



2012 Report on  
Global Citizenship

“We are proud of the progress we have made and the reputation we have earned – proud but hardly complacent. There is so much more that we can do to be better. We don’t shrink from these challenges; we welcome them. All of us at Xerox are determined to build not just a bigger company but a better company that serves all its stakeholders in equal measure.”

–Ursula M. Burns

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This report is just a snapshot of Xerox’s comprehensive citizenship activities. To learn about all of our activities, please visit our online report at [www.xerox.com/citizenshipreport2012](http://www.xerox.com/citizenshipreport2012)

# Dear Stakeholders,

It's my privilege to introduce you to the 2012 Xerox Global Citizenship Report. This year's edition has a new look and feel, designed to make it easier for you to find the information you're seeking and to take a deep dive into areas of special interest to you. You also get to decide how much of the report you'd like to print – if any. In fact, we've printed zero copies ourselves, leaving that entirely up to you and reducing paper waste in the process.

Come to think of it, this report is a metaphor of our broader approach to business, which can be summarized in two synergistic concepts – simplification and sustainability. They are at the heart of just about everything we do and they have very long and strong roots in our company and culture. The man who invented the first plain-paper copying process – which came to be known as xerography – had a very clear goal in mind: “to make office work a little more productive and a little less tedious.” That simple aspiration led to the founding of Xerox and the creation of an entirely new industry.

The man was Chester Carlson and his genius was to make the complex simple. Under the hood of every copier was an amazingly intricate process that involved sophisticated electrical, photographic, printing and paper handling technologies. The customer was shielded from all that – just step up to the copier, put the original in, select the number of copies desired and push a button. Simple.

We have never strayed from that notion, which has led us on a fascinating journey constantly seeking ways to help our customers simplify the way they do business and contribute to a more sustainable world. Far from the copier company of old, Xerox now provides the world-class document technology you would expect, but also a deep and broad array of business

process and IT outsourcing services you might not expect. We are now a major player in designing and managing a diverse portfolio of services that includes cloud-based IT solutions, automated highway toll systems, management of electronic medical records, web and phone-based customer call centers, e-discovery for law firms and much more. Today's Xerox is the world's leading enterprise for business process and document management. In fact, more than half of our annual revenue of close to \$23 billion comes from services.

Yet, as the saying goes, the more things change, the more they remain the same.

“Our half-century journey from the introduction of the first plain-paper copier to the Xerox of today has been guided by one over-riding passion – to help our customers be more successful.”

Here is what we tell our customers today: you do what you're really good at, like making the best smartphone in the world or providing the best banking experience possible and we will take care of the “stuff” that goes on behind the scenes to make your enterprise run smoothly.

That philosophy has led us to an intriguing discovery – by focusing on simplicity you are also improving sustainability. Simplicity is not about scaling back or dumbing down. It's about taking the “excess” out of the process, stripping down the non-value steps that creep in and applying technology and innovation smartly and strategically. When you do that, you save not only time and money, you save precious resources and eliminate waste. Sustainability.

Let's face it, if you're focused on creating and marketing the best prescription drugs in the world, your accounts receivable and



customer printing operations are not your first priorities. You need them to operate efficiently, but it's not where you want to expend your energy. We do. And because we provide back-office services for thousands of clients around the world, we take what we learn from one and apply it to many. That cycle of continuous improvement and innovation creates value for our customers and sustainability for their enterprises.

