HP Solutions Day 2018
Umwelt Arena Spreitenbach
Sustainability at HP

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Facing the challenges of this century

- Global population is on pace to hit 9.4 billion by 2050

- More than 263 million children and youth worldwide are out of school

- Global middle class reached 3.2 billion by 2016 and is expected to grow

- In the next 20+ years, energy use will rise 48%, GHG emissions will rise by 34%, and demand for water will be 40% higher than supply

2.3

Number of Earths we'll need by 2050

Overcoming society's greatest challenges

Reinventing for a better world

Engineered with integrity

Ensuring all products and operations are based on the highest ethical standards

Full circle innovation

Improving performance, reducing waste, and powering a circular and low-carbon economy

Inspiring impact

Creating opportunities and enabling action to achieve a more just and inclusive society

Engineered with integrity

Uncompromising ethical behavior

A strong focus on what we put into products — and what we don't

Empowering workers, respecting privacy, security, and human rights

Every person deserves dignity and respect

We insist that workers in our supply chain have fair treatment, safe working conditions, and freely chosen employment
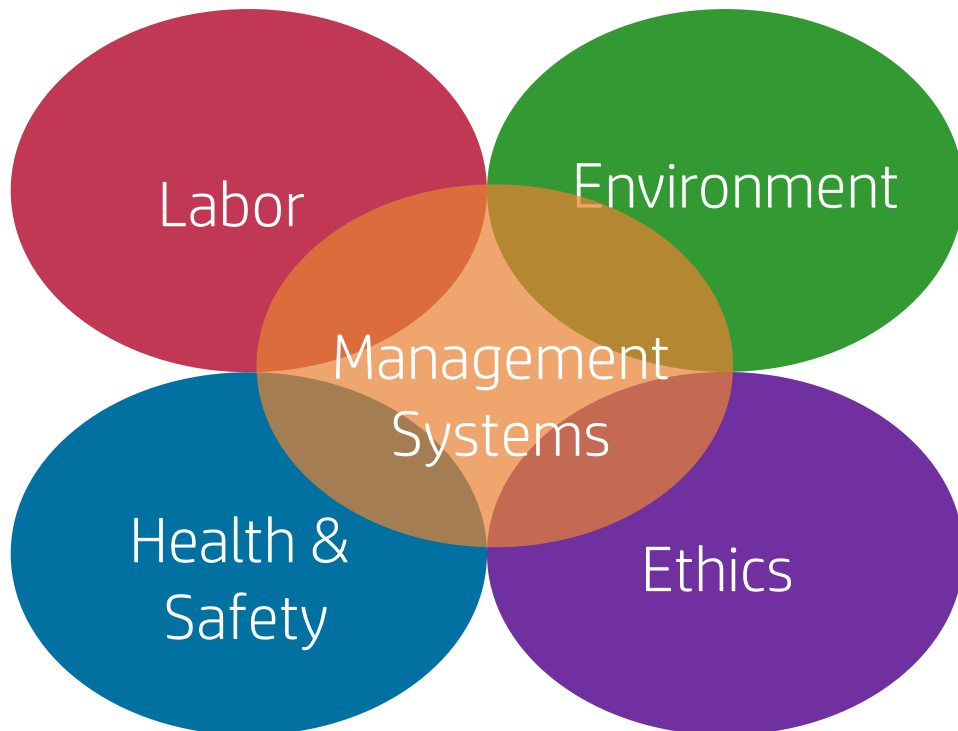
MEMBERS

Total members March 2018: 113

RBA (EICC) Code of Conduct

- HP conforms to a common code of conduct:
  - Creates efficiency and consistency for suppliers
  - Collaborative approach to drive change
  - Highest standards in social and environmental responsibility

Labor

Environment

Management Systems

Health & Safety

Ethics

Code of Conduct references:

- ILO Code of Practice in Safety and Health
- National Fire Protection Agency
- ILO International Labor Standards
- OECD Guidelines for Multinational Enterprises
- United Nations Convention Against Corruption
- United Nations Global Compact
- Universal Declaration of Human Rights
- ISO 14001
- SAI / SA 8000
- Ethical Trading Initiative
- OHSAS 18001
- Eco Management & Assessment System
- OECD Due Diligence Guidance Dodd-Frank Wall Street Reform and Customer Protection Act

Details of the RBA (EICC) Code of Conduct

HP/RBA (EICC) Code of Conduct

- Supplier understanding of Code requirements
- Code applied to site operations

Labor

- Freely Chosen Employment
- Young Workers
- Working Hours
- Wages and Benefits
- Humane Treatment
- Non-discrimination
- Freedom of Association

Health and Safety

- Occupational Safety
- Emergency Preparedness
- Occupational Injury and Illness
- Industrial Hygiene
- Physically Demanding Work
- Machine Safeguarding
- Sanitation, Food and Housing
- Health & Safety Communication

Environment

- Environmental Permits and Reporting
- Pollution Prevention and Resource Reduction
- Hazardous Substances
- Wastewater and Solid Waste
- Air Emissions
- Materials Restrictions (HP's GSE)
- Storm Water Mngmt.
- Energy Cons. & GHG

Ethics

- Business Integrity
- No Improper Advantage
- Disclosure of Information
- Intellectual Property
- Fair Business, Advertising and Competition
- Protection of Identity and Non-Retaliation
- Responsible Sourcing of Minerals
- Privacy

