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: Complete

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 2013 – 30 June 2014
   - Calendar Year: 1 January 2014 – 31 December 2014

8. Please indicate the entire period your accepted APC Action Plan covers (e.g. 2011-2014)

   **Start Date:** 01/01/2011
   **End Date:** 31/12/2015
Goal 1: Design

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

9. Does your company have documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent?
   - [ ] Yes
   - [ ] No

Provide details of policies and procedures:

HP’s packaging requirements and strategy are outlined in the following documents:
1. General Specifications for the Environment (GSE) - Packaging standard (global environmental requirements for all packaging used for selling or shipping HP brand and HP owned brand products)

2. HP Environmentally Preferential Paper Policy (global environmental criteria and principles that HP follows when buying, selling, or using paper and product packaging)

3. HP Packaging Environmental Strategy (defines HP’s approach in minimizing environmental impact of packaging)
   To decrease the environmental impact of our packaging, HP strive to reduce material use, optimize shipping densities, and utilize recycled materials. These objectives are achieved through our underlying principles: remove, reduce, reuse, recycle, replace, and influence.

10. 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%

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

12. 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%

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

<table>
<thead>
<tr>
<th>Target: According to your Action Plan, what did you set out to do?</th>
<th>Actual: What did you achieve?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Review and identity gaps, if any, between HP packaging requirements and Sustainable Guideline Guidelines for all existing packaging. Take action to rectify gap if found.</td>
<td>HP uses General Specifications for the Environment (GSE) and Packaging Environmental Strategy to guide decisions regarding packaging designs. HP Environmental Strategy goals complement SPG's goals.</td>
</tr>
<tr>
<td>2. Review and identity gaps, if any, between HP packaging requirements and Sustainable Guideline Guidelines for all new packaging. Take action to rectify gap if found.</td>
<td>HP uses General Specifications for the Environment (GSE) and Packaging Environmental Strategy to guide decisions regarding packaging designs. HP Environmental Strategy goals complement SPG's goals.</td>
</tr>
<tr>
<td>3. Remove the use of regulated or environmentally problematic packaging materials. Report examples / proof points (where applicable to the Australian context) in annual report to APC.</td>
<td>No materials restriction added to 2014 revision of HP General Specifications for the Environment (GSE)</td>
</tr>
</tbody>
</table>
4. Reduce the amount of packaging used per product. Meet or exceed local legal standards for packaging minimization where they exist; where local standards do not exist, we stipulate that packaging cannot be more than twice the volume of the product it contains. Reduce the amount of paper delivered with products, such as warranties and manuals, by making the information available online for our customers rather than including it in the packaging. Seek at least 3 packaging weight reduction projects every year and report progress to APC.

1. Re-designed for smaller packaging and reduction in use of corrugated packaging in these LaserJet Printers: CLJ Pro MFP M476, LJ Pro MFP M127 & LJ Pro 400
- Eliminated 607 ocean container shipments
- Reduced CO2e emissions by 4334 tonnes compared to the previous generation of product.

2. Eliminated internal corner post from packaging of LJ Enterprise 600
- Reduced packaging part weight by 0.32kg per product
- Reduced CO2e emissions by 146 tonnes in 2014

3. Reduced size of Retail Point of Sales AiO carton box and packaging materials
- Overall carton volume reduced by 24.8%
- Reduced 161 metric tons of CO2e yearly
- 33% increase in container loading, equivalent to a reduction of 27 containers per year

4. Project initiated in FY14 to reduce all consumer and commercial Notebooks packaging (Corrugate, EPE cushions etc) to develop the most efficient box size.
- Eliminated 700 tonness of packaging materials
- Reduced annual CO2e emissions by 1700 tonnes

5. Project initiated in FY14 for all notebooks - Ocean shipment methodology changed from pallets to slipsheets:
- Eliminate 1101 tonnes of pallets shipped that were only being used once
- These pallets would fill 207 40’ HC ocean containers.
- Saves 1100 tons of CO2e

6. Remove paper insert (provides product information) from HP 88 and HP 92 inkjet supplies worldwide, and print information on inside of inkjet supplies box:
- implemented in FY14
- Avoided 8.82 tonnes of paper use
- 11.1 metric tons of CO2e emissions avoided

5. Replace difficult to recycle packaging with more easily recycled materials. Seek material replacement projects every year and report progress to APC.

