

**HP Inc. 2018 Annual Meeting of Stockholders Transcript**  
**April 24, 2018 - 2:00 PM (PDT)**

**Operator:** Good afternoon. Welcome to the HP Inc. annual meeting of stockholders. I would now like to turn the conference over to Chip Bergh, the chairman of the HP board. Please go ahead.

**Chip Bergh:** Good afternoon. We're glad you could join us for HP Inc.'s 2018 annual meeting of stockholders. The meeting is now called to order.

I'm Chip Bergh, Chairman of the Board of HP. I'm joined by Dion Weisler, HP's CEO, President, and Director; Kim Rivera, HP's Chief Legal Officer, General Counsel, and Corporate Secretary; and Beth Howe, HP's Head of Investor Relations.

It has been a strong year for the company with a great deal of progress across all aspects of the business. From having the most diverse board in the tech industry to introducing some of our most amazing PC and print products ever and driving strong business results, we have much to be proud of at HP. We are looking forward to walking you through some of the details of our progress.

Today's virtual meeting is a live audio webcast. We believe in engaging our stockholders and maximizing their ability to meaningfully engage with us. Virtual meetings are one of the ways we are doing this. Today's session enables our stockholders to participate in the meeting regardless of their location. Not only can you view the meeting, you can also submit questions and vote your shares online before the polls close.

Our director nominees, HP executive officers, and representatives from our registered public accounting firm, Ernst & Young, are attending today's meeting through the webcast. They will be able to assist with questions during the Q&A portion of the meeting.

We've received several questions that were submitted before today's meeting in our online pre-meeting stockholder forum, and we welcome your additional questions.

Thank you again for joining us, and let me now turn the meeting over to Kim.

**Kim Rivera:** Thank you, Chip. We are conducting the meeting in accordance with HP's bylaws and meeting rules. In order to ensure that the business of the meeting proceeds in an orderly fashion, we ask that you please observe the meeting rules. These rules are available on the meeting website.

We've allocated time for Q&A in today's agenda. The Q&A session will be held later in the meeting before the official closing of the polls. As a reminder, you may submit questions at any time before the end of the Q&A session. Any unanswered questions will be answered after the meeting, with responses available on our Investor Relations website, accessible via [hp.com/investor/home](http://hp.com/investor/home).

Some of our comments and responses to your question during today's meetings may include forward-looking statements that are based on certain assumptions and are subject to a number of risks and uncertainties. The risks, uncertainties, and assumptions that could affect these forward-looking statements include risks that are

described in HP's SEC reports, including our Form 10-Q for the first quarter of Fiscal 2018.

I'd also like to point out that the information presented at this meeting may include references to amounts that are expressed on a non-GAAP basis. A reconciliation of such non-GAAP amounts to GAAP and other information related to these non-GAAP measures is available on our Investor Relations website, accessible again via [hp.com/investor/home](http://hp.com/investor/home).

HP's agents have certified that notice of the meeting was provided starting February 26, 2018, to all stockholders of record as of the record date for the meeting, and copies of those certifications are in my possession. I therefore declare that legal notice of the meeting has been duly given.

The board of directors has appointed Kris Veaco from our proxy solicitor to serve as our Inspector of Election for this meeting. She is present at the meeting today. As required by law, Kris has taken and signed an oath as Inspector of Election. This document will be filed with the minutes of this meeting. As Inspector of Election, Kris has informed me that the majority of the outstanding shares held of record as of close of business on February 23, 2018 – the record date for this meeting – are represented at this meeting. I declare that there is a quorum present and that we may proceed with the business of the meeting.

Please remember that you may vote your shares online any time during this meeting before the closing of the polls.

There are four items of business on today's agenda. In accordance with HP's bylaws, these are the only proposals to be voted upon at this meeting.

The first item of business is a vote on a slate of 10 nominees to the board of directors. The 10 people who have been nominated to serve as the board of directors and who will be voted upon today are: Aida Alvarez, Shumeet Banerji, Robert Bennett, Charles Bergh, Stacy Brown-Philpot, Stephanie Burns, Mary Anne Citrino, Stacey Mobley, Subra Suresh, and Dion Weisler. Their biographies and detailed information about their experience are included in the proxy statement if you'd like to review it.

