Signatory Name: Hewlett - Packard Australia Pty Ltd

The question numbers in this report refer to the numbers in the report template. Not all questions are displayed in this report.

Status: Completed

The content in this APC Annual Report is hereby endorsed by the Chief Executive Officer, or equivalent officer of the organisation.

☑ Yes

5. **Industry sector** (please select 1 only):
   - Brand Owner / Wholesaler / Retailer
   - Packaging Manufacturer
   - Waste Management
   - Other - Commercial Organisation
   - Community Group
   - Industry Association
   - Government
   - Raw Material Supplier
   - Other:

6. **Industry type** (please select 1 only):
   - Food & Beverage
   - Pharmaceutical / Personal Care / Medical
   - Hardware
   - Homewares
   - Communications / Electronics
   - Clothing / Footwear / Fashion
   - Chemicals / Agriculture
   - Fuel
   - Large Retailer
   - Tobacco
   - Shipping Company
   - Airline
   - Other:

7. Please indicate your organisation’s reporting period:
   - Financial Year: 1 July 2011 – 30 June 2012
   - ☑ Calendar Year: 1 January 2012 – 31 December 2012
Goal 1: Design

KPI 1: % of signatories with documented policies and procedures for evaluating and procuring packaging using the SPG’s or equivalent.

8. Does your company have documented policies and procedures for evaluating and procuring packaging using the SPG’s or equivalent?
   - [ ] Yes
   - [ ] No

9. Of the types of packaging existing at the beginning of the reporting period, what percentage had been reviewed using the Sustainable Packaging Guidelines (SPG) by the end of the reporting period?
   - [ ] 100 %

10. Have any new types of packaging been introduced during the reporting period?
   - [ ] Yes
   - [ ] No

11. If yes, of the new types of packaging introduced during the reporting period, what percentage have been reviewed using the Sustainable Packaging Guidelines (SPG) by the end of the reporting period?
   - [ ] 100 %

12. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 1

<table>
<thead>
<tr>
<th>Target: What were your annual targets for the reporting period?</th>
<th>Actual: What did you achieve?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Maintain membership and provide annual funding to support APC activities. Maintain membership of the Australian Packaging Covenant and provide designated funding for the duration of the Covenant to support packaging kerbside and 'away from home' collection and recycling.</td>
<td>Yes. HP is committed to be a signatory of the APC and provide funding to support the APC activities - on time</td>
</tr>
<tr>
<td>2. Undertake annual review of APC SPG against HP packaging strategies and principles to identify any gaps.</td>
<td>Complete. No gaps identified.</td>
</tr>
</tbody>
</table>
| 3. | Reduce the amount of packaging used per product | LaserJet printers: Through design improvements, reduced packaging for 28 printer products resulted in reduction of 4160 tonnes of CO2 emissions in 2012. This is equivalent to eliminating emissions from 745 cars in 1 year.

Inkjet printers: In one product series, attain packaging material weight reduction by 38%, through reduced cushion thickness & product ID(Industrial Design) optimization.

Inkjet Supplies: In one print cartridge series, the retail carton is re-designed to remove insert which is estimated to eliminate 35.5 tonne CO2 emissions. 15% bulk pallet packaging weight reduction achieved which is estimated to eliminate 28.4 tonne CO2 emissions.

