

2009 Corporate Responsibility Report

*At Pitney Bowes,
corporate responsibility is
everyone's responsibility.*

Our commitment to innovation and citizenship spans every aspect of our business. It drives our success and defines us as a company.



Our Business Practices

Environment

Diversity

Our People

Customers and Suppliers

Community

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.

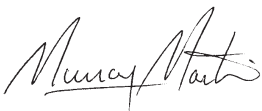
These core values are the foundation for the value we deliver to our customers, employees, shareholders and the community at large. They enable our financial success, and they underlie the trust these stakeholders place in us every day.

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

We demonstrate our commitment to corporate responsibility every day through our policies and actions.



Our values provide a framework and standards to guide our conduct and ensure that our success is built on honest and fair practices. We support this framework with robust systems to protect our company from business risks and protect the personal privacy of our employees.

Values and Ethics

Our values define us as individuals and as a company. We have high ethical standards, and we train our employees to help ensure that they always act in an honest and forthright manner.

Risk and Business Continuity

We believe we have a responsibility to our people and our customers 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 systems to protect privacy while ensuring information security, and to protect the confidentiality of employee communications on sensitive matters.

Values

Our approach to corporate responsibility is grounded in shared values. Our values have been a strength of the company for generations, though how we describe them has evolved. In 2007/8, under the stewardship of our Chairman, President and CEO, Murray Martin, we surveyed our employees and used their feedback to redefine our values in a clear, concise manner. They are:

Put Customers First

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

Collaborate

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

Be Passionate

- We act with a sense of urgency
- We drive for results and celebrate success
- We accelerate innovation to deliver unique value

Be Accountable

- We deliver on our promises and commitments
- 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 through a variety of internal communications. In 2009 we expanded our coverage internationally, translating our guidelines into eight languages and rolling out new training programs in the Asia/Pacific region.

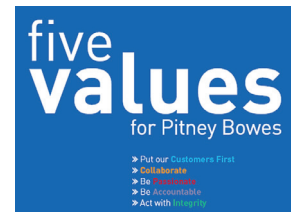
World's Most Ethical Companies

Early in 2010, Pitney Bowes was named to Ethisphere Institute's list of the World's Most Ethical Companies for the fourth straight year. Ethisphere is a leading international think-tank dedicated to best practices in business ethics, corporate social responsibility, anti-corruption and sustainability. This year's 100 winners came from more than a dozen countries.



Values in Action

Every week brings a fresh example of "Values in Action" for Pitney Bowes employees all over the world through the company's intranet update, *Inside PB*. These firsthand stories span a wide range of content, but they all serve a common purpose: to demonstrate that at Pitney Bowes, values aren't just abstractions – they're the basis for everything we do.



Ethics

We all make ethical decisions every day. Our approach is to be clear with our employees about our expectations of them, and to provide the practical resources they can use to learn about their obligations and get guidance on how they can gear their actions both inside and outside the workplace to reflect the policy and legal guidelines that govern Pitney Bowes.

Code of Conduct. Our code of conduct, the Pitney Bowes Business Practices Guidelines, describes and illustrates ethical and compliance issues that impact our employees, our customers, our business partners and the communities in which we live. To reinforce our commitment to ethical behavior and legal compliance, we have linked our standards on ethical behavior to annual employee performance evaluation and compensation. As part of their annual performance evaluations, employees are rated on how well they demonstrate ethical leadership. Additionally, employees are given the opportunity to voice their opinions on the ethics demonstrated by their managers and senior management in our annual employee engagement survey.

Training. Each year, employees are required to take training on specific Company policy, practices and the law covering such topics as records retention, antitrust or anticorruption. We use a variety of analytical tools to identify areas of risk, then design programs to mitigate the risks. We offer training through seminars, online and via webex, and through other channels for employees who do not have access to a computer.

Advice and reporting channels. We encourage employees to seek advice in dealing with ethical dilemmas and to report any suspected wrongdoing. 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, without fear of retaliation. Employees also can contact the Global Ethics & Business Practices Department in person or anonymously through hard copy mail, telephone or email delivered to a special email address. 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 constantly monitor the performance of our ethics and compliance programs to improve their effectiveness. 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.

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. These risks are then assessed in terms of probability, severity and 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 towards risk. By focusing on those issues that can impact how well we achieve our long-term goals, management is able to balance risk and reward appropriately and holistically. The interests of management, employees and shareholders are further strengthened and aligned. Communication and understanding of risk becomes part of the company's culture, serving a proactive function and not merely a defensive one.

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.

Privacy

We handle sensitive and personal data, and many of our customers use our products to manage personal information. We have formal governance, training programs, policies and compliance assessments relating to privacy and information security.

Our global policies, procedures and standards cover privacy and data protection, information security and acceptable use. Special policies apply to employees handling particularly sensitive data. Incident response procedures are in place for investigating and remediating any potential or actual departure from those policies.

Environment



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

- We have been a leader in adopting energy-saving technologies, recycling used products, and encouraging environmental responsibility among customers and suppliers
- Our products and services improve efficiency and reduce waste throughout the communications life cycle, from market analytics to document production and delivery
- We advocate in a variety of forums to correct misperceptions about the environmental impact of mail, particularly in comparison with other consumer activities
- We collaborate with other companies, industry organizations and postal services to advance environmental research and promote best practices

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 multichannel 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 2009

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

Sustainable Communications

For 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. In recent years environmental sustainability has emerged as an important success factor for companies everywhere, and we have helped customers meet their environmental responsibilities through a growing range of innovative products and services that optimize the use of mail and integrate it with broader communication strategies.

Our products help customers 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, facilitate secure online transactions, reduce document storage requirements and enable paperless workflow in organizations of all sizes.

Our 2009 Annual Report highlighted several recently introduced products that serve business and environmental goals simultaneously. Among them:

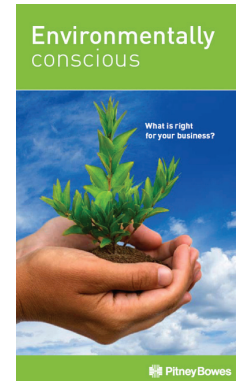
- Our **IntelliJet™ Printing System**, created in alliance with HP, enables customers to print targeted, personalized marketing messages directly on transaction statements, eliminating the need for inserts. It also integrates with Pitney Bowes mailing systems to reduce the combined footprint of separate print and mail operations.
- Our **AddressRightNow™** online list management service, updates addresses in real time to minimize undeliverable mail and help ensure that mailings reach the right people.
- Our **Imaging and Workflow Solution** utilizes Kodak technology to help companies reduce paper volume and boost productivity by digitizing content. It is part of a comprehensive Pitney Bowes records and information management offering that expedites access to data, helps secure intellectual property and reduces the environmental impact of information archives.
- Our **Location Intelligence Solutions** combine geographic and demographic information with predictive analytics so companies can align product development, marketing and store locations with the needs and interests of their best prospects.

