

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 across our value chain. 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Most of the water used by Keysight is withdrawn from third party sources, such as municipal supply. A small percentage of our water is withdrawn from well water, at our Hachioji, Japan, site.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 the local regulated limits before discharging to the municipality. In Santa Rosa, treated water is reused, where viable, for landscape irrigation and in certain process systems.

Conservation

Keysight is committed to water stewardship in our operations and communities. We evaluate 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

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Water Use Category	Kgal	Kgal	Kgal	Kgal	Kgal
Withdrawal from Groundwater - renewable	5,403	5,593	4,695	4,601	6,592
Withdrawal from Third Party Sources	211,625	229,604	210,834	196,588	224,331
Total Withdrawal	217,028	235,197	215,529	200,649	230,923
Total Discharge	165,083	182,521	176,929	156,277	189,318
Total Consumption (Withdrawal - Consumption)	51,945	52,676	38,600	44,372	41,605
<i>Total Withdrawal from Sites in Water Stress Areas</i>	<i>33,038</i>	<i>30,457</i>	<i>33,072</i>	<i>36,746</i>	<i>31,646</i>
<i>Total Discharge from Sites in Water Stress Areas</i>	<i>17,073</i>	<i>13,576</i>	<i>21,161</i>	<i>21,252</i>	<i>21,007</i>
<i>Total Consumption from Sites in Water Stress Areas</i>	<i>15,965</i>	<i>16,881</i>	<i>11,911</i>	<i>15,494</i>	<i>10,639</i>

Water Data Notes:

Beginning with fiscal year 2022, Keysight's water data went through an independent third-party verification, including water withdrawal and water discharge, which were used to calculate water consumption. The verification statements are available for public review using the link below:

- [Keysight Emissions and Water Data Verification Statements](#)

Due to some data unavailability and delays, a small percentage of provided water data may be estimated using an accrual method. Keysight will update our water inventory as data becomes available, and any cumulative changes that total more than +/- 5% will be updated in future reporting cycles.

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.

Restatements of water data

In fiscal year 2023, Keysight amended its interpretation of operational control for specific leasing arrangements based on the GHG Protocol. The company updated historical water data accordingly from fiscal year 2019 through fiscal year 2022.

Keysight leases space at multiple co-located sites and determined that as the lessee, the company maintains operational control of the leased spaces due to management of the utilities. Previously, the company allocated a percentage of the water withdrawn and discharged at the site to the lessor. This reporting year, the company added all water withdrawn, discharged, and consumed at owned sites to its water data inventory to align with the updated interpretation of operational control.

Additionally, Keysight is the lessor at its US Santa Clara, CA Stevens Creek site and does not maintain control of the utilities at this location. Previously, the company reported the water data allocated to Keysight from this site in its water data inventory. This reporting year, the company removed the water data previously allocated to Keysight at this site from its operational control and water data inventory.

For all revised water data that were previously verified, the company completed a new independent verification of the updated water data.

All changes in data are accurately reflected in the tables provided above.

Quantitative Changes in Restated Information:

	FY 2019	FY 2020	FY 2021	FY 2022
Water withdrawal	+ 8%	+ 8%	+ 8%	+ 7%
Water discharge	+ 12%	+ 12%	+ 11%	+ 9%
Water consumption	- 1%	- 2%	- 2%	0%

Additional Resources

- [Keysight Corporate Social Responsibility Web site](#)
- [Keysight's Environmental, Health & Safety Commitment](#)
- [Keysight's Response to Climate Change](#)
- [Keysight Emissions and Water Data Verification Statements](#)
- [Keysight News, Awards, and Recognition](#)
- [Keysight Solutions for Environmental Sustainability](#)