



Hewlett Packard
Enterprise

Living Progress 2015 Data Summary





Meg Whitman
Hewlett Packard Enterprise CEO

“Uniting people, ideas, and technology to solve the world’s toughest challenges is at the heart of HPE. We call this Living Progress.”

Hewlett Packard Enterprise (HPE) was launched on November 1, 2015, after separating from our legacy company, Hewlett-Packard Company. HPE helps customers use technology to slash the time it takes to turn ideas into value. In turn, they transform industries, markets, and lives.

Accelerating Next is our strategy to be more agile than ever before. HPE is already the No. 1 or No. 2 provider of servers, storage, software, and wired and wireless networking globally, and we are strongly positioned to deliver it all—hardware, software, and services—to our customers.

Hewlett-Packard Company had a long and highly respected history of transparency, and it published detailed data on its social, economic, and environmental performance annually. This document continues that tradition. Because HPE’s fiscal year 2015 was one of separation, the data reflects the historical performance of our combined legacy company. Next year, we will publish HPE data on a stand-alone basis.

This data summary for 2015 HPE Living Progress performance is published together with a forward-looking HPE Living Progress Positions, Policies, and Programs document. Where relevant, we have included links between the documents to show how Hewlett-Packard Company’s performance relates to HPE’s current Living Progress activities. All data reported in this document refers to Hewlett-Packard Company’s fiscal year (November 1 through October 31) unless stated otherwise.

Living Progress

Living Progress is our framework for thinking about how we do business. The programs and initiatives follow three distinct themes: Accelerating Efficiency, Accelerating Fairness, and Accelerating Opportunity.

Assurance

We engaged external assurance provider Ernst & Young LLP (EY) to perform an independent review of a selected number of key performance indicators in this data Index (in accordance with attestation standards established by the American Institute of Certified Public Accountants, including AT-101 Statements on Standards for Attestation Engagements, of the American Institute of Certified Public Accountants). Please see the scope of EY’s work [here](#).

 This symbol, found throughout this report, is a hyperlink to **HPE Living Progress Positions, Policies, and Programs**, where you can find further in-depth information.

 Download the **HPE Living Progress 2015 GRI Index** [here](#).

Data Highlights 2015

14%

reduction in
GHG emissions

Hewlett-Packard Company reduced its operations carbon footprint (Scope 1 and 2) by 14% from 2014 and 29% compared to its 2010 baseline.

>77k

supply chain managers
and workers trained

From 2007 to 2015, Hewlett-Packard Company trained over 77k workers and managers on personal well-being and social & environmental responsibility management through its capability-building programs.

\$90m

investment in
social initiatives

Hewlett-Packard Company invested nearly \$90 million in social initiatives, including more than \$17 million in cash and more than \$72 million in products and services in 2015.

Goals and progress

4

ENVIRONMENTAL

Accelerating Efficiency

Sustainably meeting the data needs of the future

We're building the information architecture of tomorrow. With fast-growing populations and an expanding middle class in emerging economies, data generation is accelerating—growth which requires more and more energy and resources.

To solve this challenge, we're Accelerating Efficiency to deliver environmentally sustainable IT products and services. We've created radical improvements in data processing and storage. We're reducing waste, increasing processing power per watt, conserving water, limiting the use of hazardous substances, and actively managing products at all stages of their lifecycle.

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HUMAN

Accelerating Fairness

Advancing human progress through the way we work

People are the heart of every business. Across the entire value chain, from our global suppliers and employees to customers, partners, and the communities served by HPE, we're working to enrich lives and advance human progress around the world.

Accelerating Fairness is our approach to social responsibility. It's about applying ethical principles everywhere—from the ways in which we source products and parts, to the conduct of our employees at all levels, and even to how our products and services are used. We're also working to enhance data security, protect privacy, and ensure that individuals and communities feel free to express their views without fear.

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ECONOMIC

Accelerating Opportunity

Empowering people to drive economic progress

Technology turns ideas into solutions that transform entire industries. The tools enabling this disruption, like cloud computing, mobile technology, and big data analytics, are also sparking social change at an unprecedented pace and scale.

Accelerating Opportunity means opening up economic progress to all, acting swiftly to close the gap for those excluded from technology. It's about increasing access to information and markets, along with financial and social services, education, and employment.

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Goals and progress

	Goal	Progress as of 2015	
20%	Supply chain GHG: 2020 Goal Decrease first-tier manufacturing and product transportation-related GHG emissions intensity ¹ in our supply chain by 20% compared to 2010.	20%	●
2m	Supplier support GHG: 2020 Goal Assist our suppliers in preventing 2 million tonnes carbon dioxide equivalent (CO ₂ e) of GHG emissions, cumulatively between 2010 and 2020 through specific supplier environmental improvement projects.	0.8m	●
20%	Operations GHG: 2020 Goal Reduce total GHG emissions from our operations (Scope 1 and Scope 2) by 20% compared to 2010.	29%	●
20%	Water: 2020 Goal Reduce freshwater consumption (per employee) at Hewlett-Packard Company office sites by 20% compared to 2010.	26%	●
20%	Fleet GHG: 2020 Goal Reduce Hewlett-Packard Company owned and leased auto fleet total GHG emissions by 20% compared to 2010.	20%	●
10%	Fleet GHG intensity: 2015 Goal Reduce GHG emissions from Hewlett-Packard Company's U.S. auto fleet by 10% on a per-unit basis compared to 2010.	10%	●
40%	Product use phase: 2020 Goal Reduce the emissions intensity of our product portfolio ² by 40% compared to 2010. ³	26%	●
3.5bn	Recycling: 2015 Goal Recycle 3.5 billion pounds (1.6 million tonnes) of electronic products and supplies by the end of 2015 (since 1987).	3.4bn	●
40m	Reuse: 2015 Goal Reuse 40 million electronic products and accessory units by the end of 2015 (since 2003).	44m	●

Hewlett-Packard Company continued to make progress toward its 2015 and 2020 goals this year, fulfilling some of these goals early. In future years, HPE will be setting new goals in similar areas of focus and will continue to report on our progress.

Key:

- Goal met or exceeded
- On target
- Goal missed

¹ Emissions intensity calculated by dividing Hewlett-Packard Company's suppliers' GHG emissions by Hewlett-Packard Company's annual revenue. This method normalizes performance based on business productivity.

² Emissions intensity of the Hewlett-Packard Company product portfolio refers to tonnes CO₂e/net revenue arising from use of high-volume product lines, including notebooks, tablets, desktops, mobile computing devices, and workstations; inkjet and LaserJet printers; and servers, including industry-standard servers, Moonshot and Apollo.

³ Expressed as emissions generated per unit of output. Calculations for personal systems are based on energy use—measured as emissions per unit (a single device). Calculations for printers include energy use, paper, ink, and toner cartridges—measured as emissions per unit (a single device). Calculations for servers are based on energy use, measured as emissions per unit of work (a task performed by the system, as defined by industry standards).

Accelerating Efficiency Data (Environmental)

Carbon footprint

In 2015, Hewlett-Packard Company's total carbon footprint across its value chain totaled 45,432,100 tonnes CO₂e, an 11% decrease from 2014. Reductions in product energy use, representing more than half of Hewlett-Packard Company's 2015 emissions, accounted for most of this change. Hewlett-Packard Company's continued transition from larger desktops to smaller, less energy intensive machines, including

notebooks and tablets, combined with increased server energy efficiency, were both significant contributors to this result.

Scope 1 and 2 emissions decreased by 14% from 2014, and 29% from the 2010 baseline. Hewlett-Packard Company achieved its 2020 goal to reduce Scope 1 and Scope 2 GHG emissions from operations by 20% compared to 2010. The reduction resulted largely from energy efficiency

measures and renewable energy purchasing. Hewlett-Packard Company signed a 12-year power purchase agreement (PPA) for 112 megawatts (MW) of wind power, which is sufficient to power 100% of the company's Texas-based data center operations.

Learn more about HPE's work on energy-related issues here. [↓](#)

11%

reduction in value chain GHG emissions

Hewlett-Packard Company reduced its carbon footprint, across its value chain (Scopes 1, 2 and 3), by 11% from 2014.

Carbon footprint (Scopes 1, 2 and 3)

	2010	2011	2012	2013	2014	2015
GHG emissions (Scopes 1, 2 and 3) (tonnes CO₂e)	-	-	-	54,125,200	50,967,700	45,432,100
Scope 1	326,200	309,900	247,400	208,300	210,800	188,300
Scope 2 (market-based method)	1,690,500	1,639,900	1,603,000	1,556,800	1,456,900	1,243,800
Scope 3	-	-	-	52,360,000	47,400,000	44,000,000

Operations (Scope 1 and 2) emission details

	2010	2011	2012	2013	2014	2015
GHG emissions from operations⁴ (tonnes CO₂e)	2,016,700	1,949,800	1,850,400	1,765,100	1,667,700	1,432,100
Americas	1,197,300	1,160,600	1,069,900	1,023,900	992,100	740,900
Europe, Middle East, and Africa	358,900	284,700	267,800	259,500	232,800	270,600
Asia Pacific and Japan	460,500	504,500	512,700	481,700	442,800	420,600
GHG emissions intensity⁵ (tonnes CO₂e/\$ million of net revenue)	16.0	15.3	15.4	15.7	15.0	13.9

GHG emissions Scope 1

	2010	2011	2012	2013	2014	2015
Scope 1 emissions by region (tonnes CO₂e)	326,200	309,900	247,400	208,300	210,800	188,300
Americas	193,000	184,600	145,400	123,000	129,200	117,000
Europe, Middle East, and Africa	103,300	102,100	83,600	73,800	72,200	65,700
Asia Pacific and Japan	29,900	23,200	18,400	11,500	9,400	5,600
Scope 1 emissions by type						
Natural gas (tonnes CO₂e)	84,700	77,100	64,500	63,300	62,900	54,700
Americas	51,400	45,400	37,300	36,100	37,100	31,400
Europe, Middle East, and Africa	31,800	30,300	25,600	25,500	24,000	22,100
Asia Pacific and Japan	1,500	1,400	1,600	1,700	1,800	1,200

⁴ Total includes Hewlett-Packard Company's reported values for Scope 1 and Scope 2 market-based method emissions in table.

⁵ Emissions-intensity values were calculated using Hewlett-Packard Company's annual revenue as characterized in financial reporting and Scope 1 and Scope 2 GHG emissions.

(GHG Emissions Scope 1 continued)	2010	2011	2012	2013	2014	2015
Diesel/gas/oil⁶ (tonnes CO₂e)	16,100	7,300	8,700	7,200	4,500	3,200
Americas	3,200	1,400	2,500	2,500	2,800	1,800
Europe, Middle East, and Africa	1,000	900	600	1,200	400	500
Asia Pacific and Japan	11,900	5,000	5,600	3,500	1,300	900
Transportation fleet⁷ (tonnes CO₂e)	144,800	142,800	133,100	112,200	115,100	110,900
Americas	80,300	77,200	78,900	69,600	73,200	70,000
Europe, Middle East, and Africa	63,700	61,700	51,100	41,500	40,800	39,700
Asia Pacific and Japan	800	3,900	3,100	1,100	1,100	1,200
Refrigerants (hydrofluorocarbons (HFCs)) (tonnes CO₂e)	77,000	75,200	37,500	21,300	24,400	16,600
Americas	54,500	53,100	23,100	10,500	12,200	10,900
Europe, Middle East, and Africa	6,800	9,200	6,300	5,600	7,000	3,400
Asia Pacific and Japan	15,700	12,900	8,100	5,200	5,200	2,300
Perfluorocarbons⁸ (PFCs) (tonnes CO₂e)	3,600	7,500	3,600	4,300	3,900	2,900
Americas	3,600	7,500	3,600	4,300	3,900	2,900
Europe, Middle East, and Africa	0	0	0	0	0	0
Asia Pacific and Japan	0	0	0	0	0	0

⁶ Hewlett-Packard Company does not estimate or extrapolate diesel use for nonreporting sites.

⁷ CO₂e emissions associated with CH₄ and N₂O were calculated and reported for the first time in 2014. These emissions account for less than 1% of total CO₂e emissions in this category.

⁸ Data are based on the calendar year.

⁹ For 2015, Hewlett-Packard Company did not obtain supplier-specific emission rates other than the emission rate for the Palo Alto site due to the feasibility of acquiring the data.

