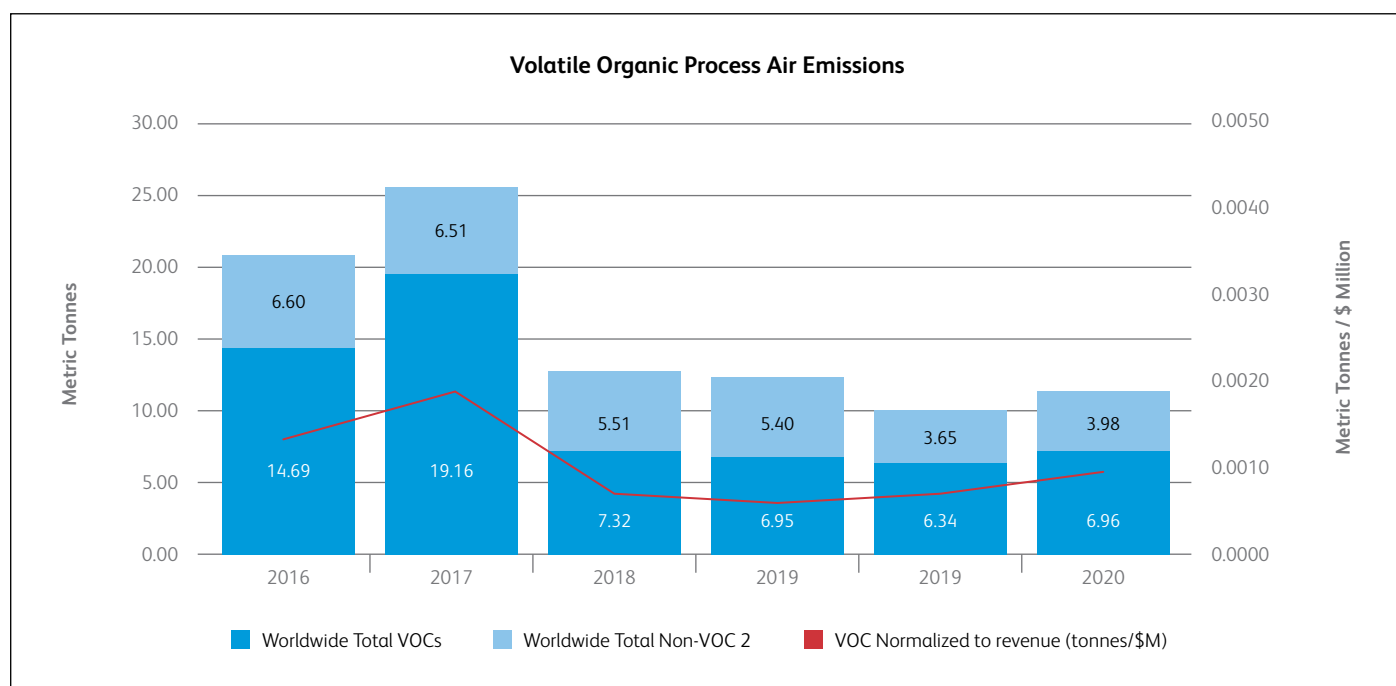


At Xerox, we continually strive to reduce our environmental footprint. From working toward eliminating the use of persistent, bioaccumulative, and toxic materials throughout the supply chain to improving process efficiency, we continue to make substantial progress toward reducing our impact on the environment.

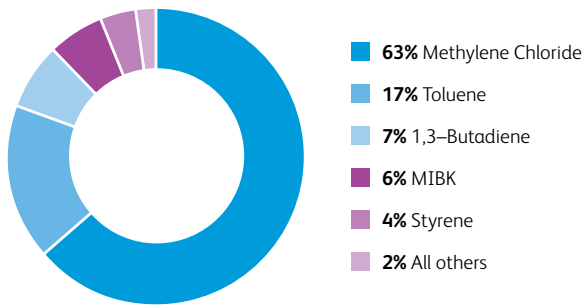
AIR EMISSIONS

Most of our air emissions originate from the production of imaging supplies such as toners, photoreceptor drums and belts, and fuser rolls. Approximately 11 metric tons of volatile organic compound (VOC) process air emissions — defined as both VOC and non-VOC per the United States Clean Air Act — were released into the atmosphere from these activities in 2021. Emissions in 2021 were higher than in 2020 as production volumes began to climb from the lows in 2020 due to COVID-19-related production declines. Over time, emission reductions have come primarily from process modifications, lower production volumes of legacy products, and production declines attributable to longer-life components.

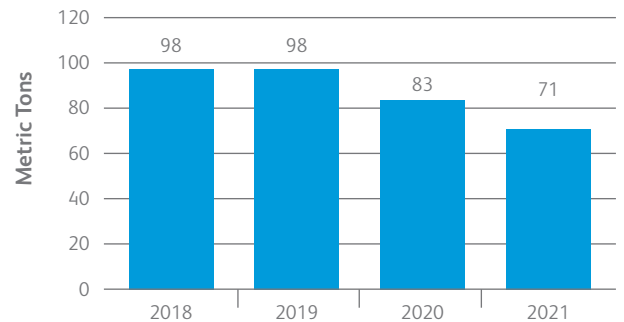
A subset of these VOC emissions is defined by the United States Environmental Protection Agency (USEPA) as Hazardous Air Pollutants (HAP). In 2021, Xerox reported worldwide air emissions of approximately 3.6 metric tons of HAP under national toxic chemical release regulations, including the USEPA Toxic Release Inventory (TRI) program. Methylene chloride, toluene, 1,3-butadiene, methyl isobutyl ketone (MIBK), and styrene constitute most of these HAP emissions.



2021 Worldwide HAP Emissions



Reportable Toxic Chemical Releases and Transfers



OZONE-DEPLETING SUBSTANCES

Xerox policy prohibits using Ozone-Depleting Substances (ODSs) as ingredients in the manufacturing processes for its products and finished products, including spare parts, accessories, consumables, and packaging. ODSs are used as refrigerants in facility and vehicle air conditioning systems and various food/equipment cooling systems and comply with applicable global regulations. The elimination of ODSs as refrigerants is managed according to government phase-out dates.

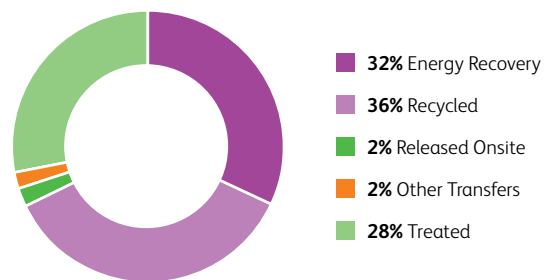
TOXIC CHEMICAL RELEASES AND TRANSFERS

The company evaluates the disposition of materials used in our global operations annually and reports to government agencies under national toxic chemical release reporting regulations such as the USEPA's Toxic Release Inventory, the Canadian National Pollution Release Inventory, and the European Pollutant Release and Transfer Register. Quantities reported through these regulations include responsible disposal and transfers to other locations for treatment, as well as releases to the environment.

Toxic chemical releases decreased by 15% in 2021 compared to 2020 levels and were 85% lower than 2007 levels.

In 2021, approximately 2% of the total toxic chemical releases from Xerox operations were emitted into the air. About 68% of all chemical releases were recycled or fueled energy recovery initiatives.

2021 Management of Reported Toxic Chemicals



We continue to reduce our chemical usage and emissions. Methylene chloride used in the manufacture of Xerox photoreceptor belts was decreased by 82% from the 2010 baseline primarily due to volume declines of legacy products and process modifications that cut the amount used for batch cleaning of production equipment. Methylene chloride usage decreased by 7% from 2020 to 2021.

In 2021, Xerox was able to go end-of-life for component manufacturing used in several legacy products. This will enable Xerox to significantly reduce releases of higher toxicity chemicals used in legacy materials, including 1,3-Butadiene and Styrene. Incident-free material handling operations have continued to maintain a reduced emission rate.

SPILLS AND ACCIDENTAL RELEASES

Our goal is to proactively prevent any accidental release of regulated materials into the air, soil, and water. In 2021, there were zero (0) spills or releases associated with Xerox operations that presented a significant risk to human health or the environment or caused liabilities significant enough to be included in company financial reports. The few spills and releases that occurred were reported to local government agencies as required but were not considered significant.

WATER CONSUMPTION AND TREATMENT

As part of our commitment to conserving resources, we monitor water consumption used in manufacturing, distribution, and research and development facilities worldwide. Water consumed by Xerox operations is sourced from local municipal suppliers that withdraw water from the ground, lakes, rivers, or other surface waters.

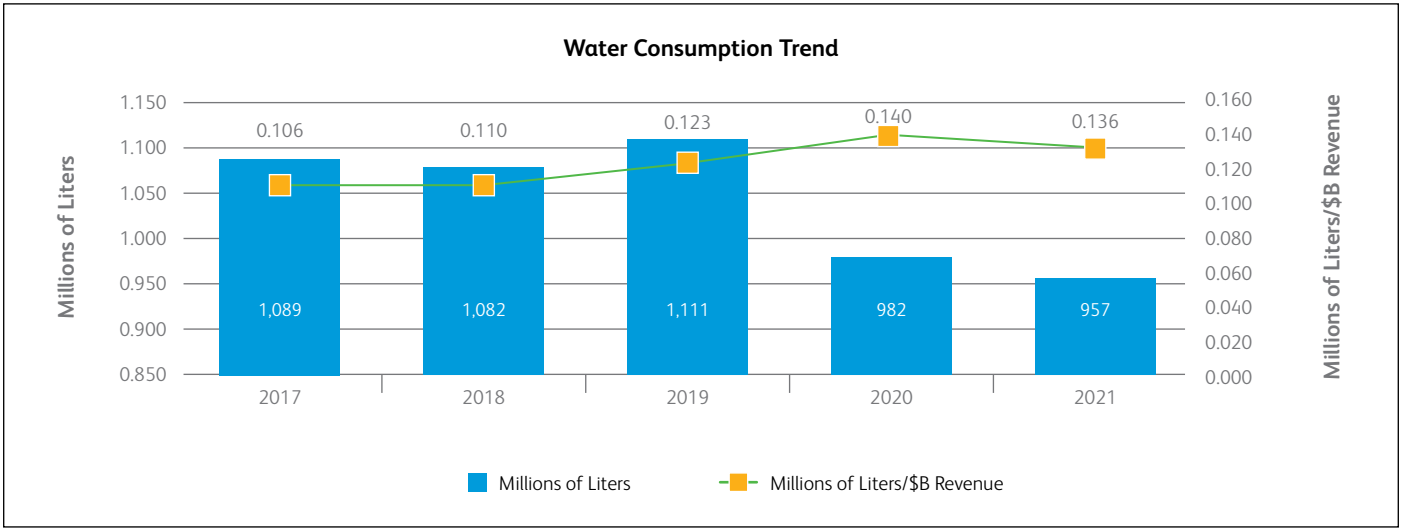
After achieving our 2020 water goal, we set an aggressive new water reduction goal to reduce water consumption by 20% by 2030 from our 2020 baseline.

In 2021, the company’s worldwide water withdrawal in our manufacturing and research facilities was approximately 0.957 billion liters, a 3% reduction from the baseline year 2020. Water use at Xerox manufacturing and Research & Development (R&D) sites has been trending downward for more than a decade. Reductions were achieved by a combination of conservation initiatives, including:

- Eliminating once-through cooling systems in air compressors at Webster, N.Y.;
- Implementing improvements to the sanitary sewer infrastructure at the Webster, N.Y. facility (significantly reduce groundwater infiltration into our sanitary sewer lines); and
- Recycling reverse osmosis rejects water as make-up water in cooling towers at the Wilsonville, OR facility.

Wastewater discharges at manufacturing sites are monitored to validate compliance with local sanitary sewer discharge limits. Process wastewater is treated, as necessary, before being discharged into local sanitary sewers.

We utilize best practices to prevent unwanted pollutants from entering waterways through surface contamination and runoff. Extensive sampling of wastewater discharged to sanitary and storm sewers ensures that discharged water meets our strict requirements. Although Xerox has not established a reduction goal for wastewater discharges, these volumes roughly correlate with consumption and have decreased more than 50% since 2010. Results are attributed to water conservation initiatives, upgrades to water infrastructure, adjustments to metered discharge estimates, and production trends.



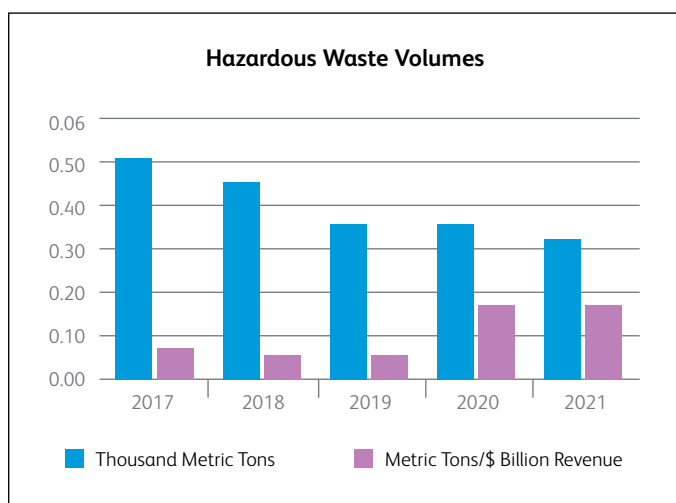
Preventing and Managing Waste



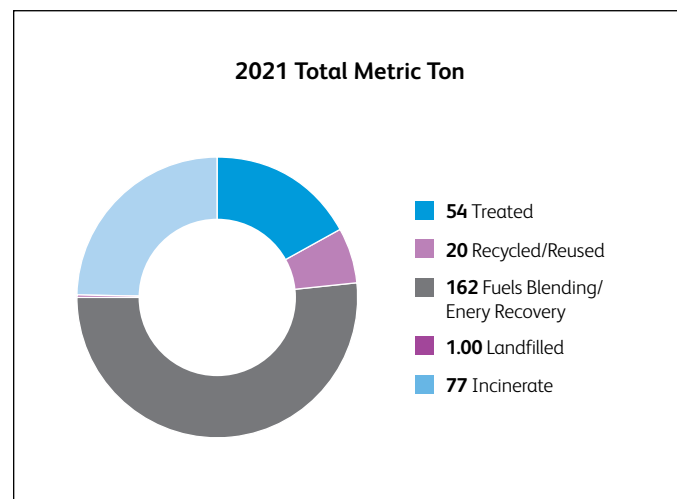
Enabling waste-free operations for Xerox and our customers has been a cornerstone of our environmental program for nearly 50 years. Our aim is to design products, packaging, and supplies that make efficient use of resources, minimize waste, reuse material where feasible, and recycle what can't be reused.

HAZARDOUS WASTE

At Xerox, we have a mature program for reducing the amount of hazardous waste generated throughout the company. Historically, our manufacturing operations that generate significant quantities of hazardous waste have goals and objectives to eliminate and/or reduce the amount of hazardous waste.



These hazardous waste reduction activities have included manufacturing technology changes and reuse/recycling initiatives. We strive to manage these waste streams in a beneficial manner. Approximately 58.1% of the hazardous waste generated in 2021 was managed at fuel blending and solvent recycling facilities. Only 0.3% (1.0 ton) of hazardous waste was landfilled; the rest generated during the year was treated and/or incinerated. We do not export hazardous waste to developing nations.



