



2016

Corporate Responsibility Report



"Our commitment to corporate responsibility energises our entire company through a values-based culture of innovation that drives us to operate more efficiently, collaborate more productively and make more of our lives both on and off the job. This culture brings out the best in all of us, strengthening our relationships with clients and helping us attract the very best talent for the future."

–Marc B. Lautenbach
President and Chief Executive Officer



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A Letter from Marc B. Lautenbach

President and Chief Executive Officer



Recently, we had the honour of hosting high school students from the Danbury, Connecticut, Early College Opportunity programme at our Global Technology Centre. The occasion was a workshop offering real-world insights into advanced technologies and potential career paths for which their education, with its rich grounding in STEM courses, is helping to

prepare them. We offer programmes like this frequently as a natural part of corporate citizenship and a way to create opportunity in the communities where we operate.

Of course, such programmes also benefit Pitney Bowes. Our commitment to corporate responsibility energises our entire company through a values-based culture of innovation that drives us to operate more efficiently, collaborate more productively and make more of our lives both on and off the job. This culture brings out the best in all of us, strengthening our relationships with clients and helping us attract the very best talent for the future.

As we head toward our second century, this tradition of responsible, purposeful innovation is stronger than ever, expressing itself every day through programmes and actions that benefit stakeholders around the world.

As an environmental leader, we continue to drive down energy consumption, eliminate waste and encourage responsible consumer choices among our workforce. As a result, we continue to earn numerous honours from independent environmental authorities. Last year's recognitions included an overall score of A- from the Carbon Disclosure Project and an EPA Climate Leaders Award for Excellence in Greenhouse Gas Management.

Meanwhile, our commitment to the health and well-being of our workforce earned us a Gold level award as an American Heart Association Fit-Friendly Worksite – a recognition inspired by events such as our tenth annual "One in a Million Day" walkathon, during which more than 4,000 employees and family members in 15 countries walked a total of 42.5 million steps.

What we do for our communities is equally distinctive and has a powerful positive impact. Our signature volunteer programme, Dedication to Education, helped more children and families than ever, with 32 projects engaging more than 500 employee volunteers in the United States, Canada, England, France and Australia. "D2E" is a strategically focused all-year-round literacy and education agenda made possible by the Pitney Bowes Foundation and our enthusiastic employee volunteers.

Last year we increased the depth and variety of our service to organisations and communities for whom we can make a difference. We reached 193,000 students through our grants and partnerships, providing more than 4.3 million hours of enrichment through early literacy, STEM education, entrepreneurial training and mentoring programmes. In addition, our employees' commitment to skills-based volunteerism included service to 65 local, national or international non-profits as trustees or board members. All told, our employees contributed 58,000 hours of volunteer service, along with \$1.32 million in employee charitable donations, which were matched by the Pitney Bowes Foundation.

Everywhere I go throughout the global reach of our company, I am impressed by the level of passion, energy and commitment the people of Pitney Bowes bring to our colleagues, clients and communities. This Corporate Responsibility Report chronicles some memorable examples from the past year as it underlines the policies and values that – after 97 years – continue to lead us forward.

Thank you all for what you do and who you are.

A handwritten signature in black ink that reads "Marc B. Lautenbach".

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've 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. We are a member in good standing in the FTSE4Good Index, the responsible investment index sponsored by the FTSE Group. FTSE's review of eligible companies focuses primarily on anti-bribery/anti-corruption policies and practices.

At Pitney Bowes, integrity matters.

Values and ethics

Laws and policies change, but one thing that doesn't change is our commitment to "do the right thing, the right way". We are committed to maintaining honest, fair and respectful relationships with our employees, our clients and the communities in which we are located. We continually provide education and training for employees, not only to ensure that they are aware of the Company's expectations of conduct, but also to provide them with the tools they need to succeed in an ethical and legally compliant culture. Our training classes, policies, code of conduct, reporting and advice channels and management support provide employees with the guidance they need to be able to do the right thing when faced with difficult choices. Senior management is responsible for modelling expected behaviours and is committed to supporting a thriving culture of integrity. We constantly monitor the performance of our ethics and compliance programme to improve its effectiveness.

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 membership from the full range of corporate functions and each business unit. Due to 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 that the company expects of them. We communicate our expectations through ongoing annual education and training initiatives, which we customise based on the particular employee group and method we use to deliver the content. 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 awareness communications to remind employees of the essential elements of the foundational and abbreviated courses delivered in the 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 Help Line 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. 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. We also adhere to applicable law and regulations regarding client, partner and employee personal information moving across geographical and jurisdictional borders including certification under the EU-US 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 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

We have a Government and Regulatory Affairs organisation to enable Pitney Bowes to navigate the ever more complex government and regulatory environments in which we operate. Pitney Bowes engages 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, 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 06926, USA, or to govtaffairs@pb.com.

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, 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.
- 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 feedback, 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.

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 eighth year, our protocol for the collection and reporting of global carbon emissions has received third-party validation 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 protocols 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 decreased 5% from 2015 to 2016, indicating further progress.

Continued climate disclosure achievement

During 2016, 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.

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.

EPA's Climate Leadership Awards recognise organisations from across the US for their leadership and innovation in helping fight climate change. Winners are honoured for managing and reducing greenhouse gas emissions in internal operations and throughout the supply chain, as well as integrating climate resilience into their operating strategies. This is the fifth year of the annual Climate Leadership Awards, a partnership between the EPA's Center for Corporate Climate Leadership, the Center for Climate and Energy Solutions and the Climate Registry.

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 73,800 metric tons of CO₂ emission reductions. In 2016, our purchases of Green-e® certified RECs helped reduce CO₂ by 19,712 metric tons, an offset of approximately 40% of our global Scope 2 emissions.

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 2016 we had reduced our electricity consumption by more than 34.5 million kilowatt hours from our 2007 baseline, saving \$4.62 million and reducing our carbon footprint by 16,134 metric tons of CO₂. Energy-saving initiatives have included more efficient lighting fixtures and computer monitors as well as site consolidations.

In 2016, 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 24 million kilowatt hours of electricity, resulting in a reduction of over 9,331 metric tons 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 named to 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 2016, we increased internal participation in the WasteWise programme by recruiting five additional Presort operating centres to participate.

Our US waste reduction campaign resulted in the avoidance of more than 15,800 metric tons equivalent of CO₂ (MTCO₂E) in 2016. Since 2004, we have avoided 238,800 MTCO₂E, equivalent to the effect of removing more than 43,100 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 2016, 1,881 tons of US electronics waste was recycled.

Agile work

Our six-year-old agile work programme continues to drive down greenhouse gas emissions while enabling employees to reduce their commuting time and gain flexibility in determining where and how they work. In 2016, our US agile or mobile employees saved over 300,000 hours in travel time and over 400,000 gallons of petrol, reducing greenhouse gas emissions by over 2.7 million kilograms. Since the programme began, it has enabled us to reduce these emissions by approximately 20 million kilograms.

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 the following link: pitneybowes.msds.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.

