Agilent’s goal is to innovate in measurement technologies that will provide the greatest value to customers and the world. As one of the only companies in the world that span both electronic and bio-analytical measurement, we have immense opportunities for positive impact because of our broad technology base.

Today, emerging trends in globalization, climate change and shifting demographics create dilemmas and trade-offs as organizations and governments strive to nurture the health of the world’s people, environment and economies. Measurement has never been more relevant in addressing global challenges.

The Agilent Environment and Social Responsibility Report describes Agilent’s contributions to environmental stewardship and social advancement. Agilent's achievements in 2008 include:

- Reducing our worldwide energy usage for the eighth year in a row. Targeted energy-efficiency projects and operational improvements implemented in 2008 resulted in 1.7 percent energy savings over the previous year, a contribution to reducing greenhouse gases;

- Installing over 1 megawatt of solar-power generation throughout our facilities;

- Achieving recognition as one of the "Global 100 Most Sustainable Corporations in the World" for the fourth straight year, as announced during the 2008 World Economic Forum in Davos, Switzerland;

- Also achieving recognition on the "100 Best Corporate Citizens of 2008" list (CRO magazine) and "Outstanding Foreign Company" by the General Chamber of Commerce of Republic of China, Taiwan;

- Reaching more than 60,000 pre-university students worldwide through our Agilent After School hands-on science program. More than 55,000 middle school and high school students in the U.S., China and India have learned about environmental science from our Agilent Clean Air Challenge curriculum; and

- Supporting community programs in 15 countries, where approximately 25 percent of our employees donated more than 50,000 hours to community service.
Business success is increasingly driven by a commitment to the environment, employees and communities. Agilent strives to be a leader in managing our environmental and social practices because it is good business management for the long term.

Bill Sullivan
President and Chief Executive Officer
April 2009
### Table of Contents

*Agilent provides innovative products and technologies and operates with the highest ethical standards. We value the recognition by the investment community as a global market leader and a leader in environmental and social responsibility.*

*Adrian Dillon, Executive Vice President, Finance and Administration and Chief Financial Officer*

<table>
<thead>
<tr>
<th>Contents</th>
<th>Page</th>
<th>GRI Content Index</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CEO Letter</strong></td>
<td>i</td>
<td>1.1, 2.1, 2.10</td>
</tr>
<tr>
<td><strong>Overview</strong></td>
<td>1</td>
<td>3.1, 3.2, 3.3</td>
</tr>
<tr>
<td><strong>Company profile</strong></td>
<td>1</td>
<td>2.2, 2.4, 2.5, 2.6, 2.7, 2.9</td>
</tr>
<tr>
<td><strong>Values</strong></td>
<td>2</td>
<td>1.1</td>
</tr>
<tr>
<td><strong>Sustainability Goals and Performance</strong></td>
<td>3</td>
<td>1.2, 4.11</td>
</tr>
<tr>
<td><strong>Management</strong></td>
<td>4</td>
<td>4.1</td>
</tr>
<tr>
<td>Reporting structure/organization</td>
<td>4</td>
<td>2.3, 4.9</td>
</tr>
<tr>
<td>Policies and position statements</td>
<td>5</td>
<td>4.8, SO5, SO6</td>
</tr>
<tr>
<td>Management systems and standards</td>
<td>7</td>
<td>4.11, 4.12</td>
</tr>
<tr>
<td>Environmental, health and safety impacts</td>
<td>8</td>
<td>1.2, 4.9, 4.11</td>
</tr>
<tr>
<td><strong>Product responsibility</strong></td>
<td>9</td>
<td>4.11, EN26, PR2, PR4, PR5, PR6, PR7, PR9</td>
</tr>
<tr>
<td><strong>Supplier management</strong></td>
<td>10</td>
<td>4.8, HR2, HR5, HR6, HR7</td>
</tr>
<tr>
<td><strong>Stakeholder engagement</strong></td>
<td>11</td>
<td>4.11, 4.12, 4.13, 4.14, 4.16, PR5</td>
</tr>
<tr>
<td><strong>Data privacy</strong></td>
<td>13</td>
<td>4.8</td>
</tr>
<tr>
<td><strong>Compliance</strong></td>
<td>13</td>
<td>EN23, EN28</td>
</tr>
<tr>
<td><strong>Managing risk</strong></td>
<td>14</td>
<td>4.9</td>
</tr>
<tr>
<td><strong>Governance</strong></td>
<td>15</td>
<td>4.1, 4.2, 4.3, 4.4, 4.6, 4.8, 4.9, 4.10, HR3, SO2, SO3</td>
</tr>
<tr>
<td><strong>Environmental Strategy and Performance</strong></td>
<td>17</td>
<td>2.10</td>
</tr>
<tr>
<td>Environmental achievements</td>
<td>17</td>
<td>4.11</td>
</tr>
<tr>
<td><strong>Materials</strong></td>
<td>18</td>
<td>EN3, EN4, EN5, EN7</td>
</tr>
<tr>
<td><strong>Energy</strong></td>
<td>20</td>
<td>EN3, EN4, EN5, EN7</td>
</tr>
<tr>
<td><strong>Water</strong></td>
<td>23</td>
<td></td>
</tr>
<tr>
<td><strong>Biodiversity</strong></td>
<td>24</td>
<td>EN14</td>
</tr>
<tr>
<td><strong>Air Emissions</strong></td>
<td>24</td>
<td>EN16, EN17, EN18, EN19</td>
</tr>
<tr>
<td><strong>Waste</strong></td>
<td>26</td>
<td></td>
</tr>
<tr>
<td><strong>Products and Services</strong></td>
<td>27</td>
<td>4.11</td>
</tr>
<tr>
<td><strong>Sustainable business opportunities</strong></td>
<td>29</td>
<td>4.11</td>
</tr>
<tr>
<td><strong>Environmental Performance Data</strong></td>
<td>30</td>
<td>3.9, 3.11, EN10, EN22</td>
</tr>
<tr>
<td><strong>Social Strategy and Performance</strong></td>
<td>37</td>
<td>2.10</td>
</tr>
<tr>
<td><strong>Social achievements</strong></td>
<td>37</td>
<td>EC8, SO1</td>
</tr>
<tr>
<td><strong>Community involvement</strong></td>
<td>38</td>
<td></td>
</tr>
<tr>
<td><strong>Diversity and opportunities</strong></td>
<td>40</td>
<td>EC7</td>
</tr>
<tr>
<td><strong>Employment</strong></td>
<td>43</td>
<td>4.4, 4.5, EC3, LA4, LA11</td>
</tr>
<tr>
<td><strong>Training and education</strong></td>
<td>46</td>
<td>LA10, LA11, LA12</td>
</tr>
<tr>
<td><strong>Health and safety</strong></td>
<td>48</td>
<td>LA6, LA8</td>
</tr>
<tr>
<td><strong>Human rights</strong></td>
<td>48</td>
<td>HR5, HR6, HR7</td>
</tr>
<tr>
<td><strong>Social performance data</strong></td>
<td>50</td>
<td>3.9, 3.11, EC1, LA1, LA2, LA7, LA13</td>
</tr>
<tr>
<td><strong>Economic Performance</strong></td>
<td>54</td>
<td>2.8, EC1</td>
</tr>
<tr>
<td><strong>Appendix I</strong></td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>Contents</td>
<td>Page</td>
<td>GRI Content Index</td>
</tr>
<tr>
<td>-------------------------</td>
<td>------</td>
<td>--------------------</td>
</tr>
<tr>
<td>About our data</td>
<td>55</td>
<td>2.9, 3.6, 3.9, 3.10, 3.11</td>
</tr>
<tr>
<td>External Reporting Standard</td>
<td>56</td>
<td></td>
</tr>
<tr>
<td>Disclosure</td>
<td>56</td>
<td></td>
</tr>
<tr>
<td>Contact Us</td>
<td>57</td>
<td>2.4, 3.4</td>
</tr>
<tr>
<td>Photography</td>
<td>57</td>
<td></td>
</tr>
<tr>
<td><strong>Appendix II</strong></td>
<td>59</td>
<td></td>
</tr>
<tr>
<td>Glossary and Acronyms</td>
<td>59</td>
<td>3.9</td>
</tr>
</tbody>
</table>
Overview

This report describes Agilent Technologies, Inc.’s (Agilent’s) relationships with the environment and society. It presents our strategies, objectives, results and future plans, and discusses our areas of special interest and materiality. The report includes information on Agilent's 2008 environmental and social performance.


Company Profile

Agilent is the world's premier measurement company, providing the critical tools and technologies that sense, measure and interpret the physical and biological world. When measurement matters, engineers, scientists, manufacturers, businesses, researchers and government agencies rely on Agilent tools and solutions:

- Leaders in cell-phone production depend on Agilent equipment to help design, prototype, and test and manufacture their products.
- Wireless communication providers rely on Agilent solutions to ensure the quality of services on their networks.
- Network equipment manufacturers test complicated networking protocols with Agilent solutions.
- Agilent’s microwave synthetic instruments are helping to reduce the total cost of testing sophisticated avionics.
- Where quality and purity were once measured in parts per million, today Agilent’s solutions measure contaminants in parts per trillion.
- Fixed and mobile laboratories equipped with Agilent instruments are deployed to help detect industrial toxins and infectious diseases.
- Agilent’s bio-analytical solutions for genomics and proteomics are helping scientists discover the potential causes of a wide range of diseases.
- The world’s leading pharmaceutical companies rely on Agilent measurement products when developing drugs - from basic research to manufacturing and quality control.

"Senior-level support for the management of environmental, social and economic impacts is crucial for successful implementation. We are committed to communicating this support throughout the company."

Saleem Odeh, Vice President and General Manager, Sales, Service and Support, Electronic Measurements Group
• Agilent’s high-precision instrumentation allows researchers to measure and manipulate objects only billionths of a meter in size. Life science, electrochemistry, material science and polymer science applications all benefit from this ability to see and work at the nano-level.

From disease discovery to wireless communications, our products and solutions make the world a better place to live. No other company offers the breadth and depth of our measurement tools and solutions. Agilent's profile is available on our About Agilent webpage at www.agilent.com/about.

Measures of Success

Agilent’s strategic intent is to be the measurement solutions partner to every engineer, service provider and scientist in the electronics and bio-analytical markets. To measure our progress, Agilent’s four Measures of Success are focused on the customer, our marketplace, our shareholders and our employees. The metrics and emphasis change slightly over time, but these four metrics focus on what is core to Agilent. Our fiscal year 2009 Measures of Success focus on:

• Customer Satisfaction
• Employees, Leadership and Culture
• Financial
• Markets

We have solid core businesses and solid strategies to grow at or greater than the market rate. 2009 is a year of focus – of executing on the strategies that we have in place.

Values

Uncompromising integrity is one of Agilent's fundamental corporate values. We strive to conduct business worldwide using the most ethical business practices, and we pride ourselves on our reputation for integrity. Agilent’s efforts in addressing environmental and social responsibility have their roots in our corporate values.

Our Values

Innovation and Contribution

• Differentiation of our contribution in the eyes of our customers

Trust, Respect and Teamwork

• Individuals are treated with respect
• Working globally and in a diverse workforce
Uncompromising Integrity

- Will never compromise integrity in any relationships with customers, suppliers or employees

Speed

- Decisive
- Rapid responses to customer and business needs

Focus

- Make tough trade-offs

Accountability

- Do what we say we will do
- People are accountable for their commitments

Sustainability Goals and Performance

Agilent continues to make our world more productive and a safer, healthier, more sustainable place to live. In 2008, Agilent established sustainability goals that were endorsed by our senior management. The goals were supported by internal objectives and metrics. We successfully met all of these goals. Our 2008 sustainability goals were:

Environmental

- Operate a common worldwide environmental management system.
- Ensure our operations comply with relevant environmental regulations.
- Conduct our operations in a manner committed to conservation of resources, prevention of pollution, and promotion of environmental responsibility.

Social

- Conduct our business with uncompromising integrity and promote human rights within the company’s sphere of influence.
- Ensure employee engagement in the success of the company.
- Be an economic, intellectual, and social asset to each nation and community where we operate.

Health and Safety

- Ensure our operations comply with relevant occupational health and safety regulations.
- Ensure a safe work environment.
Products

- Ensure our products comply with relevant safety and environmental standards and regulations.
- Ensure our products meet and/or exceed their published specifications.

Suppliers

- Inform suppliers of our environmental, health and safety, and labor expectations and require them to adopt management practices aligned with these expectations.

Economic

- Create economic value for shareholders.

In 2008, Agilent achieved all of our sustainability goals. Related information is found within sections of this report.

Management

The organization, policies and management systems described in this section apply across our businesses. They are designed to:

- Help Agilent act in an environmentally responsible manner
- Help enable our people to work injury and illness free
- Ensure customer requirements are met
- Attract, develop and retain our employees
- Enhance our value to our communities
- Ensure the highest levels of quality in our products and services
- Increase competitiveness in our technology, products and talent
- Create a consistent approach across Agilent, where applicable
- Meet the expectations of our stakeholders

Reporting Structure/Organization

The topics covered in this document report into several functions within the Agilent organization.

Environmental, Health and Safety

Workplace Services, reporting into Agilent's Chief Financial Officer, manages Agilent's environmental, health and safety (EHS) policies and procedures.

Product Quality

Corporate and business organizations within Agilent manage product environmental and safety regulatory compliance.
Social

Social responsibilities and employee-related programs within Agilent are managed by a variety of functions:

- Human Resources, reporting into Agilent's Chief Executive Officer, is responsible for terms of employment and employee relations throughout worldwide operations.

- Corporate Relations, reporting into Agilent's Chief Financial Officer, manages Agilent's policies and procedures in relation to the communities in which we operate.

Economic

Economic performance is monitored and analyzed by:

- Finance
- Corporate Financial Reporting
- Investor Relations

These functions report into Agilent's Chief Financial Officer. Their activities are guided by Agilent's Corporate Governance Standards, the Audit and Finance Committee Charter, the Compensation Committee Charter, the Executive Committee Charter and the Nominating/Corporate Governance Committee Charter.

Policies and Position Statements

Agilent has a wide range of policies, programs and position statements that address environmental and social topics.

