

## Overview

**This report describes Agilent's relationships with the environment and society. It presents our objectives, strategies, results, challenges and plans for improvement and discusses our areas of special interest and progress.**

We have prepared this report using the 2002 [Global Reporting Initiative](#) (GRI) guidelines.

If you have comments about this report or our environmental or social performance, please submit them via our [webform](#).

This is the fifth Environment and Social Responsibility Report that Agilent has produced.

## CEO letter

**“While business success and market leadership are clearly a business’s first priorities, I believe that leading companies set the standard in corporate social responsibility as well.”**

*Ned Barnholt*

*Chairman, President and Chief Executive Officer*

Excellent financial results, great progress in operations and focused actions to address opportunities and challenges made 2004 a very successful “turnaround” year for Agilent. After the company returned to profitability in the fourth quarter of 2003 we achieved consistently strong financial results and generated more than \$700 million in cash in 2004. We completed a sweeping operational transformation, maintained the research and development investments that fuelled an outstanding year for new products, and improved our competitive position by entering new markets and exiting others. These results were delivered by Agilent’s 28,000 people, who have worked with great skill and energy under difficult conditions. We began 2005 a much stronger company than we were a year ago, and we are excited by our opportunities to build on 2004’s accomplishments.

### **A leader in corporate citizenship**

Outstanding corporate citizenship has two main components, and both were important priorities for Agilent in 2004. The first element is corporate governance – the practices that bring to life the highest standards of integrity and transparency. The other element of citizenship is the role we play as an employer and community member. In 2004 we were proud to be ranked number 9 on the list of 100 Best Corporate Citizens published by *Business Ethics* magazine, which cited Agilent’s “diversity practices and superior treatment of the community.” During the year more than 6,000 Agilent people volunteered in company-supported education, health and human service, and environmental programs or events; 16 countries where we do business have active community programs; nearly 273,000 students were reached through Agilent-sponsored education programs; and we improved our environmental performance by reducing our energy use by 6.3% and making significant progress toward tracking and eliminating hazardous materials from our products. This year we were formally recognized for our contributions and results in 22 communities worldwide. Our corporate citizenship efforts strengthen Agilent’s long-term competitiveness and help improve the viability of our many communities, and we will continue to make these efforts a priority.

Ned Barnholt

Chairman, President and Chief Executive Officer

## Vision and values

**Agilent's purpose is to provide critical enabling technologies to advance the state of the art and help our customers achieve their business results.**

Moving into 2005 Agilent's strategy is to strengthen our position as the number one measurement company in the world, while leveraging our technology and expertise to provide components, software and services to attractive new markets. Our priorities to accomplish this are:

- Maintain or gain market share in core businesses
- Invest in a few focused areas for near-term growth
- Nurture emerging "white space" opportunities
- Grow services and consumables
- Capture opportunities in emerging markets (especially China).

These goals, together with Agilent's renewed focus on the core company [objectives and values](#), will help us achieve success with our customers, shareholders, employees and communities.

### Related content:

*Agilent.com*  
[2004 Corporate Report](#)

## Objectives and values

Our business requires the support of our great people, a clean and safe environment, sufficient natural resources and the support of the communities in which we work.

### Our objectives

#### *Employee objectives*

- Help employees share in Agilent's success, which they make possible
- Provide employment rewards based on results
- Create a high-performance, inclusive work environment that prizes diversity and recognizes individual contributions
- Maintain a work environment that is pleasant, flexible and injury free
- Instill a sense of satisfaction and accomplishment from our work
- Foster initiative and creativity by allowing individual freedom to attain well-defined objectives

#### *Customer objectives*

- Provide products and services of the highest quality and value
- Gain and hold respect and loyalty

#### *Shareholder objectives*

- Achieve sufficient profit to finance our growth and provide resources to achieve our objectives
- Let our growth be limited only by our profits and ability to develop and produce innovative products and services that satisfy real needs

#### *Community objectives*

- Honor obligations to society by being an economic, intellectual and social asset to each nation and community in which we operate

### Our values

#### *Innovation and contribution*

- Invent and discover awesome technology that creates new fields of interest, new markets and new businesses
- Seek great ideas from anywhere and reward sharing, adopting and applying them to solutions everywhere

