



2017

Corporate
Responsibility
Report



“Throughout the decades, we have enhanced the lives of all our stakeholders, from clients and employees to the communities where we operate and the environment we all share. Today, as a technology company focused on global commerce, we continue to build on that tradition through the combined energies of our 14,000 talented and dedicated people.”

– **Marc B. Lautenbach**
President and Chief Executive Officer

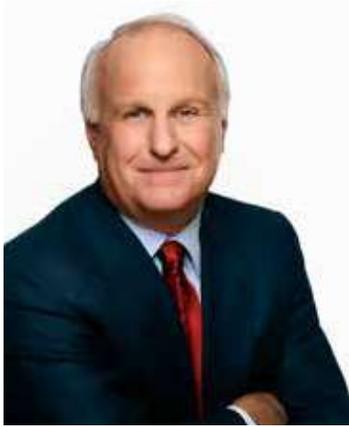


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A Letter from Marc B. Lautenbach

President and Chief Executive Officer



Five years ago, shortly after I joined Pitney Bowes as CEO, I sat down with three of my predecessors to gain their perspectives on what makes this company so special. They all agreed on one thing: that the company's remarkable long-term success is the direct result of its culture of innovation, inclusion and community involvement, and the calibre of people its culture attracts.

Five years is just a fraction of the near-century that Pitney Bowes has been in business; however, it's enough time to have proven the wisdom of this advice—and the power of these values—to propel our reinvention into a 21st-century digital company. This Corporate Responsibility Report offers numerous markers of our progress to date along the way. It shows that despite far-reaching changes in our business model, we are still the same Pitney Bowes in our commitment to act responsibly and “do the right thing, the right way” in communities around the world. At the same time, it points the way to further steps along the distinctive path that we have pursued.

Throughout the decades, we have enhanced the lives of all our stakeholders, from clients and employees to the communities where we operate and the environment we all share. Today, as a technology company focused on global commerce, we continue to build on that tradition through the combined energies of our 14,000 talented and dedicated people. In everything from our longstanding record of diversity and inclusion to our innovative health, safety and wellness programmes, the steady shrinking of our carbon footprint through resource conservation and recovery, and our groundbreaking ecommerce solutions, living our values every day makes us a better company and a more powerful resource for our clients.

Numerous industry observers have noted our success, including, among many others, Forbes (“America’s Best Large Employers”), The Economic Times (“India’s Best Companies to Work For”), DiversityInc (“Top 50 Companies for Diversity”), the Drucker Institute (“Top 250 Most Effectively Managed Companies”) and the American Heart Association (“Fit-Friendly Worksite Gold Award”). Such recognitions reinforce our efforts by confirming that we are on the right track. But a far greater force is the attitudes and actions of our own employees around the world, both on the job and through their extensive personal volunteerism.

This past year our global volunteer programme, Dedication to Education, spanned 75 projects, bringing innovative programming to classrooms and community organisations in 30 locations in seven countries. All told, our philanthropy programmes reached 187,000 students and provided 4.3 million hours of enrichment, from early literacy to STEM education, entrepreneurial training and mentoring. Our employees' commitment to community service resulted in 59,000 hours of volunteerism. And their individual charitable donations, matched by the Pitney Bowes Foundation, yielded \$2.7 million in direct financial support for more than 1,800 organisations.

This work is far from incidental to our business. It is an integral part of who we are and how we choose to operate. In 2020, Pitney Bowes will celebrate its 100th year with our eyes firmly fixed on a future of continued purposeful innovation and service. I have no doubt that our culture and heritage will give us an immense competitive advantage as we explore the next generation of opportunities. And I'm grateful to everyone in our organisation who's worked so hard to make it possible.

Marc B. Lautenbach
President and Chief Executive Officer

Our business practices

Every day, we demonstrate our commitment to corporate responsibility through the way we conduct business. Our culture of integrity and shared values is fundamental to our success and has been throughout our history. We hold employees responsible for adhering to company policies and values as well as local laws and regulations.

Our core value statement, “We do the right thing, the right way”, defines how we have chosen to conduct our operations and sets the tone for how we interact with our stakeholders. Employees of Pitney Bowes are committed to treating our clients, business partners, co-workers and communities where we live and work with fairness, honesty, respect and integrity. The company’s success as industry leader, employer, business partner and global citizen has been built on these commitments for more than 95 years.

Values and ethics

Our core value statement, “We do the right thing, the right way”, defines how we have chosen to conduct our operations and sets the tone for how we interact with our stakeholders. Employees of Pitney Bowes are committed to treating our clients, business partners, co-workers and communities where we live and work with fairness, honesty, respect and integrity. The company’s success as industry leader, employer, business partner and global citizen has been built on these commitments for more than 95 years.

Code of Conduct

The Pitney Bowes Business Practices Guidelines is our code of conduct. It provides an overview of policies, laws and expectations of conduct for all employees globally. While legally compliant behaviours are the minimum expectation, we expect employees to conduct themselves with the highest ethical standards. We have adopted one version of our code of conduct for our employees based in the United States and another version for our employees based in international locations (in multiple languages) in order to accommodate differences in legal requirements and cultural practices.

Ethics and Compliance Review Committee

We have an established Ethics and Compliance Review Committee that meets on a regular basis. This committee monitors and supports business and functional unit compliance with the regulatory mandates that directly impact daily operations (for example, regulations governing government contracts or disposal of product components). The committee includes senior leaders who span the full range of corporate functions and business units. Due to the complexity and multiplicity of regulations concerning labour and employment, we maintain a separate committee specifically focused on this area. That committee also meets regularly.

Training

Employees have a right to know and understand the behaviours the company expects of them. We communicate our expectations through ongoing annual education and training initiatives, which we customise to fit the needs of individual employee groups using a variety of content delivery methods. Each year, we provide foundational or comprehensive training in certain significant

compliance topics applicable to all as well as abbreviated training that reviews the highlights of the in-depth courses given the previous year. We also provide refresher communications to remind employees of the essential elements of courses delivered in preceding years. New employees receive introductory compliance training related to their jobs, and are then enrolled the following year in the courses given to the general employee population. This cyclical approach helps employees to keep thinking about key requirements on a regular basis. Our annual training material is available in multiple languages.

In addition to our standard courses, we offer a variety of awareness initiatives and video vignettes. Our "Setting the Right Tone (Tone at the Middle)" programme assists our middle managers in creating their own compliance messages for their employees. And for employees who do not have access to computers, managers provide monthly huddle training on topics covered in our Business Practices Guidelines.

Advice and Reporting Channels

We encourage employees to seek advice in dealing with ethical dilemmas and to report any suspected or actual wrongdoing. Our Ethics helpline is operated by a third-party administrator 24 hours a day, seven days a week. Employees can call the line to report their concerns (anonymously, if permitted by local law) in any of 140 languages or make a report online. Employees may also contact the Global Ethics and Compliance Department in person or through web page reporting, hard copy mail, telephone or confidential email. Global Ethics and Compliance promptly reviews all claims of potential violations of law or policy and, where appropriate, works with the appropriate stakeholders to investigate those claims. If the investigation supports the allegations, we take appropriate and consistent disciplinary action.

Risk and business continuity

Risk

We have a structured, consistent and continuous risk management process in place across our organisation. The Company's Enterprise Risk Management programme (ERM) identifies and monitors the Company's enterprise risks and manages our response to those risks through appropriate action plans. These risks are reviewed in the context of the Company's strategies, operations, business environment and other factors, and are updated periodically. Throughout the year, the risks are reviewed by the Company's Risk Steering Committee, which is a cross-functional team representing both business unit and corporate staff functions. Each enterprise risk is also reviewed in depth by either a committee of the Board of Directors or the full Board for discussion and possible action. The Audit Committee also independently reviews policies and processes with respect to risk identification, assessment and management. This focused, multilevel ERM process is a vital tool to help the Company create, preserve and realise value for our shareholders.

Business continuity

Our business continuity programme is aligned with our risk management process. The programme's primary objective is to support ongoing contingency planning to evaluate the impact of events that may adversely affect clients, assets or employees. Pitney Bowes has established processes to support the continuity of our businesses during times of crisis. With a core staff and engagement by our business units, we are able to respond appropriately as events arise. We also train our employees, run simulation exercises and evaluate our programme each year for potential improvements.

Privacy

Pitney Bowes is committed to protecting the privacy of personal and sensitive information. We continue to update and enhance our processes and systems to protect client, employee and company data. We build privacy into the design of our products, give clients choices about the information they share and are transparent about how their data is used. As a global company, Pitney Bowes currently complies with privacy laws around the world, including the European Union's General Data Protection Regulation. We also adhere to applicable law and regulations regarding the movement of client, partner and employee personal information across geographical and jurisdictional borders including certification under the EU-US and EU-Swiss Privacy Shield programme. Our goal is to foster innovation and trust in the evolving digital economy by minimising privacy risks, meeting our regulatory and legal obligations and practising data stewardship.

We require all Pitney Bowes employees and partners to follow our comprehensive policies for the protection of privacy and adherence to data protection law and regulation. Our Chief Data Protection Officer manages our global data privacy programmes and works closely with all of the operating business units, as well as Information Technology, Engineering and Internal Audit. Senior executives comprise our Privacy and Security Governance Committee, which oversees these efforts. We also review privacy risks and mitigation plans with a senior management Risk Steering Committee and the Board of Directors. The Board of Directors also reviews our overall efforts regarding cybersecurity on a regular basis.

Advocacy

Our Government and Regulatory Affairs organisation helps Pitney Bowes to navigate the complex government and regulatory environments in which we operate. We engage in public policy and political processes in a variety of ways.

Where public policies impact our business and our clients, we aim to lend an informed and constructive voice. We naturally focus our efforts in areas and geographies most relevant to our business, including policies related to the postal industry, shipping and ecommerce, trade and privacy.

We maintain a robust compliance programme to ensure that our advocacy work complies with all applicable laws. We also hold ourselves to the highest ethical standards in this work. We voluntarily report our adherence to these principles for corporate political spending on an annual basis.

Questions regarding these principles should be addressed to Pitney Bowes Global Government and Regulatory Affairs, 3001 Summer St., Stamford, CT 06905, USA or to govtaffairs@pb.com.

US corporate political spending governance

The Governance Committee of the Pitney Bowes Board of Directors oversees the company's political activities, including our policy on political expenditure. The Committee, composed entirely of independent directors, reviews regular reports regarding the company's contributions to political candidates, committees and political parties, as well as our expenditure on trade associations and other tax-exempt organisations that could be used for political purposes. The Committee receives periodic briefings on the company's political activities and spending. Our entire Board of Directors is also briefed on these activities.

In addition to Board oversight, we periodically seek review of our political contribution policies and compliance by independent experts.

The Global Government and Regulatory Affairs team, which is led by a senior manager of the company, is responsible for day-to-day decision-making on political activities. This person oversees the company's participation in the political process and has final authority on contributions to political candidates, committees and political parties, as well as our expenditure on trade associations to support the company's objectives. This team leader reports directly to a member of the Pitney Bowes senior management team, who in turn reports directly to the CEO.

The Pitney Bowes Corporate Contributions Committee is composed of Pitney Bowes senior-level managers. This committee oversees decision-making related to corporate contributions to candidates, committees and political parties. The criteria we use to determine what candidates and candidate committees to support are detailed under Political Spending.

Political spending in the United States

In the US, we do not contribute corporate funds or make in-kind contributions to candidates for federal office or to national party committees. Our policy on expenditure with corporate funds is reflected in the company's Code of Conduct, known as our Business Practices Guidelines.

Independent expenditure: We do not use corporate funds to make any direct independent expenditure or to fund electioneering communications on behalf of candidates running for public office.

Ballot measures: We do not generally use corporate funds to support or oppose ballot measures. If a matter with significant impact for our business were on the ballot, any contribution to a campaign for or against the measure would require the approval of the Pitney Bowes Corporate Contributions Committee.

Corporate political contributions: We utilise corporate funds to contribute to US state-level candidates, committees and political parties, in large part because a number of states do not allow the use of a Federal PAC, which historically has been our most common channel for political giving. Our corporate contribution decisions are based on a variety of factors, including the candidate's or committee's views on public policy issues that are important to Pitney Bowes; demonstrated leadership or potential for leadership within their party; representation of districts or states where Pitney Bowes has a business presence; service on committees whose actions could affect our business; and likelihood of election success.

In the US, we also use corporate funds to support a small number of organisations of state-wide elected and appointed officials and political party convention committees, some of which are known as 527 organisations. Historically, we have balanced our contributions between the two major political parties, although

the amounts may vary from year to year. We do not consult with any of the groups regarding the disbursement of their funds. On our website, twice a year we disclose the aggregate contributions made from corporate funds for such organisations.