¹⁰ Data in this section for 2015 use the market-based method. Data for 2011–2014 reflect a similar approach, using location-based method totals and subtracting the GHG emissions impact from renewables and zero/low-carbon energy.

¹¹ Because of the Hewlett-Packard Company separation at the end of 2015, 2010 base year emissions were not recalculated. However, HPE will recalculate its base year emissions in the event of Merger, Acquisition, Divestment and Outsourcing activity changing the baseline by a materiality threshold of 10%.

GHG emissions Scope 2 (market-based method)^{9, 10, 11}

	2010	2011	2012	2013	2014	2015
Scope 2 emissions by region (tonnes CO₂e)	1,690,500	1,639,900	1,603,000	1,556,800	1,456,900	1,243,800
Americas	1,004,300	976,000	924,500	900,900	862,900	623,900
Europe, Middle East, and Africa	255,600	182,600	184,200	185,700	160,600	204,900
Asia Pacific and Japan	430,600	481,300	494,300	470,200	433,400	415,000
Scope 2 emissions by type	1,690,500	1,639,900	1,603,000	1,556,800	1,456,900	1,243,800
Purchased electricity for operations (tonnes CO₂e)¹²	1,689,600	1,910,100	1,895,200	1,845,000	1,757,200	1,240,800
Americas	1,004,300	1,055,900	1,020,500	990,800	963,600	623,900
Europe, Middle East, and Africa	255,400	379,200	384,800	387,800	363,300	204,700
Asia Pacific and Japan	429,900	475,000	489,900	466,400	430,300	412,200
District cooling (purchased) for operations (tonnes CO₂e)	900	6,500	4,600	4,000	3,300	3,000
Americas	0	0	0	0	0	0
Europe, Middle East, and Africa	200	200	200	200	200	200
Asia Pacific and Japan	700	6,300	4,400	3,800	3,100	2,800
Reductions from voluntary purchases of renewable energy and renewable energy credits¹³ (tonnes CO₂e)	-149,900	-224,600	-242,100	-239,700	-257,300	-
Americas	-66,300	-79,900	-96,000	-89,900	-100,700	-
Europe, Middle East, and Africa	-83,600	-144,700	-146,100	-149,800	-156,600	-
Asia Pacific and Japan	0	0	0	0	0	-
Reductions from voluntary upgrades to other no/low-carbon energy sources (such as large hydro) (tonnes CO₂e)	-56,400	-52,100	-54,700	-52,500	-46,300	-
Americas	0	0	0	0	0	-
Europe, Middle East, and Africa	-56,400	-52,100	-54,700	-52,500	-46,300	-
Asia Pacific and Japan	0	0	0	0	0	-

¹² Previously published data for 2010–2014 have been adjusted to incorporate the avoided emissions from voluntary purchases of renewable energy, renewable energy credits, and low/no-carbon energy so that the totals more closely align with the new market-based method.

¹³ Data are not included for 2015, because these data are not relevant to the market-based method. For 2015, these reductions are reflected in the totals for “Purchased electricity for operations” above.

GHG emissions Scope 2 (location-based method)¹⁴

	2010	2011	2012	2013	2014	2015
Scope 2 emissions by region (tonnes CO₂e)	-	-	-	-	-	1,656,200
Americas	-	-	-	-	-	886,900
Europe, Middle East, and Africa	-	-	-	-	-	354,300
Asia Pacific and Japan	-	-	-	-	-	415,000
Scope 2 emissions by type	-	-	-	-	-	1,656,200
Purchased electricity for operations (tonnes CO₂e)	-	-	-	-	-	1,653,200
Americas	-	-	-	-	-	886,900
Europe, Middle East, and Africa	-	-	-	-	-	354,100
Asia Pacific and Japan	-	-	-	-	-	412,200
District cooling (purchased) for operations (tonnes CO₂e)	-	-	-	-	-	3,000
Americas	-	-	-	-	-	0
Europe, Middle East, and Africa	-	-	-	-	-	200
Asia Pacific and Japan	-	-	-	-	-	2,800

GHG emissions Scope 3

	Category	2010	2011	2012	2013	2014	2015
Scope 3 emissions (tonnes CO₂e)		-	-	-	52,360,000	47,400,000	44,000,000
Materials extraction through manufacturing ¹⁵	1	-	-	-	17,800,000	17,600,000	16,600,000
Capital goods	2	-	-	-	500,000	500,000	400,000
Upstream energy production	3	-	-	-	300,000	300,000	300,000
Transport ¹⁶	4, 9	-	-	-	1,900,000	1,700,000	1,500,000
Waste generated in operations	5	-	-	-	De minimis ¹⁷	De minimis	De minimis
Commercial air travel ¹⁸	6	-	-	-	260,000	200,000	200,000
Employee commuting	7	-	-	-	900,000	800,000	900,000
Upstream leased assets	8	-	-	-	0 ¹⁹	0	0
Processing of solid products	10	-	-	-	De minimis	De minimis	De minimis
Product use ²⁰	11	-	-	-	30,700,000	26,300,000	24,100,000
Product end of life	12	-	-	-	De minimis	De minimis	De minimis
Buildings leased to others	13	-	-	-	De minimis	De minimis	De minimis
Franchises	14	-	-	-	Not applicable	Not applicable	Not applicable
Investments	15	-	-	-	De minimis	De minimis	De minimis

¹⁴ Data calculated using the location-based method are not included for 2010–2014, because Hewlett-Packard Company used a variation on the market-based method to calculate Scope 2 GHG emissions for those years. See note 10.

¹⁵ Also see Energy use and greenhouse gas emissions in our operations and value chain here. 

¹⁶ Also see [Supply chain environmental impact](#).

¹⁷ De minimis values are less than 0.25% of total Scope 3 emissions.

¹⁸ Values were provided by Hewlett-Packard Company's global travel agency, which factors in the type of aircraft, passenger and cargo load, cabin class, and miles traveled for each ticketed trip.

¹⁹ All facilities accounted for in Scope 1 and 2.

²⁰ Hewlett-Packard Company improved the accuracy of carbon footprint calculations in FY14 for personal systems, printers, and servers. The personal systems carbon footprint calculation methodology changed due to product carbon footprint data becoming available for many more products. The printers calculation methodology for electricity and paper use utilizes paper consumption field data rather than estimates (Field data was previously not available.) The methodology for carbon emissions from servers uses a more accurate data source for shipped volumes, discovered this year. To enhance year-over-year comparability, FY13 printer- and server-related emissions and water use were restated based on the new methodologies and data sources. Personal systems-related emissions were not recalculated.

Water footprint

In 2015, Hewlett-Packard Company's water footprint across the value chain was 296,140,000 cubic meters. The majority of the company's water

footprint was water consumption associated with the generation of electricity used by Hewlett-Packard Company products.

Read more about HPE's approach to water use here. [↓](#)

12%

reduction in
water footprint

Hewlett-Packard Company reduced its water footprint, across its value chain, by 12% from 2014.

Water footprint

	2013	2014	2015
Hewlett-Packard Company water footprint (cubic metres)	364,778,000	335,216,000	296,140,000
Water consumed by Hewlett-Packard Company suppliers in their operations ²¹	23,214,000	23,296,000	21,664,000
Water consumption associated with the generation of electricity used by Hewlett-Packard Company suppliers	60,342,000	60,811,000	57,019,000
Water consumption in Hewlett-Packard Company operations	7,684,000	7,431,000	7,226,000
Water consumption associated with the generation of electricity used in Hewlett-Packard Company operations	16,149,000	15,391,000	15,025,000
Water consumption associated with the generation of electricity used by Hewlett-Packard Company products	213,691,000	176,960,000	148,451,000
Water consumption associated with the manufacturing of paper used by Hewlett-Packard Company customers with Hewlett-Packard Company products ²²	43,698,000	51,327,000	46,755,000

²¹ This metric reports the amount of water consumed by Hewlett-Packard Company's multi-tier supply chain, and not the amount withdrawn by first-tier suppliers as reported in **Supply chain environmental impact**. Because water withdrawn can also be returned, water consumption is inherently lower.

²² Hewlett-Packard Company improved the accuracy of water footprint calculations in 2015 related to printers by incorporating new customer use data on observed duplex rates into our methodology. Relevant data for 2014 were restated to reflect this change.

Operations

This section contains information about Hewlett-Packard Company's energy use, water consumption, waste management, and refrigerant emissions. Carbon emissions from its own operations are reported in the [Carbon footprint](#) section.

In 2015, Hewlett-Packard Company operations consumed 3,698 million kWh of energy, 4% less than in 2014 and a 15% decrease from the 2010 baseline. Operational energy intensity equaled 35,800 kWh per \$ million of net revenue, a 4% increase from 2014 and a 4% increase compared to 2010.

Hewlett-Packard Company significantly increased its renewable energy purchasing, signing a

12-year power purchase agreement (PPA) for 112 megawatts (MW) of wind power, which is sufficient to power 100% of the company's Texas-based data center operations.

Water consumption decreased in 2015 by 3% from 2014 and by 18% from the 2010 baseline, totaling 7,226,000 cubic meters of water. The majority of the water was used in building services, cooling, and landscape irrigation. Reductions in water use resulted from decreasing irrigation in drought-affected areas and resolving significant leaks. Hewlett-Packard Company also achieved its goal to reduce freshwater consumption per employee at office sites by 20% against a 2010 baseline.

Total waste generation at Hewlett-Packard Company in 2015 equaled 70,020 tonnes, a 1% increase from 2014. Nonhazardous waste constituted 90% of the total, and the nonhazardous waste landfill diversion rate was 87%.

Learn about HPE's approach to:

- Energy use and greenhouse gas emissions in our operations and value chain here. [↓](#)
- Water in our operations and value chain here. [↓](#)
- Waste and hazardous materials in our operations and value chain here. [↓](#)

4%

reduction in
operational
energy use

In 2015, Hewlett-Packard Company operations consumed 4% less energy than in 2014.

²³ All data reported in this section refers to Hewlett-Packard Company operations through October 31, 2015, prior to the company's separation, unless stated otherwise. As of October 31, 2015, Hewlett-Packard Company owned and leased 672 sites in 96 countries. This report includes data from 299 sites, including administration and support, core data centers, manufacturing plants, research and development facilities, and warehouse operations. These 299 sites represented 83.9% of Hewlett-Packard Company's total floor space of 6.50 million square meters. Data was extrapolated from comparable data centers and offices for the remaining floor space, unless stated otherwise.

²⁴ Some segments do not add up to total due to rounding.

²⁵ Historical energy intensity values were calculated using Hewlett-Packard Company's annual revenue as characterized in financial reporting and direct and indirect energy use.

²⁶ Fuel consumption from Hewlett-Packard Company's transportation fleet is not included in the "Direct energy use in operations figures".

²⁷ Diesel is mostly used at Hewlett-Packard Company for testing generators. In limited cases, diesel is also used for long-term on-site energy generation.

²⁸ Renewable energy and renewable energy credits, excluding renewable energy provided by default in the power grid.

