

2004 HP Philanthropy and Education Annual Report











Bess Stephens

A few years before the turn of the 20th century, industrialist and philanthropist Andrew Carnegie described the basis for his charitable contributions at the dedication of the Carnegie Library of Pittsburgh: "There is nothing here that can tend to pauperize," he said, "for there is neither trace nor taint of charity; nothing which will help any man who does not help himself; nothing is given here for nothing. But there are ladders provided upon which the aspiring may climb..."

HP's corporate philanthropy - part of our overall global citizenship commitment - means much more than generosity in the form of money or equipment, time or people. We focus on creating the ladders Carnegie spoke of; sustainable opportunities that enable people and organizations to grow based on a solid foundation of change for the better. We invest in today's potential for tomorrow's success, while helping the aspiring to climb.

In every community around the world, there is a wealth of hidden talent and potential waiting to be unleashed. By partnering with a school, an organization, a community or a country, we can access that talent and potential to achieve things never dreamed of before.

In this report, we're proud to introduce to you a few people who are climbing the ladders we've helped put in place – people like Theron McCray, Oksana Kurganova and Daniela Silva de Almeida. And you'll learn about a few organizations that we've partnered with – such as World ORT (a global education and economic-development organization), the International Society for Technology in Education and the Association for Enterprise Opportunity.

We're also proud to highlight a few of the meaningful philanthropic and community efforts of our more than 150,000 employees around the world. By lending their time and talents, and contributing cash and HP products, they help organizations in their communities thrive.

For nearly 65 years, HP has endeavored to make contributions of substance. HP co-founder David Packard once said, "Many assume, wrongly, that a company exists to make money. The real reason HP exists is to make a contribution...to improve the welfare of humanity...to advance the frontiers of science."

As we build ladders for people who aspire to great things, our relentless philanthropy focus is to contribute in meaningful and sustainable ways to make our communities and our world a better place.

Bess McDowell Stephens

Vice President
Corporate Philanthropy & Education
Hewlett-Packard Company
Executive Director
Hewlett-Packard Company Foundation



Debra Dunn

"Today, HP's long-standing commitment to Global Citizenship continues through our efforts to positively influence social and economic development and promote educational opportunity for underserved communities around the world."

Debra Dunn Senior Vice President. Corporate Affairs



Students at Waialua High School in Hawaii, an HP grant recipient, calibrate a milling machine in preparation for building their electric vehicle



HP Canada volunteer John Kottelenberg and friend

HP Philanthropy & Education Strategies

HP partners with national and large regional nonprofit organizations around the world to provide resources and to build competencies among our grant recipients, increasing their overall success and sustainability.

Our Philanthropy and Education programs support education, "e-inclusion" and employee giving.

Education

Our education initiatives support K-12 schools, two- and four-year colleges and universities around the world by:

- Transforming teaching and learning through technology.
- Increasing the number of students on a path toward high-tech careers, with an emphasis on groups that are underrepresented in the technology sector.
- Enhancing student success in math, science and engineering.

Learn more about specific education grants on page 15.

e-inclusion

e-inclusion is HP's vision of a future in which all people have access to the social and economic opportunities of the 21st century, and can use technology as a means to learn, work and thrive.

Our efforts in e-inclusion forge new kinds of partnerships with private and public entities to close the gap between technology-empowered and technologyexcluded communities. These partnerships create new opportunities for HP and for communities. One of the ways HP extends the e-inclusion initiative into the community is through our global philanthropy programs.

Learn more about specific e-inclusion grants on page 14.

Employees in the Community

HP encourages its employees to make a positive difference in the communities where they live and work, and in cities and towns around the world.

Specific initiatives vary by geographic region and include cash giving, HP product donations and volunteer opportunities. In some cases, the company matches employee contributions of cash and equipment.

Learn more about our employees' contributions on pages 10-13.



Junior Achievement students in Ireland

Year in Review

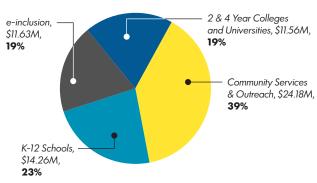
In 2004, HP continued its focus on investing in educational institutions and underserved communities worldwide. Through grants valued at more than \$61.6 million in cash and equipment, educators, students and residents of all ages experienced increased access to technology and information, as well as the benefits of training, mentoring, professional development and learning communities provided by the non-profit organizations with which we partner.