We make contributions to support the interests of Pitney Bowes, without regard to the private political interests of company executives, officers or board members. We do not make campaign contributions in anticipation of, in recognition of, or in return for an official act.

Trade associations and other organisation memberships and partnerships: Pitney Bowes is a member or partner of several industry, trade and other groups that represent the mailing, technology and global ecommerce industries, as well as groups representing the general business community. We invest in these partnerships in an effort to bring about consensus on policy issues that can impact our business and our clients. Our participation in these groups comes with the understanding that while we may have some shared policy interests, we may not always agree with the positions of the larger organisation and/or other members.

Each year, we make reasonable efforts to obtain from member associations the portion of the company's dues or payments totalling \$25,000 or more that were used for non-deductible lobbying and political expenditure under Internal Revenue Code section 162(e). This information is publicly disclosed as required by law as part of a report to the US House of Representatives, which can be found at clerk.house.gov/public_disc and the US Senate, which can be found at senate.gov/legislative/Public_Disclosure/LDA_reports.htm.

We do not plan to request information concerning the contributions made by these groups to others, nor do we plan to condition our membership or sponsorships of organisations on any specific criteria other than those that may help to advance our business objectives.

Employee involvement

We value the right of our employees to participate in the political process in a variety of ways. This participation is a matter of personal choice. We require that our employees' personal political activities do not suggest an endorsement by Pitney Bowes, are not conducted during an employee's scheduled working time and do not involve the use of any company resources. In addition, we do not reimburse employees, directly or indirectly, for political donations or expenses. These principles are reflected in the company's Business Practices Guidelines, which is our Code of Conduct.

In the US, we provide an opportunity for employees to voluntarily participate in the political process by joining the company's non-partisan political action committees, the Pitney Bowes PACs. The PACs allow our employees to pool their financial resources to support political candidates, parties and committees to help further the interests of the company.

Pitney Bowes PAC contributions are funded exclusively through voluntary contributions from eligible employees who are US citizens or permanent legal residents. Personal contributions to the Pitney Bowes PACs have no bearing upon an employee's standing with the company, nor will we take any retaliatory action against an employee who chooses not to contribute.

Senior managers serve on the Political Action Committee, which oversees PAC contributions to candidates, committees and political parties. Recipients of PAC contributions are determined by considering the candidate's or committee's: views on public policy issues that are important to Pitney Bowes; demonstrated leadership or potential for leadership within their party; representation of districts or states where Pitney Bowes has a business presence; service on committees whose actions could affect our business; and likelihood of election success.

Our PACs make contributions to support the interests of Pitney Bowes without regard to the private political interests of company executives, officers or board members. The PACs do not make contributions in anticipation of, in recognition of, or in return for an official act.

The Pitney Bowes Federal PAC reports its contributions to the Federal Election Commission, which can be found at fec.gov/, and the New York State PAC reports its contributions to the New York State Elections Commission. The Commission's website is elections.ny.gov/INDEX.html. The Pitney Bowes PACs disclose their contributions on the Pitney Bowes website twice a year.

Environment

Pitney Bowes has a long tradition of environmental responsibility, and each year we seek ways to further reduce our environmental footprint. Over the past 50 years we have worked to minimise our waste streams, expand on our use of returnable/reusable packaging designs, maximise the use of water-based inks, evaluate “greener” alternative waste-stream disposal practices, use partnerships to improve the recovery of equipment for reuse, recycling and end-of-life stewardship, employ innovative, responsible waste management vendors, and manage the remediation efforts from legacy site contamination.

Global policy

Pitney Bowes is committed to complying with applicable Environment, Health and Safety regulations for our operations globally. We aim to:

- Provide safe products and services.
- Reduce their impact on the environment.
- Go beyond compliance to be a leader in best EHS practices.
- Conduct our operations in an environmentally responsible manner.
- Ensure that our employees can work without injury at our facilities or other locations.

Compliance with this policy is the responsibility of every employee.

- The Global Environment Health and Safety Department is responsible for establishing policies and monitoring implementation.
- Corporate, subsidiary and business unit heads are responsible for implementing corporate EHS programmes tailored to their business needs, within their operations.

Energy conservation and waste management

Carbon management

In 2007, we established our baseline carbon footprint following the World Resources Institute protocol and published the Pitney Bowes Corporate Technical Standard on Carbon Management. This document established the requirements for the creation of a carbon management programme to address climate change, including energy consumption and conservation measures and public reporting of the Pitney Bowes carbon footprint. Using a process validated by third-party review, we provide guidance for our lines of business, laying out enterprise-wide energy consumption data collection standards, outlining roles and responsibilities for each business, and establishing the tool to be used to collect and report the data to the corporation. This guidance is updated frequently to reflect changing guidance from industry organisations like the Carbon Disclosure Project (CDP™) as well as internal changes in our business.

Revised baseline

In 2014 we revised the baseline to account for the sale of Pitney Bowes Management Services. We publicly report our carbon footprint through the international Carbon Disclosure Project (CDP™) and participate in both the Investors and Supply Chain Surveys.

For the ninth year, our protocol for the collection and reporting of global carbon emissions has received third-party verification following an extensive review. Our verification includes a review of Scope 1 (direct fossil fuel emissions), Scope 2 (electricity consumption) and Scope 3 (carbon emissions due to business air travel).

Carbon disclosure and performance

Our ongoing efforts in site consolidation and implementation of energy-efficient equipment and processes continue to pay dividends in reducing both our energy costs and our overall carbon footprint. We achieved our 2017 energy reduction target (5 years, 15%) by the end of 2014, and set a new target of a further 8% carbon reduction over the next five years. Our Scope 1 and Scope 2 emissions were neutral from 2015 to 2017.

Continued climate disclosure achievement

During 2017, we continued to receive high marks from CDP, with an overall score of "A-" for our disclosure efforts. This letter-grade score, part of a new scoring system implemented by CDP, places us among a small number of CDP-reviewed companies performing at this level.

In prior years, we were also delighted to have been chosen by the US Environmental Protection Agency (EPA) as a 2016 Climate Leaders Award Winner in the category of Excellence in Greenhouse Gas Management Goal Achievement for reducing global absolute GHG emissions 15% from 2012 to 2014.

Renewable energy

We are a founding member of the Green Power Market Development Group, an industry partnership with the EPA to promote the development and purchase of alternative energy. Since 2003, we have purchased renewable energy credits (RECs) to support green power projects using technologies such as solar, wind and biomass. So far, our RECs have resulted in more than 86,000 tonnes of CO₂ emission reductions.

Reducing energy consumption

We are committed to making all our operations greener and more efficient. Our cross-functional Energy Task Force has raised employee awareness about energy conservation and led to significant reductions in energy consumption. By the end of 2017 we had reduced our electricity consumption by more than 34.6 million kilowatt hours from our 2007 baseline, saving \$4.63 million and reducing our carbon footprint by 16,134 tonnes of CO₂. Energy-saving initiatives have included more efficient lighting fixtures and computer monitors as well as site consolidations.

In 2017, the company continued to focus on site consolidation as part of its strategic transformation initiative. Over the last five years, these efforts have enabled us to reduce related energy consumption by more than 26.5 million kilowatt hours of electricity, resulting in a reduction of over 10,353 tonnes of carbon emissions.

Minimising waste from operations

Since 1996 Pitney Bowes has taken part in the EPA's WasteWise Initiative, a voluntary programme to minimise the generation of wastes, increase recycling and promote the manufacture and purchase of products with recycled content. Over the years we have received nine awards from the EPA, including designation as Program Champion and Partner of the Year. In 2007, we were welcomed into the WasteWise Hall of Fame for our leadership in recycling, and we work hard to sustain our position in the Hall of Fame. Only 15 other companies share this honour. In 2017, we increased internal participation in the WasteWise programme by refining the recycled materials data collection process for our

Presort Business and recruiting additional Newgistics sites to participate.

Our US waste reduction campaign resulted in the avoidance of more than 16,997 tonnes equivalent of CO₂ (MTCO₂E) in 2017. Since 2004, we have avoided 255,790 MTCO₂E, equivalent to the effect of removing more than 46,650 cars from the road.

Minimising electronic waste

Waste from electronic products (e-waste) poses a global threat to soil and water quality. According to United Nations estimates, between 20 and 50 million tonnes of e-waste are generated worldwide each year. Within the US, e-waste now accounts for 80% of the country's toxic garbage and 70% of the heavy metals in landfills. To support the EPA's effort to combat the growth of e-waste, our policy is to recycle all electronics that are not remanufactured. Materials captured through recycling (plastics, steel, aluminium, copper, etc.) are then available for use in a variety of industries. Our selection of a recycling vendor was based in part on the firm's guarantee that all e-waste would be broken down for reuse and no e-waste would be sent overseas. We verify the firm's performance through audits and compliance checks as well as the tracking of waste quantities. In 2017, we recycled a total of 2,446 tonnes of US electronics waste.

How our home and agile work programmes help lower our carbon footprint

Over 1200 Pitney Bowes employees are classified as home-based or agile workers (working from home two or more days a week).

We recently surveyed these employees to find out how much energy the programme is saving. We asked a simple question: "How many miles do you believe you save per week by not commuting to a Pitney Bowes office?"

The results were amazing! More than 400 employees responded to the survey. And just from this group, the combined mileage savings added up to almost 109,000 miles a week, or over 5 million miles a year not driven.

The time savings alone were of enormous benefit to these employees. And the energy savings benefited not only the employees, but the company and the environment as well. Using the EPA estimate of 22 miles per gallon for the average vehicle, the programme saved these drivers over 237,000 gallons of petrol over a one-year period. And using the EPA's average-vehicle emissions estimate of 404 grams of CO₂ per mile driven, it also enabled them to avoid about 2113 tonnes of CO₂ emissions.

Here's how those savings play out in the EPA's Greenhouse Gas Equivalency calculator:



Product compliance and stewardship

Environmental Product Compliance

We have rigorous processes and procedures to ensure that our products comply with environmental standards and requirements. We have also integrated these environmental product compliance standards into our Supplier Code of Conduct and into our supplier contracts, engineering standards and product specifications. We ask our suppliers to provide data into a database that we use to monitor our, and their, compliance.

To manage and support these initiatives, we utilise two cross-functional teams: a Product Compliance Team (PCT) and an Environmental Committee (EC). The PCT includes representatives from Procurement, Supply Chain, Quality, Engineering, Environmental Health and Safety (EHS), Finance, Global Product Line Management and other support groups. The Environmental Committee, which oversees the work of the PCT, is made up of managers holding senior positions in Procurement, Global Supply Chain, Engineering, EHS, Quality, Ethics and Compliance, Legal, Finance, Business Continuity, Global Product Line Management, Enterprise Risk and Internal Audit. In addition to providing guidance, the Environmental Committee authorises the financial and human resources needed, and enforces corrective measures both within the company and with our supply chain.

Risk assessment and mitigation

The PCT and EC are tasked with identifying risk associated with regulations, suppliers and product types. The PCT evaluates risks on both their potential frequency and their severity.

We identify and prioritise risks in our supply chain by assessing supplier data. We then determine which suppliers require further evaluation based on the data.

Chemical Product Review Team

The PCT also has a subgroup, the CRT, that reviews and approves new Pitney Bowes branded chemical products prior to sale to ensure that they meet PB's safety requirements, have appropriate

safety datasheets (SDS) and are properly tracked for regulatory reporting. Over the past three years, the team has been working to transition our SDS to align with the United Nations Globally Harmonised System of Classification and Labelling of Chemicals. The new 16-section SDS and labels will allow our customers and employees to better classify, communicate and understand chemical hazards. Our safety data sheets can be found at www.pitneybowes.msds.com.

REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) is a European Union regulation regarding the protection of human health and the environment.

As a responsible and environmentally conscious company, Pitney Bowes seeks to fulfil its obligations under REACH regulations by gathering information on the properties of chemical substances used in our products.

For information regarding Pitney Bowes products that may contain any REACH Substance of Very High Concern (SVHC), please contact us at EHS@pb.com.

Environmental Compliance Training

We believe that in order to ensure compliance throughout the company, employees must have awareness and a strong sense of ownership. To that end, we have enhanced our training programme to include online, automated training in addition to in-person training events. This training allows us to reach larger audiences, make it more convenient for employees to schedule, track completion rates and ensure attendance.

Regulatory Reporting and Data Management

We have processes and programmes in place to ensure accurate and consistent regulatory reporting. We maintain a system that documents the assignment of responsible individuals, alerts stakeholders to approaching deadlines, stores reports with associated data, and provides monthly email notifications to management regarding upcoming deadlines, submittal status and completion dates.