For Enterprise Color LaserJet M855 Family, replace EPS foam cushions with molded pulp cushions:
- Over 90% of packaging material readily recyclable.
- 72 tonnes of CO2e reduced in 2014

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

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**Goal 1: Design**

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

<table>
<thead>
<tr>
<th>Rating</th>
<th>5</th>
</tr>
</thead>
</table>

**Rating Comments**

Great work - you have met your goals and targets, and achieved positive outcomes from the review of your packaging against the SPGs and your own General Specifications for the Environment (GSE) guides.
**Goal 2: Recycling**

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

15. 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

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

1. **Target:** According to your Action Plan, what did you set out to do?
   - Maintaining current on-site system of recovering used materials, including packaging and paper waste, to recycling.
   - Document and report amount of packaging and paper waste diverted each year in annual report to APC.

   **Actual:** What did you achieve?
   - Items collected for recycling include used paper, carton boxes, plastic packaging, expanded foam, bubble wrap, shrink-wrap and pallets.
   - For 2014, for all the HP sites in Australia, it is estimated that paper and packaging waste sent for recycling is 221,006kg (255,542.7kg in 2013, and 229,271kg for 2012).

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

   

**Goal 2: Recycling**

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

**Rating** 4

**Rating Comments**

You clearly have good systems in place to capture recycled products on site, including multiple different types of materials. Considering collecting data around waste volumes and proportioned recycled, as this will enable you to track trends in recycling rates year on year, to better inform improvements.
KPI 4: Signatories implement formal policy of buying products made from recycled packaging.

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

Provide details of policies and procedures (including names of policies/procedures)


HP supports and encourages the use of recovered fiber content during production. HP assesses the use of recycled fiber across products and packaging and establishes metrics and goals that aim to maximize the use of recycled materials while reducing material usage and optimizing shipping densities.

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

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

<table>
<thead>
<tr>
<th>Target: According to your Action Plan, what did you set out to do?</th>
<th>Actual: What did you achieve?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Maintain and review policy on an annual basis.</td>
<td>No updates deemed necessary in 2014 to HP's Environmentally Preferable Paper Policy.</td>
</tr>
<tr>
<td>2. 50% or more of HP-branded paper sold worldwide will be Forest Stewardship Council (FSC) certified or have more than 30 percent post-consumer waste content by end of 2015. Report progress against goal in annual report to APC.</td>
<td>In 2014, we achieved our goal for 50% of HP-branded paper worldwide by tonnage to be FSC-certified and/or contain at least 30% postconsumer waste—a year earlier than planned. We increased FSC-certified products from 9% in 2011 to more than 50% at the end of 2014. In 2014 most of our HP wide format papers were FSC-certified worldwide.</td>
</tr>
</tbody>
</table>
| 3. Reuse packaging where economically and environmentally feasible while protecting the best interests of our customers and the integrity of our brand. Document and report examples / proof points in annual report to APC. | 1. Implemented reuse of cushion pallets for 3PAR V-Class storage products:  
   - CO2 emissions reduced by 156 tonnes per year.  
   - Avoided 56 tons of waste sent to landfill  
   2. Implemented use of recycled pallets for a part of our business in the Americas which avoided use of 781,000 new pallets (vs avoided use of 640,000 new pallets in 2013) |
| 4. Recycle - Take deliberate actions to increase recycling of packaging materials or increase the recycled content of packaging materials Seek at least 3 packaging recycled content projects every year and report progress to APC. | 1. Cushions made from recycled straw pulp (and not wood) implemented for Inkjet 1510 Series Inkjet Printers:  
   - 15% lighter than paper molded pulp, eliminating 17 tonnes of packaging material  
   - 28% less CO2 than traditional paper pulping process, eliminating 320 tonnes of CO2e.  
   - Air quality and health improvements from reduced field burning.  
   - Reduces health and air quality issues associated with straw field burning.  
   2. Desktop PC packaging: Use 1,265 tonnes of 100% recycled foam in FY14 compared to 1,193 tonnes in FY13. Recycled foam include recycled EPE, EPS, LDPE)  
   3. Continuing partnership with Sealed Air and Fagerdala, HP replace PE virgin foam with recycled foam for ISS Proliant Server DL380:  
   - Reduce part weight by 15%, reduce CO2e by 431 tonnes in FY14 |
5. Use corrugated or paperboard packaging with at least 25% recycled content (post consumer + post industrial) on a weighted annual average across packaging supply base. All of HP’s corrugated packaging meet this requirement, which is specified in GSE and referenced in procurement agreement. Recycled % is actually often higher for packaging purchased from Asia Pacific region.