HP Canada collaborated with Operation Springboard to make communities safer

The following financial highlights demonstrate the extent of HP's investments in education, and social and economic development around the world:





HP is known worldwide for its philanthropy leadership. Here are a few examples of recognition received for HP's programs in 2004:

- National Volunteerism and Philanthropy Centre Corporate Award, HP Singapore
- Fifth in corporate giving among computer companies, The Chronicle of Philanthropy
- "Caring Company," Hong Kong Council of Social Service, HP Hong Kong
- First in Technology Sector for Corporate Social Responsibility, The Report on Business magazine, HP Canada
- Thurgood Marshall Scholarship Fund Corporate Leadership Award, HP U.S.
- Fundación Tierra de Hombres award (IT company in the Spanish market with the highest commitment in philanthropic programs), HP Spain
- Gold Medal for Merit, Japanese Red Cross Society, HP Japan
- Global Most Admired Companies, Fortune magazine
- Most respected company in China, Economic Observer and GuangHua School of Management, Peking University, HP China
- Lite-to-Date recognition award, United Way of York Region, HP Canada
- Fighth among 100 Best Corporate Citizens, Business Ethics magazine
- America's Most Admired Companies. Fortune magazine

"Like some others in the community where I grew up, I had looked at education as something to get over with...The HP Scholar Program has been a life-changing experience for me."

Theron McCray



HP Scholar Theron McCray

Transformina lives

Promises kept: an HP Scholar's inspiring journey

Accepting an offer to become an HP Scholar led Morgan State University student Theron McCray to a series of life-changing experiences.



education

The HP Scholar Program university partners include:

Morgan State University
North Carolina
A&T University
San Jose State University
UCLA
University of Washington

A few years ago, Theron Michael McCray made a promise to his great-grandmother. "When I left high school," he says, "I wasn't mature and I made many mistakes. My family was disappointed, but I was more disappointed in myself. I promised my great-grandmother I would change for the better."

Today, Theron is a senior at Morgan State University in Baltimore, majoring in electrical engineering. He made the National Dean's List before graduating from Baltimore City Community College while working two jobs to put himself through school. He's a leader among his classmates, and has completed two technical internships at HP sites in Houston and Boston.

In addition to his great-grandmother's enduring influence, Theron credits some of his success to his participation in the HP Scholar program. The program awards a \$40,000 scholarship package – including cash, paid HP internships and HP equipment – to a select group of students who have elected to pursue engineering studies at the university level. HP Scholars are also matched with an HP mentor who helps them craft a resume, prepare for interviews and plan their summer internship experience.

"I needed to change my life"

"Like some others in the community where I grew up, I had looked at education as something to get over with,"

says Theron. After graduating from high school in Baltimore, he worked a variety of jobs, including construction. "I worked hard, didn't make much money, and was not optimistic about my future," he says. "My great-grandmother helped me realize that I needed to change my life."

An interest in and knack for computers led Theron to enroll in the computer science program at Baltimore City Community College. He worked as a help desk technician in the school's Office of Distance Learning supporting teachers and students. While considering options for a bachelor's degree, Theron's advisor told him about the HP Scholar program at Morgan State. "Morgan State was one of my first choices for college, and it was an HP Scholar school," he says. Theron applied, received his scholarship, and his interest in computing and engineering led him to the school's electrical engineering program and two HP internships.

This year, Theron was selected to be co-leader of the group of 12 HP Scholars at Morgan State. "The co-leaders are HP's main contact with the HP Scholar program on campus, with responsibilities for recruitment activities, communicating with HP and coordinating various projects," he notes.

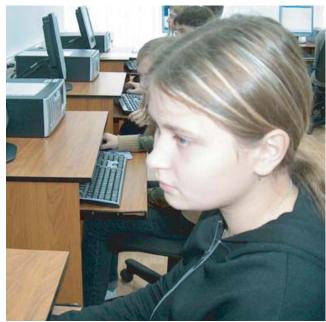
Maximizing a career

As Theron winds up his undergraduate studies, his ongoing discussions with HP friends and mentors are prompting thoughts of graduate school. "As I learn more about maximizing my career options, an MBA program might be a good complement to my EE degree," he says.

Being an HP Scholar – and fulfilling a promise he made long ago – "has made a life-changing impact on me," says Theron. "I never thought I'd experience the things I've experienced."



Learning about computers at the HP-ORT Digital Community Center in Slavutych



Oksana Kurganova in the Tula Digital Community Center

Transformina lives

A more hopeful future in Russia and Ukraine

In conjunction with World ORT, HP expanded its corporate citizenship in Russia and Ukraine with the launch of the HP-ORT Digital Community Centers.

e-inclusion

HP has partnered with NGOs, educational institutions and local governments to open Digital Community Centers in:

Dikhatole, South Africa Dublin, Ireland Kumasi, Ghana Miskolc, Hungary Paris, France Slavutych, Ukraine Tula, Russia Wahdat-Amman, Jordan

Opening in 2005:

Belfast, Northern Ireland Fatik, Senegal

New options in Tula

The evolving political and social climate in Russia has sometimes created severe consequences for its people, including poor education, chronic unemployment, and lack of access to technology resources. Now the 50-computer Digital Community Center (DCC), launched by HP and World ORT, a non-profit organization dedicated to meeting the educational and vocational requirements of students worldwide, is upgrading the quality of education for school-aged children in the city of Tula.