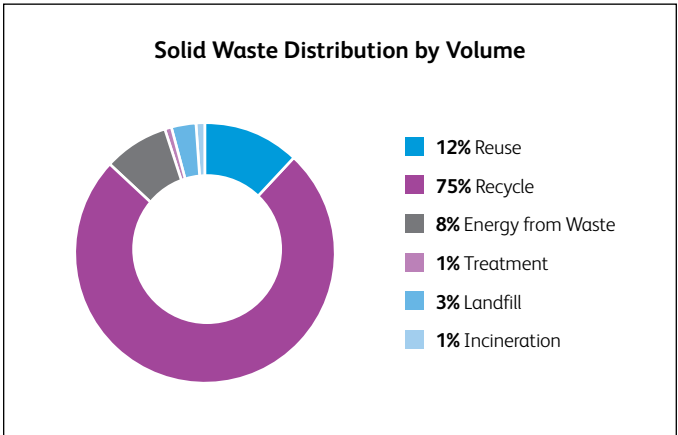
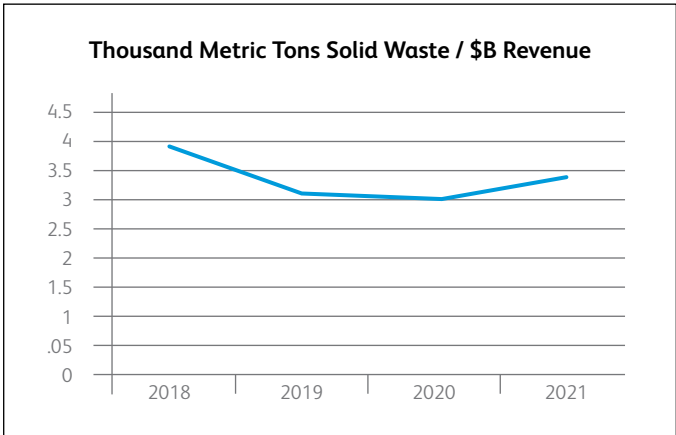
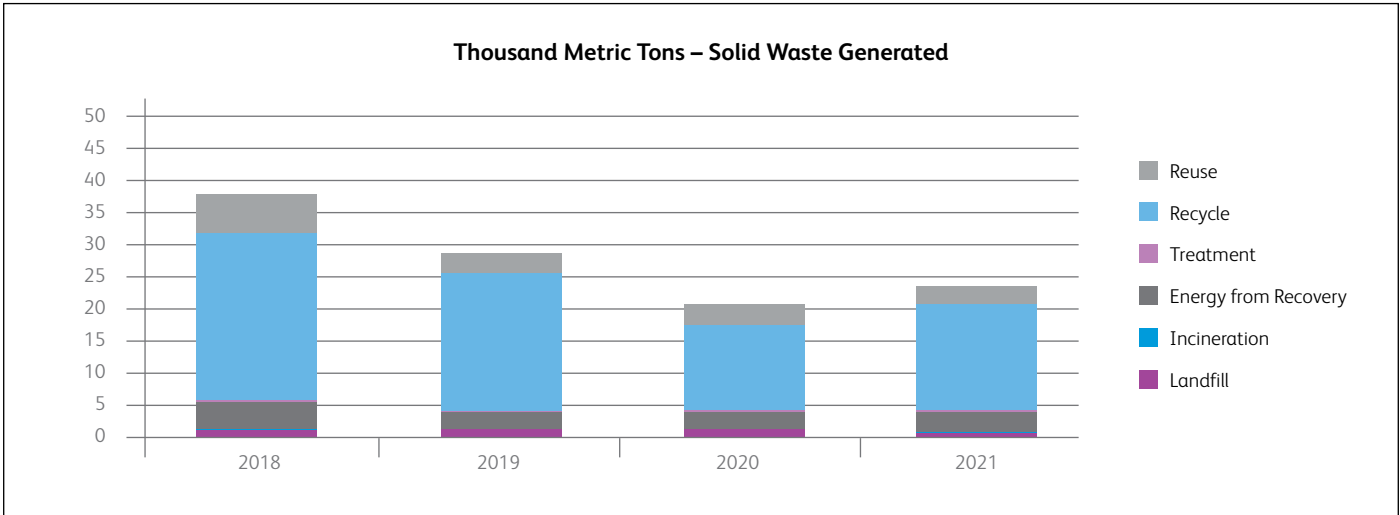
NONHAZARDOUS SOLID WASTE

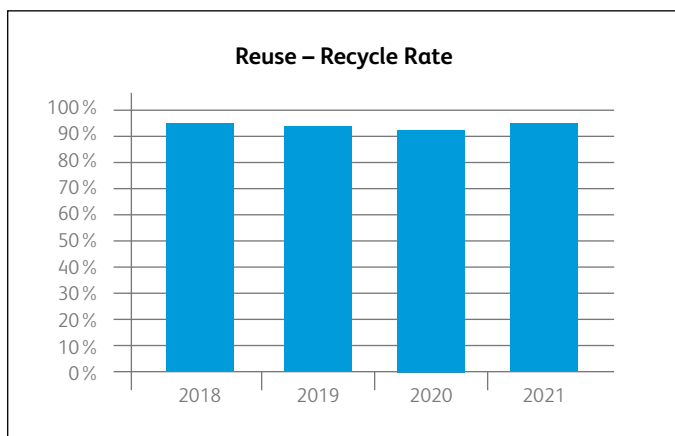
The company has had waste reduction efforts in place for many years. We reuse boxes, pallets, and containers for parts delivery and capture and reprocess toner outside the acceptable size range during manufacturing. We also recycle returned equipment and reuse totes for recycling scrap metal and paper. Globally, our operations generated 23,600 metric tons of non-hazardous solid waste in 2021, a 12% increase from 21,100 metric tons in 2020.

Process waste consists primarily of paper, wood, pallets, waste toner, plastics, and packaging waste, such as corrugated cardboard. This waste made up 24% of the non-hazardous solid waste managed by our operations in 2021. Equipment

manufacturing waste includes scrap metal, waste batteries and lamps, miscellaneous trash, and unusable, end-of-life equipment and parts that our clients return to Xerox for processing and remanufacturing. We reuse or recycle nearly 100% of the equipment and parts generated from our client and field service returns.

Our goal is to reuse, recycle or recover energy from 100% of the waste generated at facilities globally. In 2021, 95% of non-hazardous solid waste was reused in equipment repairs or remanufacturing, recycled, or used to produce energy, up from 92% in 2020.





COMPLIANCE REPORTING

We require our operations and subsidiaries worldwide to report any written or verbal notices of environmental fines, citations, or formal violations. In 2021, three formal violations were issued against Xerox operations or subsidiaries. Corrective actions were implemented, and no monetary fines were incurred from any of these violations.

ENVIRONMENTAL REMEDIATION AND COMPLIANCE

In 1985, we voluntarily assessed our global real estate portfolio and identified 68 facilities that required corrective actions to address environmental contamination. We worked closely with the appropriate federal, state, and local agencies to implement prompt measures to ensure the protection of our employees, communities, and the environment.

Today, only two of the original 68 sites require active remedial or control measures, and we are conducting post-remediation compliance monitoring at four sites that are no longer subject to active remediation. Our current focus is to work closely with the regulators who oversee both the active and monitored sites to identify opportunities to increase program efficiency and accelerate the path to completion of remedial activities.

We have a history of developing innovative technologies to enhance our remedial efforts. Besides employing conventional techniques for groundwater recovery and treatment and soil excavation, we have also used techniques, such as high-vacuum 2-Phase Extraction and enhanced bedrock fracturing, that have improved and accelerated the recovery of contaminants. We utilize technologies where contaminants are degraded or converted to less harmful substances through enhanced natural biodegradation and chemical oxidation processes.

Xerox Philanthropy



From our earliest days as a company, we at Xerox have strived to make a difference in the communities where we live and work. Our focused philanthropic investment strategy delivers the greatest value to society possible for every dollar spent.

In 2021, we invested more than \$1.5 million in the nonprofit sector. Many nonprofit organizations, colleges, and universities received direct financial support in the form of strategic investments, matching gifts, or community involvement activities by Xerox employees. The [CSR Progress Summary](#) includes a detailed breakdown of spend and volunteerism by cause.

At its core, our philanthropy efforts are focused on four strategic areas:

- **Education and workforce preparedness:** we support the role of education in society — colleges, universities, science, technology, engineering, and math (STEM) education programs, and workforce development programs that prepare the next generation of leaders, inventors, and scientists.
- **Strong, vibrant communities:** our organization invests in communities where our people and clients live and work, strengthening ties with our stakeholders and embedding Xerox into the fabric of communities around the world. We enable our people to give back to the causes they believe in, and the support we provide enhances our corporate reputation, driving the company's success.
- **Sustainability:** we support programs and partnerships that mitigate climate change and make our world a better place.
- **Disaster relief:** we provide aid to our employees and their neighbors in crises during natural disasters.

Our organization strives to enable employee-driven philanthropy and community programs to meet our overall mission:

To create a more sustainable and just world powered by Xerox innovation and acts of human kindness.

GOVERNANCE

The Governance Board, along with our senior management, oversee, guide, and approve our investment strategy and programs, and Xerox philanthropy strategies are vetted and reviewed by the Corporate Social Responsibility Council. The Xerox Community Giving Tool is the backbone of our community giving efforts, facilitating our Matching Gift Program, tracking volunteer hours, and other CSR activities.

POLICY

Our Global Philanthropy Policy was created to formalize our approach for giving back to communities around the world. Along with reinforcing our core focus areas, it establishes a reporting structure to better capture and report global philanthropy activities that match the UN Sustainable Development Goals and key focus areas of Xerox. The Global Volunteer Policy also grants every Xerox employee one workday of paid time off to volunteer at a nonprofit of their choice.

We continue to evolve our philanthropy programs to meet the needs and desires of our employees and communities. In 2021, we introduced Volunteer Rewards. With this program, a Xerox employee may redeem \$10 per volunteer hour, up to \$500 per year, to donate to a 501(c)(3) nonprofit organization of their choice. Xerox makes employee guidelines available for both our Volunteer Rewards program and the Xerox Matching Gift program to serve as a framework for employees to work within.

EMPLOYEE VOLUNTEERING

From the very beginning, we realized the power of volunteering and giving our communities the gift of time and talent. Today, we continue to deliver volunteer programs that have been around for more than 50 years.

Since 1974, The Xerox Community Involvement Program (XCIP) has backed the volunteer spirit of our employees with funding support from Xerox. In this way, we're making the biggest difference in the communities where we live and work. Since the program began in 1974, thousands of our employees have rolled up their sleeves and participated in projects that make their hometowns a better place. In 2021, Xerox invested \$121,500 in XCIP, and employees led more than 100 projects worldwide.

FIRST ANNUAL GLOBAL MONTH OF SERVICE

In 2022, the company launched its first annual global month of service, Xerox Volunteer Days. Our goal was to serve our communities while enabling employees to reconnect with their peers. From Earth Day to May 31, 538 employees logged more than 7065 hours, helping get us nearly to the midpoint of our 2022 goal of 15,000 volunteer hours.

OUR EMPLOYEES IN ACTION DURING XEROX VOLUNTEER DAYS



Norwalk Seaport Association

Xerox volunteers in Norwalk, Conn., helped Norwalk Seaport Association prepare the historic Sheffield Island Lighthouse and Keeper's Cottage for the season by cleaning up, landscaping, and painting. The Lighthouse attracts thousands of visitors a year and is an important part of Connecticut's maritime history.

Wildlife Habitat Council

Xerox volunteers partnered with the Wildlife Habitat Council to plant pollinator gardens in Webster, N.Y., Washington, D.C., and Toronto, Canada. Pollinators like bees and butterflies are the foundation of a healthy ecosystem.



Italian Multiple Sclerosis Society

Xerox volunteers partnered with the Italian Multiple Sclerosis Society (AISM) to support fundraising efforts in Florence and Rome by selling gardenias, a flower that represents AISM's dual commitment to people living with multiple sclerosis: research and assistance.



Cayambe School

Xerox volunteers partnered with a school in Cayambe, an agricultural service city in highland, Ecuador. The team collected clothing donations for the children serviced by the school, many of whom are facing poverty.



Adopt a Spot Program

Through the Adopt a Spot program in Cary, N.C., Xerox volunteers helped keep the city clean and forever green through the adoption and improvement of a communal space.



Variety Village

Xerox volunteers partnered with Variety Village in Toronto, Canada, to prepare for the summer by gardening, moving supplies, and organizing. Variety Village helps young people with disabilities and those facing development barriers achieve life goals.



Together for Children

Xerox employees participated in a No Finish Line charity race to raise funds for Together for Children, a non-profit association in Greece dedicated to child welfare and helping those facing poverty, disability, abuse, and illness.



Feed My Starving Children

Xerox volunteers partnered with Feed My Starving Children in Coon Rapids, Minn., to pack more than 17,000 meals, which will feed 47 children for an entire year.



Food Bank and Family Services in North Sacramento

Xerox volunteers worked with their local food bank to pack Toolkit Boxes for more than 650 students and their families.



Robin Hood Army Academy

Xerox volunteers partnered with the Robin Hood Army Academy to serve meals to underserved members of the community. The Academy is a zero-funds volunteer organization that works to get surplus food from restaurants and communities to serve the less fortunate in India.

EDUCATION AND THE WORKFORCE OF OUR FUTURE

Our commitment to education is a key enabler in nurturing the next generation of innovators and global leaders. We create opportunities for young people to pursue college degrees and, ultimately, careers in STEM.

K – 12 EDUCATION

One way for our business and communities to thrive is to provide a means to better the lives of young people. Since the early 1960s, Xerox and our grassroots education programs have helped inspire young men and women to take an interest in the STEM principles and create a career path to success — one that eliminates poverty.

A place where we're succeeding in this endeavor is Rochester, N.Y., where Xerox began. The Rochester City School District has one of the state's and country's lowest graduation rates and highest poverty levels. To combat these circumstances, the company has created a continuum of critical programming for young students that has proven to change lives.

The Xerox Science Consultant Program began in 1968 as an effort of our founder, Joe Wilson, to have Xerox employees visit elementary school classrooms to teach hands-on science to children who may have never been exposed to the material or, most importantly, a role model in the STEM field who looks like them. In 2019, we began a partnership with the Rochester Museum and Science Center to expand the program with the shared goal of increasing the number of volunteers, allowing us to reach more students in more urban districts. Throughout the COVID-19 pandemic, we continued our work with the Science Consultant Program via virtual lessons.

Xerox was a founding partner of For Inspiration and Recognition of Science and Technology (FIRST). FIRST is a hands-on approach to learning valuable and technical skills with real-world pressures and deadlines. Students not only build robots to compete and meet challenges out of a box of LEGO® bricks and parts but also learn valuable life lessons and skills while doing so. Since 1992 when we began our partnership, we've worked with more than 10,000 students through FIRST.

In 2022, Xerox partnered with the Boys & Girls Club of Stamford to create an educational STEM summer camp for underserved students. Throughout the four-day camp, Xerox mentors introduced students to FIRST Robotics and basic engineering and coding concepts, enabling them to build a robot out of LEGO bricks and program it with code to achieve missions.

DISASTER RELIEF

Xerox disaster relief efforts target funding to areas of impact, specifically, where our employees need the most help.

War in Ukraine



The war in Ukraine displaced many Xerox employees and changed their lives forever. Xerox initiated a one-time employee relief grant of \$1,500 to every employee in Ukraine.

Additionally, Xerox employees around the world spearheaded donation drives funneling resources like suitcases, clothing, and hygiene products fleeing Ukrainians.

We funded both the American Red Cross and Save the Children, our disaster relief partners of record, with \$10,000 each.

In addition to corporate donations, we also donated dock space in Webster, N.Y., to RocMaidan, a charitable organization supporting Ukraine. The space is being used to collect and ship donations to support Ukrainian refugees worldwide.

SUPPORTING OUR EMPLOYEES IN TIMES OF NEED

In 2021, we launched the Xerox Employee Relief Fund (ERF) as a way for employees to help coworkers when the unexpected happens. The ERF provides short-term financial assistance, up to a lifetime maximum of \$5,000, to eligible employees in the event of a disaster or hardship.

The award is funded by financial contributions from Xerox and its employees. Applications are reviewed by a third-party nonprofit organization to ensure objectivity and confidentiality against a consistent set of requirements.

In all, 131 employees received \$86,095 of grant support from the Xerox Employee Relief Fund in 2021.

MATCHING GIFTS PROGRAM

The company matches up to \$500 or its local currency equivalent per employee to any legally verifiable 501(c)(3) nonprofit or its global equivalent. Participation in our Matching Gifts Program increased by 23% year-over-year.

	2020	2021	Year-Over-Year Increase (%)
Total Employee Donations	\$451,693	\$911,457	202
Matching Corporate Contributions	\$419,696	\$371,189	(12)
Users	1312	1,616	23
Volunteer Hours	3360	11,454	341
Active Employees in the Xerox Community Giving Tool	2709	3691	136
Employee Participation Rate in the Xerox Community Giving Tool	3.71%	3.81%	2.7



Employee donations increased 200% from 2020.

Evolving the Workplace



Our people and their experience, skills, and cultural diversity represent our company's most important asset. Our wide range of products and services requires a diverse employee population representative of the markets in which we do business.

Data pertaining to demographics, diversity, and union representation of our global workforce is available in our [CSR Progress Summary](#).

DIVERSITY, INCLUSION, AND BELONGING (DIB) IN ACTION

In 2021, we continued to nurture our commitment to Diversity, Inclusion, and Belonging (DIB) by focusing on the areas where we can make the most significant impact. Our DIB roadmap consists of five verticals that help us strengthen DIB within our organization while making an impact within the communities that we serve.

Diverse Pipeline

Recruit, hire, and develop more women and underrepresented employees.

Partnership

Advance partnerships with job sourcing vendors who leverage AI to diversify the pool of candidates.

Culture Change

Build culture cohesion through organizational-wide DIB training, ongoing education, and ERG expansions.

Community Outreach

Expand partnerships with organizations for community outreach and increase the hiring of underrepresented talent.

Accountability

Align Management Incentive Plan with Environment, Social, and Governance metrics for DIB and launch pulse survey.

EMPLOYEE RESOURCE GROUPS AT XEROX

Xerox Employee Resource Groups (ERGs) play a critical role in helping the company advance our DIB roadmap by reinforcing a company-wide culture of belonging. In fact, one of our many firsts was the creation of ERGs back in the 1960s. Our ERGs focus on mentoring, training, and development programs for their members and allies. They make it their mission to support and sustain their members, while navigating through cognitive diversity in the workplace. The ERGs are not just a safe place, but a courageous place for their members to grow and thrive.

There are ten ERGs that drive inclusivity through global programming, community involvement, and collaboration efforts. More importantly, ERGs provide a place for employees to talk about issues relevant to them. Each ERG has a governing leadership team and is sponsored by a senior executive.

Xerox Employee Resource Group	Purpose
Asians Coming Together (ACT)	ACT creates awareness of Asian contributions, promotes professional development, and enhances an understanding of Asian culture at Xerox.
Black Women's Leadership Council (BWLC)	The Black Women's Leadership Council serves as a catalyst to advance professional development and address issues unique to Black women in the Xerox workplace. We work to forge partnerships with senior management that facilitate the hiring, retention, and development of Black women and satisfy business needs.
GALAXe Pride at Work	GALAXe is for employees who are or who support gay, lesbian, bisexual, or transgender (LGBT+) persons. The group aims to increase the visibility of its members within Xerox and beyond and provide a connection between its membership and Xerox as well as with other gay, lesbian, bisexual, and transgender organizations.
Hispanic Association for Professional Advancement (HAPA)	HAPA was established to create a single, unified voice of Hispanic representation. HAPA works with Xerox senior management to ensure that Hispanics achieve an increased presence at all levels.
National Black Employee Association (NBEA)	NBEA is committed to providing a community of support for Black employees at Xerox, with opportunities for mentoring, training and development, and outreach. It seeks to ensure that individual professional abilities and talents - regardless of ethnic or racial group - are recognized in employment and promotion practices.
The Women's Alliance (TWA)	TWA seeks to ensure that the company recognizes and values women for their significant contributions and leadership.
Xerox Leadership Association (XLA)	XLA is devoted to professional development, career enhancement, and promoting belonging and engagement.
YP NeXgen	The YP NeXgen mission is to create connections for young professionals within Xerox and provide community involvement, networking, and mentoring opportunities that contribute to personal and professional growth. YP NeXus welcomes, supports, and empowers young professionals at Xerox and helps develop them as future leaders of our company.
Xerox Veteran Service Members Association (VSMA)	VSMA is dedicated to the support and engagement of our military veterans, service members, military spouses, and families. It celebrates the service, dedication, and sacrifices of these employees, recognizing both the unique challenges they may face, as well as the distinct advantages that their collective experience brings to our team.
Enable_All	Enable_All's mission is to support and develop Xerox team members and communities that are part of or involved with disabilities (hidden or otherwise) by promotion, inclusiveness, and innovation.

