



Fiscal Year 2023

# Sustainability Report

A Letter From Our CEO	3
Our 2023 Story	4
Who We Are	5
Our ESG Approach	6
FY2023 Highlights	7
Minimizing Our Environmental Impact	8
Strengthening Our Supply Chain and Driving Product Innovation	12
Our People	17
Giving to Our World	2
Doing Business with Integrity	25
General Disclosures	27
Our Business	28
Our Company	28
A Portfolio of Consumer	
and Business Brands	28
Our Operations and Workforce	28
Our Strategy	29
Building a More Sustainable Future	
<ul> <li>One Data Point at a Time</li> </ul>	29
Materiality and Stakeholder Engagement	29
Sustainable Development Goals	30
Governance	31
Environment	32
Energy and Emissions	32
Product Life Cycle Impacts	38
Chemicals and Hazardous Substances	40

supply Chain	41
luman Rights and Labor Practices	41
Critical Minerals and Metals	43
supply Chain Resiliency	50
Vorkforce, Workplace	
nd Community	51
nclusion	51
mployee Attraction, Retention	
nd Engagement	54
lealth and Safety	57
Blobal Giving and Doing	61
TEM Education	61
lunger Relief	62
nvironment	62
quality	63
ntegrity	64
Our Culture of Ethics	64
nti-Corruption	65
ata Privacy and Security	66
SG Data	68
ndices	77
GRI Index	77
ASB Hardware Standard Index	82
ASB Semiconductors Standard Index	83
CFD Index	84
IN SDG Index	85



### **About This Report**

### GRI 2-3

We are proud to share Western Digital's 2023 Sustainability Report covering Fiscal Year 2023 (FY2023), which has been prepared with reference to the Global Reporting Initiative (GRI) Standards: Core option. The report also references the Sustainability Accounting Standards Board (SASB) Hardware Standard and the SASB Semiconductors Standard. Furthermore, we have aligned our disclosures with the UN Sustainable Development Goals (UN SDGs) and the Task Force on Climate-Related Financial Disclosures (TCFD). Please reference this report's indices for additional information.

This report is organized into three parts:

- Our 2023 Story offers significant highlights from FY2023
- General disclosure section provides a deeper, more technical look at our approach to sustainability and our progress
- Indices provide a comprehensive view of the data that informs our sustainability efforts

We are always looking for opportunities to improve our transparency and better demonstrate our performance. If you have any feedback about this report or other disclosures, please contact us at sustainability@wdc.com.

ENVIRONMENT

## A Letter From Our CEO

## Dear Stakeholders,

Over the past year, we have continued our journey towards sustainable excellence, building upon the strong foundation we established in previous years. Our efforts around environmental, social, and responsible business have always been an integral part of our corporate DNA. These focus areas have guided us to make meaningful decisions that benefit our business and have a positive impact on the environment, society, and our stakeholders.

The past year had some unique challenges. Throughout it all, our teams around the world showed incredible strength, resilience, and innovation. It led us to collaborate in impactful ways and think critically and more strategically than ever. We continued to lead with genuine care for one another, pride in creating innovative products for our customers, and an unwavering commitment to support the communities in which we operate.

We continue to distinguish ourselves through both transparency and substantive progress:

### **Protecting the Environment**

Through thoughtful planning and execution, we have already set and achieved goals such as running certain facilities on renewable energy and reducing energy consumption per unit produced. But we continuously strive to do more. In June 2023, we announced a new set of ambitious sustainability goals that serve as a testament to our determination to drive positive change in the world. These goals reflect our recognition of the pressing global challenges we face and our commitment to playing a vital role in addressing them. Most notably, we have set a target to achieve carbon neutrality across our global operations. This means reducing our carbon emissions, investing in renewable energy sources, and offsetting any remaining emissions to ensure a net-zero impact on the environment. More details about the new goals and initiatives that will drive our progress are detailed in this report.

### **Investing in Our People**

We are intensifying our efforts to create a diverse and inclusive workplace where every voice is heard, valued, and empowered. Our priorities include a continued focus on fair compensation, improved feedback channels, empowering our employee resource groups, and driving greater inclusion by fighting bias.

### **Evolving Our Operations**

Over the past year, our global operations team has fostered a new organization to help drive sustainability improvements across key

parts of our supply chain. From uncovering opportunities for greater supply chain efficiency to understanding the impacts of waste and water usage, we have taken great strides in integrating strategic, environmentally driven choices in our product development. In doing so, we continue to refine our production processes while being able to increase more positive social and societal impacts outside our walls.

### **Looking Ahead**

These priorities are not just guideposts but our roadmap to a more sustainable and responsible future. We recognize that achieving them will require unwavering dedication, innovation, and collaboration with our stakeholders. At Western Digital, we firmly believe that businesses have a vital role in addressing global challenges, and sustainability is not just a choice but an imperative. Together, we are shaping a brighter, more sustainable future for our planet and generations to come.

Thank you for your interest in Western Digital and our FY2023 Sustainability Report.

David Goeckeler, CEO





We continued to lead with genuine care for one another, pride in creating innovative products for our customers, and an unwavering commitment to support the communities in which we operate."

**David Goeckeler** CEO, Western Digital

**Western Digital** 

**CEO LETTER** 

**OUR 2023 STORY** 

**GENERAL DISCLOSURES** 

**GLOBAL GIVING** 

INTEGRITY

DATA

INDICES

PG\_ 3

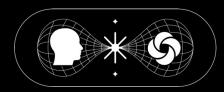


# Our 2023 Story

Western Digital ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 4

## Who We Are

GRI 2-6



### **Our Vision**

To create breakthrough innovation — inspired by the convergence of human potential and digital transformation — that enables the world to actualize its aspirations.



### **Our Mission**

To unlock the potential of data by harnessing the power to use it.



### **Our Purpose**

To be the world's iconic data storage company

### **Our Values**

We think big.

We create possibility.

We make it happen.

**We** do it together.

## Silicon-to-System Innovation and Engineering



**Advanced Media, Controller,** Head, Firmware/FTL



Mechanical, packaging, testing, software, firmware, and controllers

**Device Innovation** 



**Platforms Innovation** Electrical and mechanical design, firmware, and diagnostics



**Integrated Storage Platforms** 

**Western Digital.** 

**CEO LETTER** 

**OUR 2023 STORY** 

PG\_ 5

## Our ESG Approach

At Western Digital our approach to ESG enables us to create shared value for our business and the world around us. Across our global operations, our focus on sustainability helps us create a brighter future for our business, our customers, and our employees.

As a company facing ongoing environmental and social challenges, we believe rooting our decisions and operations in sustainable business practices can:



Lead to more efficient and resilient business operations



Increase our investor pool with demonstrable ESG performance



Help us meet our customers' expectations and efficiency targets



Enhance the reliability of our supply chain



Reduce risks of misconduct and legal liability



Improve the health, well-being, engagement, and productivity of our employees

In June 2023, Western Digital announced ambitious new corporate sustainability targets to build upon the science-based targets we set in 2021 and help guide sustainably driven operations that will make tangible environmental impact throughout our organization. The new targets include powering our operations with 100% renewable energy, achieving net zero Scope 1 and Scope 2 emissions across our operations, as well as water and waste reduction targets. These goals exemplify our dedication to reducing the impact of our business operations on the environment and communities around the world.

Read more about our goals <u>here</u>.

### Forces Shaping Our Approach

We operate in an increasingly complex, interconnected world. For a global business like Western Digital, trends and forces deeply impact the way we approach sustainability and environmental, social, and governance (ESG) considerations.

### **Supply Chain**

Achieving resilience across our supply chains calls for visibility, agility, collaboration, and alignment across our operations. As supply chain disruptions continue to be a major challenge for businesses across the global economy, we continue to bring a big-picture perspective to our entire extended supply chain.

### **Upskilling the Workforce**

At Western Digital, people are our biggest asset. Employees are increasingly looking for greater purpose and flexibility in their jobs. By continuing to keep a pulse on the personal and professional needs of our team members, we can offer a work environment that attracts the best talent and demonstrates our commitment to the well-being of our employees.

### **Automation**

Industries around the globe are experiencing rapid change due to automation technologies. This can lead to increased efficiency and reduced levels of waste, new streams of innovation, potential cost savings, and new opportunities for career growth. We also continue to monitor risks such as quality control and privacy, while keeping up with evolving regulations.

### **Anti-Corruption / Ethics**

With increased investor, employee, and customer focus on responsible conduct, corruption-free business is seen as a given — a shared value. Taking measures to reduce corruption helps bring certainty to business outcomes, reduce possibility of regulatory and legal actions, drive down litigation risk, and generate profitability in a sustainable fashion.

### **Climate Change**

From increasing global temperatures to extreme weather events to biodiversity loss, climate change has implications on food security, ecosystems, and human wellbeing. Climate-related risks are key factors we constantly assess across the diverse regions and supply chains we operate in. Our ambitious climate targets guide us to reduce our impacts and we will continue to disclose our progress.

### **Evolving Regulations**

The landscape of ESG reporting involves increased regulatory focus, greater investor scrutiny, and a recognition of the broader impact of businesses on the environment and society. Adhering to corporate practices and reporting to reputable regulatory frameworks allows Western Digital to hold ourselves accountable and meet ongoing stakeholder expectations.



## FY2023 Highlights



### **Environment**

Western Digital's four new corporate sustainability targets underscore our commitment to being good environmental stewards and put forth data-driven goals and metrics to hold our organization accountable for mitigating the impacts of climate change.

### **Our commitments include:**

- Running our global operations on 100% renewable energy by 2030
- Achieving **net zero emissions** in our operations (Scope 1 and 2 emissions) by 2032
- Reducing water withdrawals by 20% by 2030, versus 2022
- Diverting 95%+ of our operational waste from landfills by 2030



### Workforce

As of June 30, 2023:

- Women represented 26% of our management positions and 23% of our technical staff
- 62% of our U.S. management positions were represented by members of Asian, Black/African American, Hispanic/Latino or other racially or ethnically diverse communities, a 1.4 percentage point increase compared to 2022



Powered by the passion of our employee volunteers, FY23 was a record-breaking year in expanding our community involvement. We are proud of our global giving and doing achievements including:

- Achieving a 23-8 percentage point increase of employee participation in company-sponsored volunteerism from FY22
- Engaging 18,629 unique volunteers
- Hosting 241 company-sponsored volunteer events
- Welcoming employee participation from
   59 sites across the globe



### **Product Innovation**

Western Digital's **Recycling Initiative** seeks to understand how recycled content is used in the company's products and packaging. Several internal teams were involved in this initiative to survey, understand, and help improve the results of our product Life Cycle Analysis (LCA) and recycled content in our product components.

Analyzing hundreds of HDD drive components, the team:

- Focused on major weighted components containing aluminum, steel and rare earth metals
- Completed third-party verification confirming
   40-41% recycled content by weight in recent HDD products



### **Talent Development**

In FY2023, nearly **2,000** employees across various levels completed upskilling programs and were able to move through our workforce growing path from Operator to Engineer in Malaysia and Thailand. This was made possible through strategic workforce growth paths, our training center of excellence, and initiatives such as simulation labs, autonomous robotic training, and automation machine training.

Read more about the details and results of our upskilling initiatives in <u>Our People</u>.

ENVIRONMENT

# Minimizing Our Environmental Impact

We're committed to protecting and preserving our planet. This commitment means we must mitigate risks posed by climate change, resource scarcity, and environmental degradation and do our part to reduce impacts. Through thoughtful planning and meticulous execution, our customers, our communities, and our team members can collectively make an impact through sustainably created products.

### IN THIS SECTION:

New Corporate Sustainability Targets **Key Collaboration** 10 Committed to Driving Progress 11











**Western Digital** 

**CEO LETTER** 

**OUR 2023 STORY** 

**GENERAL DISCLOSURES** 

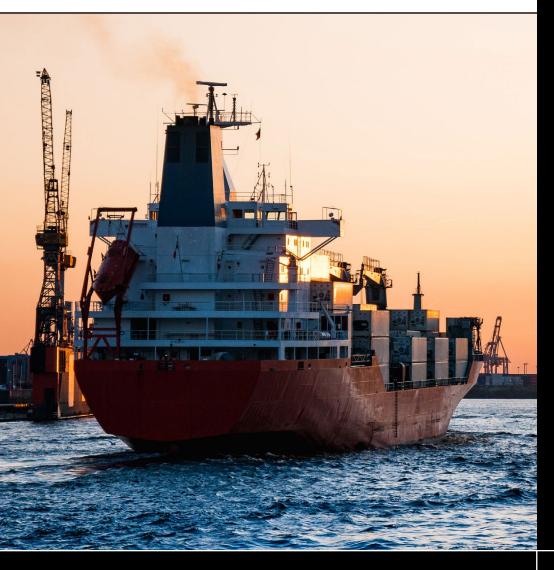
GLOBAL GIVING

DATA

PG\_ 8

## New Corporate Sustainability Targets

Western Digital strives to be a sustainability leader. The new sustainability commitments we announced in June 2023 were created to have a major impact on our operations, product development, and supply chain management, as well as on our global environmental footprint.



## **Western Digital's Sustainability Targets**

ENERGY AND EMISSIONS					
	Goal	Actions	Performance		
Emissions Scope 1 & 2	Net Zero MFG sites by 2032	In addition to transitioning to RE, we are innovating to reduce Scope 1 emissions and reduce energy consumption.	We are ahead in our combined Scope 1 and 2 emission goals with regards to our SBT trajectory in FY2023. Many facilities-related projects and out-of-the box initiatives involving technology and strategy are driving this progress. In FY2023, we achieved a 20.7% reduction in our combined Scope 1 and 2 emissions, versus our FY2020 baseline.		
	<b>42% ↓</b> MFG sites by 2030	We are actively looking to reduce Scope 1 emissions through reduced usage of high global warming potential (GWP) chemicals in our manufacturing processes. We are working to secure long-term renewable energy power purchase agreements (PPAs) and other renewable energy purchases to reduce our Scope 2 emissions.			
Sold Products	<b>50%</b> ↓ Use phase emissions intensity by 2030	We are reducing our emissions from use of sold products through a combination of increased storage capacity per drive and innovations in the power consumption and efficiency of our drives.	Since FY2020, we have realized a reduction in emissions intensity in our Scope 3, Category 11 Use of Sold Products by 35%, on an emissions per petabyte basis.		
Renewable Energy	<b>100%</b> MFG sites by 2030	We focus on long-term power purchase agreements for renewable energy.	As of 2023, three of our sites were running on 100% renewable energy. Several more sites are on path to achieve 100% RE in the next few years. Company-wide, we have achieved 31% renewable electricity consumption. Western Digital continues to make steady progress in renewable electricity procurement, balancing availability and cost in our regional strategy.		
WATER					
Water Withdrawn	<b>20%</b> ↓ by 2030	In FY2023, we implemented several water conservation projects successfully. In the coming years, we plan to implement capital expenditure-focused water recycling programs, and to seek Alliance for Water Stewardship certification for our factories.	Due to a combination of successful water conservation projects and factory shutdowns due to reduced production in FY2023, we achieved an 18% reduction in water withdrawals, versus FY2022.		
WASTE					
Waste to Landfill from Operations	<b>&lt;5%</b> by 2030	We have developed a roadmap to achieve our <5% waste to landfill target by 2030. We are planning to implement structural waste reassessment and segregation programs. Beginning in FY2024, we plan to investigate and implement technologies such as pyrolysis, redirection of metal hydroxide waste to cement production, and other methods to increase our waste diversion.	In FY2023, we sent approximately 19% of our operational waste to landfill.		

**W** Western Digital.

**CEO LETTER** 

**OUR 2023 STORY** 

ENVIRONMENT

## **Key Collaboration**

Achieving our ambitious goals requires a collaborative, consistent effort from teams across our organization. From our workforce to external partnerships and third-party assessments, Western Digital is bringing together diverse perspectives that will help us effectively drive towards our energy, emissions, waste, and water goals. By bringing together internal and external stakeholders with essential expertise, we can better integrate and elevate the processes, technologies, and innovations that provide sustainable products to the world.

### **Sustainability Champions**

Western Digital's newly revamped Conservation Program is now more holistic, engaging crossfunctional Sustainability Champions from across manufacturing teams — especially team members from process engineering and test engineering. Bringing together all corners of our workforce in this way is essential to our ability to achieve our goals.

Our Conservation Program management office integrates various sites via meetings held on a regular basis. During these sessions, clear responsibilities are established for each department and its designated Sustainability Champion. Each Sustainability Champion is then responsible for achieving goals.

For example, when cross-functional teams collaborate, they gain deeper knowledge about our SBTi goals and forecasted trajectories.

With this insight, they can strategize functional projects for processes such as reducing our manufacturing quality checkpoint test times to minimize emissions as our production volume grows.

### **Corporate Real Estate** and Workplace (CREW)

This centralized organization manages facility operations globally and enables collaborative work across locations, such as benchmarking and real-time lessons and learnings from our site locations worldwide.

### **Sustainability Council**

Senior leaders from Manufacturing, Facilities, Engineering, and other business units come together for ongoing education and updates around how new sustainable processes and products are performing. This new level of collaboration is expected to accelerate Western Digital's environmental goals as well as science-based emissions reduction goals.

### **Strategic Data Management**

Energy consumption data and emission data are managed on a common, global application, and the reduction program team has visibility not only into their own facility's data but other sites' as well. The shared data promotes benchmarking with other sites and helps identification of further reduction opportunities.

### **CASE STUDY**

## **World Class Building Management System Initiative**

Across our operations, Western Digital's sites are ranked as Tier Two for overall Building Management System (BMS) capability. During a collaborative operations project in FY23, a team of cross-functional experts began exploring how to elevate the company's BMSs to Tier 3. Moving to Tier 3 status would ensure ready availability of data critical to sustainability (Descriptive), while also enabling real-time analytics of deviations from setpoints (Diagnostic), and proactive analytics-driven options for optimization (Prescriptive).

The team designed a four-tiered maturity model of Western Digital's Building Management Systems, reviewed existing manufacturing facility operations, and evaluated the gaps that need to be closed to get to advanced maturity of real-time energy and water resource optimization.

Using the data from this model, we began the development of a capital investment plan for selected locations and systems to move Tier 2 BMS level to Tier 3.

In parallel, as near-term actions, the team identified quick-win solutions, consisting mainly of Variable Speed Drive (VSD) installations for chilled water pumps and zero purge dryers. While this does not move the ratings of BMS maturity, it provides a beneficial energy consumption and utility cost reduction until larger BMS changes can be made. Savings are anticipated to commence in FY2024.



**Western Digital** 

**CEO LETTER** 

**OUR 2023 STORY** 

**GENERAL DISCLOSURES** 

**OUR BUSINESS** 

WORKFORCE

**GLOBAL GIVING** 

INTEGRITY

DATA

INDICES

ENVIRONMENT

## **Artificial Intelligence Drives Energy Reduction**

The site team in Prachinburi, Thailand, partnered with a third-party engineering firm to implement chiller plant automation, artificial intelligence, machine learning, and data analytics into their system. As the chiller is one of the most energy-consuming pieces of equipment, this activity enables Western Digital to achieve significant energy reductions and promote the culture of intelligent resource management.



## Committed to Driving Progress

From cross-company collaboration to product innovation, we see our work around sustainability and conservation as essential to driving progress. In FY2023, energy conservation activities from a facilities standpoint were combined with consumption reduction efforts from a factory, equipment, and test engineering standpoint. Granular tracking of efficiency projects has created multi-year visibility, aiding our path to reach our 2030 and 2032 goals. Next to that, Western Digital has prioritized climate-related impact to our operations through two avenues: first, by way of a comprehensive Vulnerability Assessment including mitigation actions; second, by installing a corporate-wide Business Continuity Program that continues to take shape in 2024.

### **Vulnerability Assessment Program**

In addition to reduction efforts, Western Digital started a Vulnerability Assessment program in FY22 to cope with climate-change-related risks. In FY2023, through our partnership with Jacobs Solutions, Western Digital evaluated a variety of risks and their potential impact on our operations. The program team reviewed existing mitigation measures and started the development of an action plan for FY2024 to make our operations more resilient to climate change. Western Digital also developed a geospatial tool (online dashboard) to provide the assessment results across facility operations, enabling immediate access to the data and timely updates as the parameters change.

### **Energy Resource Management**

In FY2023, our Energy Resource Management program was more deeply integrated into our corporate sustainability program. Aligned with our mid-term GHG, water, and waste targets, we reorganized internal program operations to mobilize our facility engineering, process engineering, and industrial engineering teams, along with other key manufacturing stakeholders to update processes and operations to achieve our targets.

### **Efficiency Improvements**

Our facility engineering team, the key contributor to the success of Western Digital's resource management program, continues to provide significant contributions to the new sustainability program through identification and implementation of energy efficiency improvement projects. During FY2023, our facility engineering team implemented more than 100 energy-saving projects around the globe with more than 83,500 MWh annual savings, equivalent to nearly 9,000 homes' electricity use for one year<sup>1</sup>.

**Western Digital** 

**CEO LETTER** 

**OUR 2023 STORY** 

**GENERAL DISCLOSURES** 

**OUR BUSINESS** 

OUR STRATEGY

SUPPLY CHAIN

DATA

PG\_ 11

Comparison generated from United States Environmental Protection Agency Greenhouse Gas Equivalencies Calculator

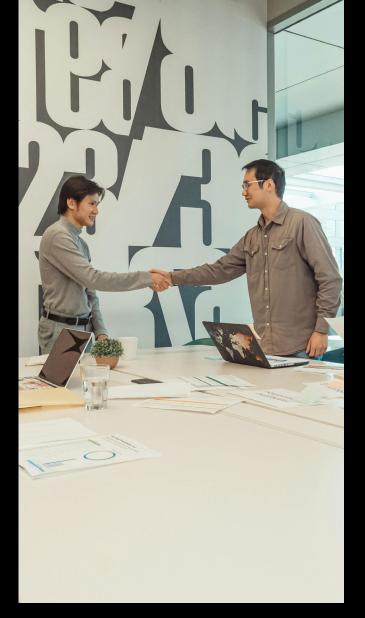
## Strengthening Our Supply Chain and Driving Product Innovation

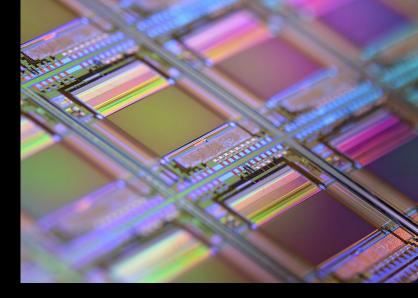
At Western Digital, we are dedicated to innovating the most advanced data infrastructure products on earth while integrating ethical and environmentally sustainable practices into our supply chain. With a robust network of over 40,000 factory employees and hundreds of global production parts suppliers and contract manufacturers, our commitment to sustainability and transparency drives us to set new industry standards in both product development and responsible manufacturing.



Our Performance

Recycled Material Content Initiatives









## Our Performance

## By the Numbers: Engagement, Assessments, and Training

### Engagement

**Supplier Code Of Conduct Communication Response Rate** 

100%

of Direct Suppliers

Assessments

**Completion of Self-Assessment Questionnaires** 

84%

supplier facilities

100%

of Indirect Onsite Service Suppliers

**CDP Response Rate** 

response rate from 170+ in-scope suppliers for Climate Change

response rate from 160+ in-scope suppliers for Water Security

Responsible Business Alliance (RBA) Validated Assessment Program Audit Results

20%

of first tier and sub-tiers audited received a Platinum Score

of first tier and sub-tiers audited received a Gold Score

26%

of first tier and sub-tiers audited received a Silver Score

**Training** 

RBA Validated Assessment Program and Responsible Minerals Initiative (RMI) e-Learning

suppliers

courses completed

100%

course completion rate

**Western Digital CEO LETTER OUR 2023 STORY GENERAL DISCLOSURES** OUR BUSINESS **OUR STRATEGY ENVIRONMENT** SUPPLY CHAIN WORKFORCE **GLOBAL GIVING** INTEGRITY DATA INDICES PG\_ 13

## By the Numbers: **Supply Chain Transparency**

8,800+

10,600+

sites/facilities

total active suppliers

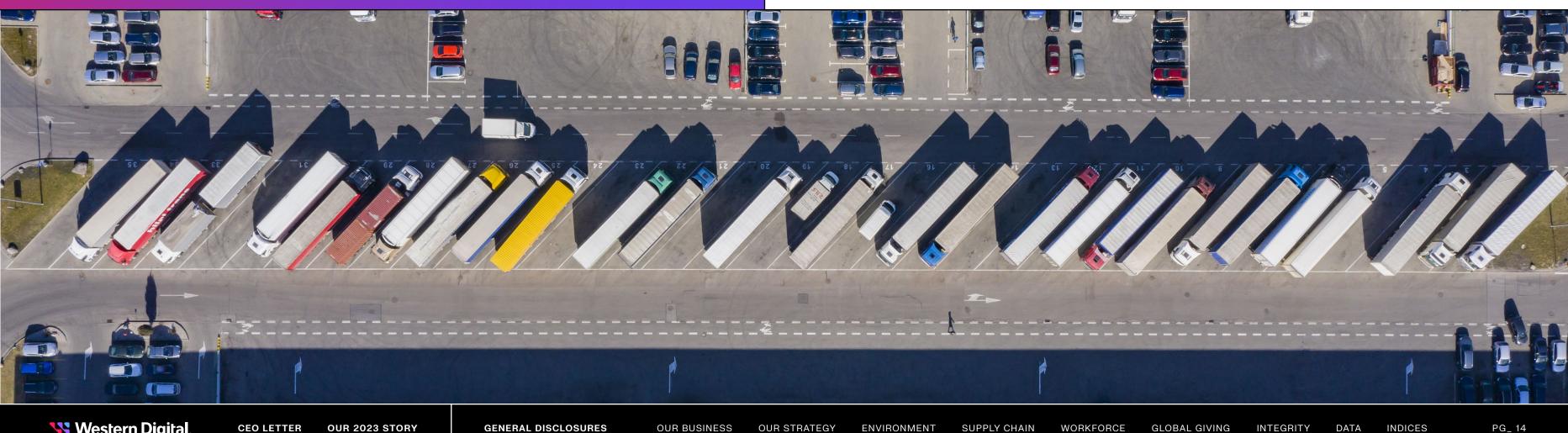
regions

### **Supplier Engagement**

In FY2023, we prioritized engagement efforts with our top 80% emissions direct material suppliers, to help create a deeper understanding of our Scope 3 PG&S emissions reduction goal. During these one-on-one sessions with critical suppliers, we shared WD's Sustainability journey so far, in terms of Scope 1 and 2 emissions reductions, as well as primary data methodology for product carbon footprint calculation. The ultimate goal is to improve Scope 3 emissions data accuracy and expedite overall supply chain emissions reduction.

### **Supplier Diversity**

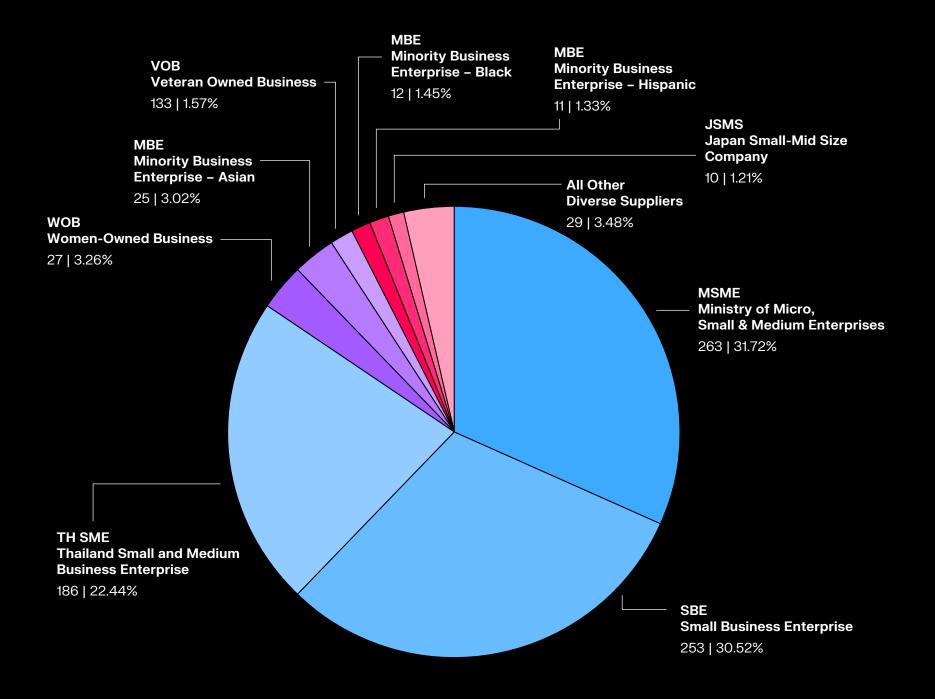
We value diversity in our supply chain because by bringing together varying backgrounds and expertise, we can generate new ideas and better processes, and foster more inclusive working conditions that create a responsible and resilient supply chain. We track supplier diversity among several categories. In FY2023, 9% of our active direct and indirect materials suppliers were owned by underrepresented groups or otherwise considered diverse by their local business organizations' standards.