Oksana Kurganova is a 10th grader at the Tula Regional Boarding School, an establishment for orphan children or those without parental custody. She's taking an information technology course at the DCC and is even entertaining a technology-related career. "Involvement with the HP-ORT Center allows me to know about the Internet and email, and I receive much more interesting information for my school studies," says Oksana. "I think that knowledge I get at the center will help me in my future occupation and let me improve my life."

Oksana's classmate, Olesya Logvinenkova, works hard in school and enjoys exploring the new world of possibilities available through the Internet. Olesya says her involvement with HP-ORT DCC will improve her life. "I am planning to be a psychologist," she says. "Training that I receive at the center lets me change my life in a positive way."

This past summer, both girls visited Italy as part of an exchange program. Olesya and Oksana's newfound computer skills allow them to communicate frequently with their Italian exchange families.



e-inclusion

Strengthening a community

The 50-computer HP-ORT Slavutych DCC opened in 2004 to provide technology-driven educational services for residents living in Slavutych, a community created for Chernobyl residents following the nuclear power plant accident there in 1986. HP and World ORT knew that diversification is critical for the city's survival, and education and economic development key for its residents' future following the recent decommissioning of the Chernobyl plant.

One of the first students at the Slavutych DCC was Katya Tugbaeva. Katya, 23, was unemployed when she signed up for one of the center's courses. She completed a "Basics of AutoCad" course, developed a wide range of new skills, and found a new job with development opportunities as a computer operator at the Bureau of Technical Inventory. "Now I have a job I like, and I feel more confident about my future," she says.

The center aims to improve the level of secondary and higher education in the city, offer professional training to future graduates of Slavutych educational institutions, and facilitate vocational training for disabled young people and orphans, as well as those facing unemployment due to the plant closure.

"ORT is proud to continue its cooperation with HP and to be a part of the Digital Community Center in Slavutych," says Vlad Lerner, World ORT representative for Ukraine, Moldova and the Baltic States. "The project represents an important investment in the future of Slavutych - a future beyond Chernobyl - and serves as an example of how modern technology can transform communities throughout Ukraine."



Digital Garage graduate Daiane Santos



HP Mentor Ana Lucia Caltabiano (left) and Daniela Silva de Almeida

From Garage to the workplace: taking the next step in Brazil

HP and its Digital Garage partners are using a new "Social Mentoring" program to help young people build their careers.

e-inclusion

HP Digital Garages are now located in five underserved communities in Brazil:

São Paulo (2) Beberibe São Gonçalo do Amarante Limoeiro do Norte HP Brazil's breakthrough Digital Garage program was designed to bring underprivileged youth into the digital economy by combining technology and art to help them develop creativity, tolerance, work skills and a sense of responsibility. The project identified a need to translate these new technology skills into potential career opportunities, as well as to mentor youth in the basics of networking and job seeking.

A follow-up "Social Mentoring" program was developed and launched in 2004. Twenty youth and 20 HP employees were matched up for the pilot program. The mentor/youth pairs meet twice a month to set up specific education and career development plans, with goals and initiatives to meet their objectives. The program mentors meet monthly to share successes, and the youths meet every two weeks to share their newfound skills.

One year into the pilot program, half of the participants have found employment, and another 40 percent are enrolled in courses to prepare them for university entrance exams. The remaining participants were accepted into universities or are taking classes at other local educational institutions.

Studying art history

When Daniela Silva de Almeida, 20, heard that HP was launching a mentoring program, she didn't think twice before signing up. "I believed that the advice of an expert could have a huge impact on the future of my professional career," Daniela says. A participant in the HP Brazil-sponsored Digital Garage, Daniela learned how to build web sites and use animation software, and experienced first-hand the benefits of partnering with a technology company.

Daniela had determined that she wanted to study art history at the university. "My HP mentor, Ana Lucia Caltabiano, did a tour with me to several types of professional environments so that I could be sure of my choices," she says. "I went to communication agencies, art studios, and I met a teacher of Art History. Without Ana's help I would be completely lost.

"Now, I feel completely ready to achieve the goals I set for myself," she says. "In 10 years I want to have at least a master's degree. And I want to pay back the knowledge I gained through HP's program by being a mentor myself."