The second item of business is the ratification of the appointment of Ernst & Young LLP as HP's independent registered public accounting firm for Fiscal 2018. At this time, I'd like to acknowledge Mark Forsos (ph) and Kirk Parrish, representatives of Ernst & Young who are attending today's meeting. Ernst & Young was responsible for the audit of HP's 2017 fiscal year financial statements.

The third item is an advisory vote on HP's executive compensation. A description of this item of business is contained in your proxy statement. So, I won't review it in detail here.

The fourth item is a stockholder proposal requesting stockholders' right to act by written consent. John Chevedden, the proponent of the proposal, will now briefly present the proposal.

**John Chevedden:** Hello. This is John Chevedden. Can you hear me?

**Kim Rivera:** Yes, we can hear you, Mr. Chevedden.

**John Chevedden:**

This is Proposal 4, a right to act by written consent. Shareholders request that our board of directors take such steps as they see necessary to permit written consent by shareholders entitled to cast the minimum number of votes that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote thereon were present and voting.

Hundreds of major companies enable shareholder action by written consent. Taking action by written consent in place of a meeting is a means shareholders can use to raise important matters outside the normal annual meeting cycle. Dozens of Fortune 500 companies provide for shareholder rights to act by written consent and to call a special meeting. Our higher 25% threshold for shareholders to call a special meeting at HP is one more reason that we should have the right to act by written consent.

It is especially important to gain a shareholder right, such as written consent, to make up for our management abruptly taking away an important shareholder right: the right to an in-person annual meeting. For decades, shareholders had a once-a-year opportunity to ask our \$10 million CEO and directors questions in person. Now our directors can casually flip their phones to mute during the annual shareholder meeting. Our management did not even give us the opportunity to vote on whether we wanted to give up this important right.

Our management is now free to run a make-believe meeting with Investor Relations devising softball questions in advance while tossing out serious questions. Then our \$10 million CEO can simply read scripted Investor Relations answers to a microphone; absolutely no opportunity for audience feedback.

The lack of an in-person annual meeting means that a board meeting can be scheduled months after the virtual meeting, by which time any serious issues raised by shareholders under these adverse conditions will be long-forgotten by the directors. Plus, a virtual meeting guarantees that there will be no media coverage for the benefit of shareholders.

A virtual meeting is a complacency plan for our directors and top management. Top management has no incentive to avoid making mistakes for 365 days of the year out of concern that there will be an in-person accounting at the annual meeting in front of shareholders and media. Shareholders can vote against the \$10 million paycheck of a CEO who refuses to answer shareholder questions in-person.

For more information on this proposal, you can read the notice of exempt solicitation, which is on the EDGAR website – it's the top item right now – under HP. And ironically, the management opposition statement to this proposal says that it's important to have well-informed discussion. And so, I don't know how you have a well-informed discussion at a virtual meeting when nobody can speak, except a few people.

So, therefore, I ask shareholders to give us the right to help make up for the right of an in-person meeting and to vote "Yes," a right to act by written consent, Proposal 4.

Thank you.

**Kim Rivera:**

Thank you, Mr. Chevedden.

As described in our proxy statement beginning on Page 58, the board recommends a vote against this proposal. The board believes that HP's commitment to good corporate governance, including its strong stockholder engagement program and the existing right of stockholders to call a special meeting, render the proposal unnecessary.

Additionally, the board believes that there is a clear risk of abuse associated with the right to act by written consent, as such a right as proposed would bypass procedural protections currently provided to our stockholders in the case of a stockholder meeting, such as transparency of the proceedings and advance notice of the meeting.

While management disagrees with the proposal as presented by Mr. Chevedden, as it lacks many of the basic procedural protections that are customarily incorporated into a right to act by written consent, given that a significant portion of our stockholder base has indicated that they would like such a right HP commits regardless of the outcome of this vote that in consultation with our investors we will propose a more equitable form of this right that takes into account all stockholder interests.

You've now heard a description of the four items of business that you've been asked to vote on. We will now proceed to the voting on the agenda items that I described. The polls have been opened for voting on each of the items of business since the beginning of this meeting, at 2:00 pm, Pacific Time, and they will remain open until I announce their closure later in the meeting.

If you have previously voted by proxy and do not wish to change your vote, your vote will be cast as you previously instructed and no further action is needed. If you are a record holder and wish to change your vote, did not send in a proxy and wish to cast your vote now, or have not already cast your vote using our electronic voting system, you may cast your vote by electronic ballot at [hp.onlineshareholdermeeting.com](http://hp.onlineshareholdermeeting.com) now or at any time until the conclusion of this meeting.

