

HP Federal Policy 2005

Privacy



The Issue

As the use of electronic commerce (e-commerce) has become a mainstream activity for many U.S. consumers, the U.S. government and private sector have worked together to provide safe and trusted consumer experiences and privacy protections. Both the public and private sectors agree on the importance of – and the need to ensure – a secure online venue for consumers, while not inhibiting the growth of an open electronic marketplace.

In numerous surveys, consumers have expressed concerns about how their personal information is used and secured when collected online or offline. Consumers want assurance that their personal information will be used responsibly and that they will have a say in how it's used. They are increasingly sensitive about unwanted intrusion from email or software downloads. More recently, consumers have expressed anxiety over the use of new technologies (or new uses of existing technologies) with the potential to track their behavior and movements.

The federal government has demonstrated consistent interest in creating a national privacy framework for its citizens. The interest in developing a national plan has rekindled as a result of the surge in recent questionable e-commerce practices, including the misuse or sale of sensitive consumer and employee information to identity thieves, as well as preventable personal information leaks and security breaches. Thus a number of bills have been introduced that address privacy concerns and consumer protection. The different pieces of legislation focus on data privacy aspects, how best to manage it – and protect it.

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Similarly, many responsible private sector organizations have made self-regulatory efforts to protect the personal information of its customers and employees. Some are transparent in informing consumers about the privacy protection provided by the companies. Some – including HP – ensure that consumers are given an effective recourse for privacy complaints and choices about marketing and sharing their personal information outside the company.

HP's Position

HP supports effective privacy regulations in conjunction with corporate responsibility. It is important to balance federal regulations and company accountability; to provide safeguards for consumers while promoting the growth of e-commerce and the internet economy.

HP believes that a national baseline legislative approach, based on consistently recognized privacy principles – starting with notice and choice –



provides a consistent set of expectations for both businesses and consumers. This approach should provide a framework for any privacy issue, in lieu of technology-specific responses that create redundancy, complexity, increased costs to business and confusion for consumers.

HP supports notice and choice as the foundational principles of a national privacy law. We believe companies should be clear and conspicuous in their notices to consumers, describing the company's privacy policy so consumers know how their personal information will be handled. Appropriate security practices, along with consideration for data integrity and data access issues should be considered as part of the legislative framework. The Federal Trade Commission (FTC) should hold companies responsible for their ability to keep a customer's personally identifiable information (PII) secure and handled responsibly.

HP believes that strong privacy policies and practices create trusting business relationships with our customers and employees. HP understands the responsibility of the public and private sectors to work together to ensure online consumer confidence through efficient privacy regulations. HP supports responsible federal legislation, like the Online Privacy Protection Act of 2005. HP promotes consumer privacy education, and advocates the use of privacy-protective and consumer-empowering technologies.

HP's History

As a leader in the world of e-commerce and information technology services, HP believes responsible corporations have an obligation to advance consumers' rights to have their personal information safeguarded. As such, HP has proactively taken a visible role in supporting pro-consumer initiatives and legislation that provides basic protections of consumers' personal information. Furthermore, through its Privacy Office, HP assures that its global policies and procedures match the highest standards of privacy excellence.

HP's global website posts a privacy statement on every page and privacy notices at personal data collection points. We offer a range of pro-consumer privacy protections for users including choices about marketing contact via email, phone, mail and cell phone, and an opt-in approach for sharing personal information with unrelated 3rd parties outside the company. Moreover, HP demonstrated leadership early on as a founding sponsor of the Better Business Bureau's *BBBOnLine* Program, which provides one of the strongest and internationally recognized privacy protection self-certification programs.

In January 2001, HP was the first Fortune-50 company to join the US-EU Safe Harbor Program, committed to privacy principles consistent with the EU Data Protection Directive. Participating in Safe Harbor enables the safe and legal transfer of personal data from EU countries to the US. HP applies Safe Harbor Privacy Principles in our policies globally, offering consistent privacy protections to customers and employees around the world.



Additional Information

Please contact Kristin Hughes, HP Government Affairs Manager at 202-378-2512 or Barbara Lawler, HP Chief Privacy Officer at 650-857-4731, for more information on HP and privacy issues or visit:

<http://www.hp.com/hpinfo/globalcitizenship/privacy/index.html>

About HP

HP is a technology solutions provider to consumers, businesses and institutions globally. The company's offerings span IT infrastructure, global services, business and home computing, and imaging and printing. For the four fiscal quarters ended April 30, 2005, HP revenue totaled \$83.3 billion. More information about HP (NYSE, Nasdaq: HPQ) is available at <http://www.hp.com>