Management Systems

- Company Commitment
- Management Accountability & Responsibility
- Legal and Customer Requirements
- Risk Assessment and Risk Management
- Improvement Objectives
- Training
- Communication
- Worker Feedback & Participation
- Audits and Assessments
- Corrective Action Process
- Documentation and Records
- Supplier Responsibility

Key Drivers for Foreign Migrant Worker Protections

Growing Urgency to Address Risks of Forced Labor in the Supply Chain

Documented Issues in the IT Supply Chain

Regulatory Developments

Customer Requirements

External Pressures
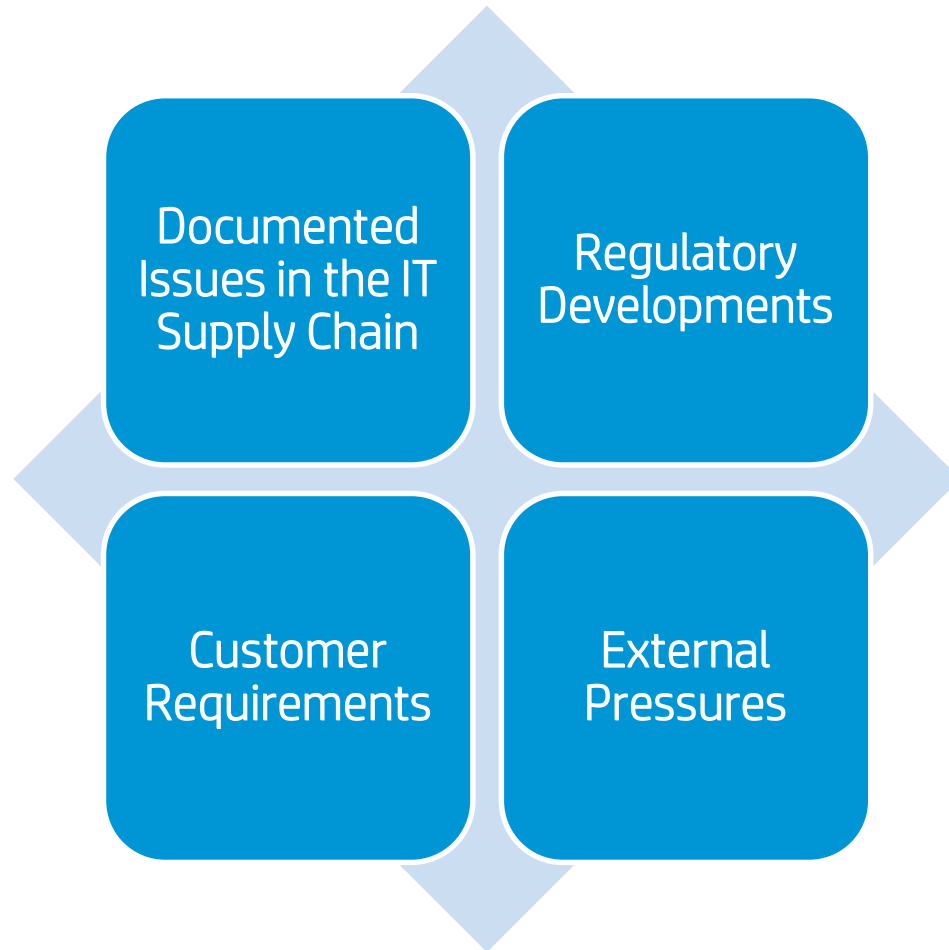
The New York Times

INTERNATIONAL BUSINESS

Report Cites Forced Labor in Malaysia's Electronics Industry

By STEVEN GREENHOUSE   SEPT. 17, 2014

1 in 3 — Foreign migrant workers in forced labor situations in Malaysia IT factories

85% — Foreign migrant workers felt it was impossible to leave their job before paying off their debt

71% — Foreign migrant workers reporting it was impossible or difficult to get their passports back

HP ranks top company to mitigate forced labor in its supply chain

KnowTheChain released its first benchmark findings on the efforts of Information and Communications Technology (ICT) companies to mitigate forced labor in their supply chains. HP ranked the highest in this benchmark which evaluated the following items:

- Commitment and governance

- Traceability and impact assessment

- Purchasing practices

- Recruitment

- Worker voice

- Monitoring

- Remedy

ICT Benchmark
Findings Report

June 2016

We have strict policies in place to protect workers:

Supplier Code of Conduct	Student and Dispatch Worker Standard
⃠ forced labor ⃠ child labor ⃠ discrimination ⃠ inhumane treatment ⃠ health and safety hazards ⃠ use of hazardous substances ⃠ environmental damage ⃠ corruption	⃠ work that does not match student's education ⃠ forced labor ⃠ workers under minimum legal requirement ⃠ more than 20% student workers on HP lines ⃠ fees of any kind ⃠ unequal pay
Foreign Migrant Worker Standard	**General Specification of the Environment**
⃠ hiring through recruitment agencies ⃠ withholding of passport or personal documentation ⃠ recruitment fees of any kind	⃠ illegal substances or materials ⃠ hazardous chemicals

Mining responsibly

HP works to ensure metals used in our supply chain are not associated with conflict in the DRC

