

Questions from HP Inc. 2017 Annual Meeting of Stockholders

April 17, 2017

All questions are presented, as submitted, uncensored, or edited, received both during and prior to the meeting. All responses are as of April 17, 2017 unless otherwise noted. HP assumes no obligation and does not intend to update its responses below.

If you have any questions or concerns please feel free to contact investor relations at investorrelations@hp.com.

Question 1

I believe, if the shareholders dividends were to increase at a regular rate...we would have more investors in our company. Does the board of directors have any plans to increase dividends?

Dion Weisler:

Thank you for the question. It's a question that we get quite frequently as well as the question around share repurchases. Let me first say that dividends are an essential part of our capital allocation framework and an important way to create shareholder value, especially of course when they grow. Now, at the time of separation, our board discussed our framework for capital allocation and determined that we would return 50%-75% of free cash flow to shareholders in the form of dividends and share repurchases. And as you recall, in FY16, we returned \$2 billion, or 72% of free cash flow, to shareholders through dividends and share repurchases. And we expect to be at the higher end of the 50%-75% range in FY17. Now, our dividend framework was also discussed at the time of separation. Back then we said that we would expect dividends to grow in-line with earnings. And for 17, FY17, we increased dividends by +7%. Now if you look at our ranges for FY17, the mid-point of our non-GAAP EPS range is roughly flat year-over-year. But given the progress we have made in improving our businesses, we are confident that our cash flow is robust and sustainable. And as a result we wanted to demonstrate that confidence through a quarterly dividend increase that exceeded the EPS growth that we have for FY17.

Question 2

How is the strong dollar affecting company sales?

Dion Weisler:

Well this almost feels like an earnings call. We get this one quite frequently as well. Let me say that broadly speaking, the impact of currency on revenue, has declined compared to prior years as many of the large swings in the global currencies that we saw in FY15 are behind us, and rates are relatively in-line with were they were a year ago. In Quarter 1, for example, revenue grew 4% Y/Y, or 5% in CC. So it is still represents approximately a 1 point headwind. • However, given the recent election in the US and Brexit in the UK, currencies have been very volatile lately. And as a result of that we utilize and continue to utilize Foreign Exchange hedges, given a significant portion of our business does not have a natural local currency expense exposures that offset local currency revenue. We also managed to offset some of the currency impact through re-pricing, but we are limited by the competitive pricing environment and the demand impacts of higher prices based on currency movements alone. So we will

continue to monitor the impact of the strengthening US dollar and the impact of Brexit on our businesses going forward and provide further commentary in the event that it begins to change our outlook.

Question 3

- **Why does it take 12 board of directors for this company? Most companies got by with 5 to 7 for many years and even now most other companies have 9 or less.**
- **why so many directors? to many cooks spoil the broth..**

Dion Weisler:

First, let me just extend some comments that you heard the call opened by Chip Bergh. We're excited to have Chip stepping into the role of lead independent director. We thank Raj Gupta for his service in that role and on our board but with Raj's departure from the board, we've decided to reduce the size of the board to 12, as we think we've got the right mix of directors for where the company is today. We're continually evaluating the board – we want to make sure that we have directors who understand the company, understand its strategy for the future and can help advise us on how to achieve and exceed the goals that we're setting for ourselves. At separation, we looked at a variety of factors in determining the board, and I think the Nom & Gov committee really did an outstanding job of assembling two incredible boards for both Hewlett Packard Enterprise and HP Inc. And we looked at several things: first was tenure, we wanted to have the right mix of institutional knowledge so coming onto our board at HP Inc. were some members or directors of the old HP Co and then we infused that with a whole range of new directors that brought new ideas and experience to the team. The second thing that we were very determined to do was build perhaps one of the most diverse boards in corporate America, I would say certainly the most diverse board in the tech world, because as I mentioned in my opening remarks, the next one billion eyeballs will not come from where our traditional customers are today. We hope to retain those customers but they'll also come from new and far-away places and having that diversity of thought is incredibly important and a differentiator for us for the future. And thirdly we wanted to assemble a team that really had a very deep and rich background and understanding of our business – from former members and current executives, finance leaders, we wanted folks with really strong government backgrounds, disruptive technology experience, technology industry background, supply chain expertise, and I think we really assembled that with our board of directors. So our directors have spent the last year, almost a year and a half now, engaging very very deeply with us, with our executive team including a board buddy program that makes a direct linkage between each director and one of my direct reports, and that really helps all of us really understand exactly where HP is today and where we're going to be in the future. So I think we have the right mix of directors for HP Inc.'s vision for the future and they are providing the governance, the oversight and the guidance as we execute our journey.

