# Welcome to your CDP Climate Change Questionnaire 2022

# C0. Introduction

## C0.1

**(C0.1) Give a general description and introduction to your organization.**

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, we create breakthrough innovations and powerful data storage solutions that enable the world to actualize its aspirations. Core to our values, we recognize the urgency to combat climate change and have committed to ambitious carbon reduction goals approved by the Science Based Targets initiative. Learn more about Western Digital and the Western Digital®, SanDisk® and WD® brands at www.westerndigital.com.

We believe responsible and sustainable business practices support our long-term success. As a company, we are deeply committed to protecting and supporting our people, our environment, and our communities. That commitment is reflected through sustainability-focused initiatives as well as day-to-day activities, including our adoption of sustainability-focused policies and procedures, our publicly-recognized focus on fostering an inclusive workplace, our constant drive toward more efficient use of materials and energy, our provision of measures to ensure employee health and safety, our careful and active management of our supply chain, our community-focused volunteerism programs and philanthropic initiatives, and our impactful, globally-integrated ethics and compliance program.

- We seek to protect the human rights and civil liberties of our employees through policies, procedures, and programs that avoid risks of compulsory and child labor, both within our company and throughout our supply chain.
- We foster a workplace of dignity, respect, diversity, and inclusion through our recruiting and advancement practices, internal communications, and employee resource groups.
- We educate our employees annually on relevant ethics and compliance topics, publish accessible guidance on ethical issues and related company resources in our Global Code of Conduct, and encourage reporting of ethical concerns through any of several global and local reporting channels.
- We support local communities throughout the world, focusing on hunger relief, environmental quality, STEM (science, technology, engineering, and math) education, especially for underrepresented and underprivileged youth, and promotion of equality.
- We utilize a robust integrated management system, with associated policies and procedures, to evaluate and manage occupational health and safety risks, environmental compliance, and chemical and hazardous substance risks.

- We innovate to reduce the energy used by our products, the energy used to manufacture them, and the amount of new materials required to manufacture them.

Financial, sustainability, and ESG investor information is available at investor.wdc.com and https://www.westerndigital.com/company/corporate-responsibility.

# C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

| | Start date | End date | Indicate if you are providing emissions data for past reporting years | Select the number of past reporting years you will be providing emissions data for |
|---|---|---|---|---|
| Reporting year | July 1, 2020 | June 30, 2021 | Yes | 1 year |

# C0.3

**(C0.3) Select the countries/areas in which you operate.**

China
India
Israel
Japan
Malaysia
Philippines
Thailand
United States of America

# C0.4

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

# C0.5

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

# C0.8

**(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

| Indicate whether you are able to provide a unique identifier for your organization | Provide your unique identifier |
|---|---|
| Yes, an ISIN code | US9581021055 |

# C1. Governance

## C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

## C1.1a

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

| Position of individual(s) | Please explain |
|---|---|
| Director on board | The Board periodically reviews information relating to the potential impact of climate-related issues and natural disasters on business continuity and how to mitigate risks. This information has been presented to the Board by the CEO, CFO, CLO and other members of management.<br><br>The Governance Committee is responsible for assisting our Board in overseeing our corporate responsibility and sustainability policies and programs, including those related to climate change. The Governance Committee also has specific responsibility for periodic review of Western Digital's environmental-related policies, practices, and programs, including as related to water and climate change.<br><br>Key enterprise risks are raised to the Audit Committee and full Board as part of our enterprise risk management ("ERM") process. 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 ERM program. |
| Chief Executive Officer (CEO) | The CEO, CFO, CLO and other executive leaders regularly review information about the potential impact of climate related issues and natural disasters on business continuity and financial performance. They oversee plans to mitigate related risks and present that information to the Board. |
| Board-level committee | The Governance Committee is responsible for assisting our Board in overseeing our corporate responsibility and sustainability policies and programs, including those related to climate change. The Governance Committee also has specific responsibility for periodic review of Western Digital's policies, practices, and programs related to environmental and climate change. |

| | |
|---|---|
| | Key enterprise risks are raised to the Audit Committee and full Board as part of our enterprise risk management ("ERM") process. 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 ERM program. |

