


# Corporate Responsibility Report





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# President and Chief Executive Officer letter

When I joined Pitney Bowes at the end of 2012, I knew that it was a company with immense opportunities and unique strengths. What I quickly learned is that those strengths are rooted in strong core values.

Time and again, I've experienced the power of our values to guide our behavior, fuel innovation and strengthen our connections with our clients and communities. At one level, I've seen how listening more closely to clients leads to deeper insights and better products. At another, I've experienced how our culture of engagement energizes people to perform at their best, whether inside the company or out in the community.

Our approach to corporate responsibility is grounded in these values. Being a good corporate citizen is both the right thing to do and a very good thing for our business. Our commitment to responsible practices strengthens every aspect of our company, from what we make and how we make it to how we sell it and support it to ensure the best possible outcomes for clients, employees, neighbors—everyone our business touches. It is the foundation for programs and policies on everything from diversity and inclusion, employee wellness and environmental stewardship to the work we do with our philanthropic partners to help children and families improve their lives through literacy, education and workforce preparedness. Ultimately, it underlies both who we are and how we are perceived.

How we conduct ourselves with each other and with the world around us are key drivers of any company's success. I am proud of our employees' enthusiastic involvement in skills-based volunteering for community organizations. Last year, the equivalent value of their service contributions was nearly \$2 million—to say nothing of the qualitative enrichment in the lives of the people they served, and their own personal and professional growth. By supporting such growth, we also grow stronger as a company.

For 94 years, our clients have placed their trust in us to help them navigate an ever-changing business landscape. Today, we help them by powering billions of transactions through offerings ranging from mail solutions and parcel shipping to global e-commerce and location intelligence. Making this happen is more than a matter of products and services. It also requires leadership and commitment.



Corporate responsibility is vital to how we do this. It's where business strategy intersects with the qualities and values that matter to us as individual human beings. It's a catalyst for triggering new realizations about the work we do, the ways we interact, and how we can reshape them to do even better for ourselves and everyone around us. It's both an obligation and an inspiration. And it's the essence of what makes Pitney Bowes a great company.

I am proud of the commitments our employees make every day to ensure that corporate responsibility remains the biggest part of who we are.

A handwritten signature in black ink that reads "Marc B. Lautenbach". The signature is fluid and cursive, with a stylized "B" and "L".

**Marc B. Lautenbach**  
President & Chief Executive Officer

# Business practices



## Our business practices

We demonstrate our commitment to corporate responsibility every day through the way we conduct business. Employees are responsible for adhering to company policies and values as well as local laws. We are as committed to abiding by our culture of integrity today as we were when the company was founded 94 years ago.

### Values and ethics

Our values define us as individuals and as a company. Our approach to corporate responsibility is grounded in shared values, a source of great strength for Pitney Bowes throughout its history.

### Risk and business continuity

We have a responsibility to our people and our clients to ensure the continuity of our business during times of crisis. We have robust systems in place to identify, prioritize and mitigate risk, including financial and sustainability risks.

### Privacy

We are committed to protecting the privacy of personal and sensitive information. We have processes and systems to protect privacy while ensuring information security, and to protect the confidentiality of employee communications on sensitive matters. Our products and services are designed with privacy in mind: minimizing privacy risks, meeting our regulatory and legal obligations, and building trust in our solutions.

### Advocacy

Pitney Bowes participates in the public policy and political process in the United States in a variety of ways to help advance our business objectives. We believe our activities are in our shareholders' best interests as well as the interests of the broader marketplace.

# Values

Our approach to corporate responsibility is grounded in shared values. Our values have been a strength of our company for generations. The words have evolved, but the sentiment and meaning have remained constant.

They are:

## Put clients first

- We focus on our clients' success
- We create solutions for tomorrow
- We respond to clients quickly

## Be innovative

- We use a client mindset to generate solutions that drive value for our clients and for the company
- We champion the development of breakthrough solutions
- We create an environment that supports learning and experimentation

## Collaborate

- We work inclusively, treating everyone with dignity and respect
- We work collaboratively with each other and our clients
- We embrace diverse viewpoints
- We support our local communities

## Be passionate

- We act with a sense of urgency
- We go beyond expectations
- We drive for results and celebrate success

## Be accountable

- We deliver on our promises
- We set challenging goals, measure outcomes and reward success

## Act with integrity

- We care
- We do the right thing
- We consider the consequences of our actions

We promote our values on a global scale through a variety of internal programs and communications.

## Code of conduct

Our code of conduct, the Pitney Bowes Business Practices Guidelines describes and illustrates the ethical and compliance standards expected of all our employees. These standards govern how we act toward each other, our clients, our business partners and the communities in which we live and work around the world. The code is currently available in 11 languages and dialects.

<http://www.pitneybowes.com/content/dam/pitneybowes/us/en/legacy/docs/us/pdf/our-company/corporate-responsibility/business-practices/marc%20I%20business%20practices%20guidelines%20international%20english.pdf>

## Education and training

Education and training are critical components of nurturing our culture of integrity. Our approach is to provide clear guidance about our expectations as well as practical resources to help employees adhere to the high ethical standards that govern Pitney Bowes.

We have a diverse workforce that spans a variety of work environments, cultures and languages. Through a rigorous development process, we have tailored our training to reach all employees in all their workplaces. For example, we solicited employee suggestions about how best to provide compliance training for those with no internet access. In response to the feedback we received, we integrated training modules into monthly 'huddle' training at various work sites throughout the United States. In addition, we created a resource library for middle management called 'Setting the Right Tone.' This library is refreshed a minimum of three times a year, and includes e-learning modules, posters, pamphlets and other tools to help managers model and explain the ethical and legally compliant behaviors expected of all employees.

## Advice and reporting channels

We strongly encourage employees to seek advice in dealing with ethical dilemmas and to report any suspected wrongdoing. When employees have questions about how to proceed, there is always someplace to go for support and assistance. Our Ethics Help Line, operated by a third party 24 hours a day, seven days a week, enables employees to report wrongdoing anonymously and in virtually any language in which Pitney Bowes does business, without fear of retaliation. Employees also can contact the Global Ethics & Business Practices Department in person or through hard copy mail, telephone or email. All claims of potential violations of law or policy are reviewed and investigated as appropriate. In the event a complaint is verified, appropriate disciplinary action is taken.

## Metrics

We consistently monitor the performance of our ethics and compliance programs to improve their effectiveness. Monthly reports are reviewed to determine trends, identify necessary targeted education or policy review, and put plans in place to reduce risks of recurrent wrongdoing. In 2013 we launched a compliance dashboard that reviews monthly, quarterly and yearly report activity, including report categories, outcomes and remedies (including disciplinary action).

Pitney Bowes is 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.

## Business continuity

Our business continuity program is aligned with our risk management process. The program's primary objective is to support ongoing contingency planning to evaluate the impact of events that may adversely affect customers, assets or employees. We have 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 program each year for potential improvements.

## Risk

We have a structured, consistent and continuous risk management process in place across the organization. This Enterprise Risk Management system identifies and prioritizes potential risks to the business, including financial, environmental and societal risks. These risks are then assessed in terms of probability, severity, and the status of mitigation plans. The risks identified are reviewed by a senior management Risk Steering Committee and the Board of Directors. The risk management process is reviewed independently by the Audit Committee of the Board.

The result is a strategic approach to risk. By focusing on those issues that can affect how well we achieve our long-term goals, management is able to balance risk and reward appropriately and holistically, strengthening and aligning the interests of management, employees and shareholders. And by integrating this understanding into the company's culture, we help transform risk management from a defensive function into a source of competitive advantage

## Privacy

We are committed to protecting the privacy of personal and sensitive information. We have processes and systems to protect privacy while ensuring information security, and to protect the confidentiality of employee communications on sensitive matters. Our products and services are designed with privacy in mind: minimizing privacy risks, meeting our regulatory and legal obligations, and building trust in our solutions.

## Advocacy

### Overview

Pitney Bowes participates in the public policy and political process in the United States in a variety of ways to help advance our business objectives. We believe our activities are in our shareholders' best interests as well as the interests of the broader marketplace.

We seek to be a bipartisan, constructive voice in the policy and political processes. Our engagement and participation include:

01. Programs and outreach with public officials on issues related to our business;
02. Membership and participation in trade associations and other organizations; and
03. Political involvement and contributions.

Pitney Bowes is committed to adhering to the highest standards of law and ethics when it comes to our involvement in the public policy process, the political processes, and the reporting of related activities.

This document outlines our company principles regarding political engagement and guides our policies, practices, activities, and reporting. These principles are designed to support our compliance with applicable federal and state laws. Pitney Bowes will voluntarily report annually our adherence to these principles for corporate political spending.

Questions regarding these principles should be addressed to Pitney Bowes Government and Regulatory Affairs, 3001 Summer St., Stamford, CT 06926 or to [governmentaffairs@pb.com](mailto:governmentaffairs@pb.com).



## Political spending governance

The Pitney Bowes Board of Directors Governance Committee, which is composed of outside, independent directors, is responsible for overseeing the company's political activities, including our policy on political expenditures. The Committee reviews semi-annual reports regarding the company's contributions to political candidates, committees, and political parties, and our payments to applicable trade associations and other tax exempt organizations. The Committee also receives periodic briefings from a senior manager of Global Government and Regulatory Affairs concerning the company's political activities and spending. The Pitney Bowes Board of Directors is briefed on political activities of the company as well.

In addition to Board oversight, we periodically seek review or oversight of our political contribution activity by independent experts.

The Vice President for Global Government and Regulatory Affairs has the primary responsibility for managing our participation in the political process. This position reports directly to a member of Pitney Bowes' senior management who is a member of the CEO's Executive Leadership Team.

Pitney Bowes' federal and state government affairs professionals are responsible for day-to-day decision making on political activities. They recommend memberships and contributions to support various trade organizations and other organizations to support the company's objectives. These professionals report to the Vice President for Global Government and Regulatory Affairs, who approves this political spending.

The Pitney Bowes Corporate Contributions Committee is composed of Pitney Bowes senior level managers. This committee oversees and approves all decision making related to corporate contributions to candidates, committees, and political parties. The criteria used to determine which candidates and candidate committees Pitney Bowes supports are detailed under "Political Spending."