Question 4

How will you ensure that the tools provided by HPQ will not be used for security overreach and do not allow for trapdoors, backdoors, and the like by government agencies and hackers? What security audits and measures are you taking?

Kim Rivera:

HP has a history of being at the forefront of security, privacy and data protection issues. When customers share their information with HP, we respect their privacy and offer enhanced security

features in our products and services to protect their information from unauthorized access. The advanced protection mechanisms are part of our broader strategy to provide the most comprehensive security in the industry across all HP products. Encryption of technology is a vital component in protecting the security of our customers' information and HP does not support broad-reaching efforts to disable these features or provide so-called "backdoors". That being said, it is HP's general practice to cooperate with duly authorized law enforcement requests. We carefully consider each request in the context of the specific facts and applicable law in making our decisions.

Question 5

Based on the President of the United States' new directive to strengthen the American economy, when will our company refocus its efforts to produce our products domestically instead of abroad?

Dion Weisler:

Well first, let me say that we really are a global company and we operate in 170 countries around the world, and we believe in free trade. This is still an early time in the new administration, less than 100 days, but based on President Trump's publicly available platform, we do anticipate that there are two key policies areas as having an influence on our business – and those two are corporate tax reform and international trade. Let me say at the outset that we support comprehensive tax reform that makes the U.S. more globally competitive and promotes investments in research and development. On trade, we will be working to ensure that U.S. multinationals have fair access to overseas markets and manufacturing that enables innovation and affordable pricing for our customers. Relative to domestic manufacturing, if such a policy is approved, we will do the appropriate economic analysis to determine a strategic response that drives the most shareholder value and I think that's really important. Given the current discussions, the likely outcome of an import tax, unmitigated, would be increased prices industry-wide for end users, which could have a significant impact to demand. Shifting existing manufacturing to the US might make sense, but would take a significant amount of time considering the entire ecosystem of component suppliers is based overseas. We would also need to understand the specifics of the policy as it relates to "made in the US" vs. "assembled in the US." Keep in mind, a border adjusted tax will be a cost headwind across our industries as there is minimal manufacturing of PCs and Printers in the U.S. today. The timing of a proposed bill from the House Ways & Means Committee is still uncertain. In the meantime, we have appointed a cross-functional team here internally who is closely monitoring the various potential proposals and planning appropriate actions that we will take when and if specific policies are approved.

Question 6

Please give 3 examples of innovation since the 2016 annual meeting that had at least a \$10 million impact so far.

HP notes to the questioner: we don't disclose revenue at that level but believe this is a good opportunity for Dion to comment on some of the innovation that we're seeing at the company.

Dion Weisler:

Look I would say, as I mentioned in my opening remarks, that innovation is alive and well and we're cranking on all cylinders. And I would say that innovation is coming from many areas of the business, not just the product areas, innovation can come from supply chain, innovation can come from customer service and support, it can come through product and it can also come through go-to-market that is

changing quite significantly around us, and I think what the team is doing is stitching the seams between each of these pillars within the organization to deliver innovation across the board. I think we have the most exciting portfolio of products that we've had in decades in the areas of printing, in personal systems, in the new areas of blended reality and immersive computing and 3d printing. And so I think right across the organization we're very focused on executing against our strategy, of ensuring that as we take costs out of the business they're in the non-revenue generating areas of the business so that we can continue to invest in R&D, continue to invest in systems, continue to invest in our people, so that we can drive a sustainable innovations platform for decades to come. I think innovation is a core differentiator and it's not something that ever stands still. It's beholden on us as leaders to continue to drive this innovation framework.

