Crisis Management

Keysight's Business Continuity and Response to COVID-19

Keysight's corporate mission is to accelerate innovation to connect and secure the world. Coupled with its corporate social responsibility (CSR) framework of ethical, environmentally sustainable and socially responsible operations, Keysight's corporate value is especially relevant during a crisis incident.

As a result — and driven by an engineering and innovation mindset with deep roots in continuous improvement methodologies — the company has a strong management approach in place to address crisis incidents as they arise.

Crisis Management Approach

Keysight's crisis management efforts employ a calculated approach and structure to minimize risk to operations, continue delivering to customers and business commitments, and support employees, their families, and the broader community as appropriate in the event of an emergency or disaster.

Crisis Management Team

Led by a corporate-level incident command manager and executive staff members, the Global Crisis Management Team (GCMT) implements companywide guidance, protocols and communications in line with our stated priorities and government requirements. In addition, Keysight utilizes a network of country-specific Crisis Management Teams (CMTs) who can quickly engage to manage the company's response efforts in each of the 30 countries where we operate, while ensuring alignment with the GCMT and local government requirements. Once all safety protocols are in place, the CMTs implement business restart plans to ensure business continuity. All teams continue to monitor local and global situation changes and adjust plans accordingly as needed.

Crisis Management Policies, Procedures & Decision Tree

Keysight has defined policies, procedures, and decision-making practices across critical functions to help quickly and effectively manage crisis incidents real-time. With clear crisis management systems in place, the company is able to train CMT and functional team members adequately *before* an incident occurs, ensuring Keysight is able to manage through an emergency effectively from onset through recovery, even in particularly difficult or dynamic events.

Crisis Management Structure

Keysight utilizes a structure of crisis response and disaster recovery, underpinned by business continuity throughout, to support minimal disruption to customer and business commitments, while ensuring the safety and security of employees, suppliers and other key stakeholders.

Crisis Response

As crisis events initiate, Keysight immediately activates its network of CMTs to make initial emergency decisions and take first-step actions. Once imminent dangers are addressed, the CMTs review prepared crisis scenarios for most likely impacts in each situation and develop a full response plan. Depending on the event, areas of focus could include employee and community health and safety, operational actions, customer support and continuity, supply chain enablement, and of course communications across all impacted stakeholders. The response plan is then implemented through operational teams and updated as dynamic situations require to ensure the company stays ahead of potential risks and impacts.

Disaster Recovery

As the crisis response plan is implemented and the situation stabilizes, the CMTs turn their focus toward disaster recovery to drive the next phase of Keysight's crisis management approach. Typically planned through the CMTs and executed by operational functions, such actions support the return to standard operating norms — or in some cases new operating norms — across the company, facilities, customer engagements, and related employee and community impacts. For example, efforts may include community rebuilding, re-establishing company operations, and facilitating employees' return to work.

Business Continuity

In support of key stakeholders and business commitments, Business continuity underpins all crisis management efforts by ensuring critical business functions are maintained throughout response and disaster recovery. Based on regular tabletop-scenario implementations, Keysight's advanced business continuity planning efforts enable CMTs and operational functions to be prepared for various types of incidents. In addition, each event offers new learnings. As such, a crisis retrospective review feeds new learnings back into scenario planning for future consideration in support of continuous improvement in Keysight's crisis management approach.

COVID-19 Incident

While Keysight's crisis management structure and approach prepare the organization to address emergency incidents as effectively as possible, the company recognizes that unique challenges may arise, requiring careful consideration and sometimes novel actions. Such was the case with the COVID-19 pandemic. Below are details related to the company's specific COVID-19 priorities, approach plan, response, and recovery actions.
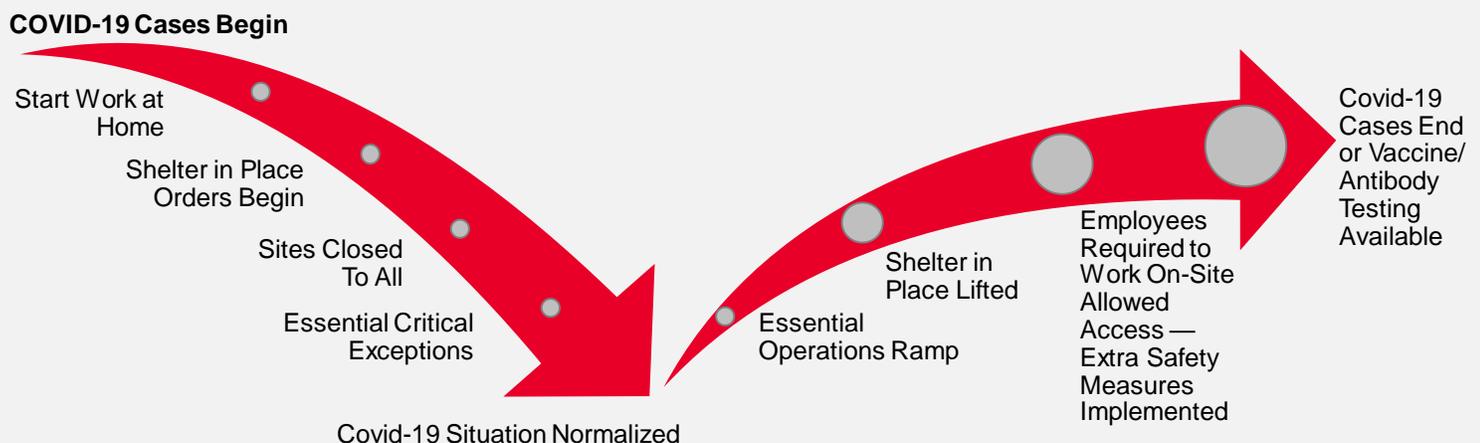
Priorities

