HP sustainable paper and wood policy

HP recognizes that climate change is one of the greatest environmental and economic challenges that we face in modern history. Forests play a critical role in mitigating climate change and in the health of the planet. They absorb carbon dioxide, support biodiversity, provide ecosystem services, and contribute to livelihoods of people around the globe.

As part of our commitment to environmental leadership, we are dedicated to reducing environmental impact across our supply chain through our sustainable paper and wood policy—a comprehensive, company-wide policy on buying, selling, and using paper and wood products. We actively support policy efforts to mitigate climate change impacts, including those associated with deforestation and forest degradation, and to promote responsible forestry management.

It is HP's intent that by demonstrating our commitment to the environment, both in policy and actions, we will lead our suppliers, resellers, licensees, and customers to do the same. HP relies on forests for the HP brand paper we sell, paper-based packaging for our products, and wood used in the design of some products. We also rely on sustainable paper and wood sourcing to address stakeholder concerns and requirements related to the impact of printing on the environment.

The HP sustainable paper and wood policy was first created in 2008[1] and defines the global environmental criteria and principles that HP follows when buying, selling, or using wood, paper, and paper-based product packaging. This policy includes principles and practices that exceed basic compliance and aligns with the United Nations Sustainable Development

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[1] Originally called the "Environmentally Preferable Paper Policy"

Goals for Responsible Consumption and Production (#12), Climate Action (#13), and Life on Land (#15).

The policy is based on the following principles:

- Sustainable forestry practices

- Increased materials efficiency

- Waste reduction

- Responsible and low carbon production

- Community and human rights protection

These guiding principles apply to the materials used to produce and package the products that we sell, procurement of paper products for use in HP offices, as well as internal and external office, commercial, and production printing. This policy applies to all HP employees and businesses worldwide.

Sustainable forestry practices

The foundation of any environmentally conscious wood or paper cycle must start with the initial harvesting from responsibly managed forests and the recognition that deforestation is a contributor to climate change, loss of biodiversity and ecosystem services.

We prefer suppliers that demonstrate environmental values and a commitment to sourcing from responsibly managed forests. In addition, we require all of our suppliers to eliminate the use of wood and paper fiber from any unwanted sources (e.g. irresponsibly converted land), high conservation value (HCV) forests, and endangered forests.

The HP principles for sustainable forestry practices include:

- Maintaining or enhancing ecological integrity, biodiversity, and other HCVs

- Maintaining productivity of the forest through responsible harvesting, growing, and regeneration or reforestation

- Preserving soil, air, and water quality

- Respecting the ownership and use rights of local communities and indigenous peoples in alignment with local and international law

- Protection of workers' rights

In support of these principles, we:

- Require suppliers to report the source of wood and paper fiber, including compliance with legal due diligence requirements.

- Develop appropriate goals and timelines to phase out the use of wood and paper fiber from any unwanted sources, HCV forests, and endangered forests.

- Rely on international standards and widely-recognized forest certifications, with preference given to those providing the most robust ecological and social criteria. The certification standard that currently provides such assurance is the Forest Stewardship Council (FSC).

- Require suppliers to ensure indigenous peoples have provided their free and prior informed consent for activities on their ancestral lands or lands affecting their livelihoods.

- Require suppliers to operate in compliance with relevant regulations and laws and apply these requirements to wood and paper fiber procured through their suppliers, traders, brokers, distributors, auctions, and similar entities or activities.

We rely on partnerships with forestry and conservation experts and stakeholders for guidance in defining, maintaining, and updating our principles for responsible forestry management. We will evaluate the credibility of certification programs based upon responsible forestry management principles and stakeholder input.

Increased materials efficiency

We innovate to increase materials efficiency, so that fewer resources are needed to produce our products and packaging. We strive to reduce the tonnage of paper used in our operations, increase the use of paper made from recycled materials, and reduce paper waste. We assess the use of recycled fiber across products and packaging and establish metrics and goals that aim to maximize the use of recycled materials while reducing material usage and optimizing shipping densities.

We encourage paper manufacturers to support innovative technological and procedural advancements that extend the life of limited resources and reduce the overall impact paper manufacturing has on the environment.