COMMUNITY PARTNERSHIPS AT XEROX

We believe our DIB efforts must extend into the community. In the U.S., we have an ongoing partnership with [A Better Chance \(ABC\)](#), a non-profit organization dedicated to creating pathways to education and fulfilling careers for young people of color. In 2021, as a part of our new internship program, we welcomed 13 ABC interns to Xerox from different colleges and universities across the country. During their time here, they supported our teams and contributed to exciting projects that benefitted our clients, people, and communities. In the U.K., we support [Black Young Professionals](#), an organization dedicated to helping young professionals with mentoring, development, and career advancements.



"I chose to intern at Xerox because they truly are a company that nurtures and encourages innovation, supports their interns in learning and mastering different software and skills, and more importantly, values the work and ideas that we, interns, bring to the company," said Genaro Flores - Machorro, Business Analyst Intern from the University of Southern California.



"I chose Xerox because it opened up opportunities to have hands-on experiences with my intended major of mechanical engineering. Being in-person and watching how products were developed through 3D printing, as well as learning how to organize and create part lists, was a huge plus to my experience at Xerox," said Christina Wang, Mechanical Engineering Intern from Cornell University.

ACCOUNTABILITY IN ACTION

We aligned our Management Incentive Plan with Environment, Social, and Governance (ESG) metrics for DIB to improve the representation of women and underrepresented talent in professional roles. We also participated in the McKinsey Women in the Workplace Study and McKenzie-Delis Packer Review to gain insights on diversity and representation opportunities within our company policies and programs.

We are committed to gender diversity and inclusion at the highest levels. While we have made progress in some areas, we understand there is more work to be done. Below is a snapshot of our entire workforce.

Category		Percent of total for 2021	Percentage Change from 2020
Women employees by region – (% of total)			
Americas		26	-1
Asia Pacific and Japan		28	3
Europe, Middle East, and Africa		29	0
Worldwide		26.7	-1
Women managers by region – (% of total)			
Americas		25	-2
Asia Pacific and Japan		22	2
Europe, Middle East, and Africa		24	-2
Worldwide		25	-1
New hires globally, by gender			
Women		27	-1
Men		73	1
Global workforce, Full-time by classification – (% of full-time employees)			
Executives	Women	28	2
	Men	72	-2
Directors	Women	30	-1
	Men	70	1
Managers	Women	28	0
	Men	72	0

Category	Percent of total for 2021	Percentage Change from 2020
Global workforce, Full-time by classification		
Professionals Women	37	-3
Men	63	3
Other Women	22	-1
Men	78	1
All Classes Women	27	-1
Men	73	1
U.S. workforce by ethnicity		
White	68	-1
Black	12	0
Hispanic/Latino	10	0
Asian	6	1
Native Hawaiian/Pacific Islander	0.4	0
Native American/Alaskan Native	1	0
Two or more races	1	0
Not specified	3	1
New hires – United States		
White	51	-14
Black	15	-2
Hispanic/Latino	8	-2
Asian	8	2
Native American	0	0
Military/veterans	5	4

EXTERNAL RECOGNITION

Here are some examples of recent recognition that demonstrate our commitment to DIB:

- Xerox was named one of the 50 Best Companies of the Year for Latinas by LATINA Style Inc., a list endorsed by and created with the assistance of the U.S. Department of Labor, the U.S. Equal Employment Opportunity Commission, and women and national Hispanic organizations.
- Xerox was named one of the Best Places to Work for LGBTQ Equality in the Human Rights Campaign (HRC) Foundation's 2021 Corporate Equality Index. In fact, we are one of only seven companies to earn a perfect score, and we have earned a perfect score every year since the survey's inception 20 years ago.
- Xerox was named Disability Confident by the U.K. Government as an employer who makes the most of the opportunities provided by employing disabled people.
- Xerox was named to the 2022 Best of the Best lists for Top Employers and Supplier Diversity Programs in Professional Women's Magazine.
- Xerox was named to the 2022 Best of the Best lists for Top Veteran Friendly Companies and Top Supplier Diversity Programs in U.S. Veterans Magazine.
- Xerox was named to the 2022 Best of the Best lists for Top Employers and Supplier Diversity Programs in The Hispanic Network.
- Xerox was named to the 2022 Best of the Best lists for Top Employers and Top Supplier Diversity Programs in The Black EOE Journal.

NON-DISCRIMINATION POLICY

Globally, we create policies that support our business goals and reflect the culture of the countries where we do business. Xerox does not discriminate based on race, color, religious belief, creed, sex, age, national origin, citizenship status, marital status, military status, union status, genetic information, abilities, sexual orientation, or gender identity.

By focusing on diversity, we at Xerox hire, promote, and retain the best people who are well-suited for our business and reflect the markets and communities we serve. We've designed our hiring and promotion efforts to ensure a deep, diverse pool of talent, ready to assume leadership roles. Our efforts continue to be guided by the Wilson Rule, named after Joseph C. Wilson, the first CEO of modern Xerox and a champion of equal opportunity. The Wilson Rule requires that women and

minorities be among the final pool of qualified candidates for open management and senior-level professional positions in the U.S. Outside the US, women must be considered among the final pool of qualified candidates for the same management and senior-level professional positions. To further support this, we are also working with AI vendors to increase the pool of women and diverse candidates for our openings using their artificial intelligence algorithms.

EQUAL EMPLOYMENT OPPORTUNITY

Xerox is an Equal Opportunity Employer, and complies with all applicable federal, state, and local laws that govern the hiring and treatment of its employees. We consider internal or external applicants for all positions without regard to race, color, creed, religion, ancestry, national origin, age, gender identity or expression, sex, marital status, sexual orientation, physical or mental disability, use of a guide dog or service animal, military/veteran status, citizenship status, basis of genetic information, or any other group protected by law.

For information on our supplier diversity program and performance, please see the Supplier Relations section.

RECRUITMENT

As part of our ongoing commitment to building a workforce that is diverse, inclusive, and in line with our corporate values, we recently expanded our application of the Wilson Rule. This internal rule requires all open management and senior-professional level positions to consider the following among the final pool of candidates: women, minorities, veterans, or LGBTQ+. Outside the U.S., women must be considered among the final pool of qualified candidates for the same management and senior-level professional positions. A major part of our commitment to diversity also includes accelerating the careers of people of color and women, and we have made progress on this through promotions and expanded roles. To broaden our employee base, we are partnering with nonprofit organizations, including: A Better Chance (U.S.) Black Young Professionals (U.K.) and 7 Eagle Group (Military Veterans & Service Members), which helps expand our sources of talent and create a diverse workforce that better reflects the markets and communities we serve.

Attracting early career talent from different racial, ethnic, and cultural backgrounds increases the likelihood of filling diverse roles at all levels, sparking creative and revolutionary ideas for years to come. In the U.K., we have the Kickstart program, which aims to provide job opportunities for 16-24 year-olds receiving Universal Credit. A quarter of Kickstart participants are women employees – in line with our focus on hiring more women at this particular level. At Xerox, we have created

numerous roles across different business areas to help them develop core skills and ready them for a successful career. We also converted eight Kickstarters to full-time staff, two of whom are women.

BOARD DIVERSITY

Diversity among our board of directors is of the utmost importance. We believe that the backgrounds and qualifications of the directors, considered as a group, should provide a broad diversity of experience, professions, skills, geographies, knowledge, and abilities that will allow the board to fulfill its responsibilities.

In 2021, shareholders elected ten members to the board, resulting in 40% board diversity. We increased the female representation on our board of directors with the additions of Nichelle Maynard-Elliott and Margarita Paláu-Hernández.

TALENT MANAGEMENT AND WORKFORCE DEVELOPMENT

Talent management and workforce development are critical for the future of Xerox and for fueling business growth and innovation. We use high-impact practices and technology to drive global workforce capability and integrate learning with work.

Our organization and talent planning processes include reviews with business leaders to build our talent pipeline. More broadly, Human Resources provides a forum for management to review the future needs of the organization, noting strengths, gaps, and strategies to build strong teams for the next chapter at Xerox. During our last organization and talent planning process, we identified critical roles and the core skills needed to perform those roles. We also identified additional baseline skills required for all Xerox roles and are implementing learning pathways to support employees in obtaining and maintaining those skills. We utilize a third-party, online learning platform that is available to all Xerox employees for self-directed learning and helps to support skill and career growth.

The company is also committed to accelerating the careers of high-potential and diverse employees. Vista, our high-potential development program for early-career talent, is in its second year. This is a one-year development and acceleration program for our highest-potential employees across the globe, sponsored by the Executive Committee, designed to provide enhanced visibility, special assignments, and skill development. This program also includes individualized career coaching, mentorship, and networking opportunities with Executive Committee and Senior Leadership members, which helps to accelerate our talent pipeline, retain early talent, and increase engagement.

GLOBAL LEARNING INNOVATION FOR EMPLOYEES AND PARTNERS

The world of work has changed. From hybrid working to accelerating digital transformation, we have been focused on preparing our employees and clients for this change.

From an employee perspective, this includes identifying technologies that can bridge the skills gaps and enable employees to leverage digitally-enabled solutions. For example, CareAR™, an enterprise augmented reality business that offers live virtual assistance technology, is a disruptive technology that is modernizing field service, customer support, and other IT services, as well as helping reduce skills gaps.

Our Learning and Development (L&D) function has also been using different forms of digital technology to train and reskill employees in the flow of work. Expanding digital learning will enable both partners and employees across the globe to learn at the point of need.

Our employees also have access to a global learning platform, Percipio, that includes thousands of targeted online courses, virtual classroom events, simulations, job aids, and other learning and development resources. Topics include critical job-specific information and technical upskilling, management development and professional effectiveness, productivity tools for project management, ethics, diversity and inclusion, and information security. We also provide access to Industry certifications.

Learning history is tracked online and available for employees and partners to include in their professional portfolios. We also provide resources for Xerox proprietary certifications, instructor-facilitated classes, virtual hands-on labs (vHOLs), and on-the-job experience.

TOTAL REWARDS: COMPENSATION AND BENEFITS

Our success depends on attracting and sustaining a healthy and productive global workforce. Globally, we provide our people with a comprehensive Total Rewards program that includes various compensation, benefits, and work-life programs.

Our programs are designed to achieve the following objectives:

- **Drive shareholder value:** Support our business strategy and culture;
- **Align with performance:** Align our people's interests with our shareholders, thus incentivizing the right behaviors; and
- **Support our talent strategy:** Attract, retain, and motivate a productive workforce.

As with most global companies, our compensation and benefits vary by location based on employee eligibility, local practices, and regulations. We benchmark our programs to ensure that we know our competitive position amongst our peers and the markets we serve, while maintaining alignment with our short-term and long-term business goals. As a result, we review annually and make changes to our compensation and benefits programs to achieve our objectives. Our compensation offerings may include the following, depending on eligibility: base pay, short-term incentive bonus, and long-term incentive pay. Our benefit offerings provide our employees with choice and flexibility to help them reach their health and financial goals. Representative offerings include the following programs: healthcare, wellness, retirement, paid time off, life and disability, and voluntary benefits.

Performance, both at the individual and company level, matters. We have an integrated Performance Management and Compensation strategy and process that drives our desired cultural behaviors, business results, and high performance. This key company process touches nearly every one of our people globally, helping them achieve their stated objectives and earn appropriate rewards. Ultimately, we believe that when the company performs well, we all benefit — in the form of development opportunities as well as greater compensation.

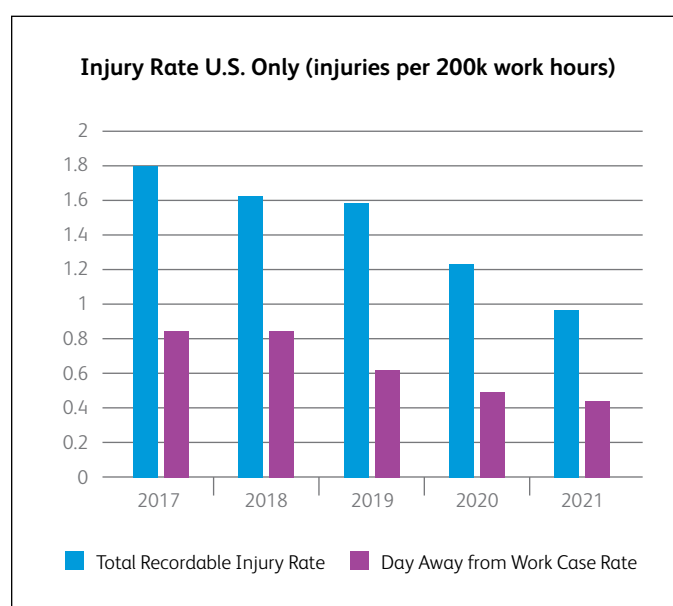
EMPLOYEE SAFETY

Throughout the COVID-19 pandemic, our priority has been the health and safety of our employees, clients, partners, and their families. We continue to monitor developments around the world and maintain a robust set of protocols to keep the entire Xerox community safe while minimizing the impact on operations during this public emergency.

In April 2021, we returned employees to offices where legally permissible. Our ability to safely do so is the result of the careful implementation of protocols guided by science and public health agency guidance. As government requirements evolve and case rates fluctuate in different geographies, we continue to adjust our protocols accordingly.

We at Xerox are committed to maintaining a safe work environment for our people. We have a worldwide incident reporting process in place that helps track and monitor our safety performance. This, in combination with workplace safety inspections, and hazard analysis, helps focus our improvement efforts on areas where we can have the greatest effect on preventing incidents and where populations are most at risk. Workplace accidents and near misses are investigated, and trends on root causes are obtained. Our system for recording and characterizing root causes of accidents was modified to further improve our injury analysis and reporting. Employee safety communications take a variety of forms, given the great diversity in our operations and workplaces. Several methods are used to raise employee safety awareness, including site-specific hazard management, off-the-job safety information, and communications regarding unique safety concerns endemic to the geography.

We strive toward a goal of zero workplace injuries, continually decreasing the frequency and severity of injuries every year. In 2021, our U.S. total recordable injury (TRI) rate decreased by 23%, and our day away from work case (DAFW) rate decreased by 6% from 2020-levels. Likewise, our worldwide operations successfully reduced injury rates with a 24% decrease in TRI and a 5% decrease in DAFW cases. Overall, this improvement trend has continued for several years and is the result of increased safety awareness and communication to our employees and focused safety management processes within our management teams.



Note: The data does not include any COVID-19 positive cases that may have occurred.

SAFE FACILITIES

To ensure that all Xerox-owned and leased facilities meet our stringent fire and life safety requirements, all real estate transactions are reviewed by the EHS&S organization before being occupied. Xerox fire safety and life safety requirements have been established and implemented worldwide, regardless of location, size of the facility, or occupancy classification. The focus of the safety review is life safety requirements, including safe egress in an emergency, fire and incident prevention, early detection, suppression, occupant notification, and prompt emergency response. These reviews also ensure that building-specific emergency plans are implemented and updated, and that emergency drills are completed at least annually.

ASSET PROTECTION AND FIRE SAFETY

The Xerox Asset Protection and Fire Safety Program provides fire-safe workplaces and limits potential losses to company equipment and property from fire, explosions, and natural hazards such as windstorms, snow-loading collapse, and floods. The program includes periodic inspections and mitigation planning for all unacceptable risks. Review meetings of locations audited are conducted regularly with our corporate risk management team and our loss control engineering supplier to establish strategies that reduce the risk of losses. Our philosophy is to consistently hold our higher-value locations to a "Highly Protected Risk" standard. In addition, locations are reviewed for conformance to Xerox standards and recognized fire, property, and life safety standards. We continue to demonstrate excellent loss control performance and benefit from favorable insurance rates and premiums.

CONTRACTOR SAFETY PROCESS

The Contractor Safety Program at Xerox aims to ensure that contracted work conforms to all applicable regulations and company environment, health, and safety (EHS) requirements. Contractors are qualified to meet the safety and health requirements before beginning work at a Xerox location. Based on the complexity and potential safety hazards of the contracted work, contractors are required to submit a job safety plan.

All workers at U.S. Xerox sites must attend a safety orientation session and complete the Occupational Safety and Health Administration's (OSHA) 10-hour safety course when appropriate to the job function. Incidents and injuries are tracked both as feedback to the contractor and to measure program effectiveness. First established in our Webster, N.Y., operations, this model has been applied successfully in many of our larger locations.

The company also functions as a contractor for many client accounts. At these sites, we follow our internal safety standards, establish worker protection plans, deliver specific employee training, and maintain management oversight to ensure that our operations meet both Xerox and client requirements.

ENVIRONMENT, HEALTH, AND SAFETY (EH&S) PROJECT REVIEWS

At Xerox, we continually make modifications to our facilities, work processes and operations to improve safety, efficiency, and effectiveness. To ensure these changes meet our applicable safety standards, regulatory requirements, and good management practices, projects are reviewed by occupational safety and health professionals. The scope of the project is defined, potential safety and environmental impacts are characterized, and control requirements are established and communicated before the project is initiated. The process serves to inform the engineering and management teams of safety requirements and ensures that all project designs have controls integrated into the work plans. The process ensures environmental, health, and safety requirements are understood and implemented at the beginning of each project. Examples include capital improvements to facilities, manufacturing, and R&D areas.