Production suppliers required to adopt conflict minerals policies and report out on smelters they use

Collaboration with businesses, NGOs, governments, and suppliers advances use of responsibly sourced minerals

90% of smelters are conflict free or on the way to becoming conflict free

Overview of Conflict Free Sourcing

Mine → Smelter / Refiner → Manufacturing → Finished Product

"Choke Point"
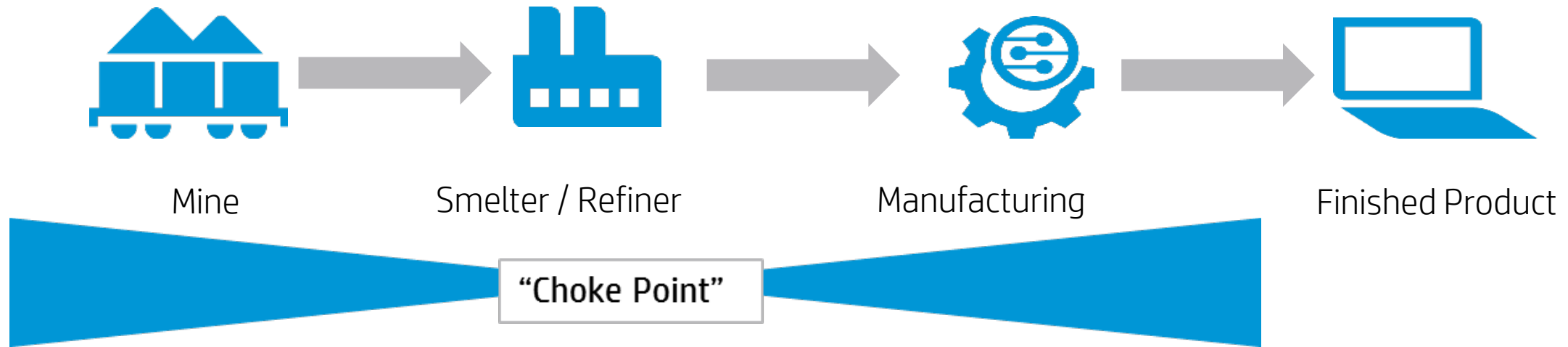
In-Region Programs

- Traceability Schemes

Responsible Minerals Assurance Process (RMAP)

- Audit protocol
- Engage smelters
- 3rd party audit
- Website

Company Due Diligence

- Common Reporting
- Dashboard
- Training & White Papers

Mining responsibly

Visualization of HP's 3TG Supply Chain

Mines, exporters, traders, etc.　　　Smelters　　　Sub-tier 3TG suppliers　　　Direct 3TG suppliers　　　HP

90%
of smelters at or nearing Responsible Minerals Assurance Process compliance

Full circle innovation

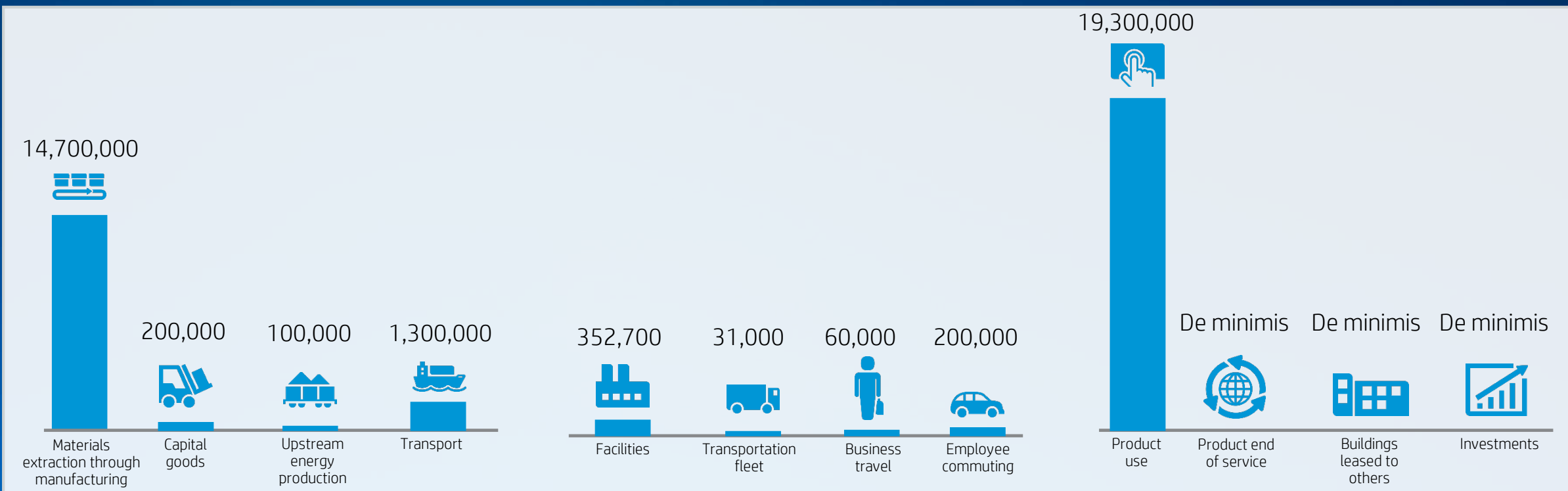## Powering a circular and low-carbon economy