A new horizon

Daiane Santos, 18, entered the Digital Garage program with a goal of studying medicine after finishing high school. However, as she learned about technology and the Internet, and had her first exposure to business administration and marketing, her life changed. "The Garage opened a new horizon for me," she says.

Daiane was teamed up with HP's Diana Farias, who took her to visit three HP Brazil sites in São Paulo. "HP is the largest company that I know; it is fascinating. If possible, I want to work there when I graduate," Daiane says.

Daiane notes that she has learned more than she expected through the mentoring experience. "I thought that the program was going to be focused only on the professional aspect," she says, "but I ended up making a lot of friends.'

"The staff at the Renaissance Entrepreneurship Center and the Bayview Business Center is dedicated to helping entrepreneurs make dreams come true."

Myra Holmes



Entrepreneurs Jacquie Heard (left) and Myra Holmes

Transforming lives

Building a dream through micro enterprise

HP's efforts to create growth opportunities in underserved communities are progressing through our support of small enterprises.



e-inclusion

What does an entrepreneurial pair of women do with 25 years of experience in the security field?

After serving in the Department of Defense and at several private firms, Myra Holmes and Jacquie Heard decided that starting Star Partners Security Services was their best answer. But Myra and Jacquie knew they first needed to upgrade their business ownership skills. They went to the Renaissance Entrepreneurship Center/Bayview Business Center in San Francisco to learn how they could incorporate technology to ensure their business success.

"Being an entrepreneur is fulfilling, challenging and sometimes daunting," says Myra, CEO of Star Partners. "The Renaissance Entrepreneurship Center/Bayview Business Center knows full well the pitfalls of starting and running a business, so they can provide entrepreneurs with relevant training and support services. We have gained so much knowledge by being affiliated with this great organization."

Investments for community growth

Micro enterprise development is a community-based, income-generating strategy that helps local residents start or expand very small businesses. Many underserved communities have adopted micro enterprise development as part of their economic development policies with a goal of job creation, economic growth and sustainability.

In recent years, HP has invested in nonprofit micro enterprise development agencies, assisting with the integration of technology to improve operational effectiveness, and enabling agencies to provide technology and training to their clients.

The Bayview Business Center, part of the Renaissance Entrepreneurship Center in San Francisco's Bayview/ Hunter's Point neighborhood, received an HP grant of cash, equipment and services during 2004 to provide technology education services to local emerging and existing small businesses.

A key feature of the HP grant is to train entrepreneurs and business owners and then loan them equipment to help get their business up and running quickly. As their business grows, the new companies are in a better position to purchase their own equipment.

A paperless micro enterprise

Myra admits that prior to working with the centers, she was virtually computer illiterate. But that's changed. As a result of the HP grant, the firm is now proficient with business software and technology tools that help them find and service their customers.

"Prior to the classes at Bayview, we would generate multiple copies of schedules and files for us, for shift supervisors, dispatchers and employees," Myra says. "Now we do everything digitally, including schedules, rates, hours and personnel scheduling, and all managers have access to the information. We have realized increased productivity and great savings in our office expenses.

"We now know we have the competitive advantage to succeed because of the intense structure of the programs offered at the centers," says Myra. "The staff is dedicated to helping entrepreneurs with a dream make it happen."

AEO-hosted on-line learning communities and an HP Symposium held in conjunction with AEO's annual conference.

HP partners with the

Opportunity (AEO) to

in the U.S. HP grant

recipients take part in

Association for Enterprise

support micro enterprise

development non-profits



Youth Co-Op Charter School students demonstrate technology to their parents during Family Math Night

Making a difference with mobile technology

The right technology can have a positive impact on student learning, says a Florida assistant principal.





education

Six months after integrating an HP Wireless Mobile Classroom into the curriculum at Florida's Youth Co-Op Charter School (YCCS), students have driven the school's science test scores to new heights.

"We saw our highest science scores to date on the state test after only half a year of using the equipment," says Toby Hernandez, assistant principal and counselor at YCCS. "Our mobile lab is now a key part of many teachers' classrooms, and has contributed to their professional development as well as students' performance. My school has benefited substantially from the HP grant."

Teachers, students benefit

The equipment has clearly had an impact on student engagement and order in the classroom, Toby says. "When I'm in a classroom while the kids use the equipment, all you hear is the tapping of the keys, and you see 25 pairs of eyes fixed on the screen, fully engaged in their lesson," he says. "I think our increase in test scores came from the kids finding novel ways to learn about a wide variety of topics and having an opportunity to be more active learners.