**Western Digital. CEO LETTER OUR 2023 STORY GENERAL DISCLOSURES OUR STRATEGY GLOBAL GIVING** DATA **INDICES** ENVIRONMENT SUPPLY CHAIN

### **Supplier Diversity**

We value diversity in our supply chain, and we track supplier diversity among several categories. In FY2023, 9% of our active direct and indirect materials suppliers were owned by underrepresented groups or otherwise considered diverse by their local business organizations' standards.



Category in Supplier Diversity	Supplier Count
MSME – Ministry of Micro, Small, and Medium Enterprises	263
SBE – Small Business Enterprise	253
TH SME – Thailand Small and Medium Business Enterprise	186
WOB – Women-Owned Business	27
MBE – Minority Business Enterprise – Asian	25
VOB – Veteran-owned Business	13
MBE – Minority Business Enterprise – Black	12
MBE – Minority Business Enterprise – Hispanic	11
JSMS – Japan Small-Mid Size Company	10
SBA – Small Business Administration	7
SDB – Small Disadvantaged Business	6
DVBE – Disabled Veteran Business Enterprise	5
GLBT – Gay, Lesbian, Bisexual, Transgender	4
Disabled-Veteran-owned	3
PWD - People With Disabilities	3
MBE – Minority Business Enterprise – Native American	1
Grand Total	829

PG\_ 15

Learn more about our approach to Supply Chain.

Western Digital ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices

## Recycled Material Content Initiatives

2023 has seen a clear recognition of the value-driven opportunities anchored around moving from a linear economic consumption model to a circular one. Western Digital recognizes that the transition is a long journey that requires active collaboration across teams within our company and across upstream and downstream partners externally.

With a focus on both financial and sustainability value generation across our value chain, the following key initiatives have shown substantive progress in 2023:

- Reduction in virgin materials within Products and Packaging
- Evaluation and qualification of high-yield elemental and rare earth recovery partners
- Collaboration with critical direct raw materials suppliers

Our baselining process for these products included the weight of various bills of materials and the percentage of recycled content within them. In partnership with suppliers and technology teams, increases in recycled content paths were established. A long-term roadmap that advances the percent recycled content of various constituents of the product is now in place.

## **Closed Loop Recycling Assessment**

We worked on a closed loop recycling assessment for reusable and recyclable materials from Western Digital factories and end-of-life products with key suppliers. In FY2023, we also completed and received our first ever third-party verification of recycled content for two of our capacity enterprise HDD product lines. We are reviewing the results of these assessments and are working to pilot and implement best practices into our operations.



**Western Digital.** 

CEO LETTER OUR 2

OUR 2023 STORY

**GENERAL DISCLOSURES** 

OUR BUSINESS OUR STRATEGY

ENVIRONMENT

SUPPLY CHAIN

WORKFORCE

**GLOBAL GIVING** 

INTEGRITY

DATA

INDICES

PG\_ 16

## Our People

As a global company, our people are at the heart of everything we do and we believe that we are at our best when we stand together to support our vision of creating breakthrough innovation that enables the world to actualize its aspirations, we provide safe and fair working conditions where our diverse team of engineers, inventors, and makers can build a fulfilling career.

### IN THIS SECTION:

Diversity, Equity, and Inclusion 18

19 **Upskilling Our Workforce** 

20 Supporting Our People







**ENVIRONMENT** 







## Diversity, Equity and Inclusion

Our people are Western Digital's most valuable resource. We believe we can achieve the best business outcomes by empowering our diverse and talented employees to make an impact together.

### In FY2023 we:



Disclosed gender pay equity results and Employment Information Report (EEO-1) data



Earned Best Company for Millennials for the fourth consecutive year by Women's Choice Award

### **Employee Resource Groups**

Our Employee Resource Groups (ERGs) help create an inclusive culture that embraces the uniqueness of our employees. We have several ERG communities, focusing on women, LGBTQ+, racial and ethnic minorities, military, and people with disabilities. In FY2023, we introduced We.Represent for Black, Asian and other minority colleagues in EMEA to foster community and awareness of ethnic diversity throughout the company.



sources of data — including Fortune 300

reports, and press releases.

Companies, Survey Monkey, Working Mothers Best Place to Work reports, Glassdoor, annual



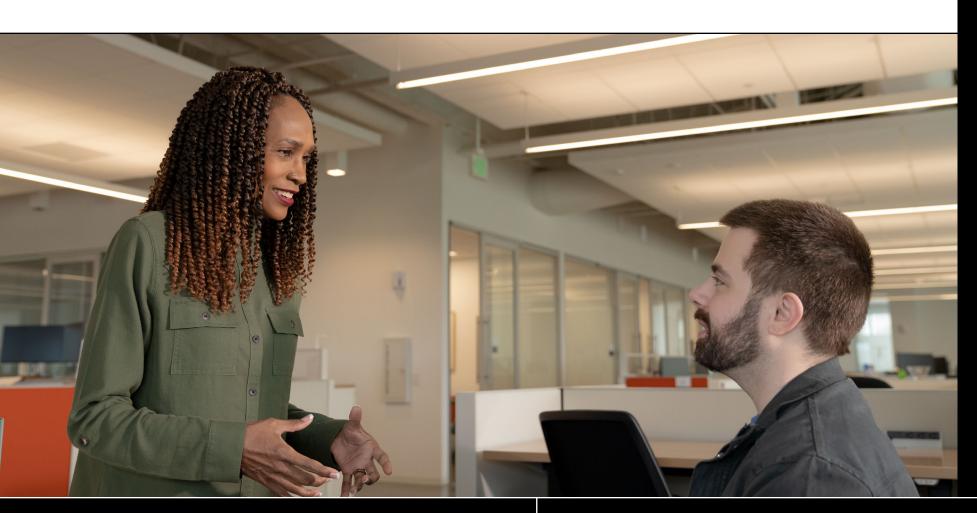
**Western Digital.** 

CEO LETTER OUR 2023 STORY

## Upskilling Our Workforce

Through strategic programs and our augmented workforce framework, we offer training and initiatives that provide opportunities for people and technology to blend and work together. We believe this will help us drive a responsible, sustainable, and inclusive transformation and growth for people while empowering them to augment their cognitive and physical capabilities as they learn to work hand-in-hand with technology. We believe this work will ultimately help build greater efficiencies across our organization that lead to greater employee learning and growth, lower rates of attrition, and greater consistency of quality in our products.

Our commitment to upskilling has always been engrained in our company. In 2020, we implemented automation of repetitive or manual hardware and software tasks by our operations team members, and trained them to use these advanced systems. Beginning in FY2023, we are focused on augmentation to automate scenario-based repetitive or manual tasks that our technicians, engineers, buyers, planners, and other team members manage for our hardware and software. These team members will receive training on how to utilize and integrate these automated tasks into their workflows. Insights gained from this automation will be used to improve processes.



## **Ecosystem of Training and Upskilling**





We. care

## **Thailand's Innovation and Training Space**

In Thailand, our innovation space brings together individuals, teams, or communities (professors, students, business partners) to foster innovation, provide resources and encourage the development of new ideas or solutions for the business.

This space is used for physical or virtual engagements that facilitate creativity, collaboration, and problem-solving. It can take the form of co-working spaces, incubators, maker spaces, or virtual collaboration platforms.

Western Digital is committed to these efforts and focuses our skills-development programs around continuous improvement initiatives.

### In FY2023, we achieved the following results:

- 72.3% of employee population trained
- 34 people-related digital initiatives completed
- 47 process-related digital initiatives completed in our Digital Transformation Journey

Recognized by Fast Company as one of the 10 most innovative manufacturing companies in calendar year 2023 for upskilling 42% of our workforce at our Penang, Malaysia facility

We. care

we. care

we. care

We. care

## Supporting Our People

### **You Matter Program**

Happy and healthy employees are more resilient, more creative, and more productive. We invest in benefits and resources that help our employees prioritize physical, mental, and financial well-being through our You Matter program, which empowers employees to champion their well-being.

### The You Matter program has 4 pillars, including:

- Health: preventative care, cancer awareness, chronic disease management, access to care
- Financial: budgeting, savings, wealth building
- Emotional: mental health awareness, mindfulness, behavioral support
- Lifestyle: nutrition, fitness, sleep

Western Digital CEO LETTER OUR 2023 STORY GENERAL DISCLOSURES OUR STRATEGY ENVIRONMENT SUPPLY CHAIN WORKFORCE GLOBAL GIVING INTEGRITY DATA INDICES PG\_ 20

We. care

We. care

# Giving to Our World

Our values — think big, create possibility, do it together, and make it happen — extend to our philanthropic initiatives in the communities where we live and work. Guided by our global strategy and powered by our local employees, we invest in our communities by focusing our philanthropy across four strategic pillars:



STEM Education



Environment



Hunger Relief



Equality

### IN THIS SECTION:

Creating Goodness Together 22

Programs and Partnerships 23











PG\_ 21

Western Digital CEO LETTER OUR 2023 STORY GENERAL DISCLOSURES OUR BUSINESS OUR STRATEGY ENVIRONMENT SUPPLY CHAIN WORKFORCE GLOBAL GIVING INTEGRITY DATA INDICES

FY2023

## **Global Giving and Doing Milestones**

31.8%

employee participation

37,335

volunteer hours invested in our communities

50

STEM scholarships offered to underrepresented students

\$400K

in equality grants provided to nonprofit organizations

10M

cumulative meals packed since 2013

## Creating Goodness Together

Collaborating with our nonprofit partners across the globe, we continue to make positive change in the communities we call home and beyond through our strategic giving pillars.



### **STEM Education**

We are working with non-profit organizations who reach out to historically underrepresented groups to foster their interest around STEM education and careers. By nurturing their interest and creating a pathway to success, we hope to develop more diverse and inclusive generation of engineers and scientists.



### **Hunger Relief**

We partner with nonprofit organizations working to eradicate the root cause of hunger while alleviating immediate needs locally and globally. In support of this, our annual Global Hunger Relief campaign brings employees together to provide critical food supplies and resources to communities in need. In addition to this Campaign, we provide grant and volunteer support throughout the year to nonprofit organizations battling food insecurity in our local communities.



### **Environment**

Around the globe, our employees come together in support of protecting, enhancing, and caring for their natural environment. Through environmental education and stewardship projects, we develop a deeper understanding of the local ecosystems and the actions we can take in sustaining them.



### Equality

In partnership with our Employee Resource Groups (ERGs) and the Office of Inclusion, we support nonprofit organizations championing a more equitable and inclusive world.

PG\_ 22

Western Digital ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices

## Programs and Partnerships

FY2023 was a year of reflection, big ideas, and action. By harnessing our employee volunteers' passion and investing in strategic partnerships with our nonprofit partners, together we were able to make a global impact while meeting the needs of our local communities.

### **STEM Scholarship Program**

Innovation drives Western Digital's technology and advancements in an ever-evolving industry. Whether it's artificial intelligence, machine learning, or data infrastructure, STEM education is the foundation of technological innovation. However, access to higher education for a deeper understanding of STEM is a challenge many students face due to financial barriers. This is especially the case for first generation college students and those who are historically underrepresented in STEM fields.

To help bridge this representation gap, in FY2023 Western Digital refocused our STEM scholarship program to support first-generation and historically underrepresented students transferring from a community college to a four-year university in pursuit of a STEM degree. In FY2023, fifty \$5,000 scholarships were offered to outstanding U.S.-based students, and we are looking forward to publicly recognizing this first cohort of recipients during FY2024.

\$5,000 scholarships offered to outstanding U.S.-based students



### E3 Employee Affinity Group

This volunteer-led group of employees unites and generates grassroots employee participation in sustainability education and work. Through the leadership of this group, employees find deeper alignment and cross-collaboration between Global Giving and Doing, Sustainability, and employee engagement opportunities that directly impact the sustainability goals our organization has set for itself.

The group discusses topics that are relevant to sustainability, from a company as well as an industry perspective. There are talks and seminars that have shown good participation levels and have helped inspire action within Western Digital and our employees. As we go forward, there is an active effort underway to enhance the quality of dialogue in this forum and expand the scope to cover Sustainability Hackathons and install structures and processes that enable employees to partake in voluntary sustainability-related technical work and more.

Western Digital, ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 23

## We.care Employee Volunteer Program

Though volunteerism has been a part of Western Digital's culture for decades, FY2023 was an exceptional year. With gratitude to our employees for their generous commitment of time, we reached the significant milestone of engaging 31.8% of our workforce in volunteerism; an increase of 23.8 percentage points from FY2022. Exemplifying our core values of thinking big and doing it together, 18,629 unique volunteers made this a banner year by leading and participating in 241 company-sponsored events that activated more than \$1.1M in volunteer grants to our nonprofit partners across the globe.

## We Are Volunteering Everywhere (WAVE) Campaign

Closing FY2023 on a tremendous note, the WAVE campaign engaged 7,395 employees across 18 sites to collectively invest 12,834 volunteer hours in their communities. During the month-long campaign, employees gathered to clean up water ways, create care packages for neighbors in need, assemble STEM kits for students, build bee houses, construct bikes, and more. The expansive scope of volunteering reflected our employees' passion and commitment to making our communities a better place for all.



### **FY2023 Volunteer Involvement**

With the support of leadership and the passion of our employee volunteers, FY23 was a record-breaking year in driving community impact. Building on our past, Western Digital employees have cumulatively achieved major milestones across the globe. Thank you to every volunteer as "We Think Big" and "We Do It Together"!

Over the last decade:

10M+

meals packed

9M+

units of blood donated

\$6M+

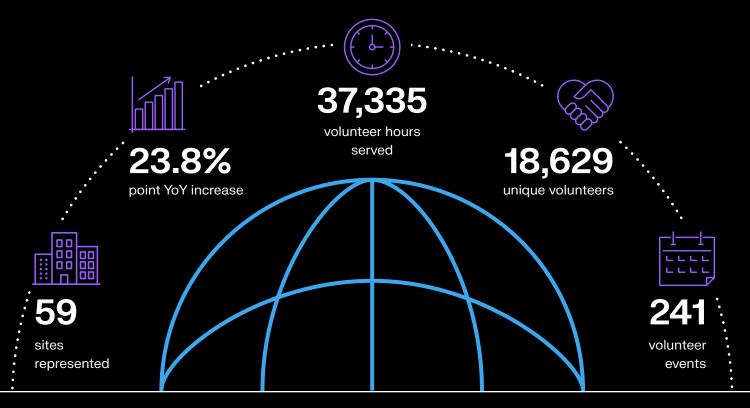
in volunteer grants for nonprofit partners raised

INDICES

PG\_ 24



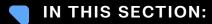
### **Total Employee Volunteerism**



Western Digital. ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data

# Doing Business with Integrity

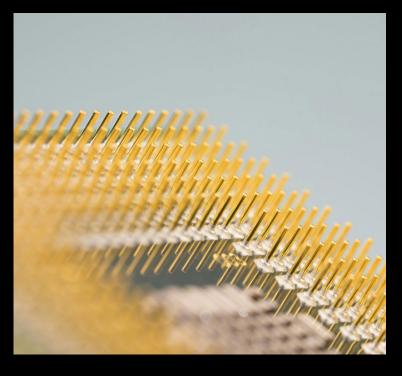
At Western Digital, global business ethics is about creating a culture committed to transparent and fair business practices. Our approach to anti-corruption is set by our Board of Directors and our Executive Leadership Team, and cascaded down to all employees, contractors, and business partners. It is fundamental to who we are and how we operate our business.



Proactive Collaboration 2

Compliance Awareness and Training 26











PG\_ 25

Western Digital, ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices

## **Proactive Collaboration**

To ensure all Western Digital business partners throughout the supply chain understand that compliance with anti-corruption laws is imperative for partnering with Western Digital, we are conducting a global review of our highest-risk business partners. Collaboration between sales and procurement teams has strengthened our operating model, leading to improved transactional visibility, embedding of anti-corruption tenets and controls in our business model, and improved transparency for our leadership.

# Compliance Awareness and Training

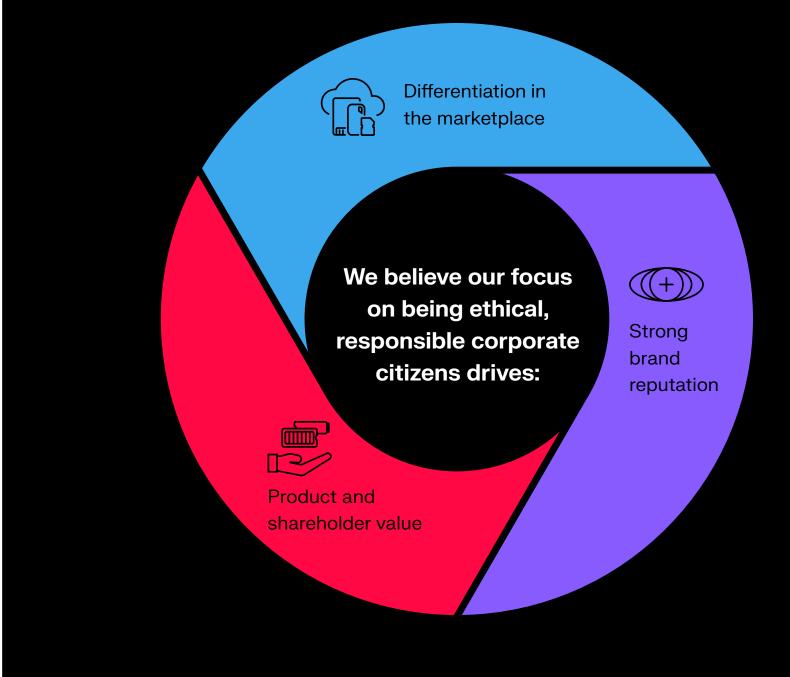
As part of our commitment to ethics at Western Digital, our teams completed annual ethics and compliance training. Leaders across the company set a strong ethical tone from the top of our business and drove their teams to complete the training. Although employees are not threatened with penalties or negative consequences for noncompletion, each year we have achieved a 100% completion rate on our online training course. Furthermore, compared to prior years we achieved this 100% completion faster, suggesting a deepening commitment to ethics and compliance among our employees.

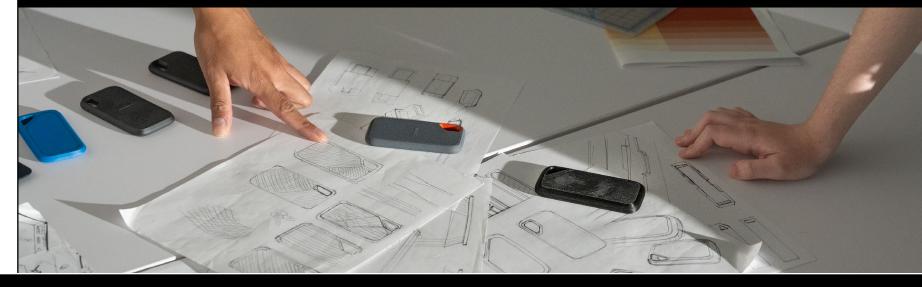
We expect that everyone at Western Digital consistently acts with integrity. We articulate this expectation in our Global Code of Conduct. As our business grows and the world evolves, we must continually focus resources and attention on our performance to ensure we remain a leader in business ethics.

5<sup>th</sup>

consecutive year being honored on Ethisphere's World's Most Ethical Companies list 100% completion rate

completion rate for annual online ethics and compliance training

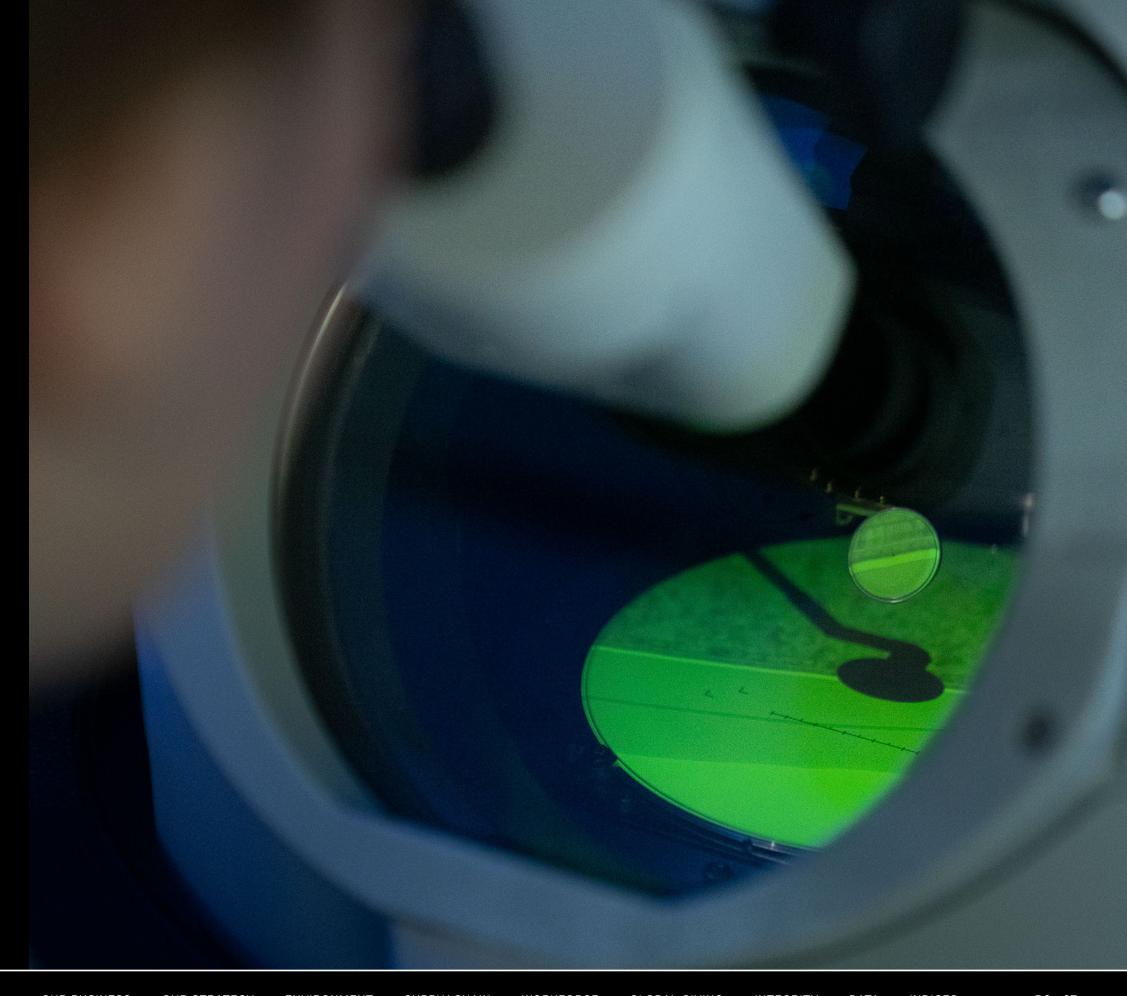




Western Digital ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 26

Fiscal Year 2023

# General Disclosures



## **Our Business**



## Our Company

**GRI 2-6** 

Western Digital is on a mission to unlock the potential of data by harnessing the possibility to use it. With Flash and HDD franchises, underpinned by advancements in memory technologies, Western Digital's broad portfolio makes powerful data storage solutions at any scale, from the smallest intelligent devices to the largest public clouds.

## A Portfolio of Consumer and **Business Brands**

Western Digital understands where memory technologies are headed, building transformative products and solutions that align with how its customers use data today and in the future. The company's portfolio includes hard disk drives (HDDs), not-and logic (NAND) Flash drives, solid-state drives (SSDs), and storage platforms, in addition to consumer products for professional, personal, and shared storage use. Our offerings are marketed under the Western Digital®, SanDisk®, and WD® brands.

## Our Operations and Workforce

GRI 2-1, 2-6

Western Digital operates in more than 30 countries, with over a dozen manufacturing and product assembly facilities. From our factories in Thailand to our research and development (R&D) centers in Israel and our engineering sites in Silicon Valley, we leverage the diversity of approximately 53,000 employees around the world to innovate boldly, unlock the power of data, and realize better business outcomes.

**Western Digital** 

**CEO LETTER OUR 2023 STORY** 

**GENERAL DISCLOSURES** 

PG\_ 28

## **Our Strategy**

### IN THIS SECTION: Building a More Sustainable Future — One Data Point at a Time 29 Materiality and Stakeholder Engagement 29 Sustainable Development Goals 30 31 Governance

## Building a More Sustainable Future — One Data Point at a Time

Customers, investors, and business leaders are demanding that sustainability be woven into the core of business. We know that operating sustainably protects our people, our communities, and our planet, and it creates value and opportunities for our company in the long run. As Western Digital further embeds sustainable practices into our business strategy, we continue to look to data and metrics to inform our priorities and initiatives.

We acknowledge that data and metrics are most effective when they are openly disclosed. We embrace transparency with our customers, partners, and peers through regular sustainability reporting and other communications to advance sustainable business practices and have a more positive impact on the world around us.

## Materiality and Stakeholder Engagement

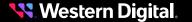
GRI 2-29. 3-1. 3-2

Western Digital conducted a double materiality assessment in FY2022 to identify, assess, and prioritize our most important ESG topics. Building on our previous assessment completed in FY2020, we collected new data through customer interviews, shareholder outreach, employee surveys and interviews, and market research. The new data elevated the materiality of several key issues while showing global consistency with results from the previous materiality exercise. The process helped us understand our most significant impacts, risks, and opportunities to better inform our business decision making.

Double materiality enables businesses to manage topics that influence enterprise value as well as topics material to the economy, environment, and people. The assessment of Western Digital's impact on society and the environment was informed by GRI's Stakeholder Inclusiveness and Materiality Principles. The assessment of the potential impacts that an issue may have on our business was informed by the financial materiality definition referenced by the SASB Standards.

## **Our Most Material Sustainability Topics**

- Chemicals and Hazardous Substances
- Data Privacy and Security
- Diversity, Equity, and Inclusion
- Ethical Business Practices
- · Energy and Climate
- Employee Health and Safety
- Global Giving and Doing
- Human Rights
- Packaging and Logistics
- Policy Influence
- Product End-of-Life Management
- Product Quality and Safety
- Responsible Materials Sourcing
- Responsible Product Use
- Talent Attraction, Engagement, and Retention
- Tech for Good
- Waste Management
- Water Management



## Sustainable Development Goals

Fulfilling the 17 Sustainable Development Goals (SDGs) by 2030 will require action from businesses like ours. We have identified three SDGs that align directly with our material sustainability priorities and represent areas where we can make the greatest contribution.

To see how our initiatives connect to additional SDGs, view our full SDG index here.



### Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

We work diligently to foster a working environment where Western Digital employees, as well as employees of our suppliers, are treated with respect and dignity and provided with fair and safe working conditions.

#### Actions taken in FY2023:

- We have adopted leading employee safety and well-being programs and practices to prioritize the mental and physical health of our people. We also occupy an important position in key world supply chains, and we leverage this unique position to foster economic growth and advancement among our employees and suppliers, benefitting the communities where we operate and the world at large.
- Read more about our human rights and labor practices.



### Ensure sustainable consumption and production patterns

We seek to provide our customers with the most advanced, innovative, and sustainable data infrastructure products in the world. We aim to minimize the environmental impact of our products throughout their lifecycle to adapt to evolving market demands.

### Actions taken in FY2023:

- We have completed lifecycle assessments (LCAs) for nine high-volume Western Digital products. These LCAs will be used to understand the environmental impacts associated with each of our products at different phases of their lifecycle and will inform creation of future products.
- Our Easy Recycle program enables customers to recycle old data storage devices safely and easily. The program has recycled more than 8,360 devices and diverted more than 3 metric tons of waste from landfills in the fiscal year.
- Read more about our products' life cycle.



### Take urgent action to combat climate change and its impacts

A continued focus on data and efficiency has helped us meaningfully reduce energy usage and emissions, even as we increase shipments of our products.