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

Goal 2: Recycling
KPI 4: Signatories implement formal policy of buying packaging made from recycled products.
Rating 4
Rating Comments You have met and exceeded several of your targets under this KPI, and not only linked your impact from purchasing recycled/reusing products back to waste to landfill avoided, but also greenhouse gas emissions abated. Great work.

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

22. 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

Provide details of policies and procedures (including names of policies/procedures)
HP provides procurement guidance for environmental aspects of packaging in the GSE. Further, compliance to HP’s GSE is integrated into all HP business contracts. HP has both internal forums and external forums that are used to promote HP’s Environmental Packaging strategy. Internally, HP’s Packaging Management Counsel and HP’s Packaging Board provide a forum for promoting broad HP packaging-specific initiatives. HP also partners with our external packaging suppliers, exchanging ideas and feedback, through the Pan-HP Supplier Summit and HP Procurement’s High-Performing-Supplier-Scorecard reviews. Both of these external forums are business focused, but provide opportunity for HP and the suppliers to speak to Social and Environmental Responsibility issues.

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

<table>
<thead>
<tr>
<th>Target: According to your Action Plan, what did you set out to do?</th>
<th>Actual: What did you achieve?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Identify and encourage existing and new local HP packaging suppliers to become signatory to APC.</td>
<td>There were 2 local packaging suppliers identified in 2014, and they are both signatories to APC.</td>
</tr>
<tr>
<td>2. Exerting HP’s supply chain influence to encourage the use of sustainably harvested fiber for all paper and packaging.</td>
<td>HP completed a survey of 100% of packaging suppliers in 2013 to ensure compliance to due diligence requirements under the EU and Australian timber regulations (Australia Illegal Logging Regulation), as well as to query suppliers regarding forestry certifications for HP packaging products. This survey will be repeated in 2016.</td>
</tr>
<tr>
<td>Survey suppliers on the source of its wood fiber, including compliance with legal due diligence requirements.</td>
<td></td>
</tr>
<tr>
<td>3. HP is a member of the Forest Stewardship Council® (FSC), an independent NGO and certifying body that promotes responsible management of the world’s forests. Maintain membership and continue to demonstrate progress towards sustainable sourcing of fiber used in HP products and paper.</td>
<td>HP is a member of FSC and has continued to grow the % of FSC fiber used in HP branded papers in accordance with target under KPI 4.</td>
</tr>
</tbody>
</table>
4. **Forest Stewardship Council® (FSC®) License Code FSC®-C017543 and Programme for the Endorsement of Forest Certifications Schemes (PEFC™) License Code PEFC/29-31-198.**
   Complete CoC recertification audit annually.

   Certification is valid until April 2019. HP has passed annual audit in 2014 required for maintaining the certification.

5. **Global Forest & Trade Network (GFTN) is a World Wildlife Fund initiative to eliminate illegal logging and transform the global marketplace into a force for saving the world's valuable and threatened forests.**
   Complete GFTN reporting annually. Report status in APC annual report.

   HP has met its goal for FSC fiber; it will be announced publicly in June 2015 in HP 2014 Living Progress Report. Until then this information is not for public disclosure. HP is committed to continue its FSC and GFTN participation going forward.

6. **Explore packaging innovation and partnerships that aligns to HP's Packaging Environmental Strategy:**
   - reduce material usage
   - optimize shipping densities, and
   - utilize recycled materials

   Report examples / proof points (where applicable to the Australian context) in annual report to APC.

   LaserJet Printers: HP partnered with Nova Chemicals to develop specially formulated foam allowing each bead of material to expand 50% more:
   - Reduces part weight by 1/3, driving down CO2e emissions
   - 1549 tonnes of CO2e avoided in FY14 (vs 1560 tonnes eliminated in FY13)

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

   In 2014, HP continued participation in update of IEEE 1680.1 (commonly known as EPEAT PC standard), including the environmental scoring tool for IT products. EPEAT criteria includes packaging design for the environment, in which HP assisted in developing.