Design for Environmental Quality

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.

Educating Marketers

We use a variety of means to educate business, government and consumer audiences about environmentally responsible marketing and mailing practices. This brochure from Pitney Bowes Australia offers practical tips to help businesses market more effectively while minimizing related environmental impact.



Clean Up Australia Day

Every year, hundreds of thousands of Australians get together to pick up litter and clean up the environment on Clean Up Australia Day. This year's volunteers included teams from Pitney Bowes Business Insight offices in Sydney and Brisbane as well as the Melbourne group shown in the photo. Over the past 20 years, the program has devoted more than 24 million hours and collected more than 200,000 tons of trash.



Since we approached the EPA to create a new Energy Star category for Imaging Equipment in 1996, Pitney Bowes has offered a range of Energy Star-rated mailing systems. The EPA raised the standards in 2009, and we have incorporated the new requirements into new product designs including the recently launched Pitney Bowes Connect+.

DfEQ has also guided us in complying with other U.S. and international regulations, and in removing hazardous substances from our products. Under DfEQ, electrical components must comply with the European Union's Directives on the Restriction on Hazardous Substances (RoHS) and the Waste Electrical and Electronics Equipment (WEEE). And since 2008, we have communicated with suppliers and customers to achieve compliance with the Registration, Evaluation & Authorization of Chemicals (REACH) Directive.

Product Return and Recovery

Pitney Bowes has a long legacy of product remanufacturing and recycling. Over 95 percent of all components of our mailing equipment are designed to be recyclable, and we recover nearly all of our postal meters and approximately 85 percent of mailing products. In 2009, we recycled over 6.5 million pounds of materials including copper, aluminum, steel, plastic, cardboard and paper through our product take-back program (U.S. and Canada). Returned equipment that cannot be reused is sent to approved recycling partners for resource recovery.

Industry Leadership

We are widely recognized as an environmental leader in the mail industry. We work with other companies, industry organizations and postal services to advance environmental research and establish and promote best practices. We regularly publish studies and participate in forums to educate customers and consumers about the environmental impact of mail, addressing misperceptions about how mail compares to other consumer activities.

Our publications include:

- *The Truth About Green, a report highlighting ways mailers can protect the environment and their industry*
- *The Environmental Impact of Mail: A Baseline*
- *The Greening of Government White Paper*

We have also played a leading role in recent industry activities, including the USPS Greening of the Mail Task Force, Direct Marketing Association Committee for Environment and Social Responsibility mail forums and postal customer councils.

Energy Conservation

We 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. We also 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. We publicly report our carbon footprint through the international Carbon Disclosure Project (CDP). We are also working with a third-party consultant to review and validate our methodology for the collection and reporting of carbon emissions. We expect to complete this process in the third quarter of 2010.

Pitney Bowes Helps Earthsense Rank Greenest States

Using analytical tools from Pitney Bowes Business Insight, Syracuse, New York-based Earthsense has established an annual ranking of the top 10 states in the United States in terms of residents' green behavior. Earthsense says its Eco-Insights Survey can help companies sharpen their focus in product development and more effectively market green products and services.

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 & Metrics

Coalition for Energy and Environmental Leadership in Leased Space

Early in 2010 Pitney Bowes formed a coalition with DuPont, IBM, Fluor and the Switzer Group to drive greater availability of competitively priced leased space that is also energy-efficient and environmentally appropriate. The group has established an environmental checklist and agreed to use it as a standard part of future lease and lease renewal negotiations. Collectively, coalition members account for more than 25 million square feet of commercial space in the United States alone.

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 2009 we reduced our electricity consumption by more than 8 million kilowatt hours from our 2007 baseline, saving \$1.4 million and reducing our carbon footprint by 4,862 metric tons of CO₂. 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 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 over 16,500 metric tons of CO₂ emission reductions. In 2009, our purchases of Green-e® certified RECs helped reduce CO₂ by 5,070 metric tons.

Waste Management & Recycling

Since 1996 Pitney Bowes has taken part in the EPA'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. We now participate at all of our major sites in the U.S., our two largest sites in Canada and our main office complex in Harlow, U.K. Over the years we have received nine awards from the EPA, including designation as Program Champion and Partner of the Year. In 2008, we were named to the WasteWise Hall of Fame for our leadership in recycling.

Forest Products Purchasing and Sustainable Forestry

As a leader in the mail and document management industry, we are committed to using paper and cardboard responsibly and preserving the world's natural resources. 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). Internally, we have completed a baseline analysis of our use of sustainable and recycled materials and are establishing metrics to drive increased sourcing of paper and cardboard from companies committed to responsible resource stewardship. Our public literature, catalogs and direct mailings include the "Recycle Please" logo.

Global Environmental, Health and Safety Management System

We recognize that a robust Environment, Health and Safety (EHS) process requires a clearly defined policy based on our core values. In 2009, we issued a new integrated global EHS policy that strengthens accountability and moves beyond compliance to encourage leadership on EHS matters throughout the company. Our new policy outlines our commitment to minimizing the environmental impact of our products and actions, our expectation that all injuries are preventable, and our determination to hold each employee accountable for following appropriate health, safety and environmental practices. By the end of 2009, we had also released or updated 34 worldwide technical standards in support of the new policy.

Eco Lighthouse shines 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. In 2009 Pitney Bowes Norway won certification as an Eco Lighthouse in recognition of its commitment to practical, user-friendly and environmentally responsible solutions.



Performance 2009

	2007	2008	2009
Direct and Indirect Emissions of Carbon Dioxide MTCE	101,792	97,242	124,107 *
Direct Emissions of CO ₂ e/ \$M Revenue	4.56	3.67	7.65 *
Indirect Emissions of CO ₂ e/ \$M Revenue	12.1	11.8	14.6
GHG Emissions per Unit of Floorspace (Tons CO ₂ /ft ²)	0.01	0.01	0.02
Waste Recycled/Prevented - Annual Pounds (US Only)	10,955,442	13,686,766	15,020,146
Waste Recycled/Prevented - Annual MTCE Avoided	3,783	16,147	27,733 **
Waste Recycled/Prevented – Annual MTCE Avoided/\$M Revenue	0.62	2.58	4.98
Product Recycling - Cumulative Pounds (US and Canada only)	5,741,312	13,588,464	20,159,239

* The improved collection of data from international sites has resulted in an increase in scope 1 and scope 2 carbon emissions for the Corporation. This data will be reconciled as part of the third party validation in process and to be completed by early October.