You will notice a link to the voting site on your screen. Access to [hp.onlineshareholdermeeting.com](http://hp.onlineshareholdermeeting.com) requires the control number you received before this meeting. If you do not indicate the number of shares you intend to vote on your electronic ballot, your electronic ballot will automatically represent all shares that you are entitled to vote at this meeting.

As you navigate to the electronic ballot site and are making your decisions, Dion is going to discuss where HP's business stands today and what we've accomplished since our last annual meeting. And now, over to you, Dion.

**Dion Weisler:**

Thank you, Kim. This is a great time to be in this industry, and it's an even better time to be a part of HP. Since our last annual meeting a year ago, a lot has happened in the global economy, in our industry, and certainly the print and personal systems business.

For HP, it's been a strong year. I'm extremely proud of what we've accomplished. Despite the challenging environment, we're doing what we said we would do. We delivered on our financial commitments while solidifying our leadership in the global personal systems, printing, and 3D printing categories. Our focus, discipline, innovation, and rigor enabled us to outperform the markets where we operate, generate predictable cash flows, and provide reliable returns to shareholders, while also investing to build a strong foundation for future growth.

We're striking the right balance in how we plan, innovate, and execute across all components of our strategy. With six consecutive quarters of growth, our recent performance demonstrates how we are executing for today while positioning HP to capture the future.

In Fiscal 2017, we grew net revenue by 8% year over year, to \$52.1 billion, and we delivered non-GAAP diluted net earnings per share with \$1.65 of non-GAAP diluted EPS for the full year. This strong performance allowed us to deliver \$3.3 billion of free cash

flow for Fiscal 2017, and we returned \$2.3 billion, or 69%, to shareholders through dividends and share repurchases.

Fiscal Year 2018 is off to a strong start. In the first fiscal quarter of this year, we grew net revenue by 14% year over year, to \$14.5 billion, with double-digit growth in both personal systems and printing. We delivered non-GAAP diluted earnings per share of 48 cents and exceeded free cash flow expectations, delivering almost one billion dollars and returning almost \$700 million to shareholders through share repurchases and dividends.

We will continue to be disciplined with capital allocation. In this business, our capital expenditure requirements are modest, and we will determine all of our investments against a returns-based framework. Our current strategy is to return 50% to 75% of free cash flow to shareholders.

Our strategy remains consistent. We're investing in our core, accelerating growth opportunities, and investing in the future to build a sustainable business for the long term. We operate in large markets, with two core franchises: print and personal systems. For both, we continue to execute based on three pillars. Firstly, in our core, we aggressively innovate and execute. We must be excellent here, as it represents the largest proportion of our revenue and profit today. Secondly, in our growth pillar, we are leveraging our strengths to expand into natural adjacencies and segments where we're underpenetrated. And third is the future pillar, where we invest to create entirely new categories in strategic markets that we can lead and transform. Underlining all three strategic pillars is the foundation of services and solution.

As we accelerate, it isn't just about revenue and profit. Our success must also be measured by the sustainable impact we create. This includes our ability to protect the environment, increase diversity and inclusion, and invest in our communities; not just because they are business imperatives, but because they're the right thing to do and it's who we are.

As the industry leader in PCs, print, and 3D printing, we can redefine the impact that we have on the planet, people, and community. This includes leading on environmental sustainability, standing up for human rights, celebrating diversity and inclusion, and having a positive impact in the local communities served; and not just in our own company, but also with our suppliers and partners. We aim to be a beacon for the entire industry.

Sustainable impact is tightly woven into the fabric of our DNA and at the heart of our reinvention journey. It underpins our business priorities and guides our global operations and supply chain. We are increasingly moving towards a circular and low-carbon economy, shifting from transactional product sales to service models while transforming how whole industries design, make, and distribute products with our 3D printing technology.

We continue to support the Paris climate agreement and have set greenhouse gas emission reduction goals for our global operations. We are uncompromising in our expectations of ethical behavior by our employees, partners, and suppliers, and we have strict standards in place to safeguard and protect workers across our entire value chain.

The ultimate driver of our success is our people. A diverse, inclusive, global community of employees and strong HP culture is one of our greatest strengths. Our employee engagement and satisfaction metrics continue to improve year on year.