Operations^{23, 24}

	2010	2011	2012	2013	2014	2015
Energy use (million kWh)	4,328	4,250	4,122	4,018	3,852	3,698
Energy intensity²⁵ (thousand kWh/\$ million of net revenue)	34.3	33.4	34.2	35.8	34.6	35.8
Direct energy use in operations (corresponds to Scope 1 emissions)²⁶	503	448	380	371	367	320
Natural gas (million kWh)	465	423	354	348	345	300
Americas	283	249	205	199	204	172
Europe, Middle East, and Africa	175	166	141	140	132	121
Asia Pacific and Japan	8	8	9	9	10	7
Electricity (generated on site) (million kWh)	38	24	25	23	22	20
Renewable (generated on site) (million kWh)	2	3	3	3	7	8
Diesel/gas/oil/LPG ²⁷ (million kWh)	36	22	22	20	15	12
Indirect energy use (corresponds to Scope 2 emissions)	3,824	3,803	3,742	3,647	3,484	3,378
Electricity (purchased) (million kWh)	3,823	3,793	3,735	3,642	3,480	3,373
Americas	2,224	2,187	2,115	2,055	1,992	1,942
Europe, Middle East, and Africa	1,006	952	947	941	880	843
Asia Pacific and Japan	592	654	673	645	608	588
Voluntary purchases of renewable energy ²⁸ (million kWh)	309	467	494	496	528	814
Voluntary purchase of zero-carbon energy (million kWh)	131	125	131	125	111	93
District cooling and heating (purchased) (million kWh)	2	10	7	6	5	4
Americas	0	0	0	0	0	0
Europe, Middle East, and Africa	1	0	0	0	0	0
Asia Pacific and Japan	1	9	6	5	4	4

(Operations continued)	2010	2011	2012	2013	2014	2015
Nonhazardous waste (tonnes)	92,500	82,900	117,600	70,800	63,200	63,200
Americas	55,800	51,300	88,900	43,000	36,800	34,200
Europe, Middle East, and Africa	19,400	15,900	13,500	12,800	11,900	12,100
Asia Pacific and Japan	17,300	15,800	15,200	15,000	14,500	16,900
Nonhazardous waste landfill diversion rate (percentage of total produced)	84.8%	82.1%	88.2%	87.0%	88.0%	87.2%
Americas	81.8%	80.4%	88.9%	85.4%	85.8%	85.2%
Europe, Middle East, and Africa	89.3%	87.4%	89.1%	93.0%	92.9%	90.6%
Asia Pacific and Japan	89.6%	82.0%	83.3%	86.4%	89.6%	88.8%
Hazardous waste (tonnes)	8,400	7,400	8,060	7,920	6,470	6,850
Americas	3,600	3,030	2,760	2,020	2,560	1,990
Europe, Middle East, and Africa	2,570	2,560	3,040	3,560	1,910	1,740
Asia Pacific and Japan	2,270	1,810	2,270	2,340	2,000	3,120
Water consumption, by region (cubic meters)	8,807,000	8,517,000	8,542,000	7,665,000	7,431,000	7,226,000
Americas	5,249,000	4,836,000	4,643,000	4,011,000	3,789,000	3,627,000
Europe, Middle East, and Africa	1,205,000	1,245,000	1,291,000	1,113,000	982,000	901,000
Asia Pacific and Japan	2,353,000	2,436,000	2,608,000	2,540,000	2,660,000	2,698,000
Water consumption, by source²⁹ (cubic meters)	8,807,000	8,517,000	8,542,000	7,665,000	7,431,000	7,226,000
Municipal water	8,059,000	7,811,000	7,742,000	6,786,000	6,507,000	6,401,000
Tanker water ³⁰	0	0	0	124,000	137,000	121,000
Wastewater from another organization (NeWater) ³¹	748,000	707,000	800,000	734,000	780,000	703,000
Well water	0	0	0	21,000	7,000	1,000
Reused treated sewage treatment plant water ³²	0	0	0	98,000	93,000	48,000
Ozone depletion potential of estimated emissions³³ (kg of CFC-11 equivalent)	9,168	6,678	474	305	330	220
Americas	6,493	5,894	320	149	234	175
Europe, Middle East, and Africa	59	82	45	46	19	1
Asia Pacific and Japan	2,616	702	110	111	77	44

87%

waste diversion rate

In 2015, Hewlett-Packard Company achieved an 87% nonhazardous waste landfill diversion rate.

²⁹ Prior to 2013, well water and tanker water were included in the Municipal water category. Direct use of surface water and rainwater are insignificant and not included in data reported.

³⁰ Well water that is delivered to the site by tanker truck.

³¹ NeWater is ultrapurified wastewater used in manufacturing operations in Singapore.

³² This water is used for landscaping and toilets.

³³ In 2012, Hewlett-Packard Company began to calculate Ozone-depleting substance (ODS) emissions by tracking sites that have reported replacing refrigerants due to leakage. An intensity factor based on actual quantities is applied to nonreporting sites. Previously, the level of leakage across the entire real estate portfolio was estimated based on the inventory of refrigerants in equipment and in storage.

Supply chain environmental impact

Through December 2014, the most recent year for which data is available, Hewlett-Packard Company achieved its industry-first goal to reduce the GHG emissions intensity of first-tier manufacturing and product transportation suppliers by 20% by 2020, from a baseline of 2010.

In 2015, Hewlett-Packard Company achieved 40% of its secondary goal to help suppliers cut 2 million tonnes of their CO₂e emissions between 2010 and 2020. Through Hewlett-Packard Company's Energy Efficiency Program (EEP), participants developed energy-saving action plans targeting local efficiency improvements. Through participation in EEP, suppliers have cumulatively avoided 800,000 tonnes CO₂e of emissions and saved more than \$65 million.

Other highlights of supply chain environmental impact achievements include:

- Hewlett-Packard Company worked closely with first-tier suppliers to ensure that sub-tier suppliers met standards for environmental performance. Since 2012, Hewlett-Packard Company assessed more than 830 of its sub-tier suppliers in China against the Institute of Public and Environmental Affairs' list of environmental violations of local laws related to air and water pollution, and waste. Of the 13 suppliers found to be in violation of local laws in 2015, 100% provided corrective and preventive action plans or monitoring reports, validating that the issues were addressed and closed.

- By the end of 2014, the most recent year for which data is available, 94% of production suppliers had GHG emission reduction-related goals (up from 89% year prior), and 71% had water-related goals (up from 59% year prior).
- By the end of 2014, the most recent year for which data is available, Hewlett-Packard Company collected water data from production suppliers representing 72% of supplier spend, up from 50% the year prior, as a result of improved data collection and supplier monitoring and reporting.

Learn more about HPE's work on supply chain environmental impact issues here. [📄](#)

Supplier GHG emissions performance

	2011	2012	2013	2014	2015
Reduction in first-tier manufacturing and product transportation-related GHG emissions intensity³⁴ (tonnes CO₂e/\$ million of Hewlett-Packard Company net revenue, 2010 = 100%)	92%	88%	80%	80%	-
Production supplier GHG emissions³⁵					
Production supplier Scope 1 and Scope 2 emissions ³⁶ (tonnes CO ₂ e)	4,100,000	3,700,000	3,200,000	3,600,000	-
Production supplier Scope 3 emissions ³⁷ (tonnes CO ₂ e)	6,400,000	12,200,000	22,500,000	19,800,000	-
Production suppliers with GHG emissions reduction-related goals (% spend)	-	89%	69%	94%	-
Estimated total GHG emissions from product transport³⁸	1,900,000	1,700,000	1,600,000	1,700,000	1,600,000
Road (includes rail)	400,000	500,000	400,000	400,000	400,000
Ocean	200,000	300,000	400,000	400,000	300,000
Air	1,300,000	900,000	800,000	900,000	900,000
Nonproduction supplier GHG emissions³⁹					
Nonproduction supplier Scope 1 and Scope 2 emissions (tonnes CO ₂ e)	-	1,200,000	1,300,000	700,000 ⁴⁰	-
Production supplier water withdrawal⁴¹					
Production supplier water withdrawal for use (cubic meters)	73,000,000	44,000,000	46,000,000	52,000,000	-
Production suppliers with water withdrawal-related goals (% of spend)	38%	41%	59%	71%	-
Production supplier waste generation⁴²					
Production supplier nonhazardous waste generation (tonnes)	-	179,000	163,000	213,000	-
Production supplier hazardous waste generation (tonnes)	-	60,000	74,000	85,000	-
Production suppliers with waste-related goals (% of spend)	-	44%	59%	59%	-

³⁴ Intensity is calculated as suppliers' GHG emissions divided by Hewlett-Packard Company's annual revenue. This method normalizes performance based on business productivity. Intensity is reported as a three-year rolling average. Production supplier GHG emissions include Scope 1 and Scope 2.

³⁵ Emissions are estimated based on suppliers' emissions and their dollar volume of Hewlett-Packard Company business compared to their total revenue. The majority of these companies report on a calendar year basis. The year 2014 is the most recent for which data is available. Updated production supplier data for 2010–2013 includes revised estimated data from one of our suppliers and extrapolation to 100% of first-tier production suppliers. For each year 2011–2014, data collected represented 95% of supplier spend.

³⁶ Data for 2011, 2012 and 2013 are revised from previous reporting due to revisions submitted by suppliers this year.

³⁷ Suppliers may not report all Scope 3 categories, although the number of categories reported by many suppliers has increased over the last few years. For this reason, and due to increased accuracy in reporting, we have seen substantial variance in the amounts reported over the last few years.

³⁸ The figures for product transport GHG emissions are based on data reported by logistics service providers that Hewlett-Packard Company contracted to deliver products. They may differ from the product lifecycle assessment-based transportation emission estimates presented in the [Scope 3 footprint](#), which are based on a different calculation methodology, use a combination of Hewlett-Packard Company-specific and industry data, and include additional upstream and downstream transport related to our products, as well as retail and storage.

³⁹ Emissions are estimated based on suppliers' emissions and their dollar volume of Hewlett-Packard Company business compared to their total revenue. Data are extrapolated to 100% of first-tier nonproduction suppliers. The majority of these companies report on a calendar year basis. For 2012, data collected represented 27% of supplier spend; for 2013, 24%; for 2014, 31%. Due to the level of estimation and rounding involved in these calculations, we are unable to determine whether the differences between 2012, 2013 and 2014 reflect changes in actual supplier performance.

(Footnotes 40–42 are on page 12.)

Materials and packaging

Hewlett-Packard Company continued to assess the materials used in products and packaging to minimize environmental and human impacts across its value chain. In 2015, packaging innovations by Hewlett-Packard Company and its suppliers included reducing material usage, optimizing shipping densities, and utilizing recycled materials. These improvements reduced Hewlett-Packard Company's environmental impact and saved costs.

Learn more about HPE's approach to:

- Substances of concern in products here. 
- Product lifecycle management here. 
- Waste and hazardous materials here. 

Packaging environmental and cost benefits as a result of innovations by Hewlett-Packard Company and its suppliers

	2015
CO ₂ e emissions avoided (tonnes)	14,000
Packaging material reduced, compared to previous generation products (tonnes)	5,900
Recycled foam and wood packaging material used (tonnes)	15,100
Recycled cushion material used (tonnes)	657
Financial savings	\$9 million

Materials use intensity for high volume personal systems and printers⁴³

(Tonnes/\$ millions of net revenue)	Personal systems		Printers	
	2014	2015	2014	2015
Metal	4.5	3.6	14.7	15.4
Plastics	1.9	1.5	28.0	30.9
Wires/cables	0.8	0.6	0.4	0.4
PCAs	0.7	0.6	1.7	1.7
LCDs	1.4	1.2	0.0	0.0
Batteries	0.3	0.2	0.0	0.0
Total	9.4	7.7	45.0	48.0

⁴⁰ We believe the decrease from 2013 to 2014 reflects more sophisticated reporting by some suppliers rather than a substantial reduction in emissions.

⁴¹ This metric reports the amount of water withdrawn by our first-tier suppliers for manufacturing, materials and components, not the amount consumed by our multi-tier supply chain as reported in our **water footprint**. Because water withdrawal can also be returned, this footprint is inherently larger. Withdrawal is estimated based on suppliers' reported water withdrawal and their dollar volume of Hewlett-Packard Company business compared to their total revenue. The majority of these companies report on a calendar year basis. The year 2014 is the most recent for which data is available. Data for all years reflects extrapolation to 100% of first-tier production suppliers. For 2011, data collected represented 38% of supplier spend; for 2012, 62%; for 2013, 50%; for 2014, 72%.

⁴² Waste data is estimated based on suppliers' waste data and their dollar volume of Hewlett-Packard Company business compared to their total revenue. The majority of these companies report on a calendar year basis. The year 2014 is the most recent for which data is available; 2012 is the earliest. Data for all years reflects extrapolation to 100% of first-tier production suppliers. In 2012, data collected represented 54% of supplier spend for nonhazardous waste and 64% for hazardous waste. In 2013, data collected represented 48% of supplier spend for nonhazardous waste and 48% for hazardous waste. In 2014, data collected represented 55% of supplier spend for nonhazardous waste and 55% for hazardous waste.

⁴³ Personal systems data are based on individual products that are representative of the Hewlett-Packard Company product portfolio for those years. Printer values are based on individual product data. Estimates for printer volumes do not include graphic arts, industrial, web press printers, scanners, or ink or toner cartridges. Product data is based on calendar year. Net revenue data is based on Hewlett-Packard Company's fiscal year. In some cases, segments do not add up to total due to rounding.

Product return and recycling

Hewlett-Packard Company continued its take-back programs to extend the useful life of its products. In 2015, Hewlett-Packard Company

recovered 155,200 tonnes of computer hardware and supplies, of which 73.5% was recycled and 26.5% was reused.