#### *Trust, respect and teamwork*

- Believe that people want to do a good job and will, if given proper tools and support
- Create an inclusive environment that fosters respect for individuals, their ideas and contributions
- Realize the full power of our diverse and global teams, working without boundaries to fulfill the expectations of our constituents

#### *Uncompromising integrity*

- Adhere to the highest standards of business ethics and acknowledge anything less as unacceptable
- Deal openly and honestly to earn the trust and loyalty of others

*Focus*

- Prioritize and simplify: decide what's really important and say "no" to the rest
- Set the few, high-impact customer-centered objectives and align the organization to reach them
- Focus on anticipating and satisfying customers' needs with a passion
- Focus our investments on the right opportunities for maximum growth impact

*Speed*

- Capitalize on change with an intense sense of urgency
- Move quickly and adapt as conditions warrant; be agile
- Act decisively, stamping out bureaucracy and the wasted energy that comes with it

*Accountability*

- Make straightforward commitments, then do what we say
- Manage by ambitious but realistic performance objectives, reward those who meet them and prize those who exceed them
- Address poor performance directly and specifically

## **Commitment**

The objective of Agilent's citizenship efforts is to be an economic, intellectual and social asset to the communities where we do business throughout the world. Our citizenship role encompasses:

- Development of products and technologies that provide social and environmental benefit
- Active community involvement focused on education, environment, and health and human services issues
- Active involvement in public policy at local, state, regional and national levels of government
- Responsible environmental policies and programs
- Focus on workforce diversity and inclusion.

Our philosophy has always been that we have responsibilities beyond shareholder profit; we are responsible to our employees, customers, vendors and communities. The communities where we are based should be enriched as a result of our presence and benefit from our contributions of time, expertise, technology and money.

We also believe that being an active and responsible corporate citizen helps us better identify, understand and act on opportunities and risks that could affect our operations, markets and, ultimately, our overall success as a global enterprise.

## Company profile

**Agilent delivers critical tools and technologies that sense, measure and interpret the physical and biological world.**

Our innovative solutions enable a wide range of customers in communications, electronics, life sciences and chemical analysis to make technological advancements that drive productivity and improve the way people live and work.

About two-thirds of Agilent's revenue was generated from outside of the United States in fiscal year 2004. With 28,000 employees around the world, our global presence offers a competitive advantage. Agilent's manufacturing, R&D, sales and support capabilities around the world give customers the flexibility they need in today's competitive environment.

### Test and Measurement

*2004 net revenue – \$2.9 billion*

Our test and measurement business provides standard and customized solutions that are used in the design, development, manufacture, installation, deployment and operation of electronics equipment and communications networks and services. Test and measurement employed about 11,200 people worldwide as of Oct. 31, 2004.

*Markets:* Our test and measurement markets include the communications test and general purpose test markets.

*Product areas:* Communications test products include testing solutions for fiber optic networks; transport networks; broadband and data networks; wireless communications; microwave networks; installation and maintenance solutions; and operations support systems, including monitoring and network management systems. General purpose test solutions include general purpose instruments; modular instruments and test software; digital design products; and high-frequency electronic design tools.

### Automated Test

*2004 net revenue – \$0.9 billion*

Our automated test business provides test solutions that are used in the manufacture of semiconductor devices, electronics (primarily printed circuit-board assemblies) and flat panel displays. Automated test employed approximately 2,200 people worldwide as of Oct. 31, 2004.

*Markets:* Our automated test business sells to the semiconductor manufacturing, electronics manufacturing and flat panel display markets.

*Product areas:* Our automated test business designs, develops and manufactures semiconductor test equipment, electronics manufacturing test equipment (including automated optical inspection products, automated x-ray inspection products, automated in-circuit testing products and manufacturing test systems software) and thin-film transistor array test equipment for flat panel displays.

## **Semiconductor Products**

*2004 net revenue – \$2.0 billion*

Our semiconductor products business is a leading supplier of semiconductor components, modules and assemblies for consumer and commercial electronics applications. As of Oct. 31, 2004, semiconductor products employed about 6,800 people worldwide.

*Markets:* Our semiconductor products business serves the personal systems and networking markets.