We continue to have one of the most diverse board of directors with diversity of thought, experience, race, ethnicity, gender, and perspective. The focus on diversity flows to my management team and throughout our entire company. We continue to increase the number of female executives and have improved diversity hiring, with U.S. minority hiring increasing 8% over the prior year, and are challenging our entire organization and our partners to diversify their workforce.

Similarly, HP is committed to pay equity, ensuring equal pay for equal work. A recent review we conducted identified no evidence of pay inequality, and we continue to monitor the situation closely to ensure our compensation practices remained aligned with our principles.

Now, with a deeper understanding of our strategy and the corporate values, let me discuss some of the business unit innovations and highlights. In print, we continue to strengthen our core office printing business, and we have made great progress on our entry into the \$55 billion A3 copier market. To help support the initiative, we completed the strategic acquisition of Samsung's printer business on November the 1st of 2017, adding more than 6,500 printing patents and a world-class workforce, including nearly 1,300 researchers and engineers. The integration efforts are on track, and the new lineup that began shipping last year is helping us to disrupt the markets and capture share in both A3 and A4.

Our commercial printing offerings are fortified by our industry-leading security and manageability solutions, which make our A3 and A4 offering the most secure in the world. Additionally, as the industry shift accelerates towards contractual models, we're delivering strategic growth in managed print services.

We also continue to reinvent large-format printing with our graphic solutions business and accelerate the industry shift from analog to digital printing, unlocking new ways for brands to interact with customers through personalized printing, packaging, and decor. In Fiscal '18, we plan to further expand our focus to include printing on textiles.

In consumer printing, we're reinvigorating the category with new social and mobile devices, solutions like HP voice-activated printing, and services like Instant Ink. Sprocket, the pocket-sized printer geared towards millennials, is a breakaway hit, introducing a new generation of users around the world to the power of print.

And in 3D printing, it's been a little over a year since we took Multi Jet Fusion from an initiative to a rapidly growing global business. We have repeat customers scaling to go into full production mode, more than 90 resellers, 60 materials partners, 25 experience centers, and a growing ecosystem. Our Multi Jet Fusion technology is truly disruptive, delivering fully functional production paths and helping to transform manufacturing.

This past quarter, we introduced the Jet Fusion 300/500 series, a lower-cost, full-color system, opening up new buyers such as education, design, and prototyping. HP is now the only player in both prototyping and full production on the same technology platform, making it easier to go from prototype to mass-scale manufacturing.

As we continue to scale this business, we will add new partners and move into new materials, including our 3D metal printing technology that will be announced later this year.

I'm confident 3D printing will transform nearly every industry, and I believe that in five to 10 years' time the way the world designs and manufactures will be totally

transformed. It's no longer physical products, but "1"s and "0"s that will traverse across borders. Supply chains are transformed, goods move closer to the consumer, everything is mass personalized, and there is no waste, no warehouses, and no inventory. Together, we can lead not just an industrial revolution, but a sustainable revolution, creating a brighter future for us all.

In personal systems, we have an incredibly strong and innovative product and services portfolio, winning top awards and rave reviews for commercial and consumer devices alike. We're gaining profitable market share with incredible innovations and spectacularly designed multi-form factor devices.

Additionally, we're seeing growth in strategic areas, including device-as-a-service, premium, gaming, and commercial VR solutions. Our innovation and design is helping us grow in strategic premium market segments where we're creating breakthroughs in design and performance that really matters to gamers. We're attracting a new generation of customers (inaudible) market-leading HP franchise.

These are just a few examples of how strong and innovative our portfolio is and how we're strategically segmenting market opportunity to accelerate our momentum and provide long-term growth for our investors.

There has never been a better time to be at HP. Every facet of the world, our industry, and our customer and partner needs are rapidly changing. But to us, change equals opportunity. We have a clear strategy that leverages our strengths and innovations to lead in our core, capture growth opportunities, and create the future. Our reinvention journey is just beginning, and I firmly believe that our best years are ahead of us.

On behalf of the entire management team, thank you for your ongoing support of HP's reinvention journey.

And now, back to you, Kim.

**Kim Rivera:**

Thank you, Dion. Now, we will move to the Q&A portion of our agenda, which will be moderated by Beth Howe. As a reminder, the polls will continue to be open during Q&A and you may continue to vote your shares. You can also continue to submit your questions during Q&A.

And now, over to Beth.

**Beth Howe:**

Thank you, Kim. We are going to start with some questions that we received in advance of today's meeting. So, the first one is, "What are the expected focus areas to drive growth in the next three years?"