Take Lima, Peru. They have a population of 9 million in a city of small and narrow streets. Theirs is one of the most chaotic traffic flows in the world. But that's changing. We've helped them build a series of bus routes with dedicated traffic lanes and a smartcard ticketing system that keeps buses and passengers moving. That cuts down on commuting times by as much as two-thirds, reducing fuel consumption and carbon emissions. Lima is the beneficiary of what

we've learned in doing similar work in other places from Los Angeles to Norway. And what we've learned in Lima will now be applied in other cities – maybe even yours. Other examples abound:

- We're the world's leader in managed print services, which routinely cuts the cost of printing in companies and governments by 30 percent. It also significantly reduces the use of paper and energy.
- When one of the largest telecommunications providers needed bilingual customer care support in a hurry, it turned to Xerox. We used one of our existing centers in Mexico, ramped new hiring and were up and running in 39 days, avoiding the negative sustainability impacts that would come with building a new center. And, by the way, we exceeded quality targets.
- The last thing you would want firefighters engaged in is paper work. It's a necessary distraction from their real work. So we created a cloud-based software solution that's being used in 1,400 firehouses across the country to make administrative work simpler and cut down on paper use as well.

You get the point. We bring innovation to our clients management and more often than not also contribute to their sustainability efforts as well. It's what we do really well so that our customers can focus on what they do really well.

That may well be the single most important thing we do to be a responsible citizen of our world, but it's hardly the only thing. In this report, in addition to a section on Sustaining Business, you will find four other content areas:

- In Evolving the Workplace, you will learn about our continuing efforts to be recognized as one of the most diverse workforces, top to bottom, in the world, and why we are also viewed as one of the best places to work, to grow and to contribute. One example: Xerox achieved a 100 percent rating on the 2011 Corporate Equality Index and Best Places to Work survey administered by the Human Rights Campaign Foundation.
- In Serving Customers, you will find information regarding our passion for customers and how we engage with them in our research and innovation in ways that help them better serve their clients and our society. One example: working with hospitals to help them mine patient data in real time – vital signs, medications, lab reports and so on – to improve care, reduce infections and avoid problems.
- In Caring for Communities, you will get an overview of how we invest money and talent in a wide variety of organizations to strengthen the communities in which we work and live. One example: Eleven Xerox employees received full-paid leaves of absence in 2011 to volunteer for non-profit agencies in their local communities, bringing their business insights and, often, their Xerox Lean Six Sigma training to improve the efficiency and effectiveness of the organizations they serve.
- In Preserving the Planet, you will see why we have developed a reputation as a company determined to minimize our impact on the environment through more creative ways to reuse, reduce and recycle what we make. One example: For the fifth consecutive year, Xerox has retained its position on the FTSE4Good rating scheme by meeting the

criteria for environmental actions, corporate responsibility, social and stakeholder engagement and human rights.

We are proud of the progress we have made and the reputation we have earned – proud but hardly complacent. There is so much more that we can do to be better. We don't shrink from these challenges; we welcome them. All of us at Xerox are determined to build not just a bigger company but a better company that serves all its stakeholders in equal measure – the shareholders who invest in us; the customers who trust us to make them successful; the employees who personify our belief that good financial results and good citizenship are synergistic; the communities in which we live and work and that deserve our engagement; and, ultimately, the planet for which we all have an obligation to preserve and sustain.

I'd welcome your thoughts – on what we're doing right, on what we can improve and how we can work together.



Chairman and Chief Executive Officer

# A Snapshot of Our Progress



# Our Progress

## Sustaining Business

### Independence of the Board

Year	2008	2009	2010	2011
Results	80%	80%	88%	90%

#### Highlights:



Based on standards for independence developed by the New York Stock Exchange, the Xerox Board of Directors is currently 90% independent. It includes one non-independent director: Xerox Chairman and CEO Ursula M. Burns. Learn more about the Board's independence and our governance policies: [www.xerox.com/governance](http://www.xerox.com/governance).

## Evolving the Workplace

### Employee Satisfaction

Year	2008	2009	2010	2011
Results	No surveys conducted	77% (North American data only)	72% (Global data based on 72,000 survey results. The North American percentage agreement is 82%.)	74% (Global data based on 100% of population responding to a two-year rolling basis survey.)