Reducing cost, waste, and environmental impact

Improving performance through material and energy-efficient products

HP's global emissions impact and goals

Supply chain (45%)

	Value
Materials extraction through manufacturing	14,700,000
Capital goods	200,000
Upstream energy production	100,000
Transport	1,300,000

Reduce first-tier production supplier and product transportation-related GHG emissions intensity 10% by 2025, compared to 2015

Achieve zero deforestation associated with HP paper and paper-based product packaging

Help suppliers cut 2 million tonnes of CO2e emissions between 2010 and 2025

Operations (2%)

	Value
Facilities	352,700
Transportation fleet	31,000
Business travel	60,000
Employee commuting	200,000

Reduce Scope 1 and Scope 2 GHG emissions from global operations by 25% by 2025, compared to 2015

Committed to 100% renewable electricity in global operations with 40% by 2020

Products and solutions (53%)

	Value
Product use	19,300,000
Product end of service	De minimis
Buildings leased to others	De minimis
Investments	De minimis

Reduce the GHG emissions intensity of our product portfolio by 25% by 2020, compared to 2010

Materials reductions

Creating products that have less environmental impact

Transitioning to smaller desktop products and notebooks that use less materials

HP Elite Slice is up to 70% lighter than older desktop PCs

Energy Efficiency Program

Engaged more than 200 supplier sites in China and Southeast Asia

More than 576 million kilowatt hours (kWh) of electricity saved

More than 940,000 tones of CO_2e emissions prevented

Suppliers have saved an estimated $73 million through participation in program
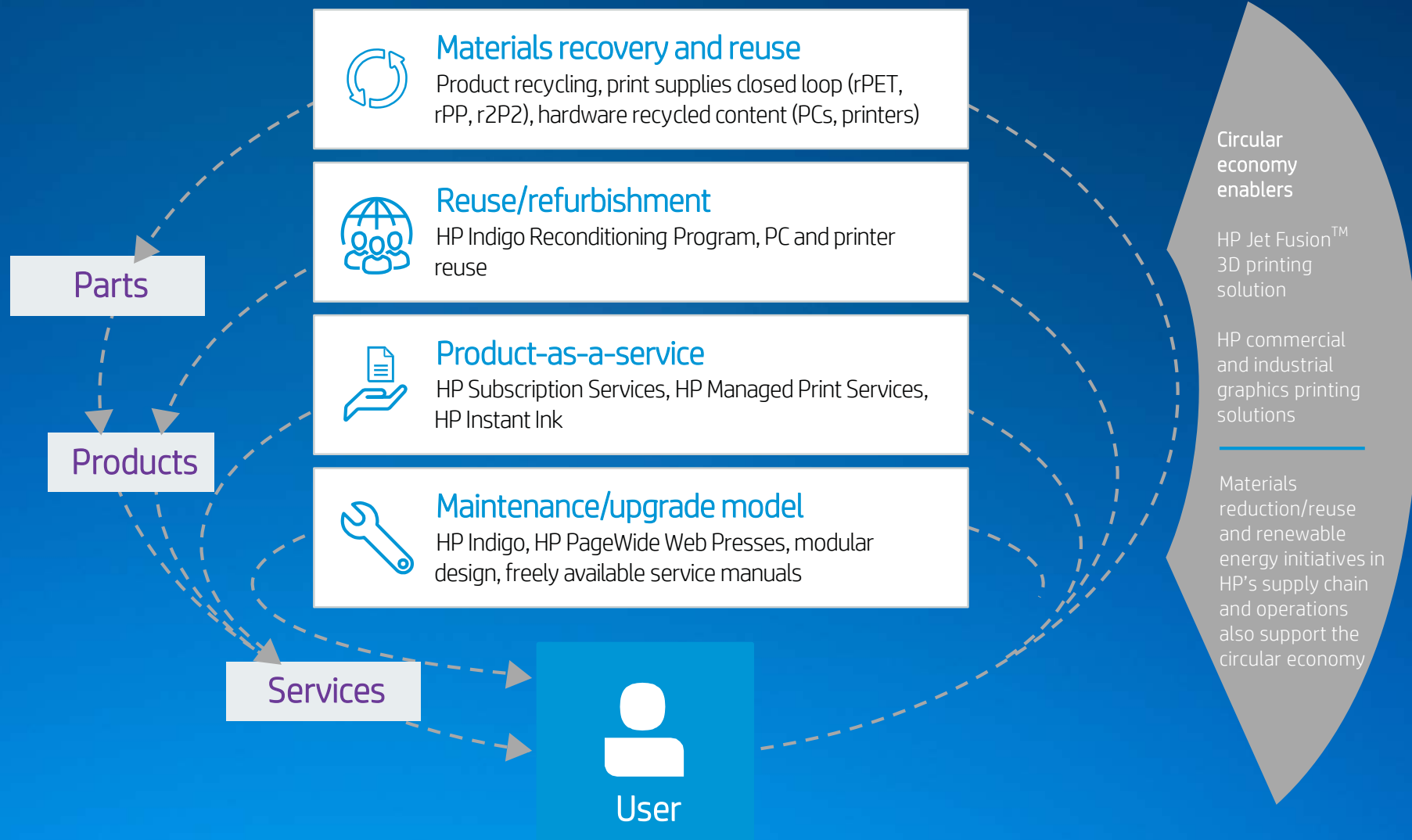
HP PageWide technology