Environmental Policy

Agilent is committed to acting in an environmentally responsible manner. You can find out more about our Environmental Policy at www.agilent.com/environment/epolicy.pdf.

Occupational Health and Safety Policy

Agilent is committed to health and safety practices, and work environments that enable our people to work injury and illness free. More information is available at www.agilent.com/environment/ohspolicy.pdf.

Human Rights and Labor Policy

Agilent will conduct our business with uncompromising integrity and promote human rights within the company’s sphere of influence. Our Human Rights and Labor Policy is available at www.jobs.agilent.com/who_we_are/agilentrightsandpolicy.pdf.
Quality Policy

Agilent will earn customer loyalty by providing products, services and interaction experiences of the highest quality and greatest value. You can find out more at www.agilent.com/quality/qpolicy.pdf.

Employee Volunteerism Policy

Agilent employees may use up to four hours of company time per month, with manager approval, to work on company-sponsored or supported community activities. These activities include programs that increase student interest and achievement in science education, improve the environment, and address health and human services issues. More information is available on the Agilent Volunteers webpage at www.agilent.com/comm_relation/comty_actn_volntrs.shtml.

Privacy Principles

Agilent is committed to respecting and protecting the privacy and personal information of our customers, employees and partners. Our practices are based on six privacy principles:

- Notice - providing notice of what data we collect and how it will be used
- Choice - offering choices when appropriate as to how personal data will be used and with whom it can be shared
- Onward transfer - requiring third parties who process personal data on Agilent's behalf to follow appropriate privacy practices
- Access and accuracy - giving individuals access to their data to ensure accuracy
- Security - keeping personal data secure
- Oversight and enforcement - Agilent participates in the TRUSTe Web Privacy Seal program and certifies annually under the U.S. Safe Harbor program to ensure we meet the highest privacy standards

More information about our privacy principles is available on Agilent's Customer Privacy webpage at www.agilent.com/go/privacy.

Political Activities

Agilent contributes to dialogue and decision-making on public policies that affect the company, our employees or our operations. However, in 2008, Agilent provided no financial or in-kind contributions to political parties. Specific questions about our political activities can be submitted via www.agilent.com/go/contactus.
Employee Diversity, Inclusion, Accessibility and Work-Life Balance

We apply a range of policies and practices to promote employee diversity, inclusion, accessibility and work-life balance, including:

- Non-discrimination policy
- Accessibility policy
- Education assistance program
- Employee assistance program
- Employee network group guidelines
- A balance between campus recruiting and experienced hiring
- Harassment-free work environment
- Flexible work schedules and part-time, when possible

Position Statements

The following position statements are used to communicate Agilent's position across a range of environmental and social issues:

- Glycol ethers elimination position statement
- Ozone-depleting substances elimination position statement
- Reproductive health for chemical and radiation operations position statement
- Restricted chemicals position statement

Specific questions about any of these statements can be submitted via www.agilent.com/go/contactus.

Management Systems and Standards

Agilent's management systems are central to our strategy for maintaining a sustainable business.

Environmental, Health and Safety Management System

Agilent's Environmental, Health and Safety Management System (EHSMS) is a company-wide system designed to provide a framework for our EHS policies and programs. It forms our approach to managing potential environmental, and occupational health and safety impacts from Agilent, and covers our design, development, manufacturing, distribution, and sales and service operations worldwide.
ISO 14001

The sections of our EHSMS that address the environment meet the requirements of ISO 14001:2004, an international standard for environmental management systems. Agilent achieved its first registration to BS 7750 (the precursor to ISO 14001) in 1995 at our South Queensferry, Scotland site, which was a participant in the pilot program. Building on those local efforts, we achieved ISO 14001 registration of our company-wide EHSMS in 2001, and laid the groundwork for registering our manufacturing sites under a single, company-wide certificate. In April 2006, Agilent transitioned our certification to the updated ISO 14001:2004 standard. Agilent's EHSMS has been implemented at research and development facilities and other large non-production facilities; however, these sites are not included in our ISO 14001 registration.

As Agilent acquires other companies, we have processes in place to integrate manufacturing sites into our EHSMS and ISO 14001 registration. In 2008, we expanded and leveraged our environmental management system by adding three sites from recent business acquisitions to our ISO 14001 registration. More information is available on Agilent’s ISO 14001 and EHS Management System web page at www.agilent.com/environment/environment2.shtml.

OHSAS 18001

Agilent's EHSMS is based on OHSAS 18001; however, we do not currently have plans to register to this standard. In late 2006, Agilent discontinued OHSAS 18001 registration at our South Queensferry, Scotland site, which we first achieved in 1999. Agilent continues to maintain an EHSMS at this site that is based on OHSAS 18001.

Quality Management Systems

Agilent maintains quality management systems so that our products, services and interactions consistently and effectively meet customer expectations and applicable regulatory requirements. Our management systems also provide mechanisms for continual improvement. Agilent’s two business groups, Electronic Measurement and Bio-Analytical Measurement, both maintain ISO 9001:2000 registrations for their respective global operations. ISO 9001:2000 is an international standard for quality management systems. More information is available on Agilent’s Quality Policy and Resources web page at http://www.agilent.com/quality/index.shtml.

Environmental, Health and Safety Impacts

Agilent's activities can have positive and negative impacts on the environment and on occupational health and safety. Each year, we review our activities to identify aspects of our operations and products that may have significant EHS impacts. This review contributes to the development of EHS-related objectives and targets.
When developing objectives and targets, significant aspects are considered along with our policies; legal and other requirements; available technological options; our financial, operational and business requirements; and the views of interested parties.

Agilent's significant company-wide EHS aspects related to operations, products and suppliers for fiscal year 2008 are:

- Chemical use, handling, storage and selection
- Contractor activities
- Energy use
- Ergonomics (force, frequency and posture)
- Material selection (direct materials)
- Material use (direct materials)
- Packaging
- Solid waste generation
- Emergency preparedness and response

Agilent has controls in place to manage risks in these areas.

**Product Responsibility**

As part of Agilent's Quality Policy, we ensure that our products comply with relevant safety and regulatory requirements. The Quality Policy is communicated to appropriate employees and is available to customers and other stakeholders.

**Product Quality**

Agilent implements product lifecycle processes that include provisions for product and quality sign-offs prior to product releases. Specific individuals on product development teams are identified as responsible for confirming a product's conformance to legal and Agilent-specific standards, and for ensuring that environmental goals are met or exceeded.

**Regulatory Compliance**

During fiscal year 2008, Agilent was not the subject of confirmed allegations of environmental or safety regulatory violations associated with our products.

**Information for Stakeholders**

Ensuring that our products meet safety requirements before they come to market is just one of our responsibilities to customers. We also make certain that customers have easy access to the information they request regarding our products and services. Our Quality and Environmental Policies guide us in making accurate conformity and environmental information about our products and services available to stakeholders. Questions, comments and information requests about Agilent product safety or regulatory compliance may be submitted via www.agilent.com/go/contactus.
Supplier Management

The rise of emerging economies generates a challenge of managing supply chains across countries with different regulations and norms for corporate social responsibility. Agilent informs our suppliers, partners and contractors of our expectations, and encourages them to follow responsible management practices. Our Standards of Business Conduct clarifies the extension of our values to our suppliers. It states that we will not establish or maintain a business relationship with a supplier if we believe that its practices violate local laws or basic international principles relating to labor standards or environmental protection.

Supplier Environmental and Social Responsibility Code of Conduct

In the area of environmental and social responsibility (ESR), we adopted a specific Supplier ESR Code of Conduct in 2004. This document informs suppliers of Agilent’s ESR expectations and requires them to adopt sound EHS management practices. The code incorporates eight International Labour Organization (ILO) Conventions that have been identified as being fundamental to the rights of human beings at work.


Supplier Environmental and Social Responsibility Risk Evaluation and Onsite Surveys

An objective of Agilent’s supplier ESR management program is to minimize risk from suppliers related to ESR. Agilent implements a quarterly supplier ESR risk evaluation process to screen our suppliers who provide materials that go directly to build Agilent products. Based on our in-depth evaluations, suppliers may be identified for onsite EHS and labor surveys so that Agilent can obtain first-hand information on the suppliers’ operations. Following the onsite surveys, we provide the suppliers with a summary of our findings and recommended corrective actions. Agilent has been requiring corrective action from a majority of the suppliers.

At the end of fiscal year 2008, 15 onsite surveys were performed in Malaysia, China and South Korea. The onsite surveys included four third-year surveys in Malaysia. Two of the surveys were conducted at contract manufacturers in China who were being evaluated during supplier sourcing. Corrective action requirements were in the categories of chemical and/or hazardous waste storage and spill prevention, safety/personal protective equipment training, machine safety, and labor.

We are receiving positive feedback from the surveyed suppliers regarding this process. In 2009, we will continue to address the
potential environmental and social responsibility risk related to Agilent’s suppliers.

**Cooperation with Key Indirect Suppliers**

Agilent's indirect suppliers provide non-production services like facility management, and data and waste management that can pose potential EHS and labor risks. We establish EHS and labor requirements for suppliers in these areas through our contracts with them.

**Stakeholder Engagement**

Agilent engages with a wide range of stakeholders on issues that affect the company's operations. During business planning, Agilent considers external charters, principles and guidelines. We also participate in industry and trade groups at local, regional, state, national and international levels to address emerging issues; develop industry-wide approaches to environmental and social challenges; and cooperate with governments, non-governmental organizations and other stakeholders on common concerns. Agilent's stakeholders include:

- Customers
- Employees
- Investors
- Suppliers
- Government agencies
- Communities
- Neighbors
- Non-governmental organizations

We engage with our stakeholders through consultations, surveys, ad-hoc feedback and reviews:

- Through our Agilent Customer Satisfaction program, we survey customers who interact with various touch-points across our businesses and regions, and we provide continual updates to our management.

- Our Agilent Market Survey provides a measure of our customers’ loyalty compared to the loyalty of our competitors’ customers. The results are used to identify opportunities for growth and areas where additional business investments are warranted. Agilent is associated with trust, safety and success due to its heritage, breadth of products and long-standing reputation.

- Each year we choose a focused area for improvement and conduct a quarterly Leadership Audit to measure employee perceptions of progress, and hold middle and senior managers accountable for continuous improvement. Every two to three years, we survey employees regarding their perceptions of Agilent’s management
practices and culture. Highlights of the survey results are discussed in the Employment section of this report.

- On a quarterly basis at most of Agilent’s sites, employee sessions are held to share business updates, country-specific affairs, as well as to address employee-requested topics.

- We regularly meet and communicate with our investors and other members of the financial community. This includes one-on-one meetings, quarterly financial-results conference calls, Agilent Analyst Meetings and our annual shareholder meeting.

- We require our suppliers to adhere to our Supplier ESR Code of Conduct, and we work with suppliers to address environmental and social issues that are identified in their operations.

- We have ongoing relationships with regulators at local, regional and national levels regarding operational areas such as EHS and product environmental and safety compliance.

These feedback mechanisms provide Agilent with information to help improve our environmental, social and economic performance. For example, Agilent Workplace Services monitors global issues and reviews external inquiries to help identify areas where we could further improve our EHS performance and programs. Similarly, Corporate Relations uses the input it receives to help guide our community programs, such as volunteerism and grants.

**External Charters and Principles**

Many of Agilent's policies and practices used in the operation of our business are consistent with internationally accepted charters and principles. Some of the guidelines, charters and principles that were considered by Agilent in developing our policies, position statements, EHSMS and reporting structures are:

- ISO 14001:2004 - international standard for environmental management systems

- OHSAS 18001:1999 - standard for occupational health and safety management systems

- Global Reporting Initiative - 2006 sustainability reporting guidelines


- Conventions of the ILO
Memberships of Organizations

Agilent participates in trade, industry and professional organizations that are local, national and global. This participation helps Agilent achieve our business and citizenship goals by enabling us to work with other companies on issues that affect our industry, by keeping Agilent abreast of industry issues and best practices, and by providing a vehicle in which we can contribute to and influence public policy. Examples of these memberships include:

- American Electronics Association
- Boston College Center for Corporate Citizenship
- Confederation of Indian Industry
- Corporate Executive Board
- European Union Committee of the American Chamber of Commerce
- Japan Electric Measuring Instruments Manufacturers Association
- International Electronics Manufacturing Initiative
- National Association of Software and Services Companies
- Silicon Valley Leadership Group
- United States – Association of Southeast Asian Nations Business Council

Data Privacy

A major part of protecting an individual's privacy is to treat their personal information (e.g. name, address, e-mail address, phone, detailed employee data, etc.) appropriately. We have made the protection of our customers' privacy a major policy initiative and have a company-wide Privacy program. Our program provides the necessary global infrastructure to ensure personal customer and employee information is collected and used in a fair, lawful and honest fashion. Also in 2008, we performed an assessment of our Privacy program to identify opportunities for enhancement. Assessment recommendations are being leveraged into program improvements. Agilent continues to protect the personal information of our customers, employees and partners in an ever-changing regulatory and technology-driven privacy landscape.

Questions regarding Agilent's privacy practices can be submitted via privacy_advocate@agilent.com.

Compliance

Agilent’s centralized EHS organization establishes company-wide EHS operational standards for our global locations. These standards are consistent with those that prevail in developed countries, and often exceed what is required by local regulations.

It is Agilent's policy to comply with applicable EHS legal requirements in the markets in which we operate. Despite many safeguards, minor issues are sometimes identified in our operations during the course of
regulatory inspections. When applicable, Agilent investigates the alleged violations in order to learn from them, and initiate new policies and programs that might prevent similar incidents in the future.

During our fiscal year 2008, there were 27 alleged regulatory violations associated with EHS operations at our sites worldwide. We work cooperatively with government authorities to resolve these types of issues.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Alleged EHS Violations</th>
<th>Fines (US$)</th>
</tr>
</thead>
<tbody>
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Discussion

For fiscal year 2008, the alleged violations were minor and no fines were issued. Agilent was not the cause of any significant spills. Alleged violations have been taken seriously and corrective actions implemented.

Managing Risk

Agilent's approach to risk management is largely decentralized, supported by the belief that those closest to risk can generally manage the risk most effectively. This approach also highlights the fact that risk management expertise exists throughout the enterprise. Agilent Global Risk Management is the corporate function chartered to promote prudent risk management practice through direct engagement with the business and selected infrastructure organizations, using tools and processes to facilitate that practice globally. This function also is responsible for developing and implementing risk financing strategies for the company's operational exposures while minimizing the company's total cost of risk.