Product return and recycling⁴⁴

	2011	2012	2013	2014	2015
Total cumulative recycling – computer hardware and supplies combined (tonnes)	1,018,400	1,152,000	1,265,000	1,383,400	1,497,500
Total cumulative recycling – computer hardware and supplies combined (million pounds)	2,245	2,540	2,789	3,050	3,301
Total reuse and recycling combined (tonnes, approximate)	160,600	159,600	134,500	157,500	155,200
Reuse of equipment ⁴⁵	26,700	26,000	21,400	39,100	41,100
Recycling – hardware and supplies	133,900	133,600	113,200	118,400	114,100
Number of countries and territories with Hewlett-Packard Company return and recycling programs	60	69	70	73	73
Total recycling, by region (tonnes)	133,900	133,600	113,200	118,400	114,100
Americas	49,600	60,165	55,200	56,700	53,700
Europe, Middle East, and Africa	77,100	67,700	50,600	53,100	51,000
Asia Pacific and Japan	7,200	5,685	7,400	8,600	9,300
Total recycling, by type (tonnes)	133,900	133,600	113,200	118,400	114,100
Hardware	113,700	114,500	95,000	100,000	96,300
HP LaserJet toner cartridges ⁴⁶	18,550	17,350	16,200	16,400	16,100
HP ink cartridges ⁴⁶	1,700	1,745	2,040	1,990	1,680
HP LaserJet toner cartridge recycling					
HP LaserJet market covered by program (%)	94%	94%	90%	91%	91%
Composition (%)					
Materials recycled into new products ⁴⁷	82.1%	80.1%	78.8%	74.6%	76.4%
Materials used for energy recovery	13.9%	15.9%	17.3%	22.4%	21.0%
Reuse of components	4.0%	4.0%	4.0%	3.0%	2.6%
Material in storage – pending processing	0.0%	0.0%	0.0%	0.0%	0.0%
Incineration	0.0%	0.0%	0.0%	0.0%	0.0%
Landfill	0.0%	0.0%	0.0%	0.0%	0.0%
HP ink cartridge recycling					
Ink market covered by program (%)	88%	88%	88%	90%	88%
Composition (%)					
Materials recovered for recycling	74.2%	69.1%	70.9%	70.4%	78.6%
Materials used for energy recovery	21.6%	29.3%	27.6%	28.9%	20.5%
Reuse of components	0.0%	0.0%	0.0%	0.0%	0.0%
Material in storage – pending processing	0.2%	0.0%	0.0%	0.4%	0.7%
Incineration	4.0%	1.5%	1.5%	0.3%	0.2%
Landfill	0.0%	0.0%	0.0%	0.0%	0.0%

155,200

tonnes of products recovered

In 2015, Hewlett-Packard Company recovered 155,200 tonnes of computer hardware and supplies.

⁴⁴ Totals include all hardware and supplies returned to Hewlett-Packard Company for processing, with ultimate dispositions including recycling, energy recovery, and, where no suitable alternatives exist, responsible disposal. Hardware recycling data from Europe, Middle East, and Africa, and HP LaserJet cartridge recycling data are calendar year. The remaining data is based on the Hewlett-Packard Company fiscal year. Although for Hewlett-Packard Company supplies we report the composition of recovered materials, we cannot provide this data for hardware because we do not have operational control over all recycling processes and therefore do not have access to this information. Some segments do not add up to total due to rounding.

⁴⁵ The decrease in tonnage from 2011 to 2013 was due to a reduction in the average weight of returned units, rather than a decline in the total number of returned units. Returned unit quantities during that period were: 2011: 3.4 million units; 2012: 3.9 million units; 2013: 3.7 million units. In 2014, Hewlett-Packard Company increased both the tonnage and the number of returned units (4.2 million units in 2014). The weight of reuse volume reported nearly doubled between 2013 and 2014. This was due to a substantial increase in the number of units returned year over year as well as a refinement to the calculation methodology used to estimate total weight. In 2015, the number of units returned increased again, to 4.9 million.

⁴⁶ Includes cartridges returned by customers only.

⁴⁷ The decrease in toner cartridge materials recycled into new products is mainly due to improvements in data collection by our contractor.

Design for the Environment

In 2015, many of Hewlett-Packard Company's product sales were covered by ECO declarations—an industry standard format for providing environmental information about products or product families.⁴⁸ Existing and potential business revenue with related environmental procurement requirements totaled approximately \$15 billion.

Twenty percent of server product families, which represents 99% of shipped volume in 2015, have a certified ENERGY STAR® model. Eighty-seven percent of personal systems models and 94% of printer models shipped in 2015 were ENERGY STAR® certified.

Learn about HPE's lifecycle approach to design here. 

⁴⁸ Does not include graphics printers, which are out of scope for IT ECO declarations.

⁴⁹ EPEAT® data is for models registered in the United States. ENERGY STAR® data is worldwide. China SEPA data applies only to products registered in China. TCO data is for displays and all-in-ones registered in Europe. All data is for models shipped anytime during calendar year 2015.

⁵⁰ Percentage of product families representing 99% of the volumes shipped that have an ENERGY STAR®-certified model.

⁵¹ Percentage of product families representing 99% of the volumes shipped that have a China SEPA-certified model.

Eco-labels across Hewlett-Packard Company's product portfolio⁴⁹

(% models, for products shipped in 2015)	EPEAT® identifies high-performance, environmentally preferable products				ENERGY STAR® recognizes products with superior energy efficiency	China SEPA recognizes energy saving and environmentally preferable products	TCO recognizes various ergonomic and environmental features related to visual displays
	EPEAT® (all categories)	EPEAT® Gold registered	EPEAT® Silver registered	EPEAT® Bronze registered			
Product group							
Personal systems	81%	46%	35%	0%	87%	54%	67%
Printers	67%	2%	51%	14%	94%	98%	N/A
Servers	N/A	N/A	N/A	N/A	20% ⁵⁰	29% ⁵¹	N/A

Design for the Environment

	2014	2015
Number of environmental product stewards	More than 50	More than 50 (more than 25 for HPE)
Existing and potential business revenue related to green procurement requirements	\$24 billion	\$15 billion

Accelerating Fairness Data (Human)

Privacy

In 2015, privacy continued to be a priority for Hewlett-Packard Company. During this period, substantiated complaints from outside parties decreased to 2 from 6 in 2014, and substantiated

complaints from regulatory or other official bodies remained at zero. Nearly all (99.9%) of Hewlett-Packard Company employees received privacy training in 2015.

Learn about HPE's approach to privacy and freedom of expression here. [↓](#)

52 Breaches of customer privacy cover any noncompliance with existing legal regulations and voluntary standards regarding the protection of customer privacy related to data for which Hewlett-Packard Company is the data controller. Substantiated complaints are written statements by regulatory or similar official bodies addressed to the organization that identify breaches of customer privacy, or complaints lodged with the organization that have been recognized as legitimate by the organization.

Number of substantiated complaints regarding breaches of customer privacy and losses of customer data, 2013–2015⁵²

	2013	2014	2015
Substantiated complaints from outside parties (including customers)	0	6 ⁵³	2
Substantiated complaints from regulatory or other official bodies	0	0	0

53 In two separate incidents emails containing nonsensitive data were sent to a number of recipients in error, and several customers reported this to Hewlett-Packard Company. These multiple notifications have been treated as one complaint for the purposes of this report.

Corporate ethics

Hewlett-Packard Company was committed to conducting business according to the highest ethical standards. To ensure proper behavior when faced with an ethical dilemma, employees were required to complete various training courses according to their roles. In 2015, 99.97% of employees completed the annual Standards of Business Conduct (SBC) refresher course, and over 80,000 employees were trained on anti-corruption topics.

Hewlett-Packard Company proudly celebrated individuals or teams that demonstrated ethical leadership or displayed Hewlett-Packard Company's values in ways that contributed to the company's success through the Ethics Champions Recognition Program. Throughout 2015, select employees were recognized and profiled in the company-wide *Integrity Matters* newsletter.

Hewlett-Packard Company encouraged employees to report ethical concerns through formal, confidential reporting channels. In 2015, employees and third parties reported 1,208 items to the Global SBC team or other compliance functions.

Learn about HPE's ethics and compliance programs here. 

⁵⁴ Some segments do not add up to total due to rounding.

⁵⁵ The Anti-corruption and Workplace security and theft categories were separated from the Other category beginning in 2013 to increase transparency. The Anti-corruption category is broadly defined and includes allegations of commercial bribery, kickbacks, and certain Global Business Amenities Policy violations, as well as alleged corruption related to foreign public officials.

Corporate ethics highlights

	Total
Number of employees recognized by Ethics Champions Recognition Program	7
Percentage of active employees who completed annual SBC training	99.97%
Number of employees who completed the SBC New Hire training (all new hires)	38,000
Number of live anti-corruption trainings and attendees trained	23/ >10,000
Number of employees who completed web-based anti-corruption training	>70,000
Number of employees who completed training on conducting business with the U.S. government	>30,000
Number of Fraud Risk Assessments/Anti-corruption Audits (one for each of Hewlett-Packard Company's business units)	4

Items reported to Hewlett-Packard Company global SBC team or other compliance functions, 2011-2015⁵⁴

	2011	2012	2013	2014	2015
Human resources	42%	39%	40%	31%	41%
Misuse of assets	10%	12%	18%	26%	21%
Conflicts of interest	8%	13%	9%	10%	9%
Fraud	9%	8%	7%	8%	8%
Anti-corruption ⁵⁵	-	-	3%	3%	3%
Confidentiality	6%	4%	4%	3%	2%
Customer relationships	3%	4%	4%	3%	0%
Sales channel violations	3%	1%	2%	2%	1%
Financial and public reporting	2%	2%	2%	2%	3%
Competition	3%	3%	1%	1%	1%
Workplace security and theft ⁵⁵	-	-	9%	11%	10%
Other	14%	14%	1%	1%	2%

Political contributions

In 2015, Hewlett-Packard Company and its affiliated PAC made nearly \$790,000 in political contributions.

Learn about HPE's approach to public policy engagement here. 

Government relations contributions⁵⁶

	2011	2012	2013	2014	2015
Contributions to U.S. federal, state and local candidates, political memberships/sponsorships, and other ballot measure campaigns ^{57, 58}	\$1,136,447	\$1,422,375	\$1,175,636	\$1,097,601	\$787,725

⁵⁶ Data are calendar year.

⁵⁷ Includes minimal operating expenditures.

⁵⁸ On August 11, 2015, the Hewlett-Packard Company PAC (HP PAC) became the Hewlett Packard Enterprise PAC (HPE PAC). Financials for 2015 reflect the HP PAC and HPE PAC combined.

Accelerating Fairness

Supply chain responsibility

Hewlett-Packard Company's Supply Chain Responsibility program helped protect the rights of workers in its supply chain and strengthened suppliers' social and environmental responsibility (SER) performance. Supply Chain Responsibility continues to be a priority at HPE. By publishing supply chain performance data, HPE holds suppliers and itself accountable, working together to improve outcomes.

Supply chain responsibility is an increasingly important focus for customers. Our focus on the ability to provide responsibly sourced products and services compliant with regulatory requirements has long been a core foundation for Hewlett-Packard Company's reputation, and Hewlett Packard Enterprise will build on this legacy as a world-class trusted sourcing partner.

HPE continues to partner with suppliers to elevate workers and communities and protect the environment across the value chain. Our supply chain responsibility approach includes our work at the beginning of our supply chain on 3TG (tin, tantalum, tungsten, and gold), which are known as conflict minerals.

The HPE approach uses a multiphase management system to:

- Assess and address risk through supplier self-assessment questionnaires (SAQ), key performance indicators (KPIs), and supplier SER audits and assessments
- Manage continuous improvement processes, capability-building, and environmental programs

In 2015 Hewlett-Packard Company had a strong focus on protecting foreign migrant workers, including educating suppliers on the Supply Chain Foreign Migrant Worker Standard (see [here](#)) through in-region events, conducting intensive on-site assessments against the new standard, continued collaboration with industry partners on developing tools to improve supplier performance, and public advocacy for responsible recruitment and management across the industry.

Learn more about our efforts to reduce our [supply chain environmental impact](#).