Keysight's mission to accelerate innovation to connect and secure the world is especially relevant in managing through this global pandemic. Following have been Keysight's priorities in our COVID-19 response:
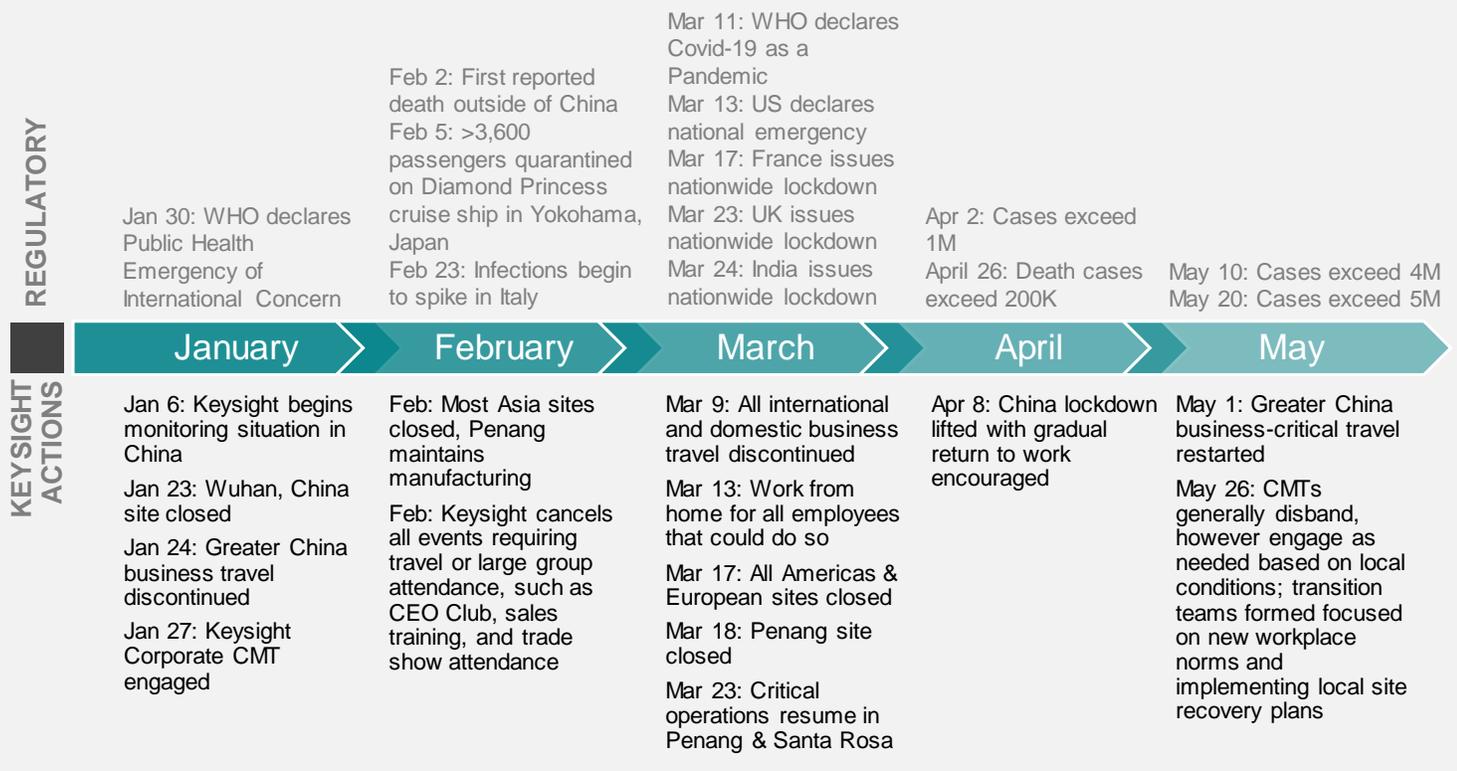
- Health & Safety of Employees & Their Families – Keysight has focused on protecting employees and their families through site shutdowns, travel bans, work from home support, and rigorous safety procedures and protocols for employees working at manufacturing and service sites to support essential customers. Where required, Keysight provides on-site employees free personal protective equipment.