Remanufacturing

Our company has a long legacy of product remanufacturing and recycling. Today, 95% of our mailing equipment parts are recyclable. We have established centres throughout the United States, Canada and Europe where customers can return products for subsequent remanufacture, harvesting of parts or recycling. In 2017, equipment remanufacture diverted over 229,000 kilograms of waste from recycling to reuse.

We have a robust remanufacturing process that has kept more than 1.3 million kilograms of products out of our waste streams in the past seven years.

Product stewardship

A Focus on Environmentally Friendly Products

We have a strong focus on environmentally friendly products. Examples include our Green Machine programme, Energy Star rated Pitney Bowes mailing machinery, and a number of computer and monitor product options.

Green machines. Through our Green Machine programme, we offer a variety of Factory Certified Mailstream Solutions. These remanufactured products make an excellent choice for clients looking to contribute to a safer, cleaner and greener environment at substantial savings.

Energy Star partnership. Pitney Bowes is committed to designing and manufacturing energy-efficient equipment because it lowers operating costs and helps preserve the environment. ENERGY STAR is a US government programme designed to encourage the use of energy-efficient products and practices through clear consumer labelling, backed by rigorous standards. The ENERGY STAR label makes it easy for consumers to identify and purchase energy-efficient products that offer savings on energy bills without sacrificing performance, features or comfort.

As an ENERGY STAR® Partner, Pitney Bowes offers Energy Star rated models for the following categories of equipment:

- Mailing machines: DM125, 225, 300, 400, 475.
- Mailing systems: Connect+ 2000 (Connect+ 1000, SendPro® P1000), 500W (SendPro P1500), 3000 (SendPro P3000)

energystar.gov/productfinder/product/certified-imaging-equipment/details/2252613

Computers and monitors. In addition, many of our monitors and computers are also ENERGY STAR® Qualified, Electronic Product Environmental Assessment Tool (EPEAT®) Gold4 rated and TCO certified (Information Technology sustainability certification). We continue to look for opportunities to design, offer and source environmentally friendly versions of these and other products.

Environmental Case Studies

Waste Management

In 2017 we continued our partnership with Veolia Environmental Services, a global provider of waste management services. This partnership allows consistent, cost-effective, environmentally friendly disposal services for both hazardous and non-hazardous waste streams. It also provides for a combination of internal and external auditing of existing waste disposal facilities by Veolia and Pitney Bowes.

Compressor condensate waste minimisation

We also continued and expanded a proactive technical and regulatory review to evaluate the feasibility of discharging small air-compressor condensate waste streams to publicly owned treatment facilities near our US Presort locations and Newgistics locations. Our approach would also incorporate upgrades to our preventive maintenance and waste minimisation procedures.

PB Environmental Management System supports ISO 14001 certifications

We continued our long tradition of promoting best practices in environmental protection by having our environmental management system certified to the internationally recognised environmental standard ISO 14001.

In the UK, our ISO 14001 certification dates from 1997 and has been continuously maintained ever since. In 2017, we transitioned from our manufacturing site-based certification to the new ISO 14001:2015 version covering our UK supply chain operations.



In Sweden, we successfully maintained our ISO 14001:2004 certification and prepared for transition to ISO 14001:2015 version in 2018.

PB France–Conibi partnership

Pitney Bowes France has continued its partnership with the recognised ink cartridge and toner recycler Conibi, which offers a convenient and efficient way for our clients to recycle their used consumables.



Investigation and remediation at the former Chicago Musical Instruments site in Fullerton, California

In 2016 Pitney Bowes finalised an administrative consent decree agreement with the California Department of Toxic Substances Control for the continuing investigation and remediation of the former Chicago Musical Instruments (CMI) site in Fullerton, California. After receiving the formal approval by DTSC in February 2017 to initiate formal activities, the company has worked in accordance with that agreement to further assess and remediate potential soil and groundwater contamination resulting from CMI's long-ceased operations and also assess contaminant contributions from other nearby release sites.

It is a measure of our commitment to environmental responsibility that we have undertaken this work to clean up a site that Pitney Bowes never physically occupied. The 7.5-acre property was used for agricultural purposes from at least 1927 to 1953. From 1954 to 1979 it was owned and utilised by CMI to manufacture musical instruments. CMI's instrument-making operations at the site occurred from the 1950s until the 70s. Since 1979 it has been owned by United Duralume Products, a metal products fabricator. Our connection to the site stems from CMI's subsequent ownership by a predecessor company to a former Pitney Bowes subsidiary previously known as Pitney Bowes Management Solutions, Inc.

Building on our previously submitted Remedial Design and Implementation Plan, in 2017 we installed multi-level groundwater monitoring wells, soil gas probes, and conducted groundwater monitoring to further evaluate and clarify the site's environmental setting. We also expanded and upgraded the Soil Vapour Extraction system at the site to aid in accelerating the clean-up. Pitney Bowes is working in concert with the DTSC to complete the site-level assessment and undertake any remedial action that may be required based on this assessment phase.



View of interim Soil Vapour Extraction system – former CMI site



View of permanent Soil Vapour Extraction system – former CMI site

Environmental Performance

	2017	2016	2015	2014	2013	2012	2011
Direct and indirect emissions of carbon dioxide MTCE	98,616	99,862	103,980*	95,697	96,433	112,732	111,836
Direct emissions of CO ₂ e/\$M revenue	7.68	7.98	7.96	7.67	7.53	9.54	8.14
Indirect emissions of CO ₂ e/\$M revenue	20.94	21.34	21.09	17.36	17.39	13.44	13.05
GHG emissions per unit of floor space (Tons CO ₂ /ft ²)	0.017	0.019	0.019	0.014	0.013	0.02	0.02

Waste recycled/prevented

	2017	2016	2015	2014	2013	2012	2011
Annual pounds (US only)	16,347,146	9,287,065	11,665,202	11,179,760	10,036,000	15,584,000	15,403,520
Annual MTCE avoided	16,997	15,857	11,842	13,095	13,094	20,334	23,562
Annual MTCE avoided/\$M revenue	4.79	4.65	3.31	3.42	3.38	4.15	4.46

Product recycling

	2017	2016	2015	2014	2013	2012	2011
Cumulative pounds (US and Canada only)	63,273,678	57,874,935	53,709,016	48,304,194	43,036,317	36,939,645	31,212,668

* Beginning in 2015 the GHG emissions figure incorporates changes in the Scope 2 GHG Emissions Location-based Accounting methodology published by the World Resources Institute and as such, does not include the carbon dioxide equivalent offset associated with the purchase of renewable energy credits.

Our people

Our people are the heart of our business. They serve our clients, create value for our shareholders, deliver solutions to our markets and help build stronger communities. Through generations of leadership and continuing changes in our business, we've sought to deliver our best to our stakeholders by creating a diverse and inclusive culture—one in which all employees have the opportunity to be respected, have their voices heard, develop their skills and engage in meaningful work. We are proud of our long history of intentional diversity and inclusion, and we look to the power of diversity to help us create an even better future.

Diversity and inclusion

Our vision is to use diversity and inclusion as a competitive differentiator to be:

- more responsive to global clients
- more culturally fluent in the business needs of diverse markets, clients and decision makers
- more attractive to the best talent
- more adept at using multiple perspectives to innovate and solve problems
- more productive working across countries, generations, cultures and ideas

"Our commitment to diversity, inclusion and open markets is the right thing to do, imperative for our business and core to who Pitney Bowes has been for almost 100 years. Our company has evolved and adapted throughout almost a century of change, guided by these unassailable truths. We will continue to be vigilant to our values – and do the right thing the right way."

– Marc Lautenbach, CEO and President

At Pitney Bowes, we define diversity broadly to encompass the visible and invisible differences that shape identity, experience and expression. These include but are not limited to geography and culture, generation, gender orientation and identification, race, ethnicity, disability, veteran status, religion, thought and communication styles.

This rich mix brings a variety of skills and talents to our workforce, from data scientists to field service technicians, sales managers to healthcare professionals, web developers to legal assistants, product marketers to truck drivers, software installation specialists to user experience designers.

Our ability to look at things from different perspectives drives innovation and success.



It was invaluable to have diversity of thought, experience and approach in developing SendPro C. The SendPro C design team has a range of diverse attributes along generational, personal style, educational and life experience lines. This diversity directly led to more accurate and comprehensive client research conclusions, a wider range of design ideas and more rigorous design critiques. It took a variety of different perspectives and strengths to get this right.

– Sara Conklin,
Principal Interaction Designer

Our history

Our value of diversity and inclusive beliefs and practices to use that diversity to make our own business better has been part of our culture from the very beginning.

1940s

- CEO Walter Wheeler Jr. resigns from a club because of its discrimination practices.
- Pitney Bowes pulls sales conference from hotel that would not allow our African American sales person to stay there.
- Walter Wheeler directs head of personnel to ensure Pitney Bowes workforce mirrors demographics of the neighbourhoods in which our operations are located, which included Italian immigrants and African Americans.
- Pitney Bowes participates in Fisk University's first National Dialog on Race.

1950s

- Pitney Bowes recognised by the National Urban League for its Equal Employment Practices.

1960s and 1970s

- Pitney Bowes provides funding support for NAACP and National Urban League Chapters.

1980s and 1990s

- Chairman and CEO George B. Harvey diversifies the Board of Directors and transforms recruiting with a focus on women and minorities.
- The Company creates Employee Resource Groups for Women, Minorities and Work/Life issues.
- Pitney Bowes funds research on the business value of diversity at the Wharton School of Business at the University of Pennsylvania in honour of George B. Harvey.
- George B. Harvey joins the Catalyst Board of Directors. Every Pitney Bowes CEO since then has been on the Catalyst Board of Directors.
- 1994 winner of Catalyst Award for the Pitney Bowes Strategic Diversity Plan.

2000s

- CEO Mike Critelli serves three terms as chairman of the National Urban League.
- US benefits policy extended to include coverage of eligible same-sex domestic partners of Pitney Bowes employees, as well as the eligible children of same-sex domestic partners. This includes adoption benefits.
- Pitney Bowes becomes a founding member of Catalyst India.

2010s

- CEO Marc L. Lautenbach joins Catalyst Board of Directors; becomes a founding member of Catalyst CEO Champions for Change initiative.
- In-office meditation/prayer rooms open in selected offices.
- The annual Next Gen Conference is launched as a forum for young Pitney Bowes professionals to participate in discussions on the company's strategies and latest developments.

Who we are

We are a high-performance organisation built on a long-standing culture of diversity and inclusion.

We are men and women working across the globe towards a common goal: to create sustainable value for our clients and stakeholders.

At Pitney Bowes, we celebrate the rich mix of countries, cultures, ages, races, ethnicities, gender identities, abilities and perspectives that differentiate us as individuals and enhance our business.

Our demographics

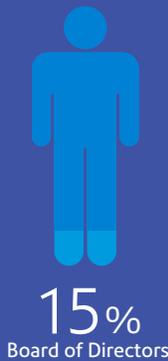
Geography



of the company's global workforce is agile

Ethnicity US

Includes Hispanic or Latino, Black or African American, Asian, American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander, and Two or More Races. US only data.



Generations



The average age of a Pitney Bowes employee is

45 years



Women in the US

26%
On the Leadership Team
(Band F and Above)

22%
Women of color
(2,150 Minority Women/
9,907 total US employees)



38%
Of PB Population

27%
On the Leadership Team
(3 Women / 11 Marc L Senior Direct Reports)

38%
Women on
Board of Directors

All information as of June 2018 with the exception of Board of Director information which is as of July 2018.

Engaging & developing talent

We support our commitment to diversity and inclusion with a range of programmes that provide opportunities for all employees to grow, develop and contribute to our success. We use a combination of professional development initiatives, training, experiential learning and inclusion networks to help employees advance their professional skills. We work to equip employees to understand and address our changing markets, our emerging client needs, our transforming businesses and our evolving communities.

Gender

Throughout the year, we celebrate women and their accomplishments in serving clients, creating value and innovating in our markets.

We've seen the power of women at work in our business with women leaders with responsibility for over 25% of our annual revenue since the 1990s.



I have moved through different roles at Pitney Bowes: I was a team member, an individual contributor and eventually a cross-functional team leader. My client-facing roles early on, when I answered the switchboard, took supplies orders, made collection calls, took service calls from clients...gave me empathy and focus on the client. I learned a long time ago that in order to be successful you have to find a way to team up.