Product In-Box Printed Documentation: Reduce the amount of printed documents placed in the box of HP products while meeting legal requirements and not impact our customer’s experience, via delivery of user information using both electronic(images on hard disk drive of product, making printable versions available on HP’s website etc) and printed forms. In 2012, this initiative saved > 4000tonnes of paper, or an equivalent of 10,504 metric tonnes CO2e reduction in greenhouse gases. |
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<tbody>
<tr>
<td>4.</td>
<td>Reuse packaging where economically and environmentally feasible while protecting the best interests of our customers and the integrity of our brand.</td>
<td>Inkjet Supplies: Reuse corrugated bulk trays implemented - bulk trays are returned from printer and response centers for reuse in packaging. Currently setup to for 6 reuses.</td>
</tr>
</tbody>
</table>
| 5. | Remove the use of regulated or environmentally problematic packaging materials | Pan-HP packaging materials restrictions:
- Materials listed in "HP Standard 011-1 General Specification for the Environment(GSE) - Substances and Materials Requirements and Packaging requirements" must not be used in HP packaging.
- The GSE-Packaging Requirements accompanies every purchase agreement for packaging materials.
- Restricted Materials must not be used in plastic foam packaging Materials.
- Packaging materials must not contain heavy metals.
- PVC must not be used in HP packaging.
- Elemental chlorine shall not be used in HP packaging.

Graphics Solutions Business:
Substitute hardwood pallet with OptiLedge design. Hardwood is problematic for the following reasons:
- Different species result with different strength
- Risk to develop mold and fungus due to moisture
- Heavy for pallet construction
- Uncontrollable cracks due to dryness of wood

OptiLedge design
- Environmentally Sustainable - strong, light and durable Poly Propylene which can be recycled
- Cost savings – Overall cost cheaper than hardwood pallet
- Save spaces – Storage space
- Lightweight – Easy transportation
- Fit load easily |
13. Describe any constraints or opportunities that affected performance under this KPI

HP Packaging strategies and principles are actually very similar to SPG, and HP implement the strategies and principles throughout ALL packaging designs. We believe that there is no gaps between APC SPG and HP packaging strategies and principles. Thus, 100% is indicated for Questions 9 and 11.

Goal 1: Design
KPI 1: % of signatories with documented policies and procedures for evaluating and procuring packaging using the SPG’s or equivalent.

<table>
<thead>
<tr>
<th>Star Rating</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Star Rating Comments</td>
<td>Targets very well addressed. Greater specificity in targeting and how it is reported against will assist, as targets are broad while actuals are really examples and are not definitive. This is especially important in a ‘continuous improvement’ model such as the APC.</td>
</tr>
</tbody>
</table>

Goal 2: Recycling

KPI 3: % signatories applying on-site recovery systems for used packaging.

14. Do you have on-site recovery systems for recycling used packaging?
- Yes at all facilities/sites
- Yes at some, but not all facilities/sites
- No

15. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 3

<table>
<thead>
<tr>
<th>Target: What were your annual targets for the reporting period?</th>
<th>Actual: What did you achieve?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Deliver incremental landfill diversion targets to participating HP sites with a current diversion rate of approximately. Target 75% and above</td>
<td>Going forward, will be reporting on amount of packaging materials recovered and recycled, rather than landfill diversion.</td>
</tr>
<tr>
<td>2. Existing on-site recycling systems to collect used packaging maintained</td>
<td>Achieved. Packaging items recovered include carton boxes, such as polypropylene, polyurethane, polystyrene, polyethylene, peanut pak, insta-pak, anti-static pouches, bubble wrap, and LDP/shrink-wrap and pallets. polystyrene, expanded foam and reused packaging items.</td>
</tr>
<tr>
<td>3. Setting baseline for packaging materials recovered for recycling.</td>
<td>For 2012, for all the HP sites in Australia, it is estimated that packaging waste sent for recycling is 6903kg.</td>
</tr>
</tbody>
</table>

16. Describe any constraints or opportunities that affected performance under this KPI

I’ll need to work with local Real Estate Workplace function to look into packaging recycling and paper recycling incremental improvement targets.

Goal 2: Recycling

KPI 3: % signatories applying on-site recovery systems for used packaging.

<table>
<thead>
<tr>
<th>Star Rating</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Star Rating Comments</td>
<td>Rationale for changes unclear. However reviewing APC resources may provide options or opportunities for future initiatives and reporting. Noted in 2012 a fall in diversion from landfill of 20% was reported - as diversion from landfill is a major APC goal it is an important indicator. Note also metrics will be needed to demonstrate continuous improvement.</td>
</tr>
</tbody>
</table>
KPI 4: Signatories implement formal policy of buying packaging made from recycled products.