# C1.1b

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

| Frequency with which climate-related issues are a scheduled agenda item | Governance mechanisms into which climate-related issues are integrated | Please explain |
|---|---|---|
| Scheduled – some meetings | Reviewing and guiding strategy<br>Reviewing and guiding major plans of action<br>Reviewing and guiding risk management policies<br>Reviewing and guiding annual budgets<br>Reviewing and guiding business plans<br>Monitoring implementation and performance of objectives | The Governance Committee receives updates from our sustainability group and management three to four times each year and discusses implementation of new sustainability initiatives, including those related to climate change.<br><br>Our sustainability team reports on climate-related risks and opportunities to our full Board at least annually. The Board also meets periodically with our chief audit executive to review our overall ERM program and policies. Additionally, throughout the year, our Board receives updates on specific risks and mitigating measures in the course of its review of our strategy and business plan, and through reports to our Board by its respective committees and senior members of management. If climate-related issues rise to the level of a key enterprise risk, they will be reviewed as part of this process. |

# C1.1d

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

| | Board member(s) have competence on climate-related issues | Criteria used to assess competence of board member(s) on climate-related issues |
|---|---|---|
| Row 1 | Yes | Yes, four of nine Board members have technical or managerial experience regarding Corporate Sustainability and Responsibility, specifically experience in assessing corporate social responsibility initiatives critical to our Board's role in overseeing our corporate |

| | | |
|---|---|---|
| | | responsibility and sustainability policies and programs. Technical or managerial experience indicates expertise derived from direct and hands-on experience or direct managerial experience with the subject matter during his/her career. |

# C1.2

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

| Name of the position(s) and/or committee(s) | Responsibility | Frequency of reporting to the board on climate-related issues |
|---|---|---|
| Other, please specify<br>Vice President, Global Operations | Both assessing and managing climate-related risks and opportunities | Annually |

# C1.2a

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

Each of our major business unit and functional area heads, with the assistance from their staff, work with our internal audit and ERM function to identify risks that could affect achievement of business goals and strategy and develop risk mitigation measures, contingency plans and a consolidated risk profile. The risk profile is then reviewed and discussed with our CEO and CFO before presentation to the Audit Committee. On a regular basis, senior management reviews the risk profile and action plan progress and provides updates to the Audit Committee, which are also made available to our Board and used by our internal audit function in developing its internal audit plan.

The Vice President, Global Operations leads Western Digital's Business Continuity program and supports the process outlined above. He/she is responsible for ensuring manufacturing sites collect information relating to climate and natural disasters that may impact the company, assessing the risk annually and implementing initiatives to mitigate any additional related risks.

# C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

| | Provide incentives for the management of climate-related issues | Comment |
|---|---|---|
| Row 1 | Yes | |

# C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

| Entitled to incentive | Type of incentive | Activity incentivized | Comment |
|---|---|---|---|
| All employees | Monetary reward | Energy reduction project<br>Energy reduction target<br>Efficiency project<br>Efficiency target<br>Behavior change related indicator<br>Supply chain engagement | Western Digital includes several types of awards within our performance management framework to incentivize and recognize employees for exceptional contributions and performance. These include spot awards for performance/accomplishments “above-and-beyond”, as well as compensation-based awards (short-term incentives on an annual basis, and long-term incentives geared toward recognition and retention) for exceptional and sustained contributions. Accomplishments in all areas, including upholding and improving our sustainability and/or resiliency posture, are eligible for recognition. |
| All employees | Non-monetary reward | Energy reduction project<br>Energy reduction target<br>Efficiency project<br>Efficiency target<br>Behavior change related indicator<br>Supply chain engagement | Western Digital includes several types of awards within our performance management framework to incentivize and recognize employees for exceptional contributions and performance. These include spot awards for performance/accomplishments “above-and-beyond”, as well as compensation-based awards (short-term incentives on an annual basis, and long-term incentives geared toward recognition and retention) for exceptional and sustained contributions. Accomplishments in all areas, including upholding and improving our sustainability and/or resiliency posture, are eligible for recognition. |