**Dion Weisler:**

Thanks, Beth, and thank you for the question.

The way I think about this – and I've said it now since we became an independent company – was that a growing company is a good company. And as a result of that, I think about growth a lot, in all dimensions of our business across multiple time horizons.

If you consider that the vast majority of our approximately \$55 billion of revenue and the vast majority of our operating profit today comes from our core businesses, then of course we must spend a lot of time focusing on those businesses. We need to be excellent here in the core. We have to segment those markets, segment them again, figure out where the heat is in the market, skate towards where the puck is going, be

driven by insights and our customers, and have an innovation flywheel that's second to none in the industry that enables us to outgrow the market and outgrow our competitors. We do that by adding lots of sprinkles of magic into our product, adding and ensuring that we have the right price-function-value equation for a customer so that they're delighted with the experiences that we're engineering for them.

But the core markets that we're in today will go so far to enable us to grow. We can grow through consolidating markets and by identifying those pockets of areas of growth. But I would argue that's not enough. Over the next two, three to five years, we're going to focus on a few things that can ensure a faster glide path of growth. And we've picked three areas; namely, the A3 copier market. It's a \$55 billion market where we're relatively underpenetrated compared to our A4 market leadership position. It's a natural adjacency for us. We made an acquisition of Samsung's printing business there to enable us to accelerate growth into this area on top of the organic work that we were doing, and we're confident that we will certainly grow this business and it will be an area of growth for us for many years to come.

The second area is our graphics business. And this is all about shifting the market from an analog printing world, where it has been for the last 200 years, into a digital world, because it enables customers and brands to have a much more personal relationship with their end customers. We have a market-leading position here. So, our job is really to make the shift from analog to digital.

And the third area is with massive mega trends towards larger cities and changing demographics, we have a customer base and a population that is increasingly looking to everything as a service. And so, we are responding to that by not only continuing to grow our management services, but doing that also with device-as-a-service, and I would imagine everything else we do in the future will also be able to be offered as a service.

So, those three things provide growth over the next sort of three to five years on top of the core, but I would argue that is not enough. If you really want hyper growth, you've got to think further out than that. What are we going to be doing over the next five to 10 years? And this is an exciting area of immersive computing and 3D printing. And we talked a little bit about in my prepared remarks around the exciting things that we're doing around 3D printing. But our opportunity here is not to just participate in the business the size it is today – it's only a \$6 billion market – but the job here is to disrupt a \$12 trillion manufacturing industry.

So, by executing across core growth and future on those time vectors, we ensure that we remain extremely relevant today, but relevant for a very long time into the future. So, I would argue our best years lie ahead of us.

**Beth Howe:**

Thanks. The next question is, "Will the laptop make a comeback? Will you lead the pack or run to catch up?"

**Dion Weisler:**

Well, I would say the good news is that we are leading the pack and we have done so for many, many, many quarters in a row now. In fact, if you look at the results of last quarter in the PC business, Ron Coughlin and his team delivered 15% growth year over year, and that was on top of double-digit growth the year before. So, it wasn't off an easy compare. So, that's what I call a double-double.

And the trajectory of this business is built off the back of a lot of hard work around really identifying where the market is going, how we can delight customers, leveraging their insights, making design incredibly relevant inside our products, focusing in on

security because it really matters in an increasingly complicated world. Remember, this is still – the PC business is still a \$334 billion market and only approximately just over one in five PCs has an HP logo on it. So, there's still four out of five customers, potential customers, that are yet to experience our amazing engineering. And so, our job still remains to not only service our customers today, but encourage new people into the franchise. And so, we do that.

But if you break that \$334 billion up, there's two big segments there. One is the sort of \$190 billion traditional products – you would think of them as desktops and notebooks and work stations – and that market, in aggregate, is kind of flat to slightly down. We can still take market share and we can still grow, and we have been, faster than our competitors. And that's done, again, off the back of insights, sprinkles of magic, making sure we're in the right cost position, driving towards areas that offer our customers more value in premium and gaming and, subsequently, our investors more value in those two areas.

But the other \$150 billion part of the market is in adjacencies to that PC market. All of these areas are growing. So, in aggregate, we see that the overall market growing at about 5%. But this is areas like displays and accessories and virtual reality and services and 3D scanning, and we are underpenetrated in these areas. So, we're looking to shift our mix from the \$190 billion market – and certainly not ignoring that – but finding the other pockets of growth in the \$150 billion parts of the market to ensure we can keep growing in these markets.

