Hewlett Packard Enterprise Ecosystem

Hewlett Packard Enterprise Company
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Houston, TX 77070
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Outside Relationships

Regulators

- Subjects of US and Foreign Regulation
- Environmental Protection Agencies
- *Regulation and Permitting Regarding Air & Water Pollution, Disposal of Other Hazardous Substances, and Cleanup of Contaminated Sites*
- *Environmental Regulation Governing Safe Use of Chemical Substances in Electronics*
- *Product Take-Back Legislation*
- *Climate Change Regulation*
- Departments of Treasury *Economic or Other Trade Prohibitions or Sanctions*
- Attorneys General and Departments of Commerce
- *Anti-Trust Law Compliance*
- *Anti Corruption Law Compliance*
- *Data Protection, Retention, and Deletion*
- Data Protection Agencies; includes Data Retention and Deletion *(European General Data Protection Regulation and California Consumer Privacy Act)*
- Internal Tax Authorities *(Regulation of Income Taxes, Indirect Taxes, Payroll Taxes, Franchise Taxes, Withholding Taxes, and Ad-Valorem Taxes)*

Capital

- Noteholders
- JP Morgan Chase Bank
- Hedge Counterparties

Suppliers

- **Channel Partners** *Over 1000 in Total*
  - *Channel Types*
  - Resellers (Targets Smaller Accounts)
  - Distribution Partners
  - OEMS
  - Independent Software Vendors
  - Systems Integrators
  - Advisory Firms
  - *Select Partners*
  - NVDA (NVIDIA Corporation)
  - VMWare
  - Nutanix
  - XMA (UK Reseller and Recycling Partner)
- **Manufacturing and Materials Suppliers**
  - Outsourced and Contract Manufacturers
  - Third Party OEMs
  - Components and Sub-Assembly Vendors
  - Intel (x86 Processors)
  - AMD (x86 and EPYC Processors)

Customers

- **Servers Customers**
  - *Compute*
  - Commercial Enterprises
  - Large Public Sector Enterprises
  - Large Business Enterprises
  - Example: University of Notre Dame Center for Research Computing *(Researchers Installed ProLiant Server to Collect Ever Larger Climate Change Data Sets Faster)*
  - *HPC/MCS*
  - Government Entities
  - Large Enterprises *(Customers with Data Intensive Supercomputing, Analytics, AI Needs)*
  - Example: Computonics *(German IT Analysis Company Used HPE Superdome Flex Server to Apply Genomics Science to Accelerate Plant Breeders' Plant Development)*

Senior Bond Financing

Revolving Loan Facility

Derivatives Trades to Manage Foreign Currency and Interest Rate Risk

Business Regulation

Relationships with Channel Partners to Integrate HPE or Channel Partners' Products and Services Into Solutions for Sale to Channel Partners' End Customers (with Upfront Rebates and Other Incentives for Channel Partners to Sign Customers to HPE GreenLake Everything-as-a-Service Platform)

Direct Sales of Industry Standard Servers *(including via Consumption-Based Subscriptions)*

Direct Sales of High-Performance and Mission-Critical Servers *(including via Consumption-Based Subscriptions)*

Manufacturing and Materials Supplies

Hewlett Packard Enterprise Company (a Delaware Corporation)

Debt Structure

Debt ($12.186B @ 12/31/20) | Credit Ratings: Baa2 (Moody's), BBB+ (Fitch), BBB (S&P)

Commercial Loans
- 2024: $4.75B Revolving Credit Facility
- Parent US Dollar Commercial Paper Program: $4.75B
- Parent Euro Commercial Paper Program: $3B
- Subsidiary Euro Commercial Paper Program: $1B

Unsecured Senior Notes
- 2021: $1.80B *(LIBOR + 0.68% to 0.72%; 3.5% Fixed Rate)*
- 2024-26: $5.243B *(1.45% to 4.9% Fixed Rate)*
- 2022-23: $3.599B *(2.25% to 4.45% Fixed Rate)*
- 2035-45: $2.249B *(6.2% to 6.35% Fixed Rate)*