*Product areas:* Our personal systems products (for use in mobile phones, printers, PC peripherals and consumer electronics) include radio frequency and microwave communications devices such as FBAR duplexers and E-pHEMT power amplifiers; infrared emitters, detectors and transceiver module products; printing application-specific integrated circuits (ASICs); optical image sensors and processors, and optical position sensors; and light-emitting diodes (LEDs) and optocoupler products. We are also engaged in a global joint venture – Lumileds – with Philips Electronics, which develops, manufactures and sells LEDs, modules, products and systems for a broad spectrum of lighting applications. Our networking products include Fibre Channel controller products, fiber optic products and high-speed digital integrated circuit products.

## **Life Sciences and Chemical Analysis**

*2004 net revenue – \$1.3 billion*

Our life sciences and chemical analysis business provides application-focused solutions that include instruments, software, consumables and services that enable customers to identify, quantify and analyze the physical and biological properties of substances and products. We employed about 3,900 people worldwide as of Oct. 31, 2004 in this business.

*Markets:* Life science markets, which account for about 40% of revenue from this business, include the pharmaceutical analysis, gene expression and proteomics markets. Chemical analysis markets, which make up the other 60% of revenue, include the petrochemical, environmental, homeland security and forensics, and bioagriculture and food safety markets.

*Product areas:* Our seven key product categories include microarrays; microfluidics; gas chromatography; liquid chromatography; mass spectrometry; software and informatics products; and related consumables, reagents and services.

## **Agilent Laboratories**

Agilent Laboratories is our central research organization. Agilent Labs engages in 1) applied research leading to technology that can be transferred to our existing businesses in communications, life sciences and electronics, and 2) research that creates new businesses that are outside of our current markets but within our fields of interest. Agilent Labs also provides technology integration across the company.

## **Agilent Sales and Support**

Agilent sells and distributes products primarily through direct sales, but we also utilize distributors, resellers, telesales and electronic commerce. Our businesses provide a range of services and customer support, including systems integration, technical and product support, consulting and knowledge services.

## **Related content:**

*Agilent.com*  
[2004 Corporate Report](#)

## Engagement

**We engage with our stakeholders in many ways. When appropriate, we consult and collaborate with them on issues of mutual importance.**

Agilent considers external charters, principles and guidelines that have been developed through multi-stakeholder processes to guide our business activities.

We also participate in a variety of intra- and cross-industry forums to address emerging issues, develop industry-wide approaches to social and environmental challenges and cooperate with governments, non-governmental organizations (NGOs) and other stakeholders on common concerns.

## Stakeholder engagement

Agilent's stakeholders include:

- Customers
- Employees
- Investors
- Suppliers
- Governments
- Communities
- Neighbors
- Non-governmental organizations (NGOs).

### Stakeholder consultations

We engage with our stakeholders through consultations, surveys, ad hoc feedback and reviews. These include:

- The Agilent Customer Satisfaction program surveys customers at various touch points across the businesses and regions, and reports the results quarterly
- In 2002, we began an annual survey of employee attitudes toward the Agilent workplace, management and other issues including the company's focus on corporate citizenship. The latest survey was conducted in September 2004. Results are discussed in the [Employment](#) section of this report
- Agilent's brand tracking survey conducted on a global basis annually, includes questions on perceptions of Agilent as a corporate citizen
- We conducted, in mid-2004, a survey of two Agilent communities in the United States, and thought and business leaders in the United States, China, Singapore and Korea to gauge our perceived effectiveness in addressing citizenship-related issues. See [Community investment](#) for more information
- We are working cooperatively with companies in our supply chain to identify and reduce or eliminate hazardous substances in our products. See [Hazardous materials](#) for additional discussion
- We have adopted a Supplier Environmental and Social Responsibility Code of Conduct for our suppliers and are working with our potentially highest-risk suppliers to address environmental and social issues in their operations. Go to [Supplier management](#) for more information
- We regularly meet and communicate with our investors and other members of the financial community. This includes one-on-one meetings with our CEO and executive staff in addition to members of our individual business groups, quarterly financial results conference calls with our CEO and CFO, and our annual shareholder meeting
- We have ongoing relationships with regulators at local, regional and national levels regarding operational areas such as EHS
- Agilent's last four Environment and Social Responsibility Reports invited stakeholders to provide feedback and questions.