Areas of ongoing focus for Agilent in 2008 and 2009 include:

- Business continuity management, including planning and testing at the site, business and enterprise levels
- Business risk identification and analysis
- Contracts risk management
- Incident response
- Insurance program compliance and management
• Merger and acquisition risk management due diligence

• Property protection engineering

Looking forward in 2009, Agilent Global Risk Management will co-facilitate a business impact analysis exercise targeting potential enterprise risk.

Governance

Agilent strives to operate our company in a responsible, ethical fashion, and to communicate our economic, environmental and social performance. This commitment helps us more effectively achieve our business goals and better identify, understand and act on issues, opportunities or risks that could affect our success as a global enterprise.

Our governance policies are discussed in detail on our Corporate Governance, Governance Policies webpage that is linked from the Investor Relations webpage at www.agilent.com/go/investor.

Company Directors are guided by:

• Corporate governance standards, which include a definition of independence for outside Directors, and the requirement that a majority of the Board be composed of outside Directors

• Code of Ethics for a Director on the Board

• Standards of Business Conduct

Agilent maintains a Compliance Council consisting of representatives from our main corporate and business functions. Meeting quarterly, the charter of the council is to ensure that Agilent is responsibly managing items related to overall governance activities.

Agilent’s management monitors our business and infrastructure organizations with respect to controls. This also directly applies to controls around the potential for fraud.

Uncompromising integrity is one of Agilent’s fundamental corporate values. We strive to conduct business worldwide using the most ethical business practices, and we pride ourselves on our reputation for integrity.

Standards of Business Conduct Training

Each employee is personally responsible and accountable for helping Agilent maintain its reputation for the highest standards of integrity. Agilent’s Standards of Business Conduct applies to all Agilent employees, including executive officers.
Managers are responsible for reviewing the standards with their reports at least once a year. Online training is chosen by the majority of managers for this purpose. The online training course covers topics in the Standards of Business Conduct: conflict of interest; handling company information and assets; and conduct involving outside parties. Employees are asked to complete the Standards of Business Conduct online training course every year and pass a test at the end of the training module.

In 2008, Agilent introduced a new compliance and ethics training program for Agilent employees worldwide. All Agilent employees were required to complete this curriculum, which included Standards of Business Conduct and a second compliance training assigned according to job responsibilities.

Our citizenship performance has resulted in Agilent’s inclusion in socially responsible investment indices. For the eighth consecutive year, in 2008, Agilent was selected as an index component for the Dow Jones Sustainability World Index. Agilent also was selected for the Dow Jones Sustainability North America Index. In 2008, Sustainable Asset Management (SAM) group awarded Agilent a “SAM Silver Class” distinction in The Sustainability Yearbook 2008; only the top-scoring 15 percent of companies in each of the 57 sectors assessed by SAM are included in the Yearbook.
Environmental Strategy and Performance

Agilent has a range of policies, programs and objectives in place to help us monitor and manage our environmental impacts. We are working at a global level to reduce the impact of our operations, products and services on the environment, and at a local level to care for the areas that surround our sites. Agilent is aware that efficient use of resources benefits our business, our stakeholders and the environment.

Environmental Achievements

Environmental achievements during 2008 include:

- Reducing our worldwide energy usage for the eighth year in a row. Targeted energy-efficiency projects and operational improvements implemented in 2008 resulted in 1.7 percent energy savings over the previous year, exceeding our goal of 1.5 percent;

- Participating in the U.S. Environmental Protection Agency (EPA) Climate Leader’s Program, pledging to reduce our worldwide greenhouse-gas emissions by 10 percent across our existing facilities by 2011;

- Installing 1 megawatt of solar-power generation at our Santa Rosa, California, U.S. site, and a shared-power installation at our Waldbronn, Germany site;

- Participating for a second year in the Carbon Disclosure Project environmental survey at www.cdproject.net, thereby increasing transparency of current industry-wide, global greenhouse-gas emissions and future plans for reduction;

- Receiving a “Flex Your Power” award at our Santa Rosa, California, U.S. site for achievements in utility management. The site’s conservation programs have reduced city-water use by more than 35 million gallons per year since 2006 through recycling and conservation;

- Being honored for the eighth year in a row at our Santa Rosa site by California’s Integrated Waste Management Board for outstanding efforts to reduce non-hazardous waste and sending less garbage to landfill. The site’s waste-diversion rate last year was 83 percent and serves as an industry-wide, waste-management model;

- Recertifying as a San Francisco Bay Area Green Business for demonstrating community environmental responsibility, and
receiving a solid-waste-reduction award from the California Integrated Waste Management Board for the fifth consecutive year at our Santa Clara, California, U.S. site;

- Being awarded as one of the best 32 companies by Tokyo Metropolitan for reducing environmental impact through our low-emission, fleet-vehicle purchase program at our Hachioji, Japan site;

- Capturing “The Most Lifestyles of Health and Safety” corporation award from Common Health magazine in Taiwan for a focus on health, the environment, social justice, personal development and sustainable living. This award also recognized Agilent’s effort to build a workplace that is pleasant, flexible and safe;

- Taking advantage of the new U.S. Securities and Exchange Commission rules that allow companies to provide shareholders with proxy materials via the internet. This lowers the cost of providing shareholders with these materials and lessens the environmental impact of paper distribution;

- Improving our data systems and processes to track and control restricted substances in our products;

- Providing instruments, systems and supplies throughout the food-production industry to ensure food quality, and developing applications on Agilent instruments for the environmental-testing industry that are used to test for environmental contaminants;

- Offering solar cell and module-test solutions for the solar-power industry; and

- Quickly building a comprehensive-testing program for melamine in milk and milk products in China. Agilent’s specialized training program addressed an urgent need that assisted China’s laboratories with melamine-testing processes using the most technologically-advanced instruments and supplies.

**Materials**

Making efficient use of our resources benefits our business, our stakeholders and the environment. Agilent monitors and controls the materials we use through:

- An infrastructure to monitor product-material content;

- Programs to track new and emerging global substance restrictions, regulations and requirements;

- Product stewardship teams within each of our businesses that seek ways to improve the use of environmentally-friendly materials in product design and manufacturing;
• Packaging alternatives that reduce environmental impacts; and
• Recycling, remarketing and refurbishment programs.

Reducing and Eliminating Restricted Substances

Over the past several years, Agilent has engaged in global efforts to track, manage and, in many cases, eliminate restricted substances from our supply chain and products. Spurred by customer interest and global regulatory changes, efforts include systematic cooperation across our supply chain to remove restricted substances used in our products.

Agilent has two main strategies to drive restricted-substance elimination. First, we communicate directly to our product designers and suppliers regarding specific restrictions. The primary communication vehicle for Agilent product designers is the Agilent Design for Environment guideline, a document for internal use. The primary communication vehicle for suppliers is Agilent’s General Specification for the Environment (GSE), available at www.agilent.com/environment/GSE.pdf. The GSE outlines specific restrictions for materials that are incorporated into Agilent’s products, and is maintained by an internal working group that scans emerging regulations and industry practices globally. The second strategy to drive restricted-substance elimination is to verify that selected suppliers meet Agilent’s requirements. Three primary types of verification are utilized. First, strategic manufacturing suppliers are asked environmental-compliance questions during recurring performance measurement reviews; one of the questions addresses the GSE. Second, some manufacturing operations require their strategic suppliers to verify in writing that they have received and adhere to Agilent’s GSE. Third, Agilent has a centralized program and database to gather and store information about the chemical substances in the materials that are incorporated into Agilent products (see Tracking and Reporting section below).

These initiatives demonstrate Agilent’s commitment to proactive management of rapidly-changing global restrictions of chemical substances in materials. Where technically feasible, Agilent continues to proactively eliminate restricted and environmentally-problematic substances from our products. More information is available on Agilent’s Supplier RoHS web page at www.agilent.com/supplier/Welcome_ROHS.shtml.

In 2008, Agilent continued to make significant progress toward tracking and eliminating the use of certain restricted substances in our purchased materials. Teams were established to review specific materials and parts, and make sure they meet the E.U. RoHS directive. Even though E.U. RoHS does not currently apply to most Agilent products, the company made voluntary progress toward bringing our purchased materials into alignment.
Agilent is aware of its obligations under the E.U. REACH regulation as a supplier of substances, preparations and/or articles, and is taking the necessary steps to ensure compliance.

**Lead-Free Transition**

Lead is used widely in electronics for applications including solder and component termination finishes. In cooperation with multiple industry consortia, Agilent has identified, and is using acceptable lead-free-component finishes that are suitable for high-reliability applications. Agilent’s goal is to provide products that are reliable, provide long-life, and are environmentally responsible. We plan to continue our investment in research to find appropriate lead-free material and manufacturing solutions for high-reliability products.

**Tracking and Reporting**

Suppliers who provide materials that go directly to build Agilent products are subject to Agilent’s GSE, which spells out the substances that must be avoided or restricted to particular uses. Given the complexity of our supply chain, however, a major challenge has been establishing the tracking and reporting systems necessary to document the use (or absence) of restricted substances in our products. Agilent is progressively improving our data systems and processes to track and control restricted-material substances in our purchased materials and products. We continue to research and invest in the development and implementation of new systems and tools to ensure environmental compliance and traceability throughout the supply chain.

**Looking Ahead**

Eliminating restricted substances from Agilent products will take time. Cooperation within our industry and across the supply chain will enable the steps required to substitute more environmentally-friendly materials while maintaining the quality and reliability needed by Agilent’s customers. Establishing robust systems for tracking and reporting the use of restricted substances will play an important role in supporting this cooperation and in pointing to opportunities for eco-design.

**Energy**

**Energy Use in Operations**

During 2008, Agilent reduced our worldwide energy (electricity and natural gas) usage for the eighth year in a row. Targeted energy-efficiency projects and operational improvements implemented in 2008 resulted in 1.7 percent energy savings, a contribution to reducing greenhouse gases.
Reducing Use

Committing to reducing our worldwide carbon-dioxide (CO₂) emissions throughout our U.S. operations, Agilent completed the U.S. EPA Climate Leader’s Program Inventory Management Plan. Climate Leaders is an EPA government-industry partnership that works with companies to develop comprehensive climate-change strategies. Partner companies commit to reducing their impact on the global environment by completing a corporate-wide inventory of their greenhouse-gas emissions, setting aggressive reduction goals, and annually reporting their progress to EPA. Through program participation, companies create a credible record of their accomplishments and receive EPA-recognition as corporate environmental leaders.

Agilent has committed to reduce our worldwide direct and indirect greenhouse-gas emissions by 10 percent across its existing facilities by 2011. Results will be measured by energy conservation activities that include operational improvements and capital energy conservation projects, offsets in local-grid power emissions by generating onsite green energy, and offsets from purchasing certified-renewable-energy credits.

In 2008, energy conservation measures implemented at Agilent facilities reduced our annual CO₂ footprint going forward by 2.4 metric kilotons. Green-energy production and purchases further reduced our CO₂ emissions by 1.1 metric kilotons.

Agilent continues to emphasize reducing energy use among employees, thereby helping to reduce air pollution from fossil-fuel production. Employees are encouraged to switch off non-essential lighting and equipment such as personal computers and monitors when not in use. When personal computers are delivered to employees, each computer is pre-configured by our information-technology service provider with fully-enabled, energy-savings settings.

We also achieve energy reductions by implementing and maintaining temperature and lighting guidelines, by completing infrastructure projects and by sharing best practices among sites. Examples of these efforts are:

- Constructing one of the largest tracking-solar-power generation systems in North America that doubles as a canopy for a three-acre employee parking lot at Agilent’s Santa Rosa, California, U.S. site. At its peak, the solar system generates more than 1 megawatt, or up to 20 percent of Agilent’s required energy for the site. The system is expected to displace more than 90 million pounds of CO₂ over the next 30 years, which is equivalent to the emissions from approximately 7,500 cars;
• Investing in partial ownership of a 225-kilowatt solar-power system at our Waldbronn, Germany site that will reduce Agilent’s CO₂ emission by 10 metric tons per year;

• Participating in the U.S. EPA Green Power Partnership. The Santa Clara, California site purchased over 2 million kilowatt hours of green power, which is enough to meet over 7 percent of the facility’s purchased electricity use. Our commitment to green power helps reduce greenhouse-gas emissions, while also supporting the development of new green-energy generation capacity worldwide;

• Reducing electrical use by 1 megawatt hour per year at our Santa Rosa, California site. The majority of reduction was accomplished by converting constant-volume heating, ventilating and air conditioning supply-ducting to variable-volume; adding digital control in two buildings; and by installing new task and ambient lighting in office-floor environments;

• Conserving energy at our Penang, Malaysia site by 3.7 percent, or 1,600 megawatt hours, by optimizing compressed air consumption, reducing compressed-air leaks, allowing the facility to utilize a smaller compressor, shutting off air-handling units in unoccupied areas, and more closely matching chiller-run-time with occupancy;

• Strengthening Agilent’s partnership with our facility-management partner by implementing a focused site-operations energy-conservation program, led by a full-time program manager who is dedicated to the identification and implementation of energy-conservation opportunities; and

• Retrofitting 150,000 square feet of high-bay warehouse metal-halide lighting at the Roseville, California, U.S. facility with high-efficiency fluorescent lighting.

2009 Plans for Reducing Use of Energy

As we move into fiscal year 2009, we have set a goal of 2 percent energy conservation at our large-owned offices and manufacturing sites worldwide, which is approximately 80 percent of Agilent’s total facility-energy use. During 2009, Agilent plans to continue our commitment to saving energy and reducing the associated environmental impact by:

• Continuing to participate, for the third year in a row, in the U.S. EPA Climate Leaders Program, thereby pledging to reduce our worldwide direct and indirect CO₂ emissions from facility energy use by 10 percent over five years; and

• Continuing to participate in the Carbon Disclosure Project environmental survey at www.cdproject.net, thereby increasing
transparency of current industry-wide, global greenhouse-gas emissions and future plans for reduction.

The growing use of green-energy sources, energy conservation, and lower greenhouse-gas emissions – this is the present and future of energy at Agilent.

