



# Assurance Statement: AA1000

Trucost was engaged by **Agilent Technologies** to provide assurance of the environmental data held within its 2014 Corporate Citizenship Report and CDP Response

## Intended users

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

## Responsibilities of Agilent Technologies and the assurance provider

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

## Assurance standard

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

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

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

## Scope and limitations

Trucost was engaged to assure the data and claims in Agilent's 2014 CCR. This submission covered the period 1 November 2013 – 31 October 2014 for energy, water and waste data. Energy and water data for Keysight Technology, Inc. was assured for 1 November 2013 – 31 July 2014, when that part of the company was spun off. Agilent took an operational control approach. Emissions from small facilities—accounting for less than 10% of total Scope 1 and Scope 2 emissions—have been excluded.

Trucost verified the environmental impacts (as calculated by Agilent) in the table in the next column.

Limitations:

- Supporting documents for solid and electronic waste generation at Torino were not provided to Trucost

## Description of methodology

Trucost's assurance activities included the following activities:

- Review of the processes by which Agilent defines the sustainability issues that are relevant and material to its operations and its stakeholders;
- Interviews with the Environmental Managers responsible for sustainability performance and data collection;

Scope	Source	Unit	Quantity
Scope 1	Natural gas	tCO <sub>2</sub> e	13,043
	Propane	tCO <sub>2</sub> e	83
	Diesel	tCO <sub>2</sub> e	224
Scope 2	Electricity	tCO <sub>2</sub> e	96,116
Scope 3	Business air travel	tCO <sub>2</sub> e	33,788
	Leased vehicles	tCO <sub>2</sub>	8,801
Water	Operational use	m <sup>3</sup>	848,038
	Water recycled	m <sup>3</sup>	56,790
Hazardous Waste	Treated	metric tons	1,414
	Incinerated	metric tons	119
	Landfilled	metric tons	40
	Recycled	metric tons	1,178
Non-Hazardous Waste	Incinerated	metric tons	144
	Landfilled	metric tons	704
	Recycled	metric tons	2,944
	Electronic waste	metric tons	197

## Description of methodology (continued)

- Assessment of the extent to which Agilent's sustainability activities adheres to the Principles;
- Limited assessment of evidence provided to support key claims in the CCR;
- Review of processes and systems used to gather and consolidate environmental data; and
- Verification of data accuracy for a selection of sites, including an audit of conversion factor and calculations used.

## Findings, conclusions and recommendations

The principles: Nothing came to Trucost's attention to suggest that Agilent's CCCR or CDP Response does not adhere to the Principles.

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

Agilent has implemented excellent processes and software systems to collect global energy consumption and uses a spread sheet to calculate greenhouse gas emissions. Upon evaluating this system, Trucost found that overall, the consumption data was accurate and any minor corrections were made as necessary. Any errors identified in the use of emission factors were made. Trucost recommends that the emission factors be updated annually or as available. Trucost recommends Agilent report total water consumption by source (for example, groundwater, purchased water) and by use (for example, irrigation, sewer, cooling).

The company works with a partner, Johnson Controls Inc. (JCI), to collect waste data in a consistent manner across the organization. Agilent uses spreadsheets to consolidate non-hazardous waste consistently across all sites globally using solid waste categories. Trucost recommends a similar standardized consolidation process for hazardous and

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Principle	Comments
<b>Inclusivity:</b> the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability	Agilent collects and considers input from a range of stakeholders, including customers, employees, suppliers and shareholders. Agilent engages with stakeholders at least on an annual basis, or more often if specific issues warrant. Various strategies are applied to collect and respond to stakeholder input. For example, suppliers are addressed through a three-tier model of sharing Agilent's overall sustainability policy, conducting a compliance survey and then review by an independent third party. Customer engagement is primarily conducted by a third-party information broker to collect feedback on EHS practices and incorporate it into Agilent's efforts moving forward. For its ISO14001 approach, Agilent tracks internal and stakeholder input quarterly or semi-annually and addresses it during the management review process. Stakeholder input is important to Agilent's overall continuous improvement process, in order to meet stakeholder expectations. Trucost recommends that Agilent complete a formal analysis to map its key stakeholders to help standardize and systematize its public engagement processes and prioritize competing concerns.
<b>Materiality:</b> determining the relevance and significance of an issue to an organization and its stakeholders	Agilent leverages its ISO14001 process and internal stakeholder voting across business divisions and geographies, to identify material environmental impacts of its operations and activities. These impacts are reviewed for materiality and rank ordered. Those with the highest materiality ranking are assigned annual or multi-year reduction targets. Currently, greenhouse gases, water and waste are the material KPIs that Agilent has identified and is addressing through measurement and efficiency improvements. Based on its 2014 materiality analysis, Agilent has removed on-site biodiversity from the KPIs it tracks. During 2014, Agilent transitioned from reporting under GRI v.3.1 to GRI v.4, including the materiality determination process. Agilent could publicly disclose more about its materiality measurement processes in its public reporting, as well conduct a materiality assessment annually. Further, the development of a company-wide sustainability risk management matrix could help Agilent formalize the prioritization and tracking of sustainability KPIs.
<b>Responsiveness:</b> an organization's response to stakeholder issues that affect its sustainability performance and is realized through decisions, actions and performance, as well as communication with stakeholders.	Agilent responds to stakeholder input and addresses stakeholder issues through a variety of methods. For example, the company's third-party information broker is enabled with information to respond quickly to customer concerns. Agilent will address anything that rises above this level, as needed. The company utilizes external feedback on its management of environmental activities to improve its overall sustainability performance. Agilent also is responsive to employee concerns at all levels of the organization through a corporate structure for collecting feedback and ideas. For example, the company's Supplier Environmental Management Group (SEM) and Corporate Citizenship Working Group (CCWG) receive input on sustainability topics, review from a materiality standpoint and incorporate ideas into EHS decision-making. In addition, Agilent is transitioning into the use of a Supplier Procurement Council to collect and address environmental compliance issues associated with its vendors. Trucost recommends that environmental impact and intensity metrics be disclosed annually in company sustainability reporting, and that updates on progress against the targets that will be set in 2015 should also be included

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electronic waste. Using one software system to collect energy, water and waste data globally would ease reporting and auditing of data. Establishing a distinct waste category for 'Radioactive and Bio-hazardous waste' and to reflect incineration with energy recovery (currently categorized as recycled) would improve clarity on waste management practices.

## Assurance provider

Trucost has been researching, standardizing and validating corporate environmental performance data since 2000. Trucost's research team has the relevant professional and technical competencies and experience to conduct an assurance to the AA1000 standard. Trucost

did not provide any services to Agilent during FY2014 that could conflict with the independence of this work. This is the fourth year that Trucost has assured Agilent's environmental data held within its Corporate Citizenship Report and response to the Carbon Disclosure Project.

**Trucost plc**  
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