

2013 Summary Report on Global Citizenship



“Across industries and around the globe, businesses and governments are recognizing the value proposition of today’s Xerox. We have people who are passionate about making our communities better than they are... a corporate culture that is committed to diversity and continuous improvement... and an innovation community that’s harnessing the potential of services and technologies for the promise of a better world.”

–Ursula M. Burns

Table of Contents

Our Leadership Commitment.....	02
Our Progress.....	04
Connecting With Us	Back Cover

This report is a snapshot of our comprehensive global citizenship activities. We invite you to learn more by visiting www.xerox.com/citizenshipreport2013.

Our Leadership Commitment

Since our earliest days, Xerox has embarked on a never-ending journey to demonstrate that good business and good citizenship are not only compatible, but synergistic.

Consider this... 75 years ago, a patent attorney named Chester Carlson invented xerography. After spending countless hours in the New York Public Library hand-writing copies of materials he needed, he was determined to find a way “to make office work a little more productive and a little less tedious.”

Along came Joseph C. Wilson, who bet his family’s business on Carlson’s invention. As our company’s founder and the first chairman of Xerox, he was a man of deep social consciousness long before the phrase was part of the language of business. He communicated a set of core values in 1960 – less than a year after we launched the modern-day Xerox – that focused on our customers, our people, excellence, innovation and behaving responsibly as a corporate citizen.

While just about everything in our industry has changed and changed again since then, these two men have a strong influence on Xerox today. We continue to innovate new ways to simplify complex and tedious tasks... and the values first shared in the ’60s continue to be the bedrock of our company.

Today, we still live our beliefs and our values through our actions. We know that being a good corporate citizen is integral to our innovation and top-line performance.

That thinking has taken us to some interesting places and produced some significant results. We’ve evolved from the well-established copier company to the world’s leading enterprise for business process and document management.

Through the broader business we’re building, I’m more convinced than ever in the power of this company to help build a better, more sustainable world.

In our 2013 Global Citizenship Report, you’ll find rich and concrete evidence of our progress.

- You’ll read about our equipment and supplies return, reuse and re-manufacturing program and how we’ve diverted more than 2.2 billion pounds of waste from landfills worldwide.
- You’ll learn why we continue to be recognized as having one of the most diverse workforces in the world, and why we are often viewed as one of the best places to work, to grow and to contribute.
- You’ll see how our researchers are helping cities in the U.S., Latin America and Europe improve traffic flow and relieve traffic congestion. That means less fuel and less pollution.
- You’ll find out about our efforts to broaden and expand the number of young people entering the fields of science, technology, engineering, and mathematics – the STEM disciplines. Investments in innovation and in STEM have shaped our company for decades and will influence our future.



“Through the broader business we’re building, I’m more convinced than ever in the power of this company to help build a better, more sustainable world.”

- You’ll learn about how much of our business today is centered on helping our customers reduce their reliance on paper through software- and service-based solutions that take paper out of the mix and digitally move transactions, like health insurance claims and loan applications, into faster, simpler, more accurate and more sustainable workflows.

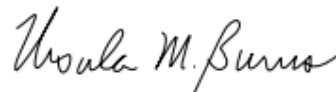
Our commitment to sustainability doesn't stop there. This report is also filled with numbers. In our big data world, numbers speak volumes about results. They influence your business decisions and they influence the way we run our business. Just about every Request For Proposal we see these days wants to know how we're making the world a better place – from our environmental stewardship and sustainability to ethical governance and community involvement. And in just about every case, we can come up with a triple-bottom-line benefit – good for our customers, good for Xerox and good for the planet.

Across industries and around the globe, businesses and governments are recognizing the value proposition of today's Xerox. We have people who are passionate about making our communities better than they are... a corporate culture that is committed to diversity and continuous improvement... and an innovation community that's harnessing the potential of services and technologies for the promise of a better world.

Chester Carlson was on to something 75 years ago. And, today at Xerox, we continue to believe our purpose is to simplify how work gets done. When we do just that in smart, sustainable ways, our hope is that the world works a little better... for the next 75 years and beyond.

I think Chester Carlson and Joe Wilson would like the evolution of the company they founded. Take a look inside and see for yourself. Then, let us know what you think. Feedback from our stakeholders keeps us grounded and on a steady path for improvement. Feel free to email us at citizenship@xerox.com with your thoughts.

Thanks for your interest.

