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## HP Policy Position

### Energy and Climate Change

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#### Background

HP believes it is in the interest of society and business to limit global temperature increase by the end of this century in order to avoid the most severe environmental, social, and economic impacts of climate change. Governments, businesses, and other organizations must meet the challenges of climate change with ingenuity and the power of information technology.

HP supports the advancement of public policy discussions to address global climate change. In 2011, before the 17th Conference of Parties (COP17) United Nations Climate Change Conference in Durban, South Africa, HP signed the 2°C Challenge Communiqué—a call to action for governments to reach agreement on curbing greenhouse gas emissions.

In early 2013, HP published its complete carbon footprint, making HP one of the first companies in the world to disclose this information. HP reduced its own greenhouse gas emissions from operations by 20 percent from 2005 to 2011, meeting its goal to do so two years earlier than expected. HP established a new goal to reduce its greenhouse gas emissions from operations by another 20% from 2010 to 2020. HP belongs to a number of organizations seeking to address climate change, such as the Center for Climate and Energy Solutions, The Climate Group, Combat Climate Change, The Green Grid, and WWF Climate Savers.

#### HP's Approach

HP believes the ICT industry has both a responsibility to improve the energy efficiency of its products, and to limit its carbon footprint. In addition, technology plays an important role in improving energy efficiency and reducing energy use, with the potential to reduce carbon emissions across many sectors of the global economy. HP's Positive Impact strategy is creating environmental solutions that reduce impact and expand opportunities through effective management of its products, services, and solutions; supply chain; and operations.

- **Products, services, and solutions:** More than half of HP's total carbon footprint is due to the energy that its products and solutions consume during use. With a long history of developing energy efficient products, HP products are on average 50 percent more efficient today than in 2005. HP is an active contributor to EnergySTAR® standards development and updates for IT products, collaborating with the U.S. Environmental Protection Agency and Department of Energy. HP contributed to the development of the EPEAT® standard for imaging and printing products with other technology stakeholders and the Green Electronics Council. HP offers a free carbon footprint calculator for customers to make informed choices about products.

Data centers are major consumers of energy. HP is rethinking the data center, with initiatives such as HP Labs' development of the Net-Zero Energy Data Center that will require no net energy from traditional power grids. Ongoing server improvements and better data center design will reduce the future footprint of data centers. For example,

HP's Moonshot Platform, the result of 10 years of research, is an ultra low-power server that uses up to 89 percent less energy, 80% less space and costs 77% less than a traditional x86 server environment. HP is committed to its products and services helping people to achieve more with fewer resources and less waste.

- *Supply chain partners:* HP collaborates with partners throughout its supply chain to promote sustainability from sourcing, manufacturing, and shipping, all the way through to return and recycling. Over the past four years, HP has seen a 24% reduction in first-tier production suppliers' GHG emissions intensity. HP also seeks to reduce transportation emissions both upstream and downstream in product logistics. Overall, supply chain accounts for 36% of HP's total GHG emissions.
- *Performance in operations:* HP continually innovates to reduce its environmental footprint and drive sustainable growth. HP works to reduce its consumption of energy, water, paper, and other resources and to cut GHG emissions through new programs and technologies as well as sustainable facility design. Facility energy use was the main driver in GHG emissions from operations.

HP shows a hierarchy of preference for investment in the reduction of its carbon footprint:

- Increased energy efficiencies in HP's operations, products, and supply chain
- Onsite generation of renewable power such as solar or biomass
- Purchase of certified renewable energy certificates (RECs)
- Use of carbon offsets or voluntary emission reductions (VERs)

HP implements this policy through these and other behaviors:

- Establishing short and long term GHG reduction goals in HP operations and supply chain.
- Making HP's global operations more energy efficient, seeking low-carbon energy sources where possible.
- Managing and decreasing energy use and GHG emissions throughout the value chain, from manufacturing and operations to product transport, use, and recycling.
- Improving energy efficiency across our portfolio of products, from PCs and printers to data centers.
- Innovating new low carbon technologies such as data centers based on a more efficient cloud-based infrastructure.
- Collaborating with government agencies, nongovernmental organizations (NGOs), universities, and peer technology companies to improve HP's own performance, develop standards to advance the broader ICT industry, and contribute to advanced research in energy and sustainability.
- Supporting international action to address climate change and minimize the risks of serious environmental, economic, and social impact.
- Advocating for policies that result in cleaner, lower emissions energy sources for HP and our customers.
- Fostering an energy conscious culture for employees at both work and home.

## HP's Policy Recommendations

- HP supports a harmonized, global approach to energy efficiency standards and voluntary agreements, including the ENERGY STAR® program.
- Governments can provide a leading example of the energy saving benefits by replacing legacy technologies, consolidating data centers, and utilizing IT solutions with lower environmental impact. HP urges governments to adopt procurement practices that prioritize selection of highly energy efficient IT products and servers, green data center design, and that analyze total cost of ownership of IT products.
- HP supports U.S. federal and state efforts to mandate overall GHG emissions targets, and advocates for greater visibility of energy use and management. HP calls for an inclusive, bipartisan approach to addressing climate change.
- Several key principles should guide climate change mitigation policies, supporting global transition to a low carbon economy:
  - Targets must be technologically and economically feasible, and based on the best available science.
  - Market-based mechanisms with clear, transparent and consistent price signals offer the best hope for creating innovation and competition over the long term.
  - Both nations and businesses must implement greater transparency in tracking and reporting GHG emissions to allow measurement of progress, make necessary course corrections, and promote broader accountability in the shared response to climate change.
  - Efforts to address climate change must be global, but differentiated. Developing countries have legitimate economic aspirations that must be taken into account. HP supports approaches that create incentives and encourage actions by all countries.
  - Information technology solutions should be part of industry and national infrastructures to achieve rapid economic development with a lower dependency on fossil fuels.
  - Climate change mitigation must not be viewed in isolation from other highly important challenges, such as ensuring access to energy, expanding availability of clean water, alleviating poverty and achieving growth in the global economy.
  - The challenge must be viewed with an integrated approach, from beginning of the production cycle through to users and end-of-use.

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