#### Highlights:



74% of surveyed employees responded favorably to the statement: "My work gives me a feeling of personal accomplishment" on our proprietary Voice of the Employee Survey. The survey allows managers to create a personal pulse assessment of their employees' satisfaction on their job, workgroup, manager, and on Xerox as a whole. In the past three years, we have surveyed 100% of the global Xerox population in 48 countries and in 25 languages. Each manager receives a personalized report to assist in developing action plans where needed. In addition, we capture global trend data and employee ideas, that help shape HR practices and programs.

### Employee Inquiries

Year	2008	2009	2010	2011
Results	4,219 inquiries received and routed for resolution.	4,106 inquiries received and routed for resolution	6,698 inquiries received and routed for resolution	3,291 inquiries received and routed for resolution

#### Highlights:



The Sentinel Customer Satisfaction Assurance System™, a Xerox proprietary Web-based polling/routing/reporting system, links employee inquiries or comments through the intranet with appropriate Xerox contacts to identify and track any comment, suggestion or unresolved problem for action. The drop off of usage of the tool in 2011 is due to internal reorganizations and the migration of the tool to a new platform.

### Diversity: Women in Management

Year	2008	2009	2010	2011
Results	32.9%	31.8%	49.7%	49.8% (U.S. only)

**Highlights:**



We gain a competitive advantage as we continue to draw on the experience and creativity of a well-balanced, diverse workforce. That means we're better able to understand and meet the changing demands for our products and services. Simply stated, a balanced work force makes good business sense.

49.8% of employees in U.S. are women, and women represent 25% of the executive and senior level managers in the U.S. Diversity reporting is not tracked in most other countries.

### Diversity: Minorities in Management

Year	2008	2009	2010	2011
Results	22.6%	20.2%	22.7%	37.5% (U.S. only)

**Highlights:**



Minorities represent 37.5% of employees and 13.2% of the executive and senior level managers in the U.S. Diversity reporting is not tracked in most other countries.

Employees with different ways of thinking – and different ways of perceiving our world – are employees who create innovative solutions. In a business like ours, whose lifeblood is fresh ideas, this variety of perspectives is a priceless resource – and a key to achieving critical business results.

### Recordable Injury Rate

Year	2008	2009	2010	2011
Results	Down 2% from 2007	Down 7% from 2008	Up 18% from 2009	Down 1% from 2010

**Highlights:**



We strive toward a goal of zero injuries, with continual improvement in safety performance in both injury frequency and severity. In 2011, there was a 1% reduction in the frequency of injuries compared to 2010 performance. Since 1996 there has been a 56% reduction in total recordable injury rate.

Reporting and monitoring of injury frequency rates occurs for different geographies and organizations. The reporting of work-related injuries, illnesses and fatalities is based on the same criteria for all operations, worldwide, regardless of the geography in which they reside.

### Days Away from Work Case Rate

Year	2008	2009	2010	2011
Results	Up 6% from 2007	Down 4% from 2008	Up 4% from 2009	Up 6% from 2010

#### Highlights:



We strive to prevent all injuries and illnesses and place special emphasize on the elimination of serious incidents – those that are significant enough to require missed days of work. 2011 proved to be a challenging year and additional mitigation initiatives have been put in place. Since 1996 there has been a 48% reduction in the days away from work injury rate.

### Serving Customers

#### Equipment Revenue Market Share

Year	2008	2009	2010	2011
Results	NA	#1 in Q4	#1	#1

#### Highlights:



Xerox is the leader in equipment revenue market share for the tenth straight quarter (1Q2012). We offer the industry's broadest portfolio of document technology and services for businesses of any size, in any industry, anywhere around the world.

### Patents Awarded to Xerox\*

Year	2008	2009	2010	2011
Results	940	1,131	1,605	1,618

#### Highlights:



The Xerox group garnered over 1,600 patents total. Xerox was granted 1,030 U.S. patents and our joint venture in Japan, Fuji Xerox Co. Ltd., received 588 U.S. patents. Xerox and Fuji Xerox collectively invest about \$1.5 billion annually in research, development and engineering.