A handwritten signature in black ink, reading "Thoma M. Burns". The signature is fluid and cursive, with the first name "Thoma" being more prominent than the last name "Burns".

Chairman and Chief Executive Officer

Our Progress

Sustaining Business
Independence of
the Board

90%

Board
Independence



Evolving The Workplace
Employee Satisfaction

75%

Satisfied
Employees



Evolving The Workplace
Employee Inquiries

2,745

Received and
Routed for
Resolution



Evolving The Workplace
Diversity: Women in
Management

26%

of Senior
Managers
in U.S.



Evolving The Workplace
Diversity: Minorities
in Management

13.6%

of Senior
Managers
in U.S.



Evolving The Workplace
Recordable Injury
Rate

5%

Increase
from 2011



Evolving The Workplace
Days Away from
Work Case Rate

13%

Increase
from 2011



Serving Customers
Equipment Market
Share

#1

Equipment
Revenue
Market Share



Serving Customers
Patents Awarded
to Xerox

1,900⁺

Patents
Granted



Serving Customers
Customer Service

A+

Customer
Service
Experience



Serving Customers
Market Leadership



Confirmed
Industry Leader



Caring for Communities
Xerox Foundation
Giving

\$13.5

Millions in
Grants and
Giving



Caring for Communities
Employees in
Community Activities

12K⁺

Employees,
713 Projects



Preserving the Planet
Reuse/Recycle Rate

93%

of Non-
hazardous Solid
Waste Recycled



Preserving the Planet
Water Consumption

17%

Reduction
from 2011



Preserving the Planet
Greenhouse Gas
Emissions

9%

Reduction
from 2011



Preserving the Planet
Achieving ENERGY
STAR® Rating

100%

of New
Products



Preserving the Planet
Landfill Avoidance
Rate

99.3%

of Customer
Returned
Equipment, Parts
and Supplies



Preserving the Planet
Scope 3 GHG
Emissions

14%

Reduction in
GHG Emissions
from Air Travel



Preserving the Planet
Energy Use
Reduction

33%

from "Energy
Challenge"
Baseline Year
2002



Our Progress

Sustaining Business

Independence of the Board

Year	2009	2010	2011	2012
Results	80 %	88 %	90 %	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.

Improving the Workplace

Employee Satisfaction

Year	2009	2010	2011	2012
Results	77 % *	72 % **	74 %	75 % ***
	*North American data only.	**Global data based on 72,000 survey results. The North American percentage agreement is 82 %.		***Data based on over 14,000 survey results from three geographies in the Xerox Technology line of business: Xerox Europe, Xerox Canada, and Developing Markets.

Highlights:



Our proprietary Voice of the Employee Survey allows managers to create a personal pulse survey to assess their employees' satisfaction on their job, workgroup, manager, and on Xerox as a whole. Since 2009, we have surveyed 100 % of our global population of 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. The Voice of the Employee survey will be globally implemented again in 2013, and every two years thereafter.

Employee Inquiries

Year	2009	2010	2011	2012
Results	4,106 inquiries received and routed for resolution	6,698 inquiries received and routed for resolution	3,291 inquiries received and routed for resolution	2,745 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 decline in inquiries from 2011 to 2012 is due to the overall resolution of systemic issues in the system and the ability for employees to provide comments/suggestions or raise technical issues, which are routed to another system for resolution.

Diversity: Women in Management

Year	2009	2010	2011	2012
Results	31.8%	49.7%	49.8% (U.S. only)	40.8% (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 workforce makes good business sense.

52.3% of employees in the U.S. are women, and women represent 26% of the executive and senior level managers in the U.S. Diversity reporting is not tracked in most other countries.

The decline from 2011 is due to the inclusion of our Services business.

Diversity: Minorities in Management

Year	2009	2010	2011	2012
Results	20.2%	22.7%	37.5% (U.S. only)	23.4% (U.S. only)

Highlights:



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.

Minorities represent 39.4% of employees and 13.6% of the executive and senior level managers in the U.S. Diversity reporting is not tracked in most other countries.

The decline from 2011 is due to the inclusion of our Services business.

Recordable Injury Rate

Year	2009	2010	2011	2012
Results	Down 7% from 2008	Up 18% from 2009	Down 1% from 2010	Up 5% from 2011

Highlights:



Improved injury reporting from our worldwide operations and the redistribution of our employee work assignments have resulted in increased injury rates.