– Amy Krahn, Vice President,
Transportation and Integration

Pitney Bowes Women's Inclusion Network (PBWIN)

- Designed to support the inclusion and development of women to further the company's business success
- Open to all employees committed to supporting women's growth and using their expertise to deliver more value in our markets
- Offers global webinars and discussions on topics such as leadership development, work-life integration and embracing change
- Additional site-specific offerings tailored to business, function or geographical region



Project Limitless: Pushing the Boundaries of What Women Can Achieve is a comprehensive programme at Pitney Bowes India, which supports and promotes women's development. It includes expectant mother benefits, parental leave policies, mentoring circles and coding competitions for university-age female engineering students, distinguishes our company from competitors and supports the recruitment, engagement and career development of female employees.

Since the inception of Project Limitless, Pitney Bowes India:

- has been named one of India's best companies to work for by the Great Places to Work Institute eight times
- boasts a 100% return-to-work rate post-maternity leave
- has increased representation of women in leadership positions to 38%

Catalyst

Catalyst is a global non-profit organisation with a mission to accelerate progress for women through workplace inclusion. Pitney Bowes won the prestigious Catalyst award in 1994.

Every Pitney Bowes CEO from the 1990s until the present day has been a member of the Catalyst Board of Directors.

Pitney Bowes CEO Marc Lautenbach joined the Board in 2014.

In 2017 he joined *Catalyst Women on Board*, an initiative that promotes the appointment of women to corporate boards, and *Catalyst CEO Champions For Change*, which brings together more than 40 high-profile CEOs and industry leaders who are publicly committed to diversity, inclusion and gender equity in the workplace.

Our efforts have also been recognised repeatedly by US organisations, including the Women's Business Enterprise National Council's "America's Top Corporations for Women's Business", DiversityInc's "Top 50 Companies for Diversity", The Catalyst Award for innovations for women in the workplace, "Best Companies for Working Women" and "Top 25 Public Companies for Executive Women", to name a few. We partner with organisations such as the Women's Business Enterprise National Council (WBENC) and Grace Hopper Celebration of Women to support the professional development and advancement of women.

Generation

The Pitney Bowes Young Professionals (PB-YP) is a community for those early in their career and their advocates. The group meets on a regular basis to learn more about our business, develop professional skills, participate in community service projects and network. In turn, the company leverages the perspectives and insights of our Young Professionals to fuel innovation, enhance client experience and resolve business issues.



PB-YP allows young professionals across the company to collaborate with each other and bring to the table ideas that can drive the company forward. What's most encouraging is Senior Leadership's engagement with these upcoming young leaders, knowing that they represent the future of this company.

– Devi Mishra, Manager,
Sales & Marketing Applications

Each summer we welcome a select group of undergraduate and graduate students from universities all over the world to internships at Pitney Bowes locations across the United States and United Kingdom. Our PB-YP network "friends" our interns to help them gain additional insights and connect with other young professionals through community service and social activities. A key partner in our effort to identify and develop outstanding undergraduate interns is INROADS Inc., whose mission is to find talented, underserved young people and prepare them for corporate and community leadership. During our more than 30-year partnership with INROADS, many of our interns have gone on to become valued employees across a range of disciplines.

A highlight each summer is the Pitney Bowes Next Generation Conference (NextGen), where interns and young professionals have a chance to interact with our senior leadership team while learning about global commerce, our changing business and their professional development.

Geography

We are a global company of more than 14,000 employees serving clients and markets in over 100 countries. We believe strongly that our ability to understand and respect cultural differences across geographies makes us more responsive to our clients and each other and helps us achieve our common goals.

Successfully delivering value to clients and employees around the world requires interacting with them in alignment with local business practices, cultures and language. Our Global User Experience team helps us to do this. We host Globalisation Summits in different geographies. These events are great opportunities to share best practices and educate internal stakeholders about the importance of building products and communication strategies with a global audience in mind. Our Design System provides design and code guidance to help ensure great experiences for clients, wherever they may be.



Thoughtfully adapting our content to suit local cultures helps improve our clients' experiences and employee engagement.

– Yuka Kurihara,
Director of Globalization

Ethnicity

We believe there is one race – the human race – and multiple ethnicities. We regularly honour and celebrate ethnicity throughout the year through observances such as Black History Month and Hispanic Heritage Month in the US.

Organisations and government agencies often look to the percentage of diversity in our workplace and the investments that we make with women- and minority-owned businesses to assess our commitment to diversity. We are required to report on the diversity of our workforce to make sure that we have fair employment practices, but we regard this requirement as an opportunity as well. We are proud of the ethnic diversity within our workforce and our supply chain. We partner with organisations such as the National Urban League, Prospanica (formerly the National Society of Hispanic MBAs) and the National Black MBA Association to support the development and advancement of ethnic professionals.



By developing diverse teams we are able to provide greater insight and value to our clients. In our solutions-based selling environment we win with employees that have different backgrounds, experiences and points of view to be able to provide complete solutions to complete issues our clients face daily.

– Derek Camps-Campins,
VP Sales North America,
SMB Shipping Solutions

Veterans

Military service requires purpose, commitment and collaboration in pursuit of common goals. We prize these same qualities at Pitney Bowes. We sponsor a number of events recognising veterans and veteran business owners. In addition to showing our support for veterans, these events also serve as a way for us to source talent for our workforce and veteran-owned businesses for our supplier network. Our Careers at PB site offers a military skills translator to help veterans identify opportunities at Pitney Bowes.

We also celebrate veterans internally with a video Hall of Honour and profiles of veterans who have added their talents and skills to the Pitney Bowes team.

People with disabilities

We recognise the value of having employees with different abilities within our workforce and offer numerous supporting programmes. One example is our ongoing collaboration with the Virginia Department for Aging and Rehabilitative Services to attract and develop new employees in the Richmond, Virginia area. Another is our partnership with the Independent Living Resource Center (ILRC) in Jacksonville, Florida through their Job Shadowing Program. We also celebrate National Disability Employment Awareness Month with feature stories about individuals with disabilities who are an important part of our team.

Awards & recognition

We are proud of our recognition as a diversity and inclusion leader. Here are some recent examples:

America's Best Employers for Women (Forbes Magazine 2018)

America's 500 Best Large Employers ((Forbes Magazine Award) 2017, 2016)

Women

Olga Lagunova, Pitney Bowes Chief Data and Analytics officer, named 1 of 14 women tech superstars to watch by Hackbright Academy.

Brava Awards (YWCA of Greenwich, CT, USA)

- 2017 – Lila Snyder, EVP and President Global Ecommerce
- 2016 – Sheryl Battles
- 2015 – Abby F. Kohnstamm
- 2014 – Rose M. Velez-Smith
- 2013 – Kathleen Ryan Mufson

Stamford Alumni Chapter Kappa Alpha PSI Fraternity and the Stamford Alumni Diamond Foundation honoured Sheryl Battles, Vice President Communications and Diversity Strategy as business person of the year.

People with disabilities

Virginia Department for Aging and Rehabilitative Services (DARS) Award – 2017

Creating Opportunity Award (Opportunities for Ohioans with Disabilities – OOD) 2015

India

2017 Brandon Hall Group Gold Award for Excellence in Leadership Development 2017

India's Top 10 IT Companies to Work For (Great Places to Work Institute) 2017

India's Top 10 Companies to Work For (Great Places to Work Institute) 2017

India's Best Companies to Work For (Great Places to Work Institute) 2018, 2016, 2015, 2014, 2013, 2012, 2011, 2010

World HRD Congress/Global HR Excellence Awards 2016

Diversity Impact Award

Dream companies to work for Organization with innovative HR practices

Dream companies to work for talent management

Award for quality of work life

Greentech Awards 2016

HR Leader Award: Ruchi Bhalla – Gold

Leading CEO of the year: Manish Choudhary – Gold

HR Oriented CEO: Manish Choudhary – Gold

Training Excellence – Platinum

Innovation in Recruitment – Gold

Employee Engagement – Gold

Association for Talent Development (ATD) Excellence in driving a culture of Innovation: Change Management 2016

Supplier diversity

MBNUSA Minority Business News – Corporate 101: Most Admired Companies for Supplier Diversity – 2016 & 2017

WBENC "America's Top Corporation Award" – 2016 & 2017

WPEO-NY Outstanding Women's Business Advocate for the NY Region – 2017

US Veteran's Magazine – Top Supplier Diversity Program – 2017

NaVOBA Best Corporations for Veteran's Business Enterprises – 2017

NaVOBA America's Top Military Friendly Supplier Diversity Programs – 2016

NaVOBA Corporation Veterans Advocate Champion – 2016

Women's Enterprise USA magazine's WE 100 Corporations of the Year – 2016

MBNUSA Champion of Supplier Diversity Magazine – 2016

Diversity plus Magazine Ranked Top 30 Champions of Diversity – 2016

National Corporation of the Year

(Greater New England Minority Supplier Development Council – GNEMSDC) 2016

Supplier diversity

Our commitment to diversity extends throughout our supply chain. We believe that having a **diverse supplier base** strengthens our business and provides us with a competitive advantage. The diverse businesses that we partner with provide innovative strategies while meeting or exceeding expectations in the areas of cost, quality and delivery.

We are continually looking to build relationships with the following diverse groups:

- Minorities
- Women
- Veterans, service-disabled veterans
- HUBZone
- Native American
- Lesbian, Gay, Bisexual and Transsexual (LGBT)
- Economically Small Disadvantaged Businesses (SDB)
- Small Businesses
- Americans with disabilities

Engagement

We believe strongly in a high-performing, client-oriented culture of innovation, learning and engagement. Our employees' commitment, passion and energy drive innovation, collaboration and client value, which drive our growth and financial success.

Highly engaged employees are crucial to our company's success. Engaged employees have a strong focus on clients, radiate optimism and regularly achieve or exceed their objectives. They also have lower absenteeism, suffer fewer injuries and are less likely to change employers than others. Pitney Bowes seeks to engage, enable and energise employees through challenging work assignments, training and career development opportunities that promote personal and professional growth. We solicit feedback, encourage dialogue and measure engagement through formal and informal mechanisms.

One of our most important measuring tools is our annual multi-language global employee survey. The survey explores sustainable engagement drivers such as client focus, diversity, growth and development, innovation, manager effectiveness, teamwork and communication. For the third year in a row, global participation in the survey achieved the industry recognised high-performance

participation rate. In 2017, 88% of employees responded to the engagement survey and provided feedback on a wide array of factors, including client focus, manager effectiveness, communication, empowerment, growth and development.

To promote internal dialogue and employee engagement, we use a variety of channels. Special focus is placed on leaders and managers as communicators and culture cultivators. In their role, they are supported by improved communication channels to make interactions easier and more productive, whether through an upgraded intranet site, video conferencing tools or our Yammer social platform. Last year our efforts led to a 55.3% increase in intranet page views and an 11.2% increase in monthly average users.

We also implemented a renewed focus on looking inside first for talent as part of our commitment to greater internal mobility. We created a new internal resource webpage to help employees pursue internal opportunities, as well as provide access to learning curriculums and tools aimed at career development and management. We also hired a dedicated team of Internal Mobility Talent Advisors to help us gain more insight into our internal talent pool while connecting employees with career-enhancing job opportunities around the organisation.

Development

We focus on hiring talented people, nurturing their growth and providing opportunities for them to make a real impact for themselves, for our clients and for Pitney Bowes. We see employee development as a partnership between individual employees and their manager, aided by strong support from our Human Resources organisation.

The Learning & Development organisation provides support for professional development, including offerings that improve and promote career mobility and employability. In addition, we provide programmes to improve role-based proficiency and leadership competency. These programmes are delivered in a variety of formats, including leading-edge virtual/mobile offerings that are available to all employees. The Talent Development organisation provides a set of tools to enable individual development planning and track progress against identified development goals.

Over the last several years we have developed and implemented a comprehensive offering of core leadership development programmes in keeping with our strategic transformation as a globally integrated company. The elements include:

Leadership Essentials for Managers. This core leadership programme is available to leaders who are newly hired or newly promoted to frontline manager positions. The programme is also

open to frontline managers who have not completed a leadership development programme since acquiring their position. In addition to being offered as a standalone programme, Leadership Essentials for Managers serves as a prerequisite for role-specific leadership programmes for client-facing groups such as Sales, Client Operations and Global Service.

Lead Locally, Engage Globally. Building a sense of community, collaboration and vitality at our work sites is a critical component of sustaining our culture and values. This programme, launched in May 2017, identified senior leaders to serve as site leaders at facilities with 50 or more employees. These leaders engaged teams to sponsor initiatives in their communities, develop site-wide communication strategies and gain a deeper understanding of the talent at their sites.

Leading a High-Performance Organisation. This Vice President-level programme is focused on strategy, culture, ethics and leading transformational change throughout the organisation. As of October 2017 all Vice Presidents had completed this programme, with a successor programme planned for 2018.

