



**WHEREAS:** Water is becoming a scarce resource around the world, due to increasing consumption from population growth and rapid urbanization, and reduced supplies due to climate change;

Water is critical to the semiconductor production process, which requires significant volumes of “ultra-pure” water for cleaning purposes;

Without careful planning, water scarcity can result in higher supply costs, social tensions with local communities and governments, and/or loss of access to water in water-scarce regions thereby presenting critical risks to production;

Semiconductor companies that are able to increase the efficiency of water use during manufacturing will maintain a lower risk profile and face lower regulatory risks as local, regional, and national environmental laws place increasing emphasis on resource conservation;

The Sustainability Accounting Standards Board (SASB) has established industry-specific standards to assist companies in disclosing financially material, decision-useful sustainability information to investors. The standards identify a minimum set of sustainability issues most likely to impact operating performance or financial condition of the typical company in an industry. Businesses can use SASB standards to better identify, manage, and communicate to investors sustainability information that is comparable, consistent, and financially material, thereby enabling better investment and voting decisions;

SASB standards are recognized as financially material by the mainstream investor community. The SASB Investor Advisory Group, 46 global asset owners and asset managers “[b]elieve SASB’s approach--which is industry-specific and materiality-focused--will help provide investors with relevant and decision-useful information.” Members of the SASB Investor Advisory Group and SASB Alliance, “a growing movement of organizations that believe standardized, industry-specific, and materiality-based standards help companies and investors adapt to the market’s expectations,” comprise [seven of the ten largest worldwide money managers](#) as well as [pension funds](#) of six states;

For the Semiconductor industry, SASB identifies Water Management as a material sustainability issue, and specifically total water withdrawn, total water consumed, and the percentage of each in regions with high or extremely high baseline water stress. Skyworks’ manufacturing facilities in Mexicali, Mexico, and Newbury Park, California are located in [regions of extremely high baseline water stress](#).



Yet, Skyworks does not disclose this financially material information. Skyworks pursues conformance to the Responsible Business Alliance Code of Conduct, which includes, on the topic of Water Management, “a water management program that documents, characterizes, and monitors water sources, use and discharge.” Yet there is no disclosure about water management beyond one narrative sentence in the company’s sustainability report. The absence of clear information challenges investors’ ability to comprehensively evaluate the company’s management of sustainability risks and opportunities;

**BE IT RESOLVED:** Shareholders request that the Board of Directors issue sustainability information to shareholders in consideration of the SASB Semiconductor standard by 180 days after the 2020 Annual Meeting, at reasonable expense and excluding confidential information, describing the company’s water management risks.