** increase in MTCE avoided largely due to significant increase in paper recycled

(MTCE = metric tons of carbon equivalents)

(CO₂e = carbon dioxide equivalents)

Partnerships, Recognition and Awards
 World Environmental Center
 Eco-Patent Commons
 Carbon Disclosure Project
 Greening the Mail Task Force



World Business Council for
Sustainable Development



Connecticut Green Business Award

In January 2010 Connecticut Business News Journal named Pitney Bowes a Connecticut Green Business Award winner in the Corporate Achievement category, citing the company's longstanding commitment to environmental stewardship and dramatic reduction in electricity use under the guidance of its Energy Task Force.

Diversity



At Pitney Bowes, diversity encompasses all the ways in which we differ.

Diversity and Inclusion

Inclusion helps us benefit from diversity by creating an environment of involvement, respect and connection, so that the full range of ideas and experiences are used to create business value. Our diversity equips us to better understand evolving markets, connect with our global customer base, develop innovative solutions and attract and retain outstanding talent.

We have a strategic approach to managing diversity, with overall accountability at the board and CEO level. Business unit presidents and their senior reports are accountable for the success of diversity initiatives within their businesses. Each business develops its own plans and objectives for valuing and leveraging diversity. In turn, these plans are linked to performance standards that determine business unit ratings reviewed by the CEO and board of directors. Compensation for senior management is tied to success in meeting diversity objectives.

Diversity and inclusion are embedded in our culture. Our diversity helps us to understand evolving markets, connect with our global customer base, develop innovative solutions and attract and retain the best talent and suppliers.

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
- **Recruitment:** We work with external partners such as the Women Engineers and the Black Engineers Associations to recruit people who will strengthen our diversity
- **Retention:** We offer web-based seminars, networking sessions, speaker events and conferences to help develop a diverse group of talent
- **Leadership:** Our senior executives play an active role in our seminar and networking programs. We have a diversity leadership development program 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 Council includes representatives from all our businesses and geographies, who work together to create a more inclusive working environment through training, leadership example, recognition and communications.

Events organized by the Diversity and Inclusion Council in 2009 included:

- A women's conference focusing on the "double bind" of simultaneous performance expectations at work and at home. Presenters and attendees included senior female leaders of Pitney Bowes, women executives from across Europe and representatives from Catalyst Organisation
- Theatre-style diversity training for 536 participants in Harlow, UK, with a post-training diversity survey, all modeled on a successful program launched in France in 2008.
- International Diamond Awards recognizing leadership in diversity and inclusion. This year there were 6 winners from 3 countries, out of 45 nominees from 10 countries. The council also reviewed a dozen international PB Impact Award 2009 nominations for diversity and inclusion-related achievements
- Regional briefings for business heads on D&I-related employee engagement survey results, showing how other regions and businesses compare in responding to D&I challenges
- A series of employee forums on D&I issues in the Nordic region

Awards and Recognition

In 2009 Pitney Bowes and its employees earned recognition from numerous external organizations for excellence in diversity and inclusion. Among them:

- Best of the Best, Black EOE Journal, Professional Woman's Magazine and Hispanic Network Magazine
- Top 50 Employers for People with Disabilities, Careers & the disABLED Magazine
- Top 50 Companies for Diverse Managers to Work, DiversityMBA Magazine
- Top 40 Best Companies for Diversity, Black Enterprise
- Top 100 Companies to Work For, Savoy Professional
- Best Diversity Company, Diversity/Careers in Engineering & Information Technology
- Excellence in Innovation, Profiles in Diversity Journal
- In addition, five Pitney Bowes employees won individual recognition from the Hispanic National Bar Association, National Urban Fellows, DiversityMBA and Women of Color magazines, and the Hispanic Association of Corporate Responsibility

INROADS Talent Pipeline

Since 1987, Pitney Bowes has worked with INROADS, Inc. to assist in meeting our talent and diversity objectives by developing high-potential minority youth and preparing them for corporate and community leadership. Students apply to INROADS between their junior year in high school and sophomore year in college, and those accepted receive career coaching, training and summer internships with a view to full-time employment upon graduation.

The INROADS program at Pitney Bowes has provided career opportunities to interns in the areas of Finance, Marketing, Communications, Engineering, Information Technology and Human Resources. In the last three years, Pitney Bowes has sponsored more than 50 college students. In 2010 we expect to convert more than half of our summer interns into full-time hires.

Women's Leadership Conference Webinars

Building on our company-wide Women's Leadership Conference in 2008, we conducted a series of three webinars throughout 2009 featuring women executives both at Pitney Bowes and across a spectrum of external partner organizations. Each 60-minute session provided opportunities for employees across the enterprise to take part in group discussions, build their professional networks and explore avenues for career development. Total attendance in 2009 was more than 800.

PB Lets Me Be Me Wins FAN Award

Our PB Lets Me Be Me program won recognition as "Best HR and Sustainable Development Programme" at the FAN 2009 exhibition in Paris. FAN (Forums des Acteurs du Numérique) is a leading international trade show for document management professionals. PB Lets Me Be Me, launched in 2007, is a global diversity awareness program run by our International Diversity and Inclusion Council.

Supplier Diversity

To maximize our access to innovation and process improvement throughout the supply chain, we regularly pursue relationships with best-in-class diverse suppliers. Through such relationships, we also reinforce our overall commitment to diversity and inclusion.

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 (NMSDC)*
- *Women's Business Enterprise National Council (WBENC)*
- *Small Business Administration (SBA)*
- *Association for Service Disabled Veterans (ASDV)*

We also accept certification by local and state governments.

We support national diversity organizations through corporate memberships. Our current memberships include the National Minority Supplier Development Council, the National Veteran-Owned Business Association, and the Women's Business Enterprise National Council, which our Vice President of Indirect Procurement serves as Vice Chairman. We are also active in the regional affiliates of both the NMSDC and WBENC.