### Use of information

These feedback mechanisms combine to provide Agilent with information to help improve our economic, environmental and social performance. For example, Agilent Quality reviews the questionnaires and our scores from socially responsible investment indices, to identify areas where we could further improve our performance. Similarly, Public Affairs uses the input it receives to guide our community programs, such as volunteerism and grants.

**Contact us**

We encourage stakeholders to contact us with their feedback on the issues that are important to them. You can submit comments via our [webform](#).

**Related content:**

*In this report*

[Supplier ESR Code of Conduct](#)  
[Employment](#)

*Agilent.com*

[Investor Relations](#)

*External websites*

[Business for Social Responsibility](#)

## 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, programs and principles that Agilent has used or modeled in developing EHS position statements, management systems and reporting structures and our Supplier Environmental and Social Responsibility Code of Conduct are:

- ISO 14001 – international standard for environmental management systems
- OHSAS 18001 – standard for occupational health and safety management systems
- Global Reporting Initiative – 2002 sustainability reporting guidelines
- 1987 Montreal Protocol on Substances that Deplete the Ozone Layer and adjusted by Meetings of the Parties in 1990, 1992, 1995 and 1997; Ozone Secretariat, United Nations Environmental Program
- United States EPA Memorandum of Understanding with semiconductor manufacturers - see the section of this report entitled "Air emissions"
- Conventions of the International Labour Organization.

### Related content:

*In this report*

[Management systems](#)

[Climate change – global change, global action](#)

[Supplier ESR Code of Conduct](#)

[Air emissions](#)

*Agilent.com*

[ISO 14001 Certificate of Approval](#) (PDF, 176 Kb)

*External websites*

[GRI](#)

[International Labour Organization](#)

[OHSAS 18001](#)

## **Memberships of organizations**

Agilent is a member of numerous organizations that help us keep abreast of best practices, provide us with valuable feedback from peers and stakeholders, and enable us to be active on a range of citizenship-related issues.

Examples of these memberships include:

- American Electronics Association
- American National Standards Institute
- BSR – Business for Social Responsibility
- Center for Corporate Citizenship at Boston College
- EIA - Electronic Industries Alliance
- EICTA - European Electronics Industry Association
- European Policy Centre
- European Union Committee of the American Chamber of Commerce
- Industry Council for Small Business Development
- ITI - Information Technology Industry Council
- JEITA - Japan Electronics and Information Technology Industries Association
- NEMI - National Electronics Manufacturing Initiative
- NMSDC - National Minority Supplier Development Council
- PaloAltoGreen
- Responsible Information Management Council with the Ponemon Institute
- SIA - Semiconductor Industry Association
- Sustainable Silicon Valley
- US-ASEAN Business Council
- US Council for International Business
- ZVEI - German Electrical and Electronic Manufacturers' Association.

In addition, we frequently belong to business and trade associations in the communities where we operate.

## Performance overview

Indicators	2002	2003	2004
<b>Financial performance</b>			
Net revenue (million US\$)	6,010	6,056	7,181
<b>Environmental performance</b>			
Air emissions (metric tons)	20	36	42
CO <sub>2</sub> emissions from energy (million kg)	345	332	308
Energy consumption (1,000 gigajoules)	2862	2612	2409
Fines for alleged violations (US\$)	0	0	500
Number of alleged EHS violations globally	30	10	23
Packaging (metric tons)	820	905	2342
Waste produced (metric tons)	10727	10955	8441
Water usage from operations (1,000 cubic meters)	3563	2856	2671
<b>Social performance</b>			
Community investment (million US\$)			5.2
Employee numbers (people)	36000	29000	28200
Gender mix all employees (% male / female)	60.6 / 39.4	59.6 / 40.4	59.7 / 40.3
Injury/illness rate	1.0	0.9	0.6
Global lost work-day case rate	0.20	0.16	0.12

See full report for reporting periods (fiscal year versus calendar year), explanations of trends and other additional information.

For more information on data collection go to [About our data](#).