In 2012, we continued a safety improvement project initiated to improve employee safety awareness and management inspection of safe work practices. We also further expanded our health/safety/wellness communications to our technician workforce.

Days Away from Work Case Rate

Year	2009	2010	2011	2012
Results	Down 4 % from 2008	Up 4 % from 2009	Up 6 % from 2010	Up 13 % from 2011

Highlights:



Improved injury reporting from our worldwide operations and the redistribution of our employee work assignments have resulted in increased injury rates.

In 2012, we continued a safety improvement project initiated to improve employee safety awareness and management inspection of safe work practices. We also further expanded our health/safety/wellness communications to our technician workforce.

Serving Customers

Equipment Revenue Market Share

Year	2009	2010	2011	2012
Results	#1 in Q4	#1	#1	#1

Highlights:



Xerox is the leader in equipment revenue market share for the 13th straight quarter (4Q2012). 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	2009	2010	2011	2012
Results	1,131	1,605	1,618	1,900

Highlights:



Xerox was granted 1,215 U.S. patents in 2012, ranking the company as one of the world's top innovators. Our joint venture in Japan, Fuji Xerox Co. Ltd., received 686 U.S. patents. The Xerox group garnered 1,900 patents total. 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	2009	2010	2011	2012
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.	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.	In 2012, we continued our investment in a new customer satisfaction process to ensure our award-winning service and customer-centric approach build customer loyalty and trust. It's a core competency and a competitive advantage for Xerox.

Highlights:



Service and support for Xerox® products earned five consecutive industry certifications from 2006-2010 under the J.D. Power and Associates Certified Technology Service and Support ProgramSM. All forms of customer support – phone, online, on-site – were evaluated by independent service industry experts who recognized our support services as among the best in class. These certification reviews have ensured we maintain 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	2009	2010	2011	2012
Results	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 and 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.	Gartner, Inc.: Leaders Quadrant for Managed Print Services; Comprehensive Finance and Accounting BPO, Global; Customer Management Contact Center BPO, Worldwide; Help Desk Outsourcing, North America; Desktop Outsourcing Services, North America. Challenger in Data Center Outsourcing and Infrastructure Utility Services, North America. Niche Player for e-Discovery Software. IDC: Major Player for Managed Print Services and Comprehensive HRO in MarketScape. Forrester: Leader in Managed Print Services in The Forrester Wave TM .

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 Xerox to achieve the grand slam in Managed Print Services recognition by being named by the top analyst companies IDC, Gartner, Forrester, and Quocirca as an industry leader.

Caring for Communities

Xerox Foundation Giving

Year	2009	2010	2011	2012
Results	\$12.0 million	\$12.5 million	\$13.5 million	\$13.5 million

Highlights:



In 2012, 2,676 nonprofit 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	2009	2010	2011	2012
Results	8,650 Employees 648 Projects \$978,018	10,137 Employees 712 Projects \$1,009,584	12,291 Employees 751 Projects \$1,000,000+	12,713 Employees 713 Projects \$2,180,629

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, in 2012, 11 Xerox employees were awarded fully paid Xerox social service leave sabbaticals, dedicating their time to organizations in need of their business acumen.

Preserving the Planet

Reuse/Recycle Rate of Non-hazardous Solid Waste

Year	2009	2010	2011	2012
Results	91 %	89 %	91 %	93 %

Highlights:



In 2012, our facilities in Dundalk, Ireland, joined the Emulsion Aggregation Toner manufacturing operations in Webster, New York, Wilsonville, Oregon, and Venray, Netherlands, in achieving zero waste to landfill.

Water Consumption

Year	2009	2010	2011	2012
Results	Down 7 % from 2008	Down 7 % from 2009	Down 15 % from 2010	Down 17 % from 2011

Highlights:



As part of our commitment to conserve resources, we monitor water consumption across our manufacturing, distribution and R&D facilities worldwide. Water consumption decreased 35 % over baseline year of 2009.

Greenhouse Gas Emissions

Year	2009	2010	2011	2012
Results	Down 11 % from 2008	Down 3 % from 2009	Down 9 % from 2010 Down 36 % from 2002	Down 9 % from 2011 Down 42 % from 2002

Highlights:



Since 2002, Scope 1 and 2 greenhouse gas emissions are down 42 % in our Document Technology business. The reductions are the result of improved energy efficiency, new technologies and improved energy management practices.