17. Does your company have a formal policy of buying packaging made from recycled packaging?
- Yes
- No

18. Is this policy actively used?
- Yes
- No

19. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 4

<table>
<thead>
<tr>
<th>Target: What were your annual targets for the reporting period?</th>
<th>Actual: What did you achieve?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. All packaging materials must be recyclable.</td>
<td>As specified in HP General Specification for the Environment - Packaging Requirements, all materials used in the packaging systems must be recyclable.</td>
</tr>
<tr>
<td>2. Replace difficult to recycle packaging with more easily recycled materials.</td>
<td>LaserJet printer: In 1 LaserJet printer model, redesign to use corrugated paper cushions – promoting 100% curbside recyclable package.</td>
</tr>
<tr>
<td>3. Recycle - Take deliberate actions to increase recycling and increase the recycled content of packaging materials.</td>
<td>LaserJet Printing Business: Recycled Pallets – Saving Forestry Resources and Diverting Landfill Waste 640,000 new pallets avoided, equivalent to 12,700 tonnes of lumber waste diverted from landfills and 6,984 board feet of virgin lumber saved. Inkjet Printing Business: In one printer series, corrugated carton contains 70% recycled material. Graphics Solutions Business: Substitute virgin LDPE plastic bag with recycled content Inkjet Print Supplies: Achieved minimum 30% recycled content for corrugated packaging, and minimum 85% recycled content for paperboard packaging.</td>
</tr>
<tr>
<td>4. Encourage the procurement of recycled content paper and packaging</td>
<td>Achieved our goal of having at least 40% of HP-branded paper be FSC-certified and/or contain at least 30% postconsumer waste (PCW) content by the end of 2011. HP’s new goal is that 50% or more of its branded papers will meet one or both of these criteria by the end of 2015. The majority of our photo papers and specialty papers have achieved FSC “chain of custody” (CoC) certification (SCS-COC-002255), demonstrating that the paper’s fiber originates from a forest that is responsibly managed in accordance with FSC principles and criteria. HP uses 100% recycled carton with 35% post-consumer content in most of our photo and specialty paper packaging. And we’ve redesigned our packaging to reduce the weight. To learn more about certifications for specific HP-branded paper products, as well as the percentage of recycled content in our papers, see <a href="http://www8.hp.com/us/en/hp-information/environment/hp-media-supplies.html">http://www8.hp.com/us/en/hp-information/environment/hp-media-supplies.html</a></td>
</tr>
</tbody>
</table>
5. Using sustainable packaging materials

Many products—including some notebook and desktop computers, printers, and accessories—we use molded pulp made from post-consumer recycled and industrial paper waste, instead of expanded polystyrene. For example, HP moved to 100% recycled EPE cushion materials and paper based packaging where appropriated.

20. Describe any constraints or opportunities that affected performance under this KPI

20a. Goal 2: Recycling

KPI 4: Signatories implement formal policy of buying packaging made from recycled products.

Star Rating

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>As noted last year, more succinct targets and reports are needed, in part to sort global messaging from local results.</td>
</tr>
</tbody>
</table>

Goal 3: Product Stewardship

KPI 6: % signatories with formal processes to work collaboratively on packaging design and/or recycling.

21. Does your company have formal processes in place for collaborating with other companies or organisations on improved packaging designs and/or recycling which aims to reduce or eliminate waste?