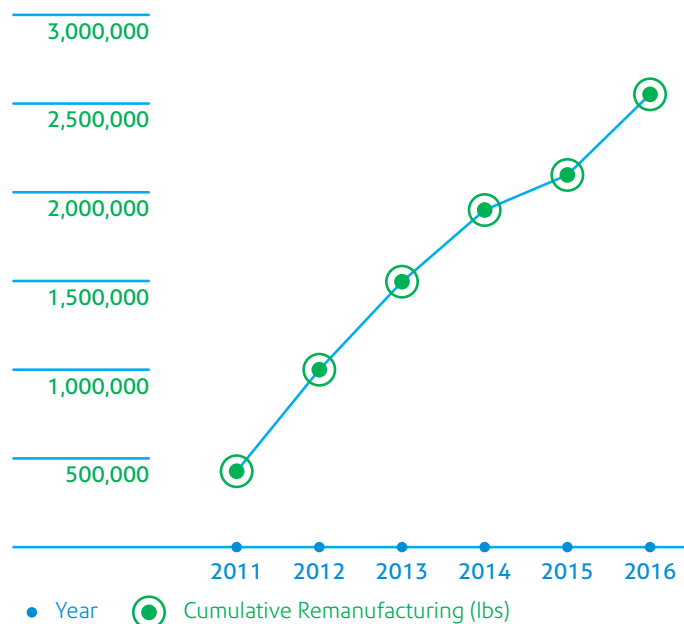
Regulatory reporting and data management

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. We started our product take-back programme 50 years ago, and since then we have recovered millions of kilograms of equipment and components for reuse 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. Last year equipment remanufacture diverted over 180,000 kilograms of waste from recycling to reuse.

We have a robust remanufacturing process that has kept more than 1.1 million kilograms of products out of our waste streams in the past six 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

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.

Volunteer events

Pitney Bowes is committed to environmental responsibility on a global basis, and employees everywhere have embraced this commitment both on the job and through volunteerism. These examples from 2016 illustrate how small groups of Pitney Bowes employee volunteers can express this commitment while making significant enhancements in their communities.

World Environment Week in India



World Environmental Day

In India, we promote environmental stewardship through interactive events and awareness campaigns throughout the year. But the highlight of the year is annual observance of World Environment Week.

- **World Environment Day events:** Last year's observance of World Environment Day included a bouquet of environment-friendly events at Noida and Pune to encourage employees to use environment-friendly products and reduce wasteful consumption of paper, electricity and water.
- **Tree-planting drive:** As part of the campaign, we also organised a tree-planting drive. Employees were encouraged to plant trees inside the office premises, both to make their surroundings greener and to help reduce pollution.

- Jute bag decoration: Teams got together to decorate reusable (and recyclable) jute shopping bags in support of the green "World Environment Week" theme.
- Best out of Waste: We organised this special craft activity to help employees discover new ways to recycle old office items into lamps, bird houses – you name it. Participants also got a fun souvenir to take home.

Connecticut Audubon Society Milford Sanctuary



Employees volunteering at the Audubon Society preserve.

The Connecticut Audubon Society helps conserve the state's natural environment through education and advocacy. It manages 19 wildlife sanctuaries, preserves over 2,600 acres, rescues endangered species, and educates more than 200,000 visitors a year. The sanctuaries are maintained primarily by volunteers and community service projects.

In the summer of 2016 a team from Pitney Bowes' Global Corporate Legal and Compliance department took on a variety of tasks to improve the society's Milford, CT, sanctuary. The tasks ranged from painting benches, stairs and parts of the sanctuary building to working in the gardens and cleaning the grounds and beach area.

Environmental case studies

Waste management

In 2016, 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 launched 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. Our approach would also incorporate upgrades to our preventive maintenance and waste minimisation procedures. Preliminary results to date are positive at most locations.

Presort brings Pallet Wrapz™ to nine more sites

Presort Services' Mail Exchange also continued to expand its use of the Pallet Wrapz™ reusable delivery solution to sites in Kansas City, Detroit, Columbus, Cincinnati, Indianapolis, Madison, Minneapolis, Omaha and Des Moines. These sites transport large numbers of freight pallets of client mail between the cooperating facilities every day. Used in place of traditional, disposable plastic stretch film, long-lasting Pallet Wrapz™ eliminates tonnes of plastic waste every year while providing a stronger, safer and more protective wrap. Expected savings over the next three years include more than \$819,000 in labour and materials as well as the elimination of more than 259,900 kilograms a year of shrink-wrap waste.

Making smarter choices in office products

How we buy and use office products can have a significant effect on our environmental footprint. To enhance our office product sustainability, we work with partners such as Staples. Here are two examples of this collaboration in 2016:



Smart-Size Packaging. Rethinking packaging can dramatically reduce the amount of waste sent to landfill. These two photos show the same 29 orders on the same sized pallet before and after implementing the programme:

Smart-Size Packaging. Rethinking packaging can dramatically reduce the amount of waste sent to landfill.

We're now averaging 20% less cardboard per box delivered, saving approximately 100,000 trees per year. At the same time, we've cut our usage of air pillows and packing peanuts by up to 60%. As a result, despite increasing our average order size, we have reduced the number of boxes delivered by 3,303 (an 8.9% reduction) from 2015.

In turn, this change has led to improved cube efficiency on delivery lorries and fewer trips due to consolidated deliveries. Overall, the programme saved more than 25,000 metric tons of CO₂ over the previous year.

Environmentally Friendly Sourcing. We've also improved sustainability by adjusting our office product choices to emphasise green cleaning products, post-consumer recycled paper and paper products, and other environmentally certified office products. Applicable certifications include EPA Design for the Environment, ENERGY STAR®, EPEAT, BPI compostable, USDA Organic, Rainforest Alliance Certified™, Fair Trade Certified™ and Cradle to Cradle™.

Environmental performance

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

Waste recycled/prevented

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

Product recycling

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

*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. For more than 70 of our almost 100 years in existence, 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, grow 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

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

"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 B. Lautenbach, President and Chief Executive Officer

Pitney Bowes has long been committed to diversity and inclusion, and the business value it provides in understanding our markets, serving our clients, attracting and engaging the best employees and fuelling our innovation.

"This devotion to diversity and inclusion continues to be a defining element of our character and how we do business. To begin with, it's the right thing to do. But diversity and inclusion are also critical to our business success as we work to mirror the markets that we serve and compete for the very best talent we can attract. Our team is stronger – and our decisions better – when we have people with different backgrounds, different experiences and different points of view. This is why the data is very clear that diverse and inclusive teams are keys to high-performing organisations."

– Marc B. Lautenbach, President and Chief Executive Officer

Who we are

Our inclusive beliefs and practices start at the top. Pitney Bowes' rich heritage of inclusive leadership started with CEO Walter H. Wheeler in the 1940s and continues today with CEO Marc Lautenbach. Each of these leaders contributed to the tradition of executive engagement in diversity and inclusion that continues to be one of the defining characteristics of our CEOs and our culture.

Actions speak louder than words. In the 1940s CEO Walter Wheeler took a series of actions fuelled by his belief in the need to embrace diversity. These included resigning from a club that would not admit African Americans, pulling a sales conference from a hotel that would not allow our African American salesperson to stay there, and writing a series of memos directing the head of personnel to make sure that our workforce mirrored the demographics of the neighbourhood in which our operations were located, which included Italian immigrants and African Americans. He also directed the company's participation in Fisk University's first National Dialogue on Race at the end of the 1940s. By setting a personal example of inclusive behaviour, Mr Wheeler set the tone for an enduring culture of fairness, integrity and trust. In 1950, the company was recognised by the National Urban League for its equal employment practices, marking the first of many awards for diverse and inclusive practices.