### Did you know...

Agilent's headquarters in Palo Alto, California, has signed up to PaloAltoGreen, which allows subscribers to purchase renewable energy. Now, 6% of the site's total electricity usage comes from wind and solar sources, helping us address global climate change and moving us toward our goal of a reduction in CO<sub>2</sub> emissions.

### Related content:

*In this report*  
[About our data](#)

## **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 2004. Some of the data is reported for our fiscal year 2004 (Nov. 1, 2003 to Oct. 31, 2004) and is clearly marked as such. The data is recorded on a company-wide basis unless otherwise indicated.

We continue to evaluate and leverage opportunities to improve our data collection. This year we have collated and evaluated our report data in an online data tool, which assists in the collection and review of data.

Most of the quantitative data in this report has been summarized into three regions: Americas, Europe and Asia Pacific.

The health and safety data represents Agilent's worldwide operations (including manufacturing and field sites).

The environmental data covers the following manufacturing sites and Agilent Laboratories:

### **Americas:**

#### *USA*

Colorado Springs, Colorado

Folsom, California

Fort Collins, Colorado

Loveland, Colorado

Newport, Delaware (not included in previous reports as data was unavailable)

Palo Alto (Agilent Laboratories), California

Rohnert Park, California (included in previous reports under Sonoma County)

San Jose, California

Santa Clara - Stevens Creek, California

Santa Rosa, California (included in previous reports under Sonoma County)

Wilmington (Little Falls), Delaware

### **Europe:**

#### *Germany*

Boeblingen

Waldbronn

#### *UK*

South Queensferry

### **Asia Pacific:**

#### *China*

Shanghai

#### *Japan*

Hachioji

Kobe

#### *Malaysia*

Penang

#### *Singapore*

Three sites - Depot Road, Yishun and Senoko

During 2003, as part of Agilent's ongoing strategy to improve operations, we completed numerous consolidations of activities to fully utilize space. As a result we closed the following manufacturing sites: Newark, California; Santa Clara-Bowers, California; Santa Rosa Airport Site, California; Lake Stevens, Washington; and Ipswich, UK. We also consolidated some

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manufacturing operations, which resulted in manufacturing at Spokane, Washington, ceasing in late 2003. We are not reporting data for these locations in 2004.

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.

Some 2003 environmental data presented here may vary from that reported in our 2003 Environment and Social Responsibility Report. These are primarily minor changes due to improved calculations (ie rounding techniques in our new data management tool.) Significant changes are noted below data tables where applicable.

Due to the timeline for reporting, some 2004 environmental data is not available until after the February 2005 publication of this report. We updated the data tables in April 2005.

## Management

**“Our operational transformation has created a strong foundation of systems and management processes that will help Agilent be more responsive, flexible and innovative.”**

*Bill Sullivan*

*Executive Vice President and Chief Operating Officer*

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

- Reduce our negative impacts on the environment
- Protect the occupational health and safety interests of our employees
- Ensure customer requirements are met
- Enhance our value to our communities
- Ensure the highest levels of quality in our products and services
- Increase our competitiveness
- Create a consistent approach across business groups, where applicable
- Meet the expectations of our stakeholders.

### **Environmental, health and safety (EHS)**

We manage EHS issues using a structure that involves several departments. Agilent Quality and Engineering Services (QES) and Global Workplace Services jointly provide leadership. Agilent QES reports into Agilent's Chief Operating Officer, and Workplace Services reports into Agilent's Chief Financial Officer.

### **Social**

Social and employee-related areas of Agilent are managed by a variety of functions. Human Resources is responsible for working conditions, terms of employment and human rights throughout worldwide operations. Corporate Affairs manages Agilent's policies and procedures in relation to the communities in which we operate. Both departments report into Agilent's Chief Executive Officer.

### **Economic**

Economic performance is monitored and analyzed by the Finance, Corporate Financial Reporting and Investor Relations functions. These functions report to 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.

### **Citizenship**

The organizations mentioned above and other pertinent groups within the company are part of a cross-functional Corporate Citizenship team that meets to address issues of company-wide interest, such as coordination of activities to help Agilent achieve its citizenship objective.