We encourage diverse suppliers to contact our Supplier Diversity Department at www.pitneybowes.aecglobal.com to register or by email at: supplier.diversity@pb.com

Performance 2009

Diversity and Inclusion (United States only) 2009

% of workforce: minorities 43%, women 43%

% of Board of Directors: minorities 31%, women 23%

Supplier Diversity

In 2009 Pitney Bowes contracted with a diverse business to cleanse our procurement data and properly identify suppliers according to the following categories: minority, woman, veteran, service-disabled veteran, or hubzone. We also took steps to ensure the correct categories were being accounted for in our calculations. The percentages shown on next page reflect these adjustments.

Percentage of supplier spend with diverse businesses:

2009: 6.0%

2008: 4.7%

2007: 4.9%

Awards and Recognition

*Best Employer for Healthy Lifestyles
Platinum Award*



Our People



We value our employees and know that our success depends on their commitment to Pitney Bowes.

We are committed to help them develop, whatever their background or experience. We strive to provide a safe workplace and actively help our employees pursue a healthy lifestyle.

Engagement and Development

Highly engaged employees are crucial to our company's success, and increasing employee engagement is a top priority. We seek to engage employees through challenging work assignments, career development opportunities and programs that promote personal and professional growth.

Diversity and Inclusion

Diversity and inclusion are embedded in our culture. Our diversity helps us to understand evolving markets, connect with our global customer base, develop innovative solutions and attract and retain the best talent and suppliers.

Safety

We value the safety of our employees, and we have a passion for an injury-free workplace. We work continuously to control and eliminate hazards, and we hold employees accountable for following safety rules.

Health and Wellness

We know that employees who take action to manage their health are happier and more productive and have reduced health care costs. We offer easy and affordable access to health care, and we provide a range of programs to make it easy for employees and their families to lead healthy lifestyles.

Performance 2009

We report on diversity and inclusion and workplace safety.

Engagement

Highly engaged employees are crucial to our company's success. Engaged employees enjoy going to work. They radiate optimism, achieve or exceed their objectives, have lower absenteeism and suffer fewer injuries than others. Our Chairman, President and CEO, Murray Martin, has made the building of an engaged workforce one of the company's top priorities.

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 by showcasing their practices in our internal magazine, at group meetings, and by asking them to lead engagement and communication training.

One key online channel for promoting engagement in the U.S. is PB Voice, an intranet site that allows employees to submit questions and review answers on a variety of topics. In addition, our PB Voice Partners host local forums and short surveys for small groups of employees.

In 2009, we introduced two additional online forums with global reach:

- **Yammer** is a wide-ranging, free-form social networking platform that facilitates collaboration and enables employees to share experiences on virtually any kind of assignment. In its first year, 1,500 employees contributed more than 10,000 Yammer posts.
- **IdeaNet** was launched in early 2009 as part of a new Employee Innovation Program designed to foster a culture of innovation through company-wide engagement. IdeaNet Challenges stimulate new ideas and result in actions designed to create organic growth. In 2009 32 IdeaNet challenges were launched. They resulted in more than 1,800 ideas from employees in 23 countries. More than 500 of these ideas have since been adopted by the company either as product or process improvements or as part of new offerings under development.

We also solicit employee feedback through the **Pitney Bowes global employee survey**, a confidential survey available in 18 languages. The survey explores overall engagement, action planning and manager effectiveness and focuses on additional engagement drivers such as development, recognition, future vision and communication. In addition to multiple-choice questions, the survey gives employees an opportunity for more detailed feedback via confidential written comments. The response rate is typically between 80 and 85 percent.

We use the information from our surveys to develop new tools and create action plans to address any issues that arise. Past innovations that were driven by survey results include weekly global communications from senior leaders, process improvements related to performance management and succession planning, and numerous training programs.

Still another engagement tool is our **Agile Work program**, designed to take advantage of mobile technologies, make it easier for employees to work effectively in multiple locations (including collaborative spaces, client sites, airports and their homes), and reduce global real estate costs. The 2008 renovation of our Connecticut headquarters replaced traditional cubicle layouts with more collaborative spaces. As a result, Fairfield County, Connecticut, was chosen for our 2009 pilot program. Key considerations in designing the program were the nature of the mobile tools required, the potential impacts on business processes, infrastructure and HR policies, and the management of related cultural change across the organization.

High Engager/ Triple Crown winners

Each year we evaluate managers against three key metrics for fostering greater engagement among employees. Those who place in the top quartile on all three measures are recognized as a High Engager/Triple Crown winner. Triple crowns are celebrated and leveraged to help other managers. A recent podcast series offered best practices based on interviews with high engagers who talked about why they are so successful. These metrics and tools are also useful in identifying and helping managers of less engaged workgroups.

Software development teams at Pitney Bowes Business Insight have a new resource in their innovation arsenal: Scrum. Scrum is an iterative, incremental framework that brings teams together for short, concentrated time periods designed to break challenges into small chunks that can be acted on quickly, with progress shown to customers as the work is built. Enthusiasm for scrum has spread rapidly. In December 2009 the organization held its first global PBBI Scrum Gathering to share knowledge and build an internal support network of scrum enthusiasts.

The response from the 140 employees that participated in the pilot program was positive. More than 80 percent of participants felt that the program made them more productive, while managers saw no adverse impact on productivity. In addition, 89 percent of participants reported that it made them feel more positive about the company, and 98 percent reported that it improved their work/life balance. The program also reduced participants' carbon footprint by eliminating an average of 77 miles of commuting per employee per week. Based on the success of the pilot, we expect to expand the Agile Work program in 2010.

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 his/her manager, aided by strong support from our Human Resources organization.

Our company values are at the heart of our learning and development philosophy. We have identified fundamental behaviors for our employees based on our values.

From their first day on the job through their entire career, Pitney Bowes employees are encouraged to own their career development and take advantage of learning and development programs. Each year, employees work with their managers to set performance goals and objectives, identify strengths and development needs, and build a developmental plan to broaden current skill sets and acquire new ones. Employee development takes many forms, including on-the-job training and rotational assignments, coaching and employee mentoring, internal learning programs and online resources. We also offer tuition reimbursement for job-related higher education.

Leadership development is a continuing focus. We strive to identify leaders early on and give them the knowledge and experience they need to excel. We provide a wide array of leadership, communication, and performance management learning solutions – from foundational programs to help new managers transition successfully, to advanced courses for seasoned leaders and executive education programs. We also provide targeted development for specific individuals or groups, such as early-in-career high performers and diversity talent.