## Political spending

Pitney Bowes conducts political activities as permitted under federal, state, and local laws. We do not contribute corporate funds or make in-kind contributions to candidates for federal office or to national party committees. Our policy on expenditures with corporate funds is reflected in the company's Code of Conduct, known as our Business Practices Guidelines.

**Independent expenditures:** Pitney Bowes will not use corporate funds to make any direct independent expenditures or fund electioneering communications on behalf of candidates running for public office.

**Ballot measures:** Pitney Bowes does not currently use corporate funds to support or oppose ballot measures and does not have plans to contribute to ballot measures in the future. However, if a matter with significant impact to our business were on the ballot, any contribution to a campaign for or against the measure would require the approval of the Pitney Bowes Corporate Contributions Committee.

**Corporate contributions:** We utilize corporate funds to contribute to candidates, committees, and political parties in states, in large part because a number of states do not allow the use of a Federal PAC. They are bi-partisan and based on a variety of factors, including the candidate's or committee's: views on public policy issues that are important to Pitney Bowes; demonstrated leadership or potential for leadership within their party; representation of districts or states where Pitney Bowes has a business presence; service on committees whose actions could affect our business; and, likelihood of election success.

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

We also contribute corporate funds to support a small number of organizations of statewide elected and appointed officials and political party convention committees, some of which are known as 527 organizations. Historically, we balance our contributions between the two major political parties, although the amounts may vary from year to year. We do not consult with any of the groups regarding the disbursement of their funds. On our web site, twice each year we disclose the aggregate contributions made from corporate funds for such organizations.

**Trade Association and Other Organization Memberships and Partnerships:** Pitney Bowes is a member or partner of several industry, trade, and other groups that represent the mailing industry, the technology industry, and the business community at large. We invest in these partnerships in an effort to bring about consensus on broad policy issues that can impact Pitney Bowes' business objectives. Pitney Bowes' participation in these various groups comes with the understanding that we may not always agree with the positions of the larger organization and/or other members.

Each year, Pitney Bowes makes reasonable efforts to obtain from member associations the portion of the company's dues or payments, totaling \$25,000 or more, that were used for non-deductible lobbying and political expenditures under Internal Revenue Code section 162(e). This information is publicly disclosed as required by law as part of a report to the U.S. House of Representatives, which can be found at [http://clerk.house.gov/public\\_disc](http://clerk.house.gov/public_disc) and the U.S. Senate, which can be found at [http://www.senate.gov/legislative/Public\\_Disclosure/LDA\\_reports.htm](http://www.senate.gov/legislative/Public_Disclosure/LDA_reports.htm).

Pitney Bowes does not plan to request information concerning the contributions made by these groups to others, nor do we plan to condition our membership or sponsorships of organizations on any specific criteria except that which is helpful to advance our business objectives.

### Employee participation (employee involvement is a term we use in community)

Pitney Bowes values the right and responsibility of our employees to participate in the political process in a variety of ways. This participation is a matter of personal choice. Employees' personal political activities should not: 01. suggest Pitney Bowes' endorsement; 02. be conducted during an employee's scheduled working time; or 03. involve the use of any company resources. In addition, we do not reimburse employees, directly or indirectly, for political donations or expenses. These principles are reflected in the company's Business Practices Guidelines, which is our Code of Conduct.

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

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

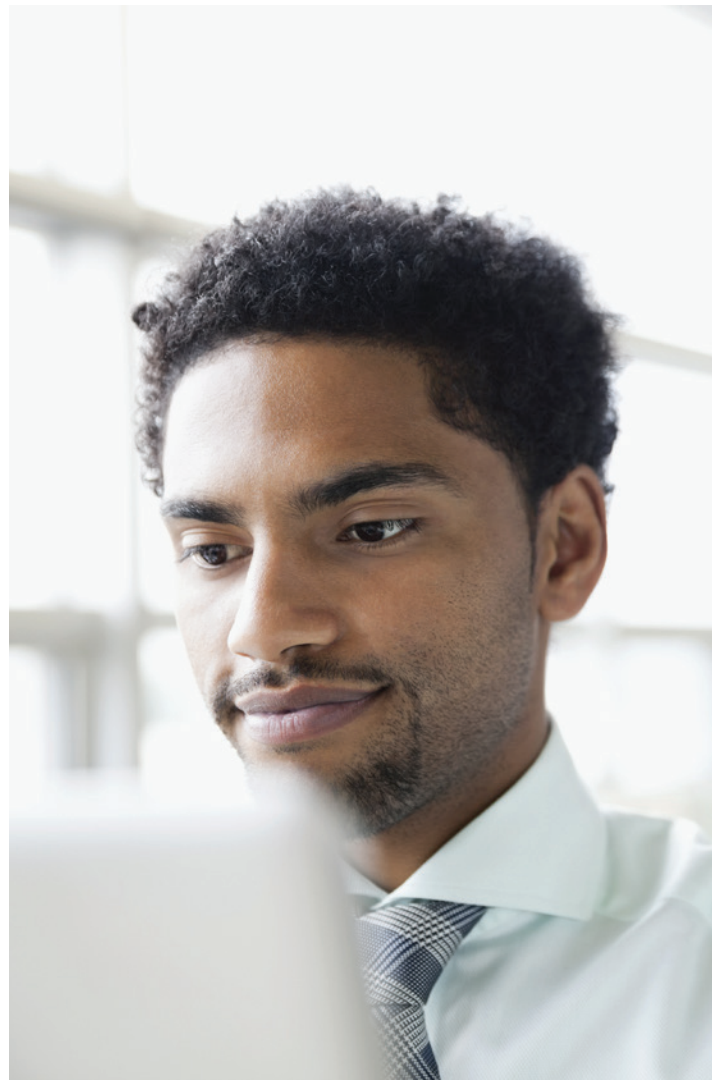
Senior level managers serve on the Political Action Committee, which governs the Pitney Bowes PACs. This committee oversees and approves all PAC contributions to candidates, committees, and political parties in a bi-partisan manner. The committee determines recipients of PAC contributions by considering the candidate's or committee's: views on public policy issues that are important to Pitney Bowes; demonstrated leadership or potential for leadership within their party; representation of districts or

states where Pitney Bowes has a business presence; service on committees whose actions could affect our business; and, likelihood of election success.

The Pitney Bowes PACs do not make any campaign contributions in anticipation of, in recognition of, or in return for an official act.

The PACs make contributions to support the interests of Pitney Bowes and contribute without regard to the private political interests of company executives, officers, or board members.

The Pitney Bowes Federal PAC reports its contributions to the Federal Election Commission, which can be found at [www.fec.gov](http://www.fec.gov) and the New York State PAC reports its contributions to New York State Elections Commission. The Commission's website is [www.elections.ny.gov/INDEX.html](http://www.elections.ny.gov/INDEX.html). The Pitney Bowes PACs will disclose their contributions on the Pitney Bowes website two times each calendar year.





# Environment



Pitney Bowes has a long tradition of environmental responsibility, and each year we continue to raise the bar on green manufacturing and energy efficiency, to the benefit of our employees, clients and communities. In addition, we recover and recycle materials used in our products through a comprehensive take-back program that has been in effect for more than 50 years. Last year we recycled more than 10 million pounds of materials.

We promote environmentally responsible practices in paper procurement and print production.

## Energy conservation

We work continuously to improve energy efficiency in our facilities and operations. We measure our carbon footprint and seek ways to reduce it. We use every means available to help reduce our carbon footprint, from employee awareness to process innovations and site consolidation, and we continue to place among the top 20 in our industry in the EPA's Green Power Partner ratings.

## Environmental product compliance

We hold our products to strict environmental standards, and have rigorous processes to ensure compliance at every stage of manufacturing and distribution. We also incorporate environmental compliance into the design and manufacture of our products.

## Environment: performance 2013

We report our carbon emissions, product stewardship and recycling tonnage.



## Pitney Bowes environmental innovation timeline

- 1944**  
 Asset Return Program
- 1991**  
 Design for Environmental Quality
- 2000**  
 Green Power Market Development Group
- 2007**  
 WasteWise Hall of Fame, Carbon Disclosure Project
- 2008**  
 Eco-Patent Commons, WHQ green renovation
- 2009**  
 Corporate Responsibility Report and metrics
- 2010**  
 Third-party validation of CO<sub>2</sub> footprint; Coalition for Energy and Environmental Leadership in Leased Space
- 2011**  
 Green Machines—remanufacturing emphasis
- 2012**  
 Agile and Home Based Employee Work Model—environmental savings
- 2013**  
 Environmental Program Enhancement and Supplier Education

### Carbon footprint / energy conservation

We work continuously to improve energy efficiency in our facilities and operations. We measure our carbon footprint and seek ways to reduce it. We promote environmentally responsible practices in paper procurement and print production.

#### Carbon footprint

In 2007, we established our baseline carbon footprint using the World Resources Institute standard, and 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. Our protocol for the collection and reporting of global carbon emissions has received third-party validation following an extensive review. In 2012 this validation was expanded to include scope 3 carbon emissions (business air travel mileage). We also created a new five-year, 15% emissions reduction target using reporting year 2012 as the baseline.

Our progress in monitoring, reducing and reporting our carbon footprint, and integrating these activities into our overall business strategy, has been reflected in significant improvement in our CDP scores over the last several years. The CDP uses a third-party financial auditor, currently Price Waterhouse Coopers, to review the quality of each survey submission and rate the responses. In 2009, our score of 50 placed Pitney Bowes in line with many other companies at early stages of this process. As we have continued to improve on our ability to collect, quantify, report and reduce our carbon emissions through real estate consolidations and energy conservation projects, our ratings have risen to reflect our more mature carbon management program, leading to CDP scores of 60 in 2011, 70 in 2013 and 89 in 2014. Each score is based on prior-year performance, so this most recent CDP Report covers the 2013 reporting year.

