

Corporate Responsibility at Pitney Bowes

Letter from Chairman, President and Chief Executive Officer

Pitney Bowes marks its 90th birthday in 2010, a milestone relatively few companies achieve. What is the secret to such longevity? For us, it all comes down to the values that define us as a company: our commitments to constant innovation and the highest standards of business conduct.

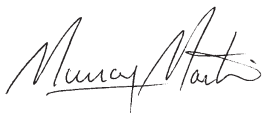
These core values are the foundation for the value we deliver to our customers, employees, shareholders and the community at large. They enable our financial success, and they underlie the trust these stakeholders place in us every day.

At a time when every day brings fresh evidence of the link between corporate responsibility and long-term success, I am proud of what we have achieved at Pitney Bowes.

We prize our diverse workforce and are committed to innovative health and safety programs for our employees. We embrace strong principles and increasingly rigorous standards of environmental stewardship. We require our suppliers to meet a code of conduct that promotes more responsible practices up and down the supply chain. And we contribute money and time to create opportunities and improve lives through literacy, education and workforce readiness programs.

By helping employees become healthier and more productive, we make our organization more efficient. By reducing our environmental impact, we avoid costs while strengthening our position as a leader in the dynamic world of multichannel business communications. By deepening our ties to the communities we serve, we enrich the lives of our employees and neighbors. And by doing all these things and more, we attract and retain the people we need to take our growth to the next level.

I salute everyone who has helped make Pitney Bowes the successful, responsible company it is today. I encourage everyone to seek – and find – new ways to make us even better.



Murray D. Martin
*Chairman, President and
Chief Executive Officer*

Our Business Practices

Environment

Diversity

Our People

Customers and Suppliers

Community



Pitney Bowes at a Glance

Principal business: marketing, communication and transaction management solutions

Revenues (2009): \$5.6 billion

Customers: more than 2 million

Locations: more than 100 countries

Headquarters: Stamford, Connecticut USA

Common stock (NYSE): PBI

Governance, Values and Business Practices

We have built a global business by helping customers succeed and staying true to our values:

- Put **Customers First**
- **Collaborate**
- Be **Passionate**
- Be **Accountable**
- Act with **Integrity**

Our code of conduct is contained in the Pitney Bowes Business Practices Guidelines. Compliance with the Guidelines is linked to every employee's annual performance evaluation and compensation.

Ethics Help Line: our multilingual, 24/7 toll-free service, operated by an outside third party, allows employees to make ethics inquiries and report suspected violations without fear of retaliation.

Environment

We are committed to reducing the environmental impact of our products, services and operations worldwide.

- We offer products and services that help streamline document production, minimize undeliverable mail, and reduce paper consumption and document storage requirements. We also work to minimize the environmental impact of our products at every stage from manufacturing and distribution to eventual return and recovery. Over 95 percent of all components of our mailing equipment are designed to be recyclable.
- We are committed to making all our operations greener and more efficient. Guided by a cross-functional Energy Task Force, through the end of 2009 we reduced our electricity consumption by more than 8 million kilowatt hours from our 2007 baseline.
- We are a founding member of the Green Power Market Development Group, an industry partnership with the U.S. Environmental Protection Agency 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.
- We promote sustainable forestry and certification programs such as those of the Forest Stewardship Council (FSC), Sustainable Forestry Institute (SFI), Canadian Standards Association and Programme for the Endorsement of Forest Certification (PEFC). Our public literature, catalogs and direct mailings include the "Recycle Please" logo.
- Our integrated global Environment, Health and Safety (EHS) policy, released in 2009, strengthens accountability and encourages leadership on EHS matters throughout the company.

Our People

We value our employees and know that our success depends on their talents, skills and commitment to Pitney Bowes. *Diversity, inclusion, engagement and development* are all fundamental to our culture of innovation, and we support them all with extensive programs at every organizational level. We are passionate about the *safety* of our workplaces, and we actively help employees and their families to pursue *healthy lifestyles*.

