



energy  
safety: innovation  
community  
**Environment**  
sustainable  
communications  
conservation

*Leading Responsibly*

## Environment

We serve 2 million customers in 130 countries. We are committed to reducing our environmental impact worldwide.

- We have been a leader in adopting energy-saving practices and encouraging customers and suppliers to do the same.
- We provide our customers with solutions that improve efficiency and reduce waste at every stage, from market analytics to document production and delivery.
- We design products to minimize lifetime environmental impact and facilitate remanufacture. In 2011, our sales of remanufactured products rose 64% over 2010.

## Sustainable Communications

Our business is dedicated to helping companies grow through more effective customer communications. We offer a broad array of products and services that optimize the use of mail as a communication channel, minimize undeliverable mail, reduce paper consumption, and integrate physical mail with digital media into multi-channel communication solutions. We also design our products to be energy-efficient and to have a minimal environmental impact at every stage, from manufacturing and distribution to eventual return and recovery.

## 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.

## Performance 2011

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



## Marking 20 years of Design for Environmental Quality

*DfEQ's impact extends through the entire product lifecycle and beyond.*

### Sustainable Communications

For more than 90 years, Pitney Bowes has been dedicated to helping companies grow through more effective customer communications—primarily through the mail, but increasingly through multiple channels including onsite, online and mobile communications as well. As environmental sustainability has become increasingly important to companies everywhere, we have helped customers meet their environmental responsibilities through products and services that optimize the use of mail and integrate it with broader communication strategies.

Our products help organizations identify their best prospects, streamline the development and production of mail pieces, increase yields, manage expenses, minimize undeliverable mail and reduce overall paper consumption. We have also pioneered the development of systems that integrate physical mail with digital media, reduce document storage requirements and enable paperless workflow in organizations of all sizes.

Here are a few examples of how Pitney Bowes products serve business and environmental goals simultaneously:

- Our *Volly™* secure digital delivery service enables businesses and consumers to build one-to-one relationships across multiple channels, eliminating unwanted or wasted communications.
- Our *PresortXtra* solutions bring the benefits of barcoding and presorting to low-volume mailers, expediting delivery and helping to minimize undeliverable mail.
- Our *Connect+* mailing systems allow envelopes to be printed with customizable full-color graphics that make recipients more likely to open them, improving the efficiency of mailing campaigns.
- Our *Portrait Interaction Optimizer* software provides targeted offers to each individual in a company's customer base at the specific moment of that customer's interaction, whatever the channel. As a result, customers get the information they need quickly and without irrelevant communications.

Whatever the application, we design our products to have a minimal environmental impact at every stage from manufacturing and distribution to eventual return and recovery. Environmental considerations are incorporated as early as possible in the product design process under our Design for Environmental Quality (DfEQ) program, established in 1991.

#### PITNEY BOWES ENVIRONMENTAL INNOVATION TIMELINE

1944–Asset Return Program

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1991–Design for Environmental Quality

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2000–Green Power Market Development Group

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2007–WasteWise Hall of Fame, Carbon Disclosure Project

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2008–Eco-Patent Commons, WHQ green renovation

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2009–Corporate Responsibility Report & metrics

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2010–Third-party validation of CO2 footprint; Coalition for Energy and Environmental Leadership in Leased Space

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## Product Return and Recovery

Pitney Bowes has a long legacy of product remanufacturing and recycling. We started our product take-back program 50 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, our remanufactured equipment program diverted 371,127 pounds of waste from recycling to reuse.

We have also become more aggressive in marketing remanufactured products. In 2010, we rebranded our remanufactured equipment as Factory Certified Green Solutions, and in 2011, sales of these products were up 64%.

In addition to the mailing systems, toner cartridges are an important part of our focus on recycling. In the United States we recycled nearly 300,000 lbs of toner cartridges in 2011 through an outside firm which handles collection, sorting, reuse, recycling and the processing of scrap at a waste-to-energy facility.

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## Carbon Footprint

In 2007, we established our baseline carbon footprint using the World Resources Institute standard. We publicly report our carbon footprint through the international Carbon Disclosure Project (CDP). In October 2010, a third-party consultant validated our methodology for the collection and reporting of carbon emissions following an extensive review.