#### Actions taken in FY2023:

- Our carbon reduction goals were approved by the Science Based Targets initiative (SBTi). We have committed to reduce Scope 1 and 2 emissions by 42% by 2030 and reduce Scope 3 use-phase emissions/TB by 50% by 2030, both from a 2020 base year.
- We are achieving year-over-year progress with product energy intensity improvements and Scope 1 and 2 emissions reductions. As of FY2022, we have reduced our Scope 1 and 2 emissions by more than 14% and as of FY2023 by 20.7% vs the 2020 base year.
- Conservation actions and renewable energy acquisition both played a part in the reductions. During the relatively lower loading period, we instituted processes that placed our factory equipment at various levels of shut down, thereby conserving power in addition to active idling. We acquired bundled renewable energy by way of the Green Energy Tariff program for our sites in Malaysia.
- We signed a Virtual Power Purchase Agreement (VPPA) in West Malaysia securing 75,000 MWh/year from solar sources from FY2026.
- Read more about our energy and emissions.

PG\_ 30

### Governance

### GRI 2-9 and TCFD Governance A

Western Digital's strong corporate governance demonstrates accountability and a high level of integrity in management practices across the organization. Our Board of Directors has standing Audit, Compensation and Talent, and Governance committees; each committee operates in accordance with a written charter. Our Board and its standing committees oversee the company's strategic planning and risk management, and regularly receive updates about the company's overall sustainability initiatives and performance.

The Governance Committee is responsible for assisting our Board in overseeing the development and maintenance of our corporate responsibility and sustainability policies, practices, and programs. The committee has specific responsibility for periodically reviewing our policies and practices related to human rights, environmental and climate change, and other topics as may be designated by our Board from time to time. The Governance Committee receives updates from our sustainability group and management at least three times each year and discusses implementation of new sustainability initiatives.

In addition, the Compensation and Talent Committee periodically reviews our people policies and programs, including those focusing on talent attraction, engagement and retention, and Diversity, Equity, and Inclusion (DEI). The Audit Committee oversees Western Digital's enterprise risk management process, including assessments and policies, and has oversight of the Ethics and Compliance program.

The Audit Committee is also responsible for reviewing the implementation of legal or regulatory requirements regarding public disclosure of topics covered by our corporate responsibility and sustainability programs and management's controls and procedures with respect to these disclosures.

Our executive leadership team sets and oversees our global sustainability strategy, with our corporate sustainability function directing the implementation of that strategy, including public reporting. A cross-functional Sustainability Working Group drives specific sustainability initiatives throughout the company and includes representatives from Corporate Sustainability, People Solutions, Supply Chain Management, Quality, Sales and Marketing, Global Operations, Research and Development, Corporate Strategy, and Ethics and Compliance.

Our Board comprises a majority of independent directors, including an independent Chair of the Board and a Lead Independent Director. Each director is elected annually by a simple majority of shareholder votes. As the strategic direction of Western Digital evolves, we remain committed to ongoing Board refreshment and diversity. Our Corporate Governance Guidelines require the Governance Committee to include — and instruct any search firm it engages to include — women and members of underrepresented communities in the pool from which the committee selects director nominees. This provision reflects our Board's continued commitment to diversity in the boardroom.

For more information, please refer to our 2023 Proxy Statement and Corporate Governance Guidelines.



Western Digital, ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices

## Environment

IN THIS SECTION:

Energy and Emissions

Product Life Cycle Impacts

Chemical and Hazardous Substances

32

38

40

## **Energy and Emissions**

### **Management Approach**

### **GRI 3-3**

Climate change is one of the most significant concerns facing our world today. As a global enterprise with operations in several particularly vulnerable regions of the world, Western Digital is especially sensitive to the effects of climate change. We are committed to doing our part to decrease GHG emissions, reduce energy consumption, lower our climate impacts, and improve climate resiliency.

Our Global Operations Sustainability organization is responsible for overseeing and enabling progress on energy and emissions, product lifecycle impacts, and responsible supply chain. Our Corporate Real Estate & Workplace (CREW) organization is responsible for energy conservation across facilities. The Global Energy and Resource Management Program Management Office (PMO) analyzes trends

in manufacturing production and associated energy consumption to recommend our corporate-level reduction targets and strategy. Each of our manufacturing sites uses this target as the basis for establishing their energy conservation projects and initiatives. These projects are the basis for our GHG reduction program. Each site provides status reports to the ERM PMO and corporate management team semi-annually.

Additionally, the Global ERM Committee analyzes near-term energy efficiency improvement projects' performance against targets, meeting semi-annually to report progress and share best practices. Representatives from each manufacturing site are responsible for identifying and monitoring energy efficiency improvement projects.

### **Integrated Management System**

Western Digital uses an Integrated Management System (IMS) to manage corporate quality, environmental, health and safety, and business continuity standards. Our IMS continually evolves, helping us more effectively measure and disclose our commitment to protecting the environment, our people, and our business sustainability. Our IMS Policy includes a commitment to protect the environment and is underpinned by industry-recognized environmental certification for all sites on a global multi-site certificate to ISO 14001:2015.

Visit our Corporate Responsibility Resource Center webpage for more information on certifications earned through the IMS.



**ENVIRONMENT** 



### **Targets and Goals**

In June 2023, we set four new environmental goals. Our new target commitments include:

- Running our global operations on 100% renewable energy by 2030
- Achieving net zero emissions in the company's operations (Scope 1 and 2 emissions) by 2032
- Reducing water withdrawals by 20% by 2030
- Diverting more than 95% of our operational waste from landfills by 2030

We have also committed to reduce our Scope 1 and 2 emissions by 42% by 2030, from a 2020 base year. We have also committed to reduce Scope 3 use-phase emissions per terabyte by 50% by 2030 from a 2020 base year. These targets were approved by the <u>Science Based Targets initiative (SBTi)</u> in September 2021. As of the end of FY2023, we have reduced our Scope 1 and 2 emissions by more than 20%, putting us nearly a third of the way to our 2030 Goal in just two years.

To achieve our 2030 Goals, we are focused primarily on energy reductions through increased operational efficiencies, adoption of on-site solar, and direct procurement of renewable energy. We consider available opportunities across all of our operations and locations and implement them where practical after careful evaluation. We are making progress in several areas:

- As of mid-2021, Western Digital's facilities in Northern California run on 100% renewable energy.
- As of 2023, our Philippines Laguna site runs on 100% renewable energy.
- In Thailand, we continue to work closely with the Energy Regulatory Commission and the Electricity Generation Authority of Thailand to explore the Utility Green Tariff program.
   We plan to procure additional renewable energy to support 3 manufacturing locations beyond the 180,000 MWh per year secured via the Sandbox program for FY2023 and FY2024.
- Western Digital is working to implement on-site solar at multiple facilities around the world. One facility in Malaysia began generating power in early 2023, and we are planning to expand this capacity in FY2024.

- We are participating in the Green Electricity
   Tariff program run by the Malaysian government
   and local utilities. This program allows us
   to procure renewable energy for certain key
   Western Digital sites in Malaysia, and to
   support the development of renewable energy
   in the region.
- Our site in Shanghai received TRUE Zero Waste Gold Level Certification in early FY2023.

Additionally, we completed an analysis of our FY2022 Scope 3 GHG inventory to better understand our value chain impacts and to support the development of the science based target. The results of this inventory have been published in Western Digital's response to the 2023 CDP Climate Change Questionnaire. We will also complete the analysis of our FY2023 Scope 3 emissions and disclose those results publicly in the 2024 CDP Climate Change Questionnaire.

Furthermore, Western Digital remains focused on energy conservation. In FY2023, we set an assertive target for energy conservation measures corresponding to >2.0% reduction of energy use over FY2022. We met this annual target and completed planned energy conservation measures corresponding to >2.0% reduction.

PG\_ 33

Western Digital. ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices

### Energy Resource Management Program

We reduce the amount of energy and carbon in our operations through various Energy Resource Management (ERM) Program initiatives. Since 2007, we have saved approximately \$55 million in energy costs by reducing our energy consumption while collecting critically important information and data.

All major manufacturing and R&D facilities participate in our global ERM Program. Working as one global team, we focus on collaboration and promote knowledge sharing across locations to identify opportunities to optimize energy and water use and responsible waste management. In FY2023, our ERM team achieved our 2% annual reduction target for all energy, water and waste. We have improved our efficiency each year since the ERM program was reestablished in 2014.

ERM data is collected and managed on a common global application. Reports are communicated internally to a leadership team from Finance, Facilities, Manufacturing Operations, and Corporate Sustainability for their review. In FY2022, we conducted a normalized analysis to compare ERM performance between similar sites (e.g., comparison between two final assembly plants). Analysis showed significant

differences in normalized utility consumption between locations. Thus, we launched an ERM benchmarking project to better understand differences in operations and processes and identify opportunities for further utility optimization. All data will be openly shared between facilities to promote collaborative, collective improvement.

Western Digital's CRE and Global Operations organization conduct regular assessments with local energy management experts to review current operational processes and identify opportunities for higher energy efficiency. For example, we increase reliance on high-efficiency machines and further promote energy efficiency through cost-neutral, procedural, or behavioral changes.

### **Internal Audits**

### **GRI 3-3**

Western Digital conducts audits of our Environmental Management System as part of our broader IMS implementation. All Western Digital sites use IMS procedures for internal audits, controlled at the corporate level through our Central Program Office, which allow us to apply corrections and lessons learned across our numerous sites.

## Climate Risk Management and Resiliency

TCFD Governance B and Risk Management A, B, and C

At Western Digital, we actively monitor and manage our impact on the environment, as well as the environment's potential impact on our business. Our executive leadership team reviews and evaluates our enterprise risks each year in conjunction with our Enterprise Risk Management Program. Several risks — including climate-related risks — are assessed as a matter of course. Risks identified during this process are assigned to functional or regional leaders for management and/or mitigation, depending on the characteristics of the risk. Key enterprise risks are raised to the Audit Committee and full Board. If climate-related issues rise to the level of a key enterprise risk, they will be reviewed as part of this process. The Audit Committee of the Board has responsibility for oversight of the Enterprise Risk Management program.



Western Digital. CEO LETTER OUR 2023 STORY GENERAL DISCLOSURES

### Climate Scenario Analysis

### TCFD Strategy C

In 2021, Western Digital partnered with BSR, a global nonprofit that works with its network of over 250 member companies to build a just and sustainable world. Together we developed three scenarios for 2030 which explored climaterelated risks and opportunities, third-party climate data points and other key uncertainties relevant to Western Digital's business. The scenario analysis was completed in alignment with TCFD expectations. The scenario analysis process involved the following steps:

- Understanding Context: BSR interviewed internal stakeholders to identify key trends that are shaping Western Digital's future operating context. BSR conducted complementary research on trends (environmental, economic, social, political, and technological) relevant to Western Digital's industry and geography.
- Scenario Development: Western Digital leveraged a set of three 2030 scenarios developed by BSR for the We Mean Business coalition, with extensive input from the climate community. The scenarios were augmented with industry and geography trends and incorporated credible climate projections (from  $\sim 1.5$ °C  $- \sim 4$ °C) for emissions reductions and climate impacts, as shown in Figure 1. Furthermore, whereas third-party climate projections consider a small range of variables, e.g., fuel mix, GDP growth, etc., the scenarios used by Western Digital augmented these with consideration of additional factors such as political developments, emerging technologies and new business.

 Strategic Implications: A workshop was conducted with internal Western Digital stakeholders to identify the potential risks and opportunities for each scenario as well as ideas to enhance Western Digital's resilience and refine our strategy.

As a result of this process, we identified three areas of our strategy that may incur risks and opportunities across all scenarios. These scenario insights will be reviewed by Western Digital's Sustainability and Enterprise Risk Management teams and incorporated into our strategy and risk management processes as deemed necessary.

In FY2022, we engaged with Jacobs Solutions to perform a detailed Vulnerability Assessment to identify key vulnerabilities related to climate and climate-related physical hazards, other physical hazards, human factors, and transition factors across our global facilities. As part of this effort, we are developing an interactive geospatial tool that presents vulnerability assessment data (such as hotspot areas and key site hazards) via an easy-to-understand graphic interface. By more effectively integrating up-to-date vulnerability assessment information into our business processes, we expect to improve operational resilience. The assessment is aligned with the TCFD framework, including future scenario analysis up to 2050 under different IPCC scenarios.

We disclose additional TCFD-aligned information, including information to support climate-related governance, strategy, risk management, and metrics and targets in our annual response to the <u>CDP Climate Questionnaire</u>. Our recent CDP Climate Change responses can be found on our Corporate Responsibility website.

To view how our disclosures demonstrate alignment with TCFD, view our TCFD Index linked here.

### TCFD Climate Scenario Analysis

Scenario Name	Automation Acceleration	Walled World	Resilient Rebirth
Key Parameters	A geopolitically fragmented world, a slow global economy and ramping-up climate impact	A geopolitically fragmented world, a challenging economic situation and scaled environmental shocks	A recovering economy fully embracing the low-carbon transition in a cooperative way, still subject to environmental shocks
Temperature Assumptions	+3°C	+4°C	+1.5°C
(above pre-industrial levels by 2100)	Slowly declining emissions	Rising emissions	Strongly declining emissions
Emissions Reduction Models	Representative Concentration Pathway 6.0	Representative Concentration Pathway 8.5	Representative Concentration Pathway 2.6
	Shared Socioeconomic Pathway 4 (low challenges to mitigation, high challenges to adaptation)	Shared Socioeconomic Pathway 3 (high challenges to mitigation and adaptation)	Shared Socioeconomic Pathways 1 (low challenges to mitigation/adaptation)

¹The Representative Concentration Pathways (RCPs) represent different emissions, concentration, and radiative forcing projections leading to a large range of global warming levels, from continued warming rising above 4 °C by the year 2100 to limiting warming well below 2 °C as called for in the Paris Agreement (RCP Database – Version 2.0). These were used in the IPCC Fifth Assessment Report. The Shared Socioeconomic Pathways (SSPs) build upon the RCPs by modeling how socioeconomic factors, such as economic, population and technology developments may impact actual emissions reductions (SP Database – Shared Socioeconomic Pathways – V 2.0). These will be included in the IPCC Sixth Assessment Report.² Gender data is based on self-identification.

Western Digital, ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 35

### **Key Metrics**

### **GRI 2-5**

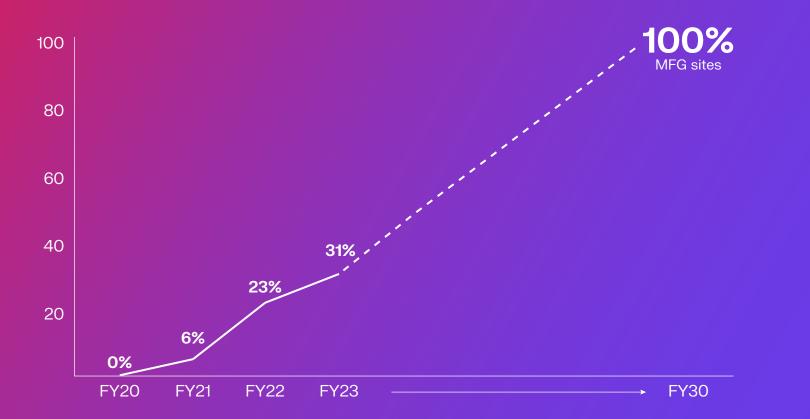
We are proud of our efforts to minimize operational energy use and the resulting emissions. Our FY2023 GHG emissions inventory is currently undergoing limited assurance. For the full verification report, please visit the Corporate Responsibility Resource center on our corporate website to view the statement of assurance once it is made available. We also communicate our efforts with external stakeholders through our annual response to CDP's climate change questionnaire.

### TCFD Metrics and Targets A and C

Western Digital commits to reduce absolute Scope 1 and 2 GHG emissions 42% by FY2030 from a FY2020 base year. Western Digital also commits to reduce Scope 3 GHG emissions from use of sold products 50% per petabyte capacity sold by FY2030 from a FY2020 base year.

The targets covering GHG emissions from company operations (Scopes 1 and 2) are consistent with reductions required to keep warming to 1.5°C.

## Renewable Energy Progress



### GRI 302-1, TC-SC-130a.1

Energy consumption within the organization <sup>1</sup>	FY2021	FY2022	FY2023	FY2021	FY2022	FY2023
	GIGAWATT HOURS			TF	RILLION JOULE	S
Total fuel consumption from nonrenewable sources (gas/oil)	159.6	164.7	160.8	574.6	592.7	578.9
Total fuel consumption from renewable sources	0.0	0.0	0.0	0.0	0.0	0.0
Total Electricity consumption	1,941.4	1,996.2	1,755.4	6,989.1	7,186.2	6,319.4
Electricity consumption from renewable sources	279.9	467.9	485.1	1,007.6	1,684.5	1,746.4
Electricity consumption from nonrenewable sources	1,661.5	1,528.2	1,270.2	5,981.5	5,501.7	4,572.7
Total energy consumption	2,101.0	2,101.0	1,916.2	7,563.7	7,563.7	6,898.3

<sup>&</sup>lt;sup>1</sup> Data includes the main research, development, and manufacturing facilities owned by Western Digital Corporation in each fiscal year. These facilities are located in the United States, China, India, Israel, Japan, Malaysia, Philippines, and Thailand. Western Digital continues to reference the Greenhouse Gas Protocol (GHG Protocol), the most widely used international accounting tool for government and business leaders, to understand, quantify, and manage GHG emissions.

### GRI 302-3

Energy Intensity	FY2021	FY2022	FY2023
Energy intensity ratio (kWh/PB) <sup>1</sup>	3,883.6	3,350.1	3,829.3

<sup>&</sup>lt;sup>1</sup>The energy intensity ratio is based on energy consumed within the organization and is measured in kilowatt-hours per petabyte. Types of energy included are fuel and electricity. The denominator is shipped storage capacity.

Western Digital. ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 36

#### GRI 305-1, SASB TC-SC-110a.1

Total Direct (Scope 1) GHG Emissions (CO <sub>2</sub> e-ton)	FY2021	FY2022	FY2023	Conversion Factor
CO <sub>2</sub> (gas/oil + cleaning)	33,558.3	34,485.0	36,447.8	1
CH <sub>4</sub>	0.0	0.0	0.0	N/A
N <sub>2</sub> O	0.0	0.0	0.0	N/A
HFCs <sup>1</sup> (HFC-23, HFC-32, HFC-134a)	903.6	4,438.0	1,206.4	HFC-23: Multiple factors: 12,400 (lbs/lbs) 3,047 (lbs/lbs) HFC-32: 677 (lbs/lbs) HFC-134a: 1,300 (lbs/lbs)
HFC-43-10 <sup>2</sup>	0.0	0.0	88,496.9	1,650 (lbs/lbs)
PFCs	0.0	0.0	0.0	N/A
SF <sub>6</sub> <sup>3</sup>	2,324.1	270.0	629.0	Multiple factors: 23,500 (lbs/lbs) 10,575 (lbs/lbs) 9,623 (lbs/lbs)
NF <sub>3</sub> <sup>4</sup>	4.7	0.2	1.2	2,898 (lbs/lbs)
CF <sub>4</sub> <sup>3</sup>	409.4	58.0	107.2	Multiple factors: 6,630 (lbs/lbs) 4,774 (lbs/lbs) 4,344 (lbs/lbs)
	3.5	7.4	8.0	6,010 (lbs/lbs)
HFE7100⁵	7,540.1	8,214.6	11,529.4	421.0 (lbs/lbs)
HFE7200 <sup>5</sup>	8.6	8.6	14.8	57 (lbs/lbs)
HCFC-22 <sup>5</sup>	93.1	156.8	620.2	1,760 (lbs/lbs)
HCFC-122 <sup>6</sup>	0.0	10.6	0.0	59 (lbs/lbs)
HCFC-123 <sup>5</sup>	14.2	42.8	141.2	79 (lbs/lbs)
R-404A <sup>7</sup>	1,292.5	1,535.9	12.4	3,943 (lbs/lbs)
R-407C <sup>8</sup>	0.0	0.0	206.3	1,624 (lbs/lbs)
R-410A <sup>9</sup>	0.0	82.9	559.4	1,923 (lbs/lbs)
R-508B <sup>10</sup>	0.0	0.0	0.0	11,607 (lbs/lbs)

Total Direct (Scope 1) GHG Emissions (CO <sub>2</sub> e-ton)	FY2021	FY2022	FY2023	Conversion Factor
R-514A	0.0	0.0	2.1	2,000 (lbs/lbs)
Total Scope 1	46,152.0	48,310.7	139,982.3	

<sup>&</sup>lt;sup>1</sup> The conversion factor for HFC-23 is calculated by Western Digital. It is determined by facility based on the international technical review of the abatement process in manufacturing. The conversion factor for HFC-134a is based on the Intergovernmental Panel on Climate Change (IPCC) fifth assessment report, 100-year number.

#### GRI 305-2

Total Indirect (Scope 2) GHG Emissions (CO <sub>2</sub> e-ton) <sup>1</sup>	FY2021	FY2022	FY2023
CO <sub>2</sub> e <sup>2</sup>	929,882.7	841,669.2	683,977.1

<sup>&</sup>lt;sup>1</sup> Scope 2 market-based emissions; all gases CO<sub>2</sub>, CH<sub>a</sub>, and N<sub>2</sub>O are included.

#### GRI 305-3

Other Indirect (Scope 3) GHG Emissions (CO <sub>2</sub> e-ton)	FY2021	FY2022	FY2023
Category 6: Business Travel <sup>1,2</sup>	361.6	5,442.7	7,547.9
Category 11: Use of Sold Products <sup>3</sup>	6,127,263.0	6,603,594.0	4,314,614.2

<sup>&</sup>lt;sup>1</sup> At this time, reported Scope 3, Category 6: business travel emissions include business air travel only.

Note: Our complete FY2020, FY2021, and FY2022 Scope 3 inventories are disclosed in our 2021, 2022, and 2023 CDP Climate Change response, which are posted on our <u>Corporate Responsibility website</u>.

Western Digital, ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 37

<sup>&</sup>lt;sup>2</sup> Western Digital has updated its Scope 1 inventory and is reporting emissions for HFC-43-10 beginning in FY2023.

<sup>&</sup>lt;sup>3</sup> Some facilities use the IPCC fifth assessment report, 100-year number, and others use conversion factors determined by facility based on the international technical review of the abatement process in manufacturing.

<sup>&</sup>lt;sup>4</sup> Calculated by Western Digital: the conversion factor is determined by facility based on the international technical review of the abatement process in manufacturing.

 $<sup>^{\</sup>rm 5}$  IPCC fifth assessment report, 100-year number.

<sup>&</sup>lt;sup>6</sup> IPCC fifth assessment report, 100-year number.

<sup>7</sup> Global warming potential (GWP) is calculated based on component gases' GWPs (44% HFC-125, 4% HFC-134a, 52% HFC 143a).

<sup>&</sup>lt;sup>8</sup> GWP is calculated based on component gases' GWPs (25% HFC-125, 52% HFC-134a, 23% HFC-32).

<sup>&</sup>lt;sup>9</sup> GWP is calculated based on component gases' GWPs (50% HFC-32, 50% HFC-125).

<sup>&</sup>lt;sup>10</sup> GWP is calculated based on component gases' GWPs (39% HFC-23, 61% PFC-116).

<sup>&</sup>lt;sup>2</sup> International Energy Association (IEA) emission factors

<sup>&</sup>lt;sup>2</sup> Defra emission factors.

<sup>&</sup>lt;sup>3</sup> IPCC sixth assessment report, 100-year number, grid emission factor.

# Product Lifecycle **Impacts**

#### Management Approach

**GRI 3-3** 

Adopting circular economy principles is the way of the future. Partnering with our customers at every step, we aim to minimize the environmental impact of our products throughout their life cycle and adapt to evolving market demands.

Western Digital's engineering teams including Research and Development (R&D), Manufacturing, and Quality Management — are responsible for managing our product life cycle impacts. Our R&D team helps ensure product efficiency by design. In collaboration with our Corporate Sustainability function, the Product Environmental Compliance (PEC) team under our Quality Management organization manages Western Digital's overall life cycle assessment (LCA) process.

#### Design

Maximizing functional storage produced on a materials-used basis starts with efficient product design. Our product channels and vertical integration allow us to exactly match the storage we produce to product cost and performance requirements ranging from stringent original equipment manufacturer

(OEM) requirements to consumer products. while maximizing manufacturing efficiency and reducing material waste. We strive to reduce the power consumption of our devices and raw materials usage on a per-byte basis and to increase capacity of our storage devices in a given form factor, which results in better energy and materials management per byte of storage.

#### **Lifecycle Assessments**

Western Digital continued our progress with product LCAs, in accordance with ISO 14040 and ISO 14044, to understand impacts associated with each life cycle phase. In FY2023, we completed a ISO-conformant life cycle assessment to evaluate the impacts of our products. We currently have conducted a total of nine product LCAs and several carbon footprint summaries are available on our Corporate Responsibility website. We are using the LCA data to identify the most significant opportunities to reduce our impacts.

> For more information, see Western Digital's WEEE Statement.

#### **Product Energy Efficiency and Emissions**

Ongoing growth in demand for data storage can lead to increases in product-related energy consumption, driving our customers to ask for product energy reductions. Western Digital works to meet these demands by investing in the engineering required to continuously reduce our HDD and flash-based product energy needs.

We extensively test our HDDs as part of the manufacturing process to confirm integrity and energy performance. To reduce manufacturing energy and minimize capital expenditures for test equipment, we continuously work to improve our testing efficiency and reduce overall test time. While market demands require larger drive sizes, which tend to increase per-product test times, our engineering teams work to keep energy intensity for such tests trending downward.

#### **Product End-of-Life**

We are committed to making product recyclability easy. We abide by the European Union Waste Electrical and Electronic Equipment (WEEE) directive. We label Western Digital products and/or packaging with the appropriate endof-life symbols for their respective regions. Additionally, we have established global minimum requirements for handling and disposing of electronic waste (e-waste) from our own facilities and offices to eliminate or minimize negative environmental impact.

Western Digital is currently transitioning to circularity by mapping value streams to identify circular opportunities for data storage devices. The internal circular operating model consists of life extension, reuse and resell of drives, and advanced recycling. We model the projected rates of retired drives that are currently being shredded. Meanwhile, internal drives previously designated for testing are being repurposed. Our intent is for both internal and external failed drives to go through an elemental recovery phase to achieve high throughput and maximize yield. The desired outcome is to have a greater than 90% recycled yield including rare earth metals recovery.

#### **Packaging**

**GRI 3-3** 

As a company of innovators, we seek to constantly push boundaries in all aspects of our products — and packaging is no exception. Packaging is an essential part of any product. Aside from providing a positive first-brand touchpoint or great out-of-the-box experience for the customer, packaging protects products during shipping and warehousing and, when done right, can dramatically reduce storage, handling and shipping costs.

In FY2023, we extended our years-long effort to make our packaging more sustainable and efficient. We are actively increasing the usage of recycled content in our packaging and innovating to reduce packaging materials generally.

These multi-year efforts resulted in the following impacts in FY2023:

- HDD packaging: third-party verified to contain 45-64% recycled content
- Paper:
  - Redesigned Flash product packaging to reduce paper usage by approx. 35% weight
- HDD: 95% recycled paper materials for carton boxes
- Plastic pallets for enterprise products:
  - HDD: 30% recycled polypropylene
- Plastic trays for bulk flash products:
  - Redesigned plastic trays to use approx. 50% less PET plastic by weight
- Increasing use of recycled PET to 25%



**ENVIRONMENT** 

DATA

# **Key Metrics**

To underscore our commitment to minimizing the environmental impacts of our products, we track specific metrics that align with our strategic objectives. We are proud to report consistent year-over-year reductions in GHG emissions intensity for both HDD and SSD products since 2020.

#### GRI 302-5

Electrical Power Savings	FY2021	FY2022	FY2023
Annual electrical power savings due to HDD power efficiency innovations (million kWh)	2,231.61	2,988.11	3,627.9

<sup>&</sup>lt;sup>1</sup> The annual electrical power savings for FY2021 and FY2022 have been restated from previously published data due to an update of the supporting data.

#### GRI 305-4

GHG Emissions Intensity <sup>1</sup>	FY2021	FY2022	FY2023
GHG emissions intensity ratio — HDD (Tons/PB) <sup>2</sup>	1.7	1.2	1.4
GHG emissions intensity ratio — SSD (Tons/PB) <sup>2</sup>	2.6	2.2	2.5

<sup>&</sup>lt;sup>1</sup> The denominator used to calculate the GHG emissions intensity ratio is shipped memory capacity.