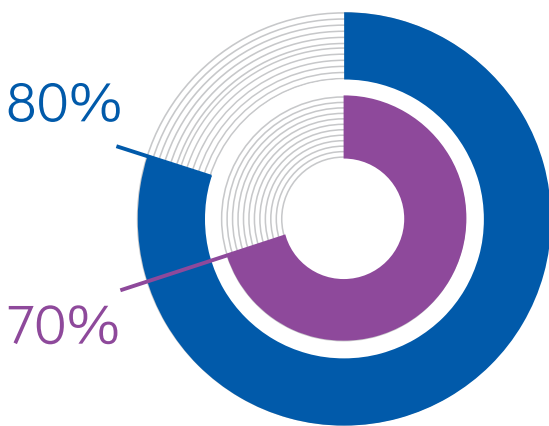
#### Reducing consumption

Pitney Bowes is committed to making all its operations greener and more efficient. Our cross-functional Energy Task Force has raised employee awareness about energy conservation and led to significant reductions in electricity consumption. Through the end of 2013 we reduced our electricity consumption by more than 21 million kilowatt hours from our 2007 baseline, saving \$2.98 million and reducing our carbon footprint by 12.453 metric tons of CO<sub>2</sub>. Energy-saving initiatives have included better lighting systems, improved heating, ventilation and air conditioning controls, more efficient chillers, conveyors and computer monitors, the use of motion sensors to shut off lights in unused spaces and site consolidations.

### Special attention to 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 tons of e-waste are generated worldwide each year. Within the U.S., 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, Pitney Bowes' policy is to recycle all electronics that are not remanufactured. Materials captured through recycling (plastics, steel, aluminum, 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 shipped overseas. We verify the firm's performance through audits and compliance checks as well as the tracking of waste quantities. In 2013, 2,797 tons of US electronics waste was recycled, up 10% over 2012.



e-waste now accounts for 80% of the country's toxic garbage and 70% of the heavy metals in landfills

In 2013, the company continued to focus on site consolidation as part of its strategic transformation initiative. Over the last four years these efforts have enabled Pitney Bowes to reduce related energy consumption by more than 12 million kilowatt hours of electricity, resulting in a reduction of over 6,000 metric tons of carbon emissions.

We are a founding member of the Green Power Market Development Group, an industry partnership with the U.S. Environmental Protection Agency (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 43,800 metric tons of CO<sub>2</sub> emission reductions. In 2013, our purchases of Green-e® certified RECs helped reduce CO<sub>2</sub> by 6834 metric tons, an offset of approximately 10.9% of our global scope 2 emissions.

In addition, over the last few years we have instituted a well-received agile work program. Agile work has enabled employees to reduce their commuting time and gain flexibility in determining where and how they work. In 2013, with 27% of our U.S. workforce agile or mobile, employees saved a total of 455,073 hours in travel time and 765,925 gallons of gasoline, reducing greenhouse gas emissions by 8.1 million pounds.

### Minimizing waste from operations

Since 1996 Pitney Bowes has taken part in the United States Environmental Protection Agency's WasteWise Initiative, a voluntary program to minimize 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 honor.

Our U.S. waste reduction campaign resulted in the avoidance of more than 13,000 metric tons equivalent of CO<sub>2</sub> (MTCO<sub>2</sub>E) in 2013. Since 2004, we have avoided 200,100 MTCO<sub>2</sub>E, equivalent to the effect of removing more than 34,000 cars from the road and saving more than 19 million gallons of gasoline.

## Volunteer events

### Still River Greenway, Danbury, CT

In September 2013 Pitney Bowes employees from our Shelton and Danbury facilities created flower beds, spread environmentally safe animal repellents and helped maintain existing vegetation at the Still River Greenway project in Danbury. Other activities included clearing underbrush, adding ornamental trees and other native plant species, and sprucing up signage explaining the history of the river and the efforts to re-establish this environmentally important flood plain.



The Still River Greenway, Danbury, CT

### Mill River Collaborative, Stamford, CT

Pitney Bowes has proudly supported The Mill River Collaborative, a partnership of civic, government, and business interests committed to building and maintaining a world-class urban green space for the Stamford community. The park's design combines sophisticated bioengineering with the planting of more than 400 trees, thousands of shrubs, and wildflower meadows. The result is both a desirable habitat for wildlife and a vibrant community gathering place for people. The river's restoration has also lowered the 100-year floodplain in downtown Stamford by nearly 3 feet and will contain it entirely in the park.



The Mill River Collaborative, Stamford, CT

### Environment week in Noida, India

Photographs and collages by Pitney Bowes Software employees in Noida, India were a highlight of the organization's annual celebration of Environment Week in 2013. Contests, exhibitions, posters, mailers and an open scribbling board encouraged the sharing of personal insights on environmental themes, and employees responded with creativity and enthusiasm, as these examples illustrate.

### Hatfield chiller

In 2013, one of the chillers at Pitney Bowes' UK Head Office in Hatfield required replacement. But rather than simply replace it, the facility opted to install a more energy-efficient unit. Installed in June 2013, the new Clivert chiller is projected to save 68,322 kwh, equivalent to 35,841 kg CO<sub>2</sub>, as well as £5,028 in running costs over its lifetime. The UK Hatfield site now purchases 100% of its electricity from renewable sources such as solar and wind.



Environment Week in Noida, India

## PB Green: Find It, Fix It

As part of our communication and awareness efforts, we developed a Find It Fix It Kit in 2013 focusing on energy conservation. This kit included handouts for our employees, a video demonstrating steps we can all take as individuals to conserve energy and reduce our overall carbon emissions, a poster, inspection forms and related materials. We then shipped kits to our 100 largest locations and created digital copies for smaller operations.



The Find It, Fix It Kit

## Remediation and closure of UK Harlow Pinnacles facility

Following the 2008 closure of a manufacturing site owned by Pitney Bowes since 1962, the facility's managers identified nine areas of concern for potential remediation, including oil storage tank locations, chemical storage areas, metal processing/finishing areas, and waste storage locations.

Each area was investigated thoroughly with a combination of trial pits, bore hole drills and soil and groundwater sampling and analysis covering a suite of volatile organic compounds, metals and chlorofluorocarbon decay residues.

The conclusion from the studies was that there was no significant ground or ground-water contamination requiring remediation. This welcome result confirmed that throughout the site's 46-year history of manufacturing, the company's focus on proper environmental management had been well worth the effort.

## Environmental product compliance

In order to ensure Environmental Product Compliance is met and maintained, we developed new processes, procedures and teams to develop and monitor our products. New suppliers are screened for environmental compliance during the Request for Proposal phase utilizing a standard series of questions. In addition, environmental compliance is stipulated in contracts and supplier specifications. Approved suppliers are required to provide data into our Product Compliance Database, and are trained in database use and regulatory requirements.

To manage and support these initiatives, we formed two cross-functional teams: the Product Compliance Team and the Environmental Committee. The Product Compliance Team 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 Product Compliance Team, is made up of managers holding senior positions in Procurement, Global Supply Chain, Engineering, EHS, Quality, Ethics and Business Practices, Legal, Finance, Business Continuity, Global Product Line Management, Enterprise Risk and Internal Audit. In addition to providing guidance, the Environmental Committee authorizes the financial and human resources needed, enforces corrective measures both within the company operations and with our supply chain, and reports potential issues to the Enterprise Risk Management team.

## Product return and recovery

Pitney Bowes has a long legacy of product remanufacturing and recycling. We started our product take-back program fifty years ago, and since then we have recovered millions of pounds of equipment and components for reuse and recycling. Today, 95 percent of our mailing equipment parts are recyclable. We have established centers throughout the United States and Canada where customers can return products for subsequent remanufacture, harvesting of parts or recycling. Last year equipment remanufacture diverted 502,872 pounds of waste from recycling to reuse.

We have also become more aggressive in marketing remanufactured products. In 2013 our remanufactured equipment/Factory Certified Green Solution sales were up 13% from 2012, and up 38% from when we began tracking them in 2011.

In addition to the mailing systems, toner cartridges are an important part of our focus on recycling. In the United States we recycled nearly 121 tons of toner cartridges in 2013 through an outside firm which handles collection, sorting, reuse, recycling and the processing of scrap at a waste-to-energy facility.

## Improving packaging design

Pitney Bowes is committed to improving the packaging of our products to reduce environmental impact without compromising the primary purpose of ensuring each product's safe delivery. One new approach emphasizes the use of molded pulp in place of plastic foams—reducing the use of fossil-based materials while also reducing overall package weight and increasing the likelihood that packaging materials will be recycled rather than sent to a landfill after use. In our P700 product line alone, we have reduced the weight of the packaging we ship with our products by more than 41,000 lbs. per year.

A detailed environmental analysis indicates that this new packaging approach has the potential to reduce per-package primary energy consumption by over 50%. When multiplied by the P700 production volume, the resulting savings are equivalent to removing nearly 20 average U.S. households from the electric grid for one year. Per-package carbon footprint is also reduced by around 25%—the equivalent of removing over 10 average U.S. passenger cars from the road for one year. We are now applying the lessons of this experience to the packaging needs of our other product lines.

## Pallet Wrapz™: Reusable shipping solution saves money while reducing waste

Pitney Bowes Presort Services' Atlanta/Charlotte/Jacksonville Mail Exchange cluster ships dozens of freight pallets of client mail between facilities every day. Wrapping pallets the traditional way in plastic stretch film was inevitably putting tons of plastic waste in landfills every year. But for the last year, it's been a different story. Using reusable Pallet Wrapz, Presort's pallets get a tighter, stronger, more protective wrap that's also safer to use and will last for years of daily use. The move to reusable wraps is now saving more than \$60,000 a year in labor and materials while eliminating a waste stream of more than 25,000 pounds a year. Other mail exchange regions are moving quickly to take advantage of comparable savings.