**Energy Use in Air Travel and Fleet**

Agilent reduces the amount of energy consumed for air travel and fleet by making use of remote meeting and communication tools, such as Microsoft NetMeeting© and WebEx©. In 2008, Agilent used the WebEx© meeting manager tool to conduct more than 5,000 remote meetings per month - about 2 million total minutes per month in virtual meetings. Agilent believes that use of these remote meeting tools helps to reduce our air and ground travel.

In 2008, Agilent transitioned our standard fleet cars from 6-cylinder engines to 4-cylinder engines, thereby reducing CO₂ emissions.

In some regions, commute subsidies are ongoing for employees. For example, in Yishen, Singapore, shuttle-bus services are provided on a daily basis for Agilent employees to and from the site. Other sites that support commute subsidies are our offices in Gurgaon, India; Penang, Malaysia; and Beijing and Shanghai, China. Also, in California, U.S., our Santa Clara site provides a free shuttle-bus to the local train station and subsidizes mass-transit commuters, and our Santa Rosa site provides a ride-matching, commute-sharing program.

**Energy Use in Manufacturing Products**

Recovering and reselling products generally requires only a fraction of the energy used to make a new product. We have developed innovative approaches, including a product-recertification program, to offer our customers reliable-used equipment and to help build the market for remanufactured and refurbished equipment.

**Water**

Agilent continues to be committed to water conservation and water-management projects at our sites worldwide. For example, many sites have replaced manually-operated restroom faucets with auto-sensing faucets. At our Loveland, Colorado, U.S. site, we reduced landscape water-use via a xeriscape-landscape master plan, moving to xeric-type plantings during re-landscaping. The Santa Rosa, California, U.S. site is another good example of this commitment. The site received a “Flex Your Power” water-conservation award. “Flex Your Power” is a partnership of California’s utilities, residents, businesses, institutions, government agencies and non-profit organizations. The site’s conservation programs have reduced city-water use by more than 35 million gallons per year since 2006 through recycling and conservation. The site’s waste-treatment facility ensures that 17
million gallons of water are recycled each year. The Santa Rosa team also conserves water by eliminating cooling water going into drains, using flow-restrictors and plating-bath rinse-controllers, and fixing underground leaks.

**Biodiversity**

Agilent is aware that large companies can impact the diversity of the environment. One of Agilent’s positive impacts on biodiversity is through employee volunteerism.

Efforts that show Agilent made a positive impact on biodiversity in 2008 include:

- Educating young students about the importance of turtle conservation when Agilent Penang, Malaysia employees volunteered during a “Save the Turtles” program;
- Partnering with the Volunteer Center of Sonoma County in Santa Rosa, California, U.S. and volunteering on three community environmental projects that included a beach clean-up at Doran Beach in Bodega, habitat restoration at the Laguna de Santa Rosa and creek clean-up at Doyle Creek. Almost 30 Agilent employees helped on these projects;
- Controlling invasive vegetation and renewing the land by using approximately 700 goats to graze the perimeter areas and maintain our regulated fire break zone at the Santa Rosa, California, U.S.;
- Saving paper by implementing double-sided printing as default mode on multi-functional printers at most Agilent sites;
- Encouraging reuse and reduction of waste by providing Agilent employees at our Hachioji, Japan site with reusable shopping bags during Earth Day; and
- Maintaining a native-plant garden at our Little Falls, Delaware, U.S. site with Partnership for the Delaware Estuary.

**Air Emissions**

Agilent is committed to the reduction of emissions throughout our business. We have a range of policies, programs and objectives in place to help us monitor and improve in these areas.

**CO₂ Emissions from Energy Use**

Carbon-dioxide (CO₂) emissions are a leading contributor to global climate change. Agilent’s CO₂ emissions are associated with indirect sources. Some of Agilent’s indirect impacts are described here.
**CO₂ Emissions from Energy Use in Operations**

Agilent's most notable indirect impact on greenhouse-gas emissions is through our use of purchased electricity. We have reduced CO₂ emissions associated with energy use through a variety of conservation means as indicated in the previous Energy section.

In 2008, we purchased approximately 1.1 million gigajoules of electricity and natural gas for our manufacturing sites. After converting energy use to CO₂ emissions and subtracting the CO₂ emissions avoided by our green-energy procurement and onsite generation, Agilent emitted 128.6 metric kilotons of CO₂ to the atmosphere.

**Reducing CO₂ Emissions**

Agilent reduces CO₂ emissions from energy use by conservation activities and by procuring green (carbon-free) electricity. In 2008, the amount of energy used at Agilent worldwide was down for the eighth year in a row. Our energy use in 2008 was 1.7 percent lower than in 2007, due to conservation activities.

In 2008, compared to 2007, we reduced CO₂ emissions at our existing Agilent large-owned offices and manufacturing sites by 2.4 metric kilotons due to energy-conservation activities and by an additional 1.1 metric kilotons due to green (carbon-free) electricity procurement and production. Examples of our green-energy procurement and production are:

- Purchasing 199 megawatt hours per year of green energy at our Loveland, Colorado site;
- Increasing purchases of wind power at our Santa Clara, California, U.S. site from 6 percent to 7.7 percent of total; and
- Installing 1 megawatt of solar-power generation at our Santa Rosa, California, U.S. site, and a shared-power installation at our Waldbronn, Germany site.

Looking forward, Agilent will maintain our commitment to green-energy.

**CO₂ Emissions from Energy Use in Air Travel and Fleet**

An estimated 171.7 million miles were flown by Agilent business travelers worldwide in 2008, which contributed a release of approximately 35.0 metric kilotons of CO₂.

Approximately 24.7 million miles were driven by Agilent employees using fleet vehicles in the U.S., which contributed a release of an estimated 8.7 metric kilotons of CO₂ (our Asia Pacific and European fleet miles have not been quantified to date).
Addressing Global Climate Change

Reducing, or even stabilizing, the concentration of CO₂ and other heat-trapping greenhouse gases in the atmosphere is a major challenge. Agilent’s greenhouse-gas emissions are only a very small part of the issue, but we are committed to doing our share to reduce them. We have opportunities to contribute to solutions through our actions. In total, Agilent's approximate quantified CO₂ emissions from purchased electricity, natural gas, and travel (where calculated) were 172 metric kilotons in 2008, compared to 194 metric kilotons in 2007, a reduction of approximately 11 percent.

Ozone-Depleting Substances

Agilent eliminated chlorofluorocarbons, carbon tetrachloride, and 1,1,1-trichloroethane use in worldwide manufacturing processes in 1993. Procurement practices are in place to help prevent the inadvertent reintroduction of these ozone-depleting substances into manufacturing processes.

Waste

Agilent maintains ongoing programs to reduce the use of hazardous materials in our operations, products and services. We also continue our efforts to reduce the chemical and solid waste generated at our worldwide manufacturing operations by following the principles of Reduce - Reuse - Recycle. Examples of environmentally-friendly business practices in 2008 include:

- Implementing a highly-successful reuse and recycling program for solid-waste materials. Agilent has established onsite recycling at our owned and single-tenant sites, and has partnered with landlords in program implementation at multi-tenant-leased sites. Our recycling programs provide desk-side and manufacturing-by-product recycling that makes it easy for employees to recycle. We also donate surplus materials, including office equipment to qualified local non-profit organizations;

- Implementing award-winning programs at the Santa Rosa site that conserve or reuse our limited natural resources. The site’s solid-waste management program recycled more than 1,000 tons of material annually for an average landfill-diversion rate of 83 percent and earned a State of California “Waste Reduction Awards Program” for-the-year award;

- Receiving a “Waste Reduction Awards Program” solid waste reduction award from the State of California for the fifth consecutive year at Agilent’s Santa Clara, California, U.S. site;

- Launching a zero-waste initiative at the Loveland, Colorado, U.S. site that reduced solid waste by approximately 75 percent and achieved a landfill-diversion rate of 94 percent;
• Reducing solid waste at our Hachioji, Japan site by 21 percent over the previous year;

• Establishing a recycling program for lab coats used in our clean rooms at our Cedar Creek, U.S. site;

• Maintaining a green-cleaning program for Agilent manufacturing sites with our outsourced facility-management company in the U.S. and E.U., thereby reducing the use of hazardous chemicals; and

• Using polypropylene packaging molds that are designed around products to require less packaging material and are reusable.

Agilent is proud of the success achieved to date in our waste-reduction efforts, and intends to continually improve our performance. Information regarding reducing hazardous materials in our products may be found in the previous Materials section.

**Products and Services**

It is Agilent’s policy to provide products and services that meet legal and regulatory requirements, including applicable environmental and safety standards. In some instances, we exceed local regulations and standards due to customer expectations or our adherence to stricter global standards. Agilent also provides expertise in the development and updating of international standards that have significant importance to our industry and customers.

Environmental and safety standards for products and services are part of Agilent’s EHSMS. The EHSMS includes periodic global audits of our product environmental programs.

Over the last year, Agilent introduced new products and applications designed specifically for food and environmental testing. Examples include:

• Providing melamine-testing products and expertise to testing organizations within days of the melamine outbreak in milk in China. Agilent scientists worked closely with Chinese chemists to develop the sample preparation method needed to separate melamine from milk products;

• Creating a specialized training program to address the melamine-contaminated milk products. The program was part of Agilent University, a multifaceted education program for Agilent’s customers in China. The four-day training program covered melamine-testing methods using new, specialized sample-preparation components on gas chromatograph/mass spectrometer, liquid chromatograph, and liquid chromatograph/triple quadrupole mass spectrometer instruments;
• Providing instruments, systems and supplies throughout the food production chain, including incoming inspection, new product development, quality control and assurance, and packaging; and

• Developing applications on Agilent instruments for the environmental-testing industry. We offered new applications for detection of semi-volatiles in drinking and waste water; pharmaceuticals and hormones in ground water; and speciated inorganics, such as chromium and arsenic, on our gas chromatograph/mass spectrometer, liquid chromatograph/mass spectrometer and inductively-coupled-plasma mass spectrometer systems.

The explosive growth in the solar industry has intensified the need for solar cell and module test-and-measurement solutions. Agilent provides a wide variety of power, measurement, and switching products that can be used as building blocks for characterizing the electrical properties of solar cells and modules. In 2008, Agilent offered a solar-array simulator, originally designed for simulating a solar-array on a satellite. These are being used for testing inverters that convert a solar panel’s DC power to AC power. We also provided source-measure units, DC power supplies, DC loads, multimeters and data-acquisition equipment used in the testing of solar cells and solar modules.

Our products and services are assessed across their lifecycles to minimize their negative environmental impacts. We work with suppliers and customers to promote the responsible disposal of products when they are no longer needed. In 2008, Agilent introduced new products designed to reduce negative environmental impact. An example is:

• Offering a reusable ReNEWable Gas Purification System that provides gas supply to gas chromatographs. The purification cartridge is easily removed from the base, sent back to Agilent, and refilled to full-capacity. The system also was designed with a compact footprint and uses fewer raw materials in production. Product packaging consists of recycled and recyclable materials.

We also have continued our purchase alternatives initiative, which allows customers a range of alternatives for purchasing Agilent Electronic Measurement Group products. Alternatives include remanufactured equipment, a trade-in program, leasing and financing plans, and equipment rental. The initiative allows customers to effectively acquire, manage and recycle equipment. Programs such as these help to reduce resource and energy use associated with manufacturing new products, while addressing requirements of the E.U. Waste Electrical and Electronic Equipment (WEEE) directive.

More than 85 percent of Electronic Measurement Group products returned to Agilent were refurbished and reused in 2008. More information is available at [http://buyalternatives.tm.agilent.com](http://buyalternatives.tm.agilent.com).
Sustainable Business Opportunities

There are several energy-related, test-and-measurement sustainable business areas that Agilent serves today. Solar power is a large and rapidly growing market. There are test-and-measurement opportunities throughout the value chain – from the manufacturing test of individual cells, to the monitoring and management of large solar-power installations, to the tools for research and development engineers who are developing the next generation of solar cells.

The goal of achieving ever-increasing solar-cell efficiency requires repeatable, fast and reliable test results. The research, design and development work necessary to achieve superior-performing, highly-manufacturable solar cells, modules and arrays requires high-performance test equipment. Agilent power supplies, switch/measurement units, electronic loads, and digital multi-meters provide superior capability for measuring the performance of solar cells, modules and arrays.

Global climate change could drive the need for new in-field measurement technologies and create sustainable-growth opportunities for Agilent. Examples could include technologies that will:

- Measure greenhouse-gas emissions;
- Monitor and gauge emerging climate-change solutions, such as carbon-sequestration fields; and
- Enable more efficient use of impacted natural resources, specifically - energy and water.

The overall green-energy market draws on the competencies of Agilent’s two main businesses. Wind and solar markets draw on our electronic-measurement and power-electronics expertise in Electronic Measurement Group, and bio-fuels is largely addressed by biological- and chemical-measurement expertise in Life Sciences and Chemical Analysis.

The future brings additional sustainable business opportunities for Agilent in the new generation of test and measurement tools that could:

- Support manufacturing of electric-power-train components such as inverters and batteries used in motor vehicles;
- Monitor electricity grid and large-scale green energy storage; and
- Provide advanced electricity-metering for time-of-day pricing.
Environmental Performance Data

Materials

Product packaging used in Europe (metric tons)

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Discussion

This data represents primary packaging for Agilent hardware, software, spare parts and accessories in countries where Agilent has direct reporting requirements for product packaging.

In 2008, data is included from Europe (Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Spain, Sweden and the U.K.). The data is compiled using material-specific information from our packaging suppliers for high-volume hardware, and product-line averages for low-volume hardware, software spare-parts and accessories. It does not include secondary transport-packaging. Secondary transport-packaging (e.g. pallets) is owned by transport companies and is not quantified by Agilent.

In 2008, product shipments in Europe increased by 3 percent over 2007. Total packaging weight was reduced by 17 percent due to product mix and reduced packaging on new products that are lighter in weight compared to previous generation types.