Waste reduction

We seek to reduce waste and the climate impact associated with waste by extending the life of wood and paper fiber in forestry products and encouraging efficient paper usage by our customers, suppliers, and employees. This includes encouraging customers, suppliers, and employees to recycle paper and packaging at the end of use, recover recyclable materials, and responsibly use paper products.

We also create innovations that help our employees and customers reduce their impact on the environment, including the following:

- Implementing duplex printing as a default standard

- Creating HP Managed Print Services, which enable customers to use paper more efficiently

- Improving the ability to recycle paper and packaging by incorporating more recyclable materials into our packaging designs and developing solutions for de-inking paper

Responsible and low carbon production

Maintaining air and water quality and reducing greenhouse gas (GHG) emissions are essential to reducing the key life cycle impacts of paper production.

We support the monitoring of GHG emissions, effluent discharge, and effects on air quality that can result from paper production and encourage our suppliers to pursue a continuous improvement cycle with respect to these impacts in their operations and supply chains. Suppliers are required to conform to the substance and materials restrictions that are in the HP General Specification for the Environment for wood, paper, and packaging. In addition, we value transparency from suppliers and ask them to report data related to key metrics.

Through partnerships with suppliers and outside nonprofit organizations, we participate in initiatives that support the advancement of research, technology, and production practices that reduce environmental impact and contribute to climate stability.   To learn more, see the HP Climate Action Policy.

Community and human rights protection

Respecting human rights is embedded in the way we do business. Human rights are the fundamental rights, freedoms and standards of treatment to which all people are entitled. Human rights must be maintained and respected in communities where HP and our suppliers operate. We require suppliers to adhere to all applicable labor and human rights laws and regulations. In addition, suppliers should not adversely impact the social and economic stability of the area in which they operate. See the HP Supplier Code of Conduct and HP Human Rights Policy for additional information.

We are committed to ensuring the principles outlined in this policy are fully integrated into our business operations. This includes conducting assessments, defining metrics, and setting and driving progress against goals to support the integration and implementation of our sustainable paper and wood policy. We shall continue to publicly report on our improvement in areas covered by this policy and to seek independent verification of our reporting metrics.

Sustainability at HP

Sustainable Impact serves as a guiding principle for how we do business and is critical to achieving our company vision: to create technology that makes life better for everyone, everywhere. It is fundamental to our reinvention journey—fueling our innovation and growth, strengthening our business for the long-term, and enabling us to develop and deliver the best solutions to our customers. We are working to transform our entire business to drive a

more efficient, circular, and low-carbon economy and enable our customers to invent the future through our most sustainable portfolio of products and services. To learn more about these efforts, visit the HP Sustainable Impact website.

Definitions

Term	Definition
Endangered forests	Areas of biodiversity that are distinct, rare, or ecologically important that industrial use would be incompatible with maintaining these values.

Unwanted source	A source that falls within one or more of the following categories:
	
	• The source forest is known or suspected of containing HCVs, except where:
	  o The forest is certified or in progress to certification under a credible certification system ensuring responsible management practices, or
	  o The forest manager can otherwise demonstrate that the forest and/or surrounding landscape is managed to ensure those values are maintained.
	• The source forest is being actively converted from natural forest to a plantation or other land use, unless the conversion is justified on grounds of net social and environmental gain, including the enhancement of HCVs in the surrounding landscape.
	• The timber was illegally harvested or traded.
	• The timber is conflict timber (i.e., it was traded in a way that drives violent armed conflict or threatens national or regional stability).
	• The harvesting or processing entity, or a related political or military regime, is violating human rights.
	• The timber is from genetically-modified trees.
	• The source forest is unknown.
	• The wood or paper fiber comes from a natural habitat (e.g. peatland) that was converted to a different land use, or was clear-cut or burned.

High conservation value forests	• Forest areas containing globally, regionally, or nationally significant concentrations of biodiversity values (such as endemism, endangered species, and refugia). • Forest areas containing globally, regionally, or nationally significant large landscape level forests contained within, or containing, the management unit where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance. • Forest areas that are in or contain rare, threatened, or endangered ecosystems. • Forest areas that provide basic services of nature in critical situations (such as watershed protection and erosion control). • Forest areas fundamental to meeting basic needs of local communities (such as subsistence and health). • Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic, or religious significance identified in cooperation with such local communities).

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