Uses up to 71% less energy while printing than lasers in its class

Reduces carbon footprint of printing up to 80% per printer

Generates up to 95% less supplies and packaging waste than comparable laser printers

HP's circular economy

Materials recovery and reuse
Product recycling, print supplies closed loop (rPET, rPP, r2P2), hardware recycled content (PCs, printers)

Reuse/refurbishment
HP Indigo Reconditioning Program, PC and printer reuse

Product-as-a-service
HP Subscription Services, HP Managed Print Services, HP Instant Ink

Maintenance/upgrade model
HP Indigo, HP PageWide Web Presses, modular design, freely available service manuals

Parts

Products

Services

User

Circular economy enablers

HP Jet Fusion™ 3D printing solution

HP commercial and industrial graphics printing solutions

Materials reduction/reuse and renewable energy initiatives in HP's supply chain and operations also support the circular economy

Design for repairability

Modular designs make it easy to maintain and repair products, helping eliminate costly replacements

Free online service manuals available for most products

HP Elite x2 among HP products to earn highest marks for serviceability

HP Managed Print Services

Helps organizations create and deploy print and workflow strategies

Reduces energy usage up to 40%

Decreases imaging and printing costs up to 30%

Reduces paper waste 25% or more

Minimizes device downtime

HP Instant Ink

IoT strategy ensures customers never run out of ink when they need it

Customers can choose a monthly service plan based on pages printed

Used cartridges returned directly to HP's closed-loop recycling program

Customers can save up to 50% on ink

Reduces materials consumption by 57% on average per printed page

3D print

Streamline prototyping process

Reduce materials needed to make finished parts

Improve economics of short-run manufacturing

Better match supply with demand

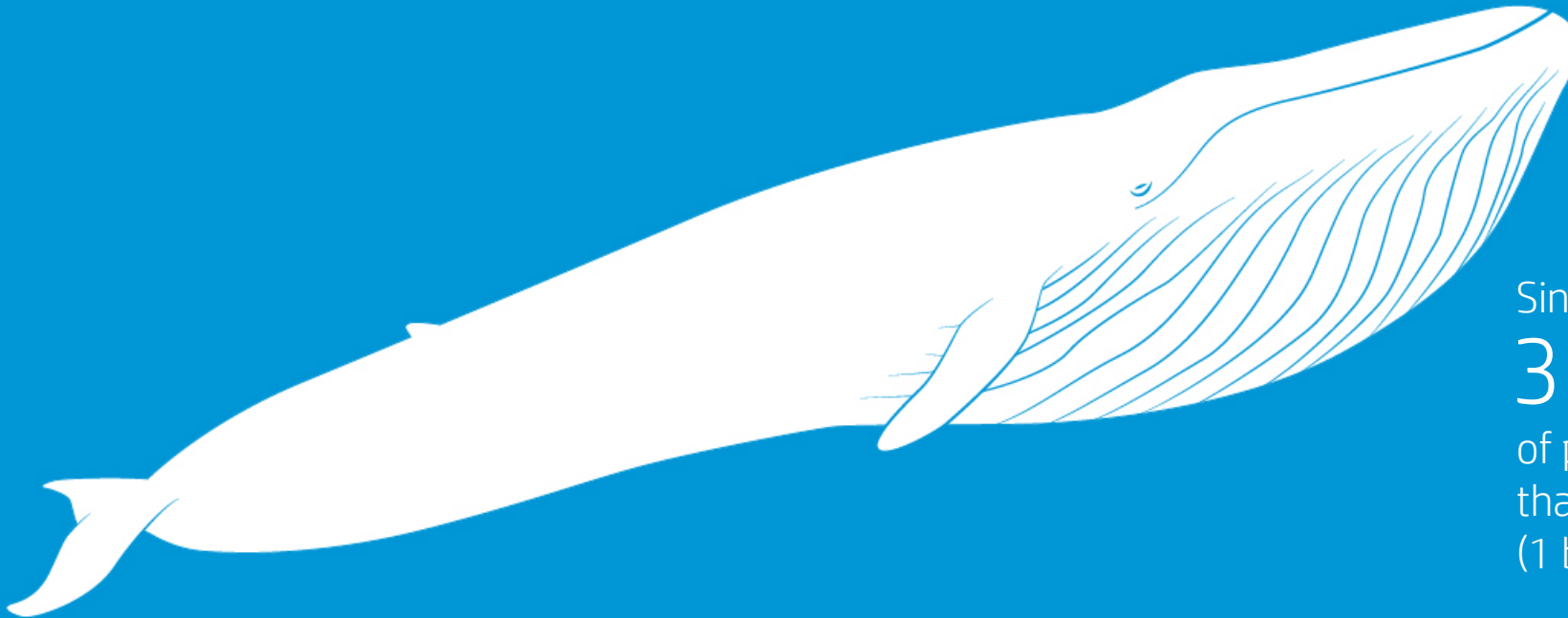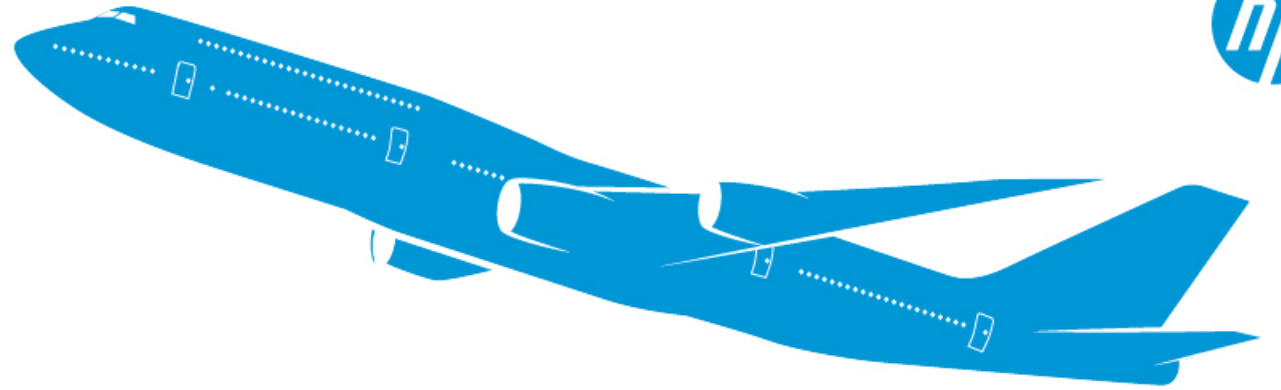Reduce waste by shifting from physical to digital inventories