Diversity and Inclusion

At Pitney Bowes, diversity encompasses all the ways in which we differ. Inclusion helps us benefit from diversity by creating an environment of involvement, respect and connection, so that the full range of ideas and experiences are used to create business value. Our diversity equips us to better understand evolving markets, connect with our global customer base, develop innovative solutions and attract and retain outstanding talent.

We have a strategic approach to managing diversity, with overall accountability at the board and CEO level. Business unit presidents and their senior reports are accountable for the success of diversity initiatives within their businesses. Each business develops its own plans and objectives for valuing and leveraging diversity. In turn, these plans are linked to performance standards that determine business unit ratings reviewed by the CEO and board of directors. Compensation for senior management is tied to success in meeting diversity objectives.

In February 2010, Training magazine named Pitney Bowes to its "Training Top 125" list for the second consecutive year. We were #42 on the list, up from 82 a year earlier. The annual list recognizes U.S.-based organizations that excel in employee training and development.



UK National Training Award

Pitney Bowes Limited of Harlow, Essex, was named a 2009 UK National Training Award (NTA) winner for the East of England region. The NTA is the most prestigious award for training in the UK. The 2009 award recognized the success of a sales training program on Mail Creation Accreditation.

INROADS Talent Pipeline

Since 1987, Pitney Bowes has worked with INROADS, Inc. to assist in meeting our talent and diversity objectives by developing high-potential minority youth and preparing them for corporate and community leadership. Students apply to INROADS between their junior year in high school and sophomore year in college, and those accepted receive career coaching, training and summer internships with a view to full-time employment upon graduation.

The INROADS program at Pitney Bowes has provided career opportunities to interns in the areas of Finance, Marketing, Communications, Engineering, Information Technology and Human Resources. In the last three years, Pitney Bowes has sponsored more than 50 college students. In 2010 we expect to convert more than half of our summer interns into full-time hires.

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
- **Recruitment:** We work with external partners such as the Women Engineers and the Black Engineers Associations to recruit people who will strengthen our diversity
- **Retention:** We offer web-based seminars, networking sessions, speaker events and conferences to help develop a diverse group of talent
- **Leadership:** Our senior executives play an active role in our seminar and networking programs. We have a diversity leadership development program 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 Council includes representatives from all our businesses and geographies, who work together to create a more inclusive working environment through training, leadership example, recognition and communications.

Events organized by the Diversity and Inclusion Council in 2009 included:

- A women's conference focusing on the "double bind" of simultaneous performance expectations at work and at home. Presenters and attendees included senior female leaders of Pitney Bowes, women executives from across Europe and representatives from Catalyst Organisation
- Theatre-style diversity training for 536 participants in Harlow, UK, with a post-training diversity survey, all modeled on a successful program launched in France in 2008
- International Diamond Awards recognizing leadership in diversity and inclusion. This year there were 6 winners from 3 countries, out of 45 nominees from 10 countries. The council also reviewed a dozen international PB Impact Award 2009 nominations for diversity and inclusion-related achievements
- Regional briefings for business heads on D&I-related employee engagement survey results, showing how other regions and businesses compare in responding to D&I challenges
- A series of employee forums on D&I issues in the Nordic region

Awards and Recognition

In 2009 Pitney Bowes and its employees earned recognition from numerous external organizations for excellence in diversity and inclusion. Among them:

- Best of the Best, Black EOE Journal, Professional Woman's Magazine and Hispanic Network Magazine
- Top 50 Employers for People with Disabilities, Careers & the disABLED Magazine
- Top 50 Companies for Diverse Managers to Work, DiversityMBA Magazine
- Top 40 Best Companies for Diversity, Black Enterprise
- Top 100 Companies to Work For, Savoy Professional
- Best Diversity Company, Diversity/Careers in Engineering & Information Technology
- Excellence in Innovation, Profiles in Diversity Journal
- In addition, five Pitney Bowes employees won individual recognition from the Hispanic National Bar Association, National Urban Fellows, DiversityMBA and Women of Color magazines, and the Hispanic Association of Corporate Responsibility

Women's Leadership Conference Webinars

Building on our company-wide Women's Leadership Conference in 2008, we conducted a series of three webinars throughout 2009 featuring women executives both at Pitney Bowes and across a spectrum of external partner organizations. Each 60-minute session provided opportunities for employees across the enterprise to take part in group discussions, build their professional networks and explore avenues for career development. Total attendance in 2009 was more than 800.

PB Lets Me Be Me Wins FAN Award

Our PB Lets Me Be Me program won recognition as "Best HR and Sustainable Development Programme" at the FAN 2009 exhibition in Paris. FAN (Forums des Acteurs du Numérique) is a leading international trade show for document management professionals. PB Lets Me Be Me, launched in 2007, is a global diversity awareness program run by our International Diversity and Inclusion Council.

Safety

We value the safety of our employees and have a passion for an injury-free workplace. We establish projects and processes to control and eliminate hazards, we hold all employees accountable to drive toward a goal of zero workplace injuries, and we empower employees to make positive changes in their workplace to improve health and safety.

Our Global Environment, Health and Safety department works in partnership with operations leadership to assess workplace hazards, establish annual improvement plans and track performance. Management has clearly defined responsibilities and objectives for safety and health. Business units have committees or safety champions to coordinate activities.

We recognize and reward outstanding safety performance. We train our employees to do their assigned jobs safely and make it clear that sticking to our safety rules is a condition of employment.

In recent years, we have tailored our safety programs to address the most frequent work place injuries. Sprains and strains account for more than half of all employee injuries. They are usually caused by manual material handling, repetitive work tasks or awkward postures and positions. To increase awareness, we launched a safety campaign, “Every BODY Can Do It,” and released a “Quick Stretch” video containing simple exercises. We also charged Safety Tiger Teams to make ergonomic assessments, conduct training and drive improvement.

In 2009, two Tiger Teams completed projects that demonstrate how much can be achieved with simple changes. In Clearwater, Florida, a team from Sure Feed Engineering replaced rolling carts used in inkjet assembly with new ones selected specifically for the assembly task. As a result, they not only reduced bending and twisting injuries but enabled faster cycle times for the same function. They also obtained similar benefits of both safety and speed at a welding station by installing a power lift to move large assemblies to and from welding tables. Another team at Presort Services in Rancho Dominguez, California, instituted changes in the design of sorting stations that have improved access for employees, reduced above-the-shoulder repetitive motion, and speeded up operations by reducing congestion.