Pallet Wrapz

## Environment: Performance 2013

	2009	2010	2011	2012	2013
Direct and indirect emissions of carbon dioxide MTCE	124,107	120,263	111,836	112,732 <sup>3</sup>	96,433 <sup>4</sup>
Direct emissions of CO <sub>2</sub> e/\$M revenue	7.65 <sup>1</sup>	8.52	8.14	9.54 <sup>3</sup>	7.53 <sup>4</sup>
Indirect emissions of CO <sub>2</sub> e/\$M revenue	14.6	13.65	13.05	13.44 <sup>3</sup>	17.39 <sup>4</sup>
GHG emissions per unit of floorspace (Tons CO <sub>2</sub> /ft <sup>2</sup> )	0.02	.02	.02	.02	0.013
Waste recycled/prevented—annual pounds (US only)	14,532,290	11,702,258	15,403,520	15,584,000	10,036,000
Waste recycled/prevented—annual MTCE avoided	26,938 <sup>2</sup>	16,635	23,562	20,334	13,094
Waste recycled/prevented—annual MTCE avoided/\$M revenue	4.8	3.1	4.46	4.15	3.38
Product recycling—cumulative pounds (US and Canada only)	20,159,239	26,705,481	31,212,668	36,939,645	43,036,317

<sup>1</sup> Improved data collection of direct and indirect emissions from international operations has expanded the carbon emissions for Pitney Bowes in 2009

<sup>2</sup> Increase in MTCE avoided largely due to significant increase in paper recycled

<sup>3</sup> Includes data from more international locations and scope 3 emissions

<sup>4</sup> In 2013, Pitney Bowes purchased RECs resulting in 13,043 MWh accounted for at a zero emission factor. Additionally, we consolidated 115,585 square feet of space representing 16 buildings in the U.S portion of our real estate portfolio. Both emission reduction activities were the primary actions that resulted in decreases in Scope 2 purchased electricity emissions. Note: The previous year has been recalculated due to a divestment that met our baseline and subsequent year recalculation threshold of 5%. The recalculated figure for 2012's Scope 1+2 was used to calculate this change in emissions from 2012 to 2013. (MTCE = metric tons of carbon equivalents)

## Partnerships, recognition and awards

Eco-Patent Commons  
Carbon Disclosure Project  
Greening the Mail Task Force



World Business Council for Sustainable Development



Recycle Please



InfoWorld Green 15



Waste Wise



Green Power Partnership



Energy Star



Miljøfyrtårn

# Our people



We value our employees and know that our success depends on their commitment to Pitney Bowes. We are committed to helping them develop, and we embrace a culture of diverse backgrounds and experiences. We strive to provide a safe workplace and actively help our employees to pursue healthy lifestyles.

## Safety

We value the safety of our employees, and we are committed to an injury-free workplace. We work continuously to identify, control and eliminate hazards, and we engage our employees in helping us provide for a safe and healthy workplace through site-level safety and ergonomic committees, by completing required training and by participating in incident investigations as needed.

## Engagement

We believe strongly in a culture of innovation, learning and engagement. Our employees' commitment, passion and energy drive innovation and client value, which drive growth and financial success. We seek to engage employees through challenging work assignments, career development opportunities and programs that promote personal and professional growth.

## Health and wellness

Employees who take action to manage their health are happier, more productive and often have reduced health care costs. We encourage employees to do this through a health-focused culture that supports and promotes healthy actions whether employees work onsite, mobile, or at home. We offer affordable access to care, and we provide a range of engaging, informative programs to make it easy for employees and their families to lead healthy lifestyles.



## INROADS internships

Since 1987 Pitney Bowes has worked with INROADS Inc. to identify and develop outstanding underserved students and prepare them for corporate and community leadership. Students apply to INROADS between their freshman and sophomore years in college, and those accepted receive career coaching, training and summer internships with a view to full-time employment upon graduation. Last year we hosted 13 INROADS interns. Accounting, finance, legal, marketing, communications, product management, corporate citizenship and engineering. Locations included Connecticut, New York and Massachusetts.

## University internship program

Each summer, as part of our University Internship Program's rigorous selection process, a cohort of undergraduate and graduate students from universities all over the world participate in a highly structured, intense working experience. For the interns, the program offers a unique training opportunity that can lead to full-time employment upon graduation. For Pitney Bowes, it provides a diverse pipeline to a future workforce of exceptional talent. This year's group comprised 58 interns at three U.S. locations in New England, New York and Maryland.

## Diversity and inclusion

Diversity and inclusion are embedded in our culture and critical to our success. Our diversity helps us to understand markets, connect with clients, develop innovative solutions, and attract and retain outstanding talent. We embrace diversity in every area of our business and at every level of our organization. We take an inclusive, global view of diversity which encompasses the full range of differences that distinguish us as individuals, from race and gender to language, culture, experience, skills and perspectives.

## Engagement

Highly engaged employees are crucial to our company's success. They have a strong client focus, radiate optimism, achieve or exceed their objectives, have lower absenteeism and suffer fewer injuries than others. We seek to engage employees through challenging work assignments, career development opportunities and programs that promote personal and professional growth. We encourage dialogue, solicit feedback and measure engagement through a range of mechanisms, both online and off. We also recognize managers and teams that demonstrate high engagement and manager effectiveness.

We use a variety of channels to promote employee engagement, including online forums:

- **"The Jam"**: this first-of-its-kind event for Pitney Bowes, held in July 2014, provided an opportunity for every employee at every level worldwide to engage in a global conversation and participate in shaping the Pitney Bowes culture around the attributes of Client, Team and Win. Employees from 38 countries contributed 8,263 posts, generating ideas in areas ranging from product and process engineering to mentoring and educational partnerships.
- **Our enterprise social network (Yammer)**, launched in 2009, has grown into an important tool for global collaboration. Yammer empowers employees to team, be more productive and make smarter decisions faster to take on business challenges, reduce cycle times and improve relationships with clients and partners. To date, employees have posted more than 86,000 messages.

We also solicit employee feedback through regular surveys. For years we have conducted a multi-language, global employee survey. The survey explores engagement drivers such as client focus, diversity & inclusion, growth & development, innovation, manager effectiveness, teamwork and communication.

## Development

We focus on hiring talented people, nurturing their growth and providing opportunities for them to make a real impact for themselves and for Pitney Bowes. We see employee development as a partnership between an employee and their manager, aided by strong support from our Human Resources organization. Since 2011 we have supplemented this decentralized approach with an Enterprise Learning and Development organization to drive a stronger culture of innovation, improve coordination across business units, and provide consistent tools and metrics throughout the company. The Enterprise structure includes centers of expertise focused on leadership, professional development and technology, as well as the needs of specific employee groups such as sales, service, operations and corporate staff. Across this entire spectrum, our company values remain at the heart of our approach. We have identified fundamental behaviors for our employees based on our values, and we provide tools to help employees measure themselves against these standards.

## Diversity and inclusion

Pitney Bowes has been recognized for decades as a leader in valuing and leveraging diversity. From a heritage of respect for the individual, we have developed a culture in which the importance of diversity is embedded in our business model and employee value proposition. Our diversity helps us better understand evolving markets, connect with our global client base, develop innovative solutions, and attract and retain outstanding talent.

As a global company, we take a global view of diversity, encompassing not only race and gender, but all the variables that distinguish us as individuals. Our employees represent a diverse mix of languages, cultures, skills and perspectives. We seek to capitalize on this diversity through a culture of inclusion, innovation and respect, to the benefit of our employees and everyone we serve. We have integrated diversity initiatives into every area of operations, from talent management to the ways we foster innovation and manage client relationships.

We have also cultivated a network of external partnerships in areas such as talent acquisition and retention, supplier diversity, legislative matters and branding. The groups we work with span the fields of engineering, information technology and business enterprise. They include the National Black MBA Association; National Hispanic Corporate Council; National Society of Black Engineers; National Urban League; Society of Hispanic MBAs; INROADS Inc.; the Society of Women Engineers; and the 100,000 Jobs Mission, a coalition of companies committed to hiring at least 100,000 transitioning service members and military veterans by 2020. Through these partnerships, we raise our visibility among top-tier candidates while providing development opportunities for employees who work with these organizations and serve on their boards.

## Continuing collaboration with Catalyst

In 2014, Pitney Bowes CEO Marc Lautenbach joined the Board of Directors of Catalyst, a global organization dedicated to expanding opportunities for women and business. With offices in Australia, Canada, Europe, India, Japan and the United States, Catalyst has more than 700 members around the world, including companies, firms, business schools, and associations that collectively employ millions of women.

## Presort Services vocational outreach

Working with the National Employment Team of the Council of State Administrators of Vocational Rehabilitation, Pitney Bowes Presort Services has expanded its vocational outreach to individuals with disabilities. Launched in 2011 with job skills training at a single facility in Minneapolis, MN, the program now includes hiring and training programs at 12 operating centers throughout the United States. Since the start of the program, 44 participants have become Pitney Bowes employees, with a retention rate of better than 90%. Pitney Bowes Inc. was recognized by the State of Minnesota (2013) and State of Wisconsin (2014) for its commitment in hiring persons with disabilities.

## BRAVA award for Rose Velez-Smith

Each year the Greenwich, CT YWCA presents BRAVA Awards to 10 women who have excelled in their professional careers and who also volunteer their time and talent to help others. In February 2014 the winners included Rose Velez-Smith, Vice President of Human Resources, Global SMB Mailing and Global Integrated Talent Management. In addition to rising through the ranks in her 13-years at Pitney Bowes, Rose has also served on numerous charitable boards in the region, including the Fairfield/Westchester Board of the Network for Teaching Entrepreneurship, the Corporate Advisory Board of the National Society for Hispanic MBA's and the Board of Directors of the Childcare Learning Center of Stamford.

At a tactical level our approach has four dimensions:

- **Representation:** We monitor the composition of our workforce and seek to reflect the diversity of available talent at company locations.
- **Talent acquisition:** We work with external partners such as the Society of Women Engineers and the National Society of Black Engineers to recruit people who will strengthen our diversity representation.
- **Retention:** We offer tuition reimbursement, web-based and live seminars, networking sessions, speaker events and conferences to help develop our diverse talent.
- **Leadership:** We regularly incorporate senior executives into our programs and we offer leadership development opportunities for key women and people of color to help them grow their skills, obtain cross-functional experience and gain senior-level visibility.

### International Diversity and Inclusion council

Formed in 2007, the Europe and APAC-based council includes representatives from all of our businesses and geographies who work together to create a more inclusive working environment through training, leadership, recognition and communications. In addition to conferences, regional briefings and training sessions throughout the company, the council also sponsors the Global Diamond Awards annually for individual and group leadership in the areas of diversity and inclusion. Our latest Diamond Award winners, announced in December 2013, included employees from India, Spain and the United Kingdom.

### Awards and recognition

Pitney Bowes and its employees have repeatedly been recognized by external organizations for excellence in diversity and inclusion. Among recent awards:

- Best Diversity Company, 2012-2013 (Diversity/Careers in Engineering & Information Technology)
- Best Companies to Work for in India, 2011-2014 (Great Places to Work Institute)
- Best of the Best Veteran-friendly Companies, 2013 (U.S. Veteran)
- Best Companies for Hispanics, 2012 (Hispanic Business Magazine)
- Being a Difference Award, 2011-2012 (NASBA Center for the Public Trust)
- Women Worth Watching, 2013 (Profiles in Diversity Journal)
- Corporate Partner of the Year, 2012-2013 (Westchester Greater Connecticut Chapter of the National Black MBA)
- Best Employers for New Canadians, 2012 (Canada's Top 100 Employers)

### Supplier diversity

Pitney Bowes's commitment to diversity extends throughout its supply chain. For information on supplier diversity programs, please see the Clients and Suppliers section of this report.