In addition, assessments of the health and safety hazards of new product technologies undergoing R&D are performed. Recommendations are made on the design and implementation of controls to ensure employee safety (e.g., laser safety of medium- and high-powered lasers, local exhaust ventilation systems, and personal protective equipment).

CORPORATE EH&S COMPLIANCE AUDIT PROGRAM

A well-established internal audit program measures our success in implementing corporate standards, allows us to share best practices, validates regulatory compliance, and evaluates risk management processes. Corporate assessments at significant locations are conducted once every three to five years based on the inherent risks associated with site operations. These risks are re-evaluated on a regular basis and include site size and type of operation, specific EH&S regulatory applicability, and employee turnover.

Xerox audit teams evaluate operations against our internal standards, external regulations, and industry guidelines. When necessary, we also focus on a particular EH&S aspect based on technologies with unique hazards and evaluate management system performance. With the assistance of local managers and support staff, action plans are developed and deficiencies corrected.

Senior management is included on all final reports and/or corrective action plans resulting from the assessment, enabling immediate attention to issues with the potential to pose a significant risk of environmental damage, serious injury to employees, or regulatory noncompliance. The company's audit program is an important mechanism for identifying and correcting performance gaps.

COMPLIANCE REPORT

Our workplaces continue to have strong safety and health compliance performance. Xerox Corporation had zero OSHA citations and penalties in 2021. However, a wholly owned subsidiary of Xerox did have an extensive OSHA compliance audit at one of their locations, resulting in ten deficiencies identified and two citations issued with a total penalty of \$9,720. The deficiencies were largely administrative in nature, relating to documentation, postings, etc. The two citations involved hazard communication and personal protective equipment. All deficiencies were abated immediately. In addition, Xerox EHS&S conducted a comprehensive safety assessment of all similar operations to ensure any compliance deficiencies were promptly identified and abated.

EMERGENCY PREPAREDNESS

Because emergencies and disasters often strike without warning, we established an emergency preparedness and response program to help protect the safety of our employees, surrounding communities, and the environment.

To prepare for emergencies, we have implemented site-specific Emergency Action Plans in our facilities, globally, to assist with the execution of appropriate actions in response to local emergencies. Our plans account for common emergencies such as fires, weather-related emergencies such as tornadoes and hurricanes, and location-specific emergencies such as earthquakes and radiological emergencies. These plans also include shelter-in-place procedures to protect our employees from emergency situations that occur outside of our facilities.

We utilize a mobile risk communications platform that enables two-way communication between our employees and Xerox Corporate Security. The application lets us provide support by allowing people to communicate with our security team during an emergency and check-in to mark themselves safe if a crisis hits.

We also include resources and procedures for first aid medical response in the event of an injury to or illness of an employee in our facilities. In our more complex and higher hazard operations, we have Medical Emergency Response Teams

(MERTs). These MERT employees are provided with the training and equipment necessary to render a quick response to stabilize the emergency until more advanced medical support arrives.

In addition to emergency action plans established at the local operation level, there are preparedness plans at the corporate level including major incident response, crisis management, and pandemic preparedness. These plans are designed with a central corporate strategy that utilizes an incident command structure. Incident response managers are responsible for local/regional tactical and emergency response, coordinating efforts at their respective locations with the Corporate Crisis Management Team, and dealing with local business operations issues. Response coordination and integration are a part of the planning process.

All preparedness plans are routinely tested for effectiveness through management reviews, corporate audits, and annual drills. Any discrepancies are noted and corrective actions implemented. Following an emergency, business resumption plans are put into action to ensure that operations are quickly restored.

WORKPLACE HEALTH MANAGEMENT

Our workplace health programs include processes for emergency medical response, the characterization of employee fitness for duty, and pre-employment drug testing. Programs are also in place for conducting medical exams in connection with safety-sensitive work as well as drug testing and immunizations based upon specific work operations and client accounts.

PREVENTING AND MONITORING WORKPLACE EXPOSURE

To protect Xerox employees from unsafe exposure to chemicals, noise, and radiation, we apply exposure limits to worldwide manufacturing, research, and technology service operations based upon the threshold limit values (TLV) recommended by the American Conference of Governmental Industrial Hygienists. These reflect the best advice of a widely respected committee of international experts. However, in jurisdictions where government regulations are more stringent, Xerox meets those regulatory requirements. For some materials, including toners, certain solvents, and metals, the company has established exposure limits that are more stringent than the TLV or existing regulations and standards.

Using the Xerox Exposure Assessment process, industrial hygienists, and safety professionals monitor, assess, and report workplace exposure. Effective process design, engineering controls, safe job procedures, and personal protective equipment are utilized to control exposure and protect employee health. Medical surveillance programs are in place to monitor the health of employees working in operations with specific jobs and hazards (e.g., high noise, organic solvents).

The results of those medical exams are reviewed by healthcare professionals to ensure employee health. Of the workplace exposure monitored in 2021, 100% were below these more stringent limits. When necessary, employee inhalation and noise exposure were controlled through the proper use of hearing protection and respiratory protective equipment where additional engineering controls were not feasible.

ERGONOMICS

As musculoskeletal disorders represent a significant portion of our work-related injuries, we work to minimize the risk factors as a job is designed. We also study exposure to ergonomic hazards and raise awareness with employees so that they can make improvements to their workstations.

From manufacturing operations to office work, we continue to study the causes and potential remedies for workplace injuries. A few brief highlights are mentioned below:

- **Manufacturing operations:** Each operating unit is required to complete an Action Limit Checklist for all jobs. This checklist helps identify areas of ergonomic risk and prioritize necessary changes/modifications. All employees are required to have basic ergonomic training that includes identifying risk factors, common injuries related to poor setup, and simple strategies for improvement.
- **Machine service:** We have studied Xerox Technical Service Representatives' (TSRs') exposure to ergonomic hazards. The findings have helped the company select tools and develop procedures to mitigate the risk of musculoskeletal disorders. When designing new equipment, evaluations are done to assess risks for our TSRs. The best time to make a modification is when a product is still in the design or early test phases.

- **Office ergonomics:** Our largest employee population is office-based. Raising awareness and helping employees make effective workstation changes is critical to minimizing risk for this population. We created computer-based training on ergonomic principles and practices, enabling employees to go through the required training programs at a time that minimizes business interruptions. This group also faced a significant challenge during the COVID-19 pandemic when their workplace transitioned to their homes. Our ergonomics team developed simple, practical instructions on how to modify common home areas into computer-based workstations, making the transition from working at the office to working at home a seamless one.

MOTOR VEHICLE SAFETY

Motor vehicle safety is a key component of our safety initiatives at Xerox. We have a company car program that includes motor vehicle safety requirements for our drivers and accident prevention and reporting processes. Employee driving records are reviewed on a regular basis and remedial motor vehicle safety training is provided to improve awareness and competency. Motor vehicle accidents are tracked by frequency and type and reported to the management team.

A comprehensive safety review is conducted on any vehicle model before it is accepted as part of the company's fleet. We review the safety ratings and crash test results of candidate vehicles and require safety features such as daytime running lights and safety barriers between the driver's seat and storage areas. We also encourage feedback from our fleet drivers to assess vehicles in use so that, moving forward, we can make better informed selections.

Employee Rights

At Xerox, we protect the fundamental rights of our employees and respect the laws and customs of the countries where we do business.

We recognize that our employees are our greatest asset. We continually strive to provide all our employees with a safe workplace, free from all forms of harassment and discrimination. We have global policies and practices to ensure the highest ethical standards. All our employees are to be treated fairly and equitably regardless of nationality, religion, ethnic origin, gender, sexual orientation, language, or any other protected status.

At Xerox, we have a long-standing commitment to conducting business with integrity. In fact, the company was named one of Newsweek's America's Most Responsible Companies in 2021. Our corporate Business Ethics and Compliance program was established in 2001 and designed to foster the highest ethical standards among employees and those working on our behalf. It also aims to prevent, detect, and address potential violations of the Xerox Code of Business Ethics, associated company policies, and applicable laws and regulations.

CODE OF BUSINESS CONDUCT

Our Code of Business Conduct is the bedrock of our ethics and compliance program. It embodies and reinforces our commitment to integrity and helps our people resolve related concerns in a manner consistent with our core values and legal and policy controls. Our Code of Business Conduct is available in 19 languages and accessible through our internal and external websites. It is aligned to our core values and covers policies and guidance on key topics, including sales and marketing activities, controllership, insider trading, bribery, nondiscriminatory employment practices, privacy rights, human rights, and environmental stewardship. The Code also specifies employees' obligations to report suspected ethical violations and reinforces our strong no retaliation policy.

We promote communications and awareness of our ethics and compliance program on the company's Ethics & Policies website and in company intranet postings. Periodic ethics surveys are conducted on employees in several countries to gauge the state of the ethical culture at Xerox and help us focus on areas for improvement.

Many of our employees are represented by labor unions, trade unions, or work councils throughout our global operations. Relationships with these groups are based on applicable laws in each country.

In Europe, we recognize a variety of work councils and trade unions as established under European labor laws to meet the requirements for information and consultation for the protection of employee rights. The following countries have 100% union representation: Austria, Belgium, Finland, France, Italy, Luxembourg, Netherlands, Norway, Spain, Sweden, and Switzerland.

Union representation in Latin American countries includes Argentina, Brazil, Chile, and Mexico and ranges from 50–100%. The [CSR Progress Summary](#) includes a detailed breakdown by country.

In the U.S. and Canada, we maintain a cooperative and effective relationship with three unions that represent nearly 3% of employees in five locations: Workers United, Unifor, and the Service Employees International Union (SEIU) through a cooperative agreement with Workers United.

OPERATIONAL CHANGES TO COLLECTIVE AGREEMENTS

In the U.S., the notification periods required for operational changes are specified in collective bargaining agreements and vary depending on the location and type of change. As a default, each agreement contains a duration clause, which provides that if either party desires to make changes to the agreement before its termination, written notice must be given 60 days before the expiration date.

GRIEVANCE PROCESSES

Each collective bargaining agreement in the U.S. and Canada includes a provision allowing for unions to file grievances. The number of steps in the grievance process, however, depends on each collective bargaining agreement, with the final step being binding arbitration.

EMPLOYEE ENGAGEMENT

As we continue to work together to strengthen our business, we are equally committed to evolving our culture to reflect our shared values, who we are, and what is important to us as an organization.

Open dialogue has always been a priority at Xerox, and we are committed to fostering open communication between employees and management — from one-on-one conversations to company-wide activities. This year, through a leadership engagement tour, digital focus groups, and roundtable discussion, we are emphasizing reconnecting, sharing, and listening because this will help us better understand what is working well and where we have opportunities to improve. To reinforce a company-wide culture of belonging, we are continuing to host “All of Us Together” events and listening sessions to help facilitate an ongoing dialogue about how to create more diversity and inclusion in the company and the communities in which we live.

Our employee engagement goal is to tap into the knowledge, creativity, and enthusiasm of our people — at all levels — who care deeply about our great company.

Client Health and Safety



The health and safety of our employees, workplaces, and clients is of paramount importance. Compliance is the foundation of our effort. We evaluate all potential health and safety hazards, including the ways different hazards may interact. Furthermore, we take a conservative position on the potential health risks to our employees and clients, always meeting or exceeding government safety regulations.

SAFE PRODUCTS AND SERVICES

Safety has always been a cornerstone of our work in product development. Our comprehensive product requirements document details our health, safety, and sustainability requirements. All imaging equipment is assessed for conformance to these criteria.

Product design is governed by global regulations, Xerox Environmental, Health, Safety & Sustainability (EHS&S) Standards, Design for Sustainability, and our EHS&S policy. Our policy states that the company will:

- Comply with applicable environment, health, and safety laws, rules, regulations, and Xerox Standards.
- Take appropriate measures to protect the environment and health and safety of our employees, clients, suppliers, and neighbors from unacceptable risk.
- Take appropriate measures to prevent workplace injuries and illnesses and provide employees with a safe, healthy work environment.
- Assess environment, health, and safety impacts before starting a new activity or project, including comprehending environment, health, and safety impacts in the design and acquisition of products/services, and mergers and acquisitions.
- Take appropriate measures to eliminate unacceptable risks from facilities, products, services, and processes.
- Strive for the continual improvement of its environmental management system by setting objectives and targets and implementing processes to conserve water and other natural resources, preserve biodiversity and prevent deforestation, eliminate the use of toxic and hazardous materials, prevent pollution, and recover, reuse, and recycle products and materials.

- Exhibit leadership and innovation to address climate change by reducing the carbon footprint of our operations, distribution/logistics, products, and services.
- Require suppliers and contractors to adhere to applicable environment, health, and safety laws, rules, regulations, and Xerox Standards.

The Xerox EHS&S Standards also provide consistency and guidance for meeting our policies. Our product standards encompass materials compliance, chemical management, packaging, electrical and mechanical safety, ergonomics, electromagnetic emissions, and acoustic noise. Xerox business teams and our EHS&S organization review products at each stage of the development process for conformance with environmental, health, and safety standards, which is a requirement for introducing any product. Our standards ensure that our products have the appropriate labels and information needed to meet all safety and environmental label requirements, keeping clients appropriately informed. All Xerox® Products meet the industry labeling standards for each market.

The EHS&S team engages with our researchers and product development teams from the earliest product conception throughout the development process. Internal processes ensure that product design teams are informed about regulatory and market-driven changes that may impact the process.

Our product development and delivery processes include environmental evaluations of materials and parts selected, products in use, and end-of-life. These processes ensure that product design teams can incorporate timely environmental metrics and product safety considerations into new products in development.

We solicit feedback from clients and other stakeholders and take a forward-looking view of global trends in technology, regulations, and eco-labels.

Clients are encouraged to review product safety information and understand the environmental profile of Xerox® Devices. User guides contain information regarding safe use and any applicable hazard warnings. Our Product Safety Data Sheets (PSDS) offer environmental, health, and safety information for each device. Xerox® Safety Data Sheets (SDS) for consumables identify hazards associated with specific materials and describe how they can be safely handled, used, stored, and discarded. Our SDS and product labeling have been updated to meet the requirements of the Globally Harmonized System (GHS) of Classification and Labeling of Chemicals, as implemented through regulations in our various markets. Clients can access [PSDS and SDS](#) in different languages.

Xerox was the first and remains the only company in our industry to have concluded two comprehensive investigations that lasted more than three decades on the health risks of inhaling xerographic toner. These studies included assessments of the health of current employees and the causes of death for people who worked for the company between 1960 and 1982.

The analysis demonstrated that the health and mortality patterns of Xerox employees were consistent with a healthy working population, and, in fact, our employees had a lower rate of disease than the general population. In October 2010, the mortality study was published in the peer-reviewed Journal of Occupational and Environmental Medicine.

COMPLIANCE

At Xerox, compliance is the minimum standard we set for ourselves. We have robust processes for tracking regulatory violations and nonconformity with voluntary codes and labels. In 2021, no such instances resulted in fines or sanctions. We also have a comprehensive process in place for tracking client concerns and other field events. All client issues, such as incidents involving component failures and other potential safety concerns, are investigated carefully to determine the root cause and monitored for trends. Corrective actions are implemented as necessary.

ERGONOMICS

We consider the ergonomic aspects of our products from both a user and service standpoint to ensure inclusion and operability. Our design teams consider all points of human interface, including a product's height, curves, and the placement of touchscreens and paper trays. We also place

a high value on the end-user experience through human factors, industrial design, and user interface design to promote ease of use, ease of learning, and transfer of learning. Product design teams work directly with clients in our labs to test and continually improve the usability of new products.

ACCESSIBILITY AND MOBILITY

Our focus on increased mobility has expanded with the anywhere, everywhere, and always-on enterprise. We're enabling businesses to manage their complex infrastructure for a flexible workforce, using a combination of organization-provided and personal devices, while working with the same expectation of a seamless, secure ability to find, create, use, and print business documents. Xerox® Technology, such as mobile print solutions, remote access, and touchless capability apps, are enhancing easy access to information.

Our technology is designed to be accessible and easy to operate by all users, including people with disabilities. Our Corporate Accessibility Compliance Office monitors regulatory compliance worldwide, which is used to develop and maintain corporate policies, guidance, and best practices. The output of this body is integrated into product development processes, committed to delivering superior technology to people of all abilities.

Our dedicated team of design professionals uphold that commitment for the products, solutions, and services we provide. At Xerox, we deliver several solutions to make our systems accessible for people with disabilities. Tilt capable consoles, voice control, secure remote access software, embedded web servers, print and scan drivers, and other such solutions are designed to be touchscreen-friendly and compatible with screen readers to enable people with visual impairments to operate them. We strive to improve our performance, accessibility and adapt products on an ongoing basis so that there is no compromise on ease of use. A recent example is the enablement of AI-driven voice control on the Xerox® AltaLink® line of multifunction devices. With voice control capability, users skip the input screens and icons and get straight to the tasks with intuitive copy, scan, email, and fax voice commands.

At Xerox, we have a rich history of developing solutions to adapt our technology for people with disabilities. We have established a rigorous process to evaluate our products' compliance to meet Section 508 accessibility requirements and continue to capture all such requirements, foreign and domestic. Learn more about our efforts pertaining to [Section 508 accessibility requirements at xerox.com](#).

CLIENT SATISFACTION

Our customer experience is essential to our success. By listening to our clients, we develop meaningful relationships and quantifiable analytics to continuously improve our programs and processes.

RELATIONSHIP PROCESSES

As a part of our account management process, we have three distinct processes and activities to ensure the health of our client accounts: internal contract reviews (ICR), renewal forums, and quarterly business reviews (QBRs). Each of these business processes has dashboards for performance reviews at a summary and detail level.

In ICRs, service delivery managers and client managers meet on a quarterly basis and review client business and organizational changes, as well as issues and opportunities within each account. Changes to client organization and business objectives are discussed and roles are assigned. Issues and opportunities are identified, actioned, categorized, and summarized by topic and region. This allows the company to respond as needed as well as understand and identify emerging issues and opportunities for central support. Through this feedback, the account team can take specific, local action and leverage global programs to ensure a strong client relationship and better performance.