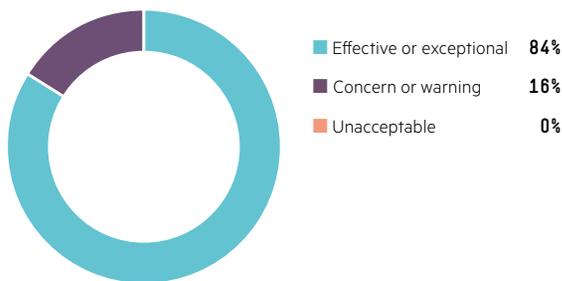
Learn more about HPE's approach to supply chain responsibility and its Supply Chain Responsibility program [here](#). 

⁵⁹ Scorecard includes final assembly suppliers and suppliers of strategic commodities.

⁶⁰ Refers to the [flagship program](#) of the Conflict-Free Sourcing Initiative (CFSI), Conflict-Free Smelter Program (CFSP).

⁶¹ The Democratic Republic of the Congo or an adjoining country.

SER scorecard distribution, 2015⁵⁹
(percentage of suppliers)



84%

effective or exceptional supplier SER scores

84% of suppliers in the SER scorecard program—a tool to integrate supplier SER performance into procurement decisions—achieved effective or exceptional SER performance, compared to 56% in 2014.

92%

of 3TG smelters and refiners compliant or in process toward DRC conflict free

92% are either CFSP⁶⁰ compliant, progressing toward CFSP compliant, believed to source from outside the Covered Countries,⁶¹ or materials are from recycled/scrap sources.

984

suppliers engaged in SER program

since the program's inception.

Supply chain responsibility dashboard

The supply chain responsibility dashboard provides highlights of Hewlett-Packard Company's SER performance in labor, health, and safety issues. In 2015, Hewlett-Packard Company continued to see modest improvements in

60-hour work week and day-of-rest requirements, and more than 90% of supplier sites in China continued to keep student worker numbers to 20% or less of total employees. Detailed information about zero-tolerance findings are outlined in [labor](#) and [health and safety](#).

HPE will continue to work to improve workers' conditions in its supply chain. Learn about HPE's approach to supply chain responsibility and its Supply Chain Responsibility program here. 

Workers' rights

	2011	2012	2013	2014	2015
Suppliers' employees working less than 60 hours per week on average ⁶² (%)			83%	84%	88%
Suppliers' employees receiving at least one day of rest each seven-day workweek ⁶² (%)			89%	91%	96%
Suppliers in China with student workers representing 20% or less of total employees ⁶² (%)			96%	94%	91%
Zero-tolerance audit findings related to the ILO Declaration on Fundamental Principles and Rights at Work: freedom of association; forced, bonded, or indentured labor; child labor; or discrimination ⁶³ (%)	0	0	1	0	1
Zero-tolerance audit findings related to occupational safety, emergency preparedness, or industrial hygiene ⁶⁴	0	0	5	5	5
SER audits and assessments conducted (total, cumulative)⁶⁵	773	921	1,094	1,307	1,499
Workers at sites audited (total, cumulative) ⁶⁶	532,600	636,700	878,200	1,013,500	1,060,200
Total initial audits	334	413	467	512	542
Total follow-up audits	345	390	443	496	539
Total full re-audits	94	118	150	193	230
Assessments	0	0	34	106	188

⁶² Based on workers on Hewlett-Packard Company production lines at final assembly and select commodity sites participating in the Hewlett-Packard Company KPI program and audit results. We continue to expand the list of suppliers in the KPI program based on business risk, country risk, and identified nonconformances.

⁶³ 2015 findings relate to labor rights.

⁶⁴ 2015 findings relate to emergency preparedness and industrial hygiene.

⁶⁵ Data for past years may differ from previous reports because Hewlett-Packard Company received the details of some audits after the Living Progress Report publication deadline. Metric shows number of production and nonproduction supplier audits and assessments per type (including recycling vendor SER audits) for the period 2011–2015.

⁶⁶ Number of workers as of the date of the site visit per the production and nonproduction initial supplier audit reports, rounded to the nearest thousand.

Performance monitoring

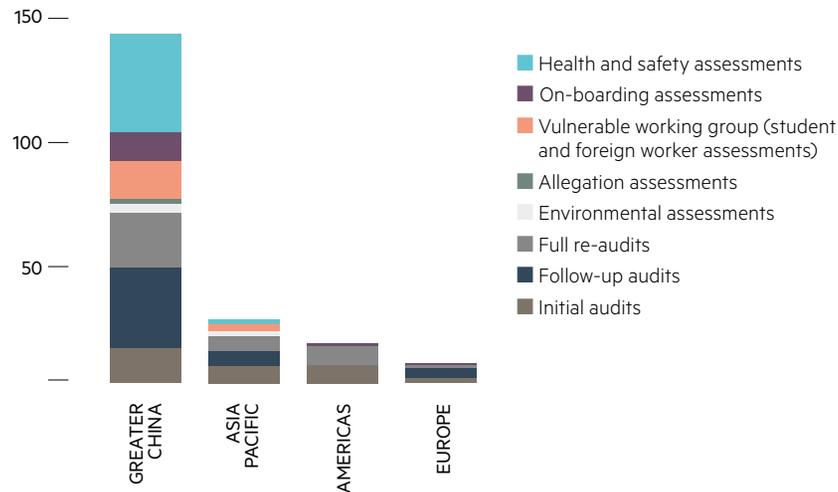
In 2015 Hewlett-Packard Company conducted 192 total audits and assessments at supplier facilities.

HPE continues to monitor suppliers' performance through:

- Comprehensive audits covering the five sections of the [HPE Supplier Code of Conduct](#): labor, health and safety, environment, ethics, and management systems
- Specialized assessments
- Key performance indicators

Learn about HPE's approach to supplier audit and assessment here. 

SER audits and assessments conducted per region, 2015



⁶⁷ Data excludes minor nonconformances that do not indicate a systemic problem but typically represent an isolated finding. Data is from audits; data from assessments is not included. Year-over-year data does not necessarily represent audits of the same suppliers' sites.

SER audits and assessments conducted per region, 2015

	Greater China	Asia Pacific	Americas	Europe
Health and safety assessments	40	2	0	0
On-boarding assessments	12	0	1	1
Vulnerable worker group (student and foreign worker assessments)	15	3	0	0
Allegation investigations	2	0	0	0
Environmental assessments	4	2	0	0
Full re-audits	22	6	8	1
Follow-up audits	33	6	0	4
Initial audits	14	7	7	2

Distribution of major nonconformances by section of Hewlett-Packard Company Supplier Code of Conduct, 2015⁶⁷

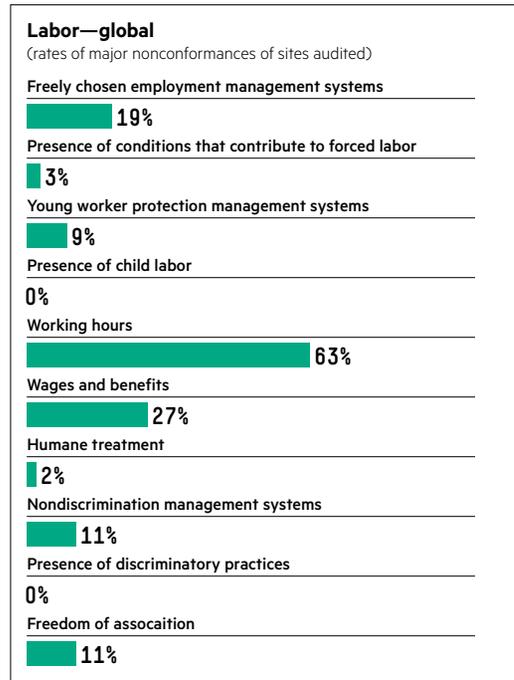
(percentage of total)



Accelerating Fairness

Key findings:⁶⁸ labor

Labor-related findings represented 23% of total major audit nonconformances for Hewlett-Packard Company in 2015.



Labor—regional

(rates of major nonconformances of sites audited)

	Greater China	Asia Pacific	Americas	Europe
Freely chosen employment management systems	28%	15%	0%	0%
Presence of conditions that contribute to forced labor	3%	8%	0%	0%
Young worker protection management systems	17%	0%	0%	0%
Presence of child labor	0%	0%	0%	0%
Working hours	92%	38%	15%	0%
Wages and benefits	47%	0%	0%	0%
Humane treatment	3%	0%	0%	0%
Nondiscrimination management systems	19%	0%	0%	0%
Presence of discriminatory practices	0%	0%	0%	0%
Freedom of associations	11%	15%	8%	0%

Working hours

Effectively managing working hours in line with Hewlett-Packard Company's maximum 60-hour per week requirement remained a persistent challenge and the most frequent audit finding, particularly in China. Actions taken by Hewlett-Packard Company included:

- More frequent monitoring of conformance with working hour and day-of-rest requirements for suppliers in high-risk countries through the labor key performance indicator (KPI) program
- Engagement with supplier management on addressing root causes of nonconformance.

The KPI program led to continued improvements in supplier performance. In 2015, 88% of workers at supplier sites in the KPI program worked less than 60 hours per week on average, compared to 84% in 2014. Workers receiving at least one day of rest in every seven-day period increased from 91% in 2014 to 96% in 2015.

Wages and benefits

The majority of wage findings in 2015 related to ongoing challenges around conformance with social insurance requirements in China. Hewlett-Packard Company continued to:

- Work with suppliers and industry partners on achieving full conformance with legal requirements through capability-building programs
- Track improvement through corrective action plans
- Drive industry-level attention and action through our position on the Electronic Industry Citizenship Coalition's Board of Directors

Freely chosen employment management systems

Hewlett-Packard Company continued its strong focus on ensuring that all work is freely chosen and protecting vulnerable worker groups—including [student and dispatch workers in China](#) and [foreign migrant workers](#). Specific actions in 2015 included:

- Measurement of supplier compliance with the Hewlett-Packard Company foreign migrant worker standard through a detailed self-assessment questionnaire
- Monitoring performance with these standards through comprehensive audits and specialized assessments focused on supplier management policies and practices for foreign migrant workers
- Training for suppliers on Hewlett-Packard Company requirements for the [recruitment and management of foreign migrant workers](#)

Suppliers were required to complete corrective actions for any identified issues.

In 2015, Hewlett-Packard Company identified one zero-tolerance issue as a result of a comprehensive audit. It related to withholding foreign migrant workers' secondary school certificates and other identification papers. Additionally, two zero tolerance issues were identified through specialized foreign migrant worker assessments and involved the withholding of secondary school certificates and requiring workers to pay deposits to retrieve their passports.

These findings were clear violations of Hewlett-Packard Company standards and suppliers were required to take immediate corrective actions. For any zero-tolerance findings, suppliers addressed

⁶⁸ The following key findings for audits are presented for both global and regional audits. Regional breakdowns are provided in the tables following the global results. The number of audits conducted globally and for each region can be found in the bar graph [here](#).

the practices immediately and documented in detail their corrective actions. Findings were then reexamined through a site visit to confirm resolution. Zero-tolerance items resulted in suppliers being downgraded on our SER scorecard, and suppliers who did not correct their practices with urgency were subject to internal escalations and risked discontinuation of business with the company, see page 49 here. 

HPE continues to work with suppliers and industry partners to strengthen tools and systems to prevent similar issues in the future. Learn about HPE's approach to tackling human trafficking risks in the supply chain here. 

Key findings: health and safety

Health and safety-related findings were the largest category of major audit nonconformances in 2015, representing 31% of the total.

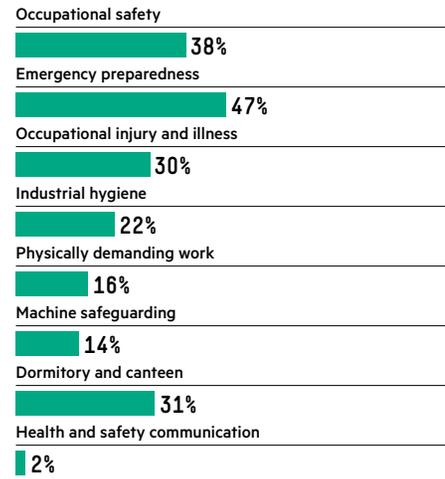
Although nonconformance rates for emergency preparedness have decreased from 55% to 47% between 2013 and 2015, this has remained a continued area of challenge for suppliers. As part of a multiyear effort to focus on improving supplier management of emergency preparedness, Hewlett-Packard Company conducted 40 specialized emergency preparedness assessments in 2015.