\*Total patents earned along with Fuji Xerox Group

### Customer Service

Year	2008	2009	2010	2011
Results	Achieved certification in the J.D. Power and Associates program for Certified Technology Service and Support.	Achieved certification in the J.D. Power and Associates program for Certified Technology Service and Support.	Achieved certification in the J.D. Power and Associates program for Certified Technology Service and Support.	In 2011, we chose to invest in a new customer satisfaction process to ensure a stronger focus on understanding and fulfilling customer needs and expectations.



Highlights:



Service and support for Xerox products earned five consecutive industry certifications from 2006-2010. All forms of customer support – phone, on-line, on-site – were evaluated by independent service industry experts who recognized our support services as among the best in class.

Investments in J. D. Powers certification in prior years have ensured process excellence in technical service delivery. In 2011, we chose to invest in a new customer satisfaction process to ensure a stronger focus on understanding and fulfilling customer needs and expectations.

The new process solicits feedback from our technology customers around the globe and provides detailed insights that help us identify systemic issues and make the necessary changes that ensure strong customer satisfaction. Improved closed-loop follow-up processes also enable faster responses to individual problems

Market Leadership

Year	2008	2009	2010	2011
Results	Gartner, Inc.: Leaders Quadrant in the Magic Quadrant for Managed Print Services Worldwide, MFPs and Printers, and Comprehensive HR BPO.	Gartner, Inc.: Leaders Quadrant in the Magic Quadrant for Managed Print Services Worldwide, CRM Contact Center BPO for North America, and Comprehensive Human Resources Business Process Outsourcing.	Gartner, Inc.: Leaders Quadrant in the 2010 Magic Quadrant for Managed Print Services Worldwide, MFPs and Printers, and Finance & Accounting Business Process Outsourcing. Visionaries Quadrant for Enterprise Content Management (ECM).  IDC: A leader in Worldwide and U.S. Outsourced Print and Document Services Forecast and Analysis and in IDC's 2010 MPS MarketScape report.	Gartner, Inc.: Leaders Quadrant in the 2011 Magic Quadrant for Managed Print Services Worldwide. Global leader in the Comprehensive Finance and Accounting Business Process Outsourcing arena; noted our leadership for Help Desktop Outsourcing Services in North America.  IDC: Market Leader for managed print services in IDC's 2011 MarketScape report.

Highlights:



The Xerox commitment to our customers has gained worldwide recognition. Independent industry analysts rate our products and services as leaders in multiple categories. Helping customers better manage their print environment led Gartner to place us in the Leaders Quadrant of the 2011 Magic Quadrant for managed print services worldwide, while International Data Corp. (IDC) MarketScape lists us as a Market Leader for managed print services for the third year in a row. And it's not just our award-winning technology that garners all the accolades. Gartner placed Xerox as a global leader in the Comprehensive Finance and Accounting Business Process Outsourcing arena and also noted our leadership for Help Desktop Outsourcing Services in North America.

## Caring for Communities

### Xerox Foundation Giving

Year	2008	2009	2010	2011
Results	\$12.6 million	\$12.0 million	\$12.5 million	\$13.5 million

#### Highlights:



In 2011, 1,672 non-profit organizations, colleges and universities received direct financial support from the Xerox Foundation through grants, matching gifts or community involvement activities. We focus our investments in the following areas:

- Education and workforce preparedness
- Science and technology
- Environmental affairs
- Employee and community affairs
- National and cultural affairs

## Employees in Community Activities

Year	2008	2009	2010	2011
Results	9,893 Employees 604 Projects \$909,000	8,650 Employees 648 Projects \$978,018	10,137 Employees 712 Projects \$1,009,584	12,291 Employees 751 Projects \$1,000,000+

#### Highlights:



The Xerox Community Involvement Program marries the voluntary spirit of our employees with Xerox funding to participate in the betterment of the communities where we live and work. In addition to our community involvement funding, 11 Xerox employees were awarded Xerox social service leave fully-paid sabbaticals, dedicating their time to organizations in need of their business acumen.