# C2. Risks and opportunities

## C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

## C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

| | From (years) | To (years) | Comment |
|---|---|---|---|
| Short-term | 0 | 1 | Aligned with financial planning |
| Medium-term | 1 | 3 | Aligned with financial planning |
| Long-term | 3 | 5 | Aligned with financial and strategic planning |

## C2.1b

**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

When addressing whether the liabilities related to risks and opportunities are substantive, Western Digital takes into account both quantitative and qualitative factors. Quantitatively, we consider the impact on various financial metrics depending on the circumstances, such as: revenue; total, current or fixed assets; cash and cash equivalents; operating income; working capital; and net income. Qualitatively, the factors we consider depend on the event or issue we are evaluating, but could include: supply chain impact; consumer spending impacts; competitive impact; alternatives, substitutions or replacements; legal or regulatory requirements; contractual requirements; or impact on strategic relationships. On a case-by-case basis we assess whether quantitative or quantitative impacts are large enough (in severity and magnitude) and likely enough to occur to be considered substantive and warrant further action.

## C2.2

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

**Value chain stage(s) covered**

Direct operations
Upstream
Downstream

### Risk management process

Integrated into multi-disciplinary company-wide risk management process

### Frequency of assessment

More than once a year

### Time horizon(s) covered

Short-term
Medium-term
Long-term

### Description of process

Western Digital assesses climate-related risks in several ways, including: (1) Climate scenario analysis; (2) Business forecasts in conjunction with strategic planning; (3) Business continuity planning by various business units within the company, including business impact analyses and risk assessments; (4) Energy, water and other resource evaluations; (5) Severe weather event/black swan analysis. Climate-related risks and opportunities are evaluated in the less than 1 year to 5 year time frame as part of this process, and are monitored by Internal Audit, Real Estate Operations and other potentially impacted business units (e.g., Global Procurement, Global Supply Chain). We respond to any risks identified by evaluating their impacts, reviewing possible mitigation strategies, and selecting the best approach based on the totality of circumstances.

## C2.2a

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

| | Relevance & inclusion | Please explain |
|---|---|---|
| Current regulation | Relevant, always included | Western Digital stays apprised of global regulatory and compliance requirements that may impact our products and operations. We rely in part on internal and 3rd party audits of our management systems and subsequent certifications of awareness and compliance to current regulations. We also regularly run materiality assessments to evaluate company-specific risks and opportunities relating to sustainability, including climate change. We use periodic climate scenario analyses to assess physical and transitional risks, as well as climate-related opportunities. Climate related risks we monitor may include, but are not limited to: increasing pricing or taxing of GHG emissions; increasing emissions-reporting obligations; mandates on and regulation of existing products and services; possible exposure to litigation; monitoring increasing operating costs (e.g., higher compliance costs, increased insurance premiums); potential impacts on existing assets due to policy changes; impact on brand/credibility; increased costs and/or reduced demand for products and services resulting from fines and judgments. |

| | | |
|---|---|---|
| Emerging regulation | Relevant, always included | Western Digital is committed to maintaining compliance with all applicable legal requirements and obligations as a matter of corporate policy. We have established robust regulatory tracking and assessment procedures to assure we remain aware of emerging regulations applicable to our business and that we proactively develop and implement compliance programs in advance of the effective date of such regulations. We periodically review our compliance management capability and performance during our preparations for annual internal and external, third-party audits. In some cases, we participate in reviewing and commenting on emerging climate-related regulatory requirements that impact our operations, suppliers, clients, and the communities in which we operate. We also regularly run materiality assessments to evaluate company-specific risks and opportunities relating to sustainability, including climate change, and we use periodic climate scenario analyses to assess physical and transitional risks, as well as climate-related opportunities. |
| Technology | Relevant, always included | New technology is always evaluated in our operations and Research and Development (R&D) efforts to be more resource-efficient, sustainable and resilient to fluctuations in availability and cost. These are significant customer satisfaction and competitive advantage issues which benefit from Western Digital's continual reduction in product-level energy intensity, which in turn benefits our customers by reducing their energy requirements and resulting GHG emissions. Technology considerations are core to our financial, sustainability, and resiliency management systems. Some examples of risks considered in climate-related risk assessments may include: substitution of existing products and services with lower energy and, potentially, lower-emission options; successful and unsuccessful investment in new technologies; costs or savings to transition to lower emissions technology; write-offs and early retirement of existing assets due to technology changes; changes in demand for products and services; R&D expenditures in new and alternative technologies; capital investments in technology development; costs to adopt/deploy new practices and processes. We also regularly run materiality assessments to evaluate company-specific risks and opportunities relating to sustainability, including climate change, and we use periodic climate scenario analyses to assess physical and transitional risks, as well as climate-related opportunities. |
| Legal | Relevant, always included | Climate-related legal risks require timely compliance with new legal requirements and sustained compliance with existing requirements, and that compliance is key to maintaining and growing our access to the global markets where we sell our products. We monitor access to markets where there may be exposure to litigation, remediation liability or emerging country requirements for reporting. Our legal risks are often related to regulation, and such climate-related risks may include: |