Energy

Integrated data – Energy per net revenue (1,000 gigajoules/100 million US$)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total electricity and natural gas/net revenue</td>
<td>29</td>
<td>21</td>
<td>19</td>
</tr>
<tr>
<td>Total electricity/net revenue</td>
<td>22</td>
<td>16</td>
<td>14</td>
</tr>
</tbody>
</table>

Integrated data – CO₂ emissions per net revenue (kilograms/100 US$)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO₂ emissions from electricity and natural gas/net revenue</td>
<td>2.96</td>
<td>2.40</td>
<td>2.22</td>
</tr>
</tbody>
</table>

"Not only is leadership from the top essential to help resolve the risks and threats to the sustainability of our environment, social relations and economies - the concepts of sustainability must be integrated into core business practices and understood across the global organization."

Mark Oman, Vice President and General Manager, Sourcing, Contracts and Quality
Integrated data – Energy per square foot (kilowatt hours/square foot)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total electricity and natural gas /square foot</td>
<td>46.6</td>
<td>44.6</td>
<td>48.6</td>
</tr>
</tbody>
</table>

Energy consumption

Worldwide (1,000 gigajoules)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total electricity consumption</td>
<td>1079</td>
<td>859</td>
<td>812</td>
</tr>
<tr>
<td>Total natural gas consumption</td>
<td>352</td>
<td>270</td>
<td>274</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1431</td>
<td>1129</td>
<td>1086</td>
</tr>
<tr>
<td>Percentage of electricity from green sources*</td>
<td>4.9%</td>
<td>5.7%</td>
<td>1.1%</td>
</tr>
</tbody>
</table>

Energy consumption

Regional breakdown

Asia Pacific (1,000 gigajoules)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total electricity consumption</td>
<td>364</td>
<td>313</td>
<td>283</td>
</tr>
<tr>
<td>Total natural gas consumption</td>
<td>15</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>379</td>
<td>328</td>
<td>297</td>
</tr>
</tbody>
</table>

Europe (1,000 gigajoules)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total electricity consumption</td>
<td>110</td>
<td>90</td>
<td>86</td>
</tr>
<tr>
<td>Total natural gas consumption</td>
<td>65</td>
<td>37</td>
<td>46</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>175</td>
<td>127</td>
<td>132</td>
</tr>
</tbody>
</table>

U.S. (1,000 gigajoules)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total electricity consumption</td>
<td>605</td>
<td>456</td>
<td>443</td>
</tr>
<tr>
<td>Total natural gas consumption</td>
<td>272</td>
<td>218</td>
<td>215</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>877</td>
<td>674</td>
<td>658</td>
</tr>
</tbody>
</table>

Discussion

During fiscal year 2008, Agilent reduced energy use by 1.7 percent at our large-owned offices and manufacturing sites which comprise an estimated 85% of our total electricity and natural gas consumption. This amount represents the reduction in our energy use by taking action to conserve, and does not account for energy reductions due to building closures or real-estate divestitures.

Starting 2006, percentage green (carbon-free) electricity is provided instead of percentage renewable because green electricity is a better metric of our actual procurement.

Percentage of electricity from green sources decreased from 2008 to 2007 due to losing a contract at our South Queensferry, U.K. site.

Notes

* Percentage green electricity = green electricity purchased and generated/total electricity use
### Water

#### Integrated data – Water

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total water use for operations/net revenue (1,000 cubic meters/100 million US$)</td>
<td>22</td>
<td>16</td>
<td>14</td>
</tr>
</tbody>
</table>

#### Water consumption

**Worldwide (1,000 cubic meters)**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total water use for operations</td>
<td>1075</td>
<td>843</td>
<td>831</td>
</tr>
<tr>
<td>Total water use for irrigation</td>
<td>137</td>
<td>232</td>
<td>243</td>
</tr>
<tr>
<td>Water recycled from operations</td>
<td>64</td>
<td>66</td>
<td>93</td>
</tr>
<tr>
<td>Total water use</td>
<td>1212</td>
<td>1074</td>
<td>1075</td>
</tr>
<tr>
<td>(percentage recycled*)</td>
<td>5%</td>
<td>8%</td>
<td>11%</td>
</tr>
</tbody>
</table>

#### Water consumption

**Regional breakdown**

**Asia Pacific (1,000 cubic meters)**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total water use for operations</td>
<td>562</td>
<td>418</td>
<td>397</td>
</tr>
<tr>
<td>Total water use for irrigation</td>
<td>na</td>
<td>na</td>
<td>7</td>
</tr>
<tr>
<td>Water recycled from operations</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Total water use</td>
<td>562</td>
<td>418</td>
<td>404</td>
</tr>
<tr>
<td>(percentage recycled*)</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
</tbody>
</table>

**Europe (1,000 cubic meters)**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total water use for operations</td>
<td>53</td>
<td>28</td>
<td>44</td>
</tr>
<tr>
<td>Total water use for irrigation</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Water recycled from operations</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Total water use</td>
<td>53</td>
<td>28</td>
<td>45</td>
</tr>
<tr>
<td>(percentage recycled*)</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
</tbody>
</table>
**Environmental Performance Data**

### U.S. (1,000 cubic meters)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total water use for operations</td>
<td>460</td>
<td>397</td>
<td>391</td>
</tr>
<tr>
<td>Total water use for irrigation</td>
<td>137</td>
<td>231</td>
<td>236</td>
</tr>
<tr>
<td>Water recycled from operations</td>
<td>64</td>
<td>66</td>
<td>93</td>
</tr>
<tr>
<td>Total water use</td>
<td>597</td>
<td>628</td>
<td>626</td>
</tr>
<tr>
<td>(percentage recycled*)</td>
<td>11%</td>
<td>17%</td>
<td>24%</td>
</tr>
</tbody>
</table>

**Discussion**

Agilent’s water use is primarily due to day-to-day building operations. Water data does not include the Folsom, California site due to a lease arrangement without a water meter.

In the U.S., the percentage water recycled from operations increased from 17 percent in 2007 to 24 percent in 2008; worldwide the percentage increased from 8 percent to 11 percent, respectively.

**Notes**

* Percentage recycled = water recycled from operations/total water use for operations

na - Not available

### Air emissions

#### Purchased electricity and natural gas consumption (metric kilotons CO$_2$)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>53.3</td>
<td>46.5</td>
<td>42.1</td>
</tr>
<tr>
<td>Europe</td>
<td>12.4</td>
<td>8.1</td>
<td>13.5</td>
</tr>
<tr>
<td>U.S.</td>
<td>81.3</td>
<td>75.7</td>
<td>73.0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>147.0</td>
<td>130.3</td>
<td>128.6</td>
</tr>
</tbody>
</table>

#### Employee air travel (million miles)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee air travel</td>
<td>250.5</td>
<td>233.5</td>
<td>171.7</td>
</tr>
</tbody>
</table>

#### Employee air travel (metric kilotons CO$_2$)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006$^2$</th>
<th>2007$^2$</th>
<th>2008$^3$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee air travel</td>
<td>55.9</td>
<td>52.2</td>
<td>35.0</td>
</tr>
</tbody>
</table>

#### Employee fleet travel (U.S. only) (million miles)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>For business (driver-assigned)</td>
<td>15.3</td>
<td>20.4</td>
<td>20.5</td>
</tr>
<tr>
<td>For business (pool and group)</td>
<td>0.7</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>For personal (driver-assigned)</td>
<td>3.8</td>
<td>3.2</td>
<td>3.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>19.7</td>
<td>24.2</td>
<td>24.7</td>
</tr>
</tbody>
</table>
### Employee fleet travel (U.S. only) (metric kilotons CO\(_2\))

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006(^5)</th>
<th>2007(^5)</th>
<th>2008(^6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>For business (driver-assigned)</td>
<td>7.3</td>
<td>9.7</td>
<td>7.2</td>
</tr>
<tr>
<td>For business (pool and group)</td>
<td>0.3</td>
<td>0.3</td>
<td>0.2</td>
</tr>
<tr>
<td>For personal (driver-assigned)</td>
<td>1.8</td>
<td>1.5</td>
<td>1.3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>9.4</td>
<td>11.5</td>
<td>8.7</td>
</tr>
</tbody>
</table>

**Discussion**

In 2008, Agilent reduced net total CO\(_2\) emissions at our operations by 3.5 metric kilotons as a result of energy conservation activities and green (carbon-free) electricity procurement and onsite generation. This amount represents the reduction in our CO\(_2\) emissions (using local emission coefficients) by taking action to conserve energy and purchase and generate green energy, and does not account for CO\(_2\) emission reductions due to building closures or real-estate divestitures.

**Notes**

Air emissions reported to government are not included this year because the data includes only emissions that are requested to be reported by government, which can vary between states and countries.

\(^1\) We gather energy use data, which includes electricity and natural gas use, from our utility bills, and then use state and country specific CO\(_2\) coefficients to calculate resulting tons of CO\(_2\) emissions.

Europe and Asia Pacific CO\(_2\) emissions calculations:

Emissions from electricity use - Europe and Asia Pacific sites’ CO\(_2\) emissions from electricity were obtained by multiplying country-specific electricity usage by the country-specific emission coefficients from Greenhouse Gas Protocol Initiative’s “Indirect CO\(_2\) emissions from purchased electricity” version 3.0 March 2008 (www.ghg.org) coefficients and subtracting the emissions saved by green energy (zero-carbon emitting energy sources) procurement.

Emissions from natural gas use - The conversion factors used to calculate Europe and Asia Pacific sites’ CO\(_2\) emissions from natural gas use were obtained by multiplying country-specific natural gas usage by the United Nations Environment Programme emissions coefficient of 0.0001820 metric ton/kilowatt hour.

U.S. emissions calculations:

The conversion factors used to calculate U.S. sites’ CO\(_2\) emissions from electricity and natural gas were obtained from the eGRID2006 Version 2.1 (April 2007) Year 2004 Summary Tables state-specific coefficients. The emissions were calculated by multiplying the state-specific electricity coefficients by site-specific energy usage data from Agilent’s utility bills and subtracting the emissions saved by green energy (zero-carbon emitting energy sources) procurement. For natural gas CO\(_2\) emissions calculations in 2007, a value of 0.000181632 metric ton/kilowatt hour was used for all U.S. locations.

\(^2\) The conversion factor used to calculate emissions is 0.2233 kg CO\(_2\) per passenger mile. Our distance data is a mix of short-, medium- and long-flight airline trips, so the conversion factor used is an average of those recommended by the June 2003 Greenhouse Gas Protocol Initiative tools.

\(^3\) The conversion factor used to calculate emissions is 0.2038 kg CO\(_2\) per passenger mile. Our distance data is a combination of short-, medium- and long-flight airline trips, so the conversion factor used is an average of those recommended by the Greenhouse Gas Protocol Initiative tools developed by World Resources Institute, CO\(_2\) Emissions from Business Travel, V2 June 2006.

\(^4\) These numbers are for Agilent’s U.S. fleet vehicles only. They do not include mileage from asset vehicles, or Agilent’s fleet vehicles outside the U.S.

\(^5\) The conversion factor used to calculate emissions is 0.4746kg CO\(_2\)/mile. This factor is based on the June 2003 Greenhouse Gas Protocol Initiative tools and is for large gas autos (19 mpg).

\(^6\) The conversion factor used to calculate emissions is 0.35kg CO\(_2\)/mile. This factor is based on Greenhouse Gas Protocol Initiative tools developed by World Resources Institute, CO\(_2\) Emissions from Business Travel, V2 June 2006, and is for Car, Gasoline/Petrol-Large.
Waste

Waste data

**Worldwide (metric tons)**

<table>
<thead>
<tr>
<th>Calender Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total waste produced¹</td>
<td>6146</td>
<td>6675</td>
<td>4423</td>
</tr>
<tr>
<td>Total waste landfilled</td>
<td>1080</td>
<td>1037</td>
<td>705</td>
</tr>
<tr>
<td>Total chemical waste²</td>
<td>824</td>
<td>707</td>
<td>701</td>
</tr>
<tr>
<td>Chemical waste treated</td>
<td>36</td>
<td>40</td>
<td>32</td>
</tr>
<tr>
<td>Chemical waste incinerated</td>
<td>119</td>
<td>153</td>
<td>140</td>
</tr>
<tr>
<td>Chemical waste landfilled</td>
<td>210</td>
<td>123</td>
<td>19</td>
</tr>
<tr>
<td>Chemical waste recycled</td>
<td>459</td>
<td>390</td>
<td>510</td>
</tr>
<tr>
<td>Total solid waste³</td>
<td>5323</td>
<td>5969</td>
<td>3722</td>
</tr>
<tr>
<td>Solid waste incinerated</td>
<td>199</td>
<td>288</td>
<td>177</td>
</tr>
<tr>
<td>Solid waste landfilled</td>
<td>871</td>
<td>913</td>
<td>686</td>
</tr>
<tr>
<td>Solid waste recycled</td>
<td>4253</td>
<td>4767</td>
<td>2859</td>
</tr>
</tbody>
</table>

Waste data

**Regional breakdown**

**Asia Pacific (metric tons)**

<table>
<thead>
<tr>
<th>Calender Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total waste produced¹</td>
<td>2028</td>
<td>1381</td>
<td>1298</td>
</tr>
<tr>
<td>Total waste landfilled</td>
<td>28</td>
<td>44</td>
<td>82</td>
</tr>
<tr>
<td>Total chemical waste²</td>
<td>76</td>
<td>82</td>
<td>86</td>
</tr>
<tr>
<td>Chemical waste treated</td>
<td>0</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Chemical waste incinerated</td>
<td>74</td>
<td>79</td>
<td>79</td>
</tr>
<tr>
<td>Chemical waste landfilled</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Chemical waste recycled</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Total solid waste³</td>
<td>1953</td>
<td>1298</td>
<td>1212</td>
</tr>
<tr>
<td>Solid waste incinerated</td>
<td>62</td>
<td>124</td>
<td>122</td>
</tr>
<tr>
<td>Solid waste landfilled</td>
<td>28</td>
<td>44</td>
<td>82</td>
</tr>
<tr>
<td>Solid waste recycled</td>
<td>1863</td>
<td>1130</td>
<td>1008</td>
</tr>
</tbody>
</table>