## Preserving the Planet

### Recycle Rate

Year	2008	2009	2010	2011
Results	92%	93%	92%	94%

#### Highlights:



Facilities in Wilsonville, Oregon and Venray, the Netherlands, joined the Emulsion/Aggregation Toner manufacturing operation in Webster, New York in achieving "zero waste to landfills."

### Water Consumption

Year	2008	2009	2010	2011
Results	Down 15% from 2007	Down 7% from 2008	Down 7% from 2009	Down 15% from 2010

#### Highlights:



As part of our commitment to conserve resources, we monitor water consumption across our manufacturing, distribution and R&D facilities worldwide. Water consumption has decreased 37% since 2007.

### Greenhouse Gas Emissions

Year	2008	2009	2010	2011
Results	Down 20% from 2002	Down 11% from 2008	Down 3% from 2009	Down 9% from 2010 Down 36% from 2002

#### Highlights:



Scope 1 and 2 greenhouse gas emissions are down 36% and energy consumption is down 25% from 2002 in our Technology business. The reductions are the result of improved energy efficiency, new technologies and improved energy management practices.

Having met our Energy Challenge 2012 goal, we are in the process of establishing a new baseline and target.

### Achieving ENERGY STAR® Rating

Year	2008	2009	2010	2011
Results	80%	92%	100%	100%

#### Highlights:



In 2011, 100% of all our new eligible products met the current ENERGY STAR (July 2009) requirements. Continued success in cutting the power consumption of our laser-based printing products has been achieved by adjustments in the fuser design, changes to the properties of the toner, more-efficient electronic controls and the workings of the xerographic system as a whole.

### Landfill Avoidance Rate

Year	2008	2009	2010	2011
Results	Not determined	93.8%	94.7%	94.6%

Highlights:



The Xerox Green World Alliance reuse/recycle program for imaging supplies is central to our commitment to waste-free products. We currently have more than 35 countries participating in the Xerox Green World Alliance. Worldwide, our customers returned more than 3.43 million cartridges, toner containers and other used supply items in 2011. Although Xerox’s consumables returns programs have been in existence for two decades, we enhanced the program in 2010 by launching an improved return process for our Canadian operations.

Greenhouse Gas Emissions

Year	2008	2009	2010	2011
Results	24 (1000 metric tonnes of CO2e)	12	14	12, down 14% from 2010

Highlights:



We are in the process of expanding greenhouse gas tracking to include scope 3 emissions, beginning with employee business travel. We measured these 2011 scope 3 emissions at 12,000 metric tonnes of CO2e, down 14% from 2010. A decrease in employee air travel has been achieved through the increased use of videoconferencing and other technology. We’re currently in the process of collecting scope 3 emissions data on product transportation from third-party carriers.

We are making progress with our Scope 3 emissions assessments. Our calculations are made according to the WRI Scope 3 Accounting Standard. We will use the information to prioritize our greenhouse gas emission reduction opportunities and as part of our carbon impact assessments.

Reportable Toxic Releases

Year	2008	2009	2010	2011
Results	346 (tons)	238	203	173

Highlights:



Reported toxic chemical releases and transfers were 15% lower than 2010, primarily due to the reduced production of older products. Methylene chloride releases and transfers, which account for over 50% of reported toxic chemicals, were lower by approximately 15 metric tonnes.

# Connecting With Us

If you have questions or comments about any of the topics covered in this report, here's how to reach us.

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## Products and Service

[www.xerox.com](http://www.xerox.com) or by phone:  
800.ASK.XEROX (800.275.9376)  
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Environment, Health and Safety  
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## Additional Information

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