



REINVENTING THE SUPPLY CHAIN FOR A SUSTAINABLE FUTURE

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Our planet has a clear and pressing problem.

By the end of this century, [11.2 billion people](#) are projected to be living on Earth, generating [4 billion tons of waste](#) every year. Around the globe, much of this waste is [floating in our oceans](#), [polluting our water supplies](#) and [negatively impacting the living conditions](#) of millions of citizens worldwide. As the population booms, landfills are projected to be inundated. While massive amounts of materials will be needed to support global water and energy consumption, their remains have the potential to damage our ecosystems permanently.

The need to act is urgent—and the private sector should lead the way.

Today, sustainability is more than a moral imperative; it is an increasingly important competitive differentiator for businesses, large and small. Consumers know that their buying decisions can change business behavior, and that they have the power—through brands—to raise their voices and change the world.

In its 2018 survey, “[Brands and Stands](#),” Shelton Group found that 86 percent of surveyed consumers say it is important for companies to take a stand on social issues. Similarly, Nielsen research reveals that [66 percent of consumers would spend more](#) on a product if it came from a sustainable brand.

The business solution—and opportunity—lies in reimagining one thing nearly all brands have in common: their supply chains.

1. Build a Progressive, Circular Strategy

For years, sustainable impact has been a fundamental part of HP’s Reinvention journey. It has required us to ambitiously restructure our supply chain based upon on the pillars of sustainability, dignity and transparency. Year over year, we publicly report on key information about our supply chain.

In the just-released [2019 Barron’s Most Sustainable Companies list](#), HP was ranked No. 4 overall and No. 2 for IT out of the 1,000 largest publicly held U.S. companies. We’ve done so by prioritizing the long-term—for our environment, our products, our investors—without sacrificing innovation. This lends itself to the emerging concept known as the circular economy.

The circular economy is a low-waste, long-life approach that is fundamentally transforming the production of goods. At HP, we began to close the loop on waste in 1992 and have continued to multiply our efforts ever since. Committing to a circular economy means taking responsibility for your products’ duration throughout the lifecycle and at end-of-service. Achieving commercial benefit within a circular economy requires strong leadership and deep collaboration.

For any company seeking to become more circular, a good starting point is to look for opportunities to reduce the use of problematic materials, promote vigorous recycling programs, and integrate recycled materials into new products.

2. Work with Partners Willing to Share Your Values

Suppliers and partners are the lifeblood of any supply chain. They are the key players in elevating a company's sustainability strategy.

But perfect, sustainably-minded partners rarely appear overnight. At HP, we rely on hundreds of suppliers around the world. Often, building a more sustainable supply chain requires companies to train partners and suppliers in sustainability. For us, that starts with agreeing to uphold values that include reducing the environmental impact across our supply chain, promoting wellness and skills development within communities where we and our partners operate, and maintaining transparency about our supply chain.

To work toward a more sustainability-minded partner network, companies should establish clear policies and standards around environmental and social responsibility. From there, they must continually sense and address risk factors toward the core goal of empowering their partners and, in effect, their organizations.

3. Source Ethical Materials and Labor

A healthier planet is ultimately in service of those who inhabit it. Therefore, supply chains should never come at the expense of the workers that comprise it. All people deserve dignity, fair treatment and freely-chosen employment. In addition to the people who power our supply chain, HP is also focused on the materials we source and ensuring they are not associated with violence or human rights abuses.

Ensuring an ethical supply chain requires brands to do their due diligence to know who they are working with and how their materials are being sourced. HP, for example, works to eliminate the use of conflict minerals, including tantalum, tin, tungsten and gold, which can be found in small amounts in electronic products. Given that mining these materials can result in poor working conditions, brands must be adamant in avoiding unethically sourced materials.

Supply chains around the world are connected in various, intricate ways. Reimagining a more sustainable supply chain is often perceived as an insurmountable feat; but in actuality, when many brands commit to better practices, the impact multiplies. A commitment to principles and collaboration can spark a chain reaction that moves the needle in significant ways.

There is so much to be gained, but even more to lose, if brands do not take the helm in reinventing supply chains. No strategy is too ambitious. It is, after all, our planet that's at stake.