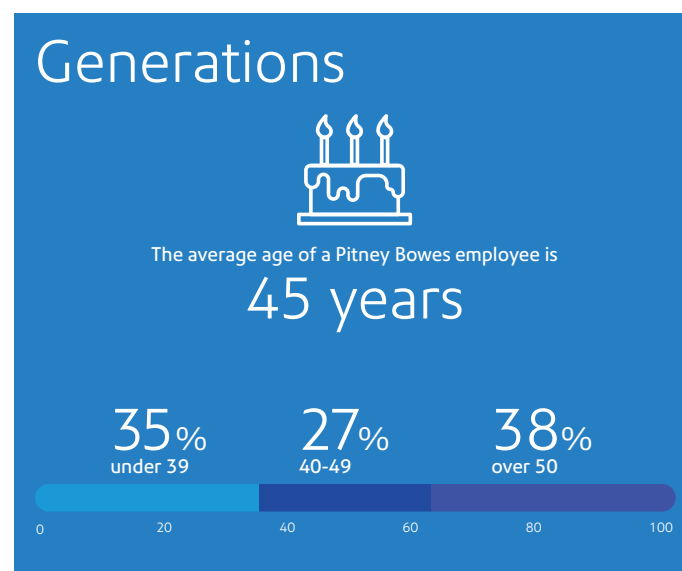
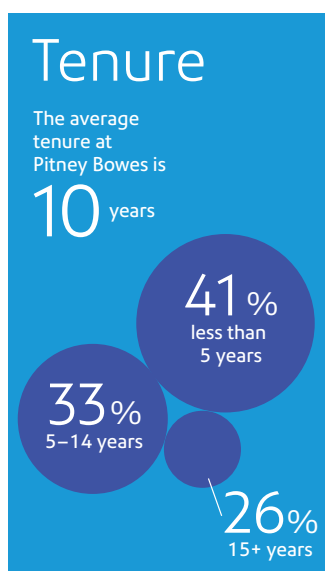
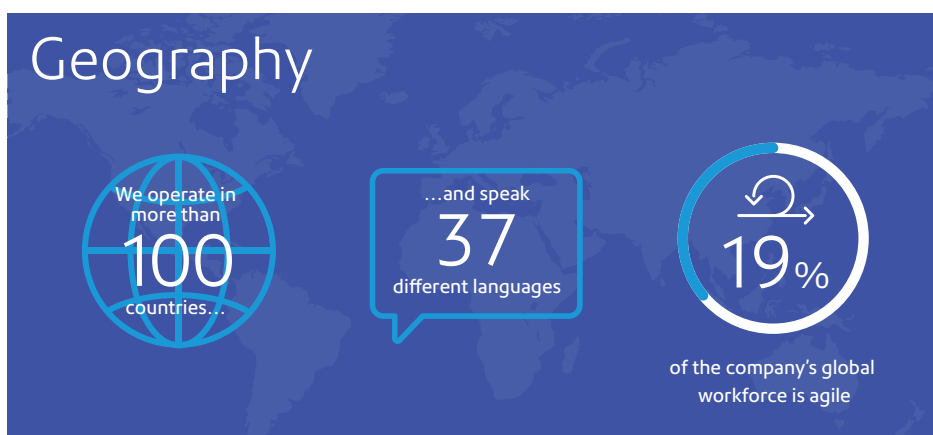
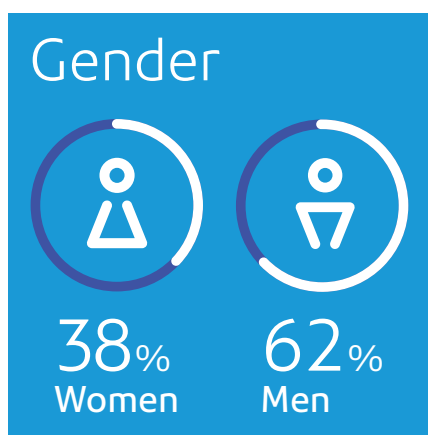
Subsequent company CEOs continued to speak out through the 1960s and 1970s on the need for ethical behaviour in corporations and diversity in the workplace. They were also instrumental in providing founding support for the local chapters of the National Association for the Advancement of Colored People (NAACP) and the National Urban League.

From the 1980s to the 1990s, Chairman and CEO George B. Harvey diversified the Board of Directors, focused on recruiting more women and minorities in the workforce and was actively involved in the creation of the company's first Employee Resource Groups (ERGs) for women, minorities and work/life issues. In honour of this work, upon his retirement the company funded research on the business value of diversity at the Wharton School of Business at the University of Pennsylvania.

In the following decade CEO Mike Critelli took this leadership to a national level, serving three terms as chairman of the National Urban League.

Today, CEO Marc L. Lautenbach continues to build on this tradition as a member of the Catalyst Board of Directors and a founding member of Catalyst CEO Champions for Change initiative, which brings together CEOs and senior leaders who are visibly supporting and driving diversity, inclusion and gender equality within their organisations.

At Pitney Bowes, we embrace the humanity and common goals which unite us and celebrate the rich mix of countries, cultures, ages, races, ethnicities, gender identities, abilities and perspectives that differentiate us as individuals. We believe diversity is the right thing for our business. And we believe that inclusion is the right way to create sustainable value for all of our stakeholders.



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 grow and develop their professional skills. We want to equip employees to understand and address our changing markets, our emerging client needs, our transforming business and our evolving communities.

Gender

The Pitney Bowes Women's Inclusion Network (PBWIN) is designed to support the inclusion and development of women to further the company's business success. Participation in the network and its activities is open to all employees who want to help the company gain a competitive advantage by supporting women's growth and using their expertise to deliver more value in our markets. The network offers global webinars on topics of professional and personal interest such as work-life integration, embracing change and the role of confidence in growth and development. Groups of employees around the world participate in these webinars and host follow-up discussions about the content. Additional site-specific offerings provide opportunities for learning based on business, function or geographic region.

Two initiatives in India illustrate this global commitment. The first is Pitney Bowes Lets Me Be Me, a series of programmes addressing factors that inhibit women's advancement in business. Last year the series included a six-month customised experiential learning component, "Aspire to Inspire", for high-potential women. The other is WE-GLOW (Women Empowerment – Growth through Learning, Outreach & Work), which helps women build capabilities through external NGO partnerships, connecting with universities, and real-time business impact projects.

During Women's History Month, and throughout the year, we celebrate the accomplishments of women in our business who are leading the way in serving clients, creating value and innovating in our markets.

Our efforts have repeatedly been recognised by national organisations. Last year the Women's Business Enterprise National Council named us one of "America's Top Corporations for Women's Business" for the sixth year in a row. Other recognition has included 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.

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. The company leverages the perspectives and insights of our Young Professionals to influence the design of innovative solutions, client experiences and business issues.

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 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 business and 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.

To this end, in Europe we launched regional training for our EU and UK employees to raise awareness of unconscious bias, foster more inclusive workplaces and help leaders be more effective.

In India, we build on Pitney Bowes' global leadership development programmes with locally designed policies and programmes that encourage breakthrough thinking on culture and technology while meeting the unique needs of women, men and families.

We have hosted Globalisation Fairs to raise awareness of the cultural intelligence necessary to successfully deliver value in our markets around the world, while celebrating our diversity.

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 diversity within our workforce and our supply chain. Our diversity makes us better at serving clients around the world, producing good results as a team, and winning in our markets.