**Europe (metric tons)**

<table>
<thead>
<tr>
<th>Calender Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total waste produced¹</td>
<td>804</td>
<td>797</td>
<td>378</td>
</tr>
<tr>
<td>Total waste landfilled</td>
<td>101</td>
<td>95</td>
<td>53</td>
</tr>
<tr>
<td>Total chemical waste²</td>
<td>26</td>
<td>25</td>
<td>17</td>
</tr>
<tr>
<td>Chemical waste treated</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Chemical waste incinerated</td>
<td>6</td>
<td>5</td>
<td>2</td>
</tr>
</tbody>
</table>
Environmental Performance Data

### Calender Year

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemical waste landfilled</td>
<td>11</td>
<td>11</td>
<td>4</td>
</tr>
<tr>
<td>Chemical waste recycled</td>
<td>7</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total solid waste</strong></td>
<td><strong>778</strong></td>
<td><strong>772</strong></td>
<td><strong>361</strong></td>
</tr>
<tr>
<td>Solid waste incinerated</td>
<td>69</td>
<td>137</td>
<td>35</td>
</tr>
<tr>
<td>Solid waste landfilled</td>
<td>90</td>
<td>84</td>
<td>48</td>
</tr>
<tr>
<td>Solid waste recycled</td>
<td>551</td>
<td>551</td>
<td>278</td>
</tr>
</tbody>
</table>

### U.S. (metric tons)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total waste produced</td>
<td>3314</td>
<td>4498</td>
<td>2747</td>
</tr>
<tr>
<td>Total waste landfilled</td>
<td>951</td>
<td>897</td>
<td>570</td>
</tr>
<tr>
<td><strong>Total chemical waste</strong></td>
<td><strong>722</strong></td>
<td><strong>599</strong></td>
<td><strong>599</strong></td>
</tr>
<tr>
<td>Chemical waste treated</td>
<td>34</td>
<td>36</td>
<td>27</td>
</tr>
<tr>
<td>Chemical waste incinerated</td>
<td>39</td>
<td>69</td>
<td>58</td>
</tr>
<tr>
<td>Chemical waste landfilled</td>
<td>199</td>
<td>112</td>
<td>15</td>
</tr>
<tr>
<td>Chemical waste recycled</td>
<td>451</td>
<td>382</td>
<td>499</td>
</tr>
<tr>
<td><strong>Total solid waste</strong></td>
<td><strong>2592</strong></td>
<td><strong>3899</strong></td>
<td><strong>2148</strong></td>
</tr>
<tr>
<td>Solid waste incinerated</td>
<td>0</td>
<td>28</td>
<td>20</td>
</tr>
<tr>
<td>Solid waste landfilled</td>
<td>753</td>
<td>785</td>
<td>555</td>
</tr>
<tr>
<td>Solid waste recycled</td>
<td>1839</td>
<td>3086</td>
<td>1573</td>
</tr>
</tbody>
</table>

**Discussion**

In 2008, Agilent reused or recycled 257 tons of electronic equipment.

In Asia Pacific, total solid waste landfilled increased from 2007 to 2008 because our new Beijing, China site is included in the 2008 data.

In the U.S., total solid waste increased from 2006 to 2007 partly due to renovation/consolidation projects at the Santa Rosa, California and Loveland, Colorado, U.S. sites.

**Notes**

1. Total waste produced is calculated by adding total chemical waste and total solid waste tonnage.
2. Chemical waste refers to chemical materials designated for final disposition that exhibit characteristic that is hazardous or dangerous per local regulatory requirements. This refers to materials that are shipped offsite for treatment, recycling, incineration and landfill; and excludes electronic waste.
3. Solid waste refers to waste that is not included in chemical waste or excess electronic equipment (e.g. garbage/trash, paper, cardboard, glass, and furniture and construction debris).

**Products and Services**

### Purchase Alternatives Initiative

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refurbished products sold</td>
<td>3164</td>
<td>4504</td>
<td>5830</td>
</tr>
</tbody>
</table>

Growth/decline: 1% / 42% / 29%

This data includes returned products received during our fiscal year. Sources include back-off lease, trade-in, customer returns, demonstration equipment and loans. The purchase alternatives initiative is for Agilent’s EMG business. Refurbished products that were sold increased by 29 percent in 2008 compared to 2007.
Social Strategy and Performance

Agilent’s goal as a corporate citizen is to be an economic, intellectual and social asset in each nation and community in which we do business. We believe that good corporate citizenship is the right thing to do and is good business. Our employees, our customers and our investors expect nothing less.

Social Achievements

Social achievements during 2008 included:

- Donating more than 50,000 hours of volunteer community service through the efforts of approximately 25 percent of Agilent employees worldwide;
- Supporting active community programs in 15 countries;
- Reaching more than 60,000 pre-university students worldwide in Agilent After School hands-on science program;
- Having more than 55,000 students and 450 teachers in the U.S., China and India using the Agilent Clean Air Challenge curriculum, a science- and math-based program that primarily targets students in grades six to nine;
- Providing charitable contributions, together with the Agilent Technologies Foundation, totaling US$6.9 million to universities, pre-university science education programs, and health and human services worldwide;
- Supporting advancement of scientific research via student fellowships, equipment and grants at 58 universities in 16 countries worldwide;
- Providing approximately 100 Agilent employees as mentors to university professors and students conducting leading-edge scientific research;
- Receiving a 100-percent rating from the Human Rights Campaign Foundation’s annual Corporate Equality Index for the fifth year in a row;
- Being acknowledged as one of India’s “Top-Ten Best Employers” in the Economic Times - Great Places to Work study for the fifth year in a row;
- Being complimented as “Outstanding Foreign Company” by the General Chamber of Commerce of Republic of China, Taiwan;

"Agilent’s values underscore everything we do. Our goal is to sustain a culture of trust, respect and teamwork. Agilent’s sustainable competitive advantage is built on whom we hire, how we treat our customers, and how we continuously learn and adapt in serving our customers."

Jean Halloran, Senior Vice President, Human Resources
- Being complimented as one of the “Top 50 Corporate Citizenship” companies in Taiwan by *CommonWealth* magazine; and

- Being acclaimed as a top leader in "100 Best Corporate Citizens of 2008" list by *CRO* (Corporate Responsibility Officer) magazine.

**Community Involvement**

Agilent’s worldwide community programs enrich lives around the globe through grants, employee volunteerism and community partnerships in our focus areas - science education, and health and human services. Agilent has been consciously and strongly committed to community involvement since becoming an independent company. One significant feature that differentiates Agilent is a goal of ensuring sustainable improvement in society, rather than merely providing monetary donations. Our community commitment takes several forms, such as employee giving and matching-gift donations.

**Employee Giving**

There is deep compassion among Agilent employees to help the most vulnerable members of their communities build a more self-sufficient future. In 2008, Agilent made its presence felt through volunteer activities, formal charity campaigns, fundraisers and collection drives for food and clothing to benefit local health and human care organizations.

Our employees are actively encouraged to participate in their communities. Employees are encouraged to contribute money, and also time. With their manager's approval, employees can use 1 hour per week, or up to 4 hours per month, of paid time to volunteer for Agilent-sponsored or supported activities. In 2008, approximately 25 percent of Agilent's employees donated more than 50,000 hours to community service.

Despite a difficult economic climate, Agilent employees demonstrated a spirit of charity during the company’s annual Agilent Employee Giving Campaign. The annual Giving Campaign provides employees in the U.S., Canada, U.K., Japan, Taiwan, Hong Kong and India the opportunity to support people-in-need in the communities where they live and work. In 2008, the Agilent Technologies Foundation matched over US$800,000 in employee contributions providing support for many essential health and human care programs worldwide.

**Agilent’s University Matching Gifts Program**

The Funds Matching Program is designed to encourage Agilent employee contributions to colleges and universities. This global program is an important part of the company's overall support of higher education, and recognizes the critical role of our colleges and universities in developing tomorrow's leaders. In 2008, more than
US$160,000 dollars was made available by the Agilent Technologies Foundation to match employee donations.

**Science Education**

Agilent supports programs that increase student interest and achievement in science, with an emphasis on reaching women and populations under-represented in the technology industry.

As an example, the Agilent After School program is a hands-on science experiment series for children ages nine to 13. The program consists of experiments in the life, physical and earth sciences, and includes support from Agilent employee volunteers as well as high-school and university science students. While this program is not intended to compete with a teacher’s curriculum, it supports international, federal and state science standards. The Agilent After School program is fully funded by Agilent in communities where Agilent does business. This program also is part of the Girl Scout Patch program in the U.S., where participating Girl Scouts can earn an "Agilent Science Patch."

The Clean Air Challenge is a non-governmental organization focused on clean air education. With its non-profit partners, it provides curriculum for teachers and students and raises awareness of air pollution by focusing on topics such as smog, alternative-fuel options and ground-level ozone. The program trains high school teachers on environmental topics, and provides educational resources and an international communication platform for high school environmental education. Agilent has been a major sponsor of this program since 2003, partnering with air districts in California, and implementing the program in Colorado and Delaware, U.S., Beijing and Shanghai, China, and Bangalore and Gurgaon/New Delhi, India.

**University Relations**

Through University Relations’ programs, Agilent and the Agilent Technologies Foundation support scientific research by professors and students working at the forefront of electronic and bio-analytical measurement technologies and applications. In this collaboration, we advance understanding and help find solutions for important measurement problems relating to human health, food safety, the environment, electronics and communications.

In 2008, approximately 100 Agilent employees from 11 nations actively contributed as mentors to university-research programs, giving both their time and knowledge. While adding practical experience and measurement expertise in the training for the next generation of scientists and engineers, Agilent gains insight into measurement challenges and techniques of the future.
Agilent Giving

Science education and technology research are essential to the current, future and rapidly changing global economy. During 2008, Agilent and the Agilent Technologies Foundation invested US$6.9 million in philanthropic cash and equipment to support education, and health and human services worldwide.

The foundation, fully funded by Agilent, focuses on advancing pre-university science education around the world by making pre-selected, foundation-initiated grants that contribute to the educational infrastructure of the communities and countries where Agilent has a presence. The foundation also supports promising university research in science and technology fields.

In 2008, the foundation will build on the success of its strategic pre-university programs by strengthening their global reach and focusing on long-term sustainability. The foundation also will continue to fund university grants that support research in the fields of electronic and bio-analytical measurement technologies. More information about the Agilent Technologies Foundation is available at www.agilent.com/contributions/foundation.shtml.

Agilent also provides local contributions to support non-profit, non-governmental and educational organizations that focus on science education, and health and human services in communities where Agilent does business. Our contributions reinforce the company's diversity and inclusiveness objectives.

Diversity and Opportunities

Global diversity and inclusion are important components of Agilent's success. Our global competitiveness will be accomplished by capturing new knowledge and perspectives from around the world and transforming this diversity into creativity that brings innovative products and services to our global customers. We strive to create an inclusive environment that respects and celebrates unique perspectives and life experiences. Agilent actively recruits top talent from under-represented groups around the world, and works to develop and retain a diversity of leaders.

Agilent is a global multinational company sensitive to the values of local communities. Our workforce is diverse and geographically distributed (43 percent in Asia Pacific, 17 percent in Europe and 40 percent in the U.S.). At Agilent, we recognize that:

- Our customers, suppliers, strategic partners and stakeholders are increasingly global and multicultural. We must be positioned to relate to them.
• Our customers are changing - their needs and expectation for products and services are diverse. We must be able to understand, connect and respond.

• Our competitive challenge is to become the leader in innovation, creativity, problem-solving and organizational flexibility. We work to address work-life balance, and leverage diverse perspectives, talents and teams to meet this global challenge.

• The work-force demographics are changing in most countries. The competition to attract and retain top talent is increasing. To ensure our business success, Agilent provides a competitive work environment that enhances productivity, helps to attract and retain employees, and promotes the Agilent brand and values.

• Our global competitiveness will not be achieved merely by designing, manufacturing, marketing and selling superior products. We also invest in developing and applying excellent global people skills around the world.

In the U.S., Agilent’s campus recruiting program is creating a pipeline of diverse future leaders. This is accomplished by fostering strong partnerships and/or sponsoring the following organizations:

• Career Opportunities for Students with Disabilities
• MentorNet
• National Association of Women Master of Business Administration
• National Organization for the Professional Advancement of Black Chemists and Chemical Engineers
• National Society of Black Engineers
• Society for Advancement of Chicanos and Native Americas in Science
• Society of Black Scientists and Engineers
• Society of Women Engineers
• Vault

In 2008, in the U.S., Agilent received a perfect score from the Human Rights Campaign - Corporate Equality Index and Best Places to Work Survey. The Human Rights Campaign is an advocacy group for gay, lesbian, bisexual and transgender individuals.

Company-Wide Activities

Agilent shows its commitment to diversity and inclusion in the community by awarding grants and establishing partnerships that champion science, math, educational and leadership opportunities around the world.

Agilent and its employees participated in a number of activities, listings and award programs in 2008. These included:
• Sponsoring the Intel International Science and Engineering Fair where more than 1500 high school students from across the U.S. and 49 other nations competed for the "Young Scientist" scholarship, as well as other scholarships and awards;

• Sponsoring the Agilent Beijing Youth Science Creation Competition in Beijing, China that attracted approximately 300,000 primary and middle school students, who submitted over 1100 science projects. Middle school students from 11 countries participated in this event;

• Supporting Agilent Engineering and Technology Awards in India. The program invited engineering students from over 75 leading engineering colleges to submit innovative engineering projects in electronics and communications engineering, and life sciences;

• Organizing global events in support of Introduce a Girl to Engineering program, as part of the National Engineers Week. More than 200 Agilent employees participated in events in China, Japan, India, Germany and the U.S.;

• Strengthening our partnership with the Society of Women Engineers by sponsoring the Collegiate Leadership Coaching Committee, participating in the Corporate Partnership Council and the Career Guidance Committee, and having an active presence at National Conference Career and Outreach Fairs;

• Donating approximately US$280,000 in diversity-related grants through Agilent and our foundation to non-profit educational and community organizations; and

• Serving as key sponsor of or participant in local activities that support diverse communities:
  – Mobile science programs, Science on Wheels and EcoDrive, that extended science and environmental education to the rural population, and in 2008 benefited more than 90,000 students, teachers and community members (southern India)
  – Quality Science Education and Teachers Training, a teacher-training program that improved the skills of teachers in government schools, and in 2008 impacted more than 10,000 students and teachers while providing infrastructure support to more than 25 science and math laboratories (India)
  – Must Know Computers, Government Girls Senior Secondary School that reached more than 200 students (Gurgaon, India)
  – Women Engineers for Health, Education and Life that educated approximately 150 engineering students, 120 community members and 300 pre-university students (Karnataka, India)
  – A Teachers without Borders program aligned with the Chinese Ministry of Education's new national science-education standards that built the knowledge and skills of science teachers (western China)
– A one-can food collection program that distributed Agilent-employee food-staple donations (Penang, Malaysia)
– Young Enterprise community education program (Penang, Malaysia)
– Japan Engineering and Science Challenge (Tokyo, Japan)
– Engineering the Future program that brought together schools and universities to enhance engineering awareness (U.K.)
– Abilities Day where high-school students with disabilities were able to visit and learn about the company, careers and Agilent's environment. Abilities Day is part of Agilent's Accessibility and Accommodation program (California, U.S.)
– Colorado Springs Diversity Forum (Colorado, U.S.)
– Everybody Welcome – A Celebration of Culture and Diversity (Colorado, U.S.)
– A mobile biology-laboratory through a partnership with the Schmahl Science Workshop that provided biological experiments to high school students from underserved schools and communities (California, U.S.)