Renewal forums are planned eight quarters prior to contract expiration and bring together all functional areas that provide value to understand the client experience. Each functional area reviews and actions customer feedback. Through this process, we can ensure cross-functional alignment to meet client needs in the current contract and respond to new opportunities to meet their objectives.

Lastly, we conduct formal QBRs with clients. In these sessions, we provide performance information, seek feedback, and discuss business challenges and opportunities aligned to their needs. At the conclusion of each QBR, we offer the client a web-based pulse relationship survey. The survey asks for feedback scored in five areas: QBR quality, innovation, relationship strength, overall satisfaction, and willingness to recommend. Each is measured on a one to ten-point subjective scale. When received, specific QBR feedback is provided to the account team. A summary performance is reviewed within each region and assessed to determine common opportunities across clients.

TRANSACTIONAL SURVEYS

Xerox conducts three types of transactional surveys:

- The first is a contact center transactional survey for voice call and chat feedback, primarily in Europe, the Middle East, and Africa (EMEA). Clients are asked to provide feedback on the call process, agent performance, quality of the solution offered, and overall satisfaction. Results are used to provide feedback to the contact center.
- The second are technical service surveys within the U.S. mid-market and U.K. region. These surveys are sent to clients via a web link and assess client satisfaction with on-site service events. This feedback is provided to local technical service teams to understand service call quality.
- Account-specific event surveys are also available using the Sentinel Customer Assurance System. Surveys can be customized to receive short-term or long-term feedback on certain service elements. Sentinel includes web-based “sense and respond” features for clients to easily raise unresolved issues or share feedback that is immediately routed to the appropriate Xerox staff for closed-loop management. The power of Sentinel is in the ability to test specific client feedback within a given environment. Given the broad adoption of Sentinel by clients across the globe, we are modernizing our communication methods to enable quicker client feedback. Sentinel also generates a Sentinel Net Experience Score, used to track and manage overall client experience. Collection and response to client feedback is addressed at multiple levels with full accountability by the business.

TRACKING CLIENT SATISFACTION

As highlighted above, feedback is collected from multiple client touchpoints and with relationship and transactional surveys. Each element is used for specific client action to improve performance and relationship. They are also categorized and understood to help identify emerging issues and opportunities to modify processes within a region or globally. This allows a comprehensive view and response that client-facing teams at Xerox can leverage to improve performance. Feedback is directed to the appropriate organization to drive pervasive improvements with the client experience, including product and services quality and capability, sales relationship and engagement, service and support practices, and progressive collaboration on social and digital platforms. Each organization manages the flow through of client feedback, with accountability to report on critical client satisfaction factors.

Additionally, we offer our clients access to the Xerox Sentinel Client Satisfaction Assurance System, which is a proprietary closed-loop client experience system. Sentinel includes web-based “sense and respond” features for clients to easily raise unresolved issues or share feedback that is immediately routed to the appropriate staff for closed-loop management. Given the broad adoption of Sentinel by clients across the globe, Sentinel is now available as an app on Xerox devices, further enhancing client experience. The system also generates a Sentinel Net Experience Score that is used to track and manage overall client experience.

XEROX CORPORATE FOCUS EXECUTIVE PROGRAM

The Xerox Corporate Focus Executive Program fosters relationships with our top corporate accounts. A senior executive from our company is assigned to collaborate with the account team to understand client requirements, establish and implement strategic account plans, marshal resources to eliminate concerns, and build strong, productive partnerships that enhance client satisfaction and accelerate revenue growth.

DATA PRIVACY AND PROTECTION

Establishing client confidence through appropriate data privacy and protection practices is a fundamental obligation for businesses in today’s data-driven world. At Xerox, we embrace this obligation and continuously seek to improve all aspects of our privacy program to enhance our clients’ confidence in our products and services.

The company manages compliance with applicable privacy and data protection laws through the implementation of a global privacy program that spans the enterprise. Our ongoing privacy efforts build on the company’s existing robust privacy practices with the goal of driving consistency across the enterprise to implement procedures that instill confidence in our products and services as well as those individuals whose data we handle. We maintain rigorous policies concerning privacy compliance and the safe handling of personal data, covering such topics as information classification and the secure handling and storage of personal and confidential information such as client data and personal data, tracking and honoring marketing preferences, and ensuring the protection and proper use of and access to employee/human resources data.

At Xerox, we also monitor developments in privacy and data protection laws in the countries where we do business to ensure that the company complies with applicable requirements. Our privacy policies and procedures for handling personal data are reviewed on a rolling basis, as needed, to ensure that they

reflect developments in applicable privacy and data protection obligations.

Adherence to our policies governing data protection is enforced through a combination of administrative, organizational, technical, and physical safeguards on our systems and facilities, the availability of disciplinary action against employees for violations where appropriate, and the imposition of contractual obligations to implement adequate information security by our vendors and associated audit rights. The company is aligned with international standards for information security by selecting control items from ISO/IEC 27002:2013 – Code of Practice for Information Security Controls. Also, many of our systems and data centers are ISO/IEC 27001:2013 certified by independent auditors. We also commission independent auditors to conduct SOC 2 Type 2 reviews for certain systems and data centers. These reviews are detailed summaries of controls audited by a third party over a period of time. For more information, go to [Security Compliance - Xerox](#). Training regarding ethics, privacy, and security is required of new hires and all employees annually. Additional specialized training is required for certain roles and numerous training programs are available for employees to take on their own initiative.

The publicly facing privacy statement located at [xerox.com/privacy](#) provides information about the company’s handling, sharing, use, and protection of personal data and notifies data subjects of their rights. Additionally, we cooperate with our clients and negotiate appropriate contractual commitments to help them comply with applicable privacy and data protection laws as to the personal data entrusted to us. Inquiries related to our handling of personal data can be emailed to [privacy@xerox.com](#) or sent to the appropriate account manager for the client relationship. We have established the [Xerox Ethics Helpline](#) to receive reports of potential ethics and compliance violations, including privacy violations. The Xerox Ethics Office triages all reports received and ensures that all alleged privacy violations are investigated by a cross-disciplinary team. Appropriate corrective actions are taken in response to substantiated ethics allegation cases.

KEEPING CLIENTS SECURE

At Xerox, we continue to receive recognition for the security of our devices and are committed to protecting our clients’ most sensitive data via a holistic approach. Most recently, Keypoint Intelligence recognized Xerox with a Buyers Lab (BLI) 2021-2022 PaceSetter Award in Document Imaging Security for the Office, which recognizes document imaging original equipment manufacturers (OEMs) who offer the strongest ecosystem of security products and services for business purchasers.

The company also claimed the Buyers Lab (BLI) 2021-2022 PaceSetter Award for Security in Production Printing. This accolade recognizes the OEM that excels in delivering products and services to help ensure data and network security for users of their production-class printing equipment.

We take a comprehensive security management approach throughout the product life cycle, from design and development, to manufacturing, deployment, and disposal. We measure our security features and protocols against international standards with certifications such as Common Criteria and FIPS 140-2. This approach is designed to ensure that our devices can be trusted even in the most vulnerable environments. Clients can always find the [latest security information](#) about Xerox® Products at xerox.com.

Security functionality is integrated at the individual device level and extends seamlessly to the fleet. State-of-the-art encryption is used to protect client information, both while it's at rest in the device and in motion to and from the device. Security guides are available on xerox.com for specific devices, which explain in detail what security controls can be configured; this is a representative example for the [Xerox 8100 Series](#).

User authentication is used to grant access to Xerox® Printers and Multifunction Printers (MFPs) for walkup and network users. Once authenticated, the user can interact with the device, subject to the restrictions of their role. Our printers and MFPs employ a variety of technologies to ensure only those authorized can access device features and functions. This includes:

- Network authentication;
- Unlocking from a mobile phone with near-field communications (NFC) technology; and
- Card swipe methods connected to Microsoft Active Directory, Lightweight Directory Access Protocol (LDAP) authentication, role-based access control, and smart card authentication methods.

A variety of security features are also used to protect Xerox® Devices from malicious attacks. For instance, the Xerox® AltaLink® 8100 Series uses Trusted Platform Module (TPM) hardware chips to store encrypted keys keeping them secure from cyber-attacks. The AltaLink® 8100 Series also utilizes the Trusted Boot feature that protects the device from malicious activity at startup by engaging in a series of system checks and verifications to validate each step of the process and preventing the startup from being compromised, right up to the loading of the system firm.

In addition, the Xerox® AltaLink® and VersaLink® Printers run a comprehensive firmware verification test either at start-up or when activated by authorized users. This alerts users if any harmful changes to their printer have been detected. Our most advanced solutions use Trellix whitelist technology, which constantly monitors for and automatically prevents any malicious malware from running. Integration with Cisco Identity Services Engine (ISE) auto-detects Xerox® Devices on the network and classifies them as printers for security policy implementation and compliance.

The latest AltaLink devices now include Security Information and Event Management (SIEM) firmware support for connections to Trellix Enterprise Security Manager, LogRhythm, and Splunk. The SIEM feature enables the device to send security events directly to compatible SIEM systems using the syslog protocol.

Xerox® CentreWare® Web (CWW) and Xerox® Device Manager (XDM) management tools provide security features such as automated firmware downloads, security settings monitoring and remediation, and security performance reporting. All of these can be managed remotely. For smaller fleets, the embedded Fleet Orchestrator feature in AltaLink provides a secure, server-less fleet management by using a hub and spoke method to deploy software and configuration updates automatically.

We have also enhanced the security of Solid-State Drive (SSD) technology with the addition of the 'Job Data Removal' feature available on Xerox® AltaLink B8100 and C8100 Series devices. When initiated, this feature can delete either temporary files (associated with normal print, scan, and fax operations) using the 'standard' setting, or temporary files and those specifically stored for later use (e.g., Print with Saved Job type, Scan to Mailbox, Fax Mailbox, etc.).

Additionally, we put special emphasis on the care and handling of machines that are returned to us after lease expiration or otherwise. Hard disks in these devices are destroyed or completely remastered to remove any residual client information before they are reused.

Xerox® Managed Print Services helps clients manage their printer and data security with a focus on four key measures: device security, fleet management, document management, and data/content management. Xerox® Workplace Cloud and Suite software applications provide comprehensive authentication, accounting, and authorization as well as content security solutions.

QUOCIRCA

According to the 2022 Quocirca Managed Print Services (MPS) Landscape Report, “Xerox is one of the most established MPS vendors in the market, with the broadest capabilities across the cloud, digital workflow, security, and analytics. Although it particularly stands out for its multivendor approach, a strong differentiator is its Xerox® ConnectKey® Technology platform, which enables businesses to drive productivity and efficiencies across their document processes. Notably, Xerox was the first print vendor to achieve FedRAMP (Federal Risk and Authorization Management Program) accreditation, which standardizes security assessment, authorization, and monitoring for cloud products and services.”



Supplier Relations

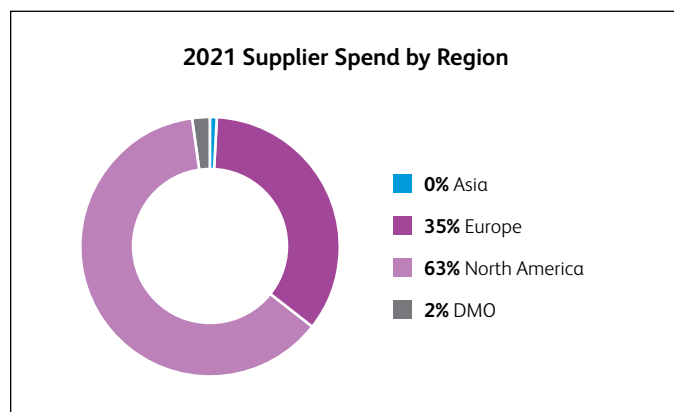
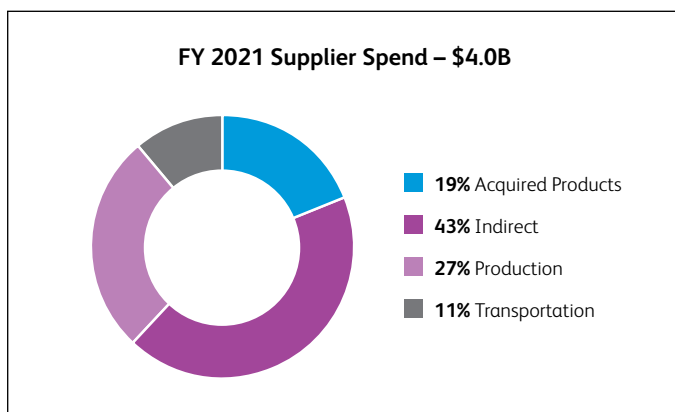
As a major organization spending approximately \$4.0 billion per year to support our operations, we recognize an obligation to actively manage our global supplier base and ensure these critical partners meet our high social, environmental, and ethical standards.

As part of the purchasing process, we assess the quality, cost, delivery, and sustainability of all products and services, whether we purchase them from North America, Europe, or Asia. We source, contract, and purchase everything from transportation to raw materials and components. Our local presence in these regions leads to direct interaction with our suppliers.

Our approach is to source from suppliers that are geographically located near our purchasing, manufacturing, and distribution operations. We describe these suppliers as local. In the U.S. and Canada, approximately 63% of our spend is from local suppliers; in Europe, it is 67% and in Asia, it is 43%.

Locations of our Key Suppliers





In 2021, we sourced the majority of our needs from the partners listed below.

Name of Company	Sustainability Site	Sustainability Report
FUJIFILM Business Innovation	FUJIFILM CSR	2021 Sustainability Report
Nittsu Shoji Co. LTD	Nittsu Shoji Company Sustainability	2021 Sustainability Report
Hewlett Packard	Hewlett Packard Sustainable Impact	2021 Sustainability Report

SUPPLIER CODE OF CONDUCT

The Xerox supplier code of conduct and compliance program are the primary tools we use to instill improved social, environmental, and ethical governance practices in our supply chain, as warranted.

In 2008, the company joined the Responsible Business Alliance (RBA), formerly known as the Electronic Industry Citizenship Coalition (EICC), to strengthen our approach for managing corporate social responsibility across the supply chain.

All RBA members are accountable to a common code of conduct for social, environmental, and governance of its operations and suppliers. We have adopted the RBA Code of Conduct as our Supplier Code of Conduct.

The company enforces the code by including terms and conditions in our supplier purchase agreements and contracts and requiring suppliers to represent and warrant their compliance with all applicable laws and regulations for the sale of goods/materials to Xerox. We perform risk assessments and require suppliers to participate in the Xerox Compliance Program. Annually, we remind our suppliers of their contractual obligations.

An initial risk assessment is conducted to determine which suppliers pose higher corporate social responsibility risks. Suppliers classified as high-risk and those considered critical to our supply chain are required to complete a Self-Assessment Questionnaire (SAQ) annually. If significant risks are indicated on the SAQ, then we will schedule an audit of that supplier.

The SAQ also serves to raise suppliers' awareness about the importance of social responsibility topics, clarify our expectations, target areas for review, and document suppliers' assessment of their performance. Annually and based on the assessments and questionnaires from the previous year, we select suppliers for compliance review or an on-site audit.

In 2021, 25 of our major suppliers completed SAQs where 24 suppliers were found to be low-risk with one being medium-risk. There were no high-risk suppliers identified.



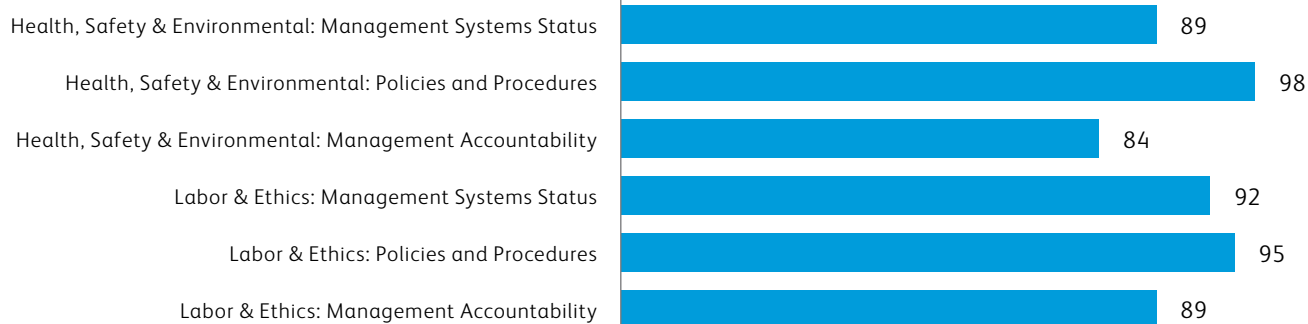
Corporate SAQ Dashboard

My Suppliers
Average Score:
90

Overall RBA
Average Score:
84



My Supplier's Average Subsection Scores



Xerox Global Procurement and Corporate Security organizations screen all production suppliers and significant indirect suppliers to assess compliance with global anti-bribery laws and regulations, including, but not limited to, the U.S. Foreign Corrupt Practices Act and U.K. Bribery Act. If a supplier is found to have violated applicable laws or contract terms and conditions, the company reviews each situation on a case-by-case basis and determines the necessary course of action (e.g., terminate supplier relationship, instruct supplier to take corrective action.)

BUSINESS PERFORMANCE AND REVIEWS

We review suppliers' performance against expectations and contractual requirements, prioritizing them based on business risk and revenue impact. Suppliers with the highest business risk and potential revenue impact are considered critical and are required to maintain an acceptable business resumption plan. We inspect these plans on a regular basis.

Revenue risk criteria include:

- Materiality risk to business revenues;
- Annual supplier spends and total contracted value of the full relationship;
- Impact to product life cycle management; and
- Extent of the impact to related subsystems and product portfolio.