Identifying and investing in high-potential talent for the future helps to accelerate business results and ensure a strong pipeline at all levels of the organisation. Two current programmes address this need at the individual contributor and frontline manager levels:

- *The Early in Career (EiC) programme* is an 18-month global development initiative that accelerates the professional and personal growth of employees with 10 or fewer years of professional experience, as identified through our Strategic Talent Review process. Programme participants are mentored by senior executives, receive group coaching and attend professional development seminars. At the climax of the programme, they are assigned to work on visible challenges and opportunities developed by executive sponsors. The fourth cohort of programme participants graduated in autumn 2017 and have since been deployed across the organisation.
- **SPRINT** is a six-month development initiative for individuals at the non-exempt and entry-level exempt levels of the organisation. Launched in the SMB business unit in April 2017, SPRINT is designed to educate employees on topics such as development planning and the skills and capabilities required for frontline managers, while providing interactive access to leaders at multiple levels of the organisation. In 2018 we are extending SPRINT to all Pitney Bowes business units.

Health and wellness

Providing a healthy work environment has been central to our culture at Pitney Bowes for nearly 100 years. In maintaining our commitment, we offer a wide range of programmes to more than 14,000 employees worldwide.

Comprehensive benefits and wellness programmes

Our Project: Living website serves as the gateway to resources and programmes to help employees live healthy lives at work and at home. With its “Plan for tomorrow, live for today” theme, the website is where we engage and connect with our employees – whether they are working in an office or remotely – on everything related to physical, emotional and financial well-being. Employees can find information and events on topics ranging from health and wellness to benefits, financial planning and assistance with major life events.

To help our workforce stay proactive with their health, free programmes are available throughout the year focused on:

- Preventive care and cancer screenings
- Nutrition and weight management
- Fitness
- Stress management and behavioural health
- Smoking cessation
- Back pain prevention
- Flu vaccinations

For over a decade, employees from around the world have been uniting for our “One-in-a-Million” one-day walking event, which serves as the kick-off for our annual employee health and fitness month while demonstrating the importance of daily physical activity. Last year, we walked a collective 45 million steps in 82 locations across 15 countries. Initiatives such as this have earned Pitney Bowes recognition from organisations such as the National Business Group on Health® and the American Heart Association.

Empowering healthcare consumers

In addition to providing high-quality affordable care to more than 10,000 US employees, we structure our benefit offerings to make access to care as convenient as possible. Five on-site medical clinics provide care to a significant portion of our workforce. Employees can obtain cancer screenings for breast or skin, biometric screenings with health coaching, vision and hearing tests, smoking cessation and other services through the clinics. The Pitney Bowes medical staff are also available through the Amwell telehealth service, which helps to serve sites without access to an on-site clinic.

We regularly conduct on-site workshops and webinars on topics including sleep disorders, addiction, mental health, parenting, caring for the elderly and more. Employees and family members also have 24-hour access to a network of registered doctors and providers online through Amwell. And our Project: Living website offers employees easy access to resources and information that help them make informed and cost-efficient decisions when seeking care.

Tackling the rising rates of chronic conditions and obesity

To help mitigate the rising cost of healthcare in the US, we aspire to motivate employees to take control of their own health and share accountability in making positive lifestyle choices. We offer programmes like Healthy Rewards where employees and covered spouses or domestic partners can earn incentives for achieving individual health goals. In 2017, we collaborated with Fitbit to inspire employees to move more and increase their daily physical activity, which aids in the fight against chronic health conditions and obesity. We also offer a behavioural health component to help participants reduce stress, increase mindfulness and achieve emotional well-being.

Taking the stigma out of mental illness

Recognising that stress management and mental health are essential to overall well-being, we expanded the Employee Assistance Programme (EAP) in 2017 to include countries outside North America. Through our EAP, employees have access to no-cost counselling and other work/life resources.

Guidance and support for those affected by cancer

In partnership with Johns Hopkins, we introduced Work Stride: Managing Cancer at Work over two years ago, which offers a dedicated oncology nurse navigator who provides personalised, compassionate guidance and education to those affected by cancer, whether directly or as a caregiver. The programme also offers assistance to managers in dealing with the impact that cancer can have on the workplace.

Innovating the future of healthcare

As a founding member of the Health Transformation Alliance (HTA), we have joined 40 like-minded companies, representing six million employees, to address healthcare issues in the US. Since joining the HTA, we have been gaining actionable insights derived from analysing the HTA aggregated data; we have identified and launched network solutions comprising high-value providers; and we have partnered with CVS Health to offer cost-effective prescription drug coverage. We will continue to focus on innovative solutions that reduce healthcare costs while creating a highly personalised and efficient experience for our employees.

Employee satisfaction and retention

In a series of 2016 employee surveys, 97% of participating employees agreed that our health and wellness programmes help make Pitney Bowes a great place to work.

Safety

We are committed to maintaining a safe and environmentally sound workplace for our employees, contractors and guests. We do this under the guidance of our Global Environment, Health and Safety (EHS) policy and management system. Our EHS

management system provides a governance process to ensure oversight and accountability for our performance, and our global EHS department supports this process with expertise in:

- Occupational safety
- Industrial hygiene
- Environmental systems
- Carbon and energy management
- Compliance with global regulations regarding our products and operations
- EHS management systems

Our EHS management system covers the full range of EHS concerns and provides comprehensive tools for resolving them. It includes:

- Organisation and oversight
- Risk assessment
- Robust reporting and incident investigation
- Inspections and audits
- Management of change
- Communication
- Training

Compliance reviews

Under our EHS system, we regularly conduct thorough reviews of our operations, our waste management and recycling partners and our supply base. In 2017 we completed reviews of 29 domestic and international Pitney Bowes locations.

Robust due diligence process

In addition to compliance audits, our due diligence process requires thorough environmental and safety assessments of potential acquisitions and divestitures to ensure that historical practices have not impacted the environment and that current workspaces are free from recognised hazards. The 2017 acquisition of Newgistics resulted in nine additional environmental property reviews, wall-to-wall safety assessments and follow-up compliance assessments to complete the EHS picture of this new business.

Training

Our ongoing multimedia training programmes are designed to reach all our employees regardless of where they are located, whether agile or workplace-based. To achieve this we use a combination of daily huddle topics and new employee orientation delivered by our line supervisors, communications via digital screens, posters or newsletters, and a learning management system encompassing more than 90 courses available 24/7 in 10 languages. Across all these media, our message is consistent: we strive to keep our workplaces free from hazards, and our employees play an integral and vital role in actively participating in

our safety programmes, with the goal of ensuring that all employees go home to their families at the end of the day safe and sound. In 2017, more than 1600 employees completed EHS-related courses via our learning management system. In addition, Pitney Bowes offered a Driver Safety Awareness course for employees who spend a significant portion of their time on the road or who occasionally drive on company business. More than 2250 North America and UK employees participated in safety trainings in 2017.

Performance

In 2017, our global rate of recordable injuries increased compared to the previous year's performance. Major contributors to our injury experience include manual material handling activities and injuries resulting from slips, tripping and falls.

Performance						
	2017	2016	2015	2014	2013	2012
Total recordable cases/ 100 employees/year	1.60	1.44	1.45	1.29	1.38	1.68
Days away and restricted cases/ 100 employees/year	1.36	1.26	1.19	1.11	1.18	1.35
Lost workday cases/ 100 employees/year	0.34	0.33	0.36	0.26	0.36	0.52
Ergonomics injury cases/100 employees/year (US only)	1.93	1.83	1.93	1.88	1.64	1.38
Work-related fatalities/year	0	0	*1	0	0	0

*Motor vehicle related fatality

Safety case studies:

Find It Fix It Kits

In addition to our EHS course offerings and in-house programmes, we continued to enhance our training and communication efforts through the creation and distribution of information kits touching on topics of interest to our businesses. Each kit included posters, placards, muster topics for supervisory use, employee handouts and more. Topics included:

- Recycling and Waste Management
- Ergonomics
- Winter Safety and
- Machine Guarding

STAY SAFE THIS WINTER SEASON



Ergonomics in the workplace

Approximately 48-50% of Pitney Bowes injuries are a direct result of manual material handling, and EHS continues to raise awareness within our operational sites through on-site and web-based training. Live training classes were held for employees who participate in our safety committees as well as those who manage our facilities. Approximately 100 employees attended these classes in 2017.



Slide taken from Ergonomics Training

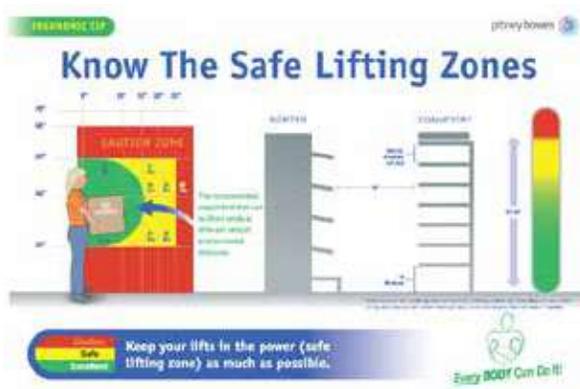
Case study

Ergonomic Improvement at Brisbane (California) Presort

Our Brisbane (California) Presort location completed a project that re-engineered the height of the site's mail transfer conveyors and tray shelving. They recognised the risk of having to continuously lift trays of mail to a height of 63 inches, and created and implemented a plan to address the issue. This is a great example of the team's ingenuity and is a beneficial ergonomic improvement for everyone on site.

Before – the problem

An earlier EHS publication, backed by employee feedback, alerted the team that the design and layout of the site's conveyor presented a potential ergonomic risk.



After – the solution

The team lowered the main shelving and conveyors from 63" to 58". Those 5 inches do not sound like a lot, but they make a huge difference in body mechanics, helping employees to stay in the Safe Lifting Zone. The change was well received. In addition to lowering the shelving conveyors, the team lowered the main conveyors to dispatch by 10 inches, making them easier to work on and access in the event of jams.



Great work, Brisbane Team, for identifying a solution to an ergonomic risk and driving safety improvements from the ground up!

Emergency preparedness – UK

In 2017, the UK was struck by several tragic events, mainly in London and Manchester. Although no Pitney Bowes sites were directly impacted, our geographically widespread workforce meant that we needed to ensure that none of our employees had been affected. Using our global procedures for Business Continuity Planning and Emergency Response Plan, we conducted company-wide roll calls to account for all of our colleagues – confirming that employees and their families were safe, and also ensuring our ability to provide continuity of service to our clients.

To achieve such results, we continuously maintain and improve our safety programmes. For example, once our first aiders have been trained by an official training provider, they receive additional internal training on subjects such as the use of defibrillators. For on-site employees with restricted mobility, we create Personal Emergency Evacuation Plans and train volunteers to help them exit the building safely. And we provide training for volunteer fire marshals who take part in regular fire evacuation exercises.

Example of training slides:



Computer use ergonomic training

UK employees undergo training in the ergonomics of computer use as part of their induction process. Users can set individual profiles in line with their personal working habits and situations, including factors such as pregnancy or agile work. On completing the training, they conduct a self-assessment to help identify potential issues such as musculoskeletal disorders, which can drive personalised recommendations to improve posture and work practices in accordance with company EHS policies. For issues that cannot be improved with self-help or by the line manager, the EHS team conducts in-person assessments and, if necessary, provides referrals to occupational health specialists.

Clients and suppliers



Serving clients is our highest priority. By putting clients first, we benefit all our stakeholders. From product design, manufacturing, marketing, sales and support to the ways we manage our supply chain and other external relationships, this principle of service is always applied.

A better client experience

In 2014, we launched a comprehensive programme to integrate all of our company's back office systems and processes into a single, standard solution to create a consistent, compelling client experience around the world. The project had two broad goals: maximise the delivery of value, and optimise clients' experience of Pitney Bowes.

To make this happen, we created a new enterprise business platform spanning the full range of client-facing functions, from initial sales order to fulfilment, delivery, billing, payment, support and service. Since spring 2017, the system has been fully operational in our North American markets. We expect to bring it to all our remaining markets in 2019.

The solution is built on five core platforms designed to deliver enhanced experiences across the entire cycle of a client's relationship with Pitney Bowes:

- More efficient order entry and order management enable clients to receive goods and services faster and more reliably.
- Online account management capabilities and a redesigned website enable fast, easy self-service to view and pay bills, check the status of service requests, and access a robust knowledge management database.
- The same case management system serves as the platform for all client-facing employees, ensuring consistent, up-to-date information and better cross-functional communications across all touchpoints.

From initial order through a lifetime of support and service, the new system promises to give clients a consistent, satisfying experience with Pitney Bowes in keeping with our brand and business strategy.

Global supplier diversity programme

Pitney Bowes is committed to growing our business using diverse suppliers. We believe that diverse businesses enhance our global supply base, providing innovative strategies and solutions while meeting or exceeding expectations in the areas of cost, quality and delivery. We ensure that the following diverse groups have the opportunity to compete for our business.