"Our teachers have come to love the mobile lab more and more," says Toby. "Andera Jimenez, one of our science teachers, started using the lab about once a week, and for only some lessons. Yet as she saw the expressions on the students' faces, and she discovered this world of material and media online, she ended up

fighting for every last second of mobile lab time! I think that as teachers become accustomed to using the equipment, you see them moving from lab time being a chore, to the lab being essential for their weekly lessons."

Beyond the technology

Over the past few years, HP has increased its investment in mobile technology grants to K-12 schools in the U.S. and Canada and to institutions of higher learning around the globe. In 2004, HP awarded a total of \$10.5 million (U.S.) in mobile technology grants to schools worldwide through its HP Technology for Teaching (TfT) Grant Initiative alone.

In addition to products and cash, schools that receive HP mobile technology grants become part of learning communities hosted by HP and our non-profit partners.

HP and the International Society for Technology in Education (ISTE) have, for example, partnered for the past two years to build a support network of U.S. K-12 schools and teachers interested in integrating technology into teaching and learning.

In 2003, HP K-12 technology grant recipients - including YCCS - served as a pilot group for an online community where participants received mentoring, shared project plans, ideas and tools about education technology integration. In 2004, with additional cash and technology support from HP, the ISTE online community has grown to 800 K-12 educators.

Toby is an active member of this learning community and volunteers as a mentor for an annual ISTE Institute. "The experiences I've had being part of a broader community of HP grant recipients has helped us establish new relationships with schools and given all recipients new perspectives, along with a set of best practices for using technology in the classroom," Toby says.

International Society for Technology in **Education (ISTE)**

This HP partner provides our K-12 U.S. education grant recipients with access to on-line and face-to-face learning communities, and standards-focused education technology training and mentoring.

HP's Global Reach

HP supports local, regional, national and international non-profit organizations and schools. This map highlights a few of our philanthropic initiatives, including those described elsewhere in this report.







The HP Idaho Science Olympiad team included students, teachers and employee volunteers

Employees in the Community

HP's efforts to make substantive and sustainable contributions are greatly enhanced by the personal gifts of time, talent and resources from our more than 150,000 employees. Every day, HP people, as individuals and in groups, give of themselves to improve our world.

We facilitate their actions through volunteer programs and giving opportunities. Here are a few of the many ways they've made a difference in the past year.



employee giving

Olympian science

Last April, more than 30 Boise, Idaho, employees volunteered 200 hours to help run the Idaho Science Olympiad. The event, part of the U.S. National Science Olympiad program, is a rigorous academic interscholastic competition devoted to improving the quality of science education.

Junior and senior high schools competed in 23 events, including engineering, physics, biology, chemistry, forensic science, rockets and airplanes. The HP team – including members of the Society of Women Engineers – developed and supervised events.

The top three teams from both junior and senior high each went home with a new HP All-in-One printer.



employee giving

Tracking runners

HP employee volunteers and family members played a key role at the Boston Marathon, tracking the progress of runners along the 26.2-mile course. As temperatures soared into the mid-80s, 75 volunteers fielded 8,000 questions from worried spectators as runners were slowed by the heat.

The HP Athlete Search System provided updates on runners at designated sites along the marathon route and at the finish line. Runners wore tiny computer chips on their shoes, which transmitted their location as they crossed sensor mats at regular checkpoints. HP provided a state-of-the-art wireless network that included iPAQ pocket PCs, as well as HP servers and networking products.

"Absolutely every person who came up to me for information commented on how great and useful a service we were providing," said Melanie Hubbard of HP's Nashua, NH, facility, who has volunteered as an iPAQ operator for the past four years. "A family from Windemere, BC, who were there supporting their 71-year-old dad running his first Boston couldn't have been more excited when, after checking the iPAQ, we could see that he had made it past the 40k check point and was expected at the finish soon. They were elated!"



employee giving

Updated computer lab in Germany

The renowned Department of Mathematics at the University of Tuebingen in Germany has great professors and talented students, but until recently they lacked an up-to-date computer lab. University of Tuebingen alumnus and HP employee Ara Garcia Gallenkamp noticed the lab when she spoke at the school in late 2003. And she was determined to do something about it.



University of Tuebingen students work in an updated HP-sponsored lab

Ara helped develop a proposal to the HP Germany Philanthropy office, which later awarded the university €50,000 worth of much-needed equipment, including servers, PCs, notebook computers and peripherals.

The computer lab is now nothing short of transformed and the students have been hard at work putting together a new technology infrastructure that will benefit the entire university.



Junior Achievement in Ireland

Employee volunteers supporting Scoil Mhuire in Leixlip, Ireland, helped make 2004 "our best year ever with Junior Achievement," says Christina Mac Gillicuddy, school principal. "Our classes have gained enormously from participation and interaction with HP volunteers. Their visits had a significant impact on the children."