## Safety

We are committed to maintaining a safe and environmentally sound workplace for our employees, contractors and guests 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 and compliance with global regulations regarding our products and operations.

Our Global Environment, Health & Safety policy was revised in 2013 to better describe Pitney Bowes' commitment to energy conservation, carbon emissions reduction and the safety and well-being of our employees and to engage employees directly in providing a safe and environmentally sound workplace. Through the proactive risk reduction initiatives described in this report, we have achieved a 25% reduction in overall injuries over the past three years alone.

### EHS management system highlights

Our Environment, Health and Safety management system covers the full range of EHS issues and concerns and provides comprehensive tools for resolving them. It includes risk assessment, robust reporting and incident investigation, inspections and audits, management of change, communication, and training.

Pitney Bowes is committed to complying with applicable EHS regulations for all operations globally. We aim to provide safe products and services, to reduce their impact on the environment, to conduct our operations in an environmentally responsible manner, and to ensure that our employees can work without injury at our facilities or other locations. Our EHS Management System helps us achieve legal compliance and ensures we have the processes needed to comply.

### Integrating European systems through our European Management Committee

Health and safety requirements are usually based on a combination of local regulation and actions by broader authorities ranging from industry groups and national governments to the European Union and the United Nations. The most efficient way to meet the highest standards is to address the big picture, understand the commonalities, and incorporate them into local measures. We are currently engaged in the process of harmonizing our EHS management approach on a global basis. This process starts from the top with company leaders actively promoting it, and continues with a campaign of training and promotion within each geography and functional area of the company. To that end, it has become a regular agenda item for

the company's European Management Committee. Additional momentum has come from the recent certification of our EHS management system in the United Kingdom by BSI, an external audit company. Through these combined initiatives, we are creating a template for rolling out new EHS systems and procedures that add value for our clients as well as our employees.

In 2013 we introduced an on-line EHS Management Systems training program for managers and supervisors that provided an overview of the program and additional instruction on oversight and accountability, risk assessment, audits, inspections and investigations. Additional information was provided in a refresher early in 2014. Nearly 2000 senior level managers and supervisors have successfully completed the course.

### Pitney Bowes and third-party facility reviews

The frequency of audits is based on site complexity and past performance. We analyze instances of nonconformance to our policies and standards, take corrective action and establish preventive measures to reduce the likelihood of future nonconformance. In 2013, we conducted 36 audits: 22 at Pitney Bowes domestic and international operations and 14 at third-party locations (suppliers, waste and recycling facilities and warehouse locations). These audits resulted in a total of 298 action items.

### OHSAS 18001

In December 2013, our remanufacturing site in Harlow, UK received the OHSAS 18001 certification from our external audit company, BSI. This distinction recognizes the quality of our Occupational Health and Safety Management System on this site, and comes after months of hard work following the move to a new facility with new surroundings, production tools and ways of working. It's worth noting that the Harlow health and safety management system that received the certification is also in use throughout other Pitney Bowes operations in the UK.

## Training and communication

### Global harmonization system

Continuing our “EveryBODY Can Do It” campaign, we created a Global Harmonization kit that was mailed to our largest 100 locations, with electronic copies made available to smaller sites. The “Find It Fix It”, Kit addressed the new labeling requirements, included posters explaining the new rules and provided handouts for our employees explaining the pictograms that they would begin to see on safety data sheets for the materials used within our workplaces.

### Performance

In 2013, our risk reduction initiatives continued to pay dividends as we achieved a 20 percent reduction in the rate of injuries (normalized per 100 employees) and a 30 percent decline in lost-time cases through a continued emphasis on risk assessment, training, improved case management and enhanced use of early-return-to-work programs.

Global data unless stated	2009	2010	2011	2012	2013
Incident Rate: Total recordable cases/100 employees/year	1.75	1.82	1.80	1.68	1.38
Incident Rate: Total recordable cases/100 employees/year	1.75	1.82	1.80	1.68	1.38
Days away and restricted cases/100 employees/year	1.21	1.64	1.56	1.35	1.18
Lost workday cases/100 employees/year	0.75	0.76	0.79	0.52	0.36
Ergonomic injury cases/100 employees/year (US only)	1.86	1.91	2.00	2.16	1.64
Work-related fatalities/year	0	0	0	0	0



The Chairman's Safety Excellence Award

### Recognition

In August 2013, the Pitney Bowes Presort Services Logistics Team was declared the winner of our third annual Chairman's Safety Excellence Award. The award recognized a five-year record of outstanding safety achievements, including sharp reductions in the number and cost of vehicle claims. Since 2008 the number of claims was down 43% on a normalized basis, while the accident cost per auto dropped from over \$5000 to less than \$300 during the same period, helped by improved driver training and enhanced engagement through Driver Safety Meetings and an annual Forum. Shown receiving the award are Craig Graeve, Vice President, Postal Relations; Crystal Anderson, Director, Corporate Logistics Services and Safety; and Debbie Pfeiffer, President of Presort Services.

### Supplier diversity

Pitney Bowes's commitment to diversity extends throughout its supply chain. For information on supplier diversity programs, please see the Clients and Suppliers section of this report.

## Health and wellness

We provide programs and resources to support and motivate our employees and family members worldwide to be healthy and energized for their work and life. Employees who take action to manage their health are happier, more engaged and more productive than those who do not. They also save money on health care, both for themselves and for our company. We make it easy for employees to take charge of their health through a healthy work environment with healthy food; access to free nutrition counseling, fitness and stress management programs; free preventive care screenings; and more. We offer affordable access to health care and help our employees make choices that are good for their health and their wallets. We provide specialized resources such as maternity management and nurse hotlines for those enrolled in our medical plans, and free financial advice and other work/life assistance programs to all employees and their families. Pitney Bowes programs draw large global participation. In 2014 our popular one-day walking event, "PB Employees Are One in a Million," drew thousands of participants from 15 countries around the globe. The event is a celebration of Global Health and Fitness month and Pitney Bowes' wellness culture. It kicks off our 8-week walking program, "Get Moving around the World," which draws equally global participation. Employees around the world join teams and motivate each other to stay active, eat healthy, and take action to reduce stress.

Our wellness programs provide a range of options to help employees and their families adopt and maintain healthy lifestyles. Our U.S.-based programs have repeatedly earned national recognition for excellence. For the last ten years, the National Business Group on Health has honored Pitney Bowes with its Best Employer for Healthy Lifestyles Award. In 2014, the company also received Healthy Workplace Employer Recognition from the Business Council of Fairfield County, Connecticut. Business Council of Fairfield County, Connecticut.

### Education and awareness

We make it easy to learn about healthy living. Each of our health plans sponsors a Healthy Rewards program, which gives our employees and their spouses or partners the opportunity to understand their health risks and participate in programs to help them improve their health. From January 2013 through June of 2014, employees earned nearly \$500,000 in such rewards. In addition, Project: Living communications ([www.pbprojectliving.com](http://www.pbprojectliving.com)) provide up-to-date guidance on a broad range of matters including health and wellness, financial planning and work/life balance—together with information on how best to take advantage of company benefits in these areas.

### Changing behavior

Small changes in health habits can yield great results in overall health, and we offer a wide range of programs to help employees learn how to make those changes. In 2013, more than 1200 employees participated in Get Moving Around the World, with an average loss of eight pounds (one Body Mass Index point) and over half of the participants exceeding the national physical activity goals of 150 minutes of activity a week. More than 900 employees participated in the Change One weight management program, averaging an eight-pound weight loss per 12-week session. Over a period of four years, at least 73% of Change One participants maintained at least a 10-pound weight loss.

An additional 87 employees took part in our five-week Healthy Heart webinar series, and 57 completed the seven-week Live Well with Type 2 Diabetes program. We also offered a six-week Holiday Survivor program combining nutrition, fitness and stress management; when the program ended 85% maintained or lost weight through the winter holidays.

Employees can also get one-on-one counseling to engage in healthy behaviors. Registered dietitians provide one-on-one guidance, in person or by phone. Certified smoking cessation specialists provide similar coaching for tobacco users. These are all free services for employees.

Other benefits include free financial planning for all employees, and discounts on products and services such as Weight Watchers® and gym memberships, with many of these programs available to family members as well. Meanwhile, we provide highly utilized call-center walk[-in?] stations and other workplace enhancements at numerous facilities to support healthier lifestyles.

## Transition2Work program benefits recovering employees and nearby nonprofits

Employees recovering from injuries or illness, whether job-related or not, have access to a program that offers light-duty assignments to speed the transition back to their regular jobs. Operated by a partner organization, Transition2Work enables workers to receive their full Pitney Bowes paycheck while performing light-duty functions for approved nonprofits. Begun in 2011, the program has already placed employees in organizations ranging from local museums to Habitat for Humanity.

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## Improving access to care

Our five on-site medical clinics in the U.S. provide free access to roughly 20 percent of our employees, making it easier and more convenient to maintain optimum health. In 2013, our clinics recorded 37,687 total patient visits/encounters. From this total, more than 4,000 employees took advantage of screening programs on skin cancer, breast cancer, vision and hearing, blood pressure and biometric screenings and almost 11,000 visits to our walking stations. We also offered educational programs on topics such as sleep disorders, elder care issues and CPR certification.

Since 2002, the clinics have maintained the highest-level accreditation from the Accreditation Association for Ambulatory Health Care. Our clinicians are frequent guest speakers at national conferences discussing "The Culture of Health at Pitney Bowes."

Beyond the reach of the clinics themselves, U.S. employees and family members enrolled in the American Well telehealth program also have access to a network of physicians and providers via live, high-quality video. In addition to direct one-on-one consultation at home, the program also includes a mobile app for use while traveling. The program launched in 2014. In addition, all employees have access to the Dossia Personal Health Record, an electronic platform that enables employees and their families to collect, maintain and track a variety of personal health information in a single secure, comprehensive resource. Pitney Bowes was a founding member of the consortium that created Dossia and was among the first companies to make it available to all employees.