## 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 2011 we reduced our electricity consumption by more than 16 million kilowatt hours from our 2007 baseline, saving \$2.3 million and reducing our carbon footprint by 10,194 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, and the use of motion sensors to shut off lights in unused spaces.

We continue to focus on site consolidation as part of the company's strategic transformation initiative. With a smaller building footprint, we have been able to reduce our energy consumption by more than 6.6 million kilowatt hours. In addition, projects involving the re-lamping of some operations and the installation of an energy efficient air compressor resulted in the avoidance of an additional 200 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 30,257 metric tons of CO<sub>2</sub> emission reductions. In 2011, our purchases of Green-e® certified RECs helped reduce CO<sub>2</sub> by 7,457 metric tons.

## Locavores and Greenivores Unite!

*Pitney Bowes dining facilities in Fairfield County, CT are getting greener every year. Company cafeterias serve more than 1,200 employees a day with a focus on green procurement, source reduction, recycling, and effective waste disposal. Improvements span the whole "food chain," from locally sourced produce to reusable food preparation and storage containers to recycled unbleached napkins, wood stirrers, recyclable take-out containers and plentiful recycling bins. There are even discounts for those who bring their own beverage mugs. The measures are having an effect; new napkin dispensers reduced consumption by 50%.*



## Clean Up Australia Day Draws Teams from Perth, Brisbane and Sydney

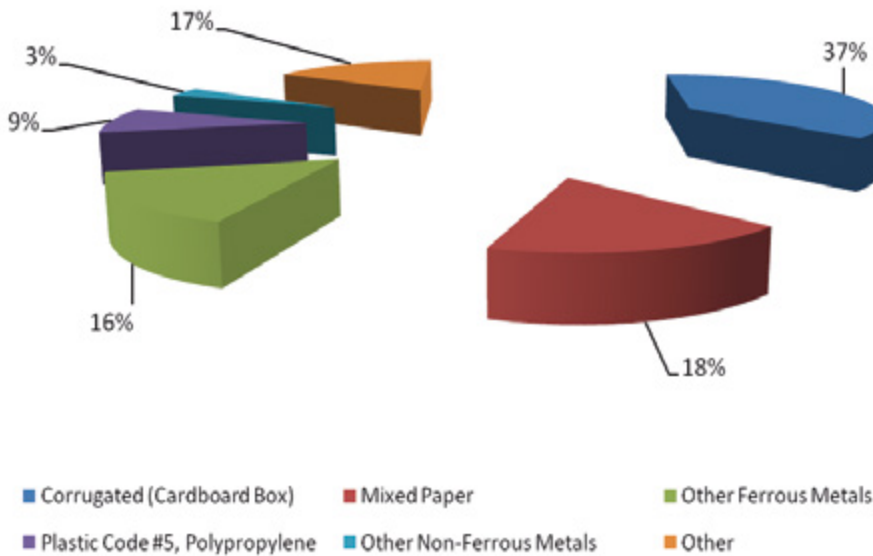
*Sydney Harbor forms the backdrop for this team of Pitney Bowes employee volunteers, one of three teams that took part in last year's running of this annual nationwide event. Over the last 20 years, Clean Up Australia Day has removed more than 200,000 tons of trash from cities and towns throughout the Commonwealth.*

In 2009, we instituted a well-received agile work program that contributed to a reduction of energy consumption. At the same time, agile work has enabled employees to reduce their commuting time and gain flexibility in determining where and how they work. In 2011, with 14% of our U.S. workforce agile or mobile, employees saved a total of 500,205 hours in travel time and 841,887 gallons of gasoline, reducing greenhouse gas emissions by 9.8 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. Only 15 other companies share this honor.

Based on our WasteWise data, the majority of our recycling is paper and cardboard (55%), followed by metals (19%). Our U.S. waste reduction campaign resulted in the avoidance of more than 23,562 metric tons equivalent of CO<sub>2</sub> (MTCO<sub>2</sub>E) in 2011. Since 2004, we have avoided 166,625 MTCO<sub>2</sub>E, equivalent to the effect of removing approximately 30,000 cars from the road and saving approximately 17 million gallons of gasoline.