Asset-Backed Debt Securities
- 2029: $763M @ 2.31% (Average IR)
- 2030: $1B @ 1.19% (Average IR)
- 2030: $755M @ 1.87% (Average IR)

Equity Structure

Common Stock Share Repurchase Program
- Total Authorized: $13.5 Billion
- Available: $2.1 Billion
- Expiration: None (Suspended in April 2020)

Common Stock
- Record Holders: 54,317
- Authorized Shares: 9.6 Billion
- Outstanding Shares: 1.287 Billion

Preferred Stock
- Record Holders: None
- Authorized Shares: 300 Million
- Issued Shares: None

Governance

Board of Directors

Patricia F Russo *Board Chair, HR, NGSR*	Charles H Noski *FI*	Mary A Wilderotter *A (Chair), HRC*	Gary M Reiner *NGSR (Chair), T*
Antonio F Neri	Raymond J Lane *T*	Pamela L Carter *A, HRC (Chair)*	Committees: Audit (A), Finance & Investment (FI), HR & Compensation (HRC), Nominating, Governance, & Social Responsibility (NGSR), Technology (T)
Jean M. Hobby *A*	Daniel Ammann *FI (Chair)*	Raymond E Ozzie *T (Chair)*	Ann M. Livermore *FI, NGSR*

Management Team

Corporate
- Antonio Neri *President and CEO*
- Jennifer Temple *Chief Communications Officer*
- Tarek Robbiati *CFO*
- Kumar Sreekanti *CTO and Head of Software*
- Alan May *Chief People Officer*
- John Schultz *Chief Operating and Legal Officer*
- Jim Jackson *Chief Marketing Officer*
- Heiko Meyer *Chief Sales Officer*
- Mark Bakker *Global Operations*

Hybrid IT
- Tom Black *GM, Storage*
- Neil MacDonald *GM, Compute*
- Pete Ungaro *SVP and GM, Hight-Performance Computing and Mission-Critical Solutions*

Financial Services
- Irving Rothman *President and CEO, HPE Financial Services*

Intelligent Edge
- Keerti Melkote *President, Intelligent Edge and Founder of Aruba Networks*

Corporate Investments
- Keith White *GM, GreenLake Cloud Services*
- Pradeep Kumar *GM, PointNext Technology Services*

Finance and Accounting
- Budgeting
- Internal Audit
- Accounting
- Analytics
- Financial Reporting
- Tax
- Risk Management
- FP&A
- Insurance
- Treasury / Cash Management

Human Resources
- Development and Organizational Effectiveness
- Benefits and Compensation
- Staffing and Retention
- Global Diversity and Inclusion
- Culture
- Employee Engagement
- HR Processes and Information Management

Marketing
- Emphasis on Accelerating Digital Transformation of HPE as Edge-to-Cloud Platform-as-a-Service Company
- Advertising
- Analytics
- Brand Management

Sales
- Direct Sales Force
- Inside Sales Force
- Large Enterprise Customer Relations
- Channel Partner Relations
- Alliance Partnerships

Operations

Operations & Administrative
- Global Procurement
- Global IT
- Global Security
- Global Real Estate
- Data Office

Transformation
- Cost Optimization and Prioritization Plan
- HPE Next *Streamline Products, Business Processes and Systems*

Legal
- Corporate Affairs
- Ethics and Compliance
- Legal Department

Technology & Software

Technology
- Innovation
- Emerging Technological Trends
- Third Party Technology Company Relations
- Product and Services Development for Customers' Changing Needs

Software
- Strategy
- Design
- Development

Corporate Matters

Communications
- Brand Positioning
- Public Affairs
- Corporate and Financial Communications
- Executive Advocacy
- Product Marketing
- Crisis and Issues Management