Junior Achievement gives young people between the ages of 15 and 18 an understanding of the value of work, education and enterprise. Junior Achievement is an ongoing project at Scoil Mhuire and operates with one group of volunteers per term.

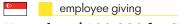
Other HP Ireland volunteers who contributed to J/A programs:

• Stephen Smith taught the "HP Global Business Challenge" program at St. Wolstan's Community School in Celbridge. In this program, students compete with more than 1,000 peers from around the world as they manufacture and market a cyber product called "echopens." Students assume the role of corporate managers and are challenged to outperform the competition by making decisions on price, production, marketing and R&D.



Representatives from Junglathon companies pampered an elephant at the Singapore Zoo

- Volunteers Laurence Dwyer and Paul Keyes provided useful perspectives on interviewing and career skills during "The Economics of Staying in School," a course they taught at St. Kevin's Community College in County Dublin. "I couldn't believe our luck at getting such high caliber, committed volunteers to give up their time to come in and teach the students about the benefits of staying in school," said Dina Kenny, guidance counselor at St. Kevin's Community College.
- Kieran Conefrey taught the "Our City" program to Third Class students at St. Philip's Senior National School in Blanchard town. In "Our City," students build their own model city, and learn and practice doing a variety of jobs they might find in a city. "Kieran was a fantastic volunteer," said Helen Brownian, a teacher at the school.



More than \$600,000 for Singapore

It was back to nature in August in Singapore as executives from seven leading corporations, including HP, faced off in a series of jungle-themed events to become the "head tribe" in Junglathon 2004-a charity fundraising event at the Singapore Zoo in support of the President's Challenge 2004.

Singapore President S.R. Nathan presided over the weekend event, which raised nearly \$620,000 (U.S.), including a "company-best" of \$233,000 from HP.

"All the teams participating in the event are already winners," said HP's Paul Chan, HP Asia Pacific Japan regional managing director and senior vice president, who also serves as chairman of the Junglathon Committee. "This event is not about winning a title; it's about making a positive difference in the lives of the needy in Singapore."



Glynis Fernandes (left) and Carol-Anne Doherty were among the HP Canada employees who beat aggressive fundraising goals in their 2004 United Way campaign



Giving to Canada United Way

HP Canada employees' efforts along with matching funds from HP resulted in nearly \$540,000 contributed to United Way agencies across the country in 2004. One region saw an 82 percent level of employee participation.

The large number of employees who participated in and managed site fundraising and campaign events contributed greatly to the success of this year's campaign.



Grants to employee-supported non-profits

In France, HP employees can sponsor major grants to non-profit organizations through the "Vous parrainez, Nous Sponsorisons" ("You Patron, HP Helps") program. Awards range from €2,000-€4,000 and can consist of cash, HP equipment or both.

Employees are responsible for identifying grant opportunities and working with organizations to develop proposals. Recent recipients have included:

• Enfants du Mékong (Children from the Mekong), which sponsors a variety of educational and micro enterprise projects to improve living conditions for children and their families in Southeast Asia. The contribution will help build a junior high school in Cambodia.



HP San Diego's James Craig (left) and Ed McKinley refinished a park bench and table during 2004 Hands on San Diego

- Solidarités Nouvelles pour le Logement (New Solidarity for Housing), an association that provides temporary housing for needy and homeless people.
- Team les Galapiats, a Grenoble-based association that develops automotive training and teamwork skills for children 10-16 years old. Young people work on teams with adults to construct scaled versions of Formula One racecars.



Matching money in the U.K.

HP's Money Match Scheme in the United Kingdom awarded £30,000 to charities selected by employees who undertake fundraising challenges.

Each of the nearly 60 charities funded by HP through the program this year received additional contributions, thanks to the efforts of more than 150 employees who applied for a Money Match contribution.

Among the contributions made through Money Match:

- Jonathan Madge walked the Ridgeway and received £250 from Money Match for special care nursery equipment.
- Cancer Research received £6,500 as 35 employees completed a variety of activities, from the Race for Life to abseiling (a technique for descending steep rocks).
- The British Heart Foundation received £1,400 from the fund-raising efforts of six employees. Activities included completing the London-to-Brighton Bike Ride.



Rose-Hulman Institute of Technology was one of dozens of universities around the world receiving HP Technology for Teaching grants in 2004 (photo: Mike Lanke/Rose-Hulman Institute of Technology)

employee giving

Employee giving in the U.S.

HP's 2004 Employee Giving Programs in the U.S. raised \$18.5 million in cash and HP technology for non-profit organizations and schools across the country.