#### GRI 306-3, 306-4, 306-5, TC-SC-150a.1

Waste Metric Tons	FY2022 <sup>1</sup>	FY2023
HAZARDOUS WASTE		
Hazardous Waste Diverted	7,119.4	2,496.6
Hazardous Waste Disposed	4,598.3	4,394.5
Total Hazardous Waste	11,730.7	6,891.4
NON-HAZARDOUS WASTE		
Non-Hazardous Waste Diverted	8,355.3	9,848.2
Non-Hazardous Waste Disposed	2,915.5	3,391.4
Total Non-Hazardous Waste	11,784.9	13,285.2
Total Waste Generated	23,515.6	20,176.6
Waste Reuse/Recycle/Recover Rate	65.8%	61.2%

<sup>&</sup>lt;sup>1</sup> Due to updates of the underlying data, waste-related data for FY2022 has been restated.

#### TC-HW-410a.4

End-of-Life Material <sup>1</sup>	FY2023 <sup>2</sup>
Total # of devices recycled	30,325.0
Total amount of waste diverted from landfill by program (metric tons) <sup>2</sup>	12.7

<sup>&</sup>lt;sup>1</sup> Represents material recovered through Western Digital's Easy Recycle Program. Recovery partner holds an e-Steward certification.

**Western Digital** 

<sup>&</sup>lt;sup>2</sup> Includes Scope 1 and market-based Scope 2 GHG emissions and all gasses CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub> and NF<sub>3</sub>.

<sup>&</sup>lt;sup>2</sup> Results are cumulative from the program's inception in April 2020 through the end of the specified fiscal year.

# Chemicals and Hazardous Substances

### Why it Matters

#### **GRI 3-3**

The manufacturing process for storage drives requires the use of chemicals. Our workers may come into contact with chemicals during product manufacturing, so we strive for risk-free worksites and products, innovating to minimize the use of hazardous chemicals as we seek safer alternatives.

# **Management Approach**

#### **GRI 3-3**

Two teams are responsible for managing chemicals and hazardous substances in our operations and products:

- Global Environmental Health and Safety team:
   Sets corporate environmental, health, and safety
   management requirements for operational
   use of chemicals in Western Digital's research,
   development, and manufacturing operations.
- Product Environmental Compliance team: Ensures products meet worldwide environmental regulations, including the EU Directive on the Restriction of the use of certain Hazardous Substances (RoHS);

the EU Registration, Evaluation, Authorization and Restriction of Chemicals (REACH); the EU WEEE; the EU Packaging and Battery Directives; and our OEM customer requirements. Our PEC team sets specifications on use of hazardous chemicals and International Electrotechnical Commission (IEC) 62474 declarable substances based on all applicable legal regulations. All product suppliers are required to provide a Material Declaration Data Sheet (MDDS), inductively coupled plasma-atomic emission spectrometry (ICP-AES) laboratory test reports, and an Environmental Declaration of Compliance to ensure conformity with our specifications. We use the Compliance MAP database to store the supplier MDDS reports and manage environmental compliance for all our products.

In FY2023, we maintained a recordkeeping system to document compliance with all requirements (including full material declarations, test reports and CoC reports) and implemented compliance assurance tools such as C2P and CMAP to track compliance data of our products. We also established a process to report compliance issues to senior management and developed a root cause analysis process. Our PEC processes have remained up to date with new market regulations and customer requirements and we have responded to requests with 100% customer satisfaction. We have regularly passed audits conducted by major OEM customers.

For more information on our IMS, please see the <u>Energy and Emissions section</u> of this report.

#### **Policies**

Western Digital's Policy describes our commitment to environmental compliance for all of our products and operations IMS, including chemicals and hazardous substances management.

Additionally, our PEC Engineering Specification and Requirements for Materials, Parts and Product Protective Packaging identifies the product requirements of the PEC team. We send the specification to all relevant suppliers and update the specification regularly.

#### **Responsible Manufacturing Practices**

We believe in a proactive approach to managing product chemicals and hazardous substances in our operations and our products.

Our Global Environmental Health and Safety
Operational Control Requirements Manual sets
our minimum corporate requirements for chemical
management within Western Digital's operations.
It covers authorization and use of chemicals prior
to purchasing, maintenance of chemical Safety
Data Sheets, planning and response, and spill
prevention and mitigation. We enforce specific
site-level procedures and regulations for safe
chemicals management and storage during all
stages of chemical use.

All of Western Digital's global operations follow the United Nations Globally Harmonized System of Classification and Labeling of Chemicals to protect our manufacturing workers from chemicals and hazardous substances. We provide routine training to workers using this framework.

## **Key Metrics**

During FY2023, Western Digital saw zero dollars in fines for product environmental non-compliance. Though Western Digital products generally contain IEC 62474 declarable substances, we meet all legal requirements for those substances. The main IEC 62474 declarable substances used in Western Digital products — lead and nickel — are fully compliant with regulations wherever our products are sold:

- Lead is exempted under the EU's RoHS regulations and Western Digital's use of lead is consistent with those regulations.
- Nickel is used as a component plating, which does not come into contact with consumers/users.

Our PEC team monitors our company-specific key performance indicators and reports them to the Vice President, Operations, Customer, and Corporate Quality quarterly. We are proud to report we met our FY2023 target to respond to 100% of customer product environmental inquiries on time.

#### TC-HW-410a.1, TC-SC-410a.1

IEC62474 Declarable Substances	FY2021	FY2022	FY2023
Percentage of products by revenue that contain IEC 62474 declarable substances <sup>1</sup>	100%	100%	100%

<sup>&</sup>lt;sup>1</sup>Though Western Digital's products generally contain IEC 62474 declarable substances, we meet all legal requirements for those substances. The main IEC 62474 declarable substances used in Western Digital products — lead and nickel — are fully compliant with regulations wherever our products are sold.

Western Digital, ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_40

# Supply Chain

# IN THIS SECTION: Human Rights and Labor Practices Critical Minerals and Metals Supply Chain Resiliency

### 50

PG\_ 41

43

# **Our Approach**

Our supply chain approach, detailed below, has the overall objective of increased resiliency and accountability, which we believe will lead to better working conditions and, as a result, a more responsible and resilient supply chain.

Western Digital has an extensive in-house manufacturing network and hundreds of global production parts, suppliers, and contract manufacturers across the globe. We rely on our suppliers to provide the materials typically used in the type of products we develop, including tantalum, tin, tungsten and gold (3TG) minerals, chemicals and additives, components, and packaging necessary to manufacture our products. Our manufacturing and assembly facilities and contract manufacturers in China, Malaysia, Thailand, the Philippines, Taiwan and the United States develop the products we ship globally. The majority of Western Digital's manufacturing workforce comprises directly hired employees whom we employ and manage. Because our employees are our most valuable asset, we take specific measures to oversee their working conditions and protect their long-term well-being. And we take steps to employ new predictive procurement tools and processes that can enable us to avoid supply chain risk and disruption more easily.

# Human Rights and Labor Practices

### **Management Approach**

GRI 3-3

Respecting and upholding human rights is a foundational aspect of how we do business. We work diligently to ensure that Western Digital and supplier employees are met with a working environment where they are treated with respect and dignity and are provided with fair and safe working conditions.

Our human rights and labor approach includes policies, due diligence, stakeholder engagement, and grievance mechanisms and remedies. Western Digital's Responsible Sourcing Management team, under the Global Procurement function, is responsible for continuously monitoring potential human rights violations in our supply chain, primarily through the use of Responsible Business Alliance (RBA) Validated Assessment Program (VAP) audits.

#### **Policies**

Western Digital has a set of tiered policies regarding human rights. First and foremost, our <u>Global Human Rights Policy</u> outlines the company's commitment to respecting human rights, both in our operations and supply chain.

In addition, we set forth expectations for all Western Digital employees in our Global Code of Conduct — published in 9 languages — on which all employees receive annual training. Human Rights and Labor Practices Country-specific Work Rules and policies and factory-level policies reinforce our commitment to treat all employees with dignity and respect. Our Supplier Code of Conduct sets policy expectations for our suppliers. They must additionally communicate these expectations downstream through the rest of our supply chain and monitor compliance.

Each factory's general manager commits to abiding by our Global Code of Conduct, our Supplier Code of Conduct and country-specific Work Rules. Our company policies adhere to applicable local labor laws and conform to the Responsible Business Alliance (RBA) Code of Conduct. We routinely train relevant decision makers on human rights and labor issues such as human trafficking, modern slavery, forced labor, child labor, and more. Staff who are located on sites that engage in manufacturing receive mandatory training on the RBA Code of Conduct through the RBA's e-Learning program. This includes employees who are directly involved in manufacturing activities, and also employees in other critical functions at these sites such as procurement, HR, and EHS.

Our collective set of policies helps create an environment with strong labor practices where all our manufacturing workers can thrive.

Western Digital ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices

#### **Due Diligence**

Western Digital both proactively and reactively assesses human rights-related risks and potential impacts in connection with our policies, practices, and management approach. We conduct human rights due diligence and impact assessments at regular intervals and whenever appropriate based on circumstances or reports. Specifically, we monitor our human rights and labor practices in both owned and supplier facilities through audits and risk assessments. The RBA requires audits of factories generating finished goods biennially and these thorough reviews of our facilities and practices help us maintain high standards for protecting our employees. Over the last two fiscal vears, we completed full-scope VAP initial audits in our RBA audit factories in China, Malaysia and Thailand, where the audits resulted in Platinum certificates in China and Thailand. More detail on our Supplier Auditing and Vetting program can be found below.

We also conduct periodic enterprise-wide risk assessments to specifically cover forced and child labor and consider the types and locations of our operations, among other factors. These assessments help us ensure our practices are aligned with our deep commitment to protect the rights of our workforce and supply-chain workers and create a positive and safe working environment for everyone. This process includes conducting human rights impact assessments (HRIAs) consistent with the UN Guiding Principles on Business and Human Rights. In FY2021, we conducted a HRIA and have been using the results and recommendations from the assessment to enhance our policies, procedures, and practices to mitigate potential risks. We plan to conduct our next HRIA in FY2024.

#### Stakeholder Engagement and Collaboration

We proactively engage with internal and external stakeholders as we evaluate our impacts and work to improve the effectiveness of our Human Rights Program:

- Since 2010, Western Digital has collaborated with other major electronics companies to launch supply chain capacity-building seminars and workshops. The seminars and workshops cover topics such as human rights, responsible hiring, foreign worker management, GHG emissions/carbon footprint, energy efficiency management, process chemical management, and water stewardship.
- Western Digital works closely with several partners to reduce the risk of forced labor. We continue to work closely with our suppliers and the RBA to audit practices to ensure suppliers are at all times following appropriate recruiting practices and that any necessary reimbursements are promptly provided to impacted employees. Where we have found issues regarding recruitment fees, we have worked quickly to remediate them. Through our partnership with the RBA, we were made aware of one supplier with recruitment fee issues during FY2023. We worked with the RBA and other member companies to see that over \$271.2K USD was reimbursed to affected employees within the supply chain.
- We have actively participated in the Responsible Labor Initiative (RLI) since its founding in 2017. Through the RLI, we discuss best practices, collaborate with peers to develop cross-industry standards for healthy and sustainable working conditions, and utilize shared resources to monitor our own practices and those of our suppliers.

#### Grievance Mechanisms

As detailed in the Integrity section of this report, Western Digital provides multiple avenues for employees to speak up concerning conduct contrary to our policies, including human rights violations, with the option to report concerns directly to their manager, Ethics and Compliance, People Solutions, or Legal; or through our global Ethics Helpline. We offer the Helpline to anyone who suspects misconduct at our company, whether employed by Western Digital or not, which includes suppliers' workers and their legitimate representatives.

Grievances from our supply chain workforce can also be escalated through third parties. such as the RBA, labor activists, and NGOs. and are directed to our Responsible Sourcing Management team for resolution.

#### Remedies

If Western Digital learns of potential human rights abuses or other conduct contrary to our policies committed by our employees or suppliers, we take remedial action proportionate to the offense. Such remediation may include investigating, coordinating and tracking progress against corrective action plans, requiring additional audits (suppliers only), or possible suspension or termination of the relationship.

Our Responsible Sourcing Management team works to immediately remedy issues discovered in our supply chain. Afterwards, it works with our supply chain partners to investigate and implement long-term fixes to prevent these issues from reoccurring. Throughout this process, progress is regularly communicated to those who raised the issue, if requested.

#### **Supplier Vetting and Auditing**

GRI 3-3, 408-1, 409-1, 414-2

Western Digital leverages the RBA Code of Conduct, along with our own Global Human Rights Policy, to reduce the risks of human rights abuses and forced or child labor throughout our supply chain. We disclose our supply chain practices in accordance with the U.K. Modern Slavery Act of 2015 and the California Transparency in Supply Chain Act.

Additionally, each year, we ask our highest-volume and highest-risk suppliers to reiterate in writing their commitment to human rights protections, including adherence to Western Digital's Supplier Code of Conduct, Western Digital's Global Human Rights Policy, the RBA Code of Conduct, and responsible minerals sourcing.

We also require suppliers representing 90% of our cumulative spend, plus strategic and singlesource suppliers' facilities, to conduct annual self-assessments and biennial RBA VAP audits, which may include Tier 2 component suppliers.

RBA assigns a third-party auditing firm based on its VAP manual and audit protocol to complete announced supplier audits. RBA releases its official audit report via the RBA-ON platform, where Western Digital monitors progress and drives change based on the findings. If labor issues exist, we follow standard procedures outlined in the VAP manual to assure suppliers' timely correction of non-conformance issues and we closely follow up with them.

Western Digital also uses the RBA VAP audit as a tool to monitor the sustainability of our suppliers. We tie this requirement to our Supplier Performance Review scorecard

and evaluate suppliers according to the performance assessed by the VAP audit. Additionally, Western Digital's Audit Program follows the VAP protocol for end-product factories. Our People Solutions team conducts periodic audits of our labor brokers/agents.

RBA e-Learning pilot program results during FY2023 were positive. We continued the program for FY2023 as Phase 2 wherein 80 participants from 30 suppliers were selected to participate. 2,495 e-Learning courses were assigned to the 80 participants, resulting in a 100% completion rate. Western Digital monitored the RBA VAP score for each supplier following the completion of the e-Learning courses. Based on the suppliers who completed the audits, the e-Learning courses improved their scores on average by 29% compared to their initial audits.

#### **Labor Practices**

We recognize that human rights protections vary from country to country, and we pay close attention to how our manufacturing workforce may be impacted. We strive to ensure they are treated with dignity and respect and experience fair, respectful, and sustainable working conditions.

Western Digital's manufacturing workforce is predominantly composed of directly hired employees whom we employ and manage ourselves. This gives us direct control over their working conditions, so we can ensure that they are treated with dignity and respect and experience fair and sustainable working conditions. We work closely and carefully with the labor brokers that source our manufacturing employees in Malaysia (the only location where we source employees from outside the country) and we prohibit labor brokers and their agents from collecting recruitment fees from

prospective employees. We regularly audit the brokers' practices and only collaborate with brokers who strictly uphold our full commitment to fair labor practices. If we become aware of a labor broker who does not meet our high standards, we terminate the relationship with that broker.

# **Critical Minerals** and Metals

## **Management Approach**

GRI 3-3

Western Digital maintains a cross-functional team of senior staff for our Responsible Minerals Steering Committee, which oversees our Responsible Minerals Program. Our head of Procurement leads this program, and the Committee is composed of representatives from Legal, Procurement, and Quality Management. The team reports to senior leadership on a regular basis and reports the findings of our compliance efforts to the Audit Committee of the Board of Directors.

Western Digital relies on a variety of raw and subsidiary materials — including 3TG or "conflict minerals" — as key inputs to our finished products. We indirectly source 3TG from mines, smelters, or refiners and, in most cases, are several steps removed from these market participants in the supply chain, making transparency a challenge. Long before the adoption of the United States Securities and Exchange Commission's (SEC) Conflict Minerals Rule, we began working with our suppliers to verify responsible sourcing of 3TG.

# **Responsible Minerals Sourcing**

3TG

100%

**In-scope suppliers** response rate

Cobalt

94%

In-scope suppliers response rate

2022 **Conformant Smelters** 

231

2022 Other-than-**Conformant Smelters** 



**Western Digital** 

**CEO LETTER OUR 2023 STORY** 

**GENERAL DISCLOSURES** 

OUR BUSINESS **OUR STRATEGY**  **ENVIRONMENT** 

**SUPPLY CHAIN** 

WORKFORCE

GLOBAL GIVING

INTEGRITY

DATA

INDICES

PG\_ 43

We are committed to supporting responsible sourcing of conflict minerals and their derivatives, including cobalt and other minerals from the Democratic Republic of Congo (DRC) region and other Conflict-Affected and High-Risk Areas (CAHRAs). Our team outlines responsible sourcing practices, which are reviewed regularly. As part of our ongoing commitment to transparency, we added cobalt to our policy and program, and we continually endeavor to practice responsible sourcing from the DRC region and other CAHRAs. This policy, updated in March 2021, demonstrates Western Digital's expectations of our suppliers:

- Responsibly supply 3TG and cobalt that are "DRC-conformant" to Western Digital.
- Ensure that any 3TG supplied to Western Digital are from recycled or scrap sources or do not finance armed groups in the DRC region and do not contribute to child labor, human rights abuses, or environmental pollution.
- · Responsibly source all minerals, including cobalt, from the DRC region and other CAHRAs.
- Require their own suppliers to adopt similar policies.

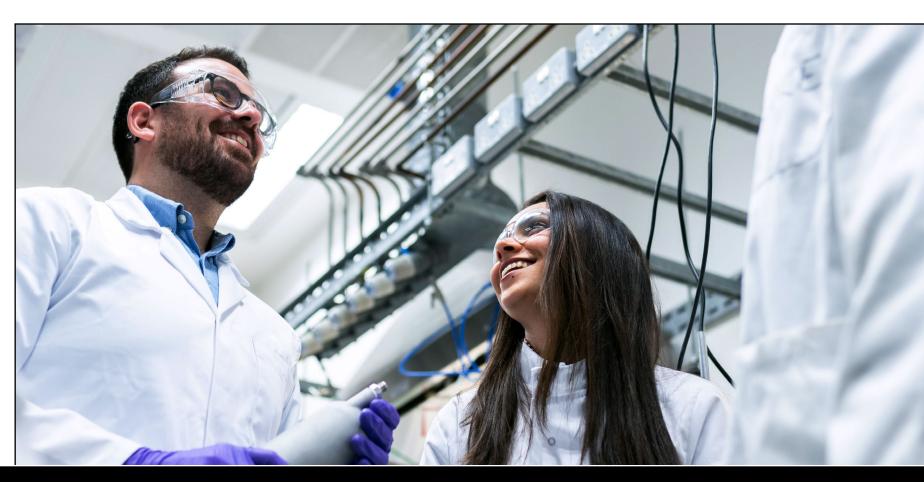
#### **Industry Partnerships**

Western Digital actively participates in the RBA's Responsible Mineral Initiative (RMI), allowing us to use best practices in responsible minerals sourcing:

- · Collaborate with customers, suppliers, and industry working groups on a regular basis, including the Due Diligence Practices Team, Smelter Engagement Team, Responsible Minerals Initiative Plenary Call, and RMI Material Insight User Group, using a platform to study and research prioritizing minerals in the supply chain. We share best practices related to methodology and training to support smelter and refiner adaptations.
- Gain access to relevant data and tools, including the Country Risk Map, Reasonable Country of Origin Inquiry (RCOI) data, smelter database, and risk readiness assessment.
- Conduct ongoing due diligence and stay up-to-date on smelter status changes, industry trends, and key insights.
- Use RMI's e-Learning academy to provide training internally to employees and externally to suppliers.
- Perform internal study with a cross functional team to assess other metals used in our products besides 3TG and cobalt.

3TG Smelter Status	2021	2022
Conformant <sup>1</sup>	240	231
Active <sup>2</sup>	5	3
Non-Conformant <sup>3</sup>	0	1
Total	245	235
COBALT SMELTER STATUS	2021	2022
Active <sup>2</sup>	16	5
Conformant <sup>1</sup>	21	48
Due Diligence in Progress <sup>4</sup>	66	41

Smelter audited per 3rd-party-recognized program



**Western Digital** 

**CEO LETTER OUR 2023 STORY** 

<sup>&</sup>lt;sup>2</sup> Smelter engaged in 3rd-party audit program but not yet conformant

<sup>&</sup>lt;sup>3</sup> Does not conform to the Responsible Minerals Initiative's Responsible Minerals Assurance Process or cross-recognized program

<sup>&</sup>lt;sup>4</sup> Smelters in various conditions

### Responsible Minerals Risk **Mitigation Program**

SASB TC-HW-440a.1, TC-SC-440a.1

Western Digital's Responsible Minerals Risk Mitigation Program involves a five-step due diligence process aligned with the Organization for Economic Co-operation and Development (OECD) Guidance.

#### **Identify Risks**

To identify risks in our supply chain, we use three main resources from the RMI:

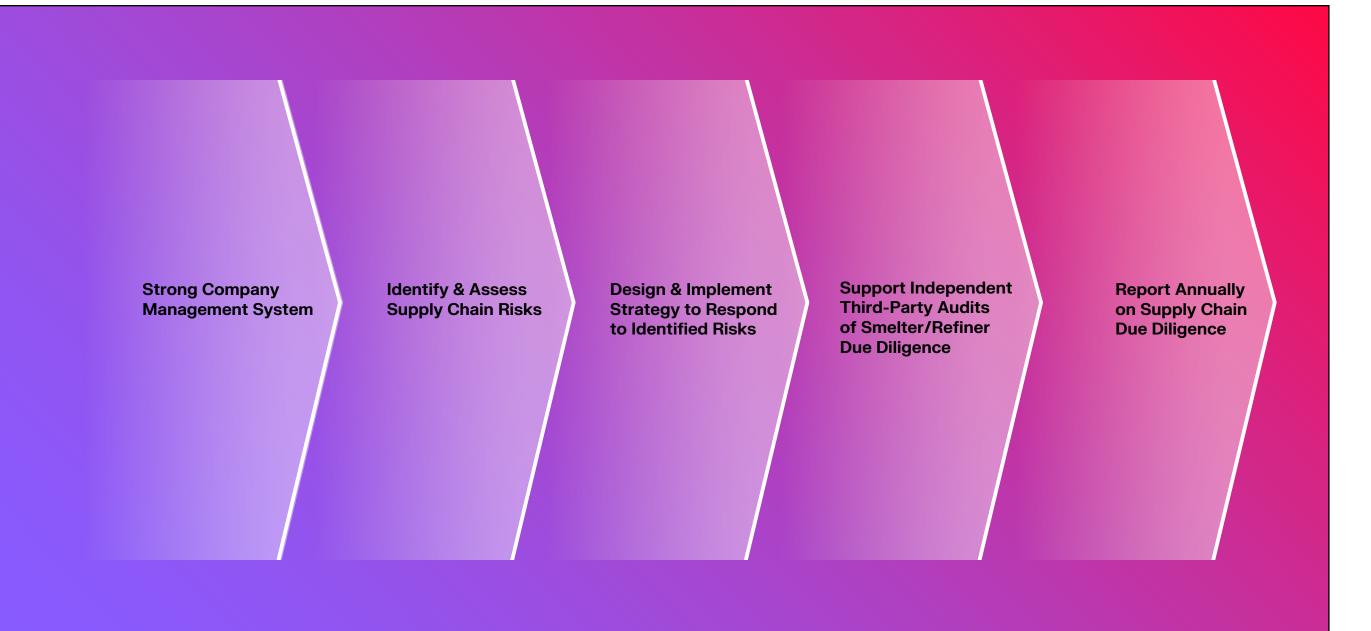
- 1. Conflict Minerals Reporting Template (CMRT) -Facilitates the transfer of information through the supply chain regarding mineral country of origin and smelters and refiners used; we require all in-scope suppliers to complete and submit the CMRT.
- 2. Cobalt Report Template (CRT) Facilitates the transfer of information through the supply chain regarding cobalt country of origin and smelters and refiners used; we require all in-scope suppliers to complete and submit the CRT.
- 3. Country Risk Map Tool Provides a framework and guidance to monitor high-risk suppliers and smelters and allows our program manager to develop a country risk indicator to monitor risk levels by country with an 80% and above confidence level.

The CMRT, CRT and Country Risk Map Tool together allow us to map our smelters and suppliers and determine which sourcing practices will be evaluated with RCOI data. Our approach includes several key components:

- Developing a risk management plan that includes due diligence reviews of relevant suppliers and smelters or refiners
- Using tools available for RMI members to review the smelters or refiners reported by our suppliers and assess the quality of the responses in their CMRTs
- Incorporating the information and the result of this assessment into supplier risk profiles in our supply chain base
- Reviewing risk profiles to mitigate any risks to suppliers or smelters.
- Informing Procurement of the high-risk suppliers and developing an action plan to mitigate the risk
- Working with suppliers to mitigate the risk for identified high-risk smelters, via direct outreach with the smelter or indirectly via collaborating with customers or engaging with industry-level working groups

#### **Conduct Supplier Risk Assessment**

We conduct risk assessments based on multiple factors, including smelter or refiner certification status, "red flags" identified and the supplier relationship. Western Digital escalates suppliers in higher-risk categories in accordance with our risk mitigation procedures. We use a formal tracking mechanism to track the supplier risk assessment and the risk mitigation activities performed.



**Western Digital** 

#### **Execute Risk Mitigation Activities**

We execute appropriate risk mitigation actions to build awareness and capacity to reach our goal of conflict-free sourcing. The table below outlines different actions in order of severity.

Western Digital is subject to performance assessments from our customers related to our sourcing practices. Multiple customers have consistently acknowledged our excellent performance, citing numerous key indicators such as energy efficiency, emissions reduction, conflict-free smelters, voluntary sustainability reporting and RBA audit compliance.

Por more detailed information on our Responsible Minerals Program measures, including commitments and steps taken to mitigate the risk that the 3TG in our products benefits armed groups, please see our 2022 SEC-filed Conflict Minerals Report.

Risk Mitigation Reference	Request or Inquiry Condition	Intended Effect
1.	Inquiry related to Critical Minerals	To align Western Digital's Responsible Minerals Policy and expectations
2.	Follow up + adding in subsidiary procurement/commodity manager	To support the urgency of the request
3.	Escalate to higher management (suppliers and internal)	To support the urgency of the request
4.	Formal complaint	To demonstrate Western Digital's commitment to adhering to the responsible minerals initiative
5.	Temporary reduction or suspension of trade	To encourage suppliers to source responsibly and mitigate high risk identified within supply chain

Below is a summary of our conflict minerals risks in 2022.

High Risk¹ Smelter Status – Conformant	High Risk¹ Smelter Status – Active	Medium Risk Smelter Status – Conformant	Medium Risk Smelter Status – Active	Medium Risk Smelter in various conditions	Low Risk Smelter Status – Conformant	Risk Yet To Be Determined Smelter Status – Conformant	Total Smelters
114	0	10	3	1	106	1	235
Conformant	Active	Conformant	Active	Non-Conformant	Conformant	Conformant	
smelters	smelters	smelters	smelters	smelter	smelters	smelter	

PG\_ 46

Western Digital, ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices

<sup>&</sup>lt;sup>1</sup> Possible Country of Origin from High Risk, Covered Country and/or DRC



# **Smelter Status by Metals**<sup>1</sup>

Western Digital Update as of December 2022

Tin (SN)

Tin (SN)

95%

78%

Industry Update

as of December 2022

**Tantalum (TA)** 

Tantalum (TA)

100%

94%

Tungsten (W)

**Tungsten (W)** 

100%

74%

Gold (AU)

Gold (AU)

99.9%

61%

<sup>1</sup> This chart compares the conformance status of the smelters in Western Digital's supply chain to the broader industry smelter conformance status by metal type.

Western Digital. ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices PG\_47

## **Responsible Minerals Initiative** e-Learning Pilot

We launched an RMI-focused e-Learning pilot to support capacity building focused on responsible minerals. We invited 11 suppliers as pilot participants, which included suppliers that received non-conformances from an RBA VAP audit at the supplier facility.

These non-conformances resulted from:

- Supplier capability in handling a Western Digital request
- Responsible Sourcing Score shows supplier is required to build its knowledge
- Non-conformance issued by third-party auditor during RBA VAP audit

Following participation in the e-Learning pilot, all suppliers closed the relevant non-conformances. Based on these positive results, we plan to expand this approach moving forward to continue to support supplier capacity building regarding responsible mineral sourcing.