- Support for Customers Providing Critical Infrastructure & Essential Services – Keysight is proud to support the companies that are considered essential critical infrastructure and those who are enabling the front-line response with medical equipment and accelerating innovations that maintain safe and secure communications worldwide.

- Helping Local Communities – To help fight the pandemic, Keysight has and will continue to make donations of both funds (including more than $1 million in cash donations) and equipment (including personal protective equipment and janitorial supplies) to charitable relief, healthcare and emergency responder organizations around the world in support of the local communities where we do business.

Approach Plan

While maintaining the company's priorities, Keysight CMTs pursued an approach to COVID-19 response and recovery that prepared for potential regulatory and governmental regulations *before* required. In addition, the company instituted planning in preparation activities to ramp operations as efficiently and safely as possible as requirements lifted worldwide.

COVID-19 Cases Begin

Start Work at Home

Shelter in Place Orders Begin

Sites Closed To All

Essential Critical Exceptions

Covid-19 Situation Normalized

Essential Operations Ramp

Shelter in Place Lifted

Employees Required to Work On-Site Allowed Access — Extra Safety Measures Implemented

Covid-19 Cases End or Vaccine/ Antibody Testing Available

Response & Recovery Timeline — To Date

REGULATORY

January	February	March	April	May
Jan 30: WHO declares Public Health Emergency of International Concern	Feb 2: First reported death outside of China Feb 5: >3,600 passengers quarantined on Diamond Princess cruise ship in Yokohama, Japan Feb 23: Infections begin to spike in Italy	Mar 11: WHO declares Covid-19 as a Pandemic Mar 13: US declares national emergency Mar 17: France issues nationwide lockdown Mar 23: UK issues nationwide lockdown Mar 24: India issues nationwide lockdown	Apr 2: Cases exceed 1M April 26: Death cases exceed 200K	May 10: Cases exceed 4M May 20: Cases exceed 5M

KEYSIGHT ACTIONS

January	February	March	April	May
Jan 6: Keysight begins monitoring situation in China Jan 23: Wuhan, China site closed Jan 24: Greater China business travel discontinued Jan 27: Keysight Corporate CMT engaged	Feb: Most Asia sites closed, Penang maintains manufacturing Feb: Keysight cancels all events requiring travel or large group attendance, such as CEO Club, sales training, and trade show attendance	Mar 9: All international and domestic business travel discontinued Mar 13: Work from home for all employees that could do so Mar 17: All Americas & European sites closed Mar 18: Penang site closed Mar 23: Critical operations resume in Penang & Santa Rosa	Apr 8: China lockdown lifted with gradual return to work encouraged	May 1: Greater China business-critical travel restarted May 26: CMTs generally disband, however engage as needed based on local conditions; transition teams formed focused on new workplace norms and implementing local site recovery plans

Results & Looking Forward to the Remainder of 2020

Keysight's crisis management approach has once again proven the company's resiliency in the face of disaster. Our organization remains strong and as of this time no employees have been laid-off due to COVID-19. Our CEO and senior vice presidents took a temporary pay reduction. All other employees have remained at full pay. As reported in Keysight's Second Quarter 2020 Results for the period of February through April, the company delivered strong operating margin and free cash flow even amid the challenging COVID-19 situation. After site closures and limited capacity in March and April, Keysight has re-opened facilities and ramped operations.

Keysight continues to actively monitor the COVID-19 situation as it evolves and will take additional steps as necessary to protect employees, customers, shareholders, and local communities throughout the dynamic and ongoing impact of this pandemic. The company is adhering to government regulations in all geographies, as well as guidance from public health agencies such as the World Health Organization and the U.S. Centers for Disease Control and Prevention. The most significant example of these continued efforts is that only employees whose roles are required to be on-site will be allowed access to Keysight's offices worldwide through the end of calendar year 2020. All other employees and non-Keysight workers will continue to work remotely. With employee safety Keysight's highest priority, travel will continue to be voluntary. Company travel is being monitored closely and has resumed to allow the businesses to deliver on customer commitments.

In the meantime, learnings from COVID-19 to date have already been integrated into the company's crisis management approach to support continuous improvement in any future incident. We also integrate employee feedback into this process to inform our workforce-related actions. For example, in July, Keysight conducted a survey of employees worldwide to understand workforce sentiment and needs to stay productive and engaged long-term through our COVID-19 response. The prioritized feedback has been used real-time to drive faster action and alignment around critical employee and business topics.

Additional Resources

- Keysight's Response to Coronavirus (COVID-19)
- Keysight CSR Website
- Keysight CSR Report

Learn more at: www.keysight.com

For more information on Keysight Technologies' products, applications or services, please contact your local Keysight office. The complete list is available at: www.keysight.com/find/contactus

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