Veterans

Military service requires purpose, commitment and collaboration in pursuit of common goals. We prize these same qualities at Pitney Bowes. In 2016, we sponsored a number of events recognising veterans and veteran business owners, including Vets Rock Veteran Services Expo, the Connecticut Veterans Day Patriot Race and the Veterans Corporate Roundtable. 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.

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 four-week skills training and evaluation programme in collaboration with the Minnesota Vocational Rehabilitation Services' job skills programme, which offers an innovative approach to recruiting and hiring people with disabilities. During the programme's paid trial period, we examine a potential employee's attendance, attitude, attention to quality and detail. Over the past four years, 78 people with disabilities have completed the training, 40% of whom we hired.

We also hire people with disabilities through the job shadowing programme with Independent Living Resource Center (ILRC) in Florida. After job shadowing with a Pitney Bowes supervisor to learn the duties and functions of a Presorter, ILRC candidates gain both confidence and skills, and so far we have found several new employees as a result. We also celebrate National Disability Employment Awareness Month with feature stories about individuals with disabilities who are an important part of our team.

Partners

Through our alliances, we provide additional value to our clients, employees and shareholders to fuel the long-term success of our company.

Sourcing diverse talent

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.

We also take part in numerous annual career fairs and other events through organisations such as:

- Prospanica (formerly the National Society of Hispanic MBAs), an organisation that empowers Hispanic business professionals to achieve their full educational, economic and social potential. The organisation works to fulfil this mission by providing access to higher education for Hispanics seeking professional advancement in business, offering resources, information and a sense of community to business students and professionals.
- The National Association of Women MBAs (NAWMBA), a not-for-profit organisation dedicated to empowering female business professionals, assisting women into leadership positions in business and enhancing the diversity of the workforce worldwide. They serve female MBA students, female business professionals and MBA-level entrepreneurs, universities and corporate partners.
- The Grace Hopper Celebration of Women in Computing, the world's largest gathering of women technologists, produced by the Anita Borg Institute in partnership with Association for Computing Machinery.
- Independent Living Resource Center (ILRC), Jacksonville, FL, which offers programmes that empower people with disabilities to live independently in the community.
- Minnesota State Rehabilitation Council, which provides counsel and advice to Minnesota's Vocational Rehabilitation Services.

Women and leadership

Catalyst is a global non-profit organisation with a mission to accelerate progress for women through workplace inclusion. The global organisation is dedicated to creating workplaces where employees representing every dimension of diversity can thrive.

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

Our Catalyst partnership extends to our India operations through a variety of country-specific programmes to empower, promote and retain women.

Veterans

The US Veterans Chamber of Commerce is a non-profit organisation dedicated to empowering the veteran-owned business and military community. As part of our Supplier Diversity outreach, Pitney Bowes hosted a Corporate Veteran Roundtable in partnership with Connecticut Senator Richard Blumenthal and the US Veterans Chamber of Commerce at our offices in Shelton, CT. This half-day event combined networking opportunities for veterans and small business owners with discussion on topics including legislation and policy issues, hiring veterans and working with veteran-owned businesses.

Communities

We also support a number of national and local organisations such as the National Urban League, the National Association for the Advancement of Colored People (NAACP) and the Connecticut Women's Education & Legal Fund.

Awards & recognition

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

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.



Lila Snyder, EVP and President, Global Commerce recognised by the YWCA of Greenwich, Connecticut at their BRAVA Awards luncheon

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

Winning "W" Company (2020 Women on Boards) 2015, 2014, 2013, 2012, 2011

People with disabilities

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

Exemplary Employer (State of Wisconsin Department of Workforce Development – DWD) 2014

Large Employer of the Year (Minnesota State Council on Disability) 2013

India

Best Companies in Supporting Women to Remain at Work (Great Places to Work Institute) 2015

Best Companies for Unique Initiative – Project Dhaarna (Great Places to Work Institute) 2015

Global HR Excellence Award & Exemplary Leader Award (World HRD Congress) Manish Chaudhary, VP and MD, Pitney Bowes Software India 2015

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

India's Top 5 Technology Companies to Work For (Great Places to Work Institute) 2015

Supplier diversity

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

Advocate of the Year, Business Pioneer Award (CT Gay, Lesbian, Transgender Chamber of Commerce) 2015

America's Top Corporations for Women's Business Enterprise (Women's Business Enterprise National Council – WBENC) 2016, 2015, 2014, 2013, 2012, 2011

Corporate 101: Most Admired Companies for Supplier Diversity 2016, 2015 (Minority Business News USA magazine)

Corporate Partner of Distinction (Women Presidents' Educational Organization – WPEO) 2015, 2014, 2013, 2012, 2011, 2010

Corporate Veterans Champion (National Veteran-Owned Business Association – NaVOBA) 2016

National Advocate of the Year (Greater New England Minority Supplier Development Council – GNEMSDC) 2016

National Corporation of the Year (Greater New England Minority Supplier Development Council – GNEMSDC) 2016

Top 25 Military Friendly® Supplier Diversity Programs (National Veteran-Owned Business Association – NaVOBA) 2016, 2015

Top 30 Champions of Diversity (Diversity Plus Magazine) 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

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.

In 2016, for the second year in a row, global participation in the survey reached a new high, with 90% of employees responding.

We also use other channels to promote dialogue and employee engagement. One of the most popular is our online forum and social network, Yammer. Launched in 2009, Yammer has grown into an important tool for global collaboration. Yammer empowers employees to collaborate more productively, make

smarter decisions faster, reduce cycle times and improve relationships with clients and partners. To date, employees have posted more than 142,000 Yammer messages.

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

Leadership Essentials for Managers. This core leadership programme was launched in May 2014 for 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 to role-specific leadership programmes for client-facing groups such as Sales, Client Operations and Global Service.

Leading in a Global Environment. This director-level leadership programme, launched in March 2015, is designed for leaders who want to improve their skills in strategy formulation and execution, working across cultural, geographic and business units, and developing shared agendas to support the best interests of our clients and their businesses. We expect all Directors to complete the programme by the end of 2017.

Leading a High-Performance Organisation. This Vice President-level programme, launched in September 2015, focuses on strategy, culture, ethics and leading transformational change throughout the organisation. These leaders are expected to complete the programme by the end of the third quarter of 2017.

Health and wellness

All across the world, we provide programmes and resources to support and motivate our employees and family members to be healthy and energised. We make it easy for employees to take charge of their well-being through:

- Free nutrition programmes
- Fitness programmes
- Stress management programmes
- Back health and ergonomic programmes
- Free preventive care screenings and more.

We offer affordable access to health care and provide information and resources to help employees make good health choices. Our medical plans provide specialised resources and services such as maternity management and a nurse hotline. We partner with outside vendors to offer benefits such as free financial counselling, and work and life resources for employees and their family members.

Making good health simple

We offer a wide range of programmes and services to help employees and family members live healthier lives. Our wellness and benefits website, **PBprojectliving.com**, offers a variety of programmes, including guidance on matters ranging from health and wellness to financial planning. Our global wellness programmes attract thousands of employees around the world. In 2016, our tenth annual one-day walking event, "One in a Million Day", drew more than 4,000 participants from 15 countries to 82 group walk locations, where they walked a total of over 42.5 million steps. More than 1,000 employees participated in our 2016 eight-week Get Moving Around the World challenge, with an average weight loss of 3.6 kilograms (one Body Mass Index point) and more than half of the participants exceeding physical activity goals of 150 minutes a week. More than 4,000 have taken part in our Change One nutrition programme, with 73% of return participants maintaining at least a 4.5-kilogram weight loss.