RMI e-Learning Program		FY2022		
COMMODITY	SELECTION	COMPLETED		
Electronics	20	20		
Head & Media	4	4		
Mechanical	3	3		
Total	27	27		
Percentage 100%				

# **Key Metrics**

#### GRI 414-2

In calendar year 2022, we audited 100% of our in-scope suppliers for conflict minerals. We established that 0% of those suppliers used smelters of concern. By the end of 2022, 96% of the in-scope suppliers successfully reported sourcing from conformant smelters. The remaining 4% reported the active smelter and various condition smelter. Additionally, we directly or indirectly engaged with 22 smelters out of 235 total in our supply chain to participate in a Responsible Mineral Assurance Process (RMAP) Program.

Western Digital has a performance measure in place to progressively monitor supplier practices. The performance measure is based on five metrics that are key to the products and services provided to the company — cost, quality, business, technology and innovation, and ESG sustainability and risk. The ESG component includes consideration of product environmental compliance, RBA compliance, business continuity plans, and responsible minerals program management. In FY2023, we continued to raise the bar by advancing performance criteria to drive improvement throughout our supply chain. For example, we aligned our responsible minerals program with OECD guidance to include cobalt and other minerals such as mica, and also expanded the scope of conflict-affected and high-risk areas.

#### SASB TC-HW-430a.1, TC-HW-430a.2

Suppliers Assessed Using RBA Validated Assessment Program <sup>1</sup>	FY2021	FY2022	FY2023
Percentage of all Tier 1 supplier facilities audited in the RBA Validated Assessment Program or equivalent <sup>2</sup>	62%	64%	67%
Percentage of high-risk Tier 1 supplier facilities audited in the RBA Validated Assessment Program or equivalent	0%	0%	0%
Tier 1 suppliers' non-conformance rate with the RBA Validated Assessment Program or equivalent	8%	7%	7%
Tier 1 suppliers' associated corrective action rate for priority non-conformances	93%	97%	91%
Tier 1 suppliers' associated corrective action rate for other non-conformances <sup>3</sup>	84%	85%	85%

<sup>&</sup>lt;sup>1</sup> Percentages are based on facility count.

**Western Digital CEO LETTER** 

<sup>&</sup>lt;sup>2</sup> Total supplier facilities for FY2022-FY2023 encompass 90% of direct material spend and single/sole source and strategic suppliers.

<sup>&</sup>lt;sup>3</sup> "Other Non-Conformance" refers to major and minor findings.

# **Supply Chain CDP**

Starting in FY2020, we asked our supply partners to disclose climate and water-related information to CDP, formerly known as the Carbon Disclosure Project. These disclosures help us and our supply partners measure and understand our environmental impact and take actions to build a more sustainable supply chain. We provide CDP training for prior and first-time supplier respondents on an annual basis. The trainings are recorded and available to suppliers that cannot attend at the time of the meeting. 103 participants from 78 suppliers attended these training sessions on April 11, 2023.

Western Digital is also actively encouraging suppliers to set science-based targets. In FY2023, Western Digital joined over 740 financial institutions and multinational firms with \$136 trillion in assets and spending power in support of the CDP Science-Based Targets Campaign. The campaign aims to incentivize the world's highest-impact companies to set SBTs and accelerate the decarbonization of investment and lending portfolios, thereby creating a positive ambition loop between investors and companies. Furthermore, during the April supply partners CDP training, we encouraged participants to set SBTs.

We initially invited over 160+ in-scope suppliers to provide responses to both questionnaires, of which 96% and 95% participated for climate and water, respectively. In-scope suppliers expanded with the addition of Capital Equipment suppliers from Indirect Materials.

Learn more about the CDP Science-Based Targets Campaign here.

# **Supply Chain CDP Engagement**

Climate Change 2023

Response rate from 170+ in-scope suppliers

96%

**Engaging their own suppliers** to CDP Climate

52%

Water Security 2023

Response rate from 160+ in-scope suppliers

95%

**Have documented** water-related policy

63%

**Annual monetary savings by suppliers** (in US dollars)

\$1,300M+

Suppliers with verified Scope 1 and 2

46%

Suppliers reporting active targets

80%

Suppliers engaging their own suppliers for CDP Water as of 2021 CDP Disclosure

33%

**Suppliers reporting** active targets

70%

Annual CO<sub>2</sub>e savings by suppliers (in million metric tons)

32Mmt

Suppliers reporting water accounting

71%

**Western Digital** 

**CEO LETTER** 

**OUR 2023 STORY** 

**GENERAL DISCLOSURES** 

**OUR BUSINESS** 

**OUR STRATEGY** 

**ENVIRONMENT** 

**SUPPLY CHAIN** 

WORKFORCE

GLOBAL GIVING

INTEGRITY

DATA

INDICES

# Supply Chain Resiliency

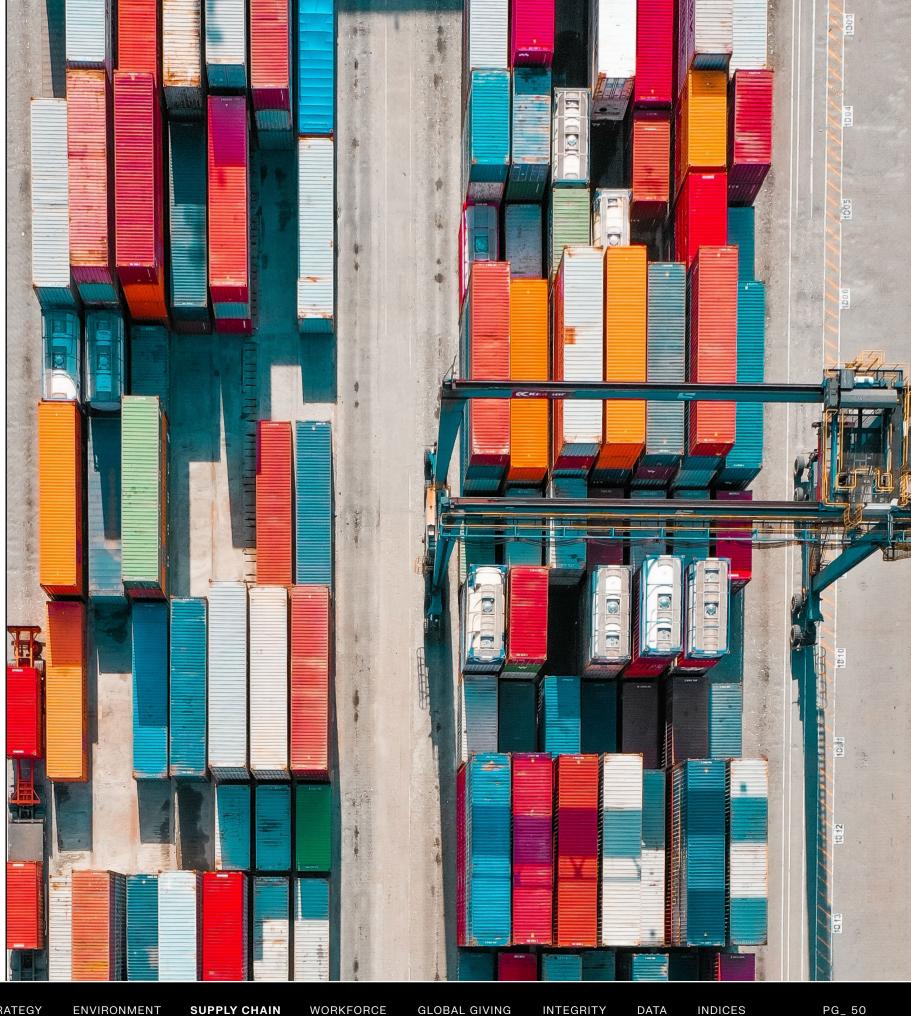
# **Why it Matters**

Threats to supply chains pose serious consequences to a company like ours — and the consequences of potential disruptions are heightened by the global nature of our value chain. To position our business for future success, we are working to build more sustainable, resilient supply chains by implementing analytics-driven procurement processes and widening our supply base by qualifying additional suppliers. By taking these steps now, we are protecting our business from supply chain disruptions and creating more widespread business opportunities.

# **Analytics-Driven Predictive Procurement Process**

In FY2023, we continued our efforts to enhance our supply chain approach and process to improve resiliency and balance the focus on social, economic and environmental factors within Western Digital's supply base. Our supply chain is large and complex. We rely on hundreds of direct (and thousands of indirect) suppliers to create our products.

We developed and deployed unique and exclusive advanced predictive capabilities that enable us to predict and detect probable risk and disruptions. Armed with data about suppliers' and their suppliers' locations, past performance and potential risk factors, we were able to use artificial intelligence, machine learning and natural language processing capabilities to monitor and consider alternate suppliers, detect potential disruptions, and mitigate risks.



Western Digital CEO LETTER OUR 2023 STORY GENERAL DISCLOSURES OUR BUSINESS OUR STRATEGY ENVIRONMENT SUPPLY CHAIN WORKFORCE GLOBAL GIVING INTEGRITY DATA INDICES

# Workforce, Workplace and Community

#### IN THIS SECTION:

Inclusion

Employee Attraction, Retention and Engagement

Health and Safety

57

51

# Inclusion

## **Management Approach**

**GRI 3-3** 

Western Digital believes that our employees are our most valuable resource. The people of Western Digital — and their myriad of talent and experiences — give us our competitive edge. We're convinced that the fusion of diverse perspectives and an inclusive and equitable culture results in greater innovation and better business outcomes.

We know we're at our absolute best when we leverage our workforce of approximately 53,000 employees in 38 countries around the world. From our factories in Thailand to our R&D centers in Israel and our engineering sites in Silicon Valley, we are committed to an inclusive environment where every individual can thrive through a sense of belonging, respect and contribution. These beliefs are anchored in our core value: "We All Belong."

Western Digital looks at inclusion as a multi-year journey realized through deep partnerships

between the business, HR, and our Employee Resource Groups. Inclusion is at the center of everything we do, and it underpins our efforts around Talent Attraction, Development, and Engagement. We're determined to develop a culture where all the employees at Western Digital feel they truly belong.

To drive the next phase of efforts, our HR leader took on expanded responsibilities as Chief People & Inclusion Officer and established the Office of Inclusion to promote diversity and equity. She will continue to partner closely with the CEO and report progress on efforts to the Board.

Western Digital applies its efforts globally, and the Office of Inclusion communicates our initiatives to representatives at our international sites and receives updates on regional progress. Additionally, each country-specific employee handbook discusses how Western Digital is working to promote inclusion.

#### See our key highlights from FY2023:

- Disclosed gender pay equity results.
- Recognized for the fourth consecutive year by Women's Choice Award as a Best Company for Millennials.

- Achieved the following diversity representation: Women represented 26% of our management positions and 23% of our technical staff. Members of Asian, Black/African American, Hispanic/Latino, or other racially or ethnically diverse communities, represented 62% of our U.S. management positions.
- Continued the self-identification initiative launched in the previous year by inviting new hires to share more about who they are across dimensions of gender, gender identity, veterans and disabilities. Participation was optional, data was protected, and the results were anonymized. We believe an in-depth understanding of our employee population will enable us to better engage and retain our talent.
- To help ensure our pay practices are fair and equitable, we conduct an annual pay equity assessment to promote equal pay for equal work for men and women. As part of this review, we analyze current pay and account for various non-discriminatory factors, such as seniority, experience, skills, performance, location, track and hiring, and promotion dates. In FY2023, we expanded our assessment to cover 100% of our employee population globally. The review determined that women were paid 99.2 cents for every dollar earned by men.

- In the United States, we also review pay equity across Race/Ethnicity groups. We found that non-White employees were paid 100.1 cents on every dollar earned by White employees. After identifying these gaps, we made pay adjustments to close them. In FY2024, we plan to further our pay equity efforts by engaging in a living wage analysis.
- Continued our skills-based screening to hire employees based on capabilities and potential as well as our anonymous hiring pilot to identify and remove any potential for bias from our hiring process for interns.
- Continued to deliver unconscious bias training to leaders, equipping them to lead inclusively and identify unconscious bias.
- Piloted a four-week self-advocacy development program with We.Elevate, Western Digital's Black Professionals Network.
- Continued inclusive leadership training in our Leader Essentials program for all people managers.
- Continued to partner with our Employee Resource Groups to direct efforts in our Global Giving and Doing Equality pillar.



#### **Talent Attraction**

To attract diverse talent globally, we connect with our strategic sourcing partners as well as diversity-focused conferences and forums. Additionally, we have been piloting skills-based sourcing strategies and intend to expand them globally. We continue to expand our connections with universities who attract and support a diverse student body.

#### **Talent Development**

In addition to the development programs and initiatives that we provide to all of our employees, we also look to provide targeted development to address specific needs for our women and underrepresented groups. Examples include She Invents, a program that aims to increase the number of women submitting for patents, and, "I am Remarkable", ERG-led speaker series and workshops run by Women's Impact Network.

#### Inclusive Culture and Engagement

Our final pillar, Inclusive Culture and Engagement is focused on creating an inclusive, high-trust environment where everyone can feel valued, respected and heard. We're laying this foundation through our Leadership Capability investments, Managing Bias trainings and the initiatives that our Employee Resource Groups are driving. These programs range from LGBTQ+ Allyship workshops, to our 'In Real Life' series, which provides space

for women to share their perspectives on work-life balance, development, and Cultural and Heritage Month company highlights.

#### Implementing Our Anti-Harassment and Discrimination Policy

Western Digital's Global Anti-Harassment and Discrimination Policy explicitly prohibits harassment in the workplace from any employee. customer, vendor, supplier, business partner, or third party. The policy provides numerous avenues to report instances of harassment and discrimination and allows for appropriate action to be taken. Relevant Western Digital employees are required to participate in online harassment and discrimination training to support the policy.

#### **Employee Resource Groups**

Our Employee Resource Groups (ERGs) help create an inclusive culture that embraces the uniqueness of our employees. We have several ERG communities, focusing on women, LGBTQ+, racial and ethnic minorities, military, and people with disabilities. In FY2023, we introduced We.Represent for Black, Asian and other minority colleagues in EMEA to foster community and awareness of ethnic diversity throughout the company.

Our ERGs are open to all employees and provide opportunities to build relationships and foster a sense of belonging, as well as to support our business in recruiting talent, driving awareness, mentoring under-represented youth in our communities and delivering innovative product suggestions. This year, Global Giving and Doing provided corporate grants to organizations selected by our ERGs to support equality in their communities of interest. We celebrate, educate, and provide uplifting experiences to more than 500 participants within a year.

DEI is at the center of our guiding principle — "Encourage everyone to be their best selves both in personal and professional lives."

Our monthly experiences include financial education and modeling series, WDC branding and marketing products that support women, as well as updates from Executive Leadership, and members of the World Economic Forum. The highlight of WHAM – Bay Area is the Career Journey sharing by team members from all levels where we learn from success, perceived failures that led to other opportunities, and key life lessons that continue to guide our team members. This has inspired many attendees and given them the courage to pursue their dreams.

We also provide upskilling opportunities such as technical workshops where we disassemble Hard Disk Drives and learn how different parts function, design thinking, Microsoft applications, and many more!

## **Awards and Recognition**

GRI 3-3

Women's Choice Award for Best Companies for Women, **Best Companies for Millennials** and Best Companies for Diversity

In 2023, the Women's Choice Award once again recognized Western Digital among its Best Companies for Women, Best Companies for Millennials, and Best Companies for Diversity. Our focus on investing and helping millennials and women grow professionally to advance their careers while also catering to their lifestyles led to these awards. Women's Choice Award recognizes companies based on a gathering of external data from the general population, analyzing over 300,000 sources of data — including Fortune 300 Companies, Survey Monkey, Working Mothers Best Place to Work reports, Glassdoor, annual reports, and press releases. We also engage employees by taking actions to promote and ground them in our core values and beliefs as a company, so that we are conducting business in an ethical way. As a result of this focus, in 2023, we were named one of the World's Most Ethical Companies by Ethisphere Institute for the fifth consecutive year.



















**CEO LETTER** OUR 2023 STORY **GENERAL DISCLOSURES** 

OUR BUSINESS

OUR STRATEGY

ENVIRONMENT SUPPLY CHAIN WORKFORCE

**GLOBAL GIVING** 

# **Key Metrics**

#### GRI 405-1, SASB TC-HW-330a.1

Gender Representation of Global Employe	ees¹		
FY2021	FEMALE	MALE	OTHER
Management	25.7%	74.3%	0.0%
Technical staff	22.3%	77.7%	0.0%
All other employees	69.3%	31.7%	0.0%
Factory employees <sup>2</sup>	69.8%	30.2%	0.0%
Non-factory employees	51.8%	48.2%	0.1%
FY2022	FEMALE	MALE	OTHER
Management	25.7%	74.3%	0.0%
Technical staff	23.1%	76.9%	0.0%
All other employees	66.8%	33.2%	0.0%
Factory employees <sup>2</sup>	68.4%	31.6%	0.0%
Non-factory employees	51.1%	48.8%	0.0%
FY2023	FEMALE	MALE	OTHER
Management	26.0%	74.0%	0.0%
Technical staff	23.4%	76.6%	0.0%
All other employees	64.5%	35.5%	0.0%
Factory employees <sup>2</sup>	66.1%	33.9%	0.0%
Non-factory employees	51.5%	48.5%	0.0%

Data is based on the headcount at the end of the indicated fiscal year. Gender data is based on self-identification.

#### GRI 405-1, SASB TC-HW-330a.1

Age Representation of Global Employe	ees¹		
FY2021	UNDER 30	30–50	50+
Management	0.9%	66.7%	32.49
Technical staff	22.1%	58.9%	19.0
All other employees	32.3%	61.8%	6.0
Factory employees <sup>2</sup>	33.8%	61.5%	4.7
Non-factory employees	15.2%	64.3%	20.5
FY2022	UNDER 30	30-50	50+
Management	1.1%	66.0%	32.8
Technical staff	24.0%	56.8%	19.1
All other employees	29.6%	63.6%	6.8
Factory employees <sup>2</sup>	31.0%	63.9%	5.1
Non-factory employees	15.6%	60.5%	23.8
FY2023	UNDER 30	30-50	50+
Management	0.9%	64.6%	34.6
Technical staff	22.7%	58.2%	19.1
All other employees	24.7%	67.7%	7.6
Factory employees <sup>2</sup>	25.9%	68.5%	5.6
Non-factory employees	14.9%	61.1%	24.0

<sup>&</sup>lt;sup>1</sup> Data is based on the headcount at the end of the indicated fiscal year.

**W** Western Digital.

<sup>&</sup>lt;sup>2</sup> For purposes of this report, "factory employees" are those working in our factory setting that directly work on product assembly; all remaining employees are considered professional or managerial.

<sup>&</sup>lt;sup>2</sup> For purposes of this report, "factory employees" are those working in our factory setting that directly work on product assembly; all remaining employees are considered professional or managerial.

FY2021	2021 ASIAN		HISPANIC OR LATINO	WHITE	OTHER <sup>2</sup>	
Management	49.7%	1.1%	4.5%	42.4%	2.39	
Technical staff	58.3%	1.0%	3.4%	35.9%	1.4	
All other employees	56.2%	2.6%	13.1%	23.8%	4.3	
Factory employees <sup>3</sup>	62.6%	2.8%	16.2%	13.5%	4.9	
Non-factory employees	48.8%	2.2%	9.6%	35.8%	3.6	
FY2022	ASIAN	BLACK OR AFRICAN AMERICAN	HISPANIC OR LATINO	WHITE	OTHER <sup>2</sup>	
Management	51.5%	1.2%	4.7%	39.8%	2.7	
Technical staff	57.3%	1.1%	3.8%	35.9%	1.8	
All other employees	56.1%	2.5%	13.6%	22.6%	5.2	
Factory employees <sup>3</sup>	62.6%	3.1%	16.9%	11.4%	6.0	
Non-factory employees	50.0%	2.0%	10.4%	33.2%	4.3	
FY2023	ASIAN	BLACK OR AFRICAN AMERICAN	HISPANIC OR LATINO	WHITE	OTHER <sup>2</sup>	
Management	52.7%	1.3%	4.6%	38.5%	2.9	
Technical staff	58.8%	1.1%	4.0%	34.2%	1.9	
All other employees	56.9%	2.4%	13.4%	21.6%	5.7	
Factory employees <sup>3</sup>	64.1%	2.8%	16.5%	10.1%	6.6	
Non-factory employees	50.3%	2.1%	10.6%	32.1%	5.0	

<sup>&</sup>lt;sup>1</sup> Data is based on the headcount at the end of the indicated fiscal year.

#### GRI 405-1

Board Diversity		FY2021	FY2022	FY2023
By Gender	Male	50.0%	55.6%	66.7%
	Female	50.0%	44.4%	33.3%
By Age	Under 30	0.0%	0.0%	0.0%
	30–50	12.5%	0.0%	11.1%
	50+	87.5%	100.0%	88.9%

# Employee Attraction, Retention and Engagement

# **Management Approach**

**GRI 3-3** 

At Western Digital, our employees drive our success and help shape the future. To continue leading the data storage industry, we rely on highly skilled individuals to drive our culture of innovation. We strive to create an environment where employees feel connected and committed to Western Digital's mission and vision.

Our Human Resources function is a strategic part of our company, responsible for creating a strong workforce culture and differentiating Western Digital as an employer of choice. Our business strategy planning process incorporates talent needs and assesses sustainable and scalable workforce strategies.

Our Board of Directors is actively involved in overseeing Western Digital's workforce retention and engagement. Our Compensation and Talent Committee reviews our human capital management policies and programs covering company culture, talent development, employee retention, and diversity and inclusion. Our Chief People & Inclusion Officer provides updates to the Board regarding retention strategy, talent management, succession planning and diversity.

WORKFORCE

<sup>&</sup>lt;sup>2</sup> Other includes the following classifications: Native American or Alaska Native, Native Hawaiian or Pacific Islander, and "Two or More Races."

<sup>&</sup>lt;sup>3</sup> For purposes of this report, "factory employees" are those working in our factory setting that directly work on product assembly; all remaining employees are considered professional or managerial.

#### GRI 102-8

Informatio	on employees a	and Other Workers¹		
FY2021		FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES	REGULAR EMPLOYEES
Gender <sup>2</sup>	Female	37,955	30	37,985
	Male	27,436	39	27,475
	Other	8	0	8
Region	United States	7,892	34	7,926
	Asia	56,255	22	56,277
	Other	1,252	13	1,265
FY2022		FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES	REGULAR EMPLOYEES
Gender <sup>2</sup>	Female	36,541	31	36,572
	Male	28,064	40	28,104
	Other	3	0	3
Region	United States	7,721	27	7,748
	Asia	55,588	31	55,619
	Other	1,299	13	1,312
FY2023		FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES	REGULAR EMPLOYEES
Gender <sup>2</sup>	Female	28,615	29	28,644
	Male	24,642	40	24,682
	Other	2	0	2
Region	United States	6,971	20	6,991
	Asia	45,091	34	45,125
	Other	1,197	15	1,212

Data is based on Western Digital's non-contingent headcount at the end of the indicated fiscal year.

#### **Attraction and Retention**

Western Digital's Talent Acquisition, Talent Development and Human Resources Business Partner teams collaborate with our business leaders to attract and retain diverse, top talent for all areas of the business. Our global enterprise employment and recruitment brand highlights Western Digital employees to showcase why Western Digital is a great place to grow one's career. Additionally, our partnerships around the globe continue to be a key strategic initiative for future talent pools, including growing our diverse candidate pipeline.

See the Inclusion section of this report for more information.

Turnover rates indicate the health of our workforce culture, and we monitor these metrics carefully for insights into employee uncertainty or dissatisfaction. Additionally, turnover rates affect Western Digital's financial performance.

#### GRI 401-2

To retain top talent, Western Digital offers eligible employees a competitive and comprehensive compensation package. In each country, Western Digital offers competitive benefits, which typically include the following:

- Life insurance
- Health care
- Disability and invalidity coverage

**ENVIRONMENT** 

- Paid time off
- Maternity, paternity, and/or parental leave
- Retirement provision
- Stock ownership
- Tuition reimbursement
- Employee Assistance Program

We benchmark our compensation and benefits programs annually using market data from reputable third-party consultants. We also conduct internal focus groups and employee surveys to inform programs and identify opportunities.

# **Engagement**

Listening is a keystone to our people strategy, and collecting insights directly from our people helps us to determine ways in which we can drive employee engagement. Employee engagement is a result of many employee experience elements, with people leaders playing a critical role in creating an environment where our people feel heard, appreciated, and developed. The survey helps leaders take action on insights gathered from their people. Insights can also help inform company-driven solutions.

<sup>&</sup>lt;sup>2</sup> Gender data is based on self-identification.

# **Learning and Development**

#### GRI 404-2

We are on a multi-year journey to deliver a world-class experience for our employees at Western Digital. By helping employees realize great moments in their careers, we make our company an exceptional place to work. We foster an environment of continuous learning through initiatives like our annual Career Month with virtual events, on-demand learning, and resources to help employees create a Career Success Statement and Development Map to chart their career journey and track their progress.

We are investing in leadership development through our flagship program Leader Essentials, to help people at all levels cultivate skills such as effective communication, creating an inclusive culture, and building effective relationships. We also continue to develop the next generation of talent with our New College Grad program.

#### GRI 404-3

All manufacturing employees receive performance assessments based on specific manufacturing tasks. The remainder of the organization, comprising the technical and professional employee population, receives quarterly check-in meetings and annual reviews.

#### GRI 401-1

Employee Attraction, Retention, and Engagement			FY2021		FY2022		FY2023
EMPLOYEE HIRES		#	RATE <sup>1</sup>	#	RATE <sup>1</sup>	#	RATE <sup>1</sup>
Hires by age group	Under 30	6,774	36.0%	7,497	44.9%	1,542	11.4%
	30–50	2,642	6.6%	3,661	8.9%	844	2.2%
	50+	187	3.0%	265	3.7%	113	1.6%
Hires by gender	Male	3,372	12.3%	5,210	18.8%	1,579	6.0%
	Female	6,229	16.4%	6,213	16.7%	920	2.8%
Hires by region	United States	734	9.2%	1,147	14.6%	559	1.2%
	Asia	8,736	15.6%	10,064	18.0%	1,851	3.7%
	Other	133	10.5%	212	16.5%	89	7.0%
Total Employee Hires		9,603	14.7%	11,432	17.6%	2,499	4.2%

Employee Attraction and Engagement	, Retention,		FY2021		FY2022		FY2023
EMPLOYEE TURNOVER		#	RATE <sup>2</sup>	#	RATE <sup>2</sup>	#	RATE <sup>2</sup>
Voluntary turnover	Under 30	3,766	20.0%	5,207	31.2%	3,803	28.2%
by age group	30–50	2,352	5.8%	3,839	9.3%	3,524	9.2%
	50+	237	3.8%	402	5.6%	448	6.2%
Involuntary turnover	Under 30	1,175	6.2%	1,383	8.3%	774	5.7%
by age group	30–50	1,523	3.8%	1,213	2.9%	4,021	10.5%
	50+	298	4.8%	293	4.1%	1,297	18.1%
Voluntary turnover	Male	2,479	9.1%	3,847	13.8%	3,168	12.0%
by gender	Female	3,876	10.2%	5,599	15.0%	4,607	14.1%
Involuntary turnover	Male	659	2.4%	810	2.9%	1,849	7.0%
by gender	Female	2,336	6.2%	2,078	5.6%	4,242	13.0%
	Other	_	_	_	_	1	40.0%
Voluntary turnover	United States	610	7.7%	1,177	15.0%	833	11.3%
by region	Asia	5,665	10.1%	8,145	14.6%	6,851	13.6%
	Other	80	6.3%	126	9.8%	91	7.2%
Involuntary turnover	United States	236	3.0%	262	3.3%	517	7.0%
by region	Asia	2,700	4.8%	2,589	4.6%	5,477	10.9%
	Other	60	4.7%	38	3.0%	98	7.8%
Total Voluntary Employed	e Turnover	5,380	8.4%	9,448	14.5%	7,775	13.2%
Total Involuntary Employ	ee Turnover	5,995	9.4%	2,889	4.4%	6,092	10.3%

<sup>1</sup> Hire rate is calculated as the total number of hires divided by the average headcount over the time period. Employees without gender or birthdate in the source data are included in the total only and not in age, gender and region breakouts.

**Western Digital** 

**CEO LETTER OUR 2023 STORY** 

<sup>&</sup>lt;sup>2</sup> Turnover rate is calculated as the total number of separations/terminations (voluntary and involuntary) divided by the average headcount over the time period. Employees without gender or birthdate in the source data are included in the total only and not in age, gender and region breakouts.