| | | |
|---|---|---|
| | | increasing pricing or taxing of GHG emissions; increasing emissions-reporting obligations; mandates on and regulation of existing products and services; possible exposure to litigation; monitoring increasing operating costs (e.g., higher compliance costs, increased insurance premiums); potential impacts on existing assets due to policy changes; impact on brand/credibility; and increased costs and/or reduced demand for products and services resulting from fines and judgments. We also regularly run materiality assessments to evaluate company-specific risks and opportunities relating to sustainability, including climate change, and we use periodic climate scenario analyses to assess physical and transitional risks, as well as climate-related opportunities. |
| Market | Relevant, always included | Climate related market risks are considered in our enterprise risk assessments. Specific concerns for Western Digital include maintaining accuracy and legal review of climate-change related statements and commitments by Western Digital, and monitoring changing customer behavior and priorities relating to climate change impacts and resiliency. Climate change risks may increase the cost of raw materials due to supply chain or business disruption in Western Digital or supplier operations. Specific risks for Western Digital include electricity costs from fossil fuel-related electricity generation and the associated GHG emissions. We also regularly run materiality assessments to evaluate company-specific risks and opportunities relating to sustainability, including climate change, and we use periodic climate scenario analyses to assess physical and transitional risks, as well as climate-related opportunities. |
| Reputation | Relevant, always included | Climate change issues and how we respond to them can influence our reputation as a responsible corporation and supplier, and can impact our customers' confidence in our ability to manage our risks and protect their reputations. Our performance as an upstream supplier affects the reputation of our customers, especially with respect to their Scope 3 GHG emissions and water stewardship concerns. Our products impact the energy usage profile of our customers and their downstream products and services, and we must respond to increasing competitive demand on our products to be more efficient and lower impact. This includes end-of-life considerations for our products in relation to waste streams and closed-loop circularity efforts. We also regularly run materiality assessments to evaluate company-specific risks and opportunities relating to sustainability, including climate change, and we use periodic climate scenario analyses to assess physical and transitional risks, as well as climate-related opportunities. |
| Acute physical | Relevant, always included | Acute physical risks associated with climate change are included by Western Digital in annual risk assessments. Risks considered may include: business continuity planning review for near term risks; increased severity of extreme weather events such as cyclones and |

| | | |
|---|---|---|
| | | floods; reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions); reduced revenue and higher costs from negative impacts on workforce (e.g., health, safety, absenteeism); write-offs and early retirement of existing assets (e.g., damage to property and assets in "high-risk" locations); increased operating costs (e.g., inadequate water supply, increasing energy costs); increased capital costs (e.g., damage to facilities); reduced revenues from lower sales/output; increased insurance premiums and potential for reduced availability of insurance on assets in "high-risk" locations. We also regularly run materiality assessments to evaluate company-specific risks and opportunities relating to sustainability, including climate change, and we use periodic climate scenario analyses to assess physical and transitional risks, as well as climate-related opportunities. |
| Chronic physical | Relevant, always included | Chronic physical risks associated with climate change are included in longer term risk assessments. For example, Western Digital has undertaken and will periodically update "Black Swan" vulnerability assessments on assets and supply chains. In these reviews, changes in scenarios consider climate related risks and may include, but are not limited to: Precipitation patterns, extreme variability in weather patterns, rising mean temperatures, rising sea levels, and resource availability. We also regularly run materiality assessments to evaluate company-specific risks and opportunities relating to sustainability, including climate change, and we use periodic climate scenario analyses to assess physical and transitional risks, as well as climate-related opportunities. |