### **Related content:**

*Agilent.com*

[2004 Corporate Report](#)

[Corporate Governance](#)

[Investor relations](#)

[Environment](#)

[Jobs](#)

[Standards of Business Conduct](#) (PDF, 207 Kb)

## Policies and position statements

### Environment and Sustainability policy

To act in an environmentally responsible manner in regard to our operations, products and services. You can find out more at:

<http://www.agilent.com/environment/epolicy.pdf>.

### Occupational Health and Safety policy

To create the health and safety practices and work environments that enable our people to work injury and illness free. More information is available at:

<http://www.agilent.com/environment/ohspolicy.pdf>.

### Product Safety and Regulations policy

To provide products and services that meet legal requirements and are safe for their intended markets and applications. To find out more, visit:

<http://www.agilent.com/environment/safepolicy.pdf>.

### Quality policy

To earn customer loyalty by providing products and services of the highest quality and greatest value. You can find out more at:

<http://www.agilent.com/quality/qpolicy.pdf>.

### 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:

- Education assistance program
- Employee assistance program
- Employee network group guidelines
- Harassment-free work environment
- Non-discrimination policy
- Accessibility and accommodations programs and guidelines.

You can find out more about these [diversity and inclusion programs](#) here.

### Political Activities Policy

Agilent Technologies is active in the formation of public policies having an effect on the company, its employees or its operations, and we encourage communication between Agilent managers and public officials. While the company limits political activities on company time and premises, it encourages employees to be actively involved in civic affairs.

For specific questions about our political activities policy, please submit them via our [webform](#).

### Employee Volunteerism policy

Agilent employees may use up to four hours of company time per month, with manager approval, to work on company-supported education or community programs. You can find more about our [employee volunteering](#) here.

**Privacy policy**

Agilent is committed to respecting and protecting the privacy of our customers and other stakeholders. Our policy is based on six privacy principles:

- Notice: providing notice of what data we collect and how it will be used
- Choice: offering choices as to how personal data will be used and with whom it can be shared
- Onward transfer: only transferring personal data to third parties that have agreed to abide by Agilent privacy standards
- Access and accuracy: giving individuals access to their data to ensure accuracy
- Security: keeping personal data secure
- Oversight and enforcement: Agilent participates in the Better Business Bureau OnLine Seal program and certifies annually under the United States Safe Harbor Program to ensure we meet the highest privacy standards.

More information about our [privacy policy](#) is available here.

**Position statements and issue brief**

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

- Global climate change issue brief
- Glycol ethers elimination position statement
- Ozone-depleting substances elimination position statement
- Reducing perfluorocompound (PFC) emissions from semiconductor operations position statement
- Reproductive health for chemical and radiation operations position statement
- Restricted chemicals position statement
- Section 508 Accessibility Standards position statement.

If you have specific questions about any of these statements, please submit them via our [webform](#).

## Compliance

It is Agilent's policy to comply with applicable EHS legal requirements in the markets in which we operate. Despite our many safeguards, minor incidents are sometimes identified in our operations during the course of regulatory inspections. In addition, where applicable, Agilent sites report their own violations if and when they occur.

During the fiscal year 2004, there were 23 alleged regulatory violations associated with EHS operations at our sites worldwide. We work cooperatively with government authorities to resolve these types of issues.

We monitor our violations in order to learn from them so that we can initiate new policies and programs that might prevent similar incidents in the future.

Fiscal year	Alleged EHS violations	Fines (US\$)
2002	30	0
2003	10	0
2004	23	500

Fiscal year 2004	Asia Pacific	Europe	USA
Alleged EHS violations	1	0	22

The number of alleged violations increased in part due to an increase in the number of regulatory inspections. All alleged violations were minor. There was one corresponding fine, US\$500, for wastewater discharge from our Singapore facility. We take alleged violations very seriously. Corrective actions have been implemented in all cases. For 2005 we are planning a focus area of compliance assurance in our internal audits.

### Related content:

*In this report*

[Product responsibility](#)

## **Managing risk**

Risk management is a system that includes risk assessment and analysis, risk mitigation and risk financing. Agilent uses a largely decentralized approach to risk management. This acknowledges risk management expertise within many functions and the integration of risk management practice throughout Agilent.