Occupational injury and illness-related nonconformances were primarily due to injury and illness permits, as well as first aid response reporting.

Hewlett-Packard Company identified five health and safety-related zero-tolerance issues in 2015. Four of the findings related to emergency preparedness, including inadequate fire detection and suppression systems, lack of appropriate evacuation drills, and blocked or locked emergency exits. The remaining finding related to industrial hygiene, specifically inadequate machine safeguarding. Hewlett-Packard Company required immediate corrective actions for all zero-tolerance issues which we verified with an on-site visit and worked with suppliers to address the root causes of the findings to prevent future recurrences.

Health and safety—global

(rates of major nonconformances of sites audited)



Health and safety—regional

(rates of major nonconformances of sites audited)

	Greater China	Asia Pacific	Americas	Europe
Occupational safety	53%	0%	38%	0%
Emergency preparedness	56%	23%	46%	50%
Occupational injury and illness	36%	15%	31%	0%
Industrial hygiene	28%	0%	31%	0%
Physically demanding work	14%	0%	38%	0%
Machine safeguarding	17%	8%	15%	0%
Dormitory and canteen	36%	31%	23%	0%
Health and safety communication	3%	0%	0%	0%

Accelerating Fairness

Key findings: environmental

In 2015, environmental findings represented 15% of major nonconformities identified during audits.

The most frequently found nonconformances related to hazardous substances and environmental permits and reporting. Hazardous substance findings primarily involved the lack of robust programs to monitor the vendors used for disposal of hazardous waste, as well as issues with correct labeling, secondary containment, or local language Material Safety Data Sheets (MSDS) for hazardous materials.

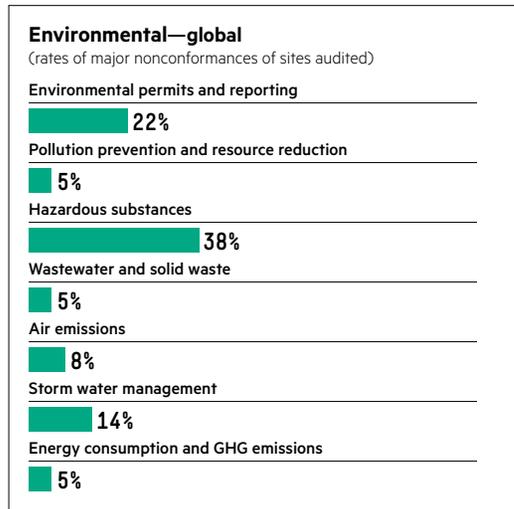
The Hewlett-Packard Company Supplier Code of Conduct and related audit provisions were updated in 2015 to include new requirements on energy consumption, greenhouse gas emissions, and storm water management—resulting in new findings. The Code of Conduct requirements for wastewater, solid waste, air emissions, and materials management were strengthened, and nonconformance rates in these areas remained relatively low.

Read more about Hewlett-Packard Company's [2015 supply chain environmental performance](#).

Key findings: ethics

Hewlett-Packard Company strengthened elements of the ethics section of its Supplier Code of Conduct in 2015. Despite these more stringent requirements, the rate of major nonconformances remained low, at 7% of total findings.

Suppliers showed increases in conformance in several areas, including business integrity, nonretaliation, and fair business, advertising, and competition. Audit findings related to the [responsible sourcing of minerals](#) increased from 5% to 9%.



Environmental—regional

(rates of major nonconformances of sites audited)

	Greater China	Asia Pacific	Americas	Europe
Environmental permits and reporting	36%	0%	8%	0%
Pollution prevention and resource reduction	8%	0%	0%	0%
Hazardous substances	44%	15%	46%	0%
Wastewater and solid waste	3%	0%	15%	0%
Air emissions	6%	0%	23%	0%
Storm water management	25%	0%	0%	0%
Energy consumption and GHG emissions	8%	0%	0%	0%

Ethics—global

(rates of major nonconformances of sites audited)

Business integrity

3%

No improper advantage

5%

Disclosure of information

3%

Intellectual property

3%

Fair business, advertising and competition

6%

Protection of identity

5%

Responsible sourcing of minerals

9%

Privacy

3%

Nonretaliation

3%

Ethics—regional

(rates of major nonconformances of sites audited)

	Greater China	Asia Pacific	Americas	Europe
Business integrity	3%	0%	8%	0%
No improper advantage	6%	0%	8%	0%
Disclosure of information	0%	0%	15%	0%
Intellectual property	3%	0%	8%	0%
Fair business, advertising and competition	8%	0%	8%	0%
Protection of identity	6%	0%	8%	0%
Responsible sourcing of minerals	11%	0%	15%	0%
Privacy	3%	0%	8%	0%
Nonretaliation	3%	0%	8%	0%

Key findings: management systems

Management systems findings represented 24% of major audit nonconformances in 2015.

Developing and maintaining robust management systems to effectively control SER issues in the supply chain has been a long-standing focus for Hewlett-Packard Company. Audits and assessments look not only at the presence or absence of risky practices at a supplier, but also policies and systems used to manage SER performance. In 2015, supplier responsibility to effectively manage SER requirements with their suppliers represented 28% of management systems audit findings. Through its **capability-building** programs Hewlett-Packard Company has worked to develop its suppliers' ability to more effectively meet its requirements. Further strengthening the ability of suppliers to manage and sustain their own SER performance and to drive that down their supply chain will be a key area of focus for HPE's capability-building program in 2016 and beyond.

Management systems—global

(rates of major nonconformances of sites audited)

Company commitment	3%
Management accountability and responsibility	17%
Legal and customer requirements	8%
Risk assessment and risk management	23%
Performance objectives with implementation plans and measures	13%
Training	5%
Communication	5%
Worker feedback and participation	5%
Audits and assessments	20%
Corrective action process	9%
Documentation and records	6%
Supplier responsibility	28%

Management systems—regional

(rates of major nonconformances of sites audited)

	Greater China	Asia Pacific	Americas	Europe
Company commitment	0%	0%	15%	0%
Management accountability and responsibility	14%	0%	46%	0%
Legal and customer requirements	11%	0%	8%	0%
Risk assessment and risk management	19%	0%	62%	0%
Performance objectives with implementation plans and measures	8%	0%	38%	0%
Training	6%	0%	8%	0%
Communication	8%	0%	0%	0%
Worker feedback and participation	6%	0%	8%	0%
Audits and assessments	14%	8%	54%	0%
Corrective action process	8%	0%	23%	0%
Documentation and records	6%	0%	15%	0%
Supplier responsibility	28%	15%	46%	0%

Accelerating Fairness

Capability building

In 2015, Hewlett-Packard Company:

- Carried out 11 programs in 6 countries on topics such as worker empowerment, career development, labor rights, women’s health, SER management training, and financial inclusion
- Trained more than 77,000 workers and managers, the majority through direct engagement
- Found a 15% improvement in audit scores among suppliers who completed at least one capability-building program between 2013–2015

Capability-building programs in 2015 focused on two key areas:

- Enhancing the ability of suppliers to improve SER management systems and the relationship between workers and their managers
- Improving the personal and professional skills of workers in the supply chain

HPE continues to work with suppliers on programs that improve their ability to deliver substantial and lasting performance improvements on a broad range of SER issues—with the central aim of improving the lives of workers. Learn about HPE’s supplier capability-building policies and programs here. [↓](#)

Capability building

Supplier management systems

In 2015, Hewlett-Packard Company worked with suppliers to improve their SER management systems and communicate expectations on key issues such as foreign migrant workers. Programs included:

- **Foreign migrant worker workshops.** As part of a program initiated in 2011, Hewlett-Packard Company suppliers and labor agents from Indonesia, Malaysia, Singapore and Thailand took part in a series of workshops focused on the responsible hiring and management of foreign migrant workers. Participants learned about Hewlett-Packard Company and regional requirements and shared best practices. Following the workshops, suppliers were asked to complete foreign migrant worker self-assessment questionnaires, which HPE will use to guide further capability-building activities on this topic. In 2015, Hewlett-Packard Company partnered with Intel, Western Digital, and Seagate to offer this program.
- **The Sustainable Trade Initiative.** Hewlett-Packard Company continued its participation in the [Sustainable Trade Initiative \(IDH\)](#) electronics program. This transformative initiative aimed to improve the rights and working conditions at Chinese factories by enhancing worker-management dialogue, catalyzing skills development, boosting energy efficiency, and improving overall performance. In 2015, seven Hewlett-Packard Company China-based suppliers representing more than

13,000 workers and managers participated in the program.

Worker empowerment

In 2015, Hewlett-Packard Company focused on skills development and empowerment of workers in its supply chain through a number of programs that have a lasting impact beyond factory walls, including:

- **Women in Factories.** This multi-industry partnership with [BSR](#) was launched with the aim of changing the lives of female workers in the Chinese manufacturing workforce. Funded by the Walmart Foundation, Women in Factories equips participants with essential work and life skills—fueling a pipeline of high-potential women workers and empowering them to become leaders. Since it began in 2015, the program has reached more than 17,000 workers.
- **We Support—Line Management and Parenting Training.** Working with [CCR CSR](#) and the [Chongqing government](#) in China, Hewlett-Packard Company launched the We Support program in 2014. Its aim was to support managers and workers in developing vital communication skills. For managers, the focus was on improving interactions with workers, particularly in relation to conflict resolution with young workers. The program also supported working parents in maintaining work-life balance and enhancing parent-child communication.

>77,000

supply chain workers and managers participated in capability-building training

between 2013 and 2015

15%

improvement in audit scores for suppliers completing at least one capability-building program

⁶⁹ Number of workers and managers reached each year depends on the programs executed; some programs address issues broadly across suppliers and workers, other programs focus more narrowly on individual supplier sites or specific vulnerable worker groups.

⁷⁰ Worker empowerment programs strengthen workers’ ability to advocate for their rights, improve their working conditions, and enhance their well-being.

⁷¹ Although this value is lower than the “Number of workers and managers reached” by all capability-building programs, they are equivalent in this table due to rounding.

	2011	2012	2013	2014	2015
Number of capability-building programs	12	12	12	15	11
Workers and managers reached through capability-building programs (per year) ^{69,70}	62,800	189,200	131,400	91,900	77,800
Number of worker-empowerment programs	7	8	10	10	8
Workers and managers reached by worker-empowerment programs (per year) ^{69,70}	62,500	189,200 ⁷¹	129,100	87,400	77,600

Accelerating Fairness

Conflict minerals

Responsible management of the minerals used to make Hewlett-Packard Company products has long been a key part of the Supply Chain Responsibility program—specifically tin, tantalum, tungsten, and gold (3TG), known as “conflict minerals.”

In May 2016, Hewlett Packard Enterprise filed its **Conflict Minerals Report** with the U.S. Securities and Exchange Commission (SEC).

Hewlett-Packard Company identified the smelters and refiners⁷² on this list by surveying suppliers between January 1, 2015, and October 31, 2015, and then HPE jointly with HP Inc. continued this process until the end of December 2015.

The suppliers surveyed contribute material, components or manufacturing to products containing 3TG. Each smelter and refiner reported was identified in at least one of the Templates⁷³ received from a supplier.

Responses were received from 3TG production suppliers estimated to represent 98% of Hewlett-Packard Company’s 2015 spend with such suppliers. Suppliers within this scope reported 297 total 3TG smelters and refiners⁷² in 2015, of which 215 are Conflict-Free Smelter Program (CFSP) compliant and 38 are in process to become CFSP compliant.

Of the 3TG smelters and refiners⁷² reported by suppliers,⁷⁴ 8% (25) are not yet participating in an independent assessment program and therefore

their sourcing is unknown. As of April 2016, the remaining 92% (272) are either:

- CFSP compliant
- In the process of becoming compliant
- Reasonably believed by HPE to exclusively source conflict minerals from recycled or scrap sources, or from outside of the Covered Countries⁷⁵

Learn more about HPE’s Ethical Sourcing Practices in the Supply Chain and in particular HPE’s work on conflict minerals here. 