- Minorities
- Women
- Veterans, Service-Disabled Veterans
- HUBZone
- Native American
- Lesbian, Gay, Bisexual and Transsexual (LGBT)
- Economically Small Disadvantaged Businesses (SDB)
- Small Businesses
- Americans with disabilities

Our Supplier Diversity Programme works closely with national and regional groups focused on the growth and sustainability of diverse businesses. For years our active leadership has included a board of director position on the Women's Business Enterprise National Council. We have also launched a new supplier diversity registration portal for diverse businesses at <https://ct.supplierone.co>, where PB buyers search for qualified diverse suppliers. Current key initiatives include the following:

- Sourcing: Implementing category-level goals and targets throughout the supply chain organisation. Category managers are assigned subcontracting targets and must develop a sourcing plan to support the inclusion of diverse businesses.
- Development: Helping existing diverse suppliers to expand their offerings or improve processes to enable them to capture additional Pitney Bowes business.
- Communication: Ensuring that stakeholders across the company understand the benefits of a diverse supplier base, and communicating the business case to senior management and the leadership of our procurement partners in HR, facilities and engineering.
- Metrics: Developing a robust performance scorecard to clarify current conditions, future opportunities and action items for quarterly presentation to sourcing teams and senior management.

Reporting

We report monthly diverse supplier spend and assess it against our own internal goals as well as the Small Business Administration (SBA) subcontracting plan. Our quarterly reporting capability includes second-tier spend, which we provide to clients representing at least \$1,000,000 in annual revenue. We use an

indirect reporting model based on the percentage of revenue from each client and the percentage of spend across diverse supplier categories. We currently monitor spend for the following business types: Small, Minority, Women, Veteran, Service-Disabled Veteran and HubZone.

Supplier qualification and certification

We require all suppliers to meet high standards of product and service quality, as well as specific objectives related to cost, quality and delivery. To be considered to do business with Pitney Bowes, diverse businesses are encouraged to register their business on the supplier diversity portal at ct.supplierone.co. Diverse businesses are also strongly encouraged to seek certification from one of the following agencies:

- National Minority Supplier Development Council (NMSDC)
- Women's Business Enterprise National Council (WBENC)
- Small Business Administration (SBA)
- Association for Service Disabled Veterans (ASDV)
- National Gay and Lesbian Chamber of Commerce (NGLCC)
- National Veteran-Owned Business Association (NaVOBA)
- Minority Supplier Development UK (MSDUK)
- WEConnect International

We also accept certification by federal, state and local governments in the United States.

Outreach organisations

We provide opportunities for small/diverse suppliers to connect with sourcing professionals and internal stakeholders. We are an active leader and member of several organisations that are dedicated to the advancement of diverse supplier development:

- The National Minority Supplier Development Council – Minority
- The Women's Business Enterprise National Council – Women
- The National Veteran Owned Business Association – Veterans
- Government agencies:
 - Small Business Administration (SBA)
 - States and local governments (United States)

Leadership

Our engagement with diversity business development organisations includes active leadership and participation on key committees. A senior Pitney Bowes executive sits on the Board of Directors of the Women's Business Enterprise National Council.

Global supplier diversity performance 2017

In 2017 overall diverse spend was 12.96% of the overall qualified spend. The total attributed to Small and Diverse spend was 29.5%.

Global supplier diversity performance 2016

In 2016, we achieved a 17.7% increase in spending with diverse suppliers over 2015. Contract awards to diverse businesses included staffing, facilities services, information technology and logistics.

Recognition and awards

We have received numerous awards and recognition for our global supplier diversity programme. Below are some of our supplier diversity awards.

MBNUSA Minority Business News – Corporate 101: Most Admired Companies for Supplier Diversity – 2016 & 2017

WBENC “America’s Top Corporation Award” – 2016 & 2017

WPEO-NY Outstanding Women’s Business Advocate for the NY Region – 2017

US Veterans Magazine – Top Supplier Diversity Program – 2017

NaVOBA Best Corporations for Veteran’s Business Enterprises – 2017

NaVOBA America’s Top Military Friendly Supplier Diversity Programs – 2016

NaVOBA Corporation Veterans Advocate Champion – 2016

Women’s Enterprise USA magazine’s WE 100 Corporations of the Year – 2016

MBNUSA Champion of Supplier Diversity Magazine – 2016

Diversity plus Magazine Ranked Top 30 Champions of Diversity – 2016

Supplier Code of Conduct

Pitney Bowes is committed to the highest standards of product quality and business integrity in its dealings with suppliers, including requiring that working conditions in our supply chain be safe, that workers are treated with respect and dignity, and that manufacturing processes are environmentally and socially responsible.

To ensure that our relationships with suppliers meet and support these expectations, Pitney Bowes provides its suppliers with a

Supplier Code of Conduct. We expect our suppliers to apply the code’s standards to their extended sources of supply engaged in the production of goods and services for Pitney Bowes. Failure on the supplier’s part to comply with the standards and provisions set forth in our Code may impact business relationships with Pitney Bowes.

Conflict minerals

Section 1502 of the Dodd–Frank Act requires all issuers that file reports with the Securities and Exchange Commission under Sections 13(a) or 15(d) of the Exchange Act of 1934 to make certain filings and/or disclosures as to whether any tin, tantalum, tungsten or gold (“conflict minerals”) “necessary to the functionality or production” of the issuer’s products originate from the Democratic Republic of the Congo (DRC) or adjoining countries (the “Covered Countries”). Pitney Bowes’s Form SD and Conflict Minerals Report, in which we disclose the supply chain due diligence we undertook in 2017 to try to determine whether any conflict minerals used in our products may have originated in the DRC or other Covered Countries, can be downloaded at: [pitneybowes.com/content/dam/pitneybowes/us/en/our-company/corporate-responsibility/conflict-minerals-2018-form-sd-filing.pdf](https://www.pitneybowes.com/content/dam/pitneybowes/us/en/our-company/corporate-responsibility/conflict-minerals-2018-form-sd-filing.pdf)

Transparency in our supply chain

California Transparency in Supply Chains Act / UK Modern Day Slavery Act statements

In compliance with the state of California’s Transparency in Supply Chain Act and the UK Modern Day Slavery Act, Pitney Bowes has disclosed what we require of our suppliers in our efforts to eliminate forced labour and human trafficking in the world’s supply chain. Among other things, our direct suppliers acknowledge and agree to abide by our standards set forth in the Supplier Code of Conduct and contractually agree to give us access to information that would allow us to verify that they are not engaged in trafficking and to extend the Code to all of their extended sources of supply. See our full California Transparency in Supply Chain Act statement at [pitneybowes.com/content/dam/pitneybowes/us/en/our-company/ca-transparency-in-supply-chains-act-statement.pdf](https://www.pitneybowes.com/content/dam/pitneybowes/us/en/our-company/ca-transparency-in-supply-chains-act-statement.pdf) and our UK Modern Day Slavery Act statement at [pitneybowes.com/content/dam/pitneybowes/uk/en/legal/Approved_Modern_Slavery_Act_Statement_15_May_2017.pdf](https://www.pitneybowes.com/content/dam/pitneybowes/uk/en/legal/Approved_Modern_Slavery_Act_Statement_15_May_2017.pdf)

Community: Creating meaningful impact

We are dedicated to helping to improve the well-being of our communities. This commitment is part of our core values and is embraced and supported by our employees across the globe.

We are dedicated to helping to improve the well-being of our communities. This commitment is part of our core values and is embraced and supported by our employees across the globe.

We focus our philanthropy on literacy and education, essential contributors to the growth of healthy individuals, strong communities and a vibrant economy. We support programmes for children, families and teenagers that encourage reading, address the opportunity gap, prepare people for successful employment, and enhance the capability and opportunities of the future workforce.

We also address critical community needs through support of disaster relief efforts and organisations that provide access to health and human services.

We take special pride in the enthusiastic contributions of Pitney Bowes employee volunteers who donate thousands of hours each year to help community and partner organisations in this work. We are delighted to support their diverse volunteer interests with volunteer grants and to deepen their charitable donations through the Pitney Bowes Foundation matching gifts programme.

Literacy and education

Every child deserves the chance to grow into a healthy, productive adult.

We focus our philanthropy on education to help improve opportunities for all students in school districts where we have a presence:

- We serve young children through early literacy programmes that encourage parent engagement, stimulate development of language and literacy skills, and foster a true love of learning.
- We serve children from pre-kindergarten to middle school with year-round educational programmes, both school-based and after-school. We support in-school programmes that focus on

literacy, core curriculum, as well as science, technology, engineering and maths (STEM). We also support summer programmes that help minimise the loss of academic skills during the school holidays.

- At the high school level and beyond, we support programmes that motivate and equip students for higher education and potential career choices. Subject areas include language and STEM, as well as business, entrepreneurial and communication skills.

In addition to our direct grant-making, we encourage employees to donate their talent and expertise through skills-based volunteerism. From mentoring to participation on non-profit boards, employees across the company donate thousands of hours each year to help children and families in our communities.

Our educational partners include:

Armed Services YMCA

A grant from the Pitney Bowes Foundation has funded the Armed Services YMCA's Y on Wheels programme, which brings seven weeks' worth of Y summer programmes to children of US military personnel in and around Everett, Washington. The curriculum, provided by the local YMCA of Snohomish County, ranges from STEM and leadership education to creative art projects and fitness activities—all designed for children aged 5 to 12.

Governor's Prevention Partnership

Drawing on 20 years of experience in supporting mentoring programmes, the Connecticut-based Governor's Prevention Partnership developed a toolkit for use by community organisations across the United States and launched it at the National Mentoring Summit in Washington, D.C. Funded by a grant from the Pitney Bowes Foundation, Regional Mentoring Collaboratives: A How-To Toolkit is designed to help community leaders implement new mentoring initiatives, strengthen mentor recruitment and support, and build ties to other resources that can help bring the benefits of mentoring to young people in need.

Read to Grow

A grant from the Pitney Bowes Foundation helped Read to Grow to promote early childhood literacy in Bridgeport, CT. The grant provides literacy packages to families of babies born at Bridgeport hospitals, and free children's books for families to keep available at Book Places hosted by non-profits throughout the city.

Success for All Foundation

The Pitney Bowes Foundation supported the development of *Success for All's Tutoring with the Lightning Squad*, a multimedia tutoring tool for students in grades 1-3. Produced in collaboration with Sirius Thinking, Ltd., John Hopkins University and Sesame Workshop, this small-group computer-assisted tutoring programme helps children to build critical literacy skills. Lessons progress from letter sound recognition and word-letter blending to sentence and paragraph-level reading, comprehension and fluency.



Network for Teaching Entrepreneurship (NFTE)

NFTE provides a variety of innovative programmes that inspire young people from low-income communities to build entrepreneurial skills, launch businesses and connect experiential learning to educational programmes. For NFTE's 2017 World Series of Innovation, the Pitney Bowes Foundation challenged students to design a product that helps children or adults to explore real-world STEM (Science, Technology, Engineering, Maths). Prizes were awarded to ArchiPicture, which allows users to design or import virtual structures, displaying the object at true scale while introducing STEM aspects of architecture; and to NanoScience, which teaches children and adults about nanoscience and its intersection with interests such as sports, biology and fashion through a series of games that users can play.

Girls Who Code

Pitney Bowes recently sponsored Girls Who Code's five-year anniversary event in New York City. Girls Who Code is a non-profit organisation whose mission is to help close the gender gap in technology and empower girls to become change makers through coding.

MIND Research Institute

The Pitney Bowes Foundation partnered with MIND to provide transformative mathematical experiences to students from kindergarten to grade 6 in locations across the country. The ST

maths programme connects STEM to students, helping them gain a deeper understanding of maths, develop perseverance and problem-solving skills, and grow into lifelong learners. MIND provides a highly visual, personal, engaging and rigorous maths experience, building skills that are increasingly valued by technology companies and inspiring students to become creative problem solvers.

Reading Is Fundamental

Since 2004, Pitney Bowes and the Pitney Bowes Foundation have been proud supporters of Reading Is Fundamental (RIF), the nation's largest children's literacy organisation. Our support has included funding for teacher training, book distributions to underserved school districts and the development of *Share the Message: Read!* volunteer tool kits. *Share the Message: Read!* is a rewarding programme in which volunteers read with young students from pre-kindergarten to grade 5, conduct craft projects and help the children to choose a new book of their own to take home. In 2017, our *Share the Message: READ!* Activities included "Explore. Innovate. Play!" at Discovery Museum and Planetarium in Bridgeport, CT; the Washington Early Learning Center's Head Start programme in Appleton, WI; and the Pembroke Avenue Elementary School in Danbury, CT. In 2018, we are working with RIF to create a new family/teacher resource guide on coding, and a related employee volunteer toolkit.