Question 7

Competition, outperforming the market and competition, and share in general

- **Which competitors did the company outperform and by what percentage.**
- **Please advise the percentage of market share for the specific company categories.**

Dion Weisler:

I'd say we'd have to...it would be quite a long discussion, but broadly speaking, if we look across the main portfolios of products within our core. In personal systems, the team is just doing an outstanding job. You would recall from my last remarks at the last earnings call, the personal systems team delivered what I would call "trifecta cubed." And if I would explain what that is, the trifecta in business is if you can grow your top line, you can grow your bottom line, and you can grow faster than your competitors. The cubed element is when you do it three times in a row and that's what we delivered at the Q1 earnings call. And there were some preliminary figures released by the relative agencies, IDC and Gartner. IDC's preliminary figures have us at the number one position now in personal systems, overtaking our competitor that's held that position for quite some time. You will also recall, that I've said that I'm not terribly interested in share for shares sake. Therefore, becoming number one is not the goal, playing our game and delivering profitable share gains is what is vitally important. Now, if you happen to reach the number one position as an outcome of winning the right way, that's terrific and I think the personal systems team is a great example of winning the right way and as a reward of that they've reached the number one position globally. And we've really started to see improvement in our printing business as well. There's a much larger piece of segmentation to be done, but we are market leaders in the A4 printing business, and we have been for decades now. And we continue to show strength there. We've improved our units as placing positive MPV units into the market consistently, we turned that positive last quarter. And that's again off the back of I think the tremendous innovation that's happening across the organization. And we're excited by the new markets in which we're entering. The A3 marketplace is a \$55 billion market that we have less than 4% market share in and with our own organic R&D investments as well as the acquisition of Samsung's printer business, we are well-primed now to be a significant player in that part of market so those days lie ahead of us. And then you know there's a brand new blue ocean for 3D printing. And we didn't get into 3D printing to participate in the \$5 billion industry it is today, we got into it to disrupt a \$12 trillion injection molding plastics business, and so we're very excited by delivering our first platforms there and the work that we're going to deliver in the future.

Question 8

Questions regarding media coverage of the 2017 Annual Meeting

- **Are you going to announce anything at the meeting that will make news.**
- **After the meeting please provide links to all the media coverage of the meeting within 48-hours of the meeting.**
- **Please advise the names of media who attend the 2017 annual meeting by name and organization.**
- **Are you going to do a news release after the meeting about the meeting**

Answer:

Publicly available news stories about HP are widely available through a search of any commonly used internet search engine. At the 2017 Annual Meeting, HP granted explicit access to reporters from Bloomberg (Brian Womack) and the Wall Street Journal (Rachael King). HP has no insight into any other reporters that may have accessed the meeting, through holdings of HP stock or other means. HP's own press releases, including any that would concern this or any prior annual meeting, are accessible via our investor relations website at www.hp.com/investor/home.

Question 9

Please advise the percentages of votes received by each director and on each issue before the meeting closes. The company clearly has this preliminary information.

Answer:

Our preliminary voting amounts were announced to all participants before the close of the meeting by the inspector of election. Information regarding the final votes received for each of our director candidates and our three other proposals presented at the 2017 annual meeting has been filed by the company with the SEC on Form 8-K, as required under Regulation S-K and the SEC under item 5.07. HP's SEC filings, including its filing on Form 8-K for this meeting, are available on HP's investor relations website, accessible via www.hp.com/investor/home.

Question 10

I bought an HP ALL in One touch desktop computer. For the past week the photos are fuzzy & washed out. I tried to correct the problem with suggestion from the internet as well as from HP & Microsoft Support website, no luck. I hope you can help me.

Answer:

Your question appears to be related to an issue with your printed photos that began after you purchased an HP personal computer. Without additional information on, among other things, the type of printer you are using, how you are connecting your PC and printer, and any photo processing software you are using, it is difficult for HP to respond to your question. HP is dedicated to making our products easy to use with other peripheral devices and we provide a number of support alternatives at <http://support.hp.com/>, which is frequently updated with additional support solutions. If you cannot

find a solution among our self-help resources, please use the “Contact Support” tab at our support site and provide as many details as possible about your problem so that our HP Customer Support personnel can try to help fix this issue.