#### You Matter Program

We seek to empower employees to be their best selves and live up to their full potential — both in their career and within their communities. When we equip employees to thrive, we enable our team to reach its fullest potential. Through Western Digital's You Matter program, we invest in the well-being of our diverse employee population. The program has four pillars:

- Health focusing on prevention and resources for managing and improving overall physical health.
- Financial supporting employees in meeting current and future financial obligations.
- Emotional offering employee resources to support their mental and emotional wellness.
- Lifestyle helping employees create and sustain healthy habits to fuel everyday life.

The program is implemented on a global scale so that initiatives can have a global reach, while also being tailored to local contexts. Activations occur through a combination of solutions, on-site services, initiatives, training, classes, and campaign events.

For example, in FY2023:

- 100% of our employees had access to free professional counseling through our global employee assistance program (EAP). Over 7.4% of our employees engaged with the services.
- Our Promoting Mental Well-Being training is embedded into the curriculum for our Leader Essential training.
- We reopened on-site fitness centers in 16 locations.
- 85% of our employees have access to on-site health clinics that provide primary care, immediate care, and chronic disease management. Some of our clinics also include behavioral health, laboratory services, specialist services, and dental services.
- 99% of our employees globally have access to annual health screening and flu shots either through their insurance, flexible spending account, or delivered on-site.
   Campaigns to promote preventative health screening and flu vaccines take place each year in the fall.

# Health and Safety

# Why it Matters

**GRI 3-3** 

Health and safety are foundational to Western Digital's business. We take employee, contractor, and visitor health and safety seriously because we care about our people and understand how thoroughly we depend on each other. We believe that safety is everyone's business and aim to create a culture that supports best-in-class health and safety workplace standards and processes. This includes safety education, safe working conditions, and employee wellness and health resources.

### **Management Approach**

**GRI 3-3** 

All Western Digital employees are responsible for maintaining a safe and healthy work environment. We expect every manager to establish and reinforce our health and safety culture through three commitments:

- Implementing and enforcing Western Digital's Environmental, Health, Safety, and Security (EHS&S) Program requirements and leading by personal example
- Encouraging worker involvement in the structure and implementation of EHS&S Programs
- Communicating and assigning responsibility for EHS&S Program implementation and evaluating performance against Health and Safety expectations

#### **Policies**

Western Digital's IMS Policy addresses
Occupational Health and Safety (OHS) in support
of our Integrated Management System (IMS).
Additionally, we require all employees to adhere
to Western Digital's Global Code of Conduct,
which includes the expectation to follow site
safety rules, use necessary safety equipment,
and report actual or potential safety hazards.

# Occupational Health and Safety Management System

GRI 403-1

Our certified OHS Management System is part of our company-wide IMS and applies to all operations, all employees, and anyone acting on our behalf globally (including contractors).

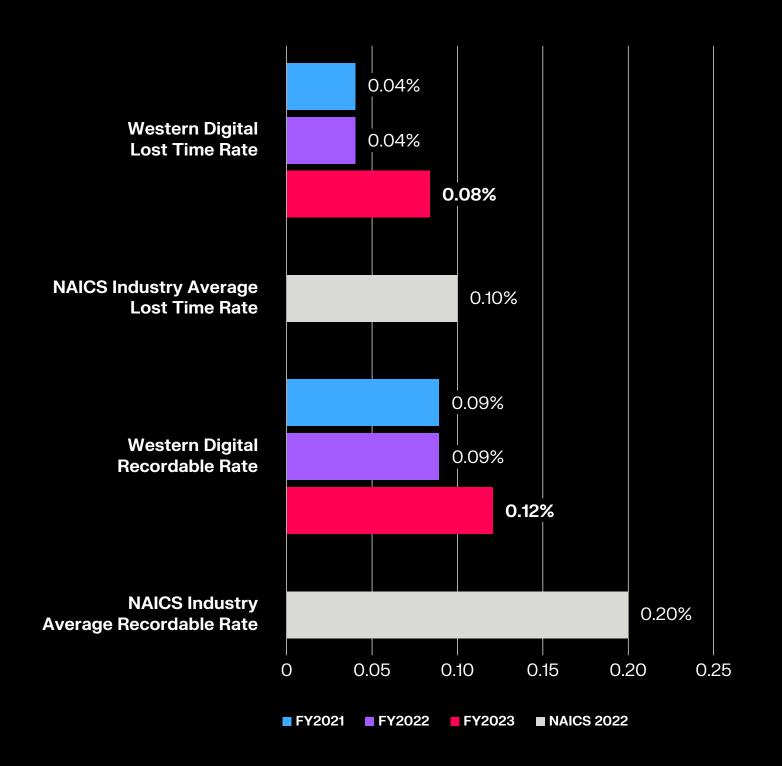
GRI 403-5

Each site's OHS Management Program identifies job-specific and task-specific training to employees and meets Western Digital's objectives by:

- Ensuring all workers understand the hazards they may be exposed to and how to prevent harm to workers and the environment.
- Ensuring on-time periodic worker training updates as required within specific programs.
- Ensuring all managers and workers understand their obligations to provide a safe, healthful and compliant work environment.
- Ensuring timely, appropriate responses when workers notify management about conditions that appear unsafe or hazardous.

Western Digital. ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 57

# **Recordable and Lost Time Rates**



Western Digital trains our Emergency Response Teams (ERTs) to respond to an incident such as a fire, medical crisis, or earthquake to minimize its impact. ERTs assist in developing plans to organize an effective response and minimize injury and damage. Western Digital's global recordable and lost time injury and illness incident rates consistently remain lower than North American Industry Classification System (NAICS) industry averages.

#### Health and Safety Standards

All Western Digital factories are certified to the Occupational Health and Safety Management System. WD has completely transitioned from the OHSAS 18001 standard to the ISO 45001 standard. In FY2023 all 12 manufacturing sites and the R&D Site in Fujisawa, Japan were included and recertified to ISO 45001:2018. All sites passed the recertification with no major non-conformances. All factories have been audited to the ISO45001:2018 standard. Western Digital also conducts both internal and external audits to evaluate compliance with applicable health and safety laws, regulations, and standards.

As part of our transition to ISO 45001, Western Digital formalized the processes related to consultation and participation of workers. Western Digital uses our global IMS to establish the general corporate requirements and expectations, while sites further define and implement location-appropriate methods for effective engagement with workers on health and safety matters to satisfy these requirements. A common approach is to form safety committees, documented policies and procedures, and hazard identification training and reporting tools. At each worksite, cross-functional teams meet

regularly to discuss hazards observed in their work areas and implement preventative actions. Safety committee members work with health and safety personnel to keep track of injuries and illnesses, assess their root causes and recommend corrective actions to avoid future recurrences. Committee members also conduct periodic facility inspections and organize safety activities.

### Hazard Identification, Risk and Opportunity Assessment, and Control Implementation

GRI 403-2

Our IMS involves a two-tiered approach for identifying hazards and assessing risks and opportunities. At the corporate level, we analyze performance trends to identify the top three to five focus areas globally based on risk levels, which are determined by severity, likelihood, and existing control measures. We set overarching procedures we expect sites to follow using the hierarchy of controls.

At the facility level, sites reference hazards identified at the corporate level and customize their approach based on high-risk areas in the specific location. Certain sites go beyond this initial level of assessment, further assessing equipment, tools, chemicals and processes. Each hazard is scored on its level of severity, likelihood, and existing control measures to calculate a composite risk rating. We prioritize risks rated high and immediately seek to mitigate them to a lower level.

All employees have a right to stop work when they believe such work could cause injury or illness to themselves or others. All Western Digital manufacturing processes have a standard

**Western Digital** 

DATA

Emergency Power Off (EPO) or Emergency Machine Off (EMO) switch if an employee identifies an on-site hazard that can cause imminent danger. Employees have multiple avenues through which to report work-related hazards:

- Human Resources business partner
- Manager
- EHS representative
- Safety Good Catch submission
- Western Digital's Ethics Helpline

Our management team also conducts worksite analysis on a regular basis by:

- Conducting periodic "walk-throughs" of assigned areas, observing worker behaviors, and identifying potentially unsafe conditions.
- Conducting periodic, systematic EHS&S assessments and ensuring we correct discrepancies in a timely fashion.
- Ensuring new processes, facilities rearrangements, and equipment receive EHS&S reviews and approval prior to use.
- · Investigating accidents and "near misses," identifying and correcting root causes.
- Including results and trends of hazard identification and risk control in the Management Review process in addition to the worksite analysis.

Global EHS continued to focus on improving our health and safety culture in FY2023 by improving on our EHS incident reporting and management software. We increased our catalog of topics available through online training and worked to make the IMS Program clearer and more

user-friendly to EHS staff managers and workers. There has been significant emphasis on supporting each site as they complete internal and external IMS audits and ensure that any findings are addressed and shared throughout the company. As site IMS Programs develop and mature, it will become easier to identify gaps and challenges common to all sites.

#### GRI 403-7

Western Digital hires contractors and third parties for specific projects or jobs requiring expertise outside our employees' skills or based on our business strategy. Our OHS planning process includes evaluating and mitigating potential hazards and risks related to a specific job or project, reviewing the activity area, and checking licenses of all operators. We require employees to complete rigorous driver certifications before transporting chemicals or waste.

In FY2023, all Western Digital sites continued to manage the impacts of the COVID-19 global pandemic. Global EHS partnered with other functions in Western Digital to review pandemic response guidance from the World Health Organization (WHO), Centers for Disease Prevention and Control (CDC), and relevant occupational and public health agencies, and other reliable sources. Western Digital crisis management teams evaluated the pandemic response situation at all our sites globally.

Location- and geography-specific pandemic response plans are regularly updated and continuously implemented as the pandemic knowledge and response recommendations evolve.

#### **Communication and Training**

GRI 403-4

Western Digital communicates with employees on general health and safety policies, procedures and instructions through many avenues:

- In-person training and web-based training
- On-the-job training
- Periodic communications on IMS via Western Digital's intranet
- Promotional materials on our internal broadcast system, ConnectTV
- Internal blogs
- Monthly newsletters
- Email communications

We also communicate with employees on the topics of emergency preparedness, injury or illness prevention, industrial hygiene, physically demanding work, wellness, ergonomics, machine guarding, and living conditions. These communications occur during new hire training, through ongoing task-specific training, and via regular site communications which vary by site and the work being performed.

#### GRI 403-8

	FY2021	FY2022	FY2023
Workers covered by an OHS Management System	100%	100%	100%

#### **Health and Wellness**

GRI 403-3, 403-6

Western Digital prioritizes the long-term health and wellness of our employees by continuously improving the quality of our health and wellness services. Our site management, with EHS&S support, performs regular evaluations of the work environment to minimize exposures to chemical, physical, or biological hazards, and ergonomic stressors.

Western Digital's manufacturing and development sites in Asia have in-house medical clinics meeting licensing requirements with certified or licensed healthcare professionals where workers can obtain immediate treatment. If work-related activities cause injuries, our medical professionals engage the local EHS&S team to investigate and correct the root cause and contributing factors. Additionally, we contract with occupational health clinics for sites in the United States that align with our wellness initiatives and ensure employees have convenient access to healthcare. All medical professionals working either in on-site clinics or contracted clinics meet licensing requirements and all medical clinics meet applicable regulatory and accreditation requirements.

### **Key Metrics**

**GRI 3-3** 

Western Digital actively tracks our occupational safety and health performance to evaluate the effectiveness of our management approach. We are pleased to report industry-leading safety performance.

**Western Digital** 

**CEO LETTER** OUR 2023 STORY **ENVIRONMENT** 

#### GRI 403-8 and 403-9

Health and Safety		FY2021		FY2022		FY2023
EMPLOYEES	#	%	#	%	#	%
#/rate of employee fatalities	0	0%	0	0%	0	0.0%
#/rate of high-consequence work-related injuries (excluding fatalities) — employees	4	0.006%	2	0.003%	2	0.004%
Employee Lost Time Incident Rate (LTIR) <sup>1</sup>	29	0.04%	28	0.04%	44	0.08%
#/rate of recordable work-related injuries (including fatalities) — employees	61	0.09%	57	0.09%	65	0.12%
Employee Total Recordable Incident Rate (TRIR)1	61	0.09%	57	0.09%	65	0.12%
Main types of work-related injury — employees	Slip/Trip	/Fall, Struck/	on/by, Mach	ne safety, Ma	aterial Hand	ling/Ergo
Total number of hours worked — employees	13	31,495,058	131,495,058		10	6,636,800
NON-EMPLOYEE WORKERS	#	%	#	%	#	%
#/rate of non-employee worker fatalities	0	0%	0	0%	0	0.0%
#/rate of high-consequence work-related injuries (excluding fatalities) — non-employee workers	0	0%	0	0%	0	0.0%
#/rate of recordable work-related injuries (including fatalities) — non-employee workers	6	N/A	10	N/A	0	N/A

**Health and Safety** FY2023 FY2021 FY2022

Work-related hazards that pose a risk of high-consequence injury, including:

- i. how these hazards have been determined;
- ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period;
- iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls
- i. Hazards including those related to Machine Safety, Chemical Contact, Slip/trip/fall, Struck on/by, Ergonomics and Repetitive Trauma — are identified through hazard identification and risk assessment process, incident investigation process, and internal/ external audits and inspections.
- ii. Struck on working surface, fall to same level
- iii. Actions taken to minimize risks include the following:
  - 1. Design and evaluate workplace to eliminate hazards.
  - 2. Design and evaluate workplace and stations to eliminate repetitive trauma hazards.
  - 3. Create operating procedures and work instructions, provide control measures to different hazards.
  - 4. Train and communicate workers to understand and identify hazards and follow control measures to control hazards.
  - 5. Conduct periodic inspection/walk-through to monitor the workplace and verify that it is free from hazards.
  - 6. Take corrective and preventive actions to eliminate the hazards.

EMPLOYEES	#	%	#	%	#	%
Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked			200,000			
Any workers excluded from this disclosure (and why)	0		0		0	
Workers covered by an occupational health and safety management system <sup>2</sup>	100%		100%		100%	

<sup>1</sup> Employee LTIR and TRIR are Occupational Safety and Health Administration (OSHA) Standards. Note: Western Digital currently does not track main types of work-related injury or total number of hours worked for non-employee workers.

**Western Digital CEO LETTER** 

PG\_ 60

<sup>&</sup>lt;sup>2</sup> Western Digital's occupational health and safety management system covers all manufacturing locations.

# Global Giving and Doing



## **Management Approach**

**GRI 3-3** 

Making a difference is what we do. We create and facilitate channels for positive impact in the communities where our employees live and work. Our Global Giving and Doing initiatives focus on four core pillars: STEM Education, Hunger Relief, the Environment, and Equality. In FY2023 we continued our commitment to support nonprofit and nongovernmental (NGO) partners working in these imperative cause areas through grant making, paid volunteer time, and volunteer grants.

# STEM Education

As a leader in the technology industry, Science, Technology, Engineering, and Mathematics (STEM) education is a priority to Western Digital. Exposure and access to opportunities and education in STEM is not always equitable. Through our strategic partnerships with nonprofit organizations and the Western Digital Scholarship program, we strive to increase access and representation of underrepresented students in the STEM field.

Our talented workforce is also a deep source of knowledge. Leveraging their expertise and experience, we serve as mentors to champion and encourage underrepresented and underserved youth to prepare for careers in STEM, share about career paths, and help students cultivate a passion for learning.

#### A few highlights include:

- U.S. Western Digital STEM Scholarships:
  We offered 50 scholarships to students from
  traditionally underrepresented communities
  transferring from a community college to a
  university in pursuit of a STEM degree. We
  look forward to recognizing our first cohort
  of recipients in FY2024.
- We.care Scholarships: We continued to provide financial assistance supporting the educational pursuits of the high-achieving dependents of our employees. In FY2023, 58 scholarships totaling \$193,000 were awarded across the globe.
- In our third year of collaboration with QueenB, 42 volunteers in Israel working to expand exposure to the STEM field taught afterschool coding classes in Hebrew and Arabic to underrepresented students.

ENVIRONMENT

- Western Digital employees in China have been longstanding volunteers in the Volunteer Teaching Program to teach underserved elementary school students. The program has been recognized by local government officials for its community impact.
- Mathematics Engineering Science Achievement (MESA) paired 33 Western Digital mentors with first-generation, underrepresented college students in the U.S. as they transitioned from academia into the workforce.
- Try Engineering Together matched 23
   Western Digital volunteers with a Title 1
   elementary school class to serve as pen pal
   mentors for an academic year. Mentors helped
   to develop writing skills through STEM topics.
- In the U.S., employees packed 5,500 backpacks and 2600 pencil pouches that were shared with local nonprofit organizations and students attending Title 1 Schools.

Western Digital's grants and scholarships are provided through the Western Digital Fund, an advised fund of Silicon Valley Community Foundation. To learn more, please visit the page on Western Digital's corporate website.



**Western Digital.** 



# Hunger Relief

Among leadership and Western Digital employees around the world, hunger relief and food insecurity consistently rank as some of the most important issues facing communities where we live and work. We focus on alleviating the immediate need for food on a local level and support organizations such as Rise Against Hunger which seek to eradicate hunger on a global level.

# **Our Approach**

In FY2023, our employees participated in 48 volunteer events with nonprofit organizations focused on alleviating hunger. These efforts earned \$290,000 in volunteer grants to further the mission of our nonprofit partners. A highlight of this pillar continues to be our annual Global Hunger Relief campaign. After COVID necessitated a two-year shift to virtual events, excitement was high as we returned to in-person meal packing events with Rise Against Hunger and Latet. Nearly 4,000 employees from around the world joined to make an impact as one Western Digital. Our cumulative efforts over the last decade resulted in 10M+ meals being provided to communities around the globe! We recognize hunger looks different in different parts of the world and we took action to combat the problem in various ways:

In Malaysia we partnered with MyKasih
Foundation's Love My Neighborhood Program
to support 60 families in need with a cashless
food card (EBT) to purchase food items.

- In addition to participating in the Global Hunger Relief Campaign, colleagues in Israel hosted 11 additional volunteer events to support year-round hunger relief efforts in their community.
- Post-COVID levels of food insecurity in the U.S. have not waned. More than 1,800 of our employee volunteers stepped up to support their communities by harvesting fresh vegetables for local food banks, distributing food boxes in the community, and packing 2500+ snack kits for children experiencing homelessness.

# Environment

In concert with minimizing environmental impact through the company's sustainability initiatives, we're maximizing collaborative impact through our philanthropic work. In FY2023, we engaged more employees than ever before in volunteering to restore and protect our planet. As we strive to be a sustainability leader, this work encompasses all facets of the business and workforce. In addition to the efforts of our employees, we supported nonprofit and NGO partners with grants to further their environmental stewardship work including those providing public education on local and global environmental issues, and relief efforts in times of natural disaster.

# **Our Approach**

In FY2023, 6,660 of our employees participated in 41 environmentally focused volunteer events supporting environmental preservation and virtual conservation projects. This earned \$196,000 in volunteer grants for our global partners. Highlights from these events include:

- More than 1,000 colleagues in the U.S. packed 2,400 native seed packets with our nonprofit partner Environmental Volunteers to help students learn about the importance of pollinators and how to support a healthy environment for them.
- In Malaysia, 1000 seedlings were planted by 110 volunteers to protect and conserve the coastal ecosystem. The seedlings will grow into mangroves that serve as a nursery for fish and protect the coast.
- 500+ employees in Thailand came together in support of Love Wildlife Foundation's work in wildlife conservation and education.
   To support the flora and fauna of Khao Yai National Park, volunteers created mineral lick pits for wildlife. At our offices, volunteers sewed 400 hammocks for slow lorises that were rescued from illegal wildlife trafficking.
- 244 employee volunteers in Japan teamed up to remove trash and debris in their local communities throughout the year.
- In celebration of World Environment Day, 150 volunteers in the Philippines planted 2,250 saplings at Barangay Castañas, Sariaya Quezon. In the future these will grow into a natural barrier to protect the land and sustain a clean water system.

Western Digital, ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices PG\_62

# Equality

When all members of society are treated with dignity and respect, individuals, communities, and businesses like ours are better positioned to thrive. This is evident in all societies and cultures and why we invest in nonprofit organizations working to make our communities more equitable and just for all.

# **Our Approach**

Our employees' voices hold an important role in guiding Western Digital's work in the equality space. In FY2023 we partnered with the DEI team and our Employee Resource Groups to provide \$400,000 in Equality Grants to further the work of impactful nonprofit organizations creating a more inclusive and equitable community. To celebrate and raise awareness of the beauty of our diversity, we engaged 4,955 Western Digital employees in 30 volunteer and learning events to help nonprofits earn \$154,000 in volunteer grants.

 With Together Foundation, 563 volunteers in Thailand created 4,000 tactile coloring books for visually impaired children and young adults that were shared with specialized schools.

- During Women's History Month, 2,849
   employees in China participated in a learning
   session about women's equality and the
   importance of cultivating a more equitable
   workplace for all.
- In Japan, 320 employees engaged in a virtual session with Get in Touch to understand the importance of supporting and engaging marginalized groups in their communities.
- Building community across diverse cultures and peoples is an important issue in the U.S. To support this ongoing effort, we amplified the work of nonprofit organizations building a more inclusive and equitable society by participating in learning sessions held by the Global Fund for Women, Right to Be, We Are all Human, Hire Heroes, and many other nonprofit organizations.
- The LGBTQ+ movement has made significant strides, and our employees are proud to be allies. Around the world, 652 employees participated in various learning and volunteering activities with nonprofit organizations in Israel, Japan, Thailand, and the U.S. to cultivate a more inclusive community.



Western Digital ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices

# Integrity

# Our Culture of Ethics

## **Management Approach**

**GRI 2-23** 

Our integrity and ethical business practices are fundamental to our business success. Ethical decisions lead to lower long-term costs and higher profits. Our strong culture of ethics is a key differentiator for our customers, which leads to more sales and market share. Our ethics also help us attract and retain the best talent, as potential employees prefer companies that act with integrity. By acting ethically and responsibly, we reduce operational risk and help the company operate smoothly, quickly, and lawfully.

Our <u>Code of Business Ethics</u> and <u>Code of</u>
<u>Conduct</u> embody a unifying guide anchored in
Western Digital's core values. They explain our
ethical and legal obligations to our colleagues,
company, business partners, and communities, and
provide an ethical and behavioral framework for our
decisions. A copy of our Global Code of Conduct
is available in 9 languages and is accessible
to Western Digital's workforce, its employees,
business partners, and the public at large.

Additionally, our Code of Business Ethics sets out a framework for ethical business conduct for our directors, officers and employees. Collectively, our codes, charters, policies and procedures require our global workforce to safeguard our company's valuable reputation and act with ethics and integrity in business dealings.

Our Chief Compliance Officer oversees our global Ethics and Compliance Program. With a secondary reporting relationship to the Audit Committee of our Board of Directors, the program operates with significant independence and autonomy. It focuses on strategic risk areas identified through periodic enterprise-wide evaluations and assessments. Our ethics and compliance team covers numerous risk areas including, among others, anti-corruption, data privacy, and global trade. We regularly conduct trainings and compliance initiatives across these risk areas.

### **Annual Training**

Western Digital has established a unique and effective annual tradition of celebrating and amplifying our focus on ethical conduct during a special week-long observance we call Ethics Fest. During this time, we require professional staff and people managers to complete online training. Every year, this training promotes our multiple avenues for reporting and reiterates our celebrated speak-up culture, highlighting our broad-based compliance topics and strict prohibition against retaliation. We also rotate in other compliance topics as appropriate. Every year, we also train our factory workers in speaking up, accessing reporting channels and other Global Code of Conduct topics important to their jobs.

### **Ongoing Instructor-Led Training**

Likewise, the Ethics and Compliance team trains our workforce directly throughout the year, focusing on targeted instructor-led training based on business requests, risk factors, legal and regulatory changes and requirements, and/or changes in emerging circumstances. For example, we train people managers regularly on topics relevant to managing their teams, such as how to promote a "Speak-Up" culture within their teams and other ethics-related topics relevant to their managerial responsibilities. This year's instructor-led training included sessions on business courtesies, accurate books and records, anti-corruption, trade compliance, antitrust, data privacy, conflicts of interest, charitable donations, proper handling of reported concerns, and protecting confidential information.

Western Digital CEO LETTER OUR 2023 STORY GENERAL DISCLOSURES OUR STRATEGY ENVIRONMENT SUPPLY CHAIN WORKFORCE GLOBAL GIVING INTEGRITY DATA INDICES PG\_64

#### Certifications

Our Chief Compliance Officer oversees annual compliance certification from several thousand specially designated employees. This group includes all our senior members of management. These employees complete an annual online questionnaire, certifying compliance with provisions of the Global Code of Conduct, including and requiring any necessary disclosures.

## **Raising Concerns**

#### GRI 2-26

Western Digital values and promotes a "Speak-Up" culture. Anyone may report potentially improper conduct without fear of retaliation. Our Ethics Helpline is available to all: our workforce, business partners, suppliers, and members of our communities.

We promote the Ethics Helpline and our strict prohibition against retaliation across all company locations globally. Our Ethics Helpline is available 24 hours a day both online at <a href="https://www.ethicshelplinewdc.com">www.ethicshelplinewdc.com</a> in nine languages, and by phone in over 200 languages in all the countries where we do business. Anyone who suspects misconduct, has feedback, or wants to inquire about our ethics and compliance rules and expectations can raise their concerns through the Helpline.

A third party, whose operators speak more than 200 languages, intakes our Helpline reports. They send reported concerns to our Global Ethics and Compliance team. Dedicated and well-trained investigations staff work with appropriate internal and external resources to investigate concerns, remediate misconduct, and help enhance controls to minimize risk of recurrence. Our Chief Compliance Officer regularly updates the Audit Committee on misconduct reports and related remediation.

Global Code of Conduct Training	FY2021	FY2022	FY2023
Number of professional and managerial workers <sup>1</sup> assigned online Global Code of Conduct training	20,435	22,460	21,905
% of training completion by month-end deadline	99.8%	99.9%	99.9%
Number of employees not finished by deadline	43	2	32
Time required to reach 100% training completion after month-end deadline (days)	35	33	33
Number of employees receiving instructor-led training	5,819	3,768	6,465

<sup>&</sup>lt;sup>1</sup> Includes Western Digital employees and contractors.

# Anti-Corruption

### **Management Approach**

**GRI 3-3** 

Western Digital is committed to doing business the right way, every day. We pride ourselves on operating lawfully and expect the same of our business partners. A member of the Responsible Business Alliance ("RBA"), Western Digital complies with and expects its business partners to comply with the standards described in our Global Code of Conduct and Supplier Code of Conduct.

Western Digital continues focusing its anticorruption efforts on ensuring compliance with all applicable global anti-corruption laws, including vetting our business partners, training key stakeholders, and issuing regular anticorruption communications. Ensuring that all Western Digital business partners throughout the supply chain understand that compliance with anti-corruption laws is imperative for partnering with Western Digital helps drive compliance efforts while protecting our employees, customers, communities, and shareholders. As we continue to evolve our global footprint, we foster close collaboration and open lines of communication with internal and external stakeholders alike. Our proactive collaboration with our Sales and Procurement teams, as well as with our distributors and other business partners, have strengthened our operating model, leading to improved transactional visibility, embedding of anti-corruption tenets and controls in our business model, and improved visibility for our leadership.

Our global anti-corruption efforts are not merely about mitigating a single high-risk transaction at one point in time, but about creating a culture where all resources — people and technology — promote transparent and fair business practices. Our opposition to corruption starts with the tone set by our Board of Directors and our Executive Leadership Team, and permeates down to our employees, contractors and business partners. It is fundamental to who we are and how we operate our business.

Western Digital performs periodic compliance risk assessments, enterprise risk management reviews, and where appropriate, risk-based audits of internal processes, alongside business partners inspections and reviews to ensure compliance with relevant laws and regulations, including those on anti-corruption. As a data company, Western Digital proudly incorporates data analytics into fundamental operations of our compliance program. Utilizing large data sets and benchmarking ourselves against industry peers helps us focus anti-corruption resources on the right issues and locations in a timely fashion, allowing us to guide business efforts while ensuring we conduct business lawfully and efficiently. Supporting our advice with data helps us be persuasive advocates and strengthen our client relationships.

Western Digital has a comprehensive, enterprise-wide anti-bribery and corruption program, including policies, procedures, and internal controls. The program applies to all Western Digital employees, contractors, and business partners and includes extensive broadbased anti-corruption training for employees. The training takes place at onboarding, annually, and via targeted online and in-person trainings.

Western Digital. ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 65

Western Digital's management regularly communicates on various anti-corruption tenets, laws, regulations, expectations, and requirements to employees, contractors, and business partners.