So, bottom line is I like this business a lot. It's a very large market. We still don't have – although we have leading market share – and that is not as an objective, but rather an outcome of the hard work that the team has done – there's still a lot more work that we can do here. It almost has an infinite return on invested capital, and it operates at negative cash conversion cycles, which means it fuels cash for the rest of the business and for our shareholders. So, I think what you can expect to see is the continued execution that the team is driving across the globe in what is a very, very solid franchise.

**Beth Howe:**

Thanks, Dion. The next question is for Chip. There are actually a few that pertain to executive compensation; performance-based compensation, in particular. So, I think I'd summarize the questions as, "How do we think about executive compensation at HP? What's the philosophy behind our executive compensation programs?"

**Chip Bergh:**

Thanks, Beth. In addition to serving as the Chairman of the Board, I'm also a member of the board's Human Resources and Compensation Committee and also participated in our shareholder outreach program earlier this year and met with a number of our large shareholders. And this is a question that came up, and it's one that I think about regularly in these roles.

So, as we lay out in the proxy, HP's compensation is heavily based on performance, particularly around the key metrics that run the business, such as net income, margin, and total shareholder return, or TSR. For the senior leadership, the vast majority of the compensation is performance-based. In fact, more than 70% of the total compensation is based on performance against these metrics. As all managers know, employees require some part of their compensation to be fixed – call that base salary – but even that is based on them successfully fulfilling their role.

HP's compensation is largely stock-based, with leaders receiving the majority of their compensation through our equity programs, aligning them with shareholder interests.

Additionally, they don't earn that stock unless they achieve performance goals based on total shareholder return.

The board does give very serious consideration of paying leadership competitively, yet fairly, based on the market, benchmarked against companies similar to ourselves, and target the median salary levels, not the top end of the range.

HP's Fiscal 2017 total shareholder return of 40.8% was more than 2x the S&P 500 return of 19.9%.

**Beth Howe:** Thanks, Chip. I think the next question is best directed to Dion. "Why the need for so many directors?"

**Dion Weisler:** Well, first, let me acknowledge and thank Chip for being here of course through the course of last year. With Meg leaving the board, Chip took on the role of Chairman of the Board, where he was previously our lead independent director. And I think he's done a terrific job in leading the board through that transition, and he's personally very, very helpful to me as we navigate and charter the future of this company.

But we do that together with an incredible group of directors. We are proudly looking at, I would say, the most diverse board in all of corporate tech, if not all of America. Highly experienced. They're engaged in all areas of our business, and we operate a very broad business and a very global business. And we need to have a lot of skills on the board in order to really ensure that we have the right governance in place and the right advisers in place as we navigate the many complicated issues that affect a business of this size and magnitude. Whether that be their skills in financial acumen, governance, strategic areas, industry-specific areas, academia, sitting CEOs, technology, go-to-market expertise, and many more, the 10 directors that we have provide an incredible cross-section of all of those requirements.

And the Nom and Gov Committee drive a process every year to enable the board to self-evaluate their performance. They discuss it, together with management. We build a strong annual plan around that. We're consistently and continuously evaluating the size and the composition of the board to match the needs both for today as well as for the future.

They're deeply connected to the business. They don't sit idly by. They are involved in shareholder outreach tours annually. They do site visits not only here in the United States but across our sites around the world. They are linked together. Every single board member is tagged with one of my leadership team in a program we call the Board Buddy program. So, they have a deep insight into all areas of the business in a very transparent way. And they attend all-hands meetings where we have meetings with our entire 55,000 staff and enable our staff to ask questions directly of the board in a live format. And a lot of that – obviously, we can't put 55,000 people in a room – is done in a virtual call, and we find that extremely effective.

And so, through this board evaluation process, this constant assessment to ensure that we have the right skills on the board but also the leadership to provide the guidance and the oversight that is necessary.

**Beth Howe:** Thanks, Dion. We have a few more questions coming in live. The first one is, "Do you plan on returning to an in-person meeting? I would prefer an in-person meeting to a virtual meeting."

**Kim Rivera:** I'll take that one, Beth. Thank you.

So, we don't have a specific plan to return to a live meeting, but we continue to talk to shareholders, as we did this year, and to evaluate the pros and cons each year to make sure that we're taking the right approach.