Operations

Hardware Segments

Formerly Hybrid IT

Compute
2020 Revenue: $12.215B

Industry Standard Servers (ISS)
General purpose servers for multi-workload computing and workload-optimized servers
- **HPE ProLiant** *Secure and Versatile Racks and Towers*
- **HPE BladeSystem** *Modular Infrastructure that Converges Server, Storage, and Networking*
- **HPE Synergy** *Composable Infrastructure for Traditional and Cloud-Native Applications*

Services
On-Site IT Support and Lifecycle Consultation
- **Operational Support Services: *GreenLake*** *Cloud Service Arm; Provides Consumption-Based Hybrid On-Premises IT Solutions*
- **Advisory and Professional Services *(Life Cycle Events Services Business)*: HPE PointNext** *Provides Advice and Support for IT Transformation Projects with an emphasis on Cloud, Edge, IT Modernization, and AI and data-driven services*

High-Performance Computing (HPC) and Mission Critical Servers (MCS)
2020 Revenue: $3.036B

High Performance Compute Portfolio
Super Computing Systems, including exoscale supercomputers, to support data-intensive workloads for high-performance computing, data analytics and artificial intelligence applications
- **HPE Apollo & Cray** *High performance computing and AI*

Mission Critical Servers
(For payments and transaction processing that required high-availability and fault-tolerant computing infrastructure)
- **HPE Integrity** *Mission-Critical Applications*
- **HPE Nonstop** *Eliminates the risk of downtime while meeting large-scale needs*
- **HPE Superdome Flex** *Addresses the most demanding workloads with increased performance*

Edge Compute
(Products for computing at the network edge)
- **HPE Moonshot** *Scalable, Ultra-low power servers for specific data center workloads*
- **HPE Edgeline** *Suitable for Harsh Edge Environments (Cars, Drills, Cameras, & Personal Devices)*

Services
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- **Advisory and Professional Services (Life Cycle Events Services Business): HPE PointNext** *Provides Advice and Support for IT Transformation Projects with an emphasis on Cloud, Edge, IT Modernization, and AI and data-driven services*

Storage
2020 Revenue: $4.681B

intelligent HCI Portfolio
Powered by HPE InfoSight-Advanced AI; Cloud-Based, Workload-Optimized Storage Offerings on an "As-A-Service" Consumption Model
- **HPE SimpliVity** *Hyper-Converged Platform for General Purpose and Edge Workloads*
- **HPE Nimble Storage dHCI** *A Disaggregated Hyper-Converged Infrastructure (HCI) Solution for the Enterprise Data Center*

Primary Storage Solutions
- HPE Primera
- HPE Nimble Storage
- HPE 3PAR

AI, Machine Learning, and Analytics Data Management
- Blue Data Technology
- MapR Technology

Comprehensive Data Protection Solutions
- **HPE Cloud Volumes Backup** *Data Mobility; Comprehensive Data Protection Solutions*
- **HPE StoreOnce** *Data Protection and Recovery Management*

Big Data Solutions
- Apollo Servers

Solutions for Secondary Solutions and Traditional Tape, Storage Networking and Disc Products
- **HPE Modular Storage Arrays** *Traditional Storage; Entry Level Array for Small/Medium-Size Businesses*
- **HPE XP** *Secondary Workloads & Traditional Storage Products*

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Intelligent Edge

Intelligent Edge
2020 Revenue: $2.855B

HPE Aruba Products
Edge-to-Cloud Products to Enable Secure Connectivity for Businesses of Any Size
- **Wired and Wireless Local Area Network (LAN)** *Wi-Fi Access Points, Switches, Routers, Sensors, and Related Software*
- **Software-Defined Wide Area Network (WAN)** *Now Includes Silver Peak Portfolio of SD-WAN products*
- **Campus and Data Center Switching** *Wi-Fi Access Points, Switches, Routers, Sensors, and Related Software*