☐ Yes  ☐ No

22. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 6

<table>
<thead>
<tr>
<th>Target</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Work with suppliers to eliminate regulated and environmentally problematic packaging materials.</td>
<td>Updated “HP General Specification for the Environment (GSE) - Substances and Materials Requirements and Packaging Requirements” to include materials restrictions that must not be used in HP packaging.</td>
</tr>
<tr>
<td>2. GSE packaging requirements to accompany every purchase agreement for packaging materials.</td>
<td>Completed as part of HP standard procurement process.</td>
</tr>
<tr>
<td>3. Implemented following packaging materials restrictions through supply chain.</td>
<td>- Restricted Materials must not be used in plastic foam packaging materials. - Packaging materials must not contain heavy metals. - PVC must not be used in HP packaging. - Elemental chlorine shall not be used in HP packaging.</td>
</tr>
<tr>
<td>4. Suppliers to ensure that all packaging materials used in HP packaging are recyclable.</td>
<td>This requirement is implemented to suppliers via GSE.</td>
</tr>
<tr>
<td>5. Work with providers of 100% recycled EPS and PE foam cushions to broaden industry adoption of these materials and build the infrastructure required to make them easier to recycle.</td>
<td>HP helped Sealed Air, a major supplier of recycled PE foam used in cushions for HP packaging in Desktop PCs, to expand its “closed loop” recycling process globally and create Ethafoam® MRC, which is made with 100% recycled resin content.</td>
</tr>
<tr>
<td>6. HP Australia does not manufacture any packaging. However, HP Australia commits to communicating HP’s own packaging design criteria as well as advocating the APC and the Sustainable Packaging Guidelines to our packaging suppliers.</td>
<td>Has been working with the HP corporate packaging supply chain on APC requirement and endorsement for support of APC requirement.</td>
</tr>
</tbody>
</table>
7. New relevant, local suppliers aware of the HP packaging environmental criteria. HP does not have any new supplier for the year 2012 in Australia.

23. Describe any constraints or opportunities that affected performance under this KPI

Goal 3: Product Stewardship
KPI 6: % signatories with formal processes to work collaboratively on packaging design and/or recycling.

<table>
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</tr>
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<tr>
<td>Star Rating Comments</td>
<td>Generally very positive actions; as above, more specificity to targeting will assist.</td>
</tr>
</tbody>
</table>

KPI 7: % signatories showing other Product Stewardship outcomes.

24. Since the beginning of the reporting period, has your company had any other outcomes related to product stewardship?

Yes  No

If yes, please give examples of other product stewardship outcomes


2. Helping customers reduce their printing waste. A 2011 life cycle assessment (LCA) issued by HP on digital vs. offset book publishing offers a prime example. Compared with offset-only printing, digital print technology makes it easier to better align printing with demand and helps to reduce the book-return rate. Shifting to digital printing allows people and businesses to print only what they need, when they need it, helping to reduce unwanted prints and wasted paper. HP estimates that minimizing overruns of books, magazines, and newspapers through digital printing could reduce emissions by 114 to 251 million tonnes of CO2e each year.

25. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 7

<table>
<thead>
<tr>
<th>Target: What were your annual targets for the reporting period?</th>
<th>Actual: What did you achieve?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. HP Australia does not manufacturer any packaging. However, HP Australia commits to communicating HP’s own packaging design criteria as well as advocating the APC and the Sustainable Packaging Guidelines to our local packaging suppliers.</td>
<td>Has been working with the HP corporate packaging supply chain on APC requirement and endorsement for support of APC requirement. HP has communicated with our vendors in Australia and communicating on commitment on APC.</td>
</tr>
<tr>
<td>2. New relevant, local suppliers aware of the HP packaging environmental criteria</td>
<td>HP does not have any new supplier for the year 2012 in Australia.</td>
</tr>
<tr>
<td>3. Communication to internal and external stakeholders. Packaging awareness information included in HP Australia communication Material.</td>
<td>Website to communicate to external parties is being done at the main page of <a href="http://www.hp.com.au">www.hp.com.au</a>. HP reported the progress and status in the year 2 APC annual report.</td>
</tr>
<tr>
<td>4. All packaging related market requirements tracked in HP environmental database (Greenbase)</td>
<td>HP has continually tracked packaging requirement into HP’s environmental database on packaging requirement for internal stakeholders.</td>
</tr>
</tbody>
</table>
HP Melbourne Sustainability Network major activities in 2012:
1. World Environment Day Children’s drawing completion – theme “helping to save the earth”
2. World Environment Day e-Waste collection – collected all brands of IT equipment.
3. Coffee Stamp Promotion – if you bring a reusable cup/mug when you buy a coffee at our café you get a bonus loyalty stamp. Most employees just use the disposable paper cup for coffees they buy, we’re trying to influence behaviour. You get a free coffee when you have 10 stamps.