Question 11

Please explain how Dion achieved his performance metrics (how the MBOs are justified) if the financial results of the company reflect downward compares?

Answer:

With respect to performance against the MBOs, the independent members of the Board evaluated the CEO’s performance at fiscal year-end. The evaluation included an analysis of Mr. Weisler’s performance against all of his MBOs, which included, but were not limited to: successfully launch HP Inc., deliver against 2016 financials with an effective currency hedging strategy and focus on cash flow, support the turnaround of the print business, drive continued progress in the personal systems business unit, invest in a robust innovation pipeline, ensure the Company is optimally managed, continue to make progress in 3D product release and ensure we have a people and labor strategy that reflects current and future needs. After conducting a thorough review of Mr. Weisler’s performance, the independent members of the HP Board determined that Mr. Weisler did an extraordinary job in launching the new company and that his MBO performance had been achieved substantially above target. Please see page 39 of HP’s 2017 proxy statement for more detailed information on Mr. Weisler’s accomplishments.

Question 12

Do you expect to get a turn around in 2017 on the results where most of the numbers are downward/

Answer:

At our securities analyst meeting in October of 2016 we provided our outlook for FY17. At that meeting we indicated that we expected the year-over-year declines to improve from FY16 as we looked to gain profitable market share. We provided a non-GAAP EPS guide of \$1.55 to \$1.65 per share, which at the mid-point, is relatively flat versus FY16 where we delivered \$1.60 in non-GAAP EPS.

So far this year, we delivered year-over-year revenue growth of 4% and non-GAAP EPS of \$0.38 in Q117. A modest improvement over Q116. While we still have several quarters to go in FY17, we are optimistic that we can meet our financial guidance for the year. We continue to work to place high-value printer units that yield supplies revenue and are confident we can stabilize supplies revenue by the end of FY17.

Question 13

What is the plan for the Boise, Idaho site? We are hearing in the news media that the State of Idaho has mad an offer to purchase the property, and then lease it back to HP Inc.? What is the rationale for such a decision? Does it mean that the days for HP in Boise Idaho are numbered?

Answer:

As part of HP’s real estate strategy, we are exploring options to sell and leaseback our Boise campus. This decision will allow us to maximize the value of our real estate investments and create future growth opportunities at the Boise campus. The State of Idaho issued a press release confirming it signed a non-

binding letter of intent to start discussion with HP, and we are engaging with the State on various potential opportunities. We do not anticipate disclosing the details of the deal.

Question 14

How does HP Inc reconcile its being a signatory to the UN Global Compact, which has 10 principles related to human rights, including the UN Guiding Principles, with its business with the Israeli military and the illegal Occupation of the Palestinian Territories? I urge you to stop your involvement in Israel and its systematic discrimination against the Palestinian people.

Answer:

HP is strongly committed to socially responsible business practices and we have a rigorous human rights due diligence process. As a global company with a significant presence in Israel and across the Middle East, HP shares concern for those affected by conflict in the Middle East and supports its peaceful resolution. It is not our policy to take sides in political disputes between countries or regions. Instead, we focus on making the best products we can to help improve the lives of people around the world.

Question 15

I do not for an unnamed accounting firm; the accounting firm must be named in the vote!!

Answer:

Our independent public accounting firm, Ernst & Young LLP, are identified in our proxy statement, beginning on page 5.

Question 16

The first 59 pages of the annual report focus on Executive Compensation..! It gives the appearance that the executives are stuffing their pockets with cash while the performance targets have been missed and are lower than last year..! This needs to be corrected.

Answer:

In 2017, our stockholders were asked to approve, on an advisory or non-binding basis, the compensation of our Named Executive Officers (“NEOs”). In accordance with SEC rules, the 2017 proxy statement included a detailed description of our compensation program available in the “Compensation Discussion and Analysis”, the compensation tables and the narrative discussion following the compensation tables. Our Board and the HRC Committee believe that we have created a compensation program that is tied to performance, aligns with stockholder interests and merits stockholder support. HP’s initial year TSR of 11.1% was more than double the S&P 500 return of 4.9%.

