BUSINESS BENEFITS OF SUSTAINABILITY

Our sustainability program has a demonstrably positive effect on our bottom line: we win business and attract investment by demonstrating the benefits of sustainability and of HPE’s leadership to our customers and investors. Our sustainability credentials strengthen customer relationships and provide an advantage in new business tenders. We also leverage our reputation to support talent acquisition and retention, and to ensure ongoing access to global markets.

Building customer relationships

We continue to invest in new ways to connect with our current and potential customers on sustainability. Customers are often not fully aware of the synergy between optimizing their IT solutions and simultaneously achieving their business and sustainability goals. Our sustainability engagement technologists in Asia, Europe, and North America demonstrate how our IT efficiency and circularity capabilities benefit their operations, deliver cost savings, and overcome their business challenges.

Attracting investment

We work hard to attract investors who are motivated by environmental, social, and governance (ESG) performance. HPE aims to be fully transparent in meeting investor requests for ESG information. Since investors’ detailed information specifications differ, we prioritize the ESG rating organizations and reporting standards that influence the largest investments and are most respected in their field.

Focusing on the top 12 organizations, we systematically assess feedback from investors and ranking organizations, aiming to improve our scores year-over-year. HPE is included in the following rankings in 2019:

- Dow Jones Sustainability World Index (DJSI): eight consecutive years; sector leader in 2019 (100th percentile)
- Sustainalytics: 80/100 score (96th percentile)
- CDP Climate A List: seven consecutive years (98th percentile)
- MSCI ESG: AA ranking (89th percentile)
- EcoVadis: Gold level recognition (99th percentile)
- FTSE4Good Index Series: fourth consecutive year

The level of interest in sustainability from private and public sectors continues to increase, with more than 1,200 inquiries received by HPE per year. In addition, in 2019, our sustainability engagement included 102 one-to-one customer meetings, and 67 multi-customer forums with customers representing $3.2 billion in revenue.

We estimate that these engagements helped drive approximately $585 million in net revenue, an increase of 88% over the previous year.

“Rather than just sending our products to a recycling facility, utilizing HPE Asset Upcycling Services enables us to extend the life of our assets. This is critical for meeting our sustainability goals and reaffirms our commitment to be good global citizens.”

RENEE CORDOVA LOTTES, CIO PLATFORM MANAGEMENT, STRATEGIC INITIATIVES LEAD, ACCELERATE
HPE empowers our customers to grow their businesses and meet society’s need for sustainable solutions. Organizations that tap the potential of new data resources for the good of society—finding cures for disease, engineering low-carbon industry, or multiplying access to public services—will be the winners in the new sustainable economy.

At the same time, we achieve these leaps in performance at a lower cost and with reduced environmental impact from IT.

**SUSTAINABLE INNOVATION WITH CUSTOMERS**

**ULTRA-LOW CARBON, LOW-COST DATA CENTERS**

**Customer needs**
A major Asian electronics company required state-of-the-art energy efficiency attributes to be designed into its new mega supercomputing data center. Our customer’s specification included minimizing energy and water use, and reducing their carbon footprint, without compromising the performance required for their intensive research and development data-simulation needs.

**HPE solution**
HPE’s design featured cutting-edge technology to deliver a power usage effectiveness (PUE) of 1.15, 25% lower than comparable facilities. The ultra-low PUE was achieved by implementing significant free cooling during the colder months of the year, with conventional power supply minimized.

Compared to a traditional data center, this design will result in an annual site reduction of 25,000 metric tons of carbon emissions, 400 million gallons of water at the source, and $10 million in site energy costs.
ACCELERATED CROP YIELDS TO MEET GLOBAL FOOD DEMAND

Customer needs
Meeting the world’s need for food production will require a significant increase in crop yields over current levels. The twin challenges of population growth and climate change make this a pressing sustainability issue.

Traditional plant breeding has long been used to improve crop yield and resilience, but is a slow and imprecise science. Now, German IT data analysis company Computomics is applying genomics science to help plant breeders accelerate plant development. To achieve this, Computomics needs a high-powered data analysis system, at a cost affordable to their agri-business customers.

HPE solution
HPE’s innovative solution to the technical and cost challenge was a HPE Superdome Flex Server. HPE Superdome Flex allows multiple servers to be connected as one, delivering the terabytes of memory needed at an affordable price. Computomics can now assemble the massive data sets needed and provide unique genomic data insights to their clients.

Our partnership with Computomics is just one example of our Tech Impact 2030 initiative, launched in collaboration with the World Economic Forum in June 2018. Tech Impact brings together industry, technology, academia, and government to solve key societal challenges, focusing on agriculture and healthcare.
INTELLIGENT FACTORIES ELIMINATE THEIR OWN WASTE

Customer needs
Since the dawn of the industrial revolution, engineers have been improving factory efficiency, reducing waste, and optimizing product quality. But what if a factory could self-improve? HPE customer Seagate Technology, a global leader providing data storage and management solutions, reached out for technical support with building a factory that fine-tunes itself, avoiding downtime and waste due to defective products.

HPE solution
HPE pulled together a wide range of resources to enable Seagate to optimize manufacturing using converged edge systems and artificial intelligence (AI) analytics. The system co-created by Seagate and HPE analyzes 15 million product images per day, employing edge technology to interpret the data in real-time and identify quality imperfections before they become quality failures. This machine learning capability automatically adjusts manufacturing processes to correct functions that are going out of specification. Fixing problems before they manifest is the key to avoiding costly plant shutdowns and wasted product thanks to preventing quality issues.

KEEPING CUSTOMERS SAFE FROM DATA HACKERS AND CYBERCRIMINALS

Customer needs
A large healthcare provider experienced a ransomware attack that incapacitated 80% of its IT function within a matter of hours, infecting their data center and end-user equipment. To enable urgent business recovery, the company needed to rapidly replace its entire IT architecture with new, secure technology.

HPE solution
The healthcare company turned to HPE in its time of need to restore its ability to serve patients, recover its reputation, and most importantly, prevent a recurrence. HPE installed the latest ProLiant Gen10 servers, which feature state-of-the-art cybersecurity protection/detection capabilities. This healthcare company’s data center is now powered completely by HPE server equipment. Better protected, the company was able to reassure its customers and its cybersecurity insurer that their systems were secure. In sharing their experience, they strongly recommended other companies to implement state-of-the-art cybersecurity technology and training before a damaging attack.
EXTENDING THE LIFE OF IT EQUIPMENT FOR A CIRCULAR ECONOMY

Customer needs
The Council of the London Borough of Enfield in North London, UK, prioritizes sustainability across its local government operations, including IT. As part of ongoing upgrades to its IT architecture, the council needed a circular environmental solution complete with data security for their end-of-life IT equipment.

HPE solution
Working with UK reseller and recycling partner XMA, HPE provided a solution that not only solved the customer’s immediate need but also provided extra funds for the Council.

XMA teamed with HPE Financial Services to provide a circular economy approach to Enfield’s challenge by employing HPE Asset Upcycling Services. HPE Financial Services takes out the existing hardware, securely removes data, then expertly refurbishes the equipment at our Technology Renewal Center in Scotland, and returns it to market. This minimizes e-waste from the customer’s IT function and returns value from the sale to the council.

This circular economy approach has become an opportunity and differentiator for XMA as well, helping secure business pursuits by showing IT departments how they can contribute to corporate sustainability goals while solving dilemmas around end-of-use equipment.