The year-round U.S. Cash Matching Program combines the power of employee donations with a match from HP. The program benefits qualified nonprofit agencies, K-12 schools, and colleges and universities, with employees designating where they want to give.

Through the company's U.S. Product Gift Matching Program, HP encourages its employees to support qualified U.S. educational institutions and charitable organizations with product donations. HP and the employee share the cost of the donation, with the employee contributing 25 percent of the list price and the company making up the difference.

In the fall of 2004, thousands of U.S. employees participated in a variety of community "Volunteer Days" activities. In Colorado alone, 750 HP employees joined their neighbors to complete a variety of projects to assist service agencies and individuals in need, improve the environment, and beautify their communities.



HP computers are standard classroom equipment at Florida's Youth Co-Op Charter School

HP partnered with World ORT to establish a Digital Community Center in Tula, Russia

Programs At-a-Glance

HP's major philanthropy programs in 2004 included the following:

e-inclusion Grants

U.S. Micro Enterprise Development Program

In 2004, \$3.1 million in HP technology, services and cash was awarded to 17 micro enterprise development organizations in underserved communities in 15 U.S. states. The program fosters economic development by funding non-profits that train and support owners of small businesses.

5th Ward/HP i-community

This \$3 million multi-year public/private partnership between HP and the Fifth Ward Community Redevelopment Corporation in Houston provides residents with technology and training targeted to increasing economic development, improving education and enhancing quality of life.

Digital Community Centers

Throughout Europe, Middle East and Africa, HP partners with local governments, educational institutions and NGOs to establish HP Digital Community Centers in underserved communities, providing technology, employment assistance, career development and technical training to students, educators and residents of all ages.

Digital Garage/Social Mentorship Program

HP launched three new Digital Garage sites in Brazil during 2004, bringing the total to five. Digital Garages offer HP technology and training opportunities to disadvantaged youth. The goal is to close the digital

divide and prepare young people for careers through partnerships with local government and educational institutions. The HP Social Mentorship Program in Brazil matches disadvantaged youth in the Digital Garage program with HP employees to explore education and career goals.

NPO Digital Village, Taiwan

In 2004, HP continued its partnership with United Way Taiwan, the Himalaya Foundation and the Taipei City Government to help non-profit organizations (NPOs) operate more efficiently and enhance the services they offer to the community, through the use of HP-donated technology and training. This project established the first computer center in Asia dedicated to NPOs.

Magic Johnson/ HP Inventor Centers

Twenty-two Magic Johnson/HP Inventor Centers have opened across the U.S. in the past three years providing technology and training at community and youth centers in urban neighborhoods. Centers launched in 2004 are located in Seattle, Miami, Bladensburg, Md., Cincinnati, Cleveland, and Oakland, Calif.

HP Tribal Digital Village

This partnership between HP and the Southern California Tribal Chairmen's Association celebrated its three-year anniversary in 2004. The program implemented technology integration projects targeted to increasing access to information and services, improving education, strengthening tribal culture and creating economic opportunity for members of 18 American Indian tribes.

HP Baltimore Digital Village

Hundreds of members of this Maryland community, including teachers, students, residents and small business owners now have greater access to technology and information, and the skills to use technology to expand economic, social and educational opportunities, due to this community partnership.



The portable HP Tablet is used in classrooms and workshops at Hawaii's Waialua High School

The program celebrated its three-year anniversary in 2004

Education Grants

Global HP Technology for Teaching Grant Initiative

Nearly \$10.5 million in grants have been awarded to 163 K-12 schools in the U.S. and Canada, and 61 colleges and universities in the U.S., Japan, Australia, Singapore, China, Taiwan, the U.K., Spain, Germany, Ireland, France, the Czech Republic, Italy, Chile, Brazil and Mexico. This initiative provides technology and support to schools that are accelerating learning through the innovative use of mobile technology in the classroom. Most projects support improvement of math, science and engineering education.

Advanced Technology Grants

Eleven universities in the U.S. received \$1.2 million in HP technology to accelerate the use of Instruction Architecture-64 platforms in curriculum and learning environments. Projects selected to receive awards are focused on enhancing student learning in the areas of large data-set analysis, complex modeling, data visualization and simulations.

Science Leadership Grants

Since 1992, HP has supported 70 U.S. school districts in their efforts to improve science education, affecting more than one million students, half of whom are from low-income families. In 2004, HP sent 20 low-income school district teams to planning institutes and conferences hosted by the National Science Resources Center, a non-profit HP partner in science education reform.

HP Scholar Program

This program awards cash scholarships, technology and paid summer HP internships for four years to U.S. African American, Latino and American Indian students pursuing engineering and computer science degrees. The goal is to increase diversity in the U.S. engineering



HP-donated technology will help keep San Diego City College students on the path to high-tech careers

pipeline. Approximately 100 students were part of the program in 2004.