Question 17

Can't remember my 4-digit pin to sign up for e-Delivery.

Answer:

We are sorry that you cannot access your e-Delivery options. For assistance with e-Delivery preferences, please follow the following instructions from Broadridge, our proxy solicitor:

How to obtain your PIN if you do not have it:

If you have your 16-digit control number, you may go to www.proxyvote.com to retrieve your PIN. After you enter your control number, you will find a “Forgot PIN” link next to the PIN entry section.

Question 18

Questions regarding Attendee Information

- **Please advise the number of shareholder attendees before the end to the meeting.**
- **Please advise the number of director attendees before the end to the meeting.**

Answer:

HP’s virtual meeting provider, Broadridge, reports that we had 21 stockholder attendees through our virtual meeting platform at this year’s annual meeting, representing an increased attendance over the prior year’s meeting. We are pleased that our stockholders are embracing our virtual meeting technology to enable them to join us regardless of their location. Eight of our twelve director nominees joined us, in person or virtually, for the 2017 Annual Meeting.

Question 19

What are the topics of the shareholder proposal submitted for the 2017 annual meeting and who were the proponents.

Answer:

HP received two valid stockholder proposals for the 2017 Annual Meeting. The proponents of the first proposal concerning our annual meeting format were Bart Naylor and John Chevedden. The proponent of the second proposal concerning lobbying disclosure was the AFL-CIO.

Question 20

How many questions were asked before the meeting and how many during the meeting.

Answer:

HP received 14 questions prior to the annual meeting, either through our online pre-meeting stockholder forum or via US mail. HP received a further 12 substantive questions (one of which was submitted twice) during the meeting through our online platform, all of them from a single stockholder. Answers to all questions asked are publicly available in this Q&A. Repetitive questions or questions concerning a similar theme or topic have been grouped appropriately and answered as a single response.

Forward Looking Statements

The information included in these questions and answers from HP’s annual meeting of stockholders, the annual meeting webcast and other information provided from time to time through webcasts, conference calls, securities analyst meetings, road show presentations, investor conferences, newsletters and similar events and communications contains forward-looking statements that involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results of HP Inc. and its consolidated subsidiaries (“HP”) may differ materially from

those expressed or implied by such forward-looking statements and assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including but not limited to any projections of net revenue, margins, expenses, effective tax rates, net earnings, net earnings per share, cash flows, benefit plan funding, deferred tax assets, share repurchases, foreign currency exchange rates or other financial items; any projections of the amount, timing or impact of cost savings or restructuring and other charges; any statements of the plans, strategies and objectives of management for future operations, including the execution of restructuring plans and any resulting cost savings, net revenue or profitability improvements; any statements concerning the expected development, performance, market share or competitive performance relating to products or services; any statements regarding current or future macroeconomic trends or events and the impact of those trends and events on HP and its financial performance; any statements regarding pending investigations, claims or disputes; any statements of expectation or belief, including with respect to the timing and expected benefits of acquisitions and other business combination and investment transactions; and any statements of assumptions underlying any of the foregoing.

Risks, uncertainties and assumptions include the need to address the many challenges facing HP's businesses; the competitive pressures faced by HP's businesses; risks associated with executing HP's strategy; the impact of macroeconomic and geopolitical trends and events; the need to manage third-party suppliers and the distribution of HP's products and the delivery of HP's services effectively; the protection of HP's intellectual property assets, including intellectual property licensed from third parties; risks associated with HP's international operations; the development and transition of new products and services and the enhancement of existing products and services to meet customer needs and respond to emerging technological trends; the execution and performance of contracts by HP and its suppliers, customers, clients and partners; the hiring and retention of key employees; integration and other risks associated with business combination and investment transactions; the results of the restructuring plans, including estimates and assumptions related to the cost (including any possible disruption of HP's business) and the anticipated benefits of the restructuring plans; the resolution of pending investigations, claims and disputes; and other risks that are described in HP's Annual Report on Form 10-K for the fiscal year ended October 31, 2016, HP's Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2017 and HP's other filings with the Securities and Exchange Commission. HP assumes no obligation and does not intend to update these forward-looking statements.