## 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's 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 2011, 1,952 tons of U.S. electronics waste were recycled.



E-waste processing in Indianapolis, IN





## Forest Products Purchasing and Sustainable Forestry

As a leader in the management, production and delivery of business communications, we are committed to using paper and cardboard responsibly and preserving the world's natural resources. We promote sustainable forestry and certification programs, we encourage responsible practices on the part of our customers, and we recycle whenever possible. Our public literature, catalogs and direct mailings include the "Recycle Please" logo.

In purchasing, where possible we give preference to paper that originates from sustainable or recycled sources. The most comprehensive certification available globally is administered by the Forest Stewardship Council (FSC). In 2011, we used approximately 10,000 tons of paper (in the United States, Canada and Europe), of which 29% was FSC-certified.

## Global Environment, Health and Safety Management System

Pitney Bowes is committed to complying with environmental, health, and safety (EHS) regulations for all operations globally. We aim to provide safe products and services and 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.

A total of 85 European Pitney Bowes locations operate in accordance with ISO 14001 (the international standard for environmental management systems): United Kingdom/Republic of Ireland (73 facilities), Sweden (7 facilities), Norway (3 facilities) and Denmark (2 facilities). In addition to ISO 14001, we also measure ourselves by 34 technical standards incorporated into our 2009 Global EHS Policy and environmental, health and safety management system (EMS). The EMS provides guidelines for monitoring site performance, conducting audits and management reviews, and implementing corrective/preventive actions. EMS audits are conducted by internal qualified professionals and the results are reported to senior management.

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 2011, we conducted 26 facility audits: 20 at Pitney Bowes locations and six at third-party locations (suppliers, waste facilities and warehouse locations). These audits resulted in a total of 348 action items.



## Eco-Lighthouse shines again on Pitney Bowes Norway

*Funded by the Norwegian Ministry of Environment, the Eco-Lighthouse Program is designed to help companies in Norway reduce their environmental impact, cut costs and benefit from their status as an environmentally responsible company through industry-specific certification and testing. The year 2011 was Pitney Bowes's third in a row as an Eco-Lighthouse certification winner.*



## Moving Toward Zero-Waste

*Zelia Kranich, Pitney Bowes's EHS Manager, Sustainability and Environmental Compliance, accepts the Aquarion Water Company's Environmental Champion Large Business Award from U.S. Senator Richard Blumenthal (D-CT) at a ceremony in June 2012. The award honors Pitney Bowes for its diversion of waste from recycling to reuse through its green policies and growing sales of remanufactured products.*

# Performance 2011

	2008	2009	2010	2011
Direct and Indirect Emissions of Carbon Dioxide MTCE	97,242	124,107	120,263	111,836
Direct Emissions of CO2e/\$M Revenue	3.67	7.65(*1)	8.52	8.14
Indirect Emissions of CO2e/\$M Revenue	11.8	14.6	13.65	13.05
GHG Emissions per Unit of Floorspace (Tons CO2/ft2)	.01	.02	.02	.02
Waste Recycled/Prevented — Annual Pounds (U.S. Only)	13,686,766	14,532,290	11,702,258	15,403,520
Waste Recycled/Prevented — Annual MTCE Avoided	16,147	26,938 (*2)	16,635	23,562
Waste Recycled/Prevented — Annual MTCE Avoided/\$M Revenue	2.6	4.8	3.1	4.46
Product Recycling — Cumulative Pounds (U.S. and Canada only)	13,588,464	20,159,239	26,705,481	31,212,668

(\*1) improved data collection of direct and indirect emissions from international operations has expanded the carbon emissions for Pitney Bowes in 2009

(\*2) increase in MTCE avoided largely due to significant increase in paper recycled

(MTCE = metric tons of carbon equivalents)

## Partnerships, Recognition and Awards

- Aquarion Environmental Champions Award Eco-Patent Commons
- Carbon Disclosure Project
- Greening the Mail Task Force



World Business Council for Sustainable Development