Read to a Child

Since 2007, we've been a Read to a Child National Partner, supporting national, regional and local mentoring programmes for low-income elementary students. Read to a Child creates better opportunities for children by inspiring adults to read to children. In March 2017 (National Reading Month), we were again Visionary Sponsors of Read to a Child's national digital fundraising campaign to help "Spark Something Meaningful – Help Kids in Need Love to Read". The Pitney Bowes Foundation again provided a grant to support the expansion, quality and stability of Read to a Child's national lunchtime reading programme.

buildOn

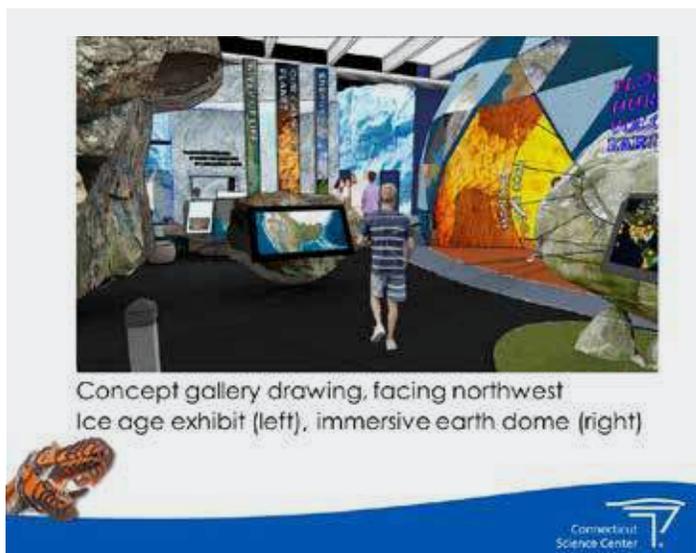
Since 1992, we've collaborated with buildOn, a global non-profit focused on helping US inner-city students expand their horizons and develop critical skills. Its signature programme engages students in building schools in developing countries, creating opportunities for others as well as themselves. We participate in buildOn's Corporate Partner programme, engaging employee volunteers to help students develop college, career and financial literacy skills.

Horizons National Student Enrichment Programme

Horizons National provides summer academic enrichment programmes for at-risk, low-income students in partnership with nearly 500 US Independent schools, colleges and universities, with a curriculum encompassing literacy, science, maths, arts, sport and cultural enrichment at every level from pre-kindergarten to high school. In small classes led by professional teachers, students dive into a rich curriculum with a focus on reading, STEM and art. Swimming and other confidence-boosting activities break down barriers to success and engage children with new opportunities. Our support provides Horizons affiliates with reading specialists, assessment tools, training and STEM materials to help manage curriculum and facilitate data sharing with parents and public schools. In 2017, we once again sponsored Horizons Giving Day, the organisation's national online fundraising campaign.

Connecticut Science Center

With support from the Pitney Bowes Foundation, the Connecticut Science Center is transforming schools in Stamford with new, engaging ways of teaching K-12 science and training teachers to spark and capture interest in STEM. Opening in 2019 will be a Pitney Bowes Foundation-supported exhibit that explores the impact that human beings have on our planet in the past, present and future.



Children's Learning Centers of Fairfield County (CLC)

Our support for CLC's full-day, full-year Head Start programme serves low-income families in Stamford, many of whom are English language learners. Our grant enables parents to work full-time while their children receive extra help in preparation for kindergarten. CLC's holistic approach includes nutritious meals and snacks, family support services and a curriculum on social and emotional development.



ETASHA Society

Pitney Bowes India is proud to partner with the ETASHA Society, a non-governmental organisation that works to empower youths from marginalised communities by training them to develop the right skills, attitude and mindset for successful careers. This year we supported ETASHA's Employability Skills Development and Placement (ESDP) project and Computer Lab for Vocational Training and Placement.

Tara Mobile Crèches

Our operations in Pune, India, support Tara Mobile Crèches Pune's Project Khelghar to provide mobile learning centres to ensure that migrant construction workers' children enjoy the right to safety, healthcare, education, recreation and participation. PB support helped more than 550 underprivileged children.

NIIT Foundation (Pune) Association

Pitney Bowes India's Pune CSR team has been regularly collaborating with the NIIT Foundation to organise educational workshops for children and youths on technical and interpersonal skills. Since 2004, the NIIT Foundation has been working to expand educational opportunities and ensure inclusive development in India.

Local community support: Helping those in need

In addition to our focus on education, we also provide grants to meet pressing community needs through disaster relief and health and human services organisations.

Disaster relief

In times of crisis, we provide support to employees and family members. Within the United States, we do this through the Pitney Bowes Relief Fund. Outside the US, we conduct global appeals to support organisations such as the Red Cross / Red Crescent Society, with matching funds provided by the Pitney Bowes Foundation.

Pitney Bowes Relief Fund

Founded in 1992, the Pitney Bowes Relief Fund is a US public charity that offers support to employees, family members and others whose lives have been disrupted by natural disasters or personal misfortunes. The Fund is financed by employee contributions and matching funds from our annual US Employee Giving Campaign. To date the Fund has distributed more than \$3 million to provide food, shelter, clothing and medical care while also providing referrals to community-based resources for additional support. Since Pitney Bowes pays for all administrative expenses, 100% of employee contributions and matching funds go directly to support those in need.

In extraordinary circumstances such as 2017's disastrous hurricanes, we go beyond our regular channels of support to assist other non-profit organisations in their rescue, relief and recovery efforts. Last year the Relief Fund provided support for victims of hurricanes Harvey, Irma and Maria through Americares, Mercy Corps, the U.S. Fund for UNICEF and (for Puerto Rico aid) Water Mission. Our response also included an in-kind donation of \$1.1 million worth of products to Good360 to help individuals and non-profit organisations to recover and rebuild.

Red Cross

In addition to our long-time collaboration with the Red Cross on blood donation, we also continue to support their mission to provide life-saving services to those affected by natural disasters and personal tragedies. Our Chief Innovation Officer, Roger Pilc, serves on the Board of Directors of the Connecticut and Rhode Island Region of the American Red Cross, and we regularly support the chapter's annual Red Cross Ball.

Providing Access to Food, Shelter and Healthcare

The Pitney Bowes Relief Fund and Pitney Bowes Foundation regularly provide funding to organisations that help individuals and families gain access to healthy, nourishing food, affordable medical and mental healthcare, shelter for those in transition and special services for women and children at risk. The organisations we support include:

- United Way: We have a long history of partnership with United Way to ensure the health and well-being of our communities through programmes such as ALICE (Asset Limited, Income Constrained, Employed) that target support to individuals and families facing hardships
- Food Banks: We support numerous food banks around the US, including Area Congregations Together (Shelton, CT), Inn Between (Salt Lake City, Utah), Mid-Ohio Food Bank, Connecticut Food Bank, Greater Berks Food Bank (Reading, PA), Atlanta Community Food Bank, Community Foundation for the Fox Valley Region (Appleton, WI), New Covenant House of Hospitality (Stamford, CT)
- Shelters: Among the many shelters we support are Acadiana Outreach Center (Lafayette, LA), American Red Cross, Disabled American Veterans Charitable Service Trust, Pacific House/Shelter for the Homeless (Stamford, CT), Washington Women in Need (Kirkland, WA), Salvation Army, Berks Community Action Program (Reading, PA), Family Promise of Lower Bucks (Levittown, PA), Samaritan House (San Mateo, CA), Simpson Housing Services (Minneapolis, MN)

Employee volunteerism at Pitney Bowes

Our employees are dedicated, enthusiastic volunteers, supporting a variety of community initiatives. Their involvement reflects our core values as a company as well as their own commitment to making a difference. Corporate citizenship has been part of our culture from the very beginning and continues to enrich our business by helping us to attract talented, engaged employees. Our employees know their efforts are appreciated by the company and the community, and they are valuable catalysts for personal and professional growth.

Support for volunteering

We believe our support for employee volunteerism helps our company, our employees and the communities where we operate. This support takes several forms:

Volunteer Grants

- Individual Volunteer Grants: In many cases, we recognise individual employees' volunteerism by providing grants directly to the non-profits where they volunteer. These individual grants, available globally, range from \$125 for 25 hours of service to \$500 for 100 hours.
- Team Grants: We also provide grants to cover the costs of materials and supplies for hands-on volunteer projects undertaken by teams of three or more employees or retirees.

Non-profit board service

One of the most effective ways for employees to serve their communities is by providing leadership and technical skills through service on an organisation's board of directors. In 2017,

68 employees throughout Pitney Bowes served on the boards of local, national or international organisations.

Career development through volunteerism

Volunteer service offers employees numerous opportunities to develop their skills. To help them choose, we provide a toolkit that maps volunteer programmes and activities to specific skills and competencies that they may be interested in developing.

Local Community Leadership Teams

Employee volunteers serving on Local Community Leadership Teams around the world help to inspire other employees to become active volunteers in their communities. Pitney Bowes Foundation grants support their efforts. The teams' primary focus is literacy and education, but they also regularly lead blood drives and collections of food, clothing, books and holiday gifts.

Signature volunteer programmes



Dedication to Education (D2E)

Launched in Connecticut in 2014, our D2E programme has been growing globally ever since. Employee volunteer champions design and implement high-impact team projects, with help from a comprehensive toolkit and grants from the Pitney Bowes Foundation. Projects are conducted in partnership with local United Way chapters, volunteer centres and other Foundation grantees. All activities and projects support education, a top issue for our business, our employees and people throughout our communities. In 2017, our D2E celebration encompassed 75 projects in 29 locations, drawing more than 1000 volunteers. This signature programme expanded globally in 2017, with 75 projects involving more than 1000 employee volunteers at locations in Australia, Brazil, England, France, India, Israel, Poland and the United States. Between highly engaged employee volunteer champions, outstanding non-profit partners and Team Project Grants from the Pitney Bowes Foundation, the programme has become a resounding success. The 2017 kick-off event drew more

than 1800 people to the Discovery Museum and Planetarium in Bridgeport, Connecticut, where our volunteers helped children make foam, create lava lamps, build and fly kites, and choose Reading Is Fundamental books to take home. Partners for other events around the world included United Way Ready to Read and Day of Action programmes, Junior Achievement, Boys and Girls Clubs, local schools, parent-teacher organisations, community centres and educational non-profits.

Share the Message: Read!

For many years, we have supported the crucial work of Reading Is Fundamental (RIF), America's largest early literacy non-profit. A RIF programme we are particularly proud of is *Share the Message: Read!*, funded by the Pitney Bowes Foundation. Year after year, this programme engages our employee volunteers in working directly with elementary school children to help them experience the joy of reading. Our support includes a well-equipped volunteer tote bag containing a story-time book for group reading, related craft activities and an array of age-appropriate books for students to take home. The take-home books cover a variety of subjects geared towards kids' interests; current offerings include books on technology, innovation, coding and communications. The programme has proven to be a powerful motivator to get kids excited about reading and set them on a lifelong path of discovery and enrichment.

Volunteer events

Australia employees help out at schools and community centres

In Brisbane, employee volunteers teamed up with United Way to brighten up the "Heritage Hut" at the Acacia Ridge Community Centre. Working with Greening Australia trainees, they painted the hut a cheery yellow and transformed it into a bright, clean community space.

Volunteers from Adelaide participated in "Read Aloud at the Zoo Day", a memorable day for children and volunteers in which authors and volunteers read books and organised related activities designed to encourage children to read aloud every day.

Meanwhile, Pitney Bowes volunteers from Perth took part in "Paint The Swan REaD!", a community event run by Clan Midland promoting the message of "Touch, Speak, Sing" to encourage parents in the city of Swan to read to their children. Volunteers engaged parents, handed out books to children, and assisted children in various craft activities.

A team of Sydney volunteers set up a "Magic of Storytelling" community playgroup, prepared food and participated in a variety of activities including face painting, building with Lego and reading books to the children. Yet another group joined forces with volunteers from Dell/EMC to support Narre Warren South P-12 College's Mock Interviews. The students and teachers found the time spent coaching students on interviewing techniques very

valuable. Other Sydney-area events included the Macquarie Park Office Industry Tour in partnership with the United Way of Australia, in which 16 employee volunteers introduced students to our industry and pointed out possible career paths. Volunteers also participated in Business@School at Marsden High School.

Heathlands School for Deaf Children (UK)

PB Hatfield UK employees volunteered at the Heathlands School for Deaf Children to enhance the school's garden by painting fences, preserving the sound garden, making a vegetable patch with raised planters, putting in new topsoil and erecting a gate so that the children's hearing dog can use the garden.