Business risk criteria include:

- If a supplier is a single source;
- Length of time to resume business after an adverse event;
- Percentage of revenue that Xerox represents to the supplier;
- Financial stability of the industry and the supplier; and
- Probability and severity regarding natural disasters, climate change impacts, and/or political turmoil.

AUDIT PROGRAM

At Xerox, one of the key elements in our risk assessment framework is to identify potential sustainability risks in our supply chain. We focus our supplier audit program on those suppliers that comprise the greatest percentage of its annual spend. Suppliers in the Asia-Pacific region comprise approximately 36% of Xerox annual direct spend. In 2021, 0% of the total number of European suppliers were audited on-site due to COVID-19 travel restrictions worldwide.

Remote audits conducted by Xerox Global Procurement organization were based on the RBA Code of Conduct and relevant local laws and regulations. For audits conducted in 2021, the company used the latest ratified RBA Code of Conduct (version 7.0) that included additional requirements pertaining to social and environmental dimensions.

CONFLICT MINERALS

We are committed to improving mining conditions associated with sourcing goods and materials containing conflict minerals, e.g., tin, tantalum, tungsten, gold. The company maintains a Conflict Minerals Policy and publishes due diligence activities in our annual SEC Conflict Minerals Report. Our internal processes incorporate the Organization for Economic Co-operation and Development (OECD) framework for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

We are an active member of the RBA and the Responsible Minerals Initiative (RMI). We use the RMI Conflict Mineral Reporting Template (CMRT) to survey our supplier base regarding conflict-free mineral usage. We also support the Responsible Mineral Audit Program (RMAP), which independently audits smelters and refiners to determine if they have a system in place to ensure the compliant sourcing of conflict-free minerals. Our supplier contract template includes a specific reference to conflict-free minerals to ensure responsible sourcing in our supply chain.

The company has conducted an analysis of our products and found that, although we do not directly purchase conflict minerals from our suppliers, we purchase products, component parts, and materials that contain metals, some of which have conflict minerals.

We work with our tier 1 suppliers to provide information on the origin of the conflict minerals contained in components that are included in our products by using the CMRT. This enables us to perform our Reasonable Country of Origin Inquiry (RCOI). We complete analysis of the information and continually work with suppliers to improve compliance within the supply chain.

Based on the information provided by our suppliers and Responsible Minerals Initiative, the smelters and countries of origin of the 3TG minerals contained in our products include those listed in our annual [Conflict Minerals Report](#).

SUPPLY CHAIN SECURITY

The Xerox brand is known worldwide for delivering industry-leading document technology, services, and solutions. Counterfeit parts and supplies misrepresent the quality of our products and pose a serious threat to our reputation. Read our [Anti-Counterfeiting Statement](#).

At Xerox, we have rigorous processes to identify and eliminate counterfeit supplies and components from our supply chain. Through these processes, we:

- Microchip customer-replaceable unit module (CRUM) to protect genuine Xerox® Supplies for use with Xerox® Products;
- Source from trusted established suppliers and their authorized distributors who have been through our comprehensive vetting system;
- Seek warranties guaranteeing authenticity and quality;
- Require that suppliers seek approval from our Global Procurement and Engineering groups if they want to substitute a different item from what was originally agreed upon;
- Built security controls into our supply chain to help ensure the uninterrupted flow of products, from the point of manufacture to the client;
- Monitor 100% of our direct and critical indirect suppliers to ensure compliance with global anti-bribery laws and regulations, including, but not limited to, the U.S. Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act;
- Are certified participants of the U.S. Customs and Border Protection Customs-Trade Partnership Against Terrorism;
- Are members of (C-TPAT) and the E.U. Authorized Economic Operator (AEO) program in the Netherlands and Ireland. As part of these memberships, we've adopted specific criteria for our Supplier Security Requirements and internal security policies and standards;
- Have an ongoing assessment program to monitor compliance of high-risk suppliers as well as internal locations; and
- Belong to the Transported Asset Protection Association (TAPA).

GLOBAL STANDARD IN PROCUREMENT AND SUPPLY MANAGEMENT

Xerox Global Procurement operations remain platinum certified by the Chartered Institute of Procurement and Supply (CIPS) in the area of procurement excellence through processes and procedures — a designation held since 2012.

The Platinum Certification signifies world-class levels in all aspects of ethical, sustainable, and strategic procurement when measured against CIPS globally respected standards structured around leadership and organization, strategy, people, processes and systems, and performance measurement and management.

We periodically assess our strategic procurement program against the standards set forth by CIPS to ensure we continue to follow world-class practices and procedures.

SUPPLIER DIVERSITY

We proactively identify and seek to work with certified small and diverse businesses, and several independent groups have recognized Xerox as having outstanding supplier diversity. A diverse supplier pool is a competitive advantage and a powerful business tool. We are committed to:

- Actively seeking certified diverse suppliers that can provide competitive, high-quality goods and services and whose business models align with our strategy;
- Ensuring the inclusion of diverse suppliers as part of our strategic sourcing and procurement process;
- Communicating the value of supplier diversity both internally and externally to all stakeholders; and
- Leveraging our supplier diversity results to meet our clients' supplier diversity requirements.

Supplier diversity adds value to the supply chain and increases our competitive position. Xerox is rich in culture from our global workforce, clients, shareholders, and suppliers. We know that these initiatives give us our competitive advantage and help us maintain our leadership position.

We take part in several efforts with the goal of increasing diversity and inclusion in different business areas. For instance, we are an active member of the New York/New Jersey National Minority Supplier Development Council (NMSDC) and the Women's Business Enterprise National Council. We participate in various national and regional conferences, matchmaker events, and forums, which promote business with small, diverse businesses. The Inclusion Initiative is committed to identifying and increasing opportunities for minority, women, and other diversely owned law firms. Since joining the initiative in 2011, we have worked hard to increase engagements of diverse firms and have consistently exceeded our annual goals for our spend with such firms.

Current and potential vendors can learn more about supplier diversity, supplier quality assurance, and supplier ethics on our [Supplier Relations page](#).

Leadership

The [Xerox board of directors](#) represents shareholders' interests in the operation of a successful business, including the continuation of our legacy of corporate social responsibility. [Xerox Corporate Governance Guidelines](#) have been adopted by the board of directors of Xerox Holdings Corporation.

These Corporate Governance Guidelines reflect the board's commitment to monitor the effectiveness of policy and decision making, both at the board and management level to enhance long-term shareholder value. These Guidelines are reviewed by the board, through the Corporate Governance Committee, on an annual basis. They are subject to modification from time to time by the board, acting by a majority of the independent directors as determined under the Corporate Governance Guidelines. Waivers of these Guidelines may be made by the board or the Corporate Governance Committee only.

The board's responsibility is to monitor the effectiveness of management policies and decisions, including creating and executing its strategies with a view to enhance long-term shareholder value. The board is also responsible for overseeing the establishment and enforcement of procedures designed to ensure that our management and employees operate in a legal and ethically responsible manner.

INDEPENDENCE OF THE BOARD

The board comprises a substantial majority of directors who qualify as independent directors, including an independent chairman. The company's board of directors is 87.4% independent. The board determines each director's independence, broadly considering all relevant facts and circumstances, and has adopted categorical standards to help it make the determination. Under these standards, to be presumed independent, a director shall not have a material relationship with Xerox or its consolidated subsidiaries.

BOARD MEMBERSHIP CRITERIA

The ultimate responsibility for the selection of new directors resides with the board. The Corporate Governance Committee reviews candidates for election as directors and annually recommends a slate of directors for approval by the board and election by the shareholders.

The board requires that a substantial majority of its members consist of independent directors. Any management representation should be limited to top Xerox management. Nominees for director are selected based on, among other things, broad perspective, integrity, independence of judgment, experience, expertise, diversity, ability to make independent analytical inquiries, understanding the company's business environment, and a willingness to devote adequate time and effort to board responsibilities. Members should represent a predominance of business backgrounds and bring various experiences and perspectives to the board. The Board requires that the initial list of candidates from which new management-supported director nominees are chosen by the Corporate Governance Committee should include, but not be limited to, qualified women and minority candidates.

Our Corporate Governance Guidelines also dictate that diversity should be considered by the Corporate Governance Committee in the director identification and nomination process. Although the board does not establish specific goals with respect to diversity, the board's overall diversity is a significant consideration in the director nomination process. This means that the Corporate Governance Committee seeks nominees who bring a variety of business backgrounds, experiences, and perspectives to the board.

Bylaws, committee charters, and our [Corporate Governance Guidelines](#) are available on xerox.com. In 2021, we included ESG in the compensation criteria for Executives. These cover climate change, a balanced workforce, and workplace safety.

CORPORATE GOVERNANCE COMMITTEE AND COUNCIL

The Corporate Governance Committee of the board of directors has oversight of corporate social responsibility (CSR). The Committee reviews significant shareholder relations issues and environmental and CSR matters, ensuring our actions align with our core values and citizenship priorities. The CSR Council, comprised of senior executives managing a specific CSR topic

area, has centralized oversight of the corporation's management approach, including policies, goals, strategies, and actions to drive progress. Each Council Member is supported by individuals who have expertise and experience in the various CSR topic areas. An individual from the Executive Committee of the CEO chairs the Council to provide direction and guidance. The primary mission of the CSR Council is to drive strategies with a client-centric impact across Xerox globally to advance our legacy of leadership in corporate citizenship. Actions taken must meet our stakeholders' expectations, including clients, employees, investors, regulators, and communities worldwide. In 1946, CEO Joseph C. Wilson established our core values that have stood the test of time and align with the United Nations Sustainable Development Goals (SDGs). We will continue our efforts to bring our operations and those of our clients closer to goal achievement.

RISK MANAGEMENT

With global leadership comes global responsibility to our people, shareholders, suppliers, distributors, and the citizens of the countries where we operate. That's why we devote considerable resources toward Enterprise Risk Management (ERM), anticipating and mitigating risks to our business' financial and operational health.

ERM follows a clearly defined business strategy shared across the company and aligned with our strategic and organizational goals. Our ERM process is based on the COSO II (Committee of Sponsoring Organizations of the Treadway Commission) framework. We assess business risk based on the chance of failing to attain our strategic objectives. Steering committee members meet monthly to assess emerging risks, risk appetite and occurrence probability. The committee also monitors action plans put in place to mitigate risk at the enterprise level. ERM assessments are coordinated with our Internal Audit Risk Assessment to ensure consistency between the ERM plans and upcoming internal audits. We have integrated consideration for climate change-related risks and opportunities into its ERM Process.

Several executive committees integrate ERM with business management by monitoring both risk exposure and how effectively those risks are managed.

These committees include:

- Management Committee;
- Enterprise Risk Management Steering Committee;
- Business Ethics and Compliance Governance Board;
- IT Risk Governance Board;
- Credit Committee;
- Currency Strategy Committee;
- Reputation Management Committee; and
- Management Audit Committees.

In addition, the Audit Committee of the board of directors has a vital role in ERM oversight, while the roles of other committees, including Compensation, Governance, and Finance, are restricted in scope. As needed, the board will establish special committees to focus on specific business risks.

Xerox Policies and Standards

Assuming a leadership role in sustainability requires a focused approach to drive the greatest value to our stakeholders and company. We use a materiality assessment to prioritize our activities. Corporate policies are statements outlining requirements to be followed by all Xerox organizations falling within their scope. Corporate staff and their designated functional experts are responsible for determining the need and content of policies in their respective functional areas and coordinate policy development with affected operating units and other corporate staff functions.

Since each employee of Xerox contributes to the overall reputation of the company, it is critical that each employee understands their important role, and the policies and procedures applicable to them, while maintaining high standards of legal and ethical conduct. Corporate policies and procedures pertaining to CSR are summarized in our Code of Business Conduct. All employees can readily access the global Code of Business Conduct and all corporate policies on the Xerox Office of Business Ethics intranet site. Employees are required to annually certify compliance with the Code of Business Conduct.

Standards are the means to implement our policies and guide employees and suppliers in complying with corporate policies. These worldwide principles, such as those for the environment, health, and safety, apply across Xerox and establish specific requirements for products, services, and operations.

TRACKING OF EXTERNAL DEVELOPMENTS

The Office of Global Government Affairs at Xerox is responsible for tracking external developments, including climate change policy, and determining if they are likely to affect our products and operations. Through trade associations and partnerships, EHS&S tracks applicable regulations and policy changes that may affect the company or our partners. We develop processes, technologies, and products to counter risks associated with external changes. Our major operating units and key corporate functions (e.g., Risk Management and Real Estate) are also responsible for evaluating, monitoring, and managing specific risks within their respective businesses that could potentially affect the company's ability to achieve its overall objectives. The Business Continuity Assurance Process ensures that operating units are prepared for business disruption risks.

Engaging with our Stakeholders

Regular engagement with our stakeholders ensures we are positioned to serve them and their communities. Xerox stakeholders include employees, clients, public policymakers, investors, non-governmental organizations (NGOs), remanufacture and recycling vendors, suppliers, and global communities. Business units and operations across the company gather input from stakeholders about corporate social responsibility pertaining to our products, operations, and how we may positively affect the world. The engagement may take the form of partnerships, sponsorships, collaboration on industry initiatives, client reviews, supplier audits, or conference participation. The Xerox Corporate Social Responsibility Council uses this information to ensure we implement a comprehensive CSR strategy.

Stakeholder engagement provides essential inputs to our materiality assessment and our company business strategy. With this information, we prioritize issues and emerging risks and understand opportunities. At Xerox, we believe that prioritizing stakeholder concerns enables us to develop a strategy that is robust, inclusive, and satisfies stakeholder needs. In 2022, we conducted a refresh of our matrix and intend to complete a full assessment in 2023.

Examples of stakeholder engagement for our most material CSR priorities include:

- **Stakeholder satisfaction:** At Xerox, we conduct extensive, proactive investor outreach to facilitate candid discussions about our business and strategy. In 2021, the company hosted 19 calls with 11 different investors who were engaged and provided feedback about ESG reporting metrics, diversity, and executive compensation practices. The feedback provided valuable insights to the senior leadership team and helped inform our CSR corporate goal setting. On February 23, 2022, we hosted Investors Day with financial analysis and investors to discuss business solutions and financial services that make everyday work better for our clients. Disruptive innovation technologies were also displayed including digital transformation, augmented reality, and robotic process automation to name a few.
- **Data security:** The company works with compliance testing organizations and security industry leaders such as McAfee and Cisco to wrap their overarching standards and expertise around ours. As a result, we achieve top levels of compliance. Certification bodies, such as Common Criteria (ISO/ IEC 15408) and FIPS 140-2, measure our performance against international standards. The company was the first provider in the industry to achieve FedRAMP certification for cloud-based MPS. Our MPS offering meets security requirements set by the U.K.'s Ministry of Defense and the U.S. Department of Defense.
- **Product energy efficiency:** We share our leading practices across the industry by contributing to standards development that affects product sustainability such as ENERGY STAR and EPEAT. We work closely with EPA, ENERGY STAR, and EPEAT, providing input for the development of future standards.
- **Supply chain responsibility:** As a member of the Responsible Business Alliance (RBA), we join other companies to drive improvements in global supply chains. See the Supplier Relations section for additional details.

- **Circular economy:** As a founding member of the Sustainable Electronics Recycling International (SERI), we collaborate to drive progress for the global reduction, recycling, and reuse of materials and parts of end-of-life electronics in an energy-efficient manner and with socially sound practices. Additional details can be found in the document, ["You and Xerox: Enabling a Circular Economy."](#)
- **Energy and GHG emissions:** We are a member of We Mean Business, a global nonprofit coalition working with the world's most influential businesses, to act on climate change. As a member, we are committed to establishing science-based GHG emission reduction targets.
- **Client satisfaction:** To ensure we maintain a pulse on the client experience and continue to deliver client excellence, we have a number of established client-focused processes. Through the company's account management process, nearly 900 systematic internal and client-facing business reviews are conducted quarterly across Xerox globally. These reviews are designed to align the company's actions and processes to client feedback and business goals, ensure strong relationships, and achieve client business objectives. Additionally, feedback from over 50,000 touch points with SMB customers are collected each month. Feedback from these reviews and touchpoints is captured, organized by business objective, and used to determine account-specific and programmatic activities to improve operational, finance, and relationship performance and goals. These reviews culminate in a pulse relationship survey, used to further refine client communication and programs. Additionally, client councils are semi-annual, multi-day events held to directly solicit Voice of the Client input and feedback for current experience and future strategies. A varied set of clients meet with regional leadership to discuss their relationship with Xerox, emerging business trends and innovation opportunities in our shared business space. This year, a new Client Experience leader was named to create an organization in the Americas, focused on ensuring an exceptional experience throughout the entire client journey.
- **Employee engagement:** Our people are a critical link between the company and society. For more than three decades, thousands of our employees have participated in the Xerox Community Involvement Program (XCIP). This year, we introduced yet another way our employees can give back to their communities — Xerox Volunteer Days, our new annual global month of service. See the Philanthropy section for additional details.
- **Diversity and inclusion:** At Xerox, we have ten Employee Resource Groups (ERGs), which are voluntary, employee-led, non-faith-based, and underrepresented groups. They help foster a diverse, inclusive workplace aligned with the company's mission, values, goals, business practices and objectives. Our ERGs are focused on member development, engagement, belonging, support, and community. For a full list of ERGs, see the table on page 40.

AFFILIATIONS

Every day, we strive to be a technology leader and a respected global citizen. To advance and support these goals, we at Xerox partner with the following public and private organizations to stay aware and ahead of global trends, while driving best practices within our organization.