Such attentiveness is making a difference across the company. Our total U.S. Workers' Compensation claims fell from 1198 in 2008 to 964 in 2009, and our total incurred cost of claims dropped by \$2.1 million, with the cost per claim down by 21 percent. For additional indicators, see the metrics at the end of this section of the Report.

Safety Tiger Teams

These teams from Clearwater, FL and Rancho Dominguez, CA were just two of more than 26 teams throughout Pitney Bowes locations that conducted safety evaluations and training in 2009.

Health and Wellness

We know that 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. For all these reasons, we encourage employees to take charge of their health through such simple steps as eating well, exercising, taking advantage of preventive care screenings, and working with care providers to manage health conditions that require it. We offer easy and affordable access to health care, and our wellness programs provide a range of options to encourage employees and their families to adopt healthy lifestyles.

Our health care plans stress preventive care, management of chronic conditions and protection against the catastrophic costs of major illness. Wherever possible, we try to remove barriers that prevent employees from receiving care. We provide specialized resources such as maternity management, Nurse Hotlines, free financial advice and employee assistance programs to all employees and their families.

Our wellness program spans the full range of physical, mental and financial health concerns, with a focus on education and awareness, changing behavior and improving access to care.

Education and Awareness

We do our best to make it easy to learn about healthy living. Our “Learn and Earn” program offers short courses on topics such as weight management and stress management. Participating employees are rewarded for their efforts by earning cash rewards and chances to win prizes. In addition, *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.

Changing Behavior

We know that 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 2009, more than 2000 employees participated in *Change One*, our 12-week weight management program. Other benefits include a tobacco cessation program, free financial planning for all employees, and discounts on products and services such as Weight Watchers, gym memberships and more. In addition, through *Project: Living*, we regularly discuss the cost of health care and the impact behavioral changes can make on employees’ own health costs as well as the company’s. We recognize that changing behavior is easier when those around you are doing the same – that’s why we make many programs available to family members as well.

Improving Access to Care

We have seven on-site medical clinics in the U.S. providing free access to roughly 20% of our employees, making it easier for them to maintain primary health care. The onsite clinics have maintained the high-level accreditation from the Accreditation Association for Ambulatory Health Care. Additionally, for the last four years, our medical and wellness programs have earned the highest Platinum Level as a Best Employer for Healthy Lifestyles Award from the National Business Group on Health.

Work/Life Balance

We encourage flexible working arrangements to help employees manage the demands of work and home. We provide tools to help employees develop flexible working proposals that meet both our needs and theirs. Flexible options may include telecommuting, compressed work weeks, part-time assignments, and variable work schedules. In 2009 we formalized some of these options under the Agile Work program (as described in the “Engagement” section of this document).

One in a Million Day

Armed with pedometers, more than 3600 people took part in 103 walking events throughout the United States and Canada at our third annual PB Employees are One in a Million Day on May 20, 2009 in celebration of the National Employee Health & Fitness Day. All told, they walked 33,019,485 steps, nearly three times the previous year’s total. Before the event, fewer than half of the participants described themselves as consistently physically active; afterwards, 95 percent said they intended to maintain or increase their level of activity.



Project: Living

“Plan for tomorrow, live for today,” counsels Project: Living, the health & wellness brand launched in 2009. Monthly newsletters offer a range of practical tips to help employees take advantage of company programs and benefits to make healthy lifestyle decisions, manage cost, become better health care consumers and learn how to balance work and life. We have free resources available through the Achieve Solutions program from Value Options.

Performance 2009

We report on diversity and inclusion and workplace safety.

Diversity and Inclusion (United States only)

2009

% of workforce: minorities 43%, women 43%

% of Board of Directors: minorities 31%, women 23%

Safety (Global data unless stated)

	2007	2008	2009
Incident rate: Total Recordable Cases/ 100 Employees/Year	2.54	2.23	1.75
Days Away and Restricted Cases/100 Employees/ Year	2.04	1.76	1.21
Lost Workday Cases/ 100 Employees/Year	0.99	0.76	0.75
Ergonomic Injury cases/ 100 employees/year (U.S. only)	2.16	2.14	1.86
Work-Related Fatalities/Year	1	0	0

Awards and Recognition

Best Employer for Healthy Lifestyles

Platinum Award



Customers and Suppliers



Our success comes from our customers' success. By putting customers first, we benefit all our stakeholders.

From product design to service policies, we listen and respond to customers' needs and concerns. Because we depend on suppliers to help us meet customer needs, we require our suppliers to meet appropriate performance standards. Our Supplier Code of Conduct extends these standards to include corporate responsibility.

Working with Suppliers

In 2008 we introduced the Pitney Bowes Supplier Code of Conduct. The Code establishes social, environmental and ethical and legal compliance standards and performance benchmarks.

Supplier Diversity

We seek to build relationships with innovative, customer-focused diverse businesses to maximize our competitive advantage. In 2009 we launched a three-year initiative to increase subcontracting with diverse suppliers by 15 percent year over year through improved internal communications, enhanced procurement strategies to increase the utilization of diverse suppliers, improved metrics, and supplier development.

Performance 2009

We report on our customer survey and on our percentage of supplier spend with diverse businesses.

Working with Customers

Meeting the needs of our customers is our first priority. In 2008 we created our Customer Experience team and charged it with establishing a new strategy to improve service across every process and every point of contact. We set three-year targets to improve our customer satisfaction rate and customer loyalty metrics, and we will report on our progress in 2011. We also took organizational steps including:

- [Segmenting our customers](#) according to their business needs
- [Reorganizing our service teams](#) to better meet the needs of each segment
- [Increasing the number of employees](#) trained to improve customer service
- [Setting customer service goals](#) for cross-functional teams
- [Creating an internal customer service website](#) for employees to share issues and ideas
- [Streamlining our processes](#) to speed our response to customer queries.

We measure customer satisfaction on about 80 percent of our U.S. transactions. Each instance of dissatisfaction is fed back directly to the relevant business unit, and within three business days an action plan is developed to tackle the issue and its causes.

In 2009 we surveyed customers in the United States and parts of Europe and received 150,000 responses. We received feedback on 19 processes, and in the U.S. we achieved double-digit percentage gains over our 2008 scores on 15 of them. Selected results are shown below under Performance.