## Work/life balance

Where feasible, we encourage flexible working arrangements to help employees manage the demands of work and home. Our SitterCity benefit helps U.S. employees locate caregivers, whether for a child, aging adult, pet or house. We also provide tools to help employees develop flexible working proposals. Flexible options may include telecommuting, compressed work weeks, part-time assignments, and variable work schedules. For U.S. employees, Your Life Resources (a work/life assistance program available through Value Options) offers information and services on topics ranging from urgent housing needs to low-cost medical clinics, summer camps, child and adult daycare, and much more.

## Project: Living offers extensive wellness guidance to employees and families

[www.pbprojectliving.com/en](http://www.pbprojectliving.com/en)

Dozens of videos, employee forums and blog posts offer a wide range of rich content through our web-based Project: Living program, which reaches employees and families through social media, employee emails and calendars. Project: Living offers practical tips to help employees take advantage of company programs and benefits to make healthy lifestyle decisions, become better health care consumers, and learn how to balance work and life.

<https://www.pbprojectliving.com/en/home/healthy-living/video-library/wellness-programs/health-and-wellness-at-pitney-bowes> \t "\_blank"

## Dial Ohm: Relaxation by phone

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, Pitney Bowes offers free, confidential telephone counseling and stress management sessions to employees and family members. In addition to weekly call-in sessions, a library of prerecorded guided meditations provides a brief, guilt-free opportunity to relax, refresh and recharge anywhere, anytime.

<https://www.pbprojectliving.com/en/home/healthy-living/video-library/wellness-programs/dial-ohm-overview> \t "\_blank"

## Workplace wellness champions

More than 70 employees serve as wellness champions at their Pitney Bowes work locations, helping to create a healthy work environment, engaging employees in wellness programs and making suggestions for improving programs. Inspired by their example, employees around the world are shown stepping up their exercise routines.

<https://www.pbprojectliving.com/en/home/about-project-living/wellness-champions/well-workplace-award/> \t "\_blank"



Workplace Wellness Champions: Bielsko, Poland



Workplace Wellness Champions: Singapore



Workplace Wellness Champions: Colorado, US



# Clients and suppliers



Serving clients is our highest priority. By putting clients first, we benefit all our stakeholders. We apply this principle to everything from product design, manufacturing, marketing, sales and support to the ways we manage our supply chain and other external relationships.

## Working with clients

We work continuously to empower our clients in today's marketplace while streamlining the process of doing business with Pitney Bowes. We use every tool at our command to improve clients' experience with our products and our organization, and we train and incentivize our employees to put clients first.

## Working with suppliers

Because we depend on suppliers to help us meet client needs, we require suppliers to meet performance standards as rigorous as our own, including standards of corporate responsibility. The Pitney Bowes Supplier Code of Conduct establishes social, environmental, ethical and legal compliance standards and performance benchmarks.

## CA transparency in supply chains act statement

Pitney Bowes is in compliance with California Transparency in Supply Chains Act (SB 567).

## Conflict minerals

Our Form SD and Conflict Minerals Report disclose the supply chain due diligence we undertook in 2013 to try to determine whether any minerals used in our products originated in the DRC.

## Supplier diversity

We believe that a diverse supplier base strengthens our business and creates competitive advantage. We seek to build relationships with diverse businesses that share our innovative, client-focused approach. Through our programs and policies, we create opportunities for diverse suppliers to compete for our business.

## Performance 2013

We report on our spending targets and performance with respect to diverse suppliers.

## Working with clients

We are in business to help our clients succeed, and client satisfaction is fundamental to our success. We work continually to improve our products and processes, simplify our clients' experience, strengthen our dialogue, and align our resources, standards and performance metrics on a global basis.

### ISO 9001 registration

Our ongoing program of ISO registration underscores our commitment to quality improvement and standards compliance. Over the last several years, major Pitney Bowes facilities in North America and Europe have implemented and registered for the ISO 9001 Quality Management Standard. Our ISO-certified facilities currently include three in the United States, three in the United Kingdom, and facilities in Finland, France, Germany, Ireland, Norway and Sweden. This certification encompasses our client satisfaction process as well as our manufacturing and service operations, with registration based on a combination of external audits and demonstration of significant year-over-year improvements in our quality management system.

### Enterprise Business Solutions Global Client Summit 2014

Each year Pitney Bowes' Enterprise Business Solutions team invites clients to meet and share ideas with company leaders and experts at a global summit. This year's two-day summit drew more than 170 clients and partners from 92 countries to three Connecticut locations: our Global Technology Center in Danbury, our Customer Innovation Center in Shelton, and our Presort Services Facility in Hartford. Guests at the summit heard from a number of industry experts, witnessed demonstrations of more than 30 innovations in print and mail, and had an opportunity to speak directly to business and technical leaders at Pitney Bowes. The event also included presentation of the company's annual Brilliant Communication Awards honoring client innovations in the print and mail industry.

## Best practices webinars

To help businesses succeed, it's not enough simply to provide products and services. We also seek to actively engage clients in obtaining the maximum value from our technology and know-how. In addition to product training, we offer free webinars to help clients deal with common marketing challenges, technical issues, and industry trends.

In 2013 we expanded this offering with nearly three dozen webinars, some focused on the needs of specific industry and public-sector groups, others on topics that apply across a broad range of constituencies. Examples include:

- [Telco] Building a Business Case for Communication Management in the Telecom Industry
- [Insurance] Aggregate, Visualize and Manage: The Fundamentals for Gaining A Single View of Risk
- [Public sector] Intelligent Mail 101 for Public Sector Agencies
- [Financial services] Learning from the Frontline: Managing Customer Experience to Drive Sustainable Growth in Retail Banking
- [Retail] Boldly Go: Best Practices for New Market Entry
- [Customer information management] Next-Generation MDM—How Will Big Data, Cloud and Mobile Use Cases Impact Master Data Initiatives?
- [Customer information management] Tackling the Single View of the Customer to Improve the Customer Experience: Data-Driven Customer Centricity
- [Customer engagement] The Secret's Out: Segmentation for Reductions in Churn and Increases in Top Line Revenue
- [Customer engagement] Driving Revenue: The Role of the Call Centers in the Multichannel Strategy
- [Location intelligence ] Best Practices for Accurate Geocoding
- [Location intelligence] 10 Common Mistakes in Site Selection—How Do I Stack?
- [Rate change] Rate Change for 2014
- [Rate change] Understanding the January 2014 USPS® Price and Regulatory Changes
- [Shipping] Survival Guide: Parcel Shipping in 2014
- [Shipping] The Shipping Environment: What You Need to Know for 2013 and Beyond
- [IMpb] The IMpb—Intelligent Mail Package Barcode
- [IMb] Full-Service IMb—Requirements Planned for 2014
- [IMb] Tracing with the IMb™—A Power User Session

Each of our webinars is recorded and available on demand as part of an extensive library of best practices resources.

## Client data protection

We are strongly committed to protecting the security and confidentiality of the client, employee and partner information entrusted to us. Data protection is not only a matter of compliance at Pitney Bowes, but an essential part of our culture and brand.

We have a comprehensive information security program overseen by our global Data Protection Committee, and we continually assess our data security strategy to anticipate, identify and mitigate new threats. We carefully consider cybersecurity challenges when conceiving, developing and implementing our administrative processes, products and services. Every employee is responsible for data protection, and required employee training and awareness of information security remain a top priority. Our security policies and procedures are based on the ISO/IEC 27001 international standards, and our practices are

## Working with suppliers

To serve our clients with the highest standards of service and product quality, we need corresponding standards in our dealings with suppliers. In addition to strict standards on the technical performance of supplier goods and services, we also seek to ensure that working conditions in our supply chain are safe; that workers are treated with respect and dignity; that manufacturing processes are environmentally and socially responsible; and that suppliers are committed to abiding by the laws that apply to them.

## Supplier code of conduct

To formalize these expectations, we have a Supplier Code of Conduct. The Code establishes critical benchmarks and examples of good management practices to help suppliers and contract workforces comply with the code's provisions for supplier performance in the following areas:

- Forced labor
- Wages and working hours
- Non-discrimination
- Respect and dignity
- Health and safety
- Protection of the environment
- Legal and ethical dealings

The code is also written into all of our supplier agreements. We require our largest suppliers to acknowledge receipt of the code and support for its standards and provisions including our expectation that they will apply the code's standards to their own extended sources of supply engaged in the production of goods and services for Pitney Bowes. We encourage suppliers and Pitney Bowes employees to report violations of the code through our confidential Ethics Help Line.

<http://www.pitneybowes.com/content/dam/pitneybowes/us/en/legacy/docs/us/pdf/our-company/corporate-responsibility/supplier-code-of-conduct.pdf>

## Transparency in our supply chain

In compliance with the state of California's Transparency in Supply Chain Act, Pitney Bowes has disclosed what we require of our suppliers in our efforts to eliminate forced labor 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.

## 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. Pitney Bowes' Form SD and Conflict Minerals Report, in which we disclose the supply chain due diligence we undertook in 2013 to try to determine whether any conflict minerals used in our products originated in the DRC, can be downloaded here.

<http://www.pitneybowes.com/content/dam/pitneybowes/us/en/legacy/pdf/our-company/corporate-responsibility/corporate-responsibility-reports/pitney-bowes-inc-form-sd-june-2-2014-filing.pdf>



## Supplier diversity

We are committed to the growth of business with diverse suppliers. We firmly believe that diverse businesses enhance our supply base, providing innovative strategies and solutions while meeting or exceeding expectations in the areas of cost, quality and delivery. We work diligently to ensure that minorities, women, veterans, service-disabled veterans, HUBZone, LGBT and other economically disadvantaged small businesses have the opportunity to compete for our business.

We also continue to develop new strategies to help diverse businesses grow and participate in our own growth. Our strategy includes:

- **Sourcing:** We integrate supplier diversity into our sourcing processes with an ongoing partnership between supplier diversity and procurement. We develop annual category plans which include supplier diversity growth strategies. We include requirements for the inclusion of diverse businesses in our sourcing processes.
- **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.
- **Communication:** We work across the enterprise to ensure commitment to supplier diversity across the company. We hold annual training for our procurement professionals.
- **Metrics:** We establish an annual Small Business Administration contracting plan. We set goals for year-over-year growth in diverse spend. We use a supplier diversity dashboard to track performance by category.
- **New areas of opportunity:** We identify potential diverse suppliers in areas such as logistics, marketing and staffing. We leverage business fairs and matchmaking as opportunities to vet suppliers and build a pipeline. Supplier Diversity meets regularly with sourcing teams to address gaps and develop plans.