Our programmes have repeatedly earned national recognition for excellence. For ten consecutive years, the National Business Group on Health® honoured Pitney Bowes with its Best Employer for Healthy Lifestyles Award®. For the last five years, we have also been recognised as a Healthy Workplace Employer by the Business Council of Fairfield County, Connecticut. And in 2016, we earned the Gold level award from the American Heart Association for being a Fit-Friendly Worksite.

Improving access to care

Our five on-site medical clinics in the US provide free access to roughly 20% of our employees. In 2016, our clinics recorded 37,968 total patient visits/encounters, up 2% from 2015. More than 2,500 employees took advantage of clinic health screenings for skin and breast cancer, vision, hearing, blood pressure and biometric screenings. Other clinic offerings include workshops on topics such as sleep disorders, smoking cessation, legal issues, preventing identity theft, parenting, elder care and CPR certification. In addition, our clinicians are frequent guest speakers at national conferences on subjects such as "The Culture of Health at Pitney Bowes", "Integrating Telemedicine with Clinics", "Health Concerns for Agile Workers" and "Mental Health Matters".

Last year our US clinicians also reached out in other ways, including medical consultation with managers throughout the US on mental health issues, and tuberculosis and measles cases in the workplace. The Travel Medicine programme expanded to provide Zika education, and travel visits to the clinics rose by 37%. Chair massage visits proved very popular, and grew 37% from 2015, with expanded hours. The clinics in Appleton and Spokane provided stress management services to call centre employees.

Beyond the reach of the clinics themselves, the company offers the telehealth service, Amwell. This programme provides online access to a network of physicians and providers at all hours, including the Pitney Bowes medical staff. In addition to direct one-on-one consultation at home, the programme also includes a mobile app for use while travelling. To date, 23% of US employees and family members have used the service.

Work and life resources

Where feasible, we encourage flexible working arrangements to help employees manage the demands of work and home. For several years, our Agile Work programme has enabled employees to reduce the time and expense of commuting while working efficiently from multiple locations. In addition, our SitterCity® and Culture Au Pair benefits help US employees locate caregivers, whether for a child, ageing adult, pet or house. We also provide tools to help employees develop flexible working proposals. In addition to telecommuting, flexible options may include compressed work weeks, part-time assignments and variable work schedules. For US employees, Your Life Resources (a work and life assistance programme available through Value Options®) offers information and services on counselling, summer camps, child and adult daycare and much more.

Building resilience

It's well known that stress can cause or aggravate numerous health conditions ranging from heartburn and muscle aches to obesity and diabetes. To help reduce these effects, we offer free, confidential telephone counselling and stress management sessions to employees and family members. In addition to weekly Dial Ohm call-in sessions, a library of pre-recorded guided meditations provides a brief, guilt-free opportunity to relax, refresh and recharge anywhere, at any time. In 2014, we launched a resiliency workshop series, offered live or by recording (depending on location), and in 2016 we added a series of online resiliency and stress management tools.

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 System

Our Environment, Health and Safety 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 Management System, we regularly conduct thorough reviews of our operations, our waste management and recycling partners and our supply base. In 2016, we completed reviews of 19 domestic and international Pitney Bowes locations, three waste management sites and three supply sites.

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 television 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: that we strive to keep our workplaces free from hazards, and that 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. Last year, employees completed more than 2,100 EHS-related courses. In addition, in the Global Client Care organisation, 900 field service employees from the US and Canada completed a mandatory course called "Back Safety: Lift Well Live Well".

Performance

In 2016, our global rate of recordable injuries fell slightly below our 2015 performance with opportunity for improvement.

Performance						
	2011	2012	2013	2014	2015	2016
Total recordable cases/100 employees/year	1.80	1.68	1.38	1.29	1.45	1.44
Days away and restricted cases/100 employees/year	1.56	1.35	1.18	1.11	1.19	1.26
Lost workday cases/100 employees/year	0.79	0.52	0.36	0.26	0.36	0.33
Ergonomics injury cases/100 employees/year (US only)	2.00	1.38	1.64	1.88	1.93	1.83
Work-related fatalities/year	0	0	0	0	*1	0

*Motor vehicle related fatality

Safety case studies

Ergonomic workshops



We continued to offer half-day workshops to help employees learn how to see their work area through “ergonomic eyes”. These workshops provide a basic understanding of ergonomic principles as well as tools to help students identify ergonomic risks, assess the

impact of poor ergonomic design, and take effective measures to improve the situation. Students spend time observing work assignments, then apply lessons learned to develop corrective action plans for their location by the end of the workshop. In 2016, more than 100 employees at 12 sites received this training. The photo shows a team from the Pitney Bowes Presort facility in Levittown, PA, applying their newly obtained ergonomic skills completing a job assessment.

Find It Fix It Kits



The photo shows a sampling of materials from the kits.

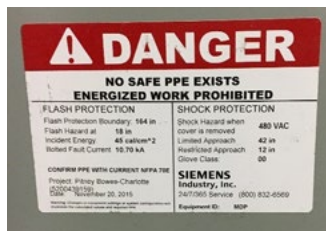
In order to reach employees throughout our businesses, safety and environmental information kits have been prepared by EHS and delivered to our largest production locations. We extended this well-received programme in 2016 by creating two new kits and delivering them to approximately 50 sites. Each kit included posters, placards, muster topics for supervisory use, employee handouts, videos and more. Topics included:

- Electrical Safety
- Powered Industrial Vehicle Safety
- Hazard Communication (Global Harmonisation)
- Driver Safety
- Energy/Carbon Management
- Sustainability
- Job Hazard Analysis
- Fire/Home Safety

Electrical safety

In 2016, Pitney Bowes Presort Services completed a two-year analysis of all 35 operational sites to determine the potential exposure to arc flash for on-site technicians working on PB Presort equipment. The process included gathering and diagramming facility-related electrical information and then tracing it down to the individual sorting machines. As a result, we not only determined that our equipment technicians are not exposed to arc flash, but were also able to provide the information necessary to protect on-site contract electricians, whether working on our behalf or for the building owners. All

electrical panels and enclosures have been posted with labels that identify the potential energy, necessary personal protective equipment and safe boundaries needed when working on electrical equipment.



The photo to the left shows the warning label that we ultimately affixed to our power panels, describing the arc flash potential.

Fit for Work

Since May 2016 our Presort Services site in Reading, PA, has been pilot-testing a new safety programme designed to prevent work-related injuries by working with employees before minor aches turn into major pains. Under the Fit for Work programme, certified athletic trainers, with an extensive background in body mechanics, spend time on the production floor observing employees during their normal work process.

Through a combination of observation and one-to-one interaction, the trainers can correct behaviour as it is happening to ensure that employees lift properly, use correct posture and avoid overextending their reach or capacity. The programme also allows employees to speak with trainers directly and ask them to review their work routine. The programme has already resulted in a series of recommended process modifications to ensure that work gets done with the least possible ergonomic impact to the employee.



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. As of spring 2017, the system is fully operational in our North American markets. We expect to bring it to all our remaining markets by the second quarter of 2018.

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 status on 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

We continually develop new strategies to help diverse businesses grow and participate in Pitney Bowes' global growth.

