Keysight's Water Use and Stewardship

Keysight recognizes that water is a limited and valuable natural resource. Although we do not withdraw or consume a significant amount of water, access to water is important to our operations and the communities where we operate. Therefore, we are committed to acting in an environmentally responsible manner by maintaining and continually improving our environmental sustainability and management systems, including water stewardship, to support our business and local communities.

Risks of drought and changing water quality exist, and we complete a thorough review of our sites in water stressed areas to identify water preservation opportunities. We take the necessary steps to reduce our exposure to water-related risks through conservation efforts and onsite water treatment and reclaim facilities.

Usage

Water is directly used by Keysight in operational processes such as the wafer fab and micro part processing at manufacturing sites. Water is also indirectly used in operations primarily for consumption (e.g., drinking water, restrooms, and cafeterias), irrigation, and chiller systems. Additionally, we recognize that water is an important resource upstream for many of our suppliers. Keysight products have minimal water impacts downstream, in the customer stage of our value chain. Most of our products and solutions do not require water during use. We do not anticipate any significant change in water dependency for our direct or indirect operations in the future.

Most of the water used by Keysight is withdrawn from third party sources, such as municipal supply. A small percentage of our water is withdrawn from well water, at our Hachioji, Japan, site. All water discharged by Keysight is managed and treated by municipal wastewater treatment systems and meets discharge requirements.

Treatment

Keysight operates onsite wastewater treatment plants at three manufacturing sites: Santa Rosa, CA; Santa Clara, CA; and Colorado Springs, CO. An example of the treatment is a pH adjustment to within 5.5 - 12.5 before discharging to the municipality. Treated water is reused, where viable, for landscape irrigation and in certain process systems, such as wet scrubbers. Our Santa Rosa Headquarters and the Colorado Springs site have won multiple awards for water efficiency programs, exemplified by approximately 15% of the water used at the Santa Rosa site being reclaimed and reused.

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Conservation

Keysight is committed to water stewardship in our operations and communities. We are currently evaluating opportunities for water conservation at our largest manufacturing sites as well as all operational sites that are located in areas with water stress. We review water-related risks as part of our integrated risk management process and prioritize sites in areas with water stress.

Water Stress

Keysight uses the World Resources Institute (WRI) Aqueduct Water Risk Atlas to determine water stress. We input the location of all sites in our operational control for water-related activities to determine the water stress level. We consider sites to be in areas with water stress if their level is "high" or "extremely high". By using the WRI aqueduct tool, Keysight is able to analyze which sites may be most impacted by drought conditions in the future. The results of the WRI aqueduct analysis are presented to the appropriate Workplace Solutions teams, who are responsible for management of operational infrastructure and the global real estate.

Reporting and Assessment

Keysight reports annually on our water consumption and conservation activities, through our Corporate Social Responsibility Report and CDP Water. We regularly assess water-related risks that could impact our business, using the WRI Aqueduct tool to review water stress in areas where we operate. This method of assessment is part of our ISO14001:2015 certified company-wide Environmental Management System (EMS), which is essential and instrumental in driving continuous reduction of adverse environmental impacts from our operations and products. For additional information regarding Keysight's water or other environmental programs, please contact our Corporate Social Responsibility team.

Water Use in Operations Data

Global water

Water Use Category	FY 2019 Kgal	FY 2020 Kgal	FY 2021 Kgal	FY 2022 Kgal
Withdrawal from Groundwater - renewable	3,458	3,579	3,005	2,599
Withdrawal from Third Party Sources	197,027	213,196	196,305	185,193
Total Withdrawal	**200,485**	216,776	**199,310**	**187,792**
Total Discharge	**147,954**	**163,243**	**159,803**	**143,420**
Total Consumption (Withdrawal - Consumption)	**52,531**	**53,533**	**39,507**	**44,372**
Total Withdrawal from Sites in Water Stress Areas	*31,626*	*29,240*	*31,909*	*35,636*
Total Discharge from Sites in Water Stress Areas	*15,661*	*12,359*	*19,997*	*20,142*
Total Consumption from Sites in Water Stress Areas	*15,965*	*16,881*	*11,912*	*15,494*

Water Data Notes:

In 2021, Keysight increased our data coverage of water-related activities from our largest nine sites that we previously reported on, to over 20 sites where water consumption data is available. This gives us a better understanding of site-level interdependencies and impacts on our overall water withdrawal, discharge, and consumption. As such, data from fiscal year 2019 to date have now been recalculated to ensure that the performance across the now more than 20 sites is taken into consideration.

Additionally, as part of the company's new operational control boundary for water-related activities, we have adjusted our reporting practices at owned sites where a percentage of the site is leased to a third party. Where water is shared by Keysight and tenant, we are reporting our water usage per the pro-rata share defined by the lease agreement. This impacts water data for five Keysight-owned sites, including Penang, Malaysia; Beijing, China; Chengdu, China; Chungli, Taiwan; Hachioji, Japan.

Additional Resources

- Keysight Corporate Social Responsibility Web site
- Keysight News, Awards, and Recognition
- Keysight Net Zero Emissions in Operations Editorial Backgrounder
- Keysight Commits to Net Zero Emissions by End of 2040
- Keysight Commits to Science Based Target Initiative
- Keysight Solutions for Environmental Sustainability
- Keysight's Environmental, Health & Safety Commitment