We are also committed to earning recognition as a supplier diversity leader in our industry. We have repeatedly been recognized both regionally and nationally for our supplier diversity performance and best practices.

### Reporting

We report our diverse supplier spend quarterly against our internal goals and our Small Business Administration subcontracting plan. We require majority suppliers with whom we currently spend more than \$1 million per year to report their supplier diversity spend to us on a quarterly basis. We also report our supplier diversity spend to a number of our clients on a quarterly basis.

## Supplier qualification and certification

We expect all suppliers to meet our high standards of product and service quality, as well as specific objectives related to cost, quality and delivery. To be considered for business with us, diverse businesses are 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

We also accept certification by local and state governments.

### Outreach

We provide numerous opportunities for diverse suppliers to connect with sourcing professionals and internal stakeholders. We are active members of the National Minority Supplier Development Council and the Women's Business Enterprise National Council, the two premier certification and business development organizations for minority and women-owned businesses. We regularly participate in business fairs and matchmaking opportunities to identify potential suppliers. Each year we host their regional partner organizations, the Women Presidents' Educational Organization and the Greater New England Minority Supplier Development Council in sessions focused on topics such as "How to Do Business with Fortune 500 Companies" and "Supplier Development Best Practices." In addition, we periodically host a Supplier Diversity Summit, which engages majority suppliers, diverse suppliers, Pitney Bowes leadership, Procurement and internal decision makers and combines a broad exchange of ideas on procurement opportunities with awards, recognition and matchmaking.

### Leadership

Our engagement with diversity business development organizations extends beyond standard membership benefits. We actively participate on committees that define and implement programs, and regularly assume leadership roles with our outreach organizations. Laura Taylor, Director, Procurement, recently completed three years of service as chairman of the board of the Women's Business Enterprise National Council and currently serves in the capacity of the board's Immediate Past Chair. Our manager of Supplier Diversity served as chairman of the board of the Greater New England Minority Supplier Development Council from 2011 to 2014, and Pitney Bowes continues to be represented on the Council's board of directors.

## Clients and suppliers: Performance 2013

### Supplier diversity

In 2013 we achieved 6.8% spend with diverse suppliers. We set goals to increase our diverse supplier spend annually and we increased our diverse spend versus prior year by 8% in 2013. Adjusted for the divestiture of Pitney Bowes Management Services, in 2014 we are on track to achieve 10% growth versus prior year. Contract awards to diverse businesses in the last year include staffing, marketing services, facilities services, information technology, and logistics.

### Recognition

Pitney Bowes receives third consecutive NorthFace award for service excellence

The Omega Management Group's NorthFace Scoreboard Award is presented annually to companies who have demonstrated consistent excellence in service and support, as rated by their own clients in surveys. In May 2014 Pitney Bowes received the award for the third year in a row on the basis of high service scores for the 2013 calendar year. Inaugurated in 2000, the NorthFace Award is the only one of its type determined solely on the basis of client responses.

### Automated back-office process solution drives 56% improvement in call-center response time

Call centers everywhere are constantly searching for faster, more effective ways to respond to client requests. Pitney Bowes Canada took matters a step further, designing and implementing an innovative software solution to automate process improvements. The result: more efficient improvement projects, sharp reductions in operational costs and error rates, and a 56% drop in average service response time—not to mention an award for Best Process Improvement Project at the Process Excellence Network's PEX Week USA conference in January 2014.

### Pitney Bowes receives 2013 Forrester Research "Outside In" award for customer experience measurement

In 2013 Forrester Research introduced a new series of international awards for excellence in providing a great customer experience. We were among the inaugural winners, with a specific citation for customer experience measurement. Award criteria included clarity of approach, impact on customers' experiences, impact on business performance, degree of innovation, and lessons provided for other firms.

Pitney Bowes named one of the 2013 America's "Top Corporations for Women's Business Enterprises" by the Women's Business Enterprise National Council

Laura Taylor named among the top 30 Women in supplier diversity by Diversity Plus Magazine

Pitney Bowes named Corporate Partner of Distinction by Women Presidents' Educational Organization, 2009–2013



NorthFace  
Scoreboard Award



Process Excellence  
Network



Forrester Research



Women's Business  
Enterprise National  
Council



Diversity Plus  
Magazine



Women's Business  
Enterprise National  
Council

# Community



Pitney Bowes is strongly committed to investing in the communities we serve. We believe such investment strengthens our business, benefits our employees and reinforces our values. We also believe these investments are most effective when they are aligned with our corporate mission of helping organizations grow through better communications. For this reason, we focus our philanthropic giving on support for literacy and education. Through the Pitney Bowes Foundation and corporate contributions, we provide grants and matching gifts to worthy causes. We complement our cash giving with in-kind donations of Pitney Bowes products and services.

We also encourage direct employee involvement, and our employees respond every year by donating thousands of hours in support of literacy programs and community organizations.

### **Literacy and education**

We provide funding, technology and expertise to non-profits working on literacy and education at every stage from early childhood through adulthood, with a special focus on programs designed to help close the achievement gap and strengthen the future workforce. The programs we support include national and regional after-school and summer reading programs, school system investments, and mentoring and job training initiatives.

## Local community support

In areas where we have a significant local presence, we support community organizations through grants directed by teams of employee volunteers. Teams help to allocate funding to local literacy and education programs and meet local community needs. They also help to engage employees in volunteer activities in their communities.

## Employee involvement

Our employees dedicate time and money to causes they care about. In doing so, they help transform our communities. We support their charitable efforts in several ways:

- **Matching grants**—We conduct annual giving campaigns in the United States, the United Kingdom, Canada and the Asia Pacific region that permit employees to make charitable contributions via payroll deduction.
- **Volunteering**—We support employees' community service efforts through grants to the organizations where they volunteer, grants to cover the cost of materials and supplies for employee team volunteer projects, and guidance on volunteering as an aspect of career development.
- **Disaster relief**—The Pitney Bowes Relief Fund, a U.S. 501(c)(3) charity financed by employee contributions and matching funds, helps to ensure that employees and others have access to essentials in times of critical need. We also launch global employee fundraising appeals and contribute matching funds when a disaster affects a Pitney Bowes community outside the U.S.

## Performance 2013

We report on total giving through the Pitney Bowes Foundation and corporate contributions.



## Literacy and education

All children deserve the chance to grow into healthy, educated and productive members of society. But with almost half of the world's youth not completing or having access to secondary education and only 4.5 percent of world GDP dedicated to education, the need for additional educational capacity and appropriate programs is enormous.

As a global leader in helping businesses communicate more effectively, Pitney Bowes has a vital interest in literacy and education. Through our support of literacy and education programs, we improve countless lives, strengthen the fabric of our communities and help build a strong competitive workforce for the future.

We partner with outstanding nonprofits at the local, national and global levels. Through such collaborations, we have brought demonstrable benefits to our communities, our young people and our workforce.

Each year, Pitney Bowes grants approximately \$1.4 million to literacy and education organizations, with a particular focus on improving access to books, closing the achievement gap and preparing people for successful employment.

Last year, we made literacy and education grants to 80 organizations in the United States. Our grants typically focus on communities where we have a presence and where the population is underserved or at risk. Many of the programs we support focus on children aged 3 to 12 from pre-kindergarten through elementary and middle school. We support school-year enrichment initiatives such as Head Start, mentoring and after-school homework support, as well as summer learning opportunities to help consolidate gains made during the school year and minimize losses over summer vacation. We also support programs at the high school level and beyond, including mentoring, job training, and ESL and GED courses.

In addition, we are increasingly leveraging our products, services and expertise for the benefit of these programs through in-kind donations and skills-based volunteerism. In 2013, organizations received in-kind corporate donations totaling \$2.7 million. Meanwhile, employees invested their skills and expertise through tens of thousands of hours of volunteerism at every level from tutoring and mentoring to strategic involvement on nonprofit boards. Employees at every level across the company are passionate about this commitment, which is both a Pitney Bowes tradition and a distinguishing characteristic of our corporate culture.

Among the key organizations and programs we supported in 2013 are:

- **Read to a Child**—We have been a National Partner of this U.S.-based organization since 2007, supporting national mentoring programs for low-income elementary students as well as local and regional affiliates.
- **National Literacy Trust**—We have worked with this U.K. organization for over a decade, sponsoring initiatives ranging from Pushing the Envelope fundraisers to Young Readers Programme events in three schools near our offices in Hatfield, Watford and Harlow.
- **National Urban League**—We helped advance the League's Education and Youth Development agenda through programs supporting literacy, academic achievement, and college and career readiness.
- **Network For Teaching Entrepreneurship**—From middle and high school classroom programs to summer BizCamps to the World Series of Innovation, we support NFTE programs that help young people from low-income communities build entrepreneurial skills and launch businesses.
- **Reading Is Fundamental**—Since 2004, we have proudly supported this children's literacy nonprofit through programs that have reached thousands of students with the assistance of hundreds of employee volunteers on four continents backed by grants from Pitney Bowes and the Pitney Bowes Foundation

### Keeping kids on track with summer learning programs

Economically disadvantaged children often start school at an educational disadvantage, as well. Before they ever get to class, lack of access to books, preschool programs and family reading time can create a literacy gap that's hard to overcome. And no matter how well they do during the school year, they risk falling further behind with each summer of inactivity. For this reason, we also support summer learning at every level from kindergarten to high school. Two of our long-time collaborations include the BELL Foundation's BELL Summer and the Horizons National Student Enrichment Program. These full-day summer programs combine academic instruction with exercise, nutrition, field trips and after-school enrichment ranging from arts to STEM projects.