Progress toward DRC conflict-free

	Total ⁷⁶	Progress toward DRC Conflict Free ⁷⁷	%
Tantalum	45	45	100%
Tin	86	81	94%
Tungsten	42	41	98%
Gold	124	105	85%
Total	297	272	92%

Status of all supplier-reported 3TG smelters and refiners⁷²

	Hewlett-Packard Company 2013 (as of January 2014)	Hewlett-Packard Company 2014 (as of April 2015)	Hewlett Packard Enterprise 2015 (as of April 2016)
Compliant ⁷⁸	60	152	215
Compliant ⁷⁸ (% of total)	30%	59%	72%
In process ⁷⁹	21	44	38
In process ⁷⁹ (% of total)	10%	17%	13%
Not yet participating	120	61	44
Not yet participating (% of total)	60%	24%	15%
Total	201	257	297

⁷² The reference to smelters and refiners includes recyclers and scrap processors in the 3TG supply chain.

⁷³ Refers to the Conflict-Free Sourcing Initiative (CFSI) Conflict Minerals Reporting Template. www.conflictreesourcing.org.

⁷⁴ Based on due diligence and reasonable country of origin inquiry.

⁷⁵ The Democratic Republic of the Congo or an adjoining country.

⁷⁶ Number of 3TG smelters and refiners by metal reported to Hewlett-Packard Company that were either Conflict-Free Smelter Program compliant or in process of becoming compliant, and/or that we reasonably believe exclusively source conflict minerals from recycled or scrap sources or from outside of the Covered Countries (as of April 2016).

⁷⁷ “DRC conflict free” as defined in the U.S. Securities and Exchange Commission’s conflict minerals rule to mean products that do not contain conflict minerals that directly or indirectly finance or benefit armed groups in the DRC or an adjoining country.

⁷⁸ Smelters and refiners compliant with assessment programs: CFSI’s CFSP, Responsible Jewellery Council’s (RJC) Chain-of-Custody Certification Program, or the London Bullion Market Association’s (LBMA) Responsible Gold Programme.

⁷⁹ Listed by CFSI as in the process of becoming CFSP-compliant or that are Tungsten Industry-Conflict Minerals Council (TI-CMC) Category A members.

Employees

In 2015, Hewlett-Packard Company employed 287,000 people around the world. With a commitment to ensuring a safe and diverse workplace, the company also focused on increasing its proportion of female employees. Female new hires increased to 36.5% in 2015, from 35.1% the year before.

Hewlett-Packard Company's global safety indicators also improved, with the lost workday case rate decreasing to 0.06 and the global recordable incidence rate decreasing to 0.14—the lowest rates in five years. Training and communications programs both contributed to these improvements.

Learn more about HPE's approach to diversity and inclusion and HPE Employee Health and Safety programs here. [↓](#)

36.5%

female new hires

In 2015, female new hires increased to 36.5%, from 35.1% the year before.

Employee demographics (2015)

	Men	Men (%)	Women	Women (%)	Total ⁸⁰
Employees (regular full-time and part-time) by region and gender					
Americas	63,901		31,611		95,531
Asia Pacific and Japan	58,406		29,477		87,947
Europe, Middle East, and Africa	44,876		21,180		66,093
Employees not categorized by region	7		5		12
Other ⁸⁰	-		-		37,417
Total	-		-		287,000
World workforce by age group					
30 and under					23.3%
31–50					57.7%
51 and over					19.1%
Total					100%
Employees (regular full-time) by employment type and gender⁸⁰					
Executives	886	81.7%	199	18.3%	1,085
Directors	2,938	77.3%	864	22.7%	3,803
Managers	13,797	73.7%	4,911	26.2%	18,709
Professionals	125,249	69.8%	54,131	30.2%	179,456
Other	23,238	54.9%	19,051	45.0%	42,331
Subtotal	166,108	67.7%	79,156	32.3%	245,384
Employees (regular part-time) by employment type and gender⁸⁰					
Executives	5	100.0%	-	0.0%	5
Directors	21	61.8%	13	38.2%	34
Managers	40	27.2%	107	72.8%	147
Professionals	821	26.8%	2,240	73.2%	3,061
Other	195	20.5%	757	79.5%	952
Subtotal	1,082	25.8%	3,117	74.2%	4,199
Other⁸¹	-	-	-	-	37,417
Total	-	-	-	-	287,000

⁸⁰ In some cases, the total does not equal the sum of the segments because the gender of some employees is uncategorized.

⁸¹ This row includes employees of certain majority-owned, consolidated subsidiaries for which this human resource data is not available to Hewlett-Packard Company.

Employee diversity

	2011	2012	2013	2014	2015
Women employees (% of total)	32.0%	32.1%	32.5%	32.6%	33.0%
Americas	33.3%	33.1%	33.5%	33.3%	33.1%
Asia Pacific and Japan	32.3%	32.6%	33.1%	33.0%	33.5%
Europe, Middle East, and Africa	29.8%	30.0%	30.3%	31.2%	32.0%
Women managers (% of total)	24.8%	25.5%	25.6%	26.2%	26.6%
Americas	28.7%	30.1%	30.1%	30.7%	30.8%
Asia Pacific and Japan	22.3%	22.2%	21.8%	22.0%	21.8%
Europe, Middle East, and Africa	20.9%	22.4%	23.3%	24.2%	25.8%
Global new hires, by gender⁸² (% of total)					
Female	32.7%	34.6%	36.2%	35.1%	36.5%
Male	67.3%	65.4%	63.8%	64.9%	63.4%
U.S. new hires, by ethnicity⁸³ (% of total)					
White	52.4%	64.8%	54.0%	52.1%	44.7%
All minorities	31.1%	34.9%	46.0%	35.1%	29.4%
Black	7.7%	10.8%	11.3%	9.8%	9.0%
Hispanic	6.7%	7.5%	9.1%	6.7%	4.8%
Asian	14.6%	12.6%	15.3%	15.6%	12.9%
Native American	0.4%	0.3%	0.4%	0.4%	0.3%

For more details, see the [Hewlett-Packard Company EEO-1 Report](#).

Health and safety

	2011	2012	2013	2014	2015
Lost workday case rate⁸⁴	0.09	0.07	0.08	0.07	0.06
Americas	0.13	0.12	0.11	0.10	0.07
Europe, Middle East, and Africa	0.11	0.08	0.11	0.08	0.10
Asia Pacific and Japan	0.01	0.01	0.02	0.03	0.02
Recordable incidence rate⁸⁵	0.22	0.20	0.19	0.21	0.14
Americas	0.41	0.36	0.34	0.35	0.24
Europe, Middle East, and Africa	0.17	0.18	0.19	0.19	0.17
Asia Pacific and Japan	0.02	0.01	0.04	0.04	0.03
Leading causes of lost workdays					
Slips, trips, and falls			38%	42%	42%
Struck by/against/cut by			10%	13%	13%
Ergonomics – materials handling			18%	10%	13%
Automobile accidents			18%	15%	11%
Overexertion – not materials handling			1%	4%	7%
Leading cause of all recordable incidents (with and without lost time), 2013–2015					
Slips, trips, and falls			30%	35%	35%
Struck by/against/cut by			13%	14%	14%
Ergonomics – office environment			16%	16%	13%
Ergonomics – materials handling			17%	10%	12%
Automobile accidents			11%	11%	11%

⁸² Sum of “Female” and “Male” for 2015 does not equal 100% due to a small number of new hires who did not declare a gender.

⁸³ Sum of “White” and “All minorities” does not equal 100%, and the sum of “Black,” “Hispanic,” “Asian,” and “Native American” does not equal the total for “All minorities” because some people do not declare or do not fall into these categories. For this table, those who did not declare were not included in the analysis nor placed into a default classification.

⁸⁴ Lost workday case rate is the number of work-related injuries that result in time away from work per 100 employees working a full year. Rates are calculated using Occupational Safety and Health Administration (OSHA) definitions for recordability around the world and using OSHA calculation methodologies. The figures are based on employees working an average of 2,000 hours during a full year. The U.S. average in 2014 (the most recent year available) for the “Other Information Services”—NAICS #519 industry was 0.2. Americas includes incidents occurring in Argentina, Brazil, Canada, Colombia, Costa Rica, and the United States. Asia Pacific and Japan includes incidents in Australia, India, Japan, Malaysia, New Zealand, and Singapore. Europe, Middle East, and Africa includes incidents in Austria, Belgium, Bulgaria, Czech Republic, France, Germany, Hungary, Ireland, Israel, Italy, Poland, Portugal, Spain, Switzerland, and the United Kingdom.

⁸⁵ Recordable incidence rate is the number of all work-related lost-time and no-lost-time cases requiring more than first aid per 100 employees working a full year. Rates are calculated using OSHA definitions for recordability around the world and using OSHA calculation methodologies. The figures are based on employees working an average of 2,000 hours during a full year. The U.S. average in 2014 (the most recent year available) for the “Other Information Services”—NAICS #519 industry was 0.4. Americas includes incidents occurring in Argentina, Brazil, Canada, Colombia, Costa Rica, Puerto Rico, and the United States. Asia Pacific and Japan includes incidents in Australia, India, Japan, Malaysia, New Zealand, Philippines, and Singapore. Europe, Middle East, and Africa includes incidents in Austria, Belgium, Bulgaria, Czech Republic, France, Germany, Hungary, Ireland, Israel, Italy, Netherlands, Poland, Portugal, South Africa, Spain, Switzerland, and the United Kingdom.

Volunteerism

Hewlett-Packard Company's volunteer programs helped contribute to local communities and increased employee engagement. In 2015, more than 38,000 employees participated in volunteer activities, donating more than 1.24 million hours

of time. Volunteer activities decreased in 2015 because of the separation.

Learn about HPE's volunteer programs here. [↓](#)

1.24m

hours of
volunteer time

In 2015, 38,000 Hewlett Packard Company employees participated in volunteer activities, donating more than 1.24 million hours of volunteer time.

Volunteerism highlights⁸⁶

	2014	2015
Total value of employee volunteering ⁸⁷	\$94.4 million	\$69.0 million
Number of employees who took part in volunteering activities	48,500	38,200
Number of hours of volunteer time ⁸⁸	1.6 million	1.2 million
Percentage of volunteer time that was skills-based	34%	26%
Impact of volunteer participation ⁸⁹	12% lift in motivation; 14% increase in positive feelings about Hewlett-Packard Company; 13% rise in loyalty; Skills-based volunteers are 38% more likely to have high levels of morale than nonvolunteers as compared to 23% more likely for hands-on volunteers	10% lift in engagement; Employees who participate in Hewlett-Packard Company group volunteer events experience a 10% lift in engagement.
Stop Hunger Now partnership: Number of employees who participated	-	6,800
Stop Hunger Now partnership: Number of meals packaged	-	2.5 million

⁸⁶ For an employee activity to be considered volunteering, it needs to serve the public good, be conducted through a formal or informal organization that is not for profit, and be unpaid. Hewlett-Packard Company employee volunteering can be conducted during paid work time, including as part of a department or team service project, or on an employee's own time. It can also include time related to making a cash or goods donation such as shopping for toys that will be donated, giving blood, or walking for a charitable cause.

⁸⁷ Hourly rate based on type of volunteering: \$150/hour for board, service corp, pro bono, and skills based; \$22.55/hour for hands-on and undetermined, adjusted using World Bank data for purchasing power differences across countries.

⁸⁸ Volunteer activities in support of the environment, education, entrepreneurship, health, and other areas that support Living Progress.

⁸⁹ Hewlett-Packard Company internal survey results indicate that skills-based volunteers are 38% more likely to have high levels of morale than nonvolunteers as compared to 23% more likely for hands-on volunteers.

Accelerating Opportunity Data (Economic)

Social investment

Hewlett-Packard Company made strategic investments in communities to make a positive impact. In 2015, the company invested nearly \$90 million in social initiatives, including more

than \$17 million in cash and more than \$72 million in products and services. With the separation and a shifting distribution of resources, social investment decreased overall in 2015.

Learn about HPE's Social Application of ICT, including the Living Progress Challenge, here. 