Agilent Global Risk Management (AGRM) is responsible for developing and implementing risk financing strategies for the company's exposures. Business Continuity Planning (BCP) is a business requirement at Agilent, endorsed by executive management and audited by Agilent Global Audit Services. AGRM leads a BCP Risk Council responsible for setting Business Continuity management strategy and offers the BCP website with tools to assist Agilent businesses, global process owners, shared service providers and global functions in the development of BCPs.

AGRM also manages:

- Disaster recovery planning
- Contracts risk management
- Insurance claims processes
- Incident response
- Merger and acquisition due diligence
- Property protection engineering.

## Management systems

### Environmental, Health and Safety Management System (EHSMS)

Our EHSMS is a company-wide system designed to provide a framework for the EHS programs and policies.

The EHSMS is central to our strategy for developing an environmentally sustainable business. 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, an international standard for environmental management systems. Agilent achieved its first registration to BS7750 (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 April 2001. This initial registration laid the groundwork for us to register our manufacturing sites under a single, company-wide certificate.

Agilent's EHSMS has been implemented at R&D facilities and other large non-production facilities. These sites are not included in our ISO 14001 registration.

#### OHSAS 18001

Our South Queensferry site in Scotland was also the first Agilent site to achieve accreditation to the occupational health and safety management system standard, OHSAS 18001. The accreditation was achieved in October 1999. Although Agilent's EHSMS is designed to align with OHSAS 18001, we do not currently plan to register other sites to this standard.

#### Related content:

*Agilent.com*

[EHSMS](#)

[Agilent ISO 14001](#)

[Environment](#)

[ISO 14001 Certificate of Approval](#) (PDF, 176 Kb)

## **Our 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 the objectives and targets, the significant aspects are considered alongside our policies, the available technological options, our financial, operational and business requirements, and the views of interested parties.

Agilent's significant company-wide EHS aspects for fiscal year 2005 are:

- Chemical use, storage and handling
- Contractor activities
- Energy use
- Force, frequency and posture (ergonomics)
- Materials selection
- Materials use
- Packaging
- Solid waste generation.

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

The addition of packaging was the only change in our EHS significant aspects list from 2004 to 2005.

## **Disclosure**

Agilent employs applicable legal standards for disclosure of financial and non-financial information including environmental and social data and commentary.

A wide range of information about the organization is publicly available at [www.agilent.com](http://www.agilent.com), in the Annual Report, our Form 10-K and the Proxy Statement.

Agilent has reported annually on environmental and social performance against the Global Reporting Initiative (GRI) for the past five 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 SEC, privacy rights, litigation, emissions reporting restrictions (i.e. the Semiconductor Industry Association Memorandum of Understanding with the United States Environmental Protection Agency) or other restrictions.

If you would like information regarding Agilent and are unable to locate it in the sources noted above, please contact us through our [webform](#) for assistance.

### **Related content:**

*Agilent.com*

[Corporate Report 2004](#)

[Form 10-K](#)

[Proxy Statement](#)

## Information for investors

**Agilent's corporate citizenship objective is to be an economic, intellectual and social asset to the nations and communities where we do business throughout the world.**

Agilent strives to operate our company in a responsible, ethical fashion, and communicate openly about 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 citizenship performance and disclosure of this information has resulted in inclusion in socially responsible investment indices. These include the Dow Jones Sustainability World Index for the fourth year running, the FTSE4Good Global and U.S. Indices of socially responsible companies and several other indices including Storebrand Investments, Calvert Social Index and the Ethibel Sustainability Index.

Our interactions with investors suggest that the key points of interest are our governance and risk management practices, and our performance and key issues.

### Governance

Our [governance policies](#) are discussed in detail on our website. 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 Directors
- [Standards of Business Conduct](#).

### Management

Our management of environmental and social issues is described in [Management](#).

### Performance

Investors can find information on our performance in key environmental and social areas throughout this report or can fast-track to data in [Appendix I](#).

### Issues

Based on our interactions with investors, we have identified some areas of most interest. In addition to the performance information in these areas, our current actions and challenges are featured in the [Our actions](#) section of this report. They are:

- [Climate change](#) – global change, global action
- [Agilent Action and giving](#) – taking action in the global community
- [Hazardous materials](#) – reducing and eliminating hazardous substances
- [Supplier management](#) – environmental and social responsibility.

**Related content:**

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[Supplier ESR Code of Conduct](#)

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