**Goal 3: Product Stewardship**

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

| Rating | 4 |

**Rating Comments**

You have a systematic way of engaging with others, and have demonstrated that you are an active member of your supply chain. Given the range of outcomes you have achieved, you should ensure that communicate information regarding the APC and your achievements in this space to your team internally, and externally.

**KPI 7: % signatories showing other Product Stewardship outcomes.**

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

<table>
<thead>
<tr>
<th>Target: According to your Action Plan, what did you set out to do?</th>
<th>Actual: What did you achieve?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Reduce GHG emissions among outsourced manufacturing and product transportation activities by 20% by 2020, compared to 2010. Report progress against goal in annual report to APC.</td>
<td>HP's supply chain greenhouse gas (GHG) emissions, covering 95% of our first-tier manufacturing suppliers by spend and extrapolated to 100% coverage, decreased from 4,500,000 MTCO2e in fiscal year 2012 to 3,900,000 MTCO2e in 2013. (The year 2013 is the most recent for which data are available.) Since 2010, we have seen a 18% reduction in GHG emissions intensity.</td>
</tr>
<tr>
<td>2. Reduce HP's total GHG emissions from our operations by 20% by 2020, compared to 2010 levels. Report progress against goal in annual report to APC.</td>
<td>Down 5.7%, from 1,765,000 metric tonnes in fiscal year 2013 to 1,664,000 metric tonnes in 2014. These numbers will be verified by Emst&amp;Young before publication in HP Living Progress Report. Since 2010, we have seen a 17.5% reduction in overall Scope 1 and 2 GHG emissions. These numbers exclude emissions related to employee travel.</td>
</tr>
</tbody>
</table>
### 3. Other Recycling Outcomes

**Maintain sponsorship and commitment to the following recycling platforms:**
1. TechCollect by Australia and New Zealand Recycling Platform, an industry-led non-for-profit recycling organization.
2. C4PA (Cartridges4PlanetArk) by Planet Ark

**HP 3PAR MBOD Drive Packaging process re-design earned 2014 Singapore 3R Packaging Merit Award:**
- Instead of packing chassis and power units separately, packaging process re-design to require pre-assembly of the drive - the power units are inserted into the chassis - before the drive is packaged into corrugated boxes.
- Packaging size reduced by 50%
- Total packaging weight reduced by 27%
- Double number of corrugated boxes on 1 pallet from 4 to 8
- CO2 emissions reduced by 166 tons per year
- Convert from use of virgin polyethylene (PE) foam and corrugated paperboard to PE foam with at least 65% post-consumer recycled content, while corrugated paperboard medium has at least 80% of post-consumer recycled content.

### 4. Other Packaging Stewardship Outcomes

- HP becomes the only global IT company to have set carbon reduction goals for all three parts of its value chain—operations, supply chain and product portfolio.

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

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
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</thead>
</table>

If yes, please give examples of other product stewardship outcomes:

1. In Nov2014, HP took a major step forward in expanding its leading supply chain program on preventing exploitative labor practices and forced labor. HP is the first company in the IT industry to require direct employment of foreign migrant workers in its supply chain. The additional standard combines this direct employment requirement with rights relating to worker retention of passports and personal documentation and the elimination of worker-paid recruitment fees.

   The HP Foreign Migrant Worker Standard was developed in consultation with Verité, an international nonprofit that promotes safe, fair, and legal working conditions, and has specific expertise in combatting forced labor in supply chains.


2. As part of ongoing efforts to lower its carbon footprint across all phases of its business, HP announced in Sep 2014 a goal to reduce the emissions intensity of its product portfolio by 40 percent by 2020 compared to 2010 levels.

   With this announcement, HP becomes the only global IT company to have set carbon reduction goals for all three parts of its value chain—operations, supply chain and product portfolio.


3. On April 29, 2014, HP announced that more than 75 percent of its ink cartridges and 24 percent of HP LaserJet toner cartridges are now manufactured with “closed loop” recycled plastic.