In addition to our Global Code of Conduct and Supplier Code of Conduct, our policies include, among others, a comprehensive Global Anti-Corruption Policy, a Charitable Donations of Company Funds and Assets Policy, and a Global Business Courtesies Policy. We prominently outline our anti-corruption commitments in our Global Code of Conduct and periodically evaluate and update our program, including setting annual goals reported to Western Digital's Board of Directors.

#### GRI 205-1

Anti- Corruption	FY2021	FY2022	FY2023
Percentage of operations assessed for risks related to corruption	100%	100%	100%1

<sup>&</sup>lt;sup>1</sup> Figure may be subject to change, pending third-party review of Western Digital's ethics and compliance programs for FY2023.

# Data Privacy and Security

## **Management Approach**

GRI 103-2. GRI 103-3. SASB TC-HW-230a.1

Western Digital invests in protecting individuals' privacy by helping to secure and respect personal information that customers and employees share with us. Our customers are comfortable working with us because they trust that their data will be well protected. We take this responsibility seriously and are committed to following high standards of internal data management practices.

Our comprehensive approach to data management involves two business functions:

- 1. Data Security: Groups that help manage data security risks in the organization include our Intellectual Property Compliance, Information Security, and Physical Security teams. Our Information Security team, responsible for protecting company data, is led by our Chief Information Security Officer / Vice President, IT Infrastructure and Operations, who delivers quarterly reports to the Audit Committee of our Board of Directors.
- 2. Data Privacy: We have a dedicated team of certified data privacy experts, including a Data Protection Officer and full-time privacy professionals.

Western Digital routinely evaluates our data privacy and security management systems, measuring and testing them on a regular basis. Data security is monitored, measured and reported to appropriate leadership. For data privacy, we report to the Audit Committee as needed on privacy regulation updates and our program readiness.

#### **Policies**

Our policies reflect our commitment to help ensure the privacy of our data infrastructure and customers:

- Global Confidential Information Policy: Outlines rules for protecting sensitive information generally, including personal information
- Information Technology Acceptable Use Policy: Governs how our employees may utilize technology and devices attached to our network
- Enterprise Cyber Security Policy: Provides guidance to employees and IT personnel on protecting our infrastructure from cyberattacks, including a comprehensive incident response plan
- Online Privacy Statement: Provides clear terms for how Western Digital collects, uses and processes personal information providing customers with a mechanism to raise privacy questions and exercise their data subject rights such as the right to access, correct, or delete personal information
- Global Privacy Policy: Describes roles, requirements and processes to employees for handling personal and sensitive information

Our Global Privacy Policy complies with privacy laws throughout the world, including requirements of the EU General Data Protection Regulation (GDPR), the California Privacy Rights Act (CPRA), and other applicable privacy laws. Our policy makes clear Western Digital's commitment to collect, use, and share personal information based on consent or other legitimate legal purposes. Our Privacy Statement notifies customers how we use data, and we are committed to following laws that may require additional disclosures related to sharing data with third parties. Third parties that process personal information on our behalf commit to appropriate laws and standards through our contracting process.

We review our data privacy and security policies regularly. In 2022, we updated our Online Privacy Statement and provided notification through email to our customers and end users. Beyond the data privacy and security policies discussed above, Western Digital protects sensitive and/ or personal data through additional policies and guidelines:

- Global Code of Conduct
- Patch Management and Malware **Prevention Policy**
- Privileged Account Policy
- Corporate Password Policy
- Guidelines for Handling Confidential Information
- Guidelines for Handling Business Partner Information
- Guidelines for Secure Document Shredding



#### Risk Assessment and System Testing

Western Digital conducts regular risk assessments and testing of our systems and procedures. In 2021, we conducted a companywide compliance risk assessment (including privacy) and a tabletop exercise to test the company's response to a potential privacy incident. The goals of these activities are to identify opportunities for improving security and privacy strategy, systems, and efficiency.

#### **Incident Management**

Western Digital's information technology and privacy teams partner to prevent and respond to incidents. With a comprehensive Incident Response Plan, we have defined roles and responsibilities for numerous possible scenarios, such as a privacy incident. The plan includes notification procedures, response processes, and escalation protocols.

#### **Product Security**

In addition to our efforts to protect the information that Western Digital manages or controls, our Product Security Incident Response Team (PSIRT) manages issues relating to possible security risks in the products we sell.

We maintain a public website to provide information and transparency to our customers and to direct security researchers or others who seek to responsibly disclose vulnerabilities to our PSIRT@wdc.com reporting address.

#### **Vulnerability Submission Acknowledgment**

- Create and forward cases to the appropriate engineering team for validation and acceptance
- Respond to researchers (within three business days)
- Communicate within a responsible disclosure window to resolve the vulnerability (~90 days)

#### **Identification and Plan of Action**

- Identify root cause, scope of the vulnerability, impact, and risk in reported product(s).
- Develop potential remediation options.
- Conduct third-party security audits on impacted products when appropriate or the planned fix to ensure proper remediation.

#### **Mitigation and Resolution**

 Post security bulletin to the product security webpage, explaining the vulnerability, potential user(s) impact, and necessary actions to mitigate or resolve the security vulnerability.

#### Training

Western Digital conducts extensive employee training and communications on data privacy and security to ensure our employees understand how to manage, handle, and protect data. We use a combination of all-employee and targeted training for both factory and corporate employees.

#### **Key Metrics**

GRI 418-1

Western Digital experienced one substantiated complaint concerning breaches of customer privacy.



All-Employee Training and Communications	
Information Security Awareness	Online module training in August 2022
Confidential Information	Online module training in October 2022
Global Privacy Laws	Online module training in October 2022
Confidentiality and Privacy Communications	Rotating program of enterprise-wide communications including blogs, podcasts, executive communications, posters, and infographics
Targeted Training and Communications	
Acceptable Use Policy	APAC Procurement leaders sent reminders to their teams in Fall 2022
Privacy Policy and Laws	Suite of thirteen targeted courses administered on a rotating basis, plus tailored on-demand offerings
Global Confidential Information Policy	Suite of eight courses given to different business areas, plus tailored on-demand offerings
Other (Testing)	
Phishing education and simulations	

# Fiscal Year 2023

Our ESG Data provides an update to reflect our performance over the last three fiscal years.

FY 2021 represents fiscal year 2021 (July 4, 2020-July 2, 2021), FY 2022 represents fiscal year 2022 (July 3, 2021–July 1, 2022), and FY 2023 represents fiscal year 2023 (July 2, 2022 - June 30, 2023).

#### **Environment**

GRI 302-1, SASB TC-SC-130a.1

Energy consumption within the organization <sup>1</sup>	FY2021	FY2022	FY2023	FY2021	FY2021	FY2023
	GIO	OH TTAWA	RS	TR	ILLION JOUL	ES
Total fuel consumption from nonrenewable sources (gas/oil)	159.6	164.7	160.8	574.6	592.7	578.9
Total fuel consumption from renewable sources	0.0	0.0	0.0	0.0	0.0	0.0
Total Electricity consumption	1,941.4	1,996.2	1,755.4	6,989.1	7,186.2	6,319.4
Electricity consumption from renewable sources	279.9	467.9	485.1	1,007.6	1,684.5	1,746.4
Electricity consumption from nonrenewable sources	1,661.5	1,528.2	1,270.2	5,981.5	5,501.7	4,572.7
Total energy consumption	2,101.0	2,160.8	1,916.2	7,321.6	7,563.7	6,898.3

Data includes the main research, development, and manufacturing facilities owned by Western Digital Corporation in each fiscal year. These facilities are located in the United States, China, India, Israel, Japan, Malaysia, Philippines, and Thailand. Western Digital continues to reference the Greenhouse Gas Protocol (GHG Protocol), the most widely used international accounting tool for government and business leaders, to understand, quantify, and manage greenhouse gas emissions

#### GRI 302-3

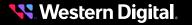
Energy Intensity	FY2021	FY2022	FY2023
Energy intensity ratio (kWh/PB) <sup>1</sup>	3,883.6	3,350.1	3,829.3

<sup>&</sup>lt;sup>1</sup>The energy intensity ratio is based on energy consumed within the organization and is measured in kilowatt-hours per petabyte. Types of energy included are fuel and electricity. The denominator is shipped storage capacity.

#### GRI 302-5

Electrical Power Savings	FY2021	FY2022	FY2023
Annual electrical power savings due to HDD power efficiency innovations (million kWh)	2,231.6¹	2,988.11	3,627.9

<sup>1</sup> The annual electrical power savings for FY2021 and FY2022 have been restated from previously published data due to an update of the supporting data.



#### GRI 305-1, SASB TC-SC-110a.1

Total Direct (Scope 1) GHG Emissions (CO <sub>2</sub> e-ton)	FY2021	FY2022	FY2023	Conversion Factor
CO <sub>2</sub> (gas/oil + cleaning)	33,558.3	34,485.0	36,447.8	1
CH <sub>4</sub>	0.0	0.0	0.0	N/A
N <sub>2</sub> O	0.0	0.0	0.0	N/A
HFCs <sup>1</sup> (HFC-23, HFC-32, HFC-134a)	903.6	4,438.0	1,206.4	HFC-23: Multiple factors: 12,400 (lbs/lbs) 3,047 (lbs/lbs) HFC-32: 677 (lbs/lbs) HFC-134a: 1,300 (lbs/lbs)
HFC-43-10 <sup>2</sup>	0.0	0.0	88,496.9	1,650 (lbs/lbs)
PFCs	0.0	0.0	0.0	N/A
SF <sub>6</sub> <sup>3</sup>	2,324.1	270.0	629.0	Multiple factors: 23,500 (lbs/lbs) 10,575 (lbs/lbs) 9,623 (lbs/lbs)
NF <sub>3</sub> <sup>4</sup>	4.7	0.2	1.2	2,898 (lbs/lbs)
CF <sub>4</sub> <sup>3</sup>	409.4	58.0	107.2	Multiple factors: 6,630 (lbs/lbs) 4,774 (lbs/lbs) 4,344 (lbs/lbs)
C <sub>4</sub> F <sub>8</sub> <sup>4</sup>	3.5	7.4	8.0	6,010 (lbs/lbs)
HFE7100⁵	7,540.1	8,214.6	11,529.4	421.0 (lbs/lbs)
HFE7200⁵	8.6	8.6	14.8	57 (lbs/lbs)
HCFC-22 <sup>5</sup>	93.1	156.8	620.2	1,760 (lbs/lbs)
HCFC-122 <sup>6</sup>	0.0	10.6	0.0	59 (lbs/lbs)
HCFC-123⁵	14.2	42.8	141.2	79 (lbs/lbs)
R-404A <sup>7</sup>	1,292.5	1,535.9	12.4	3,943 (lbs/lbs)
R-407C <sup>8</sup>	0.0	0.0	206.3	1,624 (lbs/lbs)
R-410A <sup>9</sup>	0.0	82.9	559.4	1,923 (lbs/lbs)
R-508B <sup>10</sup>	0.0	0.0	0.0	11,607 (lbs/lbs)

Total Direct (Scope 1) GHG Emissions (CO <sub>2</sub> e-ton)	FY2021	FY2022	FY2023	Conversion Factor
R-514A	0.0	0.0	2.1	2,000 (lbs/lbs)
Total Scope 1	46,152.0	48,310.7	139,982.3	

<sup>&</sup>lt;sup>1</sup>The conversion factor for HFC-23 is calculated by Western Digital. It is determined by facility based on the international technical review of the abatement process in manufacturing. The conversion factor for HFC-134a is based on the Intergovernmental Panel on Climate Change (IPCC) fifth assessment report, 100-year number.

#### GRI 305-2

Total Indirect (Scope 2) GHG Emissions (CO <sub>2</sub> e-ton) <sup>1</sup>	FY2021	FY2022	FY2023
CO <sub>2</sub> e <sup>2</sup>	929,882.7	841,669.2	683,977.1

<sup>&</sup>lt;sup>1</sup> Scope 2 market-based emissions; all gases CO<sub>2</sub>, CH<sub>a</sub>, and N<sub>2</sub>O are included.

#### GRI 305-3

Other Indirect (Scope 3) GHG Emissions (CO <sub>2</sub> e-ton)	FY2021	FY2022	FY2023
Category 6: Business Travel <sup>1, 2</sup>	361.6	5,442.7	7,547.9
Category 11: Use of Sold Products <sup>3</sup>	6,127,263.0	6,603,594.0	4,314,614.2

<sup>&</sup>lt;sup>1</sup> At this time, reported Scope 3, Category 6: business travel emissions include business air travel only.

Note: Our complete FY2020, FY2021, and FY2022 Scope 3 inventories are disclosed in our 2021, 2022, and 2023 CDP Climate Change response, which are posted on our Corporate Responsibility website.



<sup>&</sup>lt;sup>2</sup> Western Digital has updated its Scope 1 inventory and is reporting emissions for HFC-43-10 beginning in FY2023.

<sup>&</sup>lt;sup>3</sup> Some facilities use the IPCC fifth assessment report, 100-year number, and others use conversion factors determined by facility based on the international technical review of the abatement process in manufacturing.

<sup>&</sup>lt;sup>4</sup> Calculated by Western Digital: the conversion factor is determined by facility based on the international technical review of the abatement process in manufacturing.

<sup>&</sup>lt;sup>5</sup> IPCC fifth assessment report, 100-year number.

<sup>&</sup>lt;sup>6</sup> IPCC fifth assessment report, 100-year number.

<sup>7</sup> Global warming potential (GWP) is calculated based on component gases' GWPs (44% HFC-125, 4% HFC-134a, 52% HFC 143a).

<sup>&</sup>lt;sup>8</sup> GWP is calculated based on component gases' GWPs (25% HFC-125, 52% HFC-134a, 23% HFC-32).

<sup>&</sup>lt;sup>9</sup> GWP is calculated based on component gases' GWPs (50% HFC-32, 50% HFC-125).

<sup>&</sup>lt;sup>10</sup> GWP is calculated based on component gases' GWPs (39% HFC-23, 61% PFC-116).

<sup>&</sup>lt;sup>2</sup> International Energy Association (IEA) emission factors

<sup>&</sup>lt;sup>2</sup> Defra emission factors.

<sup>&</sup>lt;sup>3</sup> IPCC sixth assessment report, 100-year number, grid emission factor.

#### GRI 305-4

GHG Emissions Intensity <sup>1</sup>	FY2021	FY2021	FY2023
GHG emissions intensity ratio — HDD (Tons/PB) <sup>2</sup>	1.7	1.2	1.4
GHG emissions intensity ratio — SSD (Tons/PB) <sup>2</sup>	2.6	2.2	2.5

<sup>&</sup>lt;sup>1</sup> The denominator used to calculate the GHG emissions intensity ratio is shipped memory capacity.

#### GRI 306-3, 306-4, 306-5, TC-SC-150a.1

Waste Metric Tons	FY2022 <sup>1</sup>	FY2023
HAZARDOUS WASTE		
Hazardous Waste Diverted	7,119.4	2,496.6
Hazardous Waste Disposed	4,598.3	4,394.5
Total Hazardous Waste	11,730.7	6,891.4
NON-HAZARDOUS WASTE		
Non-Hazardous Waste Diverted	8,355.3	9,848.2
Non-Hazardous Waste Disposed	2,915.5	3,391.4
Total Non-Hazardous Waste	11,784.9	13,285.2
Total Waste Generated	23,515.6	20,176.6
Waste Reuse/Recycle/Recover Rate	65.8%	61.2%

<sup>&</sup>lt;sup>1</sup> Due to updates of the underlying data, waste-related data for FY2022 has been restated.

#### SASB TC-HW-410a.4

End-of-Life Material <sup>1</sup>	FY2023 <sup>2</sup>
Number of devices recycled (cumulative total)	30,325
Total end-of life material recovered (metric tons, cumulative total)	12.7

<sup>&</sup>lt;sup>1</sup> Represents material recovered through Western Digital's Easy Recycle Program. Recovery partner holds an e-Steward certification.

#### SASB TC-HW-410a.1, TC-SC-410a.1

IEC62474 Declarable Substances	FY2021	FY2022	FY2023
Percentage of products by revenue that contain IEC 62474 declarable substances <sup>1</sup>	100%	100%	100%

<sup>&</sup>lt;sup>1</sup> Though Western Digital products generally contain IEC 62474 declarable substances, we meet all legal requirements for those substances. The main IEC 62474 declarable substances used in Western Digital products — lead and nickel — are fully compliant with regulations wherever our products are sold.

#### GRI 303-3, 303-5; SASB TC-SC-140a.1

Water Withdrawal, Recycling, and Consumption	FY2021	FY2022	FY2023
Total volume of water withdrawn (m³)	17,771,953.3	18,035,001.8	14,208,676.5
Total volume of water recycled and reused (m <sup>3</sup> )	4,799,151.9	3,622,920.6	4,908,833.0
Total volume water consumed (m³)	7,231,373.7	6,939,399.8	5,479,914.3

<sup>&</sup>lt;sup>2</sup> Includes Scope 1 and Scope 2 market-based GHG emissions and all gases CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, and NF<sub>3</sub>.

<sup>&</sup>lt;sup>2</sup> Results are cumulative from the program's inception in April 2020 through the end of the specified fiscal year.

# **Supply Chain**

SASB TC-HW-430a.1, TC-HW-430a.2

Suppliers Assessed Using RBA Validated Assessment Program <sup>1</sup>	FY2021	FY2022	FY2023
Number of in-scope Tier 1 suppliers	138	138	138
Number of in-scope supplier facilities (Tier 1 + Sub-Tier)	362	390	410
Percentage of all Tier 1 supplier facilities audited in the RBA Validated Assessment Program or equivalent <sup>2</sup>	62%	64%	67%
Percentage of high-risk Tier 1 supplier facilities audited in the RBA Validated Assessment Program or equivalent	0%	0%	0%
Tier 1 suppliers' non-conformance rate with the RBA Validated Assessment Program or equivalent	8%	7%	7%
Tier 1 suppliers' associated corrective action rate for priority non-conformances	93%	97%	91%
Tier 1 suppliers' associated corrective action rate for other non-conformances <sup>3</sup>	84%	85%	85%

<sup>&</sup>lt;sup>1</sup> Percentages are based on facility count.

#### SASB TC-HW-430a.1, TC-HW-430a.2

Sub-Tier Suppliers Assessed Using RBA Validated Assessment Program <sup>1</sup>	FY2022	FY2023
Number of Sub-Tier suppliers	69	77
Number of Sub-Tier supplier facilities	115	127
Percentage of all Sub-Tier supplier facilities audited in the RBA Validated Assessment Program or equivalent <sup>1</sup>	61%	61%
Percentage of high-risk Sub-Tier supplier facilities audited in the RBA Validated Assessment Program or equivalent	0%	0%
Sub-Tier suppliers' non-conformance rate with the RBA Validated Assessment Program or equivalent	5%	6%
Sub-Tier suppliers' associated corrective action rate for priority non-conformances	100%	100%
Sub-Tier suppliers' associated corrective action rate for other non-conformances <sup>2</sup>	97%	98%

<sup>&</sup>lt;sup>1</sup> Percentages are based on facility count.



<sup>&</sup>lt;sup>2</sup> Total supplier facilities for FY2022–FY2023 encompass 90% of direct material spend and single/sole source and strategic suppliers.

<sup>&</sup>lt;sup>3</sup> "Other Non-Conformance" refers to major and minor findings.

<sup>&</sup>lt;sup>2</sup> "Other non-conformance" refers to major and minor findings.

#### **Our Workforce**

#### GRI 403-8 and 403-9

Health and Safety	FY202		FY2022			FY2023
EMPLOYEES	#	%	#	%	#	%
#/rate of employee fatalities	0	0%	0	0%	0	0.0%
#/rate of high-consequence work-related injuries (excluding fatalities) — employees	4	0.006%	2	0.003%	2	0.004%
Employee Lost Time Incident Rate (LTIR) <sup>1</sup>	29	0.04%	28	0.04%	44	0.08%
#/rate of recordable work-related injuries (including fatalities) — employees	61	0.09%	57	0.09%	65	0.12%
Employee Total Recordable Incident Rate (TRIR)1	61	0.09%	57	0.09%	65	0.12%
Main types of work-related injury — employees	Slip/Trip/Fall, Struck/on/by, Machine safety, Material Handling/Ergo					ling/Ergo

Total number of hours worked — employees	131,495,058		131,	495,058	106	,636,800
NON-EMPLOYEE WORKERS	#	%	#	%	#	%
#/rate of non-employee worker fatalities	0	0%	0	0%	0	0.0%
#/rate of high-consequence work-related injuries (excluding fatalities) — non-employee workers	0	0%	0	0%	0	0.0%
#/rate of recordable work-related injuries (including fatalities) — non-employee workers	6	N/A	10	N/A	0	N/A

Health and Safety	FY2021	FY2022	FY2023

Work-related hazards that pose a risk of high-consequence injury, including:

- i. how these hazards have been determined;
- ii. which of these hazards have caused or contributed to high-consequence injuries during the reporting period;
- iii. actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls
- i. Hazards including those related to Machine Safety, Chemical Contact, Slip/trip/fall, Struck on/by, Ergonomics and Repetitive Trauma — are identified through hazard identification and risk assessment process, incident investigation process, and internal/ external audits and inspections.
- ii. Struck on working surface, fall to same level
- iii. Actions taken to minimize risks include the following:
  - 1. Design and evaluate workplace to eliminate hazards.
  - 2. Design and evaluate workplace and stations to eliminate repetitive trauma hazards.
  - 3. Create operating procedures and work instructions, provide control measures to different hazards.
  - 4. Train and communicate workers to understand and identify hazards and follow control measures to control hazards.
  - 5. Conduct periodic inspection/walk-through to monitor the workplace and verify that it is free from hazards.
  - 6. Take corrective and preventive actions to eliminate the hazards.

PG\_ 72

EMPLOYEES	#	%	#	%	# 5	%
Whether the rates have been calculated based on 200,000 or 1,000,000 hours worked			200,000			
Any workers excluded from this disclosure (and why)	0		0		0	
Workers covered by an occupational health and safety management system <sup>2</sup>	100%		100%		100%	

<sup>&</sup>lt;sup>1</sup> Employee LTIR and TRIR are Occupational Safety and Health Administration (OSHA) Standards. Note: Western Digital currently does not track main types of work-related injury or total number of hours worked for non-employee workers.

Western Digital ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices

<sup>&</sup>lt;sup>2</sup> Western Digital's occupational health and safety management system covers all manufacturing locations.

#### GRI 401-1

Employee Attraction, and Engagement	Retention		FY2021		FY2022	·	FY2023
EMPLOYEE HIRES		#	RATE <sup>1</sup>	#	RATE <sup>1</sup>	#	RATE <sup>1</sup>
Hires by age group	Under 30	6,774	36.0%	7,497	44.9%	1,542	11.4%
	30–50	2,642	6.6%	3,661	8.9%	844	2.2%
	50+	187	3.0%	265	3.7%	113	1.6%
Hires by gender	Male	3,372	12.3%	5,210	18.8%	1,579	6.0%
	Female	6,229	16.4%	6,213	16.7%	920	2.8%
Hires by region	United States	734	9.2%	1,147	14.6%	559	1.2%
	Asia	8,736	15.6%	10,064	18.0%	1,851	3.7%
	Other	133	10.5%	212	16.5%	89	7.0%
Total Employee Hires		9,603	14.7%	11,432	17.6%	2,499	4.2%
EMPLOYEE TURNOVER		#	RATE <sup>2</sup>	#	RATE <sup>2</sup>	#	RATE <sup>2</sup>
Voluntary turnover	Under 30	3,766	20.0%	5,207	31.2%	3,803	28.2%
by age group	30–50	0.050	F 00/	0.000	0.004	2 524	0.007
		2,352	5.8%	3,839	9.3%	3,524	9.2%
	50+	2,352	3.8%	402	5.6%	448	6.2%
Involuntary turnover							
Involuntary turnover by age group	50+	237	3.8%	402	5.6%	448	6.2%
•	50+ Under 30	237	3.8% 6.2%	402	5.6% 8.3%	448 774	6.2% 5.7%
by age group  Voluntary turnover	50+ Under 30 30–50	237 1,175 1,523	3.8% 6.2% 3.8%	402 1,383 1,213	5.6% 8.3% 2.9%	448 774 4,021	6.2% 5.7% 10.5%
by age group	50+ Under 30 30–50 50+	237 1,175 1,523 298	3.8% 6.2% 3.8% 4.8%	402 1,383 1,213 293	5.6% 8.3% 2.9% 4.1%	448 774 4,021 1,297	6.2% 5.7% 10.5% 18.1%
Voluntary turnover by gender  Involuntary turnover	50+ Under 30 30–50 50+ Male	237 1,175 1,523 298 2,479	3.8% 6.2% 3.8% 4.8% 9.1%	402 1,383 1,213 293 3,847	5.6% 8.3% 2.9% 4.1% 13.8%	448 774 4,021 1,297 3,168	6.2% 5.7% 10.5% 18.1% 12.0%
by age group  Voluntary turnover by gender	50+ Under 30 30–50 50+ Male Female	237 1,175 1,523 298 2,479 3,876	3.8% 6.2% 3.8% 4.8% 9.1%	402 1,383 1,213 293 3,847 5,599	5.6% 8.3% 2.9% 4.1% 13.8%	448 774 4,021 1,297 3,168 4,607	6.2% 5.7% 10.5% 18.1% 12.0% 14.1%

Employee Attraction and Engagement	, Retention		FY2021		FY2022		FY2023
EMPLOYEE TURNOVER		#	RATE <sup>2</sup>	#	RATE <sup>2</sup>	#	RATE <sup>2</sup>
Voluntary turnover	United States	610	7.7%	1,177	15.0%	833	11.3%
by region	Asia	5,665	10.1%	8,145	14.6%	6,851	13.6%
	Other	80	6.3%	126	9.8%	91	7.2%
Involuntary turnover	United States	236	3.0%	262	3.3%	517	7.0%
by region	Asia	2,700	4.8%	2,589	4.6%	5,477	10.9%
	Other	60	4.7%	38	3.0%	98	7.8%
Total Voluntary Employe	e Turnover	5,380	8.4%	9,448	14.5%	7,775	13.2%
Total Involuntary Employ	ree Turnover	5,995	9.4%	2,889	4.4%	6,092	10.3%

<sup>&</sup>lt;sup>1</sup> Hire rate is calculated as the total number of hires divided by the average headcount over the time period. Employees without gender or birthdate in the source data are included in the total only and not in age, gender and region breakouts.

**W**. Western Digital.

CEO LETTER OUR 2023 STORY

<sup>&</sup>lt;sup>2</sup> Turnover rate is calculated as the total number of separations/terminations (voluntary and involuntary) divided by the average headcount over the time period. Employees without gender or birthdate in the source data are included in the total only and not in age, gender and region breakouts.

#### GRI 405-1, SASB TC-HW-330a.1

Gender Representation of Global Employees <sup>1</sup>				
FY2021	FEMALE	MALE	OTHER	
Management	25.7%	74.3%	0.0%	
Technical staff	22.3%	77.7%	0.0%	
All other employees	68.3%	31.7%	0.0%	
Factory employees <sup>2</sup>	69.8%	30.2%	0.0%	
Non-factory employees	51.8%	48.2%	0.1%	
FY2022	FEMALE	MALE	OTHER	
Management	25.7%	74.3%	0.0%	
Technical staff	23.1%	76.9%	0.0%	
All other employees	66.8%	33.2%	0.0%	
Factory employees <sup>2</sup>	68.4%	31.6%	0.0%	
Non-factory employees	51.1%	48.8%	0.0%	
FY2023	FEMALE	MALE	OTHER	
Management	26.0%	74.0%	0.0%	
Technical staff	23.4%	76.6%	0.0%	
All other employees	64.5%	35.5%	0.0%	
Factory employees <sup>2</sup>	66.1%	33.9%	0.0%	
Non-factory employees	51.5%	48.5%	0.0%	

<sup>&</sup>lt;sup>1</sup> Data is based on the headcount at the end of the indicated fiscal year. Gender data is based on self-identification.

