Trucost was engaged by **Agilent Technologies** to provide assurance of the environmental data held within its 2015 Corporate Citizenship Report and CDP Response

#### Intended users

The intended users of this assurance statement are the management and stakeholders of Agilent Technologies.

# Responsibilities of Agilent Technologies and assurance provider

The management of Agilent has sole responsibility for the preparation and content of the Corporate Citizenship Report (hereafter, CCR) and CDP Climate Change Response (hereafter, CDP). Trucost's statement represents its independent and balanced opinion on the content and accuracy of the information and environmental data held within.

#### **Assurance standard**

Trucost undertook the assurance in accordance with AA1000AS (2008) Type 2 moderate-level assurance, covering:

- ✓ Evaluation of adherence to the AA1000APS (2008) Principles of inclusivity, materiality and responsiveness (the Principles)
- ✓ The reliability of specified environmental performance information (energy use, greenhouse gas emissions, water use and waste generated)

Trucost used the Global Reporting Initiative (GRI) and the GHG Protocol to evaluate Agilent's performance information and adherence to the Principles.

#### **Scope and limitations**

Trucost was engaged to assure the data and claims in Agilent's 2015 CCR. This submission covered the period 1 November 2014 – 31 October 2015 for energy, water and waste data. Agilent took an operational control approach. Emissions from small facilities—accounting for less than 10% of total Scope 1 and Scope 2 emissions—have been excluded.

Trucost verified the environmental impacts (as calculated by Agilent) in the table in the next column. One limitation of the analysis was that operational water use for the Folsom facility was not available for June-October 2015. Another current limitation is that natural gas bills for the Glostrup facility differ from Agilent's calculated emissions. Agilent will work to rectify this difference.

#### Methodology

Trucost's assurance activities included the following:

- Review of the processes by which Agilent defines the sustainability issues that are relevant and material to its operations and its stakeholders
- Interviews with the Environmental Managers responsible for sustainability performance and data collection
- Assessment of the extent to which Agilent's sustainability activities adheres to the Principles

Scope	Source	Unit	Quantity
GHG Scope 1	Natural gas	metric tons CO <sub>2</sub> e	8,980
	Propane	metric tons CO₂e	66
	Diesel	metric tons CO <sub>2</sub> e	274
GHG Scope 2	Electricity	metric tons CO <sub>2</sub> e	49,645
GHG Scope 3	Business air travel	metric tons CO <sub>2</sub> e e	21,131
	Leased vehicles	metric tons CO <sub>2</sub>	6862
Water	Operational use	m³	358,838
Hazardous Waste	Treated	metric tons	1,601
	Incinerated	metric tons	334
	Landfilled	metric tons	6
	Recycled	metric tons	1,249
Non- Hazardous Waste	Incinerated	metric tons	241
	Landfilled	metric tons	263
	Recycled	metric tons	1,599

#### Methodology (continued)

- Limited assessment of evidence provided to support key claims in the CCR
- Review of processes and systems used to gather and consolidate environmental data
- Verification of data accuracy for a selection of sites, including an audit of conversion factors and calculations

#### Findings, conclusions and recommendations

<u>The principles</u>: Nothing came to Trucost's attention to suggest that Agilent's CCR or CDP Response do not adhere to the Principles.

<u>Data reliability</u>: Trucost did not find evidence to insinuate that the processes and systems in place to collect and collate environmental data are such that the company's environmental performance would be erroneously described.

Agilent has implemented excellent processes and software systems to collect global energy consumption, GHG emissions, water use and waste generation and uses spreadsheets to aggregate environmental impacts. Upon evaluating this system, Trucost found that data was accurate overall and any minor corrections were made as necessary. Trucost recommends that GHG emission factors be updated annually or as available. Trucost also recommends that Agilent continue improving its internal methods for data collection and assembly, so that consistent and comprehensive data is gathered for each impact category across all facilities. Trucost recommends the use of a guidance document and templates with details on data collection and specific metrics for all sites.



## Assurance Statement: AA1000

Principle	Comments
Inclusivity: the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability	Agilent Technologies engages with a range of stakeholders, including customers, employees, suppliers, and NGOs related to sustainability. Agilent also takes a wider view and considers society an important stakeholder for gauging its sustainability impacts. Different groups within the larger organization interact with different stakeholders, based on the relationship between the organizational functions and the stakeholder issue being engaged. For example, the Quality Team and Corporate Relations Team often are involved in sustainability dialogues with the company's stakeholders. Employee engagement for sustainability is a target of Agilent—from Earth Day activities, to paper use reduction efforts and recycling. Investors are another important stakeholder, who have raised concerns about Agilent's operational impacts, such as water use across its facilities. Agilent also views systems that rank sustainability performance (such as Newsweek, DJSI and ISO14001) as an important stakeholder for guiding the company's sustainability goals. Throughout these stakeholder engagements and the input obtained, Agilent continuously improve and refine its sustainability initiatives.
Materiality: determining the relevance and significance of an issue to an organization and its stakeholders	From a materiality perspective, Agilent focuses on both environmental and social issues, as well as utilizes metrics to measure the company's performance over time. Some of the material issues are determined by government regulations, such as the EU's RoHS and REACH policies for electronic products. Such regulations and Agilent's interest in becoming a more sustainability company have helped it incorporate Design for Environment considerations into product design. On the social side, Agilent prioritizes items such as providing employee training opportunities and making philanthropic donations. Decisions on which issues are material and should be addressed are made collaboratively among groups such as Human Resources, Environment Health and Safety, and Industry Relations. Agilent then can track its performance on the material issues over time and help measure its incremental improvements.
Responsiveness: an organization's response to stakeholder issues that affect its sustainability performance and is realized through decisions, actions and performance, as well as communication with stakeholders	Agilent responds to stakeholder inquiries and input through the part of the organization most closely aligned to the topic. For example, Investor Relations replies to feedback from institutional investors and individual investors concerned about Agilent's sustainability impacts. The individual point of contact within the company is responsible for responding to the inquiry and tracking the corrective action that the company undertakes as a result. A database system is used to trace the inquiry and corrective action that is taken. Annually, groups within Agilent pool the issues to which they have responded, in order to identify any trends and enhance the company's sustainability strategies to more fully address these matters. Agilent prides itself on being responsive to concerns raised by stakeholders as well as to issues that are identified as material to its sustainability performance.

### **Assurance provider**

Trucost has been researching, standardizing and validating corporate environmental performance data since 2000. Trucost's research team has the relevant professional and technical competencies and experience to conduct an assurance to the AA1000 standard. Trucost did not provide any services to Agilent during FY2015 that could conflict with the independence of this work. This is the fourth year that Trucost has assured Agilent's environmental data held within its Corporate Citizenship Report and response to the Carbon Disclosure Project.

Trucost plc London, April 2016



Alastair MacGregor
Director