HPE Aruba Software and Services
Edge-to-Cloud Connectivity as-a-Service to Enable Secure Connectivity for Businesses of Any Size
- Cloud-Based Management
- Network Management *Includes Silver Peak Software and Services*
- Network Access Control
- Analytics and Assurance
- Locations Services Software

Services
On-Site IT Support and Lifecycle Consultation
- **Operational Support Services: HPE GreenLake for Aruba** *Cloud Services Arm; Provides Consumption-Based Hybrid On-Premises IT Solutions*
- **Advisory and Professional Services (Life Cycle Events Services Business): HPE PointNext Services** *Provides Advice and Support for IT Transformation Projects with an emphasis on Cloud, Edge, IT Modernization, and AI and Data-Driven services*

Services, Legacy Software and Investment Segments

Investments & Former Advisory/Professional Services

Corporate Investments
2020 Revenue: $1.441B

Investment Portfolio
- **Communications and Media Solutions (CMS)** *Software and Support to Telecoms Operators in areas such as operational support systems, business support systems for handling customer facing interactions and fraud analytics*
- **Hewlett Packard Labs** ***Research & Development*** *Areas of Focus: system architecture, networking, AI, accelerators, and silicon photonics. "Next Next Innovation" Projects, including Dot Product Engine, solving impossible problems, data-based economy, AI, machine learning, mining the blockchain for the "next big thing," extreme computing, computing to cure cancer, detect fraud and stop traffic jams, distributed-mesh computing for common sense analytics*
- **Business Incubation Projects**

Legacy Software
- **Software-Related Business Offerings Previously Run by Hardware Segments** *(Previously housed in Compute and Storage segments, and the former Advisory and Professional Services segment)*

Unallocated Portion of Former Advisory & Professional Services Segment
- **Advisory and Implementation Services** *Provides consultative-led services, HPE and partner technology expertise and advice, implementation services, and complex solution engagement capabilities; focus areas are digital transformation advisory, hybrid cloud transformation, AI and data, networking and edge, security, IoT, digital workplaces, education, and management of change*
- **Consumption Modeling** *Provides on-premises flexible consumption models that enable IT agility, simplify operations, and align cost to value*

Financial Services

Financial Services
2020 Revenue: $3.352B

Flexible Investment Solutions
Facilitates Unique Technology Deployment Models and Acquisition of Complete IT Solutions
- Leasing
- Financing
- IT Consumption
- Utility Programs
- **On-Premises Financial Solutions** Supports financial solutions for on-premise flexible consumption models, such as GreenLake

Technology Renewal Centers
Refurbishing Retired IT Equipment
- **Asset Management Services** IT Asset Retirement, IT Asset Dispositions ITAD), and Asset Recovery Centers
- **HPE Renew** Remanufactured Products with Same Performance as New Products
- **HPE Upcycling** IT Equipment Removal, Data Overwriting, and Asset-Level Tracking
- **HPE Certified Pre-Owned** Reliable Previously Owned IT Equipment
- **Hardware Recycling** End-of-Use Recycling of HPE Servers When Refurbishment is Not at Option

Competitors

Dell Technologies	Lenovo Group	Cisco Systems	IBM	NetApp

Dell Technologies	Lenovo Group	IBM

Dell Technologies	Lenovo Group	Cisco Systems	IBM

Cisco Systems	Extreme Networks	Arista Networks	Juniper Networks

Dell Technologies	Accenture	Cisco Systems	IBM

Financing	ITAD
IBM Global Financing	ERI
Dell Financial Services	Ingram Micro
Cisco Capital	Sage Sustainable Electronics

On-Premises IT Operational Services and Advisory and Professional Services

HPE GreenLake Customers: Commercial Enterprises; Large Enterprises; Other Enterprises that Require IT Agility, Operational Simplicity, and Costs Aligned to Business Value

Direct Sales of Intelligent Storage for Hybrid Cloud Environments *(including via Consumption-Based Subscriptions)*