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

Achieving ENERGY STAR® Rating

Year	2009	2010	2011	2012
Results	92 %	100 %	100 %	100 %

Highlights:



In 2012, 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	2009	2010	2011	2012
Results	98 %	97 %	98 %	99.3 %

Highlights:



Our approach to managing products at end-of-life translates into significant environmental and financial benefits. Globally, our combined returns programs (equipment remanufacture in conjunction with parts and consumables reuse and recycling) prevented over 42,000 metric tons of waste from entering landfills in 2012 alone.

Greenhouse Gas Emissions from Employee Business Air Travel

Year	2009	2010	2011	2012
Results	12	14	12, down 14 % from 2010	11, down 8 % from 2011

Highlights:



We are in the process of expanding greenhouse gas (GHG) tracking to include Scope 3 emissions, beginning with employee business travel. We measured these 2012 Scope 3 emissions at 11,000 metric tonnes of carbon dioxide equivalents (CO₂e), down 8 % from 2011. A decrease in employee air travel has been achieved through the increased use of videoconferencing and other technology. We have also added measurement of Scope 3 emissions from Product Transport to our 2012 reporting – please see Metrics Chart in our 2013 Environment, Health, Safety and Sustainability Report.

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

Energy Use Reduction

Year	2009	2010	2011	2012
Results	21 %	22 %	27 %	33 %

Highlights:



We are proud to announce that through the teamwork of Xerox people worldwide, we have achieved and surpassed our goals for the Xerox “Energy Challenge 2012” program. In 2003, we established a program and made a public commitment to reduce greenhouse gas (GHG) emissions by joining the U.S. EPA Climate Leaders program and launching an internal program known as “Energy Challenge 2012.”

We adopted a goal of reducing by 10 % our absolute GHG emissions across all company operations by 2012, from a 2002 baseline. We met this target six years ahead of schedule and in 2007, we set a new and challenging goal to reduce our GHG emissions by 25 % by 2012, from the 2002 baseline.

At the conclusion of the corporate “Energy Challenge 2012” program, we successfully reduced emissions by 42 %, or 210,000 tons of CO₂e, while saving energy – consumption was down 33 % compared with 2002.

Materiality

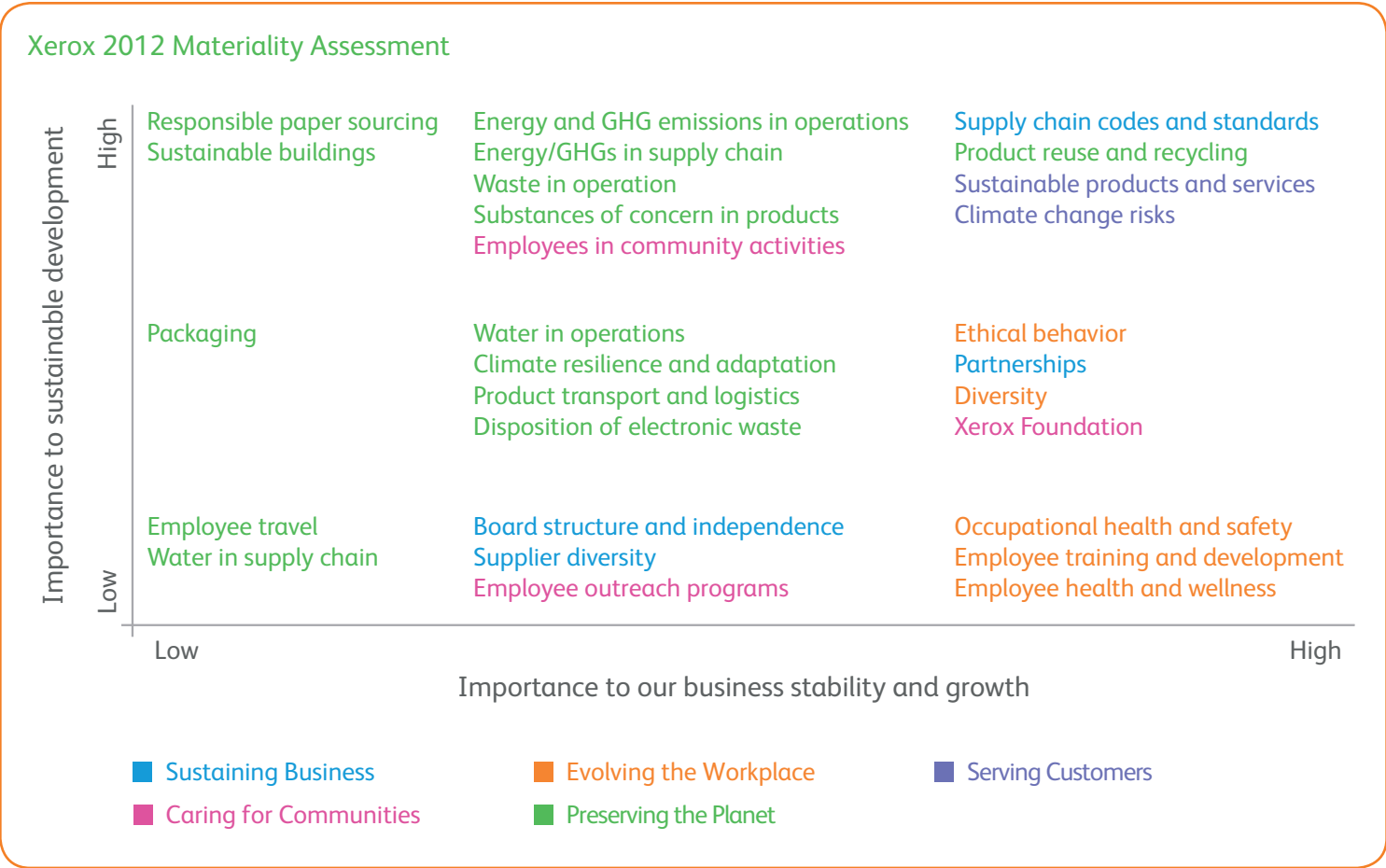
In order to determine materiality, we examined changing external factors, including regulations and standards; social challenges people face around the world; our evolving business model; and the environmental impact on our products, services, processes and operations.

