

# Environmental progress report 2023

## The path towards carbon neutrality

We consider the actual and potential impacts of our operations on the environment, with particular focus on climate-related risks and sustainability. We are mindful of these factors in how we develop, modify, and deliver our products and services.

### We focus on the environmental risks most relevant for our company:

- The impact of carbon emissions due to the use of energy in our operations - at our operating sites and in our transportation fleet – as well as throughout our value chain, suppliers, and clients
- The impact of the physical goods produced or used in our operations - our products and the packaging we use in as part of our operations

### We commit to reducing the impacts of these risks through:

#### Reaching carbon neutrality by 2040 in our operations (scope 1 & 2) via

- Efficient use of energy in our sites and fleet
- Increased use of renewable energy
- Offset of carbon emissions when all other reductions have been implemented

#### Reaching carbon neutrality by 2050 in our value chain (scope 3) via

- Better understanding of the sustainability practices of our suppliers
- Increased accuracy of suppliers' CO2 reporting
- Partner with suppliers engaged in sustainable practice

#### Reducing environmental impacts of our products via

- Sustainable life cycle of our products
- Responsible packaging
- Minimizing impact of waste

### Carbon Footprint

After achieving our previous emissions reduction goal, we are now aiming for an absolute 8% reduction by 2025 in our operations against our 2019 baseline.

#### Fleet Efficiencies:

- Pitney Bowes partners with the U.S. EPA SmartWay program for its fleet and has been named SmartWay High Performer in 2023 and 2024.
- We optimize our fleet by condensing in-house routes, optimizing drivers and vehicle fleet, and implementing other fuel-saving measures and new technologies to drive efficiency such as installation of advanced telematics on all our logistic vehicles
- We purchase biodiesel fuel to provide the benefits of renewable fuels for our fleet
- We are exploring fleet electrification

#### Site Energy Reduction & Efficiencies:

- We continue to increase energy efficiency across all our operations. In 2023, our CO2 emission per square feet has decreased by 34% vs 2022 and 73% vs 2019.

#### Renewable Energy:

- In 2023, we increased our share of renewable electricity through new contracts associating Renewable Energy Certificates (RECs) to 57%, achieving our 2025 target of 50% two years in advance
- Pitney Bowes is a long-term member of the Green Power Partnership, an industry partnership with the U.S. EPA to promote alternative energy.

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## Our Products

We work to reduce the environmental impact of our products throughout their life cycle, from initial concept through manufacturing, transport, use, remanufacture, reuse and end-of-life recycling.

### Sustainable Procurement:

- Our Supplier Code of Conduct sets our level of expectation in terms of environmental sustainability for selecting and maintaining these relationships.

### Responsible Packaging:

- We source our cardboard-based packaging from reputable and sustainable partners respectful of biodiversity, prioritizing suppliers that can demonstrate their use of materials certified by external bodies. Our external packaging is made of cardboard usually containing 25-35 percent post-consumer recycled (PCR) content and are often fully recyclable.

### Energy-saving Design:

- As an ENERGY STAR® Partner, we offer energy-efficient products through our SendPro family of products, and many of our other digital mailing systems and imaging equipment.

### Circular Economy:

- Pitney Bowes has a long legacy of remanufacturing end of life client leased products to minimize the impact of resources and raw materials through reuse and recycling of parts.

## Waste & Recycling

We recycle cardboard, mixed electronics, and mixed recyclables, and we continue to evaluate and implement innovative recycling programs. For example, our cardboard recycling capabilities improved dramatically by adding more baling equipment to optimize waste collections and work more closely with recyclers.

## Water

Our products and operations have no significant direct impact on water. In our remanufacturing operations, parts identified as reusable are thoroughly cleaned using a water-based solution, and in closed circuit and reuse water as much as possible. Because of the nature of our equipment, wastewater generated is often colored from the ink contained in our print-engines, and we therefore capture it and send it to be treated by specialized contractors.