Diversity in Engineering Grants

In partnership with MESA (Math, Engineering, Science Achievement), HP launched the 2004 HP/MESA Diversity in Engineering Grants. Awards provide technology and support to six U.S. community college campuses to increase retention and transfer of African American, Latino and American Indian engineering and computer science students to four-year universities.

U.K. Education Technology Grants

HP partnerships with two secondary schools -Coombe Dean School in Plymouth and Garth Hill College in Bracknell - have increased use of technology in teaching and learning and helped the schools attain national "Specialists Schools" status in Technology and Math.

University of Belgrade Engineering Grant

An HP technology grant to the University of Belgrade updated the Computing Center of the Faculty of Electrical Engineering. The center is at the heart of efforts to attract new students from across Europe, foster new partnerships with other research universities, increase faculty diversity, and transform teaching and learning.

University of Ibaden Engineering Grant

Through a joint grant from HP and IEEE, engineering students at the University of Ibadan, Nigeria, now have access to a new student computer center, new technology, the Internet and information that will enhance their education. HP provided 15 multiuser desktop computers, which allow 60 students to simultaneously access technology.

UNETE Mexico Partnership

HP is a partner in the Mexico non-profit UNETE (Businessmen Union for Technology in Education). The



Some of East Baltimore's youngest residents use computers for learning at The Door, a community non-profit in the HP Baltimore Digital Village

organization's mission is to improve the quality of education in Mexico's public schools, help close the digital divide and prepare all children for a future of opportunity by integrating technology into schools. Since 1999, nearly 800,000 students and more than 7,000 teachers have gained access to technology and technology training through this program.

Thurgood Marshall Scholarship Fund

In 2004, HP granted \$2.1 million in technology and support to the Thurgood Marshall Scholarship Fund. The grant will be used to improve educational opportunities for minority students by providing a world-class information systems infrastructure for the fund's 45-member U.S. public historically black colleges and universities.

China Education Technology Grants

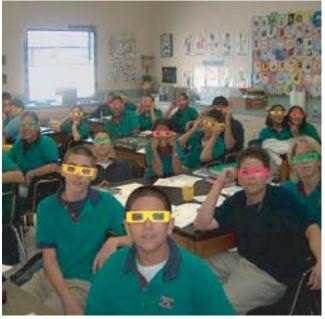
HP China continues to partner with China's Ministry of Education on a variety of education initiatives, including an e-learning model school in Huizhou province. The project brings technology-based education resources, distance learning and improved teacher training to middle schools. HP China also donated classrooms of computers to undeserved communities in Tibet and remote villages.

Grants in HP Communities

In addition to awarding grants on national, regional and global levels in 2004, HP contributed to non-profits and schools in communities where HP offices and sites are located. A few examples:

U.S. Technology for Community Grants

Forty-two non-profit community service organizations near HP sites in the U.S. received more than \$1.7 million in HP technology to improve efficiency and enhance the services they provide to residents.



Students at Youth Co-Op Charter School take a break from doing science experiments

New England Education Technology Grant

Nashoba Regional High School students in Bolton, Massachusetts, and senior members of the community benefit from an HP technology grant to the school. As a community service project, Nashoba students have trained senior citizens to use the Internet and email. More training is planned for 2005.

Technology for Teens, Sacramento, California

Teenagers at Serna Village, a permanent supportive housing community for families in transition from homelessness, are taking full advantage of computers, printers and cameras HP donated. One 13-year-old boy has become a skilled photographer and multi-media software user. His digital photography has been shown at a local gallery, and he dreams of going to college and becoming a professional photographer.

Kids and Computers, Toronto, Canada

100 school children were matched with Toronto police officer mentors and received HP computers and printers as part of a Merry Go Round Children's Foundation program. Officers are email mentors to children, who were chosen by teachers based on their potential to excel academically if given encouragement and opportunity.

Robotics Challenge, U.K.

HP technology donations to Wessex SETPOINT, a charity based at the University of Bath that partners with schools to deliver science and technology education, helped 600 young "scientists" from schools in Southwest England compete in the regional Schools Robotics Challenge 2004. The program fosters student interest in science and engineering.





cover images

front right - Digital Garage graduate Daiane Santos
center - Instructor and students at the Digital Community Center
in Tula Russia

back left - "Fruits of 5th Ward" is a community mural created by the Museum of Cultural Arts, Houston (www.mocah.org). The mural depicts renowned national and international leaders who have emerged from the historic 5th Ward community in Houston, Texas, which is also the location of the 5th Ward/HP i-community project.

hp

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