

# SUSTAINED COMMITMENT

---

## SUSTAINABILITY UPDATE 2021

### INTRODUCTION

Innovation and adaptability have always been priorities at Western Digital. We began as a manufacturer of transistor test equipment 50 years ago and have transformed to become a global leader in storage technology, offering the world's broadest portfolio of data storage solutions. Adaptation has been a consistent hallmark of our success.

As we move past a year that will undoubtedly be infamous for its challenges, we are encouraged by the worldwide adaptation to those struggles—prompting changes that we hope will have lasting positive impacts. We remain committed to supporting the communities, environment and economies on which we all depend and doing our part to make sure the future is brighter for everyone.

## REPORTING AND MATERIALITY

As a reflection of the increasing importance of sustainability to our business, we are adapting our annual sustainability reporting to align with our financial reporting. In conjunction with this change, we are publishing an [ESG Data Download](#) with new sustainability data covering the second half of our fiscal year 2020, supplementing the data covering the first fiscal half disclosed in our sustainability report published in August. The ESG Data Download also includes recent fiscal year-based data that we previously reported for the equivalent calendar years. Going forward, we expect to publish our reports and the underlying data after the close of our fiscal year.

In this supplemental sustainability report, we share updates from fiscal year 2020 on a few sustainability topics that are particularly significant to our company, as determined in our most recent materiality assessment. We continue to manage sustainability issues across the spectrum of materiality and look forward to providing a broader update in our next full report.

## ENERGY AND EMISSIONS

We are doing more each year to reduce our climate impacts and improve our climate resiliency. Even as our product shipments have grown, a focus on data and efficiency has helped us achieve notable reductions in energy usage and emissions. This focus will only increase, as we are currently working to set long-term emissions reduction targets and implement TCFD recommendations.

## IN FISCAL YEAR 2020, WE ACHIEVED THE FOLLOWING MILESTONES:

3.8%



Year-over-year reduction in energy usage

25%



Year-over-year reduction in energy intensity

5.2% CO<sub>2</sub>e↓

Year-over-year reduction in Scope 1 emissions

6.3% CO<sub>2</sub>e↓

Year-over-year reduction in Scope 2 emissions



## WASTE AND EFFICIENCY

Western Digital is always looking for opportunities to streamline our operations and reduce waste. We piloted a new product take-back program on Earth Day 2020 called [Easy Recycle](#), which offers incentives for consumers to return their products for secure data destruction and recycling of the materials. In its short tenure so far, that program has led to the recycling of 8,300 drives and the avoidance of over four metric tons of waste.

We continued our focus on circularity in fiscal year 2020 by completing our first set of ISO-conformant product lifecycle assessments. We are currently running additional assessments on other families of products and are using that data to further reduce the impacts of our production.

Water plays an important role in our manufacturing processes, and we made improvements in fiscal year 2020 to significantly reduce our water use. At our Shanghai facility, we implemented several new reclamation projects to achieve a reclamation ratio of 95%, the highest in the region. Similar reclamation efforts in our Shenzhen facility earned recognition from the local government and have resulted in conservation of 64 million gallons of water annually.

We launched a new [Easy Recycle](#) product take-back program on Earth Day 2020.

To date, 8,300 drives have been recycled and 4+ metric tons of waste have been avoided.



## PEOPLE

Human rights and labor practices were high priorities for us during fiscal year 2020. We published our [first global human rights policy](#) in May, which explains our expectations for protecting human rights within our own operations as well as our supply chain. The high standards set in that policy are based on international standards, the industry norms adopted by the [Responsible Business Alliance](#) and a careful analysis of our business.

To continue our focus on human rights, we recently launched a human rights impact assessment, consistent with the UN Guiding Principles on Business and Human Rights. In collaboration with an independent firm with human rights expertise, we

are evaluating potential human rights impacts of our business and preparing to use that data to make further progress in our management of human rights.

Broad-based diversity and inclusion are important aspects of our business strategy, and we are proud that as we entered fiscal year 2021, half of the members of our Board of Directors were women. We joined the Business Coalition for the Equality Act in 2020, reiterating our commitment to an inclusive world. Western Digital was also fortunate to receive the Dov Lautmann award for diversity and inclusion and, for the seventh year in a row, to achieve the top Platinum Plus rating for corporate social responsibility from the nonprofit group Maala.



## OTHER UPDATES

We are pleased to share a few additional highlights from our fiscal year 2020:

- Western Digital was named one of the 2020 World's Most Ethical Companies by Ethisphere, our second year in a row achieving that distinction.
- In response to the COVID-19 outbreak, we quickly adopted enhanced health protection measures at our factories to protect our workers and allow essential work to continue. We also mobilized our operational expertise to procure and distribute approximately 250,000 pieces of personal protective equipment to frontline workers in our communities around the world.
- We organized more than \$2.7M in employee and corporate donations to nonprofit organizations to ease the burdens the pandemic placed on access to basic resources and services.
- Our manufacturing facility in Shanghai, China received a [Factory of Choice award](#) from the Responsible Business Alliance, a reflection of our commitment to embrace or exceed industry standards for integrity and sustainability throughout the world.

---

As we see it, sustainability is imperative, both for the world and for Western Digital. We intend to remain a leader in data storage for decades to come, and that will only happen if we protect and support people and our planet. That type of sustained prosperity will certainly require repeated adaptation, but we are up to the challenge.



©2021 Western Digital Technologies, Inc. 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, G-Technology™, SanDisk®, and WD® brands.

[www.westerndigital.com](http://www.westerndigital.com)

This Sustainability Update 2021 contains forward-looking statements, which are based on our current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in these forward-looking statements. Risks and uncertainties that could cause actual results to differ include: the COVID-19 pandemic; the regulatory environment; supply chain disruptions; business conditions; litigation and other legal proceedings; and other risks and uncertainties set forth in our reports filed with the Securities and Exchange Commission, 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 these forward-looking statements to reflect subsequent events or circumstances. Additionally, this update contains metrics that have not been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and have not been audited. These metrics are not an alternative for metrics prepared in accordance with GAAP and may be different from non-GAAP metrics used by other companies.