   This milestone represents a 50 percent increase in the number of HP ink cartridges manufactured with recycled content in the last year, giving customers more options for purchasing cartridges made with recycled content.

   Through these innovations in plastics, HP is helping customers reduce their environmental impact and reduce the overall environmental impact of product use.

   HP’s industry-leading “closed loop” cartridge recycling process uses recycled plastic from returned HP cartridges as well as plastic from other sources, including recycled plastic bottles and plastic apparel hangers to create new Original HP ink cartridges.


### 27. Describe any constraints or opportunities that affected performance under this KPI
Goal 3: Product Stewardship

KPI 7: % signatories showing other Product Stewardship outcomes.

Rating 5

Rating Comments: Sustainability and product stewardship is clearly widely embedded in your business. You have demonstrated additional initiatives that tie in to your ability to reduce, reuse and recycle, and have engaged with the environment and community around you to achieve positive outcomes in other areas, in a ranging from greenhouse gas abatement to labor practices in your supply chain.

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

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

<table>
<thead>
<tr>
<th>Target: According to your Action Plan, what did you set out to do?</th>
<th>Actual: What did you achieve?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Joining and participating in a community-based litter reduction program (e.g. Clean Up Australia Day).</td>
<td>Lack of resources in organising in 2014.</td>
</tr>
</tbody>
</table>

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

Goal 3: Product Stewardship

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

Rating 1

Rating Comments: KPI 8 requires you to identify your organisation's potential litter impacts, be they onsite or at the point of consumption and identifying ways to address litter in the environment.

Participating in Clean Up Australia Day is one way to address this KPI, but more broadly there would be potential for you to minimise downstream litter, by ensuring your products and packaging are labeled with recycling logos where appropriate.
Your Experiences

This section lets you share with us any achievements, good news stories and areas of difficulties in making progress against your plan and the Covenant goals and KPIs.

30. Key achievements or good news stories

1. HP report progress made in human, economic and environmental progress in HP 2013 Living Progress Report. Packaging strategy and progress highlights can be found on Page 105 of GCR. Link to HP Living Progress: http://www.hp.com/livingprogress

2. In the CDP S&P 500 Climate Change Report 2014 released on 23Sep14, HP received the highest possible disclosure score, 100 out of 100 points. This resulted in HP’s placement on the Climate Disclosure Leadership Index, which spotlights companies that have demonstrated the highest level of transparency and data quality in their disclosure of climate-related information. Report: https://www.cdp.net/CDPResults/CDP-SP500-leaders-report-2014.pdf

3. In Sep2014, HP won the ARN ICT Sustainability Award, which recognises a company that has worked hard to minimise its customers’, and its own, impact on the environment. From reducing power usage, to sustainable recycling practices, this award is presented to a company making real investments and progress in keeping the world ecologically sound.

31. Areas of difficulties in making progress against your plan, Covenant goals or KPIs

Summary of ratings:

<table>
<thead>
<tr>
<th>KPI</th>
<th>2015 Rating (0-5)</th>
<th>2014 comparison</th>
<th>2013 comparison</th>
<th>2012 comparison</th>
</tr>
</thead>
<tbody>
<tr>
<td>KPI 1</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>KPI 3</td>
<td>4</td>
<td>3</td>
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<td>3</td>
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<tr>
<td>KPI 4</td>
<td>4</td>
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<tr>
<td>KPI 6</td>
<td>4</td>
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<td>4</td>
</tr>
<tr>
<td>KPI 7</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>KPI 8</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

Average rating for this signatory: 3.8 4.0 3.3 3.8

Average rating across all signatories: 3.0 2.8 2.9 2.8

You have a systematic way of engaging with others, and have demonstrated that you are an active member of your supply chain. Sustainability and product stewardship is clearly widely embedded in your business. You have demonstrated additional initiatives that tie in to your ability to reduce, reuse and recycle, and have engaged with the environment and community around you to achieve positive outcomes in other areas, in a ranging from greenhouse gas abatement to labor practices in your supply chain.

You have demonstrated clear leadership in the way you have actively managed the majority of these KPIs, it is recommended that you review the requirements of KPI 8 specifically, some examples of other suitable targets for this KPI (should resourcing continue to be a barrier) are available here: http://bit.ly/1gZAxzT