Zoe McMahon is Director of Global Social & Environmental Responsibility within HP’s Ethics and Compliance Office. She is responsible for a global team managing HP’s product and supply chain social and environmental responsibility policy and compliance programs including ethical sourcing of HP’s products and packaging materials; HP’s supply chain code of conduct and improvement programs for labor, health and safety, and environmental responsibility; and HP product recycling standards and assurance. She is also responsible for HP’s global human rights program.

**HP has long been a leader in its sector on social and environmental supply chain responsibility. What do you see as the critical issues currently facing the electronics sector and how is HP addressing them?**

Shifting socioeconomic and labor trends require us to be alert to new risks and innovative in our approach to managing them. Political and economic pressures as well as demographic shifts in some sourcing countries have led to higher costs and growing labor shortages, putting pressure on workers and companies. Also, in developing countries, weaker rule of law, opaque recruiting practices, and less institutional experience with social and environmental responsibility (SER) may create additional risks.

In order to protect workers’ rights, we continually refine our Supply Chain Responsibility program to address emerging risks. We remain focused on protecting vulnerable workers, reducing excessive working hours and improving health and safety in the workplace. We view workers as ‘rights holders’ and believe that the most effective solutions will be found by involving them directly. We have advanced this approach through worker interviews and surveys during supplier monitoring, and by designing our capability-building events to empower workers to be part of the solution.

**In November 2014, the company adopted a new guideline for its suppliers related to foreign migrant workers prohibiting the payment of fees by workers to obtain employment, and requiring suppliers to hire workers directly instead of using labor brokers. How did HP come to this decision?**

HP is committed to protecting all workers in our supply chain, but we recognize that certain worker groups need special protection. Seeking additional sources of labor, suppliers in some countries have turned to students, dispatch workers, young workers (16 and 17 year olds where legally permitted), and foreign migrant workers—groups which have distinct vulnerabilities to potential abuse. We introduced enhanced standards, more focused monitoring, targeted capability-building, and KPI tracking to provide additional protection for these groups. It is still early days in the implementation of these measures, and some suppliers will probably need more guidance to achieve conformance, but we will work together with them to advance their capabilities on this important issue.

As HP has moved to address the business and human rights risks posed by migrant workers, has the company encountered any unforeseen challenges?

The recruitment of foreign migrant workers is a complex topic that requires action not
just at the supplier or manufacturer facility level. We need to work closely with labor agencies to ensure that they understand our expectations on the responsible recruitment of these workers and we are starting to do that.

What role has ICCR played in the development of HP’s supply chain approaches through the years?

ICCR has been a great sounding board for HP’s supply chain responsibility program over many years. We stay in contact with ICCR representatives directly, as well as through multi-industry & multi-stakeholder forums. ICCR is a constant force for good in advising companies like HP and in recognizing and sharing good practice when they see it.

What monitoring, training, or remediation steps does HP take to ensure that its suppliers comply with its new Supply Chain Foreign Migrant Worker Standard?

The Standard marks a major step forward in the protection of foreign migrant workers in our supply chain and we are now focused on ensuring that the new protections are realized. Specialized forced labor assessments and regular monitoring will confirm supplier conformance. Suppliers that do not meet our requirements must correct their practices with urgency or risk losing our business.

Can you speak about the importance of cross-industry collaboration and multi-stakeholder engagement in promoting best practices within the electronics sector?

Many of the issues we face are large and complex and beyond the scope of any single company to solve. Because the electronics industry supply base is broadly shared—such as suppliers of optical disk drives, memory, power supplies, and other commodities—collaborating with others in our industry sends a powerful and consistent message to suppliers.

We believe a common and high set of standards across our industry provides the greatest protection for workers in our supply chain. When we see gaps in guidance to suppliers on pressing SER issues, HP often implements policies, standards, and programs ahead of industry standards. We then share our experience when advocating to raise industry standards in line with our own.

Soaring demand for electronics is fueling the worldwide growth of e-waste, which commonly winds up in the developing world where it is often treated without adequate controls to safeguard human health and the environment. Can you speak about HP’s product take-back and recycling program, and how it is addressing these risks?

HP is an industry leader in product take-back programs, which we began offering in 1987. Since then, we have recovered 1,683,000 tonnes (3.71 billion pounds) of computer hardware (for reuse and recycling) and HP supplies (for recycling), and we now offer take-back programs in 73 countries and territories. Our initiatives go well beyond providing take-back options for our own products. We also support the development of electronics recycling infrastructure around the world. In 2014, we expanded our product return and recycling network and launched new collaborations to capture end-of-life products, including in Brazil, Kenya, Mexico, and Panama.

We require our recycling partners (vendors) to adopt environmentally responsible processing techniques, and to fully comply with relevant regulations. We also require certification to third-party recycling standards (R2 and e-Stewards) in the many countries where they are recognized. We contract with Environmental Resources Management (ERM) to audit our recycling vendors. ERM’s audits assess our vendors’ environmental, health, and safety (EHS) practices and performance, and also check downstream material flows based on shipment and receipt records to certify no “leakage” of materials to facilities outside our approved vendor network.

Carbon tracking and reduction is a new challenge for many corporations, as public and regulatory pressure to measure, report, and reduce energy use and associated greenhouse gas (GHG) emissions increases. How is HP responding?

In 2011, HP was the first IT company to publish its global carbon footprint. For the past two years, we have also published a complete water footprint. We believe that understanding environmental impacts across our value chain is the first step towards taking meaningful action. In 2013, we introduced our industry’s first supply chain GHG emissions reduction goal: to decrease first-tier manufacturing and product transportation-related GHG emissions intensity in our supply chain by 20% by 2020, compared with 2010. We set the goal with input and endorsement from Climate Savers, a World Wildlife Fund (WWF) program that promotes aggressive private sector action to reduce GHG emissions.