**Supplier Diversity Program**

Diversity in the supply chain is a fundamental business strategy for Agilent. Through our supplier diversity program, Agilent creates opportunities for small and diverse suppliers while increasing diversity and competitiveness of the supply chain. Agilent believes this program not only contributes to suppliers in the communities where we operate, but also is an important part of a healthy business model.

During 2008, the supplier diversity program focused on customer satisfaction, processes and results, which in-turn increased diverse-supplier and business-partner success. A strategic new initiative was added to create value for U.S. government-customers seeking to purchase through small, disadvantaged resellers, and was successful in growing service-disabled, veteran-owned channel partners. Agilent remains committed to supplier diversity in 2009, and will continue to identify strategic, value-added opportunities for small and diverse suppliers.

**Employment**

Hiring top talent around the globe helps ensure that Agilent maintains its leadership as the world’s premier measurement company. To attract this talent, Agilent provides everything from forward-thinking workplace design, to community involvement, to total compensation packages that rank with the leaders in the high-technology industry.

Our employment focus continues to be:

- Provide employees with a work environment that they find challenging and rewarding
• Ensure outstanding leaders at every level

• Encourage open communication and feedback with management

• Invest in employee development

Agilent continues to attract the best employees, with a job acceptance rate of approximately 90 percent. We have made substantial changes to our leadership development program to ensure that our leaders are able to make tough decisions about where to focus our resources. Leaders are building Agilent’s organizational capability and aligning their teams with clear, measurable objectives on which they can deliver and for which they will be held accountable.

Campus Recruiting

A key priority for Agilent is our campus recruiting program. Agilent’s recruiting efforts on campus are critical for the company’s long-term success. There is intense global competition for the top talent we need to fuel our growth. Agilent’s campus recruiting program focuses on 17 schools in the United States, 25 in Asia, and eight in the United Kingdom and Germany. During 2008, Agilent hired approximately 400 people from colleges and universities, comprising 44 percent of the company’s total new hires. Our efforts include building and maintaining strong relationships with faculty members as well as participating in on-campus recruiting fairs, information sessions and interviews. The ultimate goal is to lead diverse soon-to-be graduates to accept an Agilent job offer.

A crucial component of campus recruiting is Agilent’s internship program. In fiscal year 2008, Agilent hired approximately 250 interns globally, 50 percent of whom became full-time employees upon degree completion. The intern program is a win-win for the company and the students.

In 2008, Agilent introduced an innovative element in our campus recruiting program. Debuting on university campuses in the U.S., Agilent’s “Green Giveaway” program eliminated tangible giveaways and instead donated US$2 to a university or community organization of a student’s choice.

Leadership Audit and Employee Survey

Agilent’s 2008 Quarterly Leadership Audit process focused for a second year on “speed to opportunity” - being decisive and acting quickly to address concerns and unmet needs of customers. The Leadership Audit asked our employees to measure quarterly progress in each of three key dimensions of speed to opportunity: customer orientation; speed and decisiveness; and engagement. During the course of 2008, the Audit indicated a 6-point improvement in the customer orientation index and 7-point and 5-point improvements in the remaining two indices, respectively. This solid progress has
positioned us well above the external 50th percentile and just below the top-quartile of technology companies.

In addition to the Quarterly Leadership Audit, Agilent conducts an annual Agilent Employee Survey every two to three years. The survey was most recently conducted in July 2007, and measures overall progress on leadership and culture, including employee engagement.

**Work-Life Balance**

Agilent provides a broad range of programs and activities to help employees manage commitments in their work and personal life. In many locations, a variety of tools and services are available that are designed to help employees save time, energy and stress. By offering programs that address a broad range of needs, Agilent hopes to provide employees with the flexibility and opportunity to use services and solutions that meet their preferences.

Programs include:

- **Flexible-work arrangements** - alternatives to traditional Monday-through-Friday work arrangements include part time, telecommuting, job shares and variable work schedules.

- **Flexibility practices** - Agilent's flexible time-off program lets employees use paid time-off for rest and recreation, vacation, personal business, personal illness or illness of family members.

- **Reinventing work** - this program helps work teams examine work processes with a work-life focus.

- **Dependent-care resource and referral** - Agilent provides a variety of resource and referral services for employees who have dependent-care responsibilities for children, elders, people with disabilities and others.

- **Working-parent network** - Agilent supports a variety of working-parent networks in which employees share resources, tools and other services.

- **Quiet room** - some Agilent facilities offer a quiet room to support employees who need a break, respite or quiet time.

**Wages and Benefits**

Our compensation and benefits packages include competitive pay, opportunities for bonuses and equity, and benefits ranging from length-of-service awards to health care and retirement programs. For example, we offer a company-performance-based Agilent Variable Pay program, Individual Performance Bonus program and an Employee Stock Purchase program (where local legislation allows).
Agilent's executive compensation packages are composed of pay, stock and benefits. Each year, the Compensation Committee assesses individual performance and surveys executive compensation practices among Agilent's industry-peers before making our decisions on compensation.

Individual performance of executives is measured against the following factors, which may vary as required by business conditions:

- Long-term strategic goals
- Short-term business goals
- Revenue, profit and Return on Investment Capital (ROIC) goals
- Customer satisfaction
- New business creation
- Total stockholder return
- Development of employees
- Fostering of teamwork and other Agilent values

You can read more about our executive compensation policies and practices in our Proxy Statement available on our Investor Overview webpage at www.agilent.com/go/investor.

**Employees Covered by Collective Bargaining Agreements**

In the U.S., no Agilent employees are represented by collective bargaining agreements in negotiations with Agilent.

**Training and Education**

Our Global Learning and Leadership Development organization is chartered to accelerate and deepen the development of successful leaders who drive our business strategies and culture. We are committed to providing a curriculum where high-impact, business-results-driven development solutions are delivered worldwide at every transition in the leadership pipeline.

Programs include:

- **Orientation** - newly-hired employees receive an introduction to Agilent's strategies, values and practices.

- **Managing at Agilent** - those new to management attend a program focused on key people management practices and leadership skills.

- **Accelerated leadership development** - next-generation leaders receive continual development.

- **First-level manager program** - front-line managers and supervisors attend a program focused on building team alignment and business skills required to lead in a global economy.
Middle-manager program - middle managers attend a program focused on creating organizational alignment to strategic intent, and enhancing skills to execute and achieve results.

Leadership action series - managers are invited to periodic webcasts on relevant Agilent leadership topics.

Executive/senior manager program - an intensive program to confirm executive responsibilities and build skills that clarify strategic intent, drive business results, build organizational capability and understand customer economics.

Training and development opportunities are offered to employees throughout the company. We have a range of programs, workshops and on-the-job learning to help our employees develop their technical and professional capabilities; and encourage them toward even greater achievements in the future. A new employee program to be delivered in 2009 will be focused on aligning individual goals to business goals.

To encourage learning occurring anywhere, anytime for our globally-distributed workforce, we continue to make available self-paced e-learning 24 hours a day/7 days a week. In 2008, approximately 89 percent of employees took advantage of this capability. Two of the major development programs offered via self-paced e-learning are our beQuality series focusing on Six Sigma methods and our beLegal Standards of Business Conduct PLUS series.

Employee Development at Agilent

Agilent is committed to an environment where employees can expand their knowledge, develop new skills and contribute their best work. Key elements of Agilent’s employee development policy are:

- Employee development is a collaborative process between a manager and an employee.

- Agilent managers are accountable for assessing employee performance on behalf of the company and supporting the development of employees over time.

- Employees should engage in quarterly performance discussions with their managers to understand what is expected and how their actual results are being assessed relative to those expectations.

Studies show that the most effective development occurs when learning is applied to real business problems, on the job. Agilent offers an online development planning center that can help employees create a development plan that suits their job, interests and aspirations. Employees are encouraged to learn and challenge themselves in the context of their current jobs. Approximately 100 percent of employees receive annual performance and career development reviews.
Health and Safety

Agilent’s Occupational Health and Safety Policy is to create the health and safety practices and work environments that enable our people to work injury- and illness-free. Managers and employees are expected to support the implementation of these practices.

Along with our company-wide programs, Agilent's manufacturing sites have local safety committees, with membership drawn from the employee teams that they represent. The committees are charged with resolving safety issues, increasing awareness of safety implications among employees and improving overall site-safety performance.

A global EHS training program enables our employees to stay informed regarding current issues for maintaining a healthy and safe work environment. At some of our larger locations in the U.S., Agilent provides onsite fitness centers and classes, and offers health-wellness initiatives on breast-cancer awareness, smoking cessation, nutrition and other health-promotion activities.

2008 Health and Safety Highlights and 2009 Objectives

In 2008, the Agilent lost-work day case rate and recordable injury/illness rate both increased slightly from 2007. However, Agilent continues to benchmark very favorably in these categories as compared to our competitors and industry leaders.

A global ergonomic evaluation and training system was implemented by Agilent in 2007. In 2008, this web-based system continues to drive down both high-risk ergonomic injury cases, by 65 percent since its inception, and the percentage of lost-workday cases associated with ergonomic hazards.

Some of Agilent’s health and safety objectives for fiscal year 2009 are to:

- Continue to reduce ergonomic risk by increasing participation in the web-based ergonomic system;
- Reduce EHS risk associated with contractor activities by auditing high-impact contractors, and collaborating on root-cause analysis and strategies for closure of identified deficiencies; and
- Improve Agilent’s emergency-response and crisis-management capabilities by reviewing and updating our current processes.

Human Rights

Strong ethics, including human rights, have always been an important aspect of the Agilent way of doing business. Agilent’s core values and culture reflect a commitment to ethical business practices and good
corporate citizenship. Our policies and practices require Agilent to conduct our business with uncompromising integrity and to promote human rights within the company’s sphere of influence.

**Human Rights and Labor Policy**

Agilent acknowledges and respects the fundamental principles contained in the Universal Declaration of Human Rights. The Agilent Human Rights and Labor Policy addresses:

- Freely-chosen employment
- No child labor
- Minimum wages
- Working hours
- No discrimination
- No harsh or inhumane treatment
- Freedom of association
- Ethical business conduct

In addition, the Agilent Supplier ESR Code of Conduct incorporates eight ILO Conventions that have been identified as fundamental to the rights of human beings at work. These include not using child, forced or compulsory labor; freedom of association; and non-discrimination. It also asks Agilent’s suppliers to encourage adherence to similar principles from their own suppliers.

**Standards of Business Conduct**

Integrity and honest dealings are central to how we conduct business. Agilent's Standards of Business Conduct is a guide to ethical and legal responsibilities with respect to an employee’s status, as well as employee dealings with our customers, competitors and suppliers. Agilent's Standards of Business Conduct states that employees may not establish or maintain a business relationship with a supplier if they believe that its practices violate local laws or basic international principles relating to labor standards.

The Agilent Human Rights and Labor Policy, and the Standards of Business Conduct are available on our Corporate Governance, Governance Policies webpage that is linked from the Investor Relations webpage at [www.agilent.com/go/investor](http://www.agilent.com/go/investor).
Social Performance Data

Community Philanthropic Investment

<table>
<thead>
<tr>
<th>Worldwide Community Philanthropy (Million US$)</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Science Education</td>
<td>5.0</td>
<td>5.5</td>
<td>5.3</td>
</tr>
<tr>
<td>Health and Human Services</td>
<td>1.4</td>
<td>1.1</td>
<td>1.6</td>
</tr>
<tr>
<td>Total</td>
<td>6.4</td>
<td>6.6</td>
<td>6.9</td>
</tr>
</tbody>
</table>

Discussion

The numbers include both Agilent Technologies and the Agilent Technologies Foundation philanthropic giving.

In 2008, Agilent and the Agilent Technologies Foundation provided US$2.1 million in pre-university science education grants reaching more than 4,900 educators and 283,000 students worldwide. In addition, US$3.1 million in university grants supported science and technology research by professors and students working at the forefront of electronic and bio-analytical measurement technologies. Disaster Relief support of over US$700,000 in equipment and cash for the China earthquake is included in both the Science Education, and Health and Human Services categories.

Diversity

<table>
<thead>
<tr>
<th>Worldwide Diversity (Gender%)</th>
<th>2006 male/female</th>
<th>2007 male/female</th>
<th>2008 male/female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Employees</td>
<td>65.7 / 34.3</td>
<td>65.5 / 34.5</td>
<td>65.7 / 34.3</td>
</tr>
<tr>
<td>Executives and Senior Management</td>
<td>77.9 / 22.1</td>
<td>77.8 / 22.2</td>
<td>76.9 / 23.1</td>
</tr>
</tbody>
</table>

Information on Agilent’s Board of Directors is available on our Investor Relations webpage at www.agilent.com/go/investor, under Corporate Governance.