## Climate Change & ESG Disclosures / Frameworks

Pitney Bowes has reported to CDP since 2009 on scope 1 and 2, and on scope 3 for the third consecutive year. Our Green-House Gas (GHG) emissions are calculated with expert support and are third-party verified. Understanding our impact throughout our value chain has enabled us to formulate our scope 3 carbon neutrality objective for 2050 and we are engaging with our supply chain to support that objective.

Our Environmental Social and Governance (ESG) report is following the principles of Task Force on Climate-Related Financial Disclosures (TCFD), and we are committed to sustainable growth in keeping with the United Nations Sustainable Development Goals (SDGs). Our long history of voluntary reporting is placing us in favorable position to face new mandatory climate related disclosure rules from the USA and Europe.

More information can be found in our annual ESG Report.

## Recognition

ISO 14001 for UK; EPA SmartWay High Performer 2023 and 2024; EPA GreenPower Partners; The Center for Climate Solutions and The Climate Registry, 2020 Climate Leadership Award for Excellence in Greenhouse Gas Management for (Goal Setting Certificate) and 2021 Goal Achievement Award.

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Learn more about Pitney Bowes at  
[www.pitneybowes.com/us/our-company/esg.html](http://www.pitneybowes.com/us/our-company/esg.html)

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## Environmental performance

### Company performance

	2019	2020	2021	2022	2023
Scope 1 (metric tons CO2e)	30478	34211	40614	45060	48050
Scope 2 location-based (metric tons CO2e)	41241	35368	30620	32724	30675
Scope 2 market-based (metric tons CO2e)	37958	34177	22921	18011	11814
<b>Absolute emissions: Scope 1 and 2 emissions market based (metric tons CO2e)</b>	<b>68436</b>	<b>68388</b>	<b>63535</b>	<b>63071</b>	<b>59864</b>
Total revenue (M\$)	3205	3554	3674	3538	3266
<b>Intensity ratio of company efficiency: Scope 1 and 2 emissions market-based per revenue (MTCO2e/M\$ revenue)</b>	<b>21.35</b>	<b>19.24</b>	<b>17.29</b>	<b>17.83</b>	<b>18.33</b>
Scope 3					
Purchased goods and services			131107	108907	112272
Capital goods			31871	17527	1657
Fuel- and energy-related activities			20363	21270	17910
Upstream transportation & distribution			481071	411108	361188
Waste generated in operations			3316	4654	5613
Business travel			3671	5454	6614
Employee commuting			10377	10079	8630
Upstream leased assets			not relevant	not relevant	not relevant
Downstream transportation & distribution			not relevant	not relevant	not relevant
Processing of sold products			not relevant	not relevant	not relevant
Use of sold products			12894	9310	8697
End-of-life treatment of sold products			not relevant	not relevant	not relevant
Downstream leased assets			not relevant	not relevant	not relevant
Franchises			not relevant	not relevant	not relevant
Investments			not relevant	not relevant	not relevant
Scope 3 total (metric tons CO2e)			694670	588309	522579
<b>Total direct and indirect emissions of carbon dioxide MTCE (scope 1, 2 and 3)</b>			<b>758205</b>	<b>651380</b>	<b>582443</b>

### Sites performance

	2019	2020	2021	2022	2023
Sites area (calendar normalized sqft)	6802827	8006252	7818621	7907448	7858105
Intensity ratio of site efficiency:	5.58	4.27	2.93	2.28	1.50
Scope 2 market-based emissions per thousands sqft (MTCO2e / 000's sqft)					
<b>Intensity ratio of site efficiency: Scope 1 (natural gas and fuel oil and refrigerant) + scope 2 market-based emissions per thousand sqft (MTCO2e / 000's sqft)</b>	<b>6.15</b>	<b>4.72</b>	<b>3.61</b>	<b>3.02</b>	<b>2.24</b>

### Energy sourcing performance

	2019	2020	2021	2022	2023
Total consumption of purchased or acquired electricity (MWh)	102341	90583	84565	86780	81650
Total bundled REC (MWh)		4493	21399	31688	32717
Total unbundled REC (MWh)		5882	3694	6252	14456
<b>Percentage of renewable electricity sourced through REC*</b>		<b>11.5%</b>	<b>29.7%</b>	<b>43.7%</b>	<b>57.8%</b>