I want to talk a little bit about our rationale for a virtual meeting. With our transition to a virtual meeting, we've been able to give stockholders access to view the meeting, to vote, and to ask questions no matter where they live in the world, and it's accessible and available on any device, be it a phone, a tablet, or a computer. We're able to reach a broader base of stockholders than those who can afford to travel to an in-person meeting. And we're also able to respond in detail to every question a stockholder may have, rather than just a limited number of questions answered on the fly. And management responds thoughtfully to every question in writing on our website in addition to the ones that we answer here. We not only respond to every question asked in writing regardless of topic, but those answers are posted along with the replay, which is available for at least a year and which allow our stockholders to go back and see how the meeting went.

Holding our annual meeting virtually also enables significant cost savings for both HP and our stockholders, who don't have to travel to the meeting. This is the fourth year holding a virtual meeting, and we're using those savings to improve the interactive experience year over year, including launching a dedicated website for our annual meeting, including interactive disclosure of our proxy statement, which you can visit at [www.hpannualmeeting.com](http://www.hpannualmeeting.com).

In addition to the cost savings, we're also reducing the carbon footprint associated with the meeting, which is important to our broad sustainability strategy as a company.

Better access and, thus, better stockholder engagement, cost savings, and a commitment to our environmental impact were all key to our decision to transition to the current format, which we believe makes us more transparent as a company. As I mentioned at the outset, we will continue to talk to shareholders each year about striking the right balance. And this is just one avenue for shareholders to engage. We do conduct shareholder engagement year round.

**Beth Howe:**

Thanks, Kim.

Chip, the next one's for you. "Does the HP Chairman meet in person with large shareholders?"

**Chip Bergh:**

Thanks, Beth. I sort of alluded to the fact that we did, in my previous answer, but the short answer is, yes. But I think putting some meat on the bones might be helpful here, because I believe that HP has a really well thought out and quite rigorous shareholder outreach program which I've participated in now for the last two years.

And to dimensionalize it, this past year, in the month of January, we met with roughly 45% of the voting shares – some of our largest institutional shareholders – over the course of about a week in Boston, New York, and San Francisco. I met with all of them face to face, and I was actually accompanied by two other board members: Stephanie Burns, who is chair of our HR Committee, and Stacey Mobley, who is on the Nominating Governance Committee, as well as the HR Committee, participated. And we had Tracy Keogh, the HR Officer, along, as well as Steve Fieler, the Controller. So, a good representation from management; notably, not Dion or Cathy, so we could have a real open conversation with the largest shareholders.

So, it is a time commitment, but it is an important thing that we do. And I think it's actually a best practice and we were recognized by several shareholders for doing that.

**Beth Howe:** Thanks, Chip.

Kim, we have another one for you live today. "Are you going to publish answers to all the questions asked?"

**Kim Rivera:** Thanks, Beth. Yes, as I alluded to earlier, we commit to answering every question received in writing within one week of the meeting. And the questions will be posted as asked, with the accompanying answers, to our IR website, at [hp.com/investor/home](http://hp.com/investor/home).

**Beth Howe:** Thanks, Kim.

Dion, I think we've got one more question that we received today. "What are the plans to expand 3D print business in India?" It's a multi-part question. "Is there any plan of technology transfer with production outsourcing of 3D printers to India?" And finally, "If yes, please provide the details. If no, please provide the reasons."

**Dion Weisler:** Okay. Four questions. I got it.

So, first question, I believe was are we planning to expand the business to India. In fact, we announced commercial availability of our award-winning Multi Jet Fusion platform in India in January of this year. So, we're already in market in India. Very excited by that, continuing the growth of the partner community. We've got two local partners in India that specialize in this area of reselling the 3D printing technology.

And we expect that that will expand because it's being propelled by the government initiatives around Made in India and Digital India. The Indian economy that I've been involved with for decades is really at the cusp of a major transformation as it seeks to become a global manufacturing center. And there is no doubt that Industry 4.0 is going to be, in my mind and many others as well, the fourth industrial revolution will be – one of the main drivers will be 3D printing, amongst some other technologies. So, we're excited that we have the product available in India, as well as the expansion plans that we have there.

The second question was around technology transfer and production, if yes, if no. As a matter of process, we don't release details of technology transfers. They're obviously sensitive issues and areas. And we also don't talk in details around production areas or footprints by product. So, it's not perhaps the answer that – the yes/no answer that you were looking for. But we are constantly evaluating our global footprint for all of our products, and we are also constantly evolving the footprint of our manufacturing and technology transfers based on many factors that we continuously evaluate.