- **Diversity** encompasses all the ways in which we differ; inclusion helps us benefit from diversity through a respectful environment that creates business value. We have a strategic approach to managing diversity, with senior management compensation tied to success in meeting diversity objectives. In 2009 we earned recognition from 19 external organizations for excellence in diversity and inclusion.
- **Engagement**: We seek to engage employees through challenging work assignments, career development opportunities, and programs that promote personal and professional growth. We regularly solicit employee feedback through the Pitney Bowes *global employee survey*, a confidential survey available in 18 languages. We also promote engagement through online channels including *PB Voice*, an intranet site; *Yammer*, a social networking platform; and *IdeaNet*, an innovation forum.
- **Development**: From their first day on the job, employees are encouraged to own their career development, set performance goals, broaden current skill sets and acquire new ones. Employee development takes many forms, including on-the-job training, rotational assignments, mentoring, formal programs, online resources and tuition reimbursement for job-related higher education. We also provide targeted development for specific individuals or groups, such as early-in-career high performers and diversity talent.
- **Safety**: We have a passion for an injury-free workplace. We train our employees to work safely, we empower employees to make changes that improve health and safety, and we reward outstanding safety performance. We tailor our safety programs to address the most frequent workplace injuries such as strains and sprains, using Tiger Team projects to demonstrate how much can be achieved with simple changes. As a measure of our success, total U.S. Workers' Compensation claims fell from 1198 in 2008 to 964 in 2009, with total cost of claims down by \$2.1 million and cost per claim down by 21 percent.
- **Health and Wellness**: Employees who take action to manage their health are happier, more engaged and more productive; they also save money on health care, both for themselves and for our company. We offer easy and affordable access to care, including seven free, fully accredited on-site medical clinics in the U.S. covering about 20% of our employees. We also provide a range of wellness programs to encourage employees and their families to adopt healthy lifestyles. Our *Project: Living* communications provide up-to-date guidance on health and wellness, financial planning and work/life balance, including how best to take advantage of company benefits in these areas.

Customers and Suppliers

From product design to service policies, we put customers first. Because we depend on suppliers to help us meet customer needs, we require suppliers to meet appropriate performance standards, including standards for corporate responsibility. Our goal is to ensure safe working conditions, respectful treatment of workers, environmentally responsible manufacturing processes and full legal and regulatory compliance throughout our supply chain.

- **Our Supplier Code of Conduct** establishes benchmarks and practices to help suppliers meet our standards. We encourage suppliers and Pitney Bowes employees to report violations of the Code through our confidential Ethics Help Line.
- We also seek to strengthen our supply chain through relationships with best-in-class diverse suppliers, in keeping with our overall commitment to diversity and inclusion. We accept diversity certification from a variety of industry organizations as well as local and state governments, and we support national diversity organizations through corporate memberships.
- In 2009 we took the Direct Marketing Association's *Green 15 Supplier Pledge*, holding ourselves accountable both for our own environmental performance and for encouraging green practices among our customers.

Community

We are committed to investing in the communities we serve. Through the Pitney Bowes Foundation and corporate contributions, we provide grants and matching gifts to worthy causes. We align our philanthropy with our corporate mission, with a focus on supporting literacy and education. We encourage employee involvement, and in 2009 our employees donated more than 65,000 hours in support of literacy programs and other community initiatives.

- **Literacy and Education:** We support a variety of programs that focus on communities where we have a presence and where the population is underserved or at risk. Key programs include:
 - *Reading Is Fundamental* – early literacy support for children and caregivers
 - *Network For Teaching Entrepreneurship* – summer camps and a national competition to help young people from low-income communities build skills and launch businesses
 - *National Urban League* – youth education programs
 - *National Center for Family Literacy* – programs that help parents and children learn together
 - *ProLiteracy* – literacy and workforce readiness programs for adults
 - *National Literacy Trust (U.K.)* – the Pitney Bowes Pushing the Envelope Campaign, an annual auction of celebrity artwork executed on envelopes
 - *Everybody Wins! USA* – Project LEAP (Literacy Enhancement Action Plan), supporting local, regional and national mentoring programs for low-income elementary students
- **Employee Involvement:** We encourage employees to get involved as volunteers and supporters of community organizations.
 - We encourage employees to make charitable donations, and we support them by matching contributions to eligible charities in the United States, Canada and the United Kingdom.
 - In addition to contributing at the headquarters level, we encourage Pitney Bowes facilities to contribute locally.
 - We provide grants to non-profit organizations in recognition of the hours our employees contribute, and to cover supplies and materials for team volunteer projects.
 - We offer employees structured volunteering opportunities linked to literacy and education initiatives.
- **Disaster Relief:** The Pitney Bowes Disaster Relief Fund provides employees and others with access to food, shelter, clothing and medical care in catastrophic situations. Following the January 2010 earthquake in Haiti, we launched a special matching appeal which yielded over \$70,000 in corporate and employee contributions.