Working with Suppliers

To serve our customers 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, and 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, in 2008 we introduced a [Supplier Code of Conduct](#). The Code establishes critical benchmarks and examples of good management practices to help suppliers comply with the code's provisions for supplier performance in the following areas:

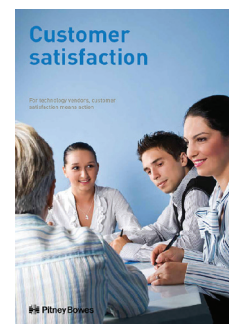
- [Forced labor](#)
- [Wages and working hours](#)
- [Non-discrimination](#)
- [Respect and dignity](#)
- [Health and safety](#)
- [Protection of the environment](#)
- [Legal and ethical dealings](#)

All of our key suppliers have acknowledged receipt of and support for the Code's standards and provisions. We have communicated our expectation that our key suppliers will apply the Code's standards to their extended sources of supply engaged in the production of goods and services for Pitney Bowes.

We are updating our supplier agreements to include references to the Code and are developing metrics for measuring suppliers' compliance with the Code. We encourage suppliers and Pitney Bowes employees to report violations of the Code through our confidential Ethics Help Line.

Customer satisfaction white paper

Pitney Bowes Document Messaging Technologies (DMT) ended 2009 with a record-high 86 percent Very Satisfied Customer Satisfaction level, up from 78 percent in 2008. A key factor in the improvement is DMT's systematic, integrated approach to monitoring customer satisfaction, which includes monthly in-depth telephone surveys conducted by an independent firm. DMT also works to educate customers through tools such as this white paper on the factors that go into satisfaction ratings.



Supplier Diversity

To maximize our access to innovation and process improvement throughout the supply chain, we regularly pursue relationships with best-in-class diverse suppliers. Through such relationships, we also reinforce our overall commitment to diversity and inclusion.

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 (NMSDC)
- Women's Business Enterprise National Council (WBENC)
- Small Business Administration (SBA)
- Association for Service Disabled Veterans (ASDV)

We also accept certification by local and state governments.

We support national diversity organizations through corporate memberships. Our current memberships include the National Minority Supplier Development Council, the National Veteran-Owned Business Association, and the Women's Business Enterprise National Council, which our Vice President of Indirect Procurement serves as Vice Chairman. We are also active in the regional affiliates of both the NMSDC and WBENC.

We encourage diverse suppliers to contact our Supplier Diversity Department at www.pitneybowes.aecglobal.com to register or by email at: supplier.diversity@pb.com

DMA Green 15™ Supplier Pledge

Our commitment to environmental responsibility includes our relationships with customers and suppliers. Recognizing our pivotal position in the direct marketing value chain, in 2009 we took the Direct Marketing Association's Green 15 Supplier Pledge. Under this voluntary program, we agreed to hold ourselves accountable both for our own environmental performance and for encouraging the adoption of green practices by our customers. Areas covered by the program include list hygiene and data management, mail design and production, paper procurement, packaging, recycling and pollution reduction.



Performance 2009

Working with Customers

Pitney Bowes 2009 customer satisfaction survey highlights:

- 150,000 responses from customers in the United States, Canada and Europe
- Year-end Total Satisfaction scores up 46 percent from 2008
- Surveys covered 19 processes in the areas of Purchase Experience, Technical Support and Customer Support
 - U.S. scores for 15 processes had double-digit percentage improvements
 - Scores more than doubled for 5 processes
 - Dissatisfaction levels lowered in all three main areas
- Customers expressing dissatisfaction were contacted directly to resolve related issues

Supplier Diversity

In 2009 Pitney Bowes contracted with a diverse business to cleanse our procurement data and properly identify suppliers according to the following categories: minority, woman, veteran, service-disabled veteran, or hubzone. We also took steps to ensure the correct categories were being accounted for in our calculations. The percentages shown below reflect these adjustments:

Percentage of supplier spend with diverse businesses:

2009: 6.0%

2008: 4.7%

2007: 4.9%

Community

Pitney Bowes is dedicated 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 philanthropic giving with our corporate mission, with a focus on supporting literacy and education. We encourage employee involvement, and our employees donate thousands of hours each year in support of literacy programs and other community initiatives.



Literacy and Education

We provide funding to non-profits working on literacy and education initiatives. Our special focus is on programs designed to help close the achievement gap and strengthen the future workforce. Programs include after-school and summer reading programs, mentoring and job training.

Employee Involvement

Our employees dedicate time and money to causes they care about and 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 and Canada that permit employees to make charitable contributions via payroll deduction.
- **Volunteering** – We support employees' volunteer efforts through grants to the organizations where they volunteer, and through grants to volunteer project teams to cover materials and supplies.
- **Local Community Support** – We support our communities where we live and work through grants made by teams of Pitney Bowes employee volunteers.
- **Disaster Relief** – The Pitney Bowes Relief Fund, financed by employee contributions and Foundation matching funds, helps to ensure that employees and others have access to essentials in times of critical need.

Performance 2009

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

Literacy and Education

Literacy and education are essential for everyone's success and vital to the economic well-being of communities. Having built a global business on improving the effectiveness of written communication, Pitney Bowes has a vital interest in literacy and education. We also believe that by supporting literacy and education programs, we can improve countless lives and strengthen the fabric of communities everywhere we are involved. Each year we grant approximately \$1.4 million to organizations working on these issues, with a particular focus on programs aimed at closing the achievement gap and preparing the workforce of tomorrow.

Our employees are passionate about this commitment and apply their energy and experience to help children, families, schools and related charities through thousands of hours of volunteer time every year.

In the United States, we make 60-80 grants each year, focused 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 3-12 from the pre-kindergarten level up 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 the summer vacation. We also support programs at the high school level and beyond, including mentoring, job training and GED courses.

Some of the organizations and programs we support:

- **Reading Is Fundamental** – early literacy support for children and caregivers through family literacy events, reference materials and lending libraries
- **Network For Teaching Entrepreneurship** – middle school summer camps and a high school 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 artwork designed by celebrities and executed on envelopes
- **Everybody Wins! USA** – Project LEAP (Literacy Enhancement Action Plan), supporting local and regional affiliates as well as national mentoring programs for low-income elementary students

Employee Involvement

We know that responsible corporate citizenship helps us to attract and retain good employees. We also recognize that our people can develop useful skills outside the workplace. And we believe that encouraging greater engagement in our local communities reinforces employees' engagement in our company. For all these reasons, we encourage employees to get involved as volunteers and supporters of community organizations.

Match Funding for 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 and the United Kingdom. We conduct annual giving campaigns and allow employees to contribute through payroll deduction. We match their contributions to eligible charities 100 percent.