In 2016, we recycled around

119.900 tons

of hardware (including HP and non-HP products) and HP cartridges—the equivalent weight of 267 Boeing 747s.
(1 Boeing 747 8I : 448 tons)

Since 1987, HP has recycled more than

3.5 billion pounds

of products, equaling the weight of more than 8 thousand whales
(1 blue whale : 400,000 pounds)

HP Planet Partners celebrates 25 years of supplies recycling
...making a difference together

735 million
recycled HP cartridges
from 60 countries

+

3.5 billion
recycled plastic bottles

+

70 million
recycled hangers

3.1 billion
new print cartridges

Used cartridges and other plastics you recycle are combined to make new HP
print cartridges—3.1 billion of them.

HP environmental packaging strategy

Deliver our industry's most efficient and sustainable packaging designs

Focus areas

| Reduce material usage | Optimize shipping densities | Utilize recycled materials | CO_2e reductions |

With

Full Compliance With HP's General Specification for the Environment Environmentally Preferable Paper Policy

Using principles

| Remove | Reduce | Reuse | Recycle | Replace | Use sustainable materials |
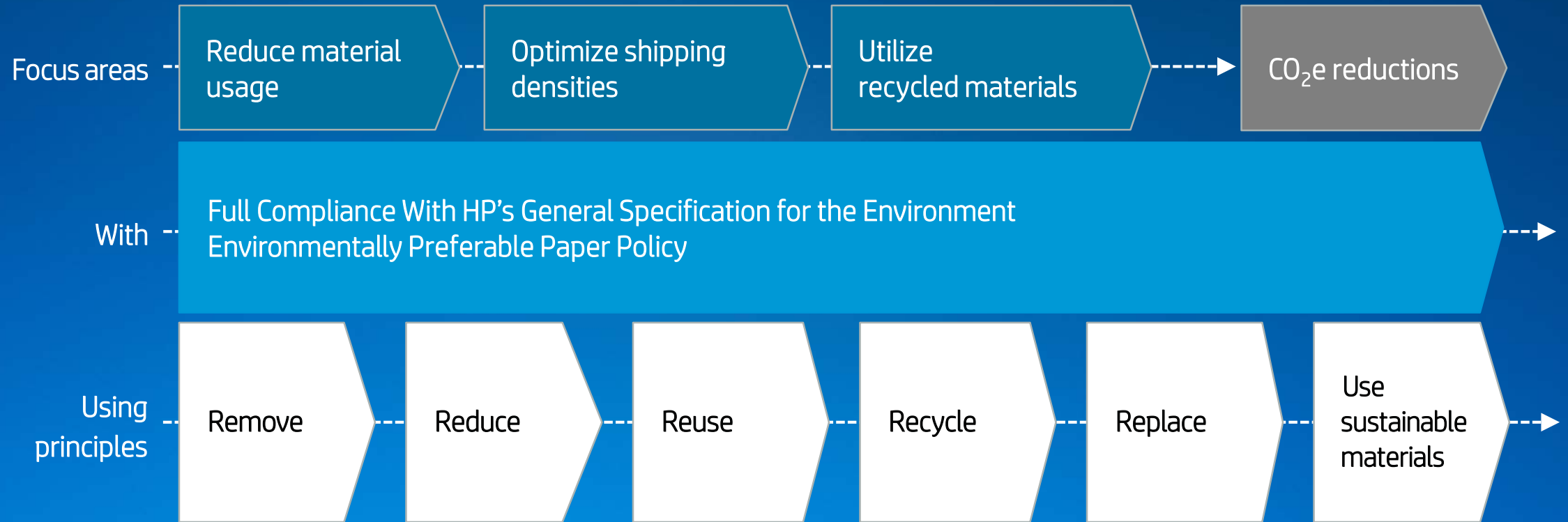
Straw pallet program

Systematic burning is significant source of air pollution

First IT company to replace wood pallets with straw pallets

More than 36,000 pallets made from over 2,500 tons of straw used since 2017

Program helps reduce environmental impact, improve economic opportunities, and enhance quality of life

Illustrates HP's shift to a more efficient, circular and low-carbon economy

hp

HP Straw Pallet Initiative

Implemented in February 2017

- HP is the first IT company to ship product on pallets made from straw-harvested rather than burned.