But I would say, more broadly, I'm super excited by the overall 3D printing business opportunity. We've had products in market now on a mass scale really only for the past 12 months – so, this is a brand new business for us – and we've gone from 18 months ago zero dollars of revenue, no channel partners, to now in the market segment that we're serving – which is all around production printing, not prototype printing, in production printing of equipment more than \$100,000 – we have world-leading market share.

It's crazy to go from zero to market share leadership in such a short period of time. And we are growing the overall market. We now have from zero resellers to more than 90 resellers around the world. We have 25 3D experience centers around the world. We

have many materials partners, an open platform, more than 50 partners that are making materials for the platform, and that just encourages a great variety of materials availability and also ensures that there's competition for pricing of those materials at an effective rate for customers as we attract and move from analog to digital printing.

And so, there's no question in my mind, as I mentioned earlier, that we are at the cusp of the next industrial revolution. We're going to democratize manufacturing in a way that the world has never seen before, which are bringing products much closer to where customers are, lots of benefits around reduced carbon footprint, no waste, less warehouses, and a great deal of design freedom and flexibility (inaudible).

So, on that note, I'm sure India is going to really participate in a very exciting market, but so will many other countries around the world.

**Beth Howe:** Thanks, Dion. That was our last question for the Q&A session. Thank you all for participating today. For questions we were not able to answer on today's call, please check our Investor Relations website, accessible via [hp.com/investor/home](http://hp.com/investor/home), where we will post every question or comment and answers within one week, just as we did last year.

And with that, I'll turn it back to Kim.

**Kim Rivera:** Thank you, Beth, and thank you, Dion.

We will be closing the polls shortly. Therefore, we would ask that you complete your electronic ballot, on [hp.onlineshareholdermeeting.com](http://hp.onlineshareholdermeeting.com), at this time. You must ensure you submit your electronic ballot in order for your votes to be counted. The Inspector of Election will not accept votes submitted after the closing of the polls. Please note that any votes by electronic ballot submitted today will be subject to final verification by the Inspector of Election.

There being no further ballots, I hereby declare that it is approximately 2:50 pm, Pacific Time, and the polls are now closed for voting on the items of business. All electronic ballots and proxies are now in the custody of the Inspector of Election. Chip will now announce the preliminary results of the vote. Over to you, Chip.

**Chip Bergh:** Thanks, Kim. Results to be announced are based on the preliminary tally provided by our Inspector of Election. All votes are subject to final count certified by the Inspector.

Let's start with the votes cast for the election of directors.

**Kris Veaco:** Regarding Proposal 1, the election of directors, each director received not fewer than 1,099,000,000 shares.

**Chip Bergh:** Based on the vote, I declare that all 10 director nominees have been elected to serve for the next year, to hold office until their successors are duly elected and qualified.

Now, I will ask Kris to announce the results of the vote on the ratification of Ernst & Young as HP's independent registered public accounting firm.

**Kris Veaco:** The ratification of the independent registered public accounting firm Ernst & Young LLP received 1,391,000,000 shares.

**Chip Bergh:** Based on the vote, I declare that the appointment of Ernst & Young as HP's independent registered public accounting firm for Fiscal 2018 has been ratified.

Now, I will ask Kris to announce the results of the advisory vote on the executive compensation.

**Kris Veaco:** The proposal to approve on an advisory basis the company's executive compensation received 1,125,000,000 shares.

**Chip Bergh:** Thank you, Kris. Based on the vote, I declare that the advisory vote to approve the company's executive compensation has passed.

Now, I will ask you to announce the results of the stockholder proposal requesting stockholders' right to act by written consent.

**Kris Veaco:** The stockholder proposal requesting stockholders' right to act by written consent received 626 million shares.

**Chip Bergh:** Thank you, Kris. Based on the preliminary vote, the stockholder proposal passes.

HP will report final results in a Form 8-K to be filed with the U.S. Securities and Exchange Commission.

It's now 2:54, Pacific Time, pm, and I declare that the business of today's meeting is concluded. Thank you all very much for joining us this afternoon. We appreciate your interest and your continued confidence in HP.

**Operator:** The meeting has concluded. Thank you for amending today's presentation. You may now disconnect.