### Helping children and parents get an early start with Share the Message: Read!

In a decade of sponsorship, Pitney Bowes has worked with Reading Is Fundamental at every level from service on RIF's Board of Directors to staffing community events and book distribution programs. Every spring, our annual Global Volunteer Month draws employee volunteers to "Share the Message: Read!" events in cities and towns across Australia, Canada, India, the United Kingdom and the United States. We've also underwritten resource and volunteer activity guides, including toolkits on subjects such as innovation, creativity and problem-solving. Through a variety of enrichment activities, RIF has awakened thousands of children—and their caregivers—to the pleasures of reading, and helped motivate them to keep on reading throughout their lives.

### Every month a new book in the mail, courtesy of Dolly Parton's Imagination Library

Since 2011, we have partnered with the United Way to bring age-appropriate books directly into children's homes through Dolly Parton's Imagination Library. Pitney Bowes is a natural partner for this multi-year early childhood literacy program, which encourages family reading time with an exciting new package in the mail each month. Since the program's start in 2008, this United Way initiative has put nearly 175,000 books into the hands of more than 8,200 Connecticut children under the age of five. Their parents are pleased as well, with 93% reporting an increase in their children's interest and enthusiasm for reading.

### Local community support

In addition to making contributions at the national and regional levels, we encourage Pitney Bowes facilities to support their local communities. The Pitney Bowes Foundation provides funding for certain local initiatives identified by 14 Local Community Leadership Teams across the United States. Teams allocate at least 70 percent of their budgets to local literacy and education programs with the remainder available to meet other community needs.

Recent examples of Local Community Leadership Team grantees include:

- Atlanta, GA—Every Woman Works, Jewish Family & Career Services, Quality Care for Children
- Dallas, TX—Boys and Girls Club of Greater Dallas, Mi Escuelita Preschool, Wilkinson Center
- Danbury, CT—Ridgefield Playhouse Arts in Education program
- Detroit, MI—Kent Intermediate School District, buildOn
- Spokane, WA—Boys & Girls Club of Spokane County, Martin Luther King Jr. Family Center





A World of Difference: music



A World of Difference: art



A World of Difference: nutrition

## PB Poland employees pool their contributions to support children's hospital

Employees in Bielsko-Biala, Poland, wanted to concentrate their charitable contributions for greater impact. They decided to focus on the needs of children at the city's pediatric hospital, and came up with a novel approach. Rather than invest in a single area of medicine or technology, every two months they contact the hospital to identify needed supplies, then purchase the items and donate them directly. So far the items involved have ranged from pillows to thermometers to inhalers to pajamas for toddlers and teenagers. Pitney Bowes Poland employees Anna Cz stkiewicz-Hus and Grzegorz Kołata stand before portraits of some of the program's beneficiaries.

## Making a World of Difference

Our 2013 employee giving campaign made "A World of Difference" both to the organizations served, and to the employees who rose to the challenge and made the program an international success. These photos show PB India employees getting into the spirit through art, music and nutrition.

## Employee involvement

We know that good corporate citizenship helps us to attract and retain good employees. We also recognize that our people develop useful skills outside the workplace. And we believe that encouraging employee engagement in our local communities reinforces their engagement in our company. As increasing numbers of employees participate in our Agile Work program, many are able to spend more time in their communities. In addition, community service can be a valuable catalyst for developing stronger teams within the company as well as deeper connections to the community. For all these reasons, we encourage employees to get involved as volunteers and supporters of nonprofit organizations.

## Volunteering that supports personal development

Volunteer service presents tremendous opportunities for employees to develop their skills. We provide employees with guidelines that map volunteer opportunities to specific skills and core competencies that employees are interested in developing.

## Matching employee contributions

We encourage employees to make charitable donations, and we support their efforts by matching their contributions to eligible charities in the United States, Canada, the United Kingdom and the Asia Pacific region. We conduct annual giving campaigns and allow employees to contribute through payroll deduction. We match their contributions to eligible charities 100 percent and cover all administrative costs.

## Global grants for volunteerism

Each year we provide grants to nonprofit organizations where our employees volunteer through our individual recognition grant program (with grants ranging from \$125 for 25 hours of service to \$500 for 100 hours). We also cover the costs of supplies and materials needed for employee volunteer efforts through our competitive team project grant program.

## Nonprofit board service program

We encourage employees to serve on local committees and nonprofit boards and provide them with tools to find opportunities in their communities. We also work with grantee organizations and other charities whose missions support our philanthropic goals to identify volunteer leadership opportunities. Our Corporate Philanthropy and Strategic Talent Management teams work together to match employee passions and development goals with available opportunities.

## Dedication to Education: our 2014 volunteer week of service

More than 475 Connecticut employees recently joined forces for a week-long volunteer initiative called Dedication to Education. Held in conjunction with the United Way of Western Connecticut and involving 23 community agencies, the program was supported by a series of Team Project Grants from the Pitney Bowes Foundation. Volunteers participated in 30 projects ranging from refurbishing a playground to digitizing a school library's card catalogue and providing career workshops for high school students. All told, employees donated more than 1,750 hours to help local schools and educational programs.

## Swedish PB software engineer develops community access app for people with disabilities

The program may be cloud-based, but the benefits on the ground were very clear when PB Software engineer Hakan Karlsson submitted an idea to an innovation contest sponsored by Swedish Post and Telco. The purpose of the contest was to broaden access to community services through "Commerce and payments for all." Drawing on Pitney Bowes location intelligence technology, Karlsson's app enables citizens with disabilities to plan their daily life by researching the accessibility of shops, restaurants and other public facilities on their mobile phones. Following an initial contest award in 2012 and a further investment from Pitney Bowes, the app was released to the public in early 2014.



Dedication to Education: our 2014 Volunteer Week of Service



Dedication to Education: our 2014 Volunteer Week of Service



Dedication to Education: our 2014 Volunteer Week of Service

## Healing power of snowflakes at Sandy Hook

In the wake of the tragedy at Sandy Hook Elementary School in Newtown, Connecticut, the school's Parent Teachers Association (PTA) was inundated with inquiries from people around the country asking how they could help. The idea to send snowflakes to the children of Sandy Hook was born. What started from a local press release spread quickly via Facebook and grew into an avalanche of love and support.

Children, parents, teachers, church groups, and many others from around the world sent hand-made snowflakes, pictures, artwork, letters, and donations to the Sandy Hook PTA. The outpouring of support was so overwhelming that the local and state PTAs quickly became overwhelmed with the packages and letters.

That's when Pitney Bowes, together with nearly two dozen supplier partners, stepped in to help. What has been accomplished since is a testament to the giving spirit and commitment to volunteering throughout this community effort. Laura Taylor, a parent of a Sandy Hook student, member of the Sandy Hook PTA, and a vice president of Pitney Bowes, reached out to other executives for help – including Kerry Caylor, Vice President, Asset Management, Strategic Sourcing. Drawing on his mail center operations experience, Kerry engaged both internal and external resources to create a center that could handle the high volume of packages. Using space in a nearby PB facility, the team set up a 10,000-square-foot center that enabled volunteers from Sandy Hook and the surrounding Newtown area to open each package and experience the contents – ranging from hand-carved wooden snowflakes to a child's donation of his/her entire piggy bank. The center is now in full operation six days a week staffed by 12 community volunteers per three-hour shift. So far, more than 25,000 packages have been "experienced" and their contents sorted. The snowflakes are now being distributed to all the schools in the district. In addition, the volunteers will pack 550 small boxes that will go to each student and teacher at SHS so that the SHS community can take home their own personal blizzard of support in the form of snowflakes. In addition to processing and sorting the packages, the team is also creating an image library to house scanned images of each piece to share with the community. The senders will also be remembered as their return addresses are being captured in a database that will be used for a return postcard thanking them for their snowflakes. "There is so much emotion in this room dubbed 'The Snowflake Center,'" said Mara Street, Sandy Hook parent and head of the Snowflake for Sandy Hook effort. "It's been wonderful to watch the many volunteers from Sandy Hook and Newtown come and feel the love and support contained in each and every snowflake. Many parents have commented on the fact that their involvement has been a healing experience for them."

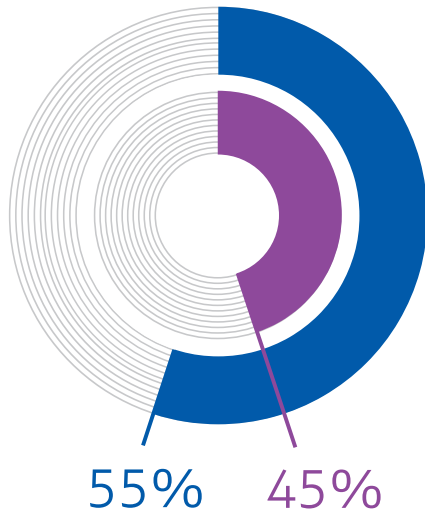
## Disaster relief

The Pitney Bowes Relief Fund, a U.S. 501(c)(3) charity, was established in 1992 to provide for colleagues and others whose lives are disrupted by natural disasters or personal misfortune. Financed by employee contributions and a match from the foundation, the Relief Fund gives recipients access to food, shelter, clothing and medical care in catastrophic situations. Pitney Bowes covers the Relief Fund's administrative costs, ensuring that all donations directly benefit those who need assistance. The Salvation Army manages the Relief Fund's grants and refers employees to community-based resources where appropriate. Since its inception, the Relief Fund has distributed nearly \$3 million in assistance.

In addition, the Pitney Bowes Foundation launches special matching appeals following natural disasters that impact Pitney Bowes employees, customers and communities outside the U.S. In 2013 we raised funds for typhoon relief to be distributed among affected Asian populations by the Red Cross in response to Typhoon Haiyan in the Philippines.

## Performance 2013

Total giving (Pitney Bowes Foundation, Pitney Bowes Relief Fund and corporate contributions): \$4.6 million



\$1.4 million Literacy and education contributions (by focus area):

Achievement gap 55%  
 Workforce preparedness 45%



Literacy and education grant results	2009	2010	2011	2012	2013
Organizations receiving grants	32	36	42	49	80
Students directly impacted by grants	30,461	31,669	36,407	47,996	118,686
Total student hours	987,953	1,332,617	1,749,687	2,473,391	4,946,592

### General charitable contributions

- Total match of employee charitable contributions \$1.7 million (Includes U.S., Canada, U.K, Republic of Ireland, India, Singapore, Japan, Australia and Hong Kong)
- Aggregate value of employee volunteerism: \$1.8 million (includes hands-on and skill-based volunteer activities as well as nonprofit board service)

**United States**

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For more information,  
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