New areas of opportunity: We identify potential diverse suppliers in areas ranging from logistics and distribution, marketing, mechanicals, facilities and staffing, to finance, travel, benefits and legal work. We use business fairs and matchmaking opportunities to evaluate potential suppliers and build a continuous pipeline. The Global Supplier Diversity team meet regularly with sourcing teams to address gaps and develop plans. We are committed to earning recognition as a global supplier diversity leader in our industry, and have repeatedly been recognised in the United States for our supplier diversity practices and performance.

Communication: We work across the global enterprise and supply chain to ensure a commitment to supplier diversity. We also hold annual training for procurement professionals.

Supplier development: We work with existing diverse suppliers to help them qualify for expanded relationships through product or process improvements. We also mentor potential suppliers.

Sourcing: We integrate supplier diversity into our global sourcing process with an ongoing partnership between Global Supplier Diversity and procurement. Our sourcing processes include requirements to include diverse businesses.

Metrics: Each year we establish a Small Business Administration commercial subcontracting plan. We set goals for year-on-year growth in diverse spend and use a supplier diversity dashboard to track performance in each diverse category.

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. We also report supplier diversity spend to select commercial clients on a quarterly basis and require majority suppliers with whom we spend more than \$500,000 per year to report their supplier diversity spend on a quarterly basis.

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 required to register on the supplier diversity portal at www.supplier-connection.net. Diverse businesses are also strongly encouraged to seek certification from one of the following agencies:

- National Minority Supplier Development Council
- Women's Business Enterprise National Council
- Small Business Administration
- Association for Service Disabled Veterans
- National Gay and Lesbian Chamber of Commerce
- Minority Supplier Development (UK)
- We-Connect 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
- The National Gay & Lesbian Chamber of Commerce – LGBT
- The Minority Supplier Development (United Kingdom) – Minority
- The Connecticut Veterans Chamber of Commerce – Veterans

Leadership

Our engagement with diversity business development organisations includes active leadership and participation on key committees. Our head of Global Supplier Diversity serves on the board of directors of the Greater New England Minority Supplier Development Council (GNEMSDC) as well as the Advisory Board of the National Veterans Owned Business Association (NaVOBA). A senior procurement executive seat on the Board of Directors of the Woman's Business Enterprise National Council is the Council's immediate Past Chair.

Connecticut supplier connection workshop

Pitney Bowes partnered with IBM, ISM-CT, Inc. and the Business Council of Fairfield County to present a workshop called "Is your Company Ready to Win a Contract with a Large Buyer?", aimed at helping diverse businesses bid on new business opportunities and win contracts with large firms ranging from Pitney Bowes and IBM to AT&T, DuPont, Pfizer and many others.

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.

WBENC "America's Top Corporation Award" 2017 – Women

WPEO – NY WBE Advocate of the Year 2017

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

NaVOBA – 2016 Corporation Veterans Advocate Champion

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

NBM USA 2016 Champion of Supplier Diversity Magazine – Minority

Diversity plus Magazine Ranked Top 30 Champions of Diversity – 2016

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

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 are 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' Form SD and Conflict Minerals Report, in which we disclose the supply chain due diligence that we undertook in 2016 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 here**.

Transparency in our supply chain

CA Transparency in Supply Chains Act Statement/UK Modern Day Slavery

In compliance with the state of California's Transparency in Supply Chain Act and the new 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 **here** and our UK Modern Day Slavery statement **here**.

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 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, help close the academic achievement 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 support of education on at-risk students served by school districts in communities where we have a presence:

- We serve young children through programmes that encourage parent engagement, stimulate development of language and literacy skills and foster a true love of learning.
- We serve children from pre-nursery to middle school with year-round enrichment programmes, both school-based and after-school. Our support for summer programmes helps minimise the loss of academic skills during school holidays.
- At the high school level and beyond, we support programmes that motivate and equip students for higher education and potential career choices. These programmes range from mentoring and job training to high school equivalency and ESL or other local language programmes.

In addition to our direct grantmaking, we encourage employees to donate their talent and expertise through skills-based volunteerism. From tutoring 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:

ProLiteracy Worldwide

For more than 20 years, we have supported the important work of ProLiteracy Worldwide, a global non-profit focused on adult



literacy. In January 2016, ProLiteracy presented Pitney Bowes and the Pitney Bowes Foundation with its President's Award in honour of our continuing support of adult literacy and workforce preparedness initiatives on a local, national and global level. We are only the second recipient of this award, first given in 2011.

Success for All

The Pitney Bowes Foundation supported the development of Success for All's KinderCorner Home Links videos. These 25-minute videos bring lessons and skills taught at school directly into children's homes for viewing by children and their families. The shows include stories, songs, dictionary words and numerous videos from *Sesame Workshop* and *Lomax, the Hound of Music* television series. Each show includes letters and literacy, maths, story book and movement that link back to the lessons the students learned at school that day.

Network for Teaching Entrepreneurship (NFTE)

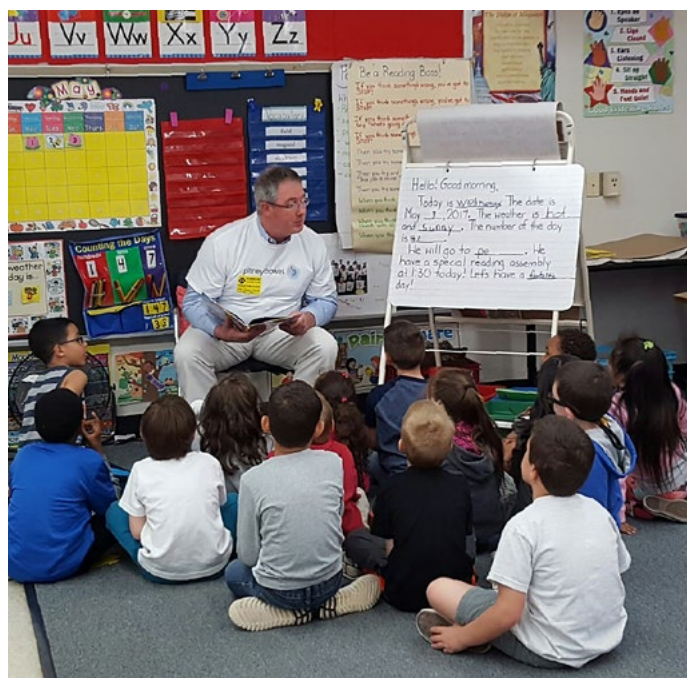
NFTE provides a variety of innovative programmes that inspire young people from low-income communities to build entrepreneurial skills, launch businesses and connect experiential learning to educational programmes. For NFTE's 2017 World Series of Innovation, the Pitney Bowes Foundation challenged students to design a product that helps children or adults to explore real-world STEM (Science, Technology, Engineering, Maths).

MIND Research Institute

The Pitney Bowes Foundation partnered with MIND to provide transformative mathematical experiences to students in grades K–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.

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 in pre-K to grade 5, conduct craft projects and help the children choose a new book of their own to take home. In 2016, our Share the Message: READ! activities included "Explore. Innovate. Play!" at Discovery Museum and Planetarium in Bridgeport, CT. We also joined with others to celebrate RIF's 50 years of achievement, including the distribution of more than 412 million books to 40 million children.

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 2016 (National Reading Month), we again supported their national digital fundraising campaign on the theme "Spark Something Meaningful – Help Kids in Need Love to Read".