#### GRI 405-1, SASB TC-HW-330a.1

EV0004	LINIDED CO	20.50	<b>50</b> .
FY2021	UNDER 30	30–50	50+
Management	0.9%	66.7%	32.4
Technical staff	22.1%	58.9%	19.0
All other employees	32.3%	61.8%	6.0
Factory employees <sup>2</sup>	33.8%	61.5%	4.7
Non-factory employees	15.2%	64.3%	20.5
FY2022	UNDER 30	30-50	50+
Management	1.1%	66.0%	32.8
Technical staff	24.0%	56.8%	19.1
All other employees	29.6%	63.6%	6.8
Factory employees <sup>2</sup>	31.0%	63.9%	5.1
Non-factory employees	15.6%	60.5%	23.8
FY2023	UNDER 30	30-50	50+
Management	0.9%	64.6%	34.6
Technical staff	22.7%	58.2%	19.1
All other employees	24.7%	67.7%	7.6
Factory employees <sup>2</sup>	25.9%	68.5%	5.6
Non-factory employees	14.9%	61.1%	24.0

<sup>&</sup>lt;sup>1</sup> Data is based on the headcount at the end of the indicated fiscal year.



<sup>&</sup>lt;sup>2</sup> For purposes of this report, "factory employees" are those working in our factory setting that directly work on product assembly; all remaining employees are considered professional or managerial.

<sup>&</sup>lt;sup>2</sup> For purposes of this report, "factory employees" are those working in our factory setting that directly work on product assembly; all remaining employees are considered professional or managerial.

Racial/Ethnic Group Representation of United States Employees <sup>1</sup>						
FY2021	ASIAN	BLACK OR AFRICAN AMERICAN	HISPANIC OR LATINO	WHITE	OTHER <sup>2</sup>	
Management	49.7%	1.1%	4.5%	42.4%	2.3%	
Technical staff	58.3%	1.0%	3.4%	35.9%	1.4%	
All other employees	56.2%	2.6%	13.1%	23.8%	4.3%	
Factory employees <sup>3</sup>	62.6%	2.8%	16.2%	13.5%	4.9%	
Non-factory employees	48.8%	2.2%	9.6%	35.8%	3.6%	
FY2022	ASIAN	BLACK OR AFRICAN AMERICAN	HISPANIC OR LATINO	WHITE	OTHER <sup>2</sup>	
Management	51.5%	1.2%	4.7%	39.8%	2.7%	
Technical staff	57.3%	1.1%	3.8%	35.9%	1.8%	
All other employees	56.1%	2.5%	13.6%	22.6%	5.2%	
Factory employees <sup>3</sup>	62.6%	3.1%	16.9%	11.4%	6.0%	
Non-factory employees	50.0%	2.0%	10.4%	33.2%	4.3%	
FY2023	ASIAN	BLACK OR AFRICAN AMERICAN	HISPANIC OR LATINO	WHITE	OTHER <sup>2</sup>	
Management	52.7%	1.3%	4.6%	38.5%	2.9%	
Technical staff	58.8%	1.1%	4.0%	34.2%	1.9%	
All other employees	56.9%	2.4%	13.4%	21.6%	5.7%	
Factory employees <sup>3</sup>	64.1%	2.8%	16.5%	10.1%	6.6%	
Non-factory employees	50.3%	2.1%	10.6%	32.1%	5.0%	

<sup>&</sup>lt;sup>1</sup> Data is based on the headcount at the end of the indicated fiscal year.

#### GRI 102-8

EV0004		FULL TIME FADI OVETO	DADT TIME FADI OVETO	DECLII AD EMBLOYEEG
FY2021		FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES	REGULAR EMPLOYEES
Gender <sup>2</sup>	Female ————————————————————————————————————	37,955	30	37,985
	Male	27,436	39	27,475
	Other	8	0	3
Region	United States	7,892	34	7,926
	Asia	56,255	22	56,277
	Other	1,252	13	1,268
FY2022		FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES	REGULAR EMPLOYEES
Gender <sup>2</sup>	Female	36,541	31	36,572
	Male	28,064	40	28,104
	Other	3	0	,
Region	United States	7,721	27	7,748
	Asia	55,588	31	55,61
	Other	1,299	13	1,31:
FY2023		FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES	REGULAR EMPLOYEES
Gender <sup>2</sup>	Female	28,615	29	28,64
	Male	24,642	40	24,68
	Other	2	0	
Region	United States	6,971	20	6,99
	Asia	45,091	34	45,12
	Other	1,197	15	1,21

<sup>&</sup>lt;sup>1</sup> Data is based on Western Digital's non-contingent headcount at the end of the indicated fiscal year.



<sup>&</sup>lt;sup>2</sup> Other includes the following classifications: Native American or Alaska Native, Native Hawaiian or Pacific Islander, and "Two or More Races."

<sup>&</sup>lt;sup>3</sup> For purposes of this report, "factory employees" are those working in our factory setting that directly work on product assembly; all remaining employees are considered professional or managerial.

<sup>&</sup>lt;sup>2</sup> Gender data is based on self-identification.

#### **Governance and Ethics**

#### GRI 205-1

Global Code of Conduct Training	FY2021	FY2022	FY2023
Number of professional and managerial workers <sup>1</sup> assigned online Global Code of Conduct training	20,435	22,460	21,905
% of training completion by month-end deadline	99.8%	99.9%	99.9%
Number of employees not finished by deadline	43	2	32
Time required to reach 100% training completion (days)	35	33	33
Number of employees receiving instructor-led training	5,819	3,768	6,465

<sup>&</sup>lt;sup>1</sup> Includes Western Digital employees and contractors.

#### GRI 205-1

Anti-Corruption	FY2021	FY2022	FY2023
Percentage of operations assessed for risks related to corruption	100%	100%	100%1

<sup>&</sup>lt;sup>1</sup> Figure may be subject to change, pending third-party review of Western Digital's ethics and compliance programs for FY2023.

#### GRI 405-1

Board Diversity		FY2021	FY2022	FY2023
By Gender	Male	50.0%	55.6%	66.7%
	Female	50.0%	44.4%	33.3%
By Age	Under 30	0.0%	0.0%	0.0%
	30–50	12.5%	0.0%	11.1%
	50+	87.5%	100.0%	88.9%

#### SASB TC-HW-000.A, TC-SC-000.A, TC-HW-000.B, TC-HW-000.C, TC-SC-000.B

Activity Metrics	Unit	FY2021	FY2022	FY2023
Number of units produced by product category	Number (in millions)¹	746.9	685.8	557.5
<ul> <li>Communications Equipment</li> </ul>				
• Components				
Computer Hardware				
<ul> <li>Computer Peripherals</li> </ul>				
Computer Storage				
Consumer Electronics				
Other Hardware				
<ul><li>Printing &amp; Imaging</li></ul>				
Transaction Management Systems				
Area of manufacturing facilities	Square feet (ft²)	8,751,512.0	8,693,339.0	9,398,733.02
Percentage of production from owned facilities	Percentage (%) <sup>1</sup>	67.0%	70.0%	72%

<sup>&</sup>lt;sup>1</sup> Includes computer storage units.



# **GRI Index**

This report has been prepared in reference to the GRI Standards.

Disclosure Description	Report Location or Direct Answer	Omissions
TION 2021		
Publish a GRI content index	This document represents the Company's content index.	
Requirement 8: Provide a statement of use	Sustainability Report FY2023, page 2	
AL DISCLOSURES 2021		
Organizational details	Legal Name: Western Digital Corporation	
	Ownership and legal form: Publicly traded company under NASDAQ: WDC	
	<b>Location of Headquarters:</b> San Jose, California	
	Location of Operations: 2023 Annual Report on Form 10-K	
Entities included in the organization's Sustainability Reporting	2023 Annual Report on Form 10-K	
Reporting period, frequency and contact point	This report covers Western Digital's Fiscal Year 2023 reporting period from July 2, 2022 – June 30, 2023. Western Digital prepares and publishes the Sustainability Report for every fiscal year, which is the same period as its annual financial reporting. The contact	
	Publish a GRI content index  Requirement 8: Provide a statement of use  AL DISCLOSURES 2021  Organizational details  Entities included in the organization's Sustainability Reporting  Reporting period, frequency and	Publish a GRI content index  Requirement 8: Provide a statement of use  AL DISCLOSURES 2021  Organizational details  Legal Name: Western Digital Corporation Ownership and legal form: Publicly traded company under NASDAQ: WDC Location of Headquarters: San Jose, California Location of Operations: 2023 Annual Report on Form 10-K  Entities included in the organization's Sustainability Reporting  Reporting period, frequency and contact point  Or Direct Answer  This document represents the Company's content index.  Sustainability Report FY2023, page 2  Legal Name: Western Digital Corporation Ownership and legal form: Publicly traded company under NASDAQ: WDC Location of Headquarters: San Jose, California Location of Operations: 2023 Annual Report on Form 10-K  This report covers Western Digital's Fiscal Year 2023 reporting period from July 2, 2022 – June 30, 2023. Western Digital prepares and publishes the Sustainability Report for every fiscal year, which is the same period as its

GRI Standard	Disclosure Description	Report Location or Direct Answer	Omissions
2-4	Restatements of information	Historical information for fiscal year 2021 and fiscal year 2022 is included in this report. Additionally, the following information has been restated:	
		GRI 302-5: Electrical Power Savings due to an update of supporting data.	
		<ul> <li>306-3, 306-4, 306-5: FY2022     waste data due to an update of     supporting data.</li> </ul>	
2-5	External assurance	Sustainability Report FY2023, page 36	
		Our FY2023 data is currently undergoing limited assurance. This Report will be updated when the assurance process is complete.	
2-6	Activities, value chain, and other business relationships	Sectors served: Western Digital Corporate Website — Solutions — Industries	
		Value chain:  • Activities, products, services, markets served: Sustainability Report FY2023, page 28; 2023 Annual Report on Form 10-K, pages 6-20	
		<ul> <li>Supply chain: <u>Sustainability Report</u></li> <li><u>FY2023</u>, page 41</li> </ul>	
		<ul> <li>Entities downstream from the organization and their activities:</li> <li>2023 Annual Report on Form 10-K, pages 4-10</li> </ul>	

OUR STRATEGY

GRI Standard	Disclosure Description	Report Location or Direct Answer	Omissions
2-6 (cont.)	Activities, value chain, and other	Other relevant business relationships: 2023 Annual Report on Form 10-K	
	business relationships	Significant changes in the above compared to last FY: We had no significant changes to our organization, organization's sector, value chain, or other relevant business relationships in FY2023.	
2-7	Employees	Sustainability Report FY2023, page 55; ESG Data	
2-9	Governance structure and composition	Sustainability Report FY2023, page 31	
2-14	Role of the highest governance body in Sustainability Reporting	The Governance Committee of the Board of Directors reviews and approves the reported information, including the organization's material topics, before publication.	
2-21 Annual total		<b>Ratio:</b> 958:1	
	compensation ratio	Title: CEO	
		Contextual information:	
		<ul> <li>Employees included in calculation: includes all regular, part-time, supplemental, and temporary employees w/o exclusions</li> </ul>	
		<ul> <li>Part-time employees: For hourly employees, base wages were calculated based on reasonable estimate of hours worked in FY23 times the employee's hourly wage.</li> <li>All permanent employees who did not work full FY were annualized.</li> </ul>	
		Compensation included: Total target cash (incl. base salary or base wages, target cash incentives; excludes CEO PSUs)	

GRI Standard	Disclosure Description	Report Location or Direct Answer	Omissions
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Report FY2023, page 65	
2-28	Membership associations	The Responsible Business Alliance, Circular Drive Initiative, First Mover's Coalition	
2-29	Approach to stakeholder engagement	Sustainability Report FY2023, page 29	
2-30	Collective bargaining agreements	For employees that are not covered by a collective bargaining agreement, their working conditions and terms of employment are based on our Global Human Rights Policy and Global Code of Conduct, the RBA Code of Conduct, and applicable local labor laws. Our standards are based on internally recognized human rights and related standards as outlined in the UN International Bill of Human Rights (including the UN Universal Declaration on Human Rights), the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. Where local law conflicts with the aforementioned standards, Western Digital will comply with local requirements.	
GRI 3: MATERIA	AL TOPICS 2021		
3-1	Process to determine material topics	Sustainability Report FY2023, page 2	
3-2	List of material topics	Sustainability Report FY2023, page 29 Western Digital's list of material topics has not changed since the Fiscal Year 2022 reporting period.	
3-3	Management of material topics	Western Digital does not currently address the Precautionary Principle.	

Western Digital ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 78

GRI Standard	Disclosure Description	Report Location or Direct Answer	Omissions
ECONOMIC TO	OPICS		
Anti-Corruptio	on		
3-3	Management of material topics	Sustainability Report FY2023, page 65	
205-1	Operations assessed for risks related to corruption	Sustainability Report FY2023, page 66; ESG Data	
ENVIRONMEN	TAL TOPICS		
Energy			
3-3	Management of material topics	Sustainability Report FY2023, page 32	
302-1	Energy consumption within the organization	ESG Data	
302-3	Energy intensity	ESG Data	
302-5	Reductions in energy requirements of products and services	ESG Data	
Water			
3-3	Management of material topics	Not Applicable	Water was not identified as a material topic for Western Digital
303-3	Water withdrawal	ESG Data	
303-5	Water consumption	ESG Data	
Emissions			
3-3	Management of material topics	Sustainability Report FY2023, page 32	
1.2	Whether offsets were used	No offsets were used	
305-1	Direct (Scope 1) GHG emissions	ESG Data	

GRI Standard	Disclosure Description	Report Location or Direct Answer	Omissions
305-2	Energy indirect (Scope 2) GHG emissions	ESG Data	
305-3	Other indirect (Scope 3) GHG emissions	ESG Data	
305-4	GHG emissions intensity	ESG Data	
Waste			
3-3	Management of material topics	Not Applicable	Waste was not identified as a material topic for Western Digital
306-3	Waste generated	ESG Data	
306-4	Waste diverted from disposal	ESG Data	
306-5	Waste directed to disposal	ESG Data	
SUPPLIER ENVI	RONMENTAL ASSESSMENT		
3-3	Management of material topics	Not Applicable	Supplier Environmental Assessment was not identified as a material topic for Western Digital
308-1	New suppliers that were screened using environmental criteria	100% of new direct materials and production part suppliers as part of the supplier onboarding process	
308-2	Negative environmental impacts in the supply chain and actions taken	Number of suppliers assessed for environmental impacts:  FY2023: 166 suppliers responded to the 2022 CDP Climate Change Questionnaire; 153 suppliers responded to the 2022 Water Security Questionnaire¹  Sustainability Report FY2023, page 49	<ul> <li>Unavailable Information:</li> <li>Number of suppliers as having significant actual and potential negative environmental impacts</li> <li>Percentage of suppliers identified as having significant actual and potential negative environmental impacts and improvements were agreed upon as a result of assessment</li> </ul>

<sup>&</sup>lt;sup>1</sup> Due to the CDP disclosure timeline, and for the purposes of this report, calendar year data will be reported to represent fiscal year data. The data will also be reported for the fiscal year in which the calendar year completed. For example, calendar year 2022 data is referenced to represent fiscal year 2023 data.

Western Digital ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 79

	7		
GRI Standard	Disclosure Description	Report Location or Direct Answer	Omissions
SOCIAL TOPICS	3		
Employment			
3-3	Management of material topics	Sustainability Report FY2023, page 51	
401-1	New employee hires and employee turnover	ESG Data	
401-2	Benefits provided to full- time employees that are not provided to temporary or part-time employees	Sustainability Report FY2023, page 55	
Occupational H	lealth and Safety		
3-3	Management of material topics	Sustainability Report FY2023, page 57	
403-1	Occupational health and safety management system	Sustainability Report FY2023, page 57	
403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Report FY2023, page 58	
403-3	Occupational health services	Sustainability Report FY2023, page 59	
403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Report FY2023, page 59	
403-5	Worker training on occupational health and safety	Sustainability Report FY2023, page 57	

GRI Standard	Disclosure Description	Report Location or Direct Answer	Omissions
403-6	Promotion of worker health	Sustainability Report FY2023, page 59	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report FY2023, page 59	
403-8	Workers covered by an occupational health and safety management system	ESG Data	
403-9	Work-related injuries	ESG Data	
Training and Ed	ucation		
3-3	Management of material topics	Not Applicable	Training and Education was not identified as a material topic for Western Digital
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Report FY2023, page 56	
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report FY2023, page 56	
Diversity and Ed	qual Opportunity		
3-3	Management of material topics	Sustainability Report FY2023, page 51	
405-1	Diversity of governance bodies and employees	ESG Data	

PG\_ 80

Western Digital, ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices

GRI	Disclosure	Report Location or	Omissions
Standard	Description	Direct Answer	
Child Labor			
3-3	Management of material topics	Sustainability Report FY2023, page 41	
408-1	Operations and suppliers at significant risk for incidents of child labor	Sustainability Report FY2023, page 42	
Forced or Com	pulsory Labor		
3-3	Management of material topics	Sustainability Report FY2023, page 41	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Sustainability Report FY2023, page 42	
Human Rights	Assessment		
3-3	Management of material topics	Sustainability Report FY2023, page 41	
412-1	Operations that have been subject to human rights reviews or impact assessments	Sustainability Report FY2023, page 42	

GRI Standard	Disclosure Description	Report Location or Direct Answer	Omissions
Supplier Social A	Assessment		
3-3	Management of material topics	Not Applicable	Supplier Social Assessment was not identified as a material topic for Western Digital
414-2	Negative social impacts in the supply chain and actions taken	Sustainability Report FY2023, page 42	
Customer Privac	су Су		
3-3	Management of material topics	Sustainability Report FY2023, page 66	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report FY2023, page 67	



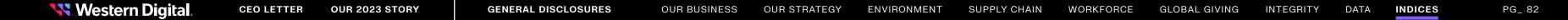
CEO LETTER OUR 2023 STORY

# SASB Hardware Standard Index

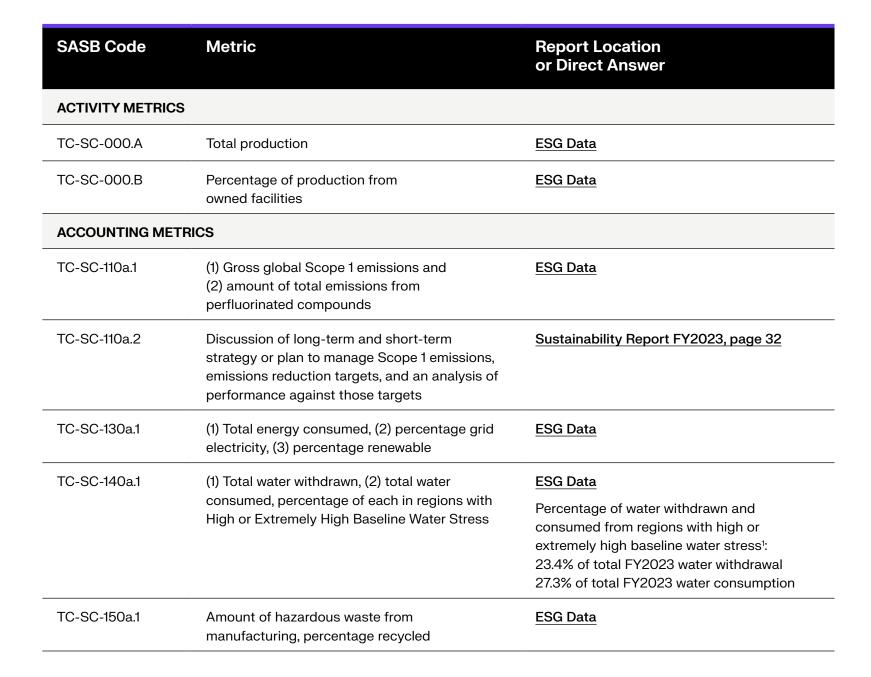


SASB Code	Metric	Report Location or Direct Answer
ACTIVITY METRICS		
TC-HW-000.A	Number of units produced by product category	ESG Data
TC-HW-000.B	Area of manufacturing facilities	ESG Data
TC-HW-000.C	Percentage of production from owned facilities	ESG Data
ACCOUNTING METRICS		
TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	Sustainability Report FY2023, page 66
TC-HW-330a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	ESG Data
TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	ESG Data

SASB Code	Metric	Report Location or Direct Answer
TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	The vast majority of Western Digital's products do not fall into the specific product categories that would make them eligible for qualification through Green Electronics Council's Electronic Product Environmental Assessment Tool (EPEAT). In fact, prior to 2018, no Western Digital products were eligible for qualification. The few EPEAT-eligible products we currently sell do meet many other environmental and regulatory requirements, including EU Ecodesign, which overlap with many EPEAT requirements.
TC-HW-410a.3	Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria	For similar reasons as explained in SASB TC-HW-410a.2, the vast majority of our products are not eligible for ENERGY STAR certification. Several previously eligible products have recently been sold to other companies (e.g., IntelliFlash and ActiveScale).
TC-HW-410a.4	Weight of end-of-life products and e-waste recovered; percentage recycled	ESG Data
TC-HW-430a.1 & TC-HW-430a.2	Suppliers Assessed Using RBA Validated Assessment Program (VAP)	Sustainability Report FY2023, page 48; ESG Data
TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	Sustainability Report FY2023, page 45



### SASB Semiconductors Standard Index



SASB Code	Metric	Report Location or Direct Answer
TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	Sustainability Report FY2023, page 57
TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	FY2023: \$0
TC-SC-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Western Digital does not disclose the percentage of employees who are foreign nationals or located offshore.  However, we disclose a breakdown of our workforce by region. See the <b>ESG Data</b> for more information.
TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	ESG Data
TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	Western Digital does not manufacture servers (processors), desktops, or laptops. Thus, this metric is not applicable to our business.
TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	Sustainability Report FY2023, page 45
TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	FY2023: \$0

<sup>1</sup>Western Digital applied the results of the WRI Aqueduct Water Risk Atlas version 3.0 for this assessment.

Western Digital ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices PG\_83



# TCFD Index

Western Digital has considered the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). This Index demonstrates the alignment between Western Digital's disclosures and the TCFD recommendations and indicates where relevant information can be referenced.

Topic	TCFD Recommended Disclosure	Disclosure Reference
ACTIVITY METRICS		
Governance	a) Describe the Board's oversight of climate-related risks and opportunities.	Western Digital's 2022 CDP Climate Change Response (Section C1.1b) Sustainability Report FY2023, page 31
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	Western Digital's 2022 CDP Climate Change Response (Sections C1.2, C1.2a) Sustainability Report FY2023, page 34
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Western Digital's 2022 CDP Climate Change Response (Sections C2.1a, C2.3, C2.3a, C2.4, C2.4a)
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Western Digital's 2022 CDP Climate Change Response (Sections C2.3a, C2.4a, C3.1, C3.2a, C3.2b, C3.3, C3.4)
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Western Digital's 2022 CDP Climate Change Response (Sections C3.2, C3.2a, C3.2b) Sustainability Report FY2023, page 35

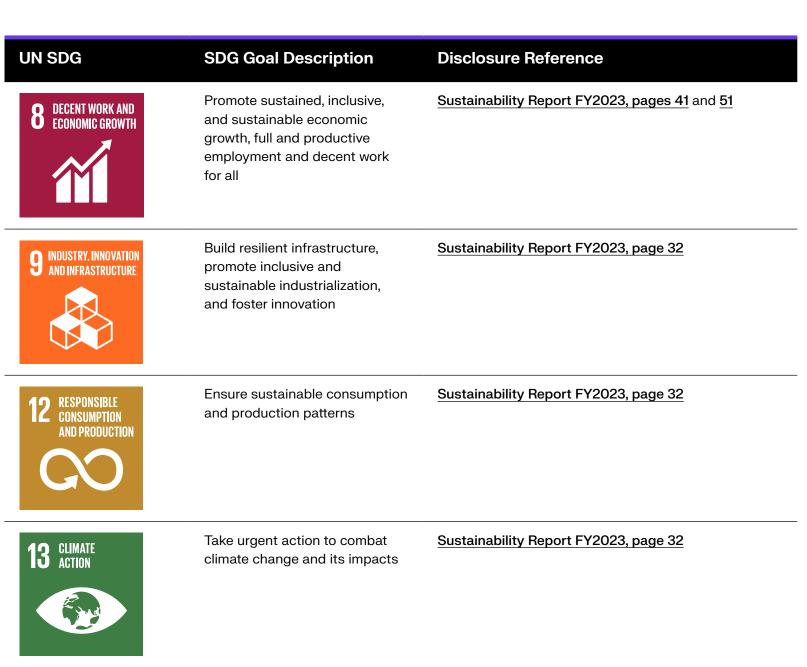
	Disclosure Reference
a) Describe the organization's processes for identifying and assessing climate-related risks.	Western Digital's 2022 CDP Climate Change Response (Sections C2.1, C2.2, C2.2a) Sustainability Report FY2023, page 34
b) Describe the organization's processes for managing climate-related risks.	Western Digital's 2022 CDP Climate Change Response (Sections C2.1, C2.2) Sustainability Report FY2023, page 34
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Western Digital's 2022 CDP Climate Change Response (Sections C2.1, C2.2) Sustainability Report FY2023, page 34
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Western Digital's 2022 CDP Climate Change Response (Sections C4.2, C4.2a, C4.2b, C9.1) Sustainability Report FY2023, page 36
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Western Digital's 2022 CDP Climate Change Response (Sections C6.1, C6.3, C6.5, C6.5a) ESG Data
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Western Digital's 2022 CDP Climate Change Response (Sections C4.1, C4.1a, C4.1b, C4.2, C4.2a, C4.2b)  Sustainability Report FY2023, page 36
	b) Describe the organization's processes for managing climate-related risks.  c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.  a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.  b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.  c) Describe the targets used by the organization to manage climate-related risks and

Western Digital, ceo letter our 2023 story general disclosures our business our strategy environment supply chain workforce global giving integrity data indices pg\_ 84

## **UN SDG Index**



UN SDG	SDG Goal Description	Disclosure Reference
3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages	Sustainability Report FY2023, page 57
5 GENDER EQUALITY	Achieve gender equality and empower all women and girls	Sustainability Report FY2023, page 51
6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all	Sustainability Report FY2023, page 32
7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable and modern energy for all	Sustainability Report FY2023, page 32



**ENVIRONMENT** 

SUPPLY CHAIN

WORKFORCE

**GLOBAL GIVING** 

INTEGRITY

Western Digital. CEO LETTER OUR 2023 STORY GENERAL DISCLOSURES OUR BUSINESS OUR STRATEGY

PG\_ 85



©2024 Western Digital Corporation or its affiliates. All rights reserved.

Western Digital, architecting how data enables the world to solve its biggest challenges. New devices, new systems, new solutions, all optimized and tuned to create the right conditions for data to realize its full potential. As a leader in data infrastructure, we accept the responsibility to empower people and systems that depend on data.

Western Digital's data-centric solutions are comprised of the Western Digital, SanDisk®, SanDisk Professional, and WD® brands. www.westerndigital.com

Western Digital, the Western Digital design, the Western Digital logo, SanDisk, and WD are registered trademarks or trademarks of Western Digital Corporation or its affiliates in the United States and/or other countries. All rights reserved.

The FY2023 Sustainability Report contains forward-looking statements within the meaning of federal securities laws, including statements regarding expectations for the impacts of our sustainability initiatives, programs and business practices and expectations for the achievement of our sustainability-related goals and commitments. These forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. Key risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements include: operational, financial and legal challenges and difficulties inherent in implementing a separation of our HDD and Flash businesses; the final approval of the separation by our board of directors; volatility in global economic conditions; inflation; increase in interest rates and economic recession; future responses to and effects of global health crises; the impact of business and market conditions; macroeconomic conditions for the NAND and hard disk drive markets; the impact of the announced separation transaction, including with respect to customer and supplier relationships, regulatory and contractual restrictions, stock price volatility and the diversion of management's attention from ongoing business operations and opportunities; the impact of competitive products and pricing; our development and introduction of products based on new technologies and expansion into new data storage markets; risks associated with cost saving initiatives, restructurings, acquisitions, divestitures, mergers, joint ventures and our strategic relationships; difficulties or delays in manufacturing or other supply chain disruptions; hiring and retention of key employees; our level of debt and other financial obligations; changes to our relationships with key customers; compromise, damage or interruption from cybersecurity incidents or other data system security risks; actions by competitors; international conflict; risks associated with compliance with changing legal and regulatory requirements and the outcome of legal proceedings; and other risks and uncertainties listed in our filings with the Securities and Exchange Commission (the "SEC"), including our Annual Report on Form 10-K filed with the SEC on August 22, 2023 and our Quarterly Reports on Form 10-Q filed with the SEC on November 7, 2023 and February 12, 2024, to which your attention is directed. You should not place undue reliance on these forward-looking statements, which speak only as of the date hereof, and we undertake no obligation to update or revise these forward-looking statements to reflect new information or events, except as required by law. Additionally, the 2023 Sustainability Report contains data and metrics that have not been audited.