- 36,000 pallets shipped, using 2500 tons of straw

- Eliminating the CO2e associated with burning the straw

- Eliminated demand for 36,000 traditional pallets, equal to 720 tonnes of traditional pallet material

| Reduce material usage | Optimize shipping densities | ✓ Utilize recycled materials |

Printing with sustainability in mind

World's first in-class printers made with closed-loop recycled plastic

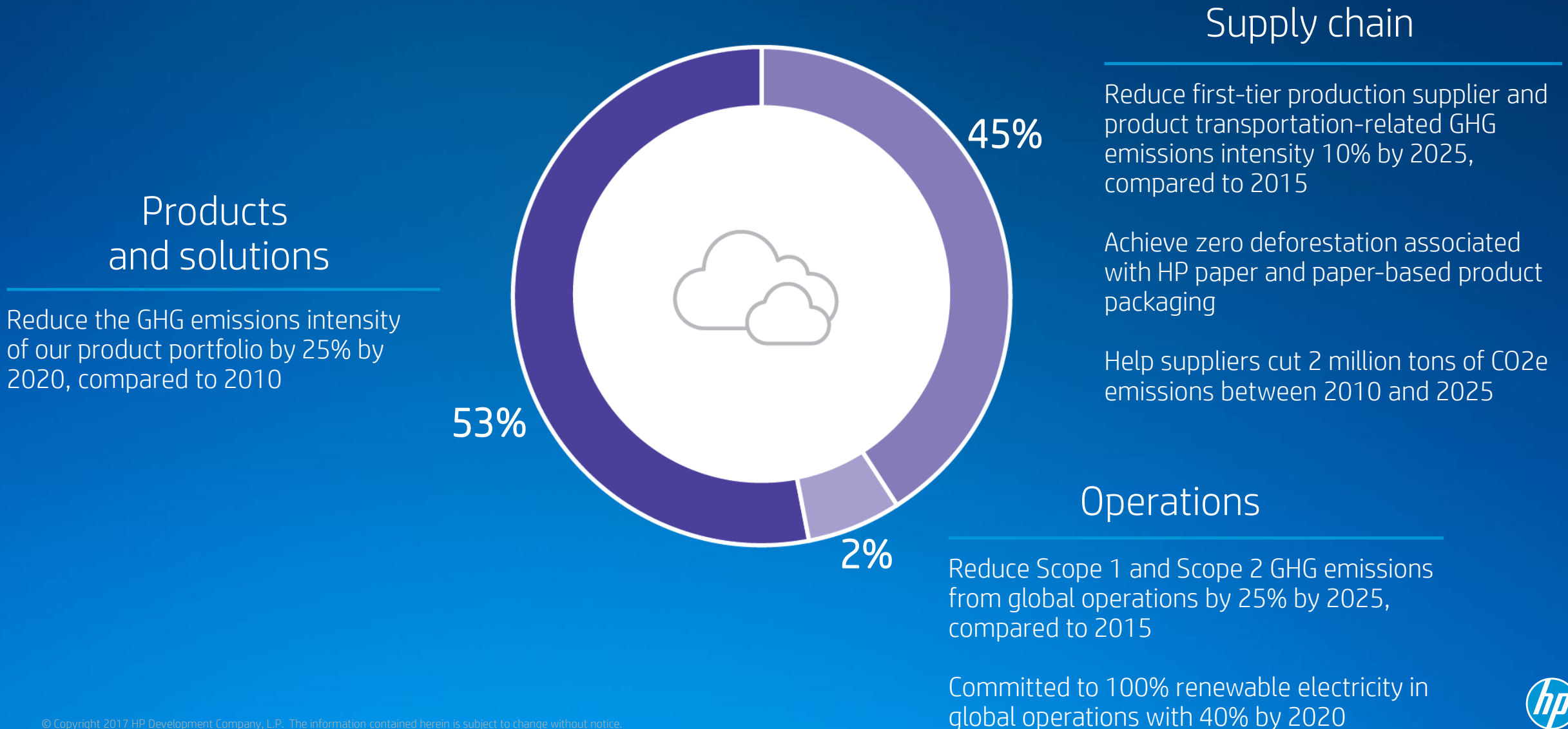Use Original HP ink cartridges made with 48-73% recycled plastic

