

HP's efforts towards environmental sustainability

HP's vision

Be the recognized leader in inventing environmentally sound and sustainable solutions for the common good.

"We intend to provide leadership in this ecosystem of people and organizations to encourage environmentally sustainable, inclusive business and public policies."

*Carly Fiorina,
CEO, Hewlett-Packard Company*

milestones

- 1991 – Product Stewards assigned to every product line
- 1992 – HP establishes LaserJet toner take-back program
- 1997 – All HP LaserJet products Blue Angel certified
- 1999 – HP introduces industry's first inkjet printer with duplexing capability
- 2000 – HP releases the industry's first line of inkjet printers to be Blue Angel certified
- 2001 – HP wins Green Cross Millennium Award
- 2001 – HP offers product recycling to customers via two recycling centers in California and Tennessee accepting both HP and competitor equipment for a nominal fee

how do we take action towards that vision?

- Joining you today is a group from HP's DeskJet design division – Product Stewards, Engineering and Customer Assurance Managers – looking at product and packaging recycling strategies
- Our biggest challenge: translating the **vision into action** at the individual product level, while balancing:
 - our shareowners' need for **business results**
 - our customers' need for the **best products**.
- However, we are starting to see some changes in the business environment that are providing more tangible motivation for our organization...

three trends we see in the DeskJet business environment

today

"because it's the right thing to do"

environmental leadership

Inundated with information and choices, consumers will rely heavily on brand as a decision making guide. Likewise, successful companies will have a brand that employees are enthusiastic about.

future

"because we need it to get good employees and market share"

environmental financial impact – only when we do something "wrong"

direct financial impact

Governments are increasingly passing legislation making what were external environmental costs internal: take-back requirements, waste fees, energy usage limits, etc.

environmental costs will be internalized in the firm...and the product

environmental impact is a low-ranking purchase criteria

customer needs and wants

Environmental impact will rise in importance as a purchase criteria, explicitly for institutional customers and implicitly for consumers. As consumers retire more electronic goods, the disposal of packaging and product will become an important part of total customer experience.

customers will purchase more from companies that they trust

challenges -- why we are here today

- How do we drive sustainable thinking throughout the enterprise?
- How can we make intelligent trade-offs between long-term sustainability and short-term business concerns?
- How do we leverage sustainable products and business models into competitive advantage?