Employment

<table>
<thead>
<tr>
<th>Worldwide Employees Fiscal Year</th>
<th>2006</th>
<th>2007 (^2)</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>7500</td>
<td>8100</td>
<td>8400</td>
</tr>
<tr>
<td>Europe</td>
<td>3700</td>
<td>3600</td>
<td>3400</td>
</tr>
<tr>
<td>Americas(^1)</td>
<td>7500</td>
<td>7600</td>
<td>7700</td>
</tr>
<tr>
<td>Total</td>
<td>18700</td>
<td>19300</td>
<td>19500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment Creation Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Employment</td>
<td>2469</td>
<td>2758</td>
<td>1968</td>
</tr>
<tr>
<td>Internal Temporary Workers</td>
<td>378</td>
<td>443</td>
<td>492</td>
</tr>
<tr>
<td>Total</td>
<td>2847</td>
<td>3201</td>
<td>2460</td>
</tr>
</tbody>
</table>

"Careful consideration of potential environmental and social impact is an integral part of our business decision making. Leaders in our company continually demonstrate ongoing commitment to global corporate responsibility."

Craig Nordlund, Senior Vice President, General Counsel and Secretary
### Employment Turnover

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number (regular employees exits)</td>
<td>3243</td>
<td>2105</td>
<td>1779</td>
</tr>
<tr>
<td>Turnover Rate (regular employees)</td>
<td>17.3%</td>
<td>11.1%</td>
<td>9.20%</td>
</tr>
</tbody>
</table>

**Notes**

1 In previous years, this region was labeled as “U.S.”; however, the data actually reflect the Americas. The region has been labeled as “Americas” in the 2008 Report.

2 2007 employment data for Asia Pacific and Total were incorrectly displayed as 7800 and 19000, respectively in the 2007 Report. These numbers are corrected as 8100 and 19300 in the 2008 Report.

### Regional breakdown

#### Asia Pacific

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Employment</td>
<td>1684</td>
<td>1486</td>
<td>1061</td>
</tr>
<tr>
<td>Internal Temporary Workers</td>
<td>149</td>
<td>174</td>
<td>254</td>
</tr>
<tr>
<td>Total</td>
<td>1833</td>
<td>1660</td>
<td>1315</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number (regular employees exits)</td>
<td>954</td>
<td>887</td>
<td>775</td>
</tr>
<tr>
<td>Turnover Rate (regular employees)</td>
<td>13.7%</td>
<td>11.3%</td>
<td>9.50%</td>
</tr>
</tbody>
</table>

#### Europe

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Employment</td>
<td>203</td>
<td>352</td>
<td>236</td>
</tr>
<tr>
<td>Internal Temporary Workers</td>
<td>127</td>
<td>157</td>
<td>150</td>
</tr>
<tr>
<td>Total</td>
<td>330</td>
<td>509</td>
<td>386</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number (regular employees exits)</td>
<td>615</td>
<td>401</td>
<td>495</td>
</tr>
<tr>
<td>Turnover Rate (regular employees)</td>
<td>16.1%</td>
<td>11.0%</td>
<td>13.7%</td>
</tr>
</tbody>
</table>
### Americas

<table>
<thead>
<tr>
<th>Employment Creation Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Employment</td>
<td>582</td>
<td>920</td>
<td>671</td>
</tr>
<tr>
<td>Internal Temporary Workers</td>
<td>102</td>
<td>112</td>
<td>88</td>
</tr>
<tr>
<td>Total</td>
<td>684</td>
<td>1032</td>
<td>759</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment Turnover Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number (regular employees exits)</td>
<td>1674</td>
<td>817</td>
<td>509</td>
</tr>
<tr>
<td>Turnover Rate (regular employees)</td>
<td>21.0%</td>
<td>10.8%</td>
<td>6.7%</td>
</tr>
</tbody>
</table>

Note

In previous years, this region was labeled as “U.S”; however, the data actually reflect total Americas. The region has been labeled as “Americas” in the 2008 Report.

### Total Benefits and Wages

<table>
<thead>
<tr>
<th>Worldwide Total Benefits and Wages (US$) Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base compensation and benefits</td>
<td>1,930,354,500</td>
<td>1,730,381,500</td>
<td>1,836,409,600</td>
</tr>
<tr>
<td>Overtime</td>
<td>18,011,100</td>
<td>17,572,300</td>
<td>18,556,900</td>
</tr>
<tr>
<td>Commissions</td>
<td>59,537,200</td>
<td>70,670,100</td>
<td>73,107,600</td>
</tr>
<tr>
<td>Total</td>
<td>2,007,902,800</td>
<td>1,818,623,900</td>
<td>1,928,074,100</td>
</tr>
</tbody>
</table>

### Health and Safety

<table>
<thead>
<tr>
<th>Worldwide Health and Safety Fiscal Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total recordable injury/illness cases</td>
<td>113</td>
<td>93</td>
<td>114</td>
</tr>
<tr>
<td>Injury/illness rate</td>
<td>0.55</td>
<td>0.49</td>
<td>0.58</td>
</tr>
<tr>
<td>Total lost-workday cases</td>
<td>26</td>
<td>18</td>
<td>23</td>
</tr>
<tr>
<td>Lost-workday case rate</td>
<td>0.12</td>
<td>0.09</td>
<td>0.12</td>
</tr>
</tbody>
</table>

Notes

“Lost-workday” case rate is the same as a “days-away” case rate.

Definitions

Recordable injury/illness case: Occupational injury/illness involving medical treatment beyond first-aid, diagnosed occupational illness or workdays lost beyond date of injury.

Injury/illness rate: The calculation for the injury/illness rate is based on the number of recordable occupational injury/illness cases multiplied by 200,000 (normalized annual hours worked by 100 full time employees) then divided by the hours worked for the same time period in which the injuries occurred. For example, if you had two injuries in a quarter and 50,000 hours worked, then the calculation would be:
2 x 200,000/50,000 = 8.0 injury/illness rate.

Lost-workday case: Recordable cases involving lost workdays beyond date of injury (more serious injury/illness).

Lost-workday case rate: The lost-workday case rate is based on the number of occupational lost-workday injury/illness cases multiplied by 200,000, then divided by the hours worked for the same time period in which the injuries occurred. For example, if there was one lost-workday injury/illness case in a quarter and 50,000 hours worked, then the calculation would be:

1 x 200,000/50,000 = 4.0 lost-workday case rate.

The About Our Data section in Appendix I provides more information on data collection.
Economic Performance

Environmental, social and governance factors are increasingly relevant to financial performance. Companies that show superior management of these issues will gain an edge in the marketplace that will translate into outperformance in the long-term.

Fiscal year 2008 was a strong year for Agilent. Annual revenues of US$5.8 billion represented growth of 7 percent over 2007. We saw year-over-year increases in operating profit, earnings per share and return on invested capital.

We continued to hold an industry leadership position in electronic measurement while outgrowing the market in bio-analytical measurement. This resulted from a strong portfolio of new product introductions throughout the year, as well as a continued focus on customers. We achieved strong external benchmark results in both customer satisfaction and customer loyalty.

Agilent's financial performance and data are available on our Investor Overview webpage at www.agilent.com/go/investor.

"Researchers at Agilent Laboratories are innovating across multiple technology disciplines, leveraging ideas and talent to gain future competitive advantage for Agilent and enable global sustainability solutions at the same time."

Darlene Solomon, Chief Technology Officer and Vice President, Agilent Laboratories
Appendix I

About Our Data

This report is based on a combination of quantitative and qualitative data relating to our environmental and social performance during the calendar year 2008. Some of the data is reported for our fiscal year 2008 (November 1, 2007 to October 31, 2008) and is marked as such. The data is recorded on a company-wide basis unless otherwise indicated. The data does not include Agilent's suppliers.

We continue to evaluate and leverage opportunities to improve our data collection. We collate and evaluate our environmental data in an online data tool that assists in the collection and review processes. Most of the quantitative data in this report has been summarized into three regions: Asia Pacific, Europe and Americas. The health and safety data represents Agilent's global operations (including manufacturing and field sites). The environmental data for 2008 covers the following locations (includes manufacturing sites and sites greater than 200,000 square feet):

Asia Pacific

China
- Beijing
- Shanghai

Japan
- Hachioji

Malaysia
- Penang

Singapore
- Yishun

Europe

Germany
- Boeblingen
- Waldbronn

U.K.
- South Queensferry

Americas

U.S.
- Colorado Springs, Colorado
- Folsom, California
- Loveland, Colorado
- Newport, Delaware
- Santa Clara, California
- Santa Rosa, California
- Spokane, Washington
- Wilmington (Little Falls), Delaware
When reviewing the data tables it should be noted that data might not sum exactly to the totals provided. This is generally due to rounding.

External Reporting Standard

We considered the 2006 Global Reporting Initiative (GRI) Sustainability Reporting Guidelines v3.0 (G3) available at www.globalreporting.org when developing this report. We self-declare this report aligning with GRI Application Level C.

Disclosure


Agilent has reported annually on environmental and social performance against the GRI for the past seven years. The information disclosed in these reports often exceeds global and local requirements.

There are instances where Agilent does not disclose company information. This is due to restrictions such as financial reporting rules applied by the U.S. Securities and Exchange Commission, privacy rights, litigation or emissions reporting restrictions. Agilent's financial performance is available on our Investor Overview webpage at www.agilent.com/go/investor.
Contact Us

Agilent Technologies, Inc
5301 Stevens Creek Blvd
Santa Clara, CA 95051
United States
www.agilent.com

As a stakeholder, your input is valuable. If you have comments or questions about our Environment and Social Responsibility Report, please submit them via www.agilent.com/go/contactus or call (+1) 877 424 4536.

Photography

Photographs in this 2008 Agilent Environment and Social Responsibility Report are provided by the following Agilent employees, originally selected as winners in the Agilent Eye Photo Contest, with the exception of “Solar Panels at Agilent’s Waldbronn, Germany site” by Jan Eickhoff.

Front Cover (clockwise from left):

Ian Wright, U.S.
“Strands of illuminated fiber-optic cable”

Mark Pfeifer, U.S.
“A water lily in the summer”

Jan Eickhoff, Germany
“Solar panels at Agilent’s Waldbronn, Germany site”

Lee San Chung, Malaysia
“Early morning mist in Kedah, Malaysia”

Page iii:

Stuart Clyne, Singapore
“The Petronas Towers illuminated at night in Kuala Lumpur, Malaysia”

Page 1:

Elton Pan, China
“A view through the North Window arch of Arches National Park in Utah, North America”

Page 17:

Paul Stephens, U.K.
“The afternoon sunshine warms frogs in a garden pond in
England"

**Page 30:**
Steve Mango, U.S.
“A robin feeding her newborns in the springtime”

**Page 37:**
Lee San Chung, Malaysia
“The smile of a little boy in Sichuan China”

**Page 50:**
Lee San Chung, Malaysia
“An water village on Mabul Island in Borneo”

**Page 54:**
Kartik Sharma, India
“A friend standing by a lake with the reflection of mountains”
Appendix II

Glossary and Acronyms

Agilent After School A hands-on science program targeted at children from the ages of 9 to 13 years and supported by Agilent employee volunteers.

Aspect, significant aspect (EHS) An environmental or occupational health and safety aspect is an element of an organization's activities, products or services that can interact with the environment or has an impact on the health and safety of the organization's employees. A significant environmental, health and safety aspect is one that has or can have a significant environmental, health and safety impact.

BS 7750 British Standard 7750, the precursor to ISO 14001.

Chlorofluorocarbons Gaseous compounds used in refrigerants and aerosols, which are harmful to the ozone layer.

CO₂ Carbon dioxide. A gaseous by-product of energy generation and energy use that is known to contribute to global warming.

EHS Environmental, health and safety.

EHSMS Environmental, health and safety management system.

EMG Electronic Measurement Group, an Agilent business.

EPA U.S. Environmental Protection Agency.

ESR Environmental and Social Responsibility.

E.U. European Union.

Fiscal year For Agilent, this is November 1 to October 31.

Greenhouse gases For the purpose of this report, greenhouse gases are the six gases listed in the Kyoto Protocol: carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF₆).

Gigajoule 1 gigajoule = 277.78 kilowatt-hour.

GRI Global Reporting Initiative. An independent global institution that is developing a generally accepted framework for sustainability reporting. For more information go to www.globalreporting.org.

GSE Agilent General Specification for the Environment at www.agilent.com/environment/GSE.pdf. Agilent’s general requirements for restricting or prohibiting certain substances in products manufactured for or delivered to Agilent.
ILO International Labour Organization. For more information, go to www.ilo.org/global/index.htm.

Impact (environmental) A change to the environment, whether adverse or beneficial, wholly or partially resulting from an organization's activities, products or services.

Injury/illness rate The calculation for the injury/illness rate is based on the number of recordable occupational injury/illness cases multiplied by 200,000 then divided by the hours worked for the same time period in which the injuries occurred. For example, if you had two injuries in a quarter and 50,000 hours worked, then the calculation would be:

\[ \frac{2 \times 200,000}{50,000} = 8.0 \text{ injury/illness rate.} \]

ISO 14001 An international standard issued by the International Organization for Standardization (ISO) relating to environmental management systems.

Kiloton 1 kiloton = 1,000 metric tons. 1 kiloton = 1,000,000 kilograms.

Lost-workday case Recordable cases involving lost workdays beyond date of injury (more serious injury/illness).

Lost-workday case rate The lost-workday case rate provides information on the number of occupational lost-workday injury/illness cases multiplied by 200,000, then divided by the hours worked for the same time period in which the injuries occurred. For example, if you had one lost-workday injury/illness case in a quarter and 50,000 hours worked, then the calculation would be:

\[ \frac{1 \times 200,000}{50,000} = 4.0 \text{ lost-workday case rate.} \]

LSCA Life Sciences and Chemical Analysis (Bio-Analytical Measurement), an Agilent business.

Megawatt hour 1 megawatt hour = 1,000 kilowatt hours.

OHSAS 18001 International occupational health and safety management system specification.

Ozone-depleting substances For a complete list of chemicals, refer to the Agilent General Specification for the Environment at www.agilent.com/environment/GSE.pdf. Typical industry uses are as a coolant, propellant, or refrigerant.


Recordable injury/illness case Occupational injury/illness involving medical treatment beyond first aid. Diagnosed occupational illness, or workdays lost beyond date of injury.

**ROIC** Return on investment capital. A calculation used to assess a company's potential to be a quality investment.

**U.K.** United Kingdom.

**U.S.** United States of America.

**US-ASEAN** United States - Association of Southeast Asian Nations (Business Council).

**US$** U.S. dollars, the currency of the United States of America.