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 schools, colleges and universities, with a curriculum spanning literacy, science, maths, arts, sport and cultural enrichment at every level from pre-nursery to high school. 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 2016, we were once again sponsors of 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. The Foundation is currently supporting the 2018 launch of a new Earth and Human Impact exhibit, which explores our relationship to the planet's past, present and future.

Children's Learning Centers of Fairfield County (CLC)

In May 2016, Pitney Bowes and CEO Marc Lautenbach were honoured for our support over the last 50 years, including 25 years of support for CLC's full-day, full-year Head Start programme, which serves some of Stamford's lowest-income families, 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.

YMCA of Stamford

In April 2017, the Stamford, CT, YMCA honoured Pitney Bowes with its Humanitarian Award, recognising Pitney Bowes' long-time commitment to creating meaningful impact in our communities. Paul Macari, Director, Business Process Management and Stamford YMCA board member, presented the award, which was accepted on behalf of Pitney Bowes and its employees by Kathleen Ryan Mufson, President, Pitney Bowes Foundation and Director, Global Corporate Citizenship and Philanthropy. Our partnership with the Stamford YMCA dates

back to 1940, when Pitney Bowes CEO Walter H. Wheeler Jr. led the YMCA Citizens Committee. The two organisations have worked together ever since to help the youth of the community with a variety of programmes and after-school activities.

ETASHA

Pitney Bowes proudly supports the ETASHA Society in India to help students from disadvantaged backgrounds develop skills needed for successful employment. ETASHA provides vocational training, career guidance and placement programmes. Our funding supports programmes on essential competencies for employment and women's professional development and economic independence.

Tel Aviv Wonder Class

Pitney Bowes operations in Israel provide educational support to children at Tel Aviv's Achuzat Sara Children's Home. The goal: to break social, academic and emotional barriers that can keep students from reaching their potential. The Pitney Bowes-sponsored "Wonder Class" provides academic enrichment to ten new residents aged 6–14 to ensure their success in both their new home and their new school. Since the programme began, students have achieved significant progress in both areas. Additional volunteer efforts benefit the larger school community of 140 students.

From Bridgeport to the White House

A Pitney Bowes Foundation grant in support of the arts education programmes offered by Bridgeport-based City Lights & Company helped pave the way for Tisdale School students to perform at the White House for First Lady Michelle Obama last year. City Lights' Turnaround Arts programme empowers high-need schools with innovative arts, dance, theatre and music programmes integrated with school curricula and supported by high-profile artist mentors to help address broader school challenges and close the achievement gap.

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 Relief Fund is financed by employee contributions and matching gifts from our annual US Employee Giving Campaign. Since its inception, the Relief 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.

Red Cross

In support of our communities and the Red Cross, Pitney Bowes and our employees partner with the Red Cross on frequent blood drives. In 2016, the American Red Cross presented Pitney Bowes with a plaque recognising us as a Ready 365 Partner, supporting their humanitarian mission to provide lifesaving services to those affected by natural disasters and personal tragedies.

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 health care, 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, UT), 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

Our extensive support for employee volunteerism helps our company, our employees and the communities where we operate. We offer a number of resources and programmes to support employees' volunteer efforts:

Volunteer grants

- **Individual Volunteer Grants:** In many cases, we provide grants directly to the non-profits where employees volunteer. These individual recognition grants, available globally, range from \$125 for 25 hours of service to \$500 for 100 hours per employee per year.
- **Team Project 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 2016, employees throughout Pitney Bowes served on the boards of local, national and international organisations, providing leadership and expertise in a wide array of business and technical disciplines.

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 volunteer grants to 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

Pitney Bowes Foundation grantees. All activities and projects support education, a top issue for our business, our employees and people throughout our communities. In 2016, our D2E celebration spanned 32 projects in 23 locations, drawing more than 500 volunteers.

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 that we are particularly proud of is Share the Message: Read!, funded entirely by the Pitney Bowes Foundation. Year after year, this programme engages our employee volunteers in working directly with 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. RIF's book distribution model, which engages children by allowing them to choose from an array of quality books, has proven to be a powerful motivator to get children excited about reading and set them on a path to lifelong enrichment.

Volunteer events

Dedication to Education (D2E)

This signature programme operated globally in 2016, with 32 projects involving more than 500 employee volunteers at locations ranging across the United States, Canada, the United Kingdom, France, Israel, India and Australia. The programme's success is a combination of highly engaged employee volunteer champions, outstanding non-profit partners and Team Project Grants from the Pitney Bowes Foundation. The 2016 events took place between August and November. The programme included a kick-off event at the Discovery Museum and Planetarium in Bridgeport, CT, in partnership with the museum and Reading is Fundamental. At the event, more than 30 employees led hands-on STEM (Science, Technology, Engineering and Mathematics) activities and reading events to more than 2,600 attendees, including children and their



family members. Other events around the world included partners ranging from the Dolly Parton Imagination Library, Junior Achievement and the United Way Ready to Read and Day of Action programmes to dozens of local schools, parent organisations, community centres and educational non-profits.

Share the Message: Read!

Throughout the year, teams of US-based Pitney Bowes employee volunteers take part in this exciting programme developed in partnership with Reading Is Fundamental, the nation's largest non-profit children's literacy organisation – visiting schools, reading with children, engaging in craft activities and distributing age-appropriate books to help inspire a lifelong love of reading.

Back to School

When summer ends and it's time to get ready for school, many families struggle to purchase the clothing and supplies that their

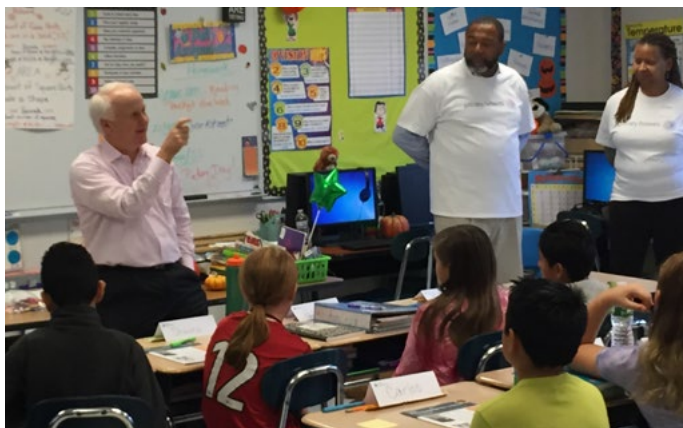


children will need for the school year ahead. Pitney Bowes employees lend a hand at numerous locations by conducting

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 and be fully engaged with their learning and school experience.

Junior Achievement

A team of employee volunteers from Fairfield County, CT, spent a day teaching fifth-graders Junior Achievement's "JA Our Nation" programme at Stamford's Julia A. Stark Elementary



School. They were joined by Pitney Bowes President and Chief Executive Officer Marc Lautenbach, who answered students' questions about education, career paths and the skills needed for success.

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 in NFTE Innovation Days in Fairfield County, CT, Westchester County, NY, and Boston, MA. In addition, our employees regularly support NFTE through board service.

United Way Fund Allocation Volunteers

We encourage employees to participate in the United Way's grant-making activities, leveraging their skills and experience to help the organisation allocate funds to meet the needs of their local communities.

