

# HP Inc.

**TICKER**  
NYSE:HPQ

**MARKET CAPITALIZATION**  
US\$38 billion

**HEADQUARTERS**  
United States

**COMPLIANCE**  
 UK Modern Slavery Act: [Disclosure available, but not compliant](#)  
 California Transparency in Supply Chains Act: [Yes<sup>1</sup>](#)

**COMMITMENTS**  
[Yes](#)

## COMPANY'S OVERALL RANKING

2 out of 40

(2016: 1 out of 20)

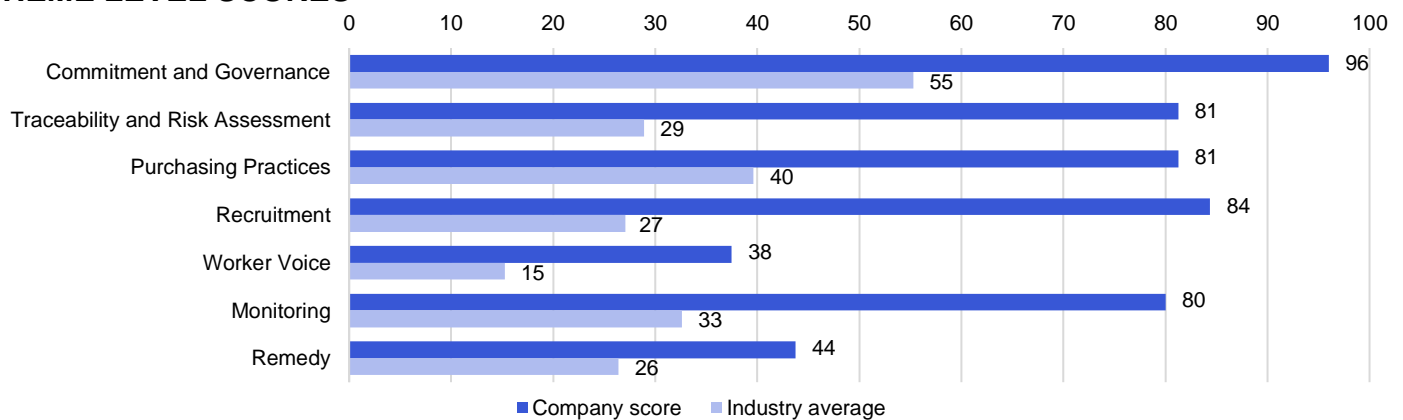
## COMPANY'S OVERALL SCORE

72 out of 100

## SUMMARY

HP Inc. (HP) ranks second out of 40 companies, disclosing more information on its forced labor policies and practices than its peers across all themes, despite having a significantly smaller market capitalization than the majority of the top ten scoring companies. HP is one of the companies achieving the highest score the theme of commitment and governance. Since 2016, it has improved its performance and disclosure by chairing the steering committee of Responsible Business Alliance's Responsible Labor Initiative, collaborating with peers to provide forced labor training to suppliers, and piloting a grievance mechanism at Malaysian supplier factories. The company has an opportunity to improve its performance and disclosure on the themes of recruitment, worker voice, and remedy.

## THEME LEVEL SCORES



<sup>1</sup> This scorecard was updated on June 19th 2018, when KnowTheChain identified evidence that the company is in compliance with the California Transparency in Supply Chains Act. Research conducted through March 2018. For more information please see the full dataset [here](#).

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## LEADING PRACTICES

**Training:** HP discloses that it trains procurement staff on the context of forced labor and modern slavery, indicators of forced labor, a summary of the company's policies on combatting modern slavery, who a worker can contact for help, and how to report concerns. HP's supply chain capacity building programs include worker-management communications training as well as workshops for 152 factory managers on student workers, juvenile workers and young workers in China. Further, the company conducted workshops in Thailand and Malaysia to train 118 supplier factory managers and 36 labor agents on its expectations regarding student workers and juvenile workers. Additionally, HP held training workshops with the Center for Child Rights and Corporate Social Responsibility at six Malaysian supplier factories on migrant worker rights, and collaborated with peers to train Southeast Asian suppliers and labor agents on how to prevent exploitation of migrant workers through recruitment agencies.

**Traceability:** HP is one of three companies which discloses both the names and addresses of its suppliers. Further, HP is the only company which publishes the number of workers per final assembly factory.

**Purchasing Practices:** HP discloses that it has multi-year agreements in place with major manufacturing suppliers which allow it to build awareness and capacity to meet supply chain responsibility expectations, including the implementation of policies and processes addressing the risks of modern slavery. The company also maintains social and environmental responsibility scorecards for manufacturing suppliers, which measure supplier performance and are used to incentivize improvements.

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## NOTABLE FINDINGS

**Recruitment:** The company's Foreign Migrant Worker Standard requires its suppliers to directly employ foreign migrant workers. Further, HP's Director of Human Rights and Supply Chain Responsibility chairs the steering committee of RBA's Responsible Labor Initiative.

**Worker voice:** HP requires suppliers to have effective and confidential grievance mechanisms available in migrants' workers' native languages. HP states that it has reviewed suppliers' response to the RBA Code grievance mechanism requirement via audits conducted in 2017 and found one minor non-conformance. Additionally, HP has multiple reporting channels at company level available to employees and other stakeholder to report human rights related concerns. HP discloses that it worked with the NGO 'ELEVATE' to pilot RBA's workplace of choice program in two Malaysian supplier factories, with a view of exploring different grievance mechanism options.

**Monitoring:** HP discloses data on worker involvement in its supplier audits. The company discloses that during supplier audits 199,432 supply chain workers were interviewed, 10,771 of whom were migrant workers. In 2017, during supplier audits, interviews were conducted with 2,251 workers, 1,094 of which were male and 1,158 of which were female.

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## OPPORTUNITIES FOR IMPROVEMENT

**Recruitment:** The company is encouraged to disclose information on the recruitment agencies used by its suppliers. The company may further consider disclosing evidence that any recruitment fees paid by suppliers' workers have been reimbursed.

**Worker Voice:** The company is encouraged to work with local or global trade unions to support freedom of association in its supply chains, and to work with suppliers to improve their practices in relation to freedom of association and collective bargaining. Where there are regulatory constraints on freedom of association, the company may consider ensuring workplace environments in which workers in its supply chains are able to pursue alternative forms of organizing. Further, the company may consider expanding and communicating its grievance mechanisms, to ensure workers across its supply chains have access to effective grievance mechanisms.

**Remedy:** The company may consider establishing a process to ensure remedy is provided to workers in its supply chains in cases of human trafficking and forced labor, and disclosing details on this process, such as timeframes, engagement with affected stakeholders, responsible parties, or approval procedures. To

demonstrate to stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to suppliers' workers.

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## **COMPANY PROVIDED ADDITIONAL DISCLOSURE**

[Yes, including on its business model.](#)