26. Describe any constraints or opportunities that affected performance under this KPI

Goal 3: Product Stewardship
KPI 7: % signatories showing other Product Stewardship outcomes.
Star Rating: 4
Star Rating Comments: Wide-ranging actions, as befits KPI 7.

KPI 8: Reductions in packaging items in the litter stream.

27. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 8

<table>
<thead>
<tr>
<th>Target: What were your annual targets for the reporting period?</th>
<th>Actual: What did you achieve?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participate in Australia Clean-Up Day annually. Target is to increase participants year-on-year.</td>
<td>Not started.</td>
</tr>
</tbody>
</table>

28. Describe any constraints or opportunities that affected performance under this KPI

This is the most difficult KPI to report on as litter is really not material in HP Australia's case. We do not have packaging suppliers residing in Australia.

I've added new target for next year to participate in Australia Clean-up Day. Also, I'll be contacting HP Real Estate Workplace function to explore any other workplace initiatives to reduce litter.

Goal 3: Product Stewardship
KPI 8: Reductions in packaging items in the litter stream.
Star Rating: 2
Star Rating Comments: APC applies a shared responsibility model to litter. Even though the company may apparently have no direct litter impacts, an extended product stewardship approach may have good CSR outcomes.
While we aim to reduce environmental impacts associated with the materials, transport, and recycling or disposal of packaging, we must balance those efforts with other considerations such as adequate product protection, regulatory requirements, total costs, and the overall impact of alternative packaging options. HP pursues a holistic approach to packaging that considers all phases of the process—from raw materials acquisition to end of life—to guide our decisions. We integrate these considerations into our guidelines for third party packaging vendors, enabling them to create more innovative and environmentally responsible packaging designs. Our environmental strategy for packaging consists of the following principles:

- REMOVE the use of regulated or environmentally problematic packaging materials.
- REDUCE the amount of packaging used per product.
- REUSE packaging where economically and environmentally feasible while protecting the best interests of our customers and the integrity of our brand.
- REPLACE difficult to recycle packaging with more easily recycled materials.
- Use our INFLUENCE to encourage the use of sustainably sourced materials for all paper-based packaging. HP supports the use of recycled fiber content and sustainably harvested fiber.


Still find duplication in KPIs 1, 4 & 6. Packaging design, materials restrictions have to be ultimately implemented by suppliers, so these KPIs are somewhat all connected.

I'll undertake a review of the HP Action Plan 2011-2015 with HP Packaging Strategy team by end of 2013, with the objective of improving target settings to be more meaningful and in alignment with both HP strategies and APC goals.

I'll need to work with local Real Estate Workplace function to look into packaging recycling and paper recycling incremental improvement targets.

I've added new target for next year to participate in Australia Clean-up Day. Also, I'll be contacting HP Real Estate Workplace function to explore any other workplace initiatives to reduce litter.

Continuing wide coverage of environmental issues, and noted the items for improvement discussed above. Separating global data from local results is important, as is the specificity of the targets. Note in some cases the actual is an imperative or unevaluable statement rather than a result attributable to the target. As 'continuous improvement' is integral to the APC, data for measuring annual and longer term progress will be increasingly important. Generally the issue for HP is not that they do too little, but that they (globally) do so much it is hard to demonstrate results specific to local initiatives under the APC.