Clean Up Australia

In March 2016, PB Australia staff members in Sydney, Brisbane, Perth and Melbourne donned yellow gloves as they helped to "Clean Up Australia" by picking up rubbish in their local area. The PB Australia team has supported this popular nationwide programme for several years to help make Australia a cleaner and more beautiful country. Last year alone, 682,000 Clean Up Australia volunteers removed an estimated 16,657 tons of waste from local parks, waterways, beaches, sports fields, bushland and roadways across the country.

Supporting Australian students

Pitney Bowes partnered with United Way Australia to help students in Melbourne and Sydney achieve a better start in life after high school. Six employee volunteers in Melbourne helped Narre Warren South College students write CVs, then conducted mock job interviews to help prepare them for careers and business opportunities. In Sydney, volunteers took part in the James Meehan Educating Young Men workshop, mentoring students to make positive decisions for themselves and their careers.



Doveton, Australia, library enhancements

Pitney Bowes employees in Melbourne volunteered to help the nearby town of Doveton make its library a more inviting place to visit. The socioeconomically challenged community comprises many diverse cultures, including immigrants and refugees with limited English skills, for whom the library can be an essential resource. Exterior beautification efforts included weeding, planting and placing colourful flowerpots at the entrance. Inside, colleagues assembled "teaching packs" to engage families in creative play and learning. Local kindergarten students even had a special visit from the reading mascot, Rex the Possum.

Mentoring with the Danbury Early College Opportunity (ECO) programme

This innovative public-private undertaking helps students prepare to excel in school, college and career in a variety of information technology fields. Participants can earn both high school diplomas and associate degrees from Naugatuck Valley Community College. Programme underwriters include the Danbury Public School District, Naugatuck Valley Community College, the State of Connecticut Board of Regents, NewOak Financial and Pitney Bowes. Last year more than 30 employees served as mentors in ECO's online workplace learning component to help students apply lessons learned in the classroom to a real world setting.

Taking time to help students in Tel Aviv children's home

Our employees in Tel Aviv worked with students in Tel Aviv's Achuzat Sara Children's Home Wonder Class last year, with each of the students paired with two employee mentors throughout the programme. Students, teachers, coaches and mentors met at our offices every two weeks, with employee volunteers helping the students work through exercises and forming close bonds with them. Students enjoyed their time with their mentors and their visits to our offices while gaining important academic and social skills.

Reading to preschool students at Children's Learning Centers of Fairfield County (Stamford CT)

The 2016/17 school year marks the second year that our employee volunteers have led monthly group reading activities for children aged 3–5. Sessions start with 15–20 minutes of reading from books selected by the preschoolers, followed by other activities ranging from arts and crafts to playtime.

Judging at the Connecticut Invention Convention

Several Pitney Bowes Tech Ladder members recently volunteered as judges at this annual event highlighting the creativity of young and inspiring students. Each year, the Convention brings some 900 students in grades K–8 from all over the north-east to the University of Connecticut at Storrs to display their problem-solving inventions. The judges selected approximately 20 finalists and met with the students one-to-one to learn about their inventions. The three final winners each received a Pitney Bowes Foundation Innovation Award and a \$100 US Savings Bond.

Audubon Society volunteering

Members of the Pitney Bowes Environmental Health and Safety team joined colleagues from the Global Legal and Compliance organisation at the Connecticut Audubon Society's Coastal Center at Milford Point to paint benches and railings for the comfort and safety of visitors.



STEM career coaching

Members of the PB Innovation Team spoke to more than 200 high school students at the 33rd Annual Multicultural Business Youth Educational Services Embarkment conference in Fairfield County, CT. The team gave the students a deep dive into

potential careers in Science, Technology, Engineering and Maths (STEM) and what their workdays might be like. In turn, students simulated global logistics and parcel delivery and developed and presented concepts for a mobile delivery application.

Supporting veterans and their families in Troy, NY

In celebration of Veterans Day, PB colleagues prepared and served dinner at the Fisher House in Albany, which provides no-cost housing for military and veterans' families while loved ones are receiving treatment at the nearby VA Hospital. This volunteer service helps families at a time when they rarely have the resources to cook for themselves.

Holiday helpers in Poland

Pitney Bowes colleagues in Poland continue to participate in a nationwide event called "The Noble Box Project", which provides assistance to those in need during the festive season. In 2016, the team helped a 70-year-old woman by providing food, gifts and much-needed equipment to make her home more comfortable.

Colleagues in France support students in Morocco

Through the "A Tous Coeurs" programme of Pitney Bowes France, colleagues in France responded to the needs of a kindergarten in the village of Adar N'Wamane in southern Morocco. Employees collected school supplies, games and toys and provided resources to help paint the school, install air-conditioning and purchase textbooks, furniture and a gas cooking range to benefit 29 preschool students.

Presort colleagues help students prepare for testing

Fifty Presort leaders from across the country built 600 care packages for sixth-grade students preparing for their first-ever mid-term tests. Kits included bracelets with positive messages, pencils and a pencil sharpener, erasers, fun mini-notebooks, hand sanitizer, pocket tissues, lollipops and sweets. They also proved useful as the appreciative students created handmade "Thank you" cards to our volunteers.

Brisbane, Australia, employees upgrade local community centre

Volunteers in Brisbane teamed up with United Way and Greening Australia to brighten up a well-utilised community centre. The "Heritage Hut" at the Acacia Ridge Community Centre is a vital resource for its culturally and socially diverse community, running English language and literacy tutoring, employment assistance, housing, food security and social enterprise programmes. Our volunteers transformed the hut into a bright and clean space for the community to continue to enjoy for years to come.

Volunteer recognition

Governor's prevention partnership places Pitney Bowes on honour roll

Once again the Connecticut Governor's Prevention Partnership (GPP) has 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.

Lila Snyder receives the YWCA BRAVA! Award

Lila Snyder, Executive VP and President, Global eCommerce, was honoured recently by the YWCA of Greenwich, CT, as a community leader and mentor for her advocacy for STEM education. In accepting the award, Lila spoke passionately about the importance of supporting STEM education for young men and young women, growing opportunities in STEM fields and the crucial role STEM skills play in organisations like Pitney Bowes.

Stamford Public Education Foundation recognises Polly O'Brien Morrow

SPEF recently presented its Leadership Award to Polly O'Brien Morrow, Pitney Bowes Program Director, Global Corporate Citizenship & Philanthropy, for her wide-ranging work on behalf of the Stamford community. In presenting the award, Stamford Mayor David Martin mentioned Polly's two decades of support for SPEF and its programmes, and her chairmanship of the Stamford School Readiness Council and the Bartlett Arboretum and Gardens.

Doubling our impact around the globe

We also engage our employees 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, allows employees to direct their support to specific initiatives and organisations, with their contributions matched by the Pitney Bowes Foundation. Education, workforce development and health are consistently among their top priorities.

In our latest campaign, the 2016/17 Pitney Bowes Giving Team achieved another great win for their communities. Employee pledges of US\$1.3 million and matching gifts from the Pitney Bowes Foundation will result in more than US\$2.6 million in donations to charities around the world. In addition to raising awareness and funds for the United Way, the Pitney Bowes Relief Fund and many other charities, teams also won grants for their local United Ways in recognition of superior campaign events that demonstrated the Pitney Bowes values of innovation, passion and collaboration.

United Kingdom

Building 5, Trident Place
Hatfield Business Park
Mosquito Way
Hatfield
Hertfordshire AL10 9UJ
ukenquiries@pb.com

17CORP05717_UK

For more information,
visit us online: pitneybowes.com/uk

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