Family Literacy Night in Corona, CA

For years Pitney Bowes and Reading Is Fundamental (RIF) have worked together to help motivate young children to read through programs that also involve parents, outside caregivers and community members. In August 2009, more than 800 children and their families took part in a "Share the Message: READ!" expo at the Coronita Elementary RIF program in Corona, California. We helped staff the event with more than 20 employee volunteers, and also provided a communications-themed lending library and Story Sampler activity book to the school.



2009 National Youth Entrepreneurship Competition

The Network for Teaching Entrepreneurship (NFTE) provides entrepreneurship education to young people from low-income communities in 21 states and 12 countries. Pitney Bowes has supported numerous NFTE programs since 2004, including entrepreneurship clubs, middle school summer camps and an annual competition that teaches both the rigors and the joys of launching businesses. The three top winners in 2009 are shown meeting with President Barack Obama shortly after the awards ceremony.



Global Grants for Volunteerism

We provide grants to non-profit organizations in recognition of the hours individual employees contribute, and to cover the costs of supplies and materials needed for team volunteer projects. Our recognition grants start at \$125 for 25 hours of service and progress up to \$500 per year per employee for 100 hours or more of volunteering. Our team project grants support the volunteer activities of groups of three or more employees.

Volunteering That Supports Personal Development

In keeping with our strategic philanthropic focus, we offer employees structured volunteering opportunities linked to literacy and education initiatives. At the same time, we see volunteer service as an opportunity for employees to develop their skills. We encourage employees to serve on local committees and non-profit boards, and our Community Investment and Human Resources teams work together to match employees' personal development goals with available volunteer opportunities. We also recognize outstanding volunteer initiatives through our company's highest employee honor, the Pitney Bowes Impact Award.

Local Community Support

In addition to making contributions at the national level, we encourage Pitney Bowes facilities to contribute at their local level. In the United States, we also provide central funding for certain local initiatives selected by employee community leadership teams. These teams allocate 70 percent or more of the available funds to local literacy and education programs, with the remainder used to meet other community needs. Early in 2010 we strengthened our support for local leadership teams with a new scope of responsibility, "how to" toolkits and an online teamsite to facilitate collaboration and information-sharing across businesses and regions.

Disaster Relief

The *Pitney Bowes Relief Fund* 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 Foundation match, the Relief Fund gives recipients access to food, shelter, clothing and medical care in catastrophic situations. Pitney Bowes bears the Relief Fund's administrative costs and the Salvation Army manages its operations, ensuring that all donations directly benefit those who need assistance and leverage community-based resources. So far the Relief Fund has distributed more than \$2.5 million in assistance.

In addition, the Pitney Bowes Foundation launches special matching appeals following natural disasters that impact Pitney Bowes employees, customers and communities. Our most recent disaster relief drive followed the January 2010 earthquake in Haiti. Between individual donations and the company match, we committed nearly \$70,000 by the end of February.

Passing A Million Minutes with the WNBA

Spurred on by Pitney Bowes, the National Center for Family Literacy and the Women's National Basketball Association, young students logged more than a million minutes of reading time last summer under the WNBA's Fast Break to Reading program. Starting in June, the program reached across 10 cities to provide Reading Timeouts featuring players, students and over 143 Pitney Bowes volunteers who contributed over 900 hours. We also provided team volunteer grants to fund the purchase of books given away in the sessions to each child. Overall, employees participated in more than 50 events across the U.S. to raise awareness among families and children about the importance of reading.



Collaborating with Our Communities

We encourage employees at every level to contribute actively to the life of their communities. Here's a sampling of their achievements in 2009.

Washington, D.C.

Volunteers from Pitney Bowes Government Solutions joined forces for a tear-down and build project for The Fishing School, a nationally recognized youth development organization.



Spokane, Washington

Volunteers have to move fast to stay ahead of the conveyor at Spokane, Washington's 2nd Harvest food bank. Pitney Bowes employees, family members and friends boxed nearly six tons of food to help feed the hungry during last year's recession. The company also chipped in with a \$1000 donation, underscoring its commitment to local community needs.



Harlow, Essex, United Kingdom

Pitney Bowes employees raised £1800 to enable the children of First Kingsmoor Scout Group to experience a summer of adventure and development.



Melbourne, Australia

Every year, hundreds of thousands of Australians get together to pick up litter and clean up the environment on Clean Up Australia Day. This year's volunteers included teams from Pitney Bowes Business Insight offices in Sydney, Melbourne and Brisbane. Over the past 20 years, the program has devoted more than 24 million hours and collected more than 200,000 tons of trash.



Noida, India

Headquartered just outside New Delhi, PBBI India takes citizenship seriously with a range of programs to help orphaned children, low-income women and others in need. So far its annual blood drive has drawn more than 200 units of blood from PBBI employees. Last year the group also took part in efforts ranging from Environment Week to the national "Purani Jeans" drive for clothing donations. Such programs also contributed to the company's recognition in the spring of 2010 as one of India's Top 50 Best Places to Work For by the Great Place to Work® Institute.



Toronto, Canada

Twenty-eight Pitney Bowes of Canada employees helped build 16 homes under Habitat for Humanity International's Adopt a Day program.



Milford, CT

Sponsored by Pitney Bowes, the Special Olympics Holiday Sports Classic bowling tournament drew more than 1,200 entrants for a weekend of action and achievement. More than 100 employee volunteers shared their time and talents with these inspiring young athletes.



Stamford, CT

Two senior executives were recognized for inspiring volunteerism through personal example. The Volunteer Center of Southwestern Fairfield County, Connecticut honored Pitney Bowes Chairman, President, and CEO Murray D. Martin with its 2009 Heart of Gold Award for his history of promoting successful collaboration between the business and nonprofit communities. And the city of Stamford named the company's Chief Marketing and Communications Officer, Juanita T. James, as its 2009 Citizen of the Year for her wide-ranging involvement in civic and charitable causes throughout the community.



Performance 2009

Total Giving (Pitney Bowes Foundation & Corporate Contributions): \$4.8 million

Literacy and education contributions (by focus area)

• Achievement gap	82%
• Workforce preparedness	18%
• Students served	21,774
• Student hours	625,661

General charitable contributions

- Total company match to individual charitable contributions: \$2.3 million

Employee volunteerism

- Employees volunteered over 65,000 hours in 2009

Awards and Recognition

100 Best Corporate Citizens, CRO Magazine's tenth annual ranking of publicly traded Russell 1000 companies (we placed #84).



Corporate Good Neighbor Award in Light a Fire 2009, A Celebration of Giving, by Moffly Media, publisher of several magazines in Fairfield County, Connecticut.



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