Topic	Organization
Climate Change	CDP/We Mean Business Race to Zero Business Ambition for 1.5°C DOE Pledge - Better Climate Pledge
Data Privacy	Canadian Personal Information Protection and Electronic Documents Act
Diversity	Human Rights Campaign Foundation Women's Business Enterprise National Council Executive Network
Economic	Imaging Consumables Coalition of Europe Imaging Supplies Coalition Business Council of Canada Foro de colaboracio Publico Privada (Spain) New York Economic Development Councils Webster Chamber of Commerce (New York) Norwalk Chamber of Commerce (Connecticut)
Education	For Inspiration & Recognition of Science & Technology (FIRST)
Employee Benefits	American Benefits Council Employee Retirement Income Security Act Industry Committee Corporate Health Care Coalition HR Policy Association
Environmental Management	ISO 14001 ISO 50001 Responsible Recyclers (R2) Certification for Electronics Recyclers Air and Waste Management Association New York State Water Environmental Association PrintReleaf
Export/Import	Transported Asset Protection Association Policy Tier 3 Member of U.S. Customs and Border Protection Customs Trade Partnership Against Terrorism; participant in E.U. Authorized Economic Operator program
Government/ Voluntary	U.S. Department of Energy Better Plants Program

Topic	Organization
Policy and Advocacy	Business Roundtable Business Council of Canada Digital Europe Information Technology Industry Council The Conference Board (U.S. and Canada) Digital Europe Imaging & Print Europe Imaging Supplies Coalition The Computing Technology Industry Association National Association of Manufacturers U.S. Chamber of Commerce National Association of Manufacturers
Procurement	Responsible Minerals Initiative
Quality	ISO 9001 American National Standards Institute
Safety Management	ISO 45001
Science and Technology	Cornell University Rochester Institute of Technology Clarkson University Alfred University State University of New York at Stony Brook, New Paltz, and Binghamton The Ohio State University University of Illinois at Urbana-Champaign University of California, Berkeley The Pennsylvania State University
Social Responsibility	Business for Social Responsibility Responsible Business Alliance Sustainable Electronics Recycling International

MATERIALITY

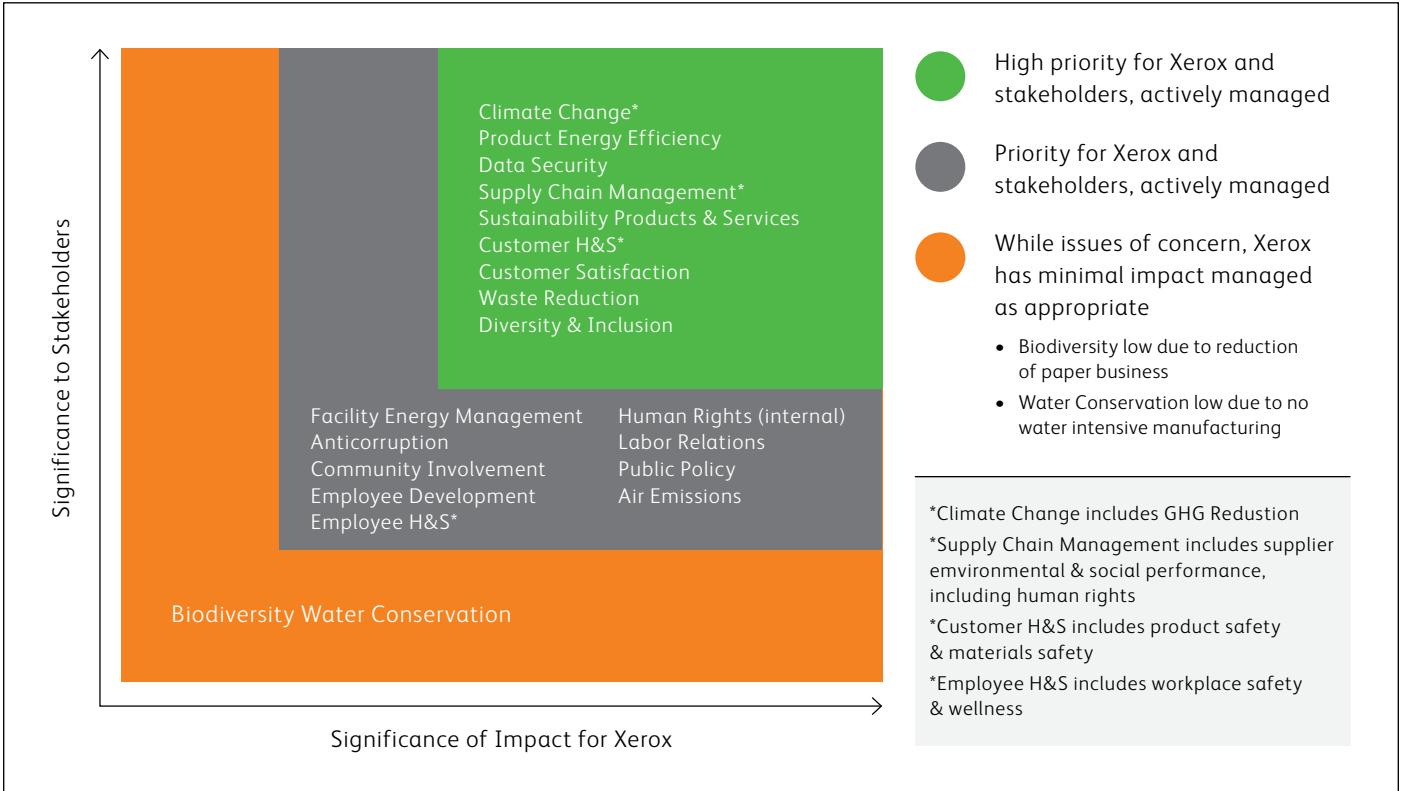
We assess CSR topics that are important to our stakeholders and those where we can have the greatest economic, social, and environmental impact at local, regional, and global levels. We follow the protocol specified in the Standards of the Global Reporting Initiative (GRI), SASB, and TCFD. We examine changing external factors, including regulations and standards, social challenges that people face around the world, our evolving business model, and the environmental impact of our products, services, processes, and operations. Our assessment includes interviews and workshops with internal stakeholders and Xerox leaders, discussions with external stakeholders, and feedback from our employees. In 2022, a refresh of our materiality assessment was completed through an online survey to key internal and external stakeholders. There were no major changes; updates include re-affirmation that

- Climate Change;
- Product Energy Efficiency;
- Supply Chain Management;
- Sustainability of Products and Services; and
- Data Security

continue to increase in priority. These were already high priorities and will continue to be actively managed. Human Rights (internal) increased due to societal concerns as well as Waste Reduction which is actively managed by Xerox and its circular economy initiatives. Additionally, Employee Development and Employee Health and Safety were noted as increasingly important. While still a medium priority, we continue to engage employees in development programs

and training. Due to the increasingly dynamic landscape of CSR, the company plans to complete a comprehensive third-party assessment. Significant issues and relative importance are captured in the Materiality Matrix below.

Materiality Matrix



Responsible Paper Management, Reforestation, and Biodiversity

We recognize our obligation to 1) responsibly source paper, including a commitment to protect biodiversity and prevent deforestation and 2) enable efficient paper use. Our long-term goal is to support a sustainable paper cycle and minimize environmental effects while meeting our clients' business needs.

At Xerox, we sell paper in our developing market geographies. We apply stringent paper sourcing guidelines for companies that provide paper to Xerox for resale. The requirements cover all aspects of papermaking from forest management to the production of finished goods. We supply paper that complies with sustainable forest management practices or standards, including the Forest Stewardship Council (FSC) or Program for the Endorsement of Forest Certification (PEFC). FSC-certified papers use raw materials from an FSC-certified source, controlled wood sources, or post-consumer reclaimed sources.

The company helps reforest some of the world's most treasured ecosystems by maintaining biodiversity and combating deforestation. For clients leveraging Xerox® Intelligent Workplace Services, we provide them with an opportunity to opt in to our PrintReleaf partnership, which is akin to a carbon offset program. We leverage paper usage reporting that equates the number of trees needed to reforest that usage on an equivalent basis in geographic areas of need. The company helps clients select the managed forestry projects where their trees will be planted in addition to tracking and reporting on their direct reforestation impact.

Since launching this program in 2018, Xerox and its clients have reforested more than three hundred thousand trees across the world, from the Amazon to Madagascar, offsetting more than two and a half billion pages. With one tree absorbing more than one ton of carbon dioxide in its lifetime, this program will offset over two hundred million pounds of carbon dioxide.

Additionally, this year, we have made two pledges to strengthen our commitment:

- On Monday, June 6, 2022, in celebration of World Environment Day – and in partnership with the Arbor Day Foundation – the company planted one tree for every employee to support forest rehabilitation efforts in the Americas and Europe. This year's World Environment Day celebrated the continuation of the UN Decade on Ecosystem Restoration, a global mission to revive billions of hectares, from forests to farmlands. The Arbor Day Foundation is the largest member nonprofit organization dedicated to planting trees and, in partnership with supporters from around the world, it has planted nearly 500 million trees. We partnered with the Arbor Day Foundation to meaningfully contribute to this global restoration effort and educate employees on how they can make a difference in both big and small ways.



- In partnership with the Town of Webster and the Wildlife Habitat Council, Xerox employees gathered at the Webster Arboretum on June 2, 2022, to plant a pollinator garden consisting of more than 60 flowering plants and grasses native to the region. Following the pollinator garden certification process of the Master Gardener program, employees also installed a birdbath, bee condo, and butterfly house to provide water and shelter to pollinators. Pollinators play an important role in stabilizing an ecosystem and this garden serves to support them and highlight their importance to the public. Similar gardens were created in Washington, D.C. and Toronto, Canada.

ETHICS, INTEGRITY, AND HUMAN RIGHTS

At Xerox, we understand our obligation to play a larger role in society. We lead by example, encouraging respect for human rights in our own company and through our business relationships. Every employee engagement, partner affiliation, and client touchpoint represent an opportunity for us to exercise our commitment to human rights.

Our Code of Business Conduct supports the principles of the United Nations Universal Declaration of Human Rights. A corporate-wide global policy letter serves as the foundation of our position on human rights. We make sure that those standards are followed in our labor relations and employment practices, relationships with suppliers, risk management, internal audit systems, and our approach to building business in emerging markets. Each year, our employees are required to take a refresher training course and acknowledge their conformance with the Xerox Code of Business Conduct.

Xerox is a member of the Responsible Business Alliance (RBA), an organization that promotes a standards-based process for monitoring the social responsibility of suppliers. Through the RBA, we further our commitment to human rights in such areas as labor, health, safety, and environmental activity.

We also manage a comprehensive data privacy program. We take utmost care to preserve and protect the personally identifiable information of both clients and employees.

BANK NOTE ANTI-COUNTERFEITING

The risk of document counterfeiting is more prevalent as the quality of digital imaging tools and color printing technology grows. We support the use of appropriate anti-counterfeiting technologies and continuously cooperate with appropriate government and law enforcement agencies worldwide, when and if required, to assess and address such threats.

INITIATIVES TO COUNTERACT PIRACY AND FRAUD

The company is leading the charge against counterfeiting and other illicit market activities, both independently and collaboratively with other original equipment manufacturers. Every year, the global imaging industry — and the clients who use its products and services — suffer the loss of millions of dollars due to piracy and fraud. At Xerox, we are vigilant in our efforts to thwart both the use of our brand on counterfeit materials as well as “blending,” whereby counterfeit materials are mixed with the originals.

The use of counterfeit supplies can result in poor equipment performance, low supply yields, inferior print quality, toner leakage, increased failure rates, and equipment downtime — all of which can cost time and money. To avoid this risk, we advise our clients to purchase solely from Xerox or an authorized Xerox channel partner.

PUBLIC POLICY ENGAGEMENT

Participation in the political and public policy processes is vital to our business at Xerox, serves the best interests of our shareholders, employees, others in our industry, and the broader business community, and is a necessary component of good corporate citizenship. We pursue our public policy objectives with integrity, responsibility, and in full compliance with all laws.

The Xerox Office of Global Government Affairs coordinates and oversees all policy-based interactions with governments and governmental organizations across the nation and around the world. The issues we engage in are many; however, we have a few top advocacy areas where we focus our discussions with policymakers in the United States:

INTERNATIONAL TRADE

At Xerox, we support open markets and rules-based trade among nations. Policies that create a level playing field for international trade are significant drivers of economic growth, opportunity, employment, and innovation, both in the U.S. and globally. We support intergovernmental dialogue and negotiation aimed at increasing certainty for cross-border trade, including cross-border data flows and increasing market access opportunities, including for information technology products and services. Open markets offer important opportunities to showcase our products, services, and business solutions to new clients. At the same time, we believe that all market participants must be responsible citizens of the countries in which they do business.

CORPORATE TAXATION

Xerox Corporation is committed to complying with all tax laws at the federal, state, local, and international levels and ensuring that it pays the correct amount of taxes owed to each authority whose tax laws govern its activity. In addition, it is committed to dealing with the various tax authorities in a transparent manner, using best practices to determine its legal obligations under the applicable tax laws and regulations. Finally, the company incorporates tax-related considerations into its decision-making process.

EDUCATION

The company has had a long-standing tradition of supporting efforts aimed at ensuring American students graduating from high school and college have the necessary skills to compete in the workforce. We are particularly passionate about programs that further American students' access to science, technology, engineering, and math (STEM) curricula. These efforts help us to recruit and retain a skilled workforce, and allow us to compete globally. We have worked with Congress and several Administrations to reform higher education programs, vocational education funding, and K–12 standards.

INTELLECTUAL PROPERTY

At Xerox, we actively support global policies and practices that combat theft of intellectual property by counterfeiters who manufacture knockoff products. Further, we oppose frivolous intellectual property litigation that imposes unnecessary costs on innovative companies. As a result of the U.S. Congress undertaking a serious examination of U.S. patent laws, we are undertaking a review of our own patent policy priorities. This will help enhance the company's ability to innovate, protect, and monetize our intellectual property and seek reforms that would permit disputes to be adjudicated, based on their legal merits rather than litigation economics.

ENVIRONMENT

Our [Environment, Health, Safety, and Sustainability Governance Policy](#) adopted in 1991 forms the foundation of our environmental leadership program. We are committed to designing, manufacturing, distributing, and marketing products and processes to optimize resource utilization and minimize environmental impact.

INFORMATION TECHNOLOGY

At Xerox, we promote policy positions that make information technology (IT) more effective in supporting federal, state, and local government missions, improving government technology acquisition processes, maximizing the positive financial effect of IT investments, and creating better results for those served by government agencies and programs. The Office of Global Government Affairs has an established network of resources whose responsibilities include monitoring legislation and policies that would affect our various government lines of business.

RETIREMENT POLICY

We believe policymakers should foster a legal and economic framework that encourages employers to provide high-quality retirement security options to their employees. We take our commitment to our employees, both current and retired, very seriously, and our Office of Global Government Affairs works closely with the U.S. Congress and the Administration to formulate policies that help us meet this obligation.

HEALTHCARE

At Xerox, we advocate for policies that allow for sustainable, high-quality healthcare systems that are more accessible, less costly, and more patient-centered. We will continue working to overcome the many obstacles — regulatory mandates, inaccessible data, inefficient processes, incomprehensible billing, and ever-rising costs — that undermine our ability to provide quality coverage for our employees.

TRADE ASSOCIATIONS AND POLITICAL ACTIVITY

Xerox is a member of a wide array of trade associations. These organizations develop and promote sound public policies and assist us with business development opportunities. We support trade groups and other organizations that represent a broad spectrum of views on industry and policy issues. Mission consistency is important to us and we review our participation on a regular basis.

Xerox, like most major corporations, is a member of various 501(c) organizations that may engage in political activities. We may not necessarily agree with every position taken by every organization to which we contribute. We make a reasonable effort to determine what portion of our dues is used for lobbying expenditures or political contributions. Any trade association dues, or portions thereof, that are not deductible for tax purposes are appropriately reported on our quarterly federal lobbying disclosure reports.

The Xerox Code of Business Conduct contains explicit instructions on our policies governing contact with elected and appointed government officials and agencies as well as lobbying and political contributions. All Xerox employees are required to participate in annual training on the Code of Business Conduct and must certify adherence to the Code after completing the course.

Organization Name	Dues Paid	Amount used for Non-deductible Expenses
American Benefits Council	\$20,000	\$10,600
Business Roundtable	\$75,000	\$30,000
Cary, NC Chamber of Commerce	\$2,625	\$656
Employees Retirement Income Security Act (ERISA) Industry Committee	\$25,000	\$3,000
HR Policy Association	\$13,875	\$8,325
Information Technology Industry Council (ITI)	\$125,000	\$21,875
National Association of Manufacturers	\$40,000	\$8,000
U.S. Chamber of Commerce	\$100,000	\$25,000
Washington Tax Group/Tax Reform Coalition	\$50,000	\$50,000
Total Dues Paid	\$326,500	\$135,581

EMPLOYEE PERSONAL POLITICAL CONTRIBUTIONS

We encourage our employees to participate in any community and political activities they find to be consistent with their values. We do not discriminate in favor of or against employees based on the organizations they choose to support. Employees are not reimbursed directly or through increases in compensation for their personal political contributions and expenses.

XEROX POLITICAL CONTRIBUTIONS

We have a long-standing policy that nothing of value may be given, paid, promised, or offered — directly or indirectly — from corporate treasury funds for any of the following: political party, committee, and/or candidate for any federal, state, or local government office anywhere around the world; independent expenditure or ballot measure committees; electioneering communications; or candidates for judicial office.

Xerox Corporation Political Action Committee (XPAC)

The only authorized method to make political contributions on behalf of Xerox is through the Xerox Corporation Political Action Committee (XPAC), which is funded solely with voluntary employee contributions.

Every proposed political contribution must be legally permissible and in the best interests of Xerox and its shareholders. We use several guiding principles when selecting which candidates or committees receive XPAC political contributions. Although no single issue or criterion determines whether a candidate or committee receives a contribution, we consider:

- The integrity and character of the candidate;
- The candidate's position on significant policy issues of importance to our company;
- The candidate's overall support for our company and industry;
- The candidate's overall support for the free enterprise system and U.S. competitiveness;
- A demonstrated willingness on the part of the candidate to work with our company and industry to achieve responsible public policy solutions;

- The candidate's representation of a state or district in which our company has a significant number of employees or facilities;
- Whether the candidate holds a leadership position within their political party; and
- The candidate's electability permissible under applicable law.