Storage Customers: Commercial Enterprises; Large Public Sector Enterprises; Large Business Enterprise Customers; Example: Seagate Technology *(Data Storage and Management Solutions Optimized Factory to Avoid Downtime and Waste Due to Defective Products)*

Direct Sales of Intelligent Edge/HPE Aruba Products and Services

Intelligent Edge Customers: Commercial Enterprises; Large Public Sector Enterprises; Large Business Enterprise Customers; Telecomm Service Providers; Large Enterprises; Small Organizations

Securities Regulation and NASDAQ Listing Rules

Equity Capital

Dividends and Common Stock Repurchases

Professional Services

Intellectual Property Licenses

Trademark, Copyright, and Patent Registrations

Membership in Cross-Industry Partnership/Tools for Energy Efficiency

Flexible Financial Services and IT Asset Recovery Services that Facilitate the Acquisition of IT Hardware, Software, and Services and Disposition of Spent IT Assets

Outside Relationships

Customers

- **Financial Services Customers**
  - Large Enterprises
  - Channel Partners
  - Educational Entities
  - Government Entities
  - Small and Medium Businesses

Suppliers

- **Professional Services Firms**
  - Ernst & Young *Auditors*
  - Publicis Groupe *Advertising*
  - Wachtell, Lipton, Rosen & Katz *Legal Services*
  - Mehlman, Castagnetti *Lobbying*
- Third Party Intellectual Property Owners

Capital

- **Significant Shareholders**
  - Dodge & Cox *12.27%*
  - Vanguard Group *10.64%*
  - Blackrock Fund *6.04%*
  - PRIMECAP Management *5.10%*
  - SSgA Funds Management *4.99%*
  - Institutional Ownership *82.78%*

Regulators

- **Securities Regulators**
  - US Securities and Exchange Commission *Securities Law, Disclosure, and Reporting Requirements; Anti-Bribery Law Compliance*
  - The NASDAQ Stock Market *Listing and Maintenance Rules*
  - Patent, Copyright, and Trademark Agencies *Intellectual Property Registrations and Renewals*
- **Industry Organizations**
  - Product Attribute to Impact Algorithm (PAIA) *Quantification of Carbon Footprint of IT Products*
  - IEC 626635 *Standard for Recyclability of Electronic Products*
  - Information Technology Industry Council *Industry Policy and Advocacy*

Key Company Data

Share Data
- Stock Exchange: NASDAQ
- Ticker Symbol: HPE
- Share Price: $14.71 *As of 07/02/2021*
- FY2020 Loss Per Share Diluted: ($0.25)
- 2020 Annual Dividend: $0.48/share
- Market Capitalization: $19.21B *(07/02/2021)*

Financial Highlights

Statement of Earnings
- Revenues: *$26.98B*
- Costs & Expenses: *$27.31B*
- Net Loss: *($322M)*

Balance Sheet
- Total Assets: *$54.02B*
- Total Liabilities: *$37.92B*
- Equity: $16.10B

Cash Flow
- Cash Flow from Operations: *$2.24B*
- Cash Flow from Investing: *(-$2.58B)*
- Cash Flow from Financing: *$883M*

Operating Ratios
- Gross Margin: 20%
- Operating Income to Revenue: 4.1%

Resources
- 59,400 Employees
- $1.9B Investments In R&D
- Extensive Patent Portfolio: 15,000 Issued and Pending Patents

Recent Developments

Unique Consumption-Based Model: *IT Consumption Model facilitates customer use of HPE products and services on a pay-per-use basis or subscription basis, with a sophisticated set of metering, financial, and managed services components.*

HPE Next Initiative: *To simplify operating model, streamline product and service offerings and business processes, and shift investments in innovation toward high-growth and higher-margin solutions and services. This includes consolidating manufacturing and services locations and reducing the number of countries in which HPE has a direct sales presence.*

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