Print on HP paper made with100% certified fiber or recycled content

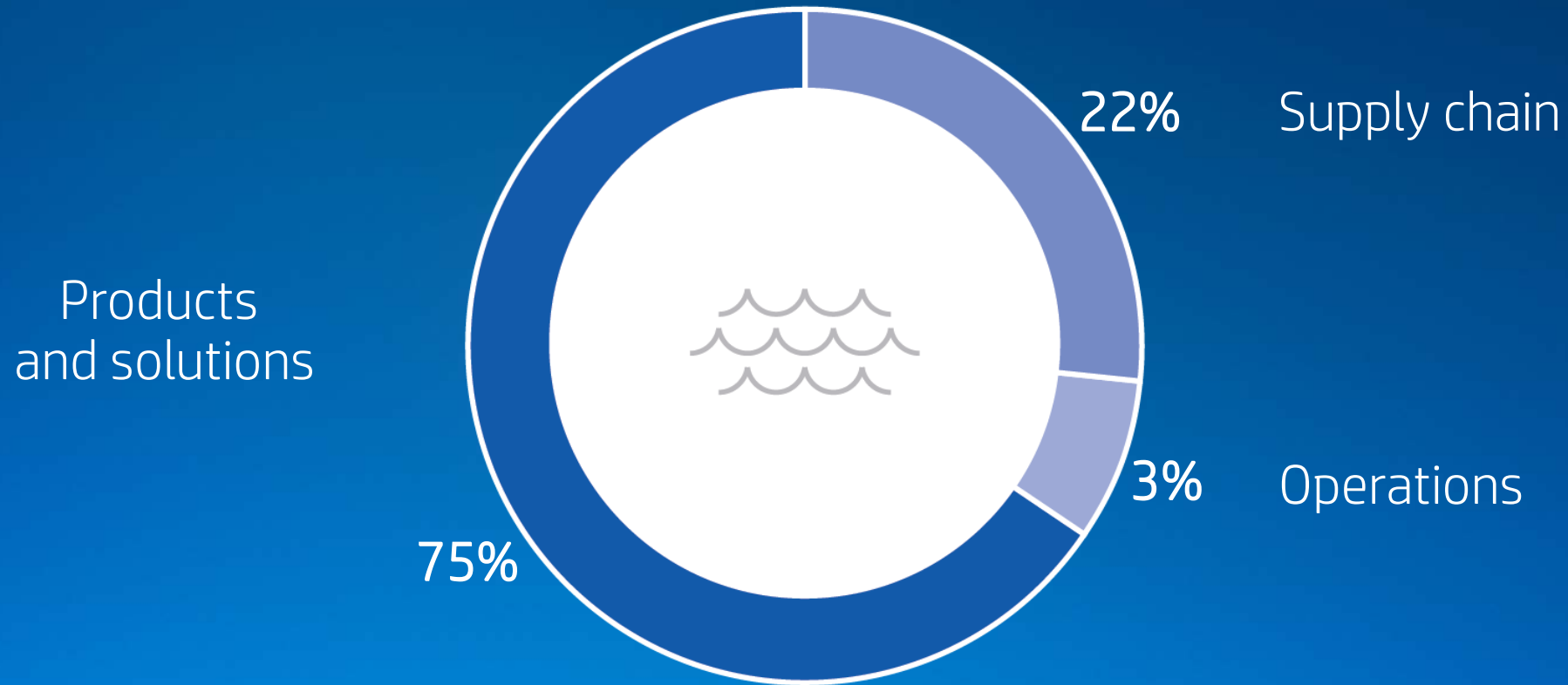Take advantage of HP Instant Ink

Easily recycle printers and cartridges

HP's global emissions impact and goals

45%

53%

2%

Products and solutions

Reduce the GHG emissions intensity of our product portfolio by 25% by 2020, compared to 2010

Supply chain

Reduce first-tier production supplier and product transportation-related GHG emissions intensity 10% by 2025, compared to 2015

Achieve zero deforestation associated with HP paper and paper-based product packaging

Help suppliers cut 2 million tons of CO2e emissions between 2010 and 2025

Operations

Reduce Scope 1 and Scope 2 GHG emissions from global operations by 25% by 2025, compared to 2015

Committed to 100% renewable electricity in global operations with 40% by 2020

HP's global water footprint and goal

22% Supply chain

3% Operations

75% Water goal

Products and solutions

Reduce potable water consumption in global operations by 15% by 2025, compared to 2015

Recognized as one of the world's most sustainable companies

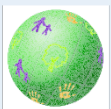|		
CDP A LIST 2017 CLIMATE	One of only 25 companies named to both 2017 Climate and Water "A" Lists; achieved a spot on 2018 Supplier Engagement Leader Board	**KNOWTHECHAIN** — Recognized as the industry leader for commitment to address human trafficking and forced labor in supply chain
MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM	With 2017 rankings, listed on the World Index for the 6th time in a row	**WEC** — Received Gold Medal Award for International Corporate Achievement in Sustainable Development
FTSE4Good	Included on the FTSE4Good Index since 2003	**2017 SmartWay Excellence Awardee** — Received Excellence Award for 6th time
2017 CSR Rating GOLD ecovadis	Rated among the top technology companies for corporate social responsibility efforts	**guia EXAME Sustentabilidade 2017** — HP Brazil recognized for sustainability efforts in 2013, 2014, 2016, and 2017

Earned 19th spot on Gartner Supply Chain Top 25 list with perfect 10 for efforts in corporate social responsibility

Named one of the 100 Most Sustainable Corporations in the World

Received 100% on Corporate Equality Index for 2003-2018

Named one of Canada's Greenest Employers for 10th year in a row

2016 Sustainability Report

Highlights achievements in areas of environment, society, and integrity

Illustrates solutions to address many of society's greatest challenges

Outlines HP's social and environmental goals

www.hp.com/sustainability

keep reinventing