XPAC also focuses on contributions that go directly to candidates for office. Special exceptions are required for contributions out-of-election-cycles and contributions to leadership PACs, trade association PACs, ballot measure committees, and political parties.

XPAC does not permit in-kind political contributions or contributions for independent expenditure committees, electioneering communications, candidates for judicial office, and presidential candidates.

XPAC Oversight

The Corporate Governance Committee of the Xerox Board of Directors is responsible for oversight of XPAC's political contributions and receives regular reports on XPAC activities.

XPAC is led by a Board of Trustees, which includes a cross-section of managers from Xerox who represent their unique business unit and geographic areas. A Contributions Committee appointed by the XPAC Chairman and consisting of three members is responsible for selecting, by majority vote, the candidates to receive a contribution from XPAC. The Vice President of Global Government Affairs, Sustainability, and Citizenship serves as the XPAC Treasurer and oversees all spending.

XPAC 2021 Contributions

Committee Name	Candidate Name	Office Sought	Date	Amount	Election
Friends Of Schumer	Sen. Charles Schumer (D-NY)	US Senate	9/15/2021	\$2,000	2022 Primary
Friends Of Schumer	Sen. Charles Schumer (D-NY)	US Senate	11/8/2021	\$3,000	2022 Primary
Friends Of Schumer	Sen. Charles Schumer (D-NY)	US Senate	11/8/2021	\$5,000	2022 General
Joe Morelle For Congress	Rep. Joseph Morelle (D-NY-25)	US Senate	12/5/2021	\$5,000	2022 Primary
Total Contributions				\$15,000	

XPAC discloses all contributions made and received on reports filed with the [Federal Election Commission](#) and the various state and local campaign finance commissions as required by law. In accordance with XPAC's Articles of Organization, an audit of the accounting books of the XPAC is performed at least once during every two-year election cycle to ensure compliance with the Federal Election Campaign Act of 1971, as amended, its regulations, and all other applicable laws.

We use external legal experts to provide periodic oversight of the company's political activities.

Doing Good Business

Ethics and Compliance Programs

Our commitment to business ethics and compliance represents more than a declaration to do the right thing. It is an integral part of the way we do business. Our business ethics and compliance programs are designed and implemented to ensure that Xerox employees and all those working on behalf of the company follow the highest ethical standards. The program aims to prevent, detect, and address potential violations of our Code of Business Ethics and its policies, applicable laws, and regulations.

OFFICE OF COMPLIANCE

The Office of Compliance oversees and coordinates the work of the company's subject matter experts to ensure that we are in full statutory compliance with global rules and regulations related to all applicable laws in our industry as well as internal policies. The Office of Compliance also collaborates with other departments such as internal audit, corporate security, legal, human resources, government affairs, and ethics to ensure sustainable corporate compliance.

The Office of Compliance is managed by the Compliance Leader who reports to the vice president, Global Government Affairs, Sustainability, Citizenship and Compliance, and the Chief Legal Officer. The compliance leader acts as a liaison between the company and external, independent audit and compliance companies and contractors and advises and makes recommendations to the Office of General Counsel and management team regarding the state of statutory compliance at the company. The compliance leader prepares quarterly compliance updates for executive management and the board of directors. The Chief Legal Officer reports directly to the Vice Chairman and Chief Executive Officer of Xerox.

In 2022, the Office of Compliance worked with senior leaders to bring together a formal compliance network to champion compliance within the company, encourage a positive culture of compliance, encourage reporting of allegations of non-compliance, share best practices and areas of improvement, and assist in prioritizing improvement projects and resources. The formal compliance network is a cross-functional group

comprised of individuals from various organizations and business units. Initial priorities for the compliance network included identifying core compliance training and discussing best practices related to corporate policy management.

COMPLIANCE RISK ASSESSMENT

At Xerox, we conduct periodic compliance risk assessments based on a format used by the Institute of Internal Audits and use 70 criteria provided in the U.S. Department of Justice guidelines, the Office of Foreign Assets Control (OFAC), and the U.S. Federal Acquisition Regulations (FAR). These compliance risk assessments are intended to:

- Assess the design and operation of the company's corporate compliance programs, considering governmental expectations, existing/changing legal requirements, and leading practices;
- Provide observations, risks, and recommendations including:
 - Identifying existing elements and gaps in the compliance infrastructure;
 - Identifying and prioritizing opportunities to enhance the company's compliance program;
 - Establishing a baseline for compliance monitoring and continuous improvement; and
- Ensure sustainable corporate compliance processes by implementing corrective actions that meet statutory requirements and balance ideal performance factors and resources.

Assessment topics include, but are not limited to, general corporate compliance, sexual harassment, data security, foreign corrupt practice, third-party risk management and information privacy. The assessment results help to identify areas of improvement and proposed action items, which are then presented to senior management for review and decision, followed by implementation plans.

BUSINESS ETHICS OFFICE

Each Xerox employee and those working on behalf of the company have an important role to play, not only in helping us succeed but also in how we achieve that success. Doing business following the highest ethical standards and in accordance with the Xerox Code of Business Conduct, company policies, and applicable laws and regulations are at the heart of what Xerox is as a company.

Since its inception, we have recognized that the best possible results for our clients, shareholders, and communities can only be delivered when conducting ourselves ethically and with integrity. It's a part of who we are and how we do things.

The Xerox Business Ethics Office oversees our efforts to reinforce and enhance the company's culture of ethics and compliance on behalf of operating unit management, corporate management, and the Audit Committee of the Xerox board of directors. The Senior Manager of the Ethics Office manages the day-to-day operations of the Ethics Office and reports to the Xerox Chief Ethics Officer, who reports to the Executive Vice President, Chief Development Officer, and Chief Legal Counsel with a dotted-line reporting relationship to the Audit Committee.

MANAGEMENT COMMITMENT AND OVERSIGHT

At Xerox, we are committed to fostering a culture of ethics and compliance with the law at all levels of the company. The Ethics Office conducts ethics and compliance programs and activities under the authority of the Chairman of the Audit Committee. The Audit Committee oversees and approves the Xerox annual ethics and compliance program. It also receives and reviews potential ethics issues as identified by the Chief Ethics Officer. The Xerox Business Ethics Office maintains metrics to help detect misconduct and inform continuous improvement of the ethics program. The Business Ethics Office also prepares quarterly reports for the company's external auditors and the Audit Committee of the Xerox board of directors. The Chief Ethics Officer attends Audit Committee meetings and prepares reports on the status of the Ethics program, including metrics, program strategy, and operations updates.

CODE OF BUSINESS CONDUCT AND POLICIES

Our Code of Business Conduct serves as the foundation of our Business Ethics and Compliance Program. It embodies and reinforces our commitment to integrity and helps us resolve ethics and compliance concerns in a manner consistent with our core values and legal and policy controls. Our Code of Business Conduct is available in 19 languages and accessible on our internal and [external websites](#). The Code is aligned to our core values and covers policies and guidance on key topics, including sales and marketing activities, controllership, insider trading, bribery, non-discriminatory employment practices, privacy rights, human rights, and environmental stewardship. It also specifies employees' obligations to report suspected ethical violations and reinforces our strong non-retaliation policy, which is also supported in a separate, stand-alone corporate policy.

We have a comprehensive framework of policies that incorporates a culture of compliance into day-to-day operations. Corporate policies are published on the Xerox Ethics & Policies intranet. Additionally, key policy references are included in the Code of Business Conduct to help ensure accessibility. The company's Business Ethics Policy is publicly available and translated into 19 languages. It describes the ethical conduct required when conducting business on the company's behalf or representing Xerox in any capacity. Country-specific and regional policies exist to provide additional clarity.

In addition to our global Code of Business Conduct and policy framework, we have a supplemental Finance Code of Conduct for finance employees and a Code of Business Conduct and Ethics for the board of directors. As a member of the Responsible Business Alliance (RBA), we use the RBA Code of Conduct as our supplier code of conduct.

COMMUNICATION AND TRAINING

At the start of every year, the Xerox Chief Executive Officer distributes a message on business ethics to employees. All employees, including those working on behalf of Xerox, must complete ethics training annually and acknowledge that they have read the Code of Business Conduct. New hires are required to complete foundational ethics training. We also require employees at certain levels and in certain functions to complete anti-corruption training on an annual basis. All employees are also required to complete harassment training. Xerox continually assesses its compliance training program and identifies areas of training focus based on risk, job grade, and job function.

The Xerox senior leadership team is required to complete a conflict-of-interest disclosure and ethics certification, confirming that each is in compliance with our Code of Business Conduct, have processes in place to support the company's Business Ethics and Compliance Program, are committed to protecting those who make good faith reports of an actual or suspected violation from retaliation, and will work to safeguard the confidentiality of investigations.

We promote awareness of our Business Ethics and Compliance Program on our Ethics and Policies intranet site and [Ethics and Compliance Program website](#). We participate in internal speaking engagements to enhance employee understanding of the program and incorporate real-world examples of ethics and compliance dilemmas in our communications to keep ethics and compliance front and center for employees and those working on behalf of Xerox. We periodically implement a global ethics survey across the organization to measure the state of the company's ethical culture and help us focus on areas for improvement.

BUSINESS ETHICS AND COMPLIANCE GOVERNANCE BOARD

The Xerox Business Ethics and Compliance Governance Board (Governance Board) works closely with the Ethics Office to imbed business ethics into the company's worldwide business operations. The Ethics Office coordinates the Governance Board's activities to ensure consistency and provide an executive-level forum for discussing emerging trends, issues, and concerns. Board members are appointed by Xerox senior leadership and required to complete an annual ethics certification, memorializing their commitment to their responsibilities. The Governance Board represents business and corporate organizations within Xerox and its subsidiaries and participates in quarterly meetings chaired by our Business Ethics Office. Members are responsible for establishing regional and/or local networks within their respective organizations to promote and make certain that a culture of ethics and compliance exists globally at Xerox.

REPORTING, NON-RETALIATION, AND INVESTIGATIONS

At Xerox, we promote a culture where it is safe to speak-up, free from retaliation. We provide a variety of channels for employees, suppliers, and clients to report suspected ethical violations, including phone, web, email, and postal mail.

The [Xerox Ethics Helpline](#) is available globally 24 hours a day, seven days a week, in multiple languages, via toll-free telephone numbers and our web reporting tool, which supports multiple languages. We have contracted with an independent third-party that specializes in helpline reporting with immediate electronic transfer of all reports to our Business Ethics and Compliance Office for triage and oversight and monitoring of ethics allegation cases.

We have a strong, stand-alone non-retaliation policy. The company prohibits retaliation against any employee who raises or makes a good faith report alleging a potential violation of the Xerox Code of Business Conduct, Xerox policies, or any law or regulation regardless of whether the report is determined to be founded or unfounded following an investigation. Retaliation in response to a good faith report is not tolerated.

For some cases, the Business Ethics Office provides guidance and takes immediate action; for others, including allegations of wrongdoing, an ethics investigation is required. The office follows a formal, consistent method for assessing alleged violations and complaints and directs them to the appropriate functional areas for investigation, resolution, and closure. Our Business Ethics Office Charter includes a "Worldwide Assignment of Responsibility Matrix for Handling Potential Ethics Violations and Associated Penalty Guidelines." This tool includes a wide range of possible ethics and compliance violations within each category of our Code of Business Conduct.

The company has established policies, guidelines, and collaterals on conducting internal ethics investigations and periodically provides training to investigators. The goal of our internal investigations is to ensure that they are independent, objective, thorough, effective, properly documented, and completed in a timely fashion. Appropriate actions are taken in response to investigative findings and the root cause of any violations are addressed to prevent a recurrence of issues. Ethics allegation matters substantiated, in whole or in part, result in disciplinary action (counseling, training, warning letter, job reassignment, financial penalty, or in some cases, dismissal from the company). In addition to disciplinary action, the resolution of many cases may also involve changes in processes or policies to prevent future occurrences.

Matters Reported to the Ethics Office	2019		2020		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
Accounting and Financial Improprieties ⁱ	23	9%	11	3%	6	2%
Business Integrity ⁱⁱ	49	19%	37	10%	37	11%
HR, Diversity and Workplace Respect ⁱⁱⁱ	95	36%	107	28%	93	29%
Misuse, Misappropriation of Assets ^{iv}	8	3%	6	2%	15	5%
Safety and Security ^v	17	6%	29	8%	48	15%
General Information ^{vi}	45	17%	160	42%	104	32%
Other ^{vii}	27	10%	30	8%	20	6%
Total Number of Matters	264	100%	380	100%	323	100%

ⁱ **Accounting and Financial Improprieties**

Financial improprieties, improper accounting practices, and insider trading.

ⁱⁱ **Business Integrity**

Antitrust, bribery, conflict of interest, data privacy, disclosure of confidential information, fraud, gifts, improper payments, and regulatory compliance.

ⁱⁱⁱ **HR, Diversity and Workplace Respect**

Discrimination, harassment, retaliation, compensation, leave of absence, accommodation, work environment, and other HR-related matters

^{iv} **Misuse, Misappropriation of Assets**

Misuse of company information, issue on timekeeping, or inaccurate expense reporting and theft.

^v **Safety and Security**

Safety violations, unsafe acts or unsafe conditions, work-place violence/verbal abuse and potential substance abuse.

^{vi} **General Information**

General information requests, rerouted customer inquiries, and external scams not involving Xerox employees.

^{vii} **Other**

Our Business Ethics Office tracks all cases from initial reporting to closure, case activity and trends, including the number of matters reported, case categories, outcomes, and disciplinary action taken. See the [Ethics page on xerox.com](https://www.xerox.com/ethics) for additional information regarding the Xerox Business Ethics and Compliance Program.

ANTI-CORRUPTION, EXPORT CONTROLS, AND SANCTIONS COMPLIANCE

It is the policy of Xerox Corporation and its subsidiaries to comply fully with all applicable anti-bribery and anti-corruption (ABAC) laws and regulations, including the U.S. Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act (UKBA). Similarly, we are committed to complying fully with applicable export controls and sanctions restrictions.

The company operates an active and comprehensive ABAC compliance program, supported by policy and annual training overseen by the Business Ethics Office in the Office of General Counsel. We prohibit the giving or offering of a bribe of any amount or value. This includes small “facilitation” or “grease” payments for routine government approvals and actions unless employee security and health are at risk and even then, only with prior approval.


We screen potential clients for applicable export control requirements and sanctions restrictions, drawing on an internal network of export control coordinators and subject matter experts. We also conduct risk assessments of third-party intermediaries and include a contractual obligation that requires third-party intermediaries to adhere to the same standards for compliance with ABAC, export controls, and sanctions. The company sends an annual reminder letter to its major distributors and resellers outside the U.S., requiring them to acknowledge and confirm awareness of the FCPA, UKBA, and all locally applicable ABAC laws and regulations, as well as any applicable export controls and sanctions. This third party must also certify that, to the best of its knowledge, it has complied fully with these requirements.

How We Report

In this report, we identify our process for prioritizing corporate social responsibility (CSR) topics that are relevant to our stakeholders and business. For our most material priorities, we include a description of our management approach, including policies and programs from Xerox through August 2022 unless otherwise noted. We also share the methods we use to evaluate our effectiveness in managing these topics. This often includes internal and external feedback we have received throughout the year. With this feedback and changing external dynamics, we modify our approach.

We are a performance-based, data-driven company in all areas, including CSR. We set goals, engage with stakeholders, join initiatives to make an impact, and track our progress. In this report, we share this information. Throughout the year, we communicate updates on xerox.com and our social media accounts, external speaking opportunities with trade associations, industry consortiums, and executive client engagements.

This report is in accordance with the core reporting requirements of the Global Reporting Initiative (GRI) Standards. The table linking the content of this report to the GRI Standards can be found below. Much of the information in this report reflects the activities of Xerox in the countries where we do business. Some of our systems for collecting and reporting reliable social and environmental data, however, are for select operations. We identify operations excluded from specific disclosures wherever appropriate. Environmental data in this report is normalized to our financial performance utilizing company revenues, as reported using Generally Accepted Accounting Principles (GAAP). To improve the accuracy of our data, we have engaged a third party, SGS, to verify various environmental and social metrics. Metrics verified include water consumption, water discharge, waste volumes, perfluorocarbon emissions, volatile organic compound emissions, representation of women in professional roles, and representation of diverse employees in profession roles. For more details, click [here](#). Energy, greenhouse gas (GHG) emissions scope 1, 2, and 3, were also verified in accordance with ISO 14064-3:2019. At times, we may revisit our prior estimates to make corrections due to new data availability, changes in methodologies, or improvements to our data collections and measuring systems.



Greenhouse Gas Verification Statement Number
UK.PRS.VOL.INV.0139.2021

The inventory of Greenhouse Gas emissions in the period
January 1st, 2021 to December 31st, 2021 for

XEROX CORPORATION

201 Merritt 7
Norwalk, CT 06851


Representing a total amount of:

89,035 tCO₂e Scope 1
50,765 tCO₂e Scope 2 Location Based
46,973 tCO₂e Scope 2 Market Based
860,756 tCO₂e Scope 3

has been verified in accordance with ISO 14064-3:2019 against a Xerox Corporation defined methodology described in "Xerox Corporation Greenhouse Gas Emissions Inventory Management Plan, May 2022" and the principles of Transparency, Accuracy, Consistency, Completeness and Relevance.

For the following activities
Manufacturing, research and development, office and equipment recovery / recycling facilities, purchased goods and services, capital goods, fuel and energy related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, use of sold products and end-of-life treatment of sold products

Authorised by:



Pamela Chadwick
Business Manager
SGS United Kingdom Ltd

Verification Statement Date 21st July 2022

This Statement is not valid without the full verification scope, objectives, criteria and conclusion available on pages 2 to 4 of this Statement.

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