Social investment

	2011	2012	2013	2014	2015
Social investment (\$ million)⁹⁰	\$51.5	\$118.6	\$135.3	\$119.0	\$89.6
Cash	\$20.3	\$22.3	\$23.8	\$20.8	\$17.1
Products and services⁹¹	\$31.2	\$96.3	\$111.5	\$98.2	\$72.5
Social investment⁹² (% of pretax profits)	0.57%	Not applicable	2.08%	1.81%	1.89%
U.S. employee participation in Cash Matching Program and Product Matching Program (number of employees)					
Cash Matching Program	7,000	7,100	8,600	6,200	9,000
Product Matching Program	1,700	1,600	2,700	900	0
Contributions to Cash Matching Program and Product Matching Program⁹³ (\$ million)	\$12.0	\$12.4	\$13.3	\$10.4	\$9.3
U.S. employee contributions to Cash Matching Program	\$3.8	\$4.2	\$4.9	\$4.4	\$4.8
Hewlett-Packard Company Foundation contributions to Cash Matching Program	\$3.1	\$3.5	\$3.9	\$3.6	\$4.4
U.S. employee contributions to Product Matching Program ⁹⁴	\$1.3	\$1.2	\$1.1	\$0.6	\$0.0
Hewlett-Packard Company contributions to Product Matching Program ⁹⁴	\$3.8	\$3.5	\$3.4	\$1.9	\$0.0

Disaster relief and disaster preparedness⁹⁵

Description of contribution	Partners	Amount
Flooding, Malaysia	International Federation of the Red Cross and Red Crescent Societies (IFRC)	\$25,000
Earthquake, Nepal	IFRC, American Red Cross (ARC)	\$444,000
Disaster Responder Program	ARC	\$250,000
Education in Emergencies Program	Save the Children	\$500,000
Total		\$1,219,000

⁹⁰ Social investments include all grants made to nonprofit organizations from Hewlett-Packard Company and the Hewlett-Packard Company Foundation, plus the valuation of employee volunteer hours. Data exclude contributions to the Hewlett-Packard Company Foundation and employee donations but include Hewlett-Packard Company's matching contributions and contributions from the Hewlett-Packard Company Foundation to other organizations. Some segments do not add up to total due to rounding.

⁹¹ Product donations are valued at the internet list price. This is the price a customer would have paid to purchase the equipment through the Hewlett-Packard Company direct sales channel on the internet at the time the grant was processed. Services include the valuation of Hewlett-Packard Company employee volunteer hours. Valuation rates are based on CECP standards. The numbers in 2012–2015 are considerably higher than past years due to increased employee programs and more complete volunteer hour data.

⁹² In FY12, Hewlett-Packard Company recorded a pretax net loss, therefore a percentage of pretax profits cannot be calculated for that year.

⁹³ Fiscal year totals vary based on the payment cycle completing after the fiscal year-end. Does not reflect donations made to disaster relief efforts.

⁹⁴ The year-over-year decrease in U.S. employee contributions to the Product Matching Program and Hewlett-Packard Company contributions to the U.S. Product Matching Program after FY13 was due to the fact that the U.S. Product Matching Program was put on hiatus after the second quarter of FY14.

⁹⁵ The totals shown in this table represent the total donation per disaster, to the nearest \$1,000 and may span multiple fiscal years. Figures include employee donations as well as matched funds and grants from the Hewlett-Packard Company Foundation.

Economic impact

In 2015, Hewlett Packard Enterprise reported net revenue of \$52.1 billion, approximately 61% of which was generated outside the United States. Cash flow generated from operations totaled \$3.7 billion. Hewlett Packard Enterprise fulfills taxation responsibilities in every location of operation, and contributed net cash income taxes of \$192 million globally in 2015.

Hewlett-Packard Company spent \$2,467 million with U.S. small businesses in 2015, compared to \$3,376 million in 2014. Spend with U.S. minority-, women-, and veteran-owned businesses was \$1,043 million, a decrease from \$1,656 million in 2014.

Outside the U.S., Hewlett-Packard Company spent \$222 million with small- and medium-enterprise (SME) suppliers in the UK and Ireland (\$231

million in 2014)⁹⁶ and \$2.2 million with diverse suppliers in Canada (\$1.2 million in 2014).

In 2015, Hewlett-Packard Company's strategic suppliers spent \$440 million with small and diverse businesses.

Learn more about HPE's approach to:

- Economic governance here. 
- Supplier diversity here. 

⁹⁶ 2014 figure includes UK and Ireland. 2015 figure is UK only.

⁹⁷ All financial data taken from the HPE 2015 10-K report, filed December 17, 2015.

⁹⁸ HPE combined and consolidated net revenue excludes intersegment net revenue and other.

⁹⁹ Figures for 2011 are for U.S. purchases from U.S.-based businesses. Figures for 2012–2015 are for purchases in the United States, Puerto Rico, Canada, Europe, and Asia from U.S.-based businesses.

¹⁰⁰ Suppliers are categorized as minority-owned or women-owned, not both.

¹⁰¹ Hewlett-Packard Company did not report this data in the Living Progress report prior to 2014.

¹⁰² 2014 figure includes UK and Ireland. 2015 figure is UK only.

¹⁰³ Strategic suppliers defined through a number of factors, including various macroeconomic indicators. This list was updated annually and never included more than 100 suppliers.

¹⁰⁴ Figures include production and nonproduction suppliers.

Economic impact of Hewlett Packard Enterprise operations^{97,98}

	2015
Net revenue	\$52.1 billion
Cash flow generated from operations	\$3.7 billion
Net revenue from outside the United States	61%
Net cash income taxes paid	\$192 million
Net revenue by segment (\$ million)	
Enterprise Group	\$27,907 (53.6%)
Enterprise Services	\$19,806 (38.0%)
Software	\$3,622(7.0%)
HP Financial Services	\$3,216 (6.2%)
Corporate Investments	\$7 (0.0%)

Supplier diversity

	2011	2012	2013	2014	2015
Hewlett-Packard Company's spend with U.S. diverse suppliers⁹⁹					
Small businesses (\$ million)	\$4,400	\$4,792	\$3,910	\$3,376	\$2,467
Minority-owned businesses (\$ million) ¹⁰⁰	\$733	\$989	\$881	\$965	\$513
Women-owned businesses (\$ million) ¹⁰⁰	\$476	\$547	\$536	\$550	\$403
Veteran-owned businesses, service disabled veteran-owned businesses, HUBZone businesses, and others (\$ million) ¹⁰¹	Data not available	Data not available	Data not available	\$141	\$127
Hewlett-Packard Company's spend with U.S. diverse suppliers					
Amount spent with small- and medium-enterprise (SME) suppliers in the UK and Ireland (\$ million) ¹⁰²				\$231	\$222
Amount spent with diverse suppliers in Canada (\$ million)				\$1.2	\$2.2
Strategic supplier spend¹⁰³					
Amount spent by Hewlett-Packard Company strategic suppliers on diverse suppliers ¹⁰⁴ (\$ million)	\$318	\$498	\$431	\$610	\$440

Independent Accountants' Review Report

To the Board of Directors and Management of Hewlett Packard Enterprise.

We have reviewed selected performance indicators (the "Subject Matter") included in [Appendix A](#) and as presented in the Hewlett Packard Enterprise ("HPE") 2015 Living Progress Report (the "Report") for the year ended October 31, 2015 in accordance with the relevant criteria also presented in [Appendix A](#). We did not review all information included in the Report. We did not review the narrative sections of the Report, except where they incorporated the Subject Matter. HPE's management is responsible for the Subject Matter included in [Appendix A](#) and as also presented in the Report, based on the relevant criteria included in [Appendix A](#). Our responsibility is to express a conclusion on the Subject Matter based on our review.

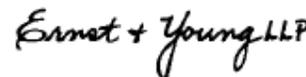
Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our review to obtain limited assurance about

whether any material modifications should be made to the Subject Matter in order for it to be in accordance with the Criteria. A review consists principally of applying analytical procedures, making inquiries of persons responsible for the subject matter, obtaining an understanding of the data management systems and processes used to generate, aggregate and report the Subject Matter and performing such other procedures as we considered necessary in the circumstances. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the performance indicators for the year ended October 31, 2015, are in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

As described in Note 1, non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The

selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Based on our review, we are not aware of any material modifications that should be made to the Subject Matter for the year ended October 31, 2015, in order for it to be in accordance with the relevant criteria set forth in [Appendix A](#).



June 27, 2016



Appendix A

Indicator name	Unit	Reported value ¹⁰⁵	Criteria	Page reference
Scope 1 greenhouse gas ("GHG" emissions) ¹⁰⁶	Tonnes of carbon dioxide equivalents (tCO ₂ e)	188,300	World Resources Institute ("WRI") / World Business Council for Sustainable Development's ("WBCSD") The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and HPE's Carbon Accounting Manual	5
Scope 2 GHG emissions (location-based-method) ¹⁰⁶	(tCO ₂ e)	1,656,200		7
Scope 2 GHG emissions (market-based-method) ¹⁰⁶	(tCO ₂ e)	1,243,800		6
Scope 3 GHG emissions ¹⁰⁶	(tCO ₂ e)	44,000,000	WRI/WBCSD's The Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and HPE's Carbon Accounting Manual	7
Scope 1 energy consumption	Million kWh	320	Global Reporting Initiative (GRI) G4, EN3 and HPE management definitions disclosed in the 2015 Living Progress Report ("LPR")	9
Scope 2 energy consumption	Million kWh	3,378	GRI G4, EN3 and HPE management definitions disclosed in the 2015 LP	9
Renewable energy consumption	Million kWh	814	GRI G4, EN3 and HPE management definitions disclosed in the 2015 LPR	9
Direct water consumption ¹⁰⁷	Cubic meters	7,226,000	GRI G4, EN8 and HPE management definitions disclosed in the 2015 LPR ¹⁰⁸	10
Conflict Mineral disclosure	N/A—Qualitative assertion	Hewlett-Packard Company identified the smelters and refiners on this list by surveying suppliers between January 1, 2015, and October 31, 2015, and then HPE jointly with HP Inc. continued this process until the end of December 2015. The suppliers surveyed contribute material, components or manufacturing to products containing 3TG. Each smelter and refiner reported was identified in at least one of the Templates received from a supplier.	HPE management definitions disclosed in the 2015 LPR	26
Supply chain social and environmental responsibility (SER) audit results	Number of SER audits conducted in 2015, by type	Full Re-audits: 37, Follow-up audits: 43, Initial audits: 30		19
	Distribution of major and priority nonconformances by EICC Category ¹⁰⁹	Health and Safety: 31%, Labor: 23%, Management System: 24%, Environment: 15%, Ethics: 7%		20
	Number of supplier audits performed per region ¹¹⁰	China Full Re-audits: 22, Follow-up audits: 33, Initial audits: 14, Total: 69 EMEA Full Re-audits: 1, Follow-up audits: 4, Initial audits: 2, Total: 7 APJ Full Re-audits: 6, Follow-up audits: 6, Initial audits: 7, Total: 19 Americas Full Re-audits: 8, Follow-up audits: 0, Initial audits: 7, Total: 15	GRI G4, HR10, HPE management definitions disclosed in HPE's 2015 LPR and EICC Code of Conduct requirements for 3rd party audits	20
	Number of workers ¹¹¹ at supplier sites audited	46,700		19
Water Footprint ¹¹²	Cubic meters	296,140,000	HPE's Water Accounting Manual	8

¹⁰⁵ All indicators are reported for the year ended 31 October, 2015 except as otherwise indicated.

¹⁰⁶ Carbon Accounting Manual is available [here](#)

¹⁰⁷ Direct water consumption for HPE operations.

¹⁰⁸ Note that Sewage Treatment Plant (STP) water is not included within the scope of water consumption and is reported as a separate line item in the FY15 LPR.

¹⁰⁹ Includes initial audits and full re-audits only; EICC stands for Electronic Industry Citizenship Coalition.

¹¹⁰ Regions include: China, APJ (Asia Pacific and Japan), EMEA (Europe, Middle East, and Africa), and the Americas (North, Central, and South America).

¹¹¹ Number of workers as of the date of the site visit per the production and nonproduction initial supplier audit reports, rounded to the nearest hundred

¹¹² Water Accounting Manual is available [here](#)

Note 1: Non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Resources

HPE reports and online content

 [HPE Living Progress Positions, Policies, and Programs](#)

[HPE Annual 10-K Report](#)

[HPE Investor Relations](#)

 [HPE 2015 Living Progress GRI Index](#)

[HPE 2015 Carbon Accounting Manual](#)

[HPE 2015 Water Accounting Manual](#)

External ratings

Search for Hewlett-Packard for historical Hewlett-Packard Company submissions, and Hewlett Packard Enterprise for post-separation HPE submissions.

[CDP](#)

[Dow Jones Sustainability Index \(DJSI\)](#)

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We welcome feedback on any aspect of our Living Progress reporting and performance. Contact us [here](#).



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