White River Junction, VT, USA

Volunteers from White River Junction, Vermont, provided children aged 7 to 11 with a Job Shadow Day that included a tour of the office, a scavenger hunt, an introduction to company software to map out neighbourhoods, a colouring activity using maps, and time spent exploring the world using Google Earth. The activities introduced the students to Pitney Bowes while broadening their view of the world and the wonders of geographical information systems. The Upper Valley Haven is a non-profit serving people struggling with poverty by providing food, shelter, education, service coordination and other support, including After-School and Summer Programmes that increase confidence and academic achievement.

Employee volunteers also supported Careers CLiC (Connecting Learning in the Community) on a Job Shadow programme for 8th-grade students. Students used Google Earth to locate their home and school, participated in programming sessions on Scraping and Engineering, built residential neighbourhood polygons and performed Quality Control activities. Careers CLiC serves students in Vermont and the Upper Valley region of New Hampshire through programmes that link schools with local employers.

Family & Children's Aid

PB team members have worked for several years with Danbury Family and Children's Aid, an organisation that supports children and families in crisis. Last year, 92 volunteers provided 736 hours of service inside and out to help the organisation serve 6000 families and children more effectively. Collectively, our volunteers spread 273 wheelbarrows of mulch on 52 garden beds, painted 17 rooms with 42 gallons of paint, built 13 shelves and shelved 1500 toys and books, and installed a new Exergame Projection System, all compliments of Pitney Bowes and the Pitney Bowes Foundation.

Tutoring students at Tel Aviv Children's Home

Now in their third year of collaboration with the Tel Aviv Children's Home, employees in Israel volunteered in two innovative programmes. The first, "Empowered Women", helps inspire final-year girls to become successful independent women. Monthly meetings with Pitney Bowes mentors provide a forum for subjects including career development, financial management, self-awareness, self-defence and personal growth. Under the second programme, "Sports and Values", employee volunteers played football and basketball with middle school students and taught them about values such as setting goals, persistence and dealing with failure.

Reading to pre-school students at Children's Learning Centers of Fairfield County

Employee volunteers in Stamford, Connecticut, are in their third year of a very different collaboration focused on children 3-5 years old. At Children's Learning Centers of Fairfield County, volunteers lead monthly group reading sessions that start with 15-20 minutes of reading from books selected by the pre-schoolers, followed by arts, crafts and playtime activities.

Mentoring future software engineers in Poland

In Bielsko-Biala, Poland, Pitney Bowes employee volunteers helped organise and run a programme for 200 primary and secondary school students. Through the programme, students learned what it's like to be a Pitney Bowes software engineer and the range of career opportunities available in IT. They also took part in a software testing competition to find the most errors in a web application. PB Poland colleagues also participated in IT Academic Days, helping more than 500 secondary school students to take part in a competition designed to strengthen their programming skills. In addition, PB Poland team members partnered with Bielsko-Biala University's Reset YOUng initiative, which introduces students from 7 to 18 to the university and exposes them to programs such as Lego Mindstorms and basic programming software.

Colleagues in France support students in Morocco

Through the "A Tous Coeurs" programme of Pitney Bowes France, colleagues in France continued their support of a nursery school in the village of Adar N'Wamane in southern Morocco. Employees donated essential tools and resources to benefit the young students.

Junior Achievement

Each year, employee volunteers from Fairfield County, Connecticut, reach out to teach Junior Achievement's "JA Our Nation" programme to fifth-graders at local elementary schools. Through hands-on classroom activities, the programme provides students with practical information about the nation's free market economy and how it creates potential career opportunities.

Network for Teaching Entrepreneurship (NFTE) Mentors and Judges

Pitney Bowes volunteers have long supported students in NFTE's entrepreneurship education programmes by mentoring students and participating as judges in NFTE business plan competitions. Last year our volunteers helped students during the NFTE Start Up Tech Summer in New York City. A highlight was NFTE's August reception at the United Nations in honour of winners of its World Series of Innovation in April, in which students were challenged to develop entrepreneurial solutions to help meet the UN's Sustainable Development Goals. Eleven teams of young innovators were honoured for their contributions.

Back-to-school supplies for more than 1000 students

Volunteers at eight Pitney Bowes facilities teamed up to assemble bags full of school supplies for low-income children in their communities. In partnership with the United Way Worldwide and local United Ways, employees donated more than 300 hours to assemble the kits and offer handwritten notes of encouragement to students in Austin, Texas; Corona, California; Indianapolis, Indiana; Milwaukee, Wisconsin; Pine Brook, New Jersey; Reading, Pennsylvania; and Richmond, Virginia.

Arbor Hill Elementary

Employees volunteered at this school in Albany, New York, reading Dr. Seuss's "The Best Nest" to kindergarten and special ed classes. They then helped students to decorate their own wooden birdhouses. Students also received copies of James Patterson's "Middle School" chapter book while teachers received a variety of books and school supplies.

Arts in education theatre workshops

More than 20 Fairfield County employees volunteered at 12 Ridgefield Playhouse literacy workshops featuring Charlotte's Web for fourth-graders at schools in Danbury, Stamford and Norwalk, Connecticut. Working with Ridgefield Playhouse staff, they prepared students to see the play by reading excerpts from the book, explaining theatre etiquette and helping students to write their own vivid descriptions of story elements. At the end, each student received a personal copy of the book.

Nourishing young learners by creatively addressing food insecurity

In Phoenix, Arizona, 125 employee volunteers partnered with Kitchen on the Street to build sculptures out of tinned foods as part of a team-building exercise. When they had finished, all 5,000 cans were donated to local Family Food Pantries to help Maricopa County families struggling with food insecurity. In

addition, employees from Stamford, Connecticut spent an evening volunteering at the Mobile Food Pantry, helping to distribute food to more than 190 Stamford-area families. The Pantry is a partnership between the United Way and the Connecticut Food Bank. And in Madison, Wisconsin, Pitney Bowes colleagues helped serve Thanksgiving Dinner to 900 people at Green Bay Packer Lambeau Field and deliver 1000 meals to housebound neighbours.

Read Across America

From Rancho Dominguez, California to Danbury, Connecticut, Pitney Bowes employees participated in Read Across America, a nationwide reading celebration that takes place annually on 2 March – Dr. Seuss's birthday. Across the country, thousands of schools, libraries and community centres participate by bringing together kids, teens, books and volunteer readers.

Recognition

Governor's Prevention Partnership places PB on Honor Roll

The Connecticut Governor's Prevention Partnership (GPP) has again included Pitney Bowes on its Corporate Mentoring Honor Roll. This annual recognition celebrates businesses that support mentoring to help keep Connecticut children safe, successful, drug-free and workforce-ready. Each year, our employee volunteers mentor students in numerous Connecticut communities.

Responsible 100 Award

In recognition of outstanding corporate citizenship, Kathleen Ryan Mufson received the City and State New York Responsible 100 Award.

Supporting women-owned business

Abby Kohnstamm and Pitney Bowes were honoured by the Women's Business Development Council on the organisation's 20th anniversary. Pitney Bowes was the first corporate supporter of WBDC.

Giving Back to the Community Award

The United Way of Coastal Fairfield County, Connecticut presented Pitney Bowes with the Norman Leeds Giving Back to the Community Award. This award recognises Pitney Bowes and our employees for outstanding performance in our annual Employee Giving Campaign.

Drives that make a difference

Each year, Pitney Bowes colleagues support their communities through on-site drives and collections to help underserved students and their families. From back-to-school clothes and school supplies to Christmas food and toy drives, our employees' generosity makes a difference. Some examples of 2017 drives include:

Food drives

Whether for holiday periods, weekend nutrition or summertime meals for students on free-and-reduced lunch programmes, our employees donate thousands of kilograms of food to local food banks and food pantries each year. Partners include the Interfaith Food Pantry of Pine Brook, New Jersey; the Food Bank of Southwestern Fairfield County, Connecticut; the Connecticut Food Bank; Second Harvest Food Bank of Metrolina, North Carolina; the Salvation Army Food Bank in Danbury, Connecticut; the St. Joseph Food Pantry in Appleton, Wisconsin; Harvesters in Kansas City, Missouri; and Harvest House of the Valley United Way in Shelton, Connecticut. Last year our team in Atlanta, Georgia did a birthday cake drive to help low-income families celebrate milestones.

Dental drives

Incoming kindergarten students in Fridley, Minnesota each received toothbrushes, toothpaste and dental floss to help keep them healthy and smiling.

Back to school drives

As summer ends, many families struggle to purchase the clothing and supplies their children will need for the school year ahead. Pitney Bowes employees lend a hand at numerous locations by conducting back-to-school drives in partnership with United Way and other charities. The materials they collect help students get the year off to a great start so that they can focus on the academic challenges ahead. Last year's partners included: the Martin Luther King, Jr. Family Outreach Center in Spokane, Washington; United Way of Western Connecticut; Valley United Way in Shelton, Connecticut; United Way of Jacksonville, Florida's Stuff the Bus programme.

Winter drives

From coats and gloves to Christmas toys, our employees supported the unmet needs of children and families in their communities through drives conducted in partnership with Salvation Army chapters serving Kansas City, Missouri and Danbury, Connecticut; the Family Support Center of Salt Lake City, Utah; Domus Kids and Kids in Crisis in Connecticut; Valley United Way in Shelton, Connecticut; United Way of Western Connecticut; United Ways serving Jacksonville, Florida and Milwaukee, Wisconsin; and the Fox Valley Warming Center and Neenah Menasha Emergency Society in Appleton, Wisconsin.

Doubling Our Impact Around the Globe

Employees also engage in their communities through our employee giving programmes. Each year, Pitney Bowes employees in the US, UK, Canada, Australia, New Zealand, India and Japan give generously to charities. Our annual giving campaign, conducted in partnership with United Way Worldwide, enables employees to direct their support to specific initiatives and organisations, and have their contributions matched by the Pitney Bowes Foundation. Education, workforce development and health are consistently among their top priorities.

Our latest campaign resulted in more than \$2.7 million in donations to charities around the world, thanks to employee pledges and matching gifts from the Pitney Bowes Foundation. In addition to raising awareness and funds for the United Way, the Pitney Bowes Relief Fund, Red Cross / Red Crescent Societies and many other charities, teams also won Foundation grants for their local United Ways in recognition of superior campaign events that demonstrated the Pitney Bowes values of innovation, passion and collaboration.



Memberships

We are members of four organisations that support the Corporate Social Responsibility field. Each has its own unique offerings and perspectives; together, they help us to improve the work we do and advance the impact we can make on our communities.

CECP: Committee Encouraging Corporate Philanthropy

The Committee Encouraging Corporate Philanthropy brings together CEOs and top leaders in Corporate Social Responsibility to transform companies' social strategy, which CECP believes is critical to corporate success. We use our CECP membership to refine our strategy, benchmark with other companies, network with industry leaders, share best practices, and ultimately better serve our communities.

ACCP: Association of Corporate Citizenship Professionals

The Association of Corporate Citizenship Professionals brings together companies and foundations focused on designing and implementing effective corporate citizenship programmes. ACCP provides tools and training that help members to navigate the corporate citizenship field and make their work more efficient and effective.

Boston College Center for Corporate Citizenship

The Boston College Center for Corporate Citizenship helps companies to maximise business and social value from environmental, social and governance investments. As members of the Center, we have access to education, research and information to help build and strengthen our citizenship programmes.

Council on Foundations

The Council on Foundations provides an abundance of resources to further inform and improve the work of private and corporate foundations. COF offers unique opportunities for effective governance and professional networking among fellow foundation leaders in our efforts to improve the common good.

Performance 2017

Total Giving (Pitney Bowes Foundation, Pitney Bowes Relief Fund and corporate contributions): \$5.4 million

- Pitney Bowes Foundation Literacy and Education grants: \$1.8 million

Pitney Bowes Foundation grants programme results

	2017	2016	2015	2014
Number of organisations that received grants	135	109	160	144
Number of students directly impacted by PB grants	154,785	186,989	193,760	135,055
Number of teachers directly impacted by PB grants	4,142	3,113	3,850	3,067
Hours of student enrichment	4,299,947	4,310,8879	4,299,751	3,645,804

- Total matching of employee charitable contributions: \$1.3 million to over 1,800 non-profits (in the US, Canada, UK, India, Japan, Australia and New Zealand)
- Corporate contributions in support of charitable causes: \$1 million
- In-kind product contributions (one-time) to non-profit organisations: \$1.1 million

In addition, aggregate value of employee volunteerism: \$2 million / 52,000 hours (includes hands-on and skill-based volunteer activities as well as non-profit board service)



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