\* Our method of purchasing and reporting RECs changed in 2020 to make a distinction between bundled and unbundled REC

## Fleet performance

	2019	2020	2021	2022	2023
Scope 1 CO2 emissions from mobile sources - B2, B20, diesel, E85, E100, LNG, Methanol, Propane and gasoline (MTCO2e)	26628	30572	35281	39157	42374
Vehicle Fuel Usage - Total Diesel & Gasoline (gallons*)	2603767	2980880	3425426	3868974	4626214
Intensity ratios of fleet efficiency					
Miles Per Gallons (MPG*) fuel consumption of tractors	6.2	7.6	8.06	9.24	8.14
Miles Per Gallons (MPG') fuel consumption of straight trucks	10	10.3	10.66	12.67	10.84
Miles Per Gallons (MPG') fuel consumption of Van Diesel		14.5	23.76	28.04	21.45
Miles Per Gallons (MPG'') fuel consumption of Van Gasoline	9.8	9.8	15.22	15.03	15.77
Average manufacturer CO2 emissions of personal vehicles (gCO2/km)**			152	150	160

\* US gallons and MPG

\*\* CO2 emissions of personal vehicles unit of measurement changed in 2021 from US MPG to gCO2/km to allow for the arrival of electric cars in our fleet

## Remanufacturing

	2019	2020	2021	2022	2023
Number of units			20569	23329	26594
Total weight (tons)			312	329	371

## Water usage

	2019	2020	2021	2022	2023
% of site covered by water data				17	18
% of sqft covered by water data				42	42
Water usage (US Gal)				17020000	14781000
<b>Water usage per sqft of covered site (US Gal/SQFT)</b>				<b>5.1</b>	<b>4.5</b>

## Waste



		2022	2023
Non-hazardous waste not recycled (Tons)	Municipal Solid Waste (Trash)	6382	7681
Non-hazardous waste recycled (Tons)	Cardboard	4202	2570
	Electronics	2086	1721
	Mixed recyclables	1036	1050
	Total recycled	7324	5342
Hazardous waste (Tons)	Engineering research and development (incinerated)	0.1	0.3
Total waste generated	Trash, recycling and hazardous (Tons)	13707	13024
<b>Waste diversion rate</b>		<b>53%</b>	<b>41%</b>
<b>Waste intensity ratio:</b>		<b>3.87</b>	<b>3.99</b>
<b>Total waste generated T per \$M revenue</b>			

## Supporting the United Nations Sustainable Development Goals

Pitney Bowes is committed to the United Nations Sustainable Development Goals (SDGs) and recognizes the vital importance in building a sustainable future. With a clear sense of purpose, we are actively driving initiatives to make forward progress. Of the UN's 17 SDGs, we have identified nine which align with our business' focus and accordingly where we have the greatest opportunity to influence progress toward the goals. They include the following:

### SDG

 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>At Pitney Bowes, we seek to conduct our business in a manner that contributes to the well-being of all our stakeholders, including clients, employees and communities. Our activities do not directly involve the use, production or emission of substances that pose significant threats to public health or the environment.</p> <p>We have an Environmental Product Compliance process to ensure compliance with applicable external standards including RoHS, REACH, WEEE and POP legislation. We also work proactively to minimize potential risks associated with our vehicle fleet.</p>
 <p>4 QUALITY EDUCATION</p>	<p>Today, we apply our values of fairness, partnership, and community service around the world through the work of the Pitney Bowes Foundation and the generous participation of employees.</p> <p>We focus our philanthropy on literacy and education, supporting programs in underserved school districts to help overcome social and economic inequality.</p> <p>Our grants, volunteering and partnerships with proven non-profits span every stage from early childhood to workforce development, including literacy, STEM (Science, Technology, Engineering and Math) and entrepreneurship education.</p>
 <p>5 GENDER EQUALITY</p>	<p>Pitney Bowes strives to maintain a diverse, inclusive and safe workplace, with equitable opportunities for growth and development, supported by strong compensation, benefits and health and wellness programs, and by programs that build connections between our employees and their communities.</p> <p>We believe that a diverse workforce and leadership are critical to our success. We celebrate a rich mix of countries, cultures, ages, races, ethnicities, gender identities, sexual orientation, abilities and perspectives that showcase our humanity, differentiate us as individuals and enhance our businesses.</p>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>We are committed to increasing our reliance on renewable energy at our sites. We work to improve energy efficiency throughout our operations with an overall objective of achieving carbon neutrality by 2040.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>We seek to grow by acquiring and developing top talent. We combine a strong focus on internal mobility with a strategic approach to recruiting external talent by diversifying our candidate slates and providing a robust, streamlined candidate experience.</p> <p>We continue to partner with vocational and technical schools and other organizations to reach diverse pools of talent; develop virtual processes to replace in-person facility visits, interviews and internships; and develop new social content on health and wellness for the benefit of all employees.</p> <p>We have a comprehensive health and safety management system to protect our colleagues and optimize working conditions throughout our facilities. Our Supplier Code of Conduct lays out clear and comparable expectations on supplier business practices and human rights.</p>
 <p>10 REDUCED INEQUALITIES</p>	<p>Our commitment to diversity and inclusion includes a broad range of programs that provide opportunities for all employees to grow, develop and contribute to our success. Through professional development initiatives, training, experiential learning and inclusion networks, we actively support growth for each individual as well as the company as a whole. Inclusion networks facilitate conversation, understanding and allyship both among designated communities and across the larger enterprise.</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>We strive to reduce the environmental impact of our products and packaging by using natural resources carefully, prioritizing the use of recyclable substances, and requiring suppliers to be environmentally responsible as well. We have an Environmental Product Compliance program that monitors, surveys and enforces compliance with international environmental and public health regulations and standards, including RoHS, REACH, WEEE and POP. We follow the waste hierarchy and seek to minimize the quantity of material we use while maximizing the percentage of post-consumer recycled and recyclable content. We design our products for a long-life cycle and have a long history of remanufacturing, reuse, recycling and waste minimization. We report regularly on our environmental performance and work continuously to improve our practices, including our current work</p>

	to define new long-term sustainability objectives and align our reporting to the latest international standards.
	We acknowledge the potentially damaging impacts of climate-related events. Through our sustainability programs, we strive to mitigate their impact.
	We work to minimize both the amount of packaging we use and the impact of packaging production on the natural environment. We work with responsible cardboard-based packaging suppliers and prioritize the use of sustainability-certified products.

## Task Force on Climate-related Financial Disclosures correspondence table with CDP answers

Core element	Disclosure	CDP coverage
Governance	G.a) Disclose the role of the board of the organization in overseeing climate-related issues.	C1.1, C1.1a and C1.1b
	G.b) Disclose the role of management in assessing and managing climate-related issues.	C1.2, C1.3, C1.3a, and C2.2
Strategy	S.a) Disclose the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	C2.3, C2.3a, C2.4 and C2.4a
	S.b) Disclose the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	C2.3, C2.3a, C2.4, C2.4a, C3.3, C3.4
	S.c) Disclose the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario.	C3.1, C3.2, C3.2a
Risk management	R.a) Describe the organization's processes for identifying climate-related risks.	C2.1, C2.1a, C2.2, C2.2a
	R.b) Describe the organization's processes for managing climate-related risks.	C2.2, C2.2a
	R.c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	C2.2, C2.2a, C3.1, C3.1a
Metrics & targets	M.a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	C4.1a, C4.1b, C4.2, C4.2a, C4.2b, C4.2c
	M.b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	C6.1, C6.2, C6.3, C6.4, C6.5, C7.1, C7.1a, C7.2, C7.3, C7.3a, C7.3c, C7.5, C7.6, C7.6a, C7.6c, C7.9, C7.9a, C7.9b
	M.c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	C4.1, C4.1b, C4.2, C4.2a, C4.2b, C4.2c