Our assessment included an array of fact-finding forums, including interviews and workshops with internal stakeholders and Xerox leaders. It also included reviews of public and internal Xerox documents; discussions with our suppliers; and feedback from our employees.

- We concluded:
- Product- and Service-related opportunities, such as improving energy efficiency and expanding access to technology, represent the leading areas where we can create value for society and for our business.
 - Managing our operations responsibly — from decreasing environmental impacts to protecting customer privacy to promoting diversity and ensuring ethical behavior — is important to our company.
 - Enhancing health, safety and labor conditions in our global supply chain is among the most important ways we can drive sustainable development.

With these findings, we confirmed the relevancy and importance of our four environmental goals and priorities that apply across the value chain; our partnerships with non-government organizations, customers, academia, and regulatory agencies; and the Code of Conduct to which we hold our employees and global suppliers accountable.

The schematic below summarizes the results of our materiality assessment for corporate social responsibility.



Connecting With Us

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

Xerox Corporation

45 Glover Avenue
Norwalk, CT 06856-4505
United States
203.968.3000
www.xerox.com

Ethics Helpline:

866.XRX.0001
North America; International
numbers and Web submission
tool on www.xerox.com/ethics
Email: ethics@xerox.com

Products and Services

www.xerox.com or by phone:
800.ASK.XEROX (800.275.9376)
[@XeroxSupport](https://twitter.com/XeroxSupport)

Environment, Health, and Safety

Progress Report:
800.828.6571, prompts 1, 3
www.xerox.com/environment

Additional Information

The Xerox Foundation:
203.849.2478
Email: evelyn.shockley@xerox.com

Governance:

www.xerox.com/governance

Diversity Programs and EEO-1 Reports:
585.423.6157
www.xerox.com/diversity

Questions from Students and Educators:

Email: nancy.dempsey@xerox.com

Xerox Innovation:

www.xerox.com/innovation

Minority and Women-Owned Business Suppliers:
585.423.3150
www.xerox.com/supplierdiversity

To comment on this report:
Email: citizenship@xerox.com

Follow us on:



www.facebook.com/XeroxCorp



www.linkedin.com/company/Xerox



[@XeroxCorp](https://twitter.com/XeroxCorp)

2013 Xerox Corporation. All rights reserved. Xerox®, Xerox and design®, and Sentinel Customer Satisfaction Assurance System® are trademarks of Xerox Corporation in the United States and/or other countries.

Energy Star is a registered trademark of the Environmental Protection Agency. The Forrester Wave is a trademark of Forrester Research, Inc. J.D. Power and Associates Certified Technology Service and Support Program is a service mark of the McGraw-Hill Companies, Inc.
BR7614