# C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

# C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Current regulation
Enhanced emissions-reporting obligations

### Primary potential financial impact

Increased direct costs

### Company-specific description

Certain facilities under Western Digital's global manufacturing operations are subject to carbon taxes and emissions trading schemes (ETS), particularly the Japan carbon tax, Shanghai pilot ETS, and Shenzhen pilot ETS. While Western Digital has developed a compliance approach, which focuses on leveraging the company's integrated management system to track annual fuel and energy consumption and complete 3rd party verification, required participation in each ETS poses a risk of increased costs for compliance if Western Digital's facility-specific emissions exceed each year's applicable emissions quota. Monitoring and compliance costs are likely to grow as current and emerging regulations related to carbon taxes and ETS's advance. Western Digital is at risk for higher compliance costs if relevant facility emissions are not reduced.

For example, Western Digital's facility in Shenzhen, China is subject to the Shenzhen pilot ETS. Each year, the government releases the carbon emissions target for our facility. If Western Digital's actual annual emissions exceed the government calculated quota, Western Digital must purchase the necessary credits from the Shenzhen Carbon Emission Spot Trading System to account for the difference.

### Time horizon

Long-term

### Likelihood

Virtually certain

### Magnitude of impact

Medium-low

### Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

### Potential financial impact figure (currency)

300,000

### Potential financial impact figure – minimum (currency)

### Potential financial impact figure – maximum (currency)

### Explanation of financial impact figure

Western Digital estimates that the potential long-term (5 year) costs for compliance at the Shenzhen facility, which is currently subject to the Shenzhen pilot ETS requirements, could total over $300,000 over the next five years if no mitigation action is

taken. The cost was estimated based on the historic annual costs incurred for the purchase of credits to adhere to each annual quota, multiplied by 5 years. The costs for compliance may increase on an annual basis in the future, so this is a basic estimate.

### Cost of response to risk

### Description of response and explanation of cost calculation

Western Digital's response to this risk will include investment in energy efficiency at facilities, execution of the company's integrated management system to track energy and fuel consumption, and annual completion of 3rd party emissions verification. Western Digital has not yet calculated costs related to responding to the risk.

### Comment

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### Identifier

Risk 2

### Where in the value chain does the risk driver occur?

Direct operations

### Risk type & Primary climate-related risk driver

Chronic physical

Other, please specify

General potential climate impacts including increased likelihood of severe weather events or extreme heat

### Primary potential financial impact

Increased capital expenditures

### Company-specific description

As a result of climate change, Western Digital's manufacturing operations are at risk of general chronic climate change impacts including the increased likelihood of severe weather events or extreme heat. Adverse weather in affected regions has the potential to cause physical damage to our property and other assets, to directly harm our employees, and to disrupt our owned and contracted operations, and related production/sales.

Certain locations where Western Digital operates may be more susceptible to these types of chronic physical impacts, including extreme heat conditions in India, rising heat and humidity levels in Malaysia and Thailand, and the potential for severe weather events in Philippines, China, Malaysia, and Thailand. There is also an increased likelihood of extreme heat and drought conditions that pose a risk to operations in California, particularly in regards to potential impacts to existing heating, ventilation, and air conditioning infrastructure and the potential for cleanroom disruption from increased risks of air pollution from regional wildfires. Western Digital conducts risk assessments

of site susceptibility to chronic physical risks and implements business continuity plans to protect operations.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

The financial impact has not yet been estimated. We may incur losses beyond the limits of, or outside the scope of, the coverage of our insurance policies. There can be no assurance that in the future we will be able to maintain existing insurance coverage or that premiums will not increase substantially. Due to market availability, pricing or other reasons, we may elect not to purchase insurance coverage or to purchase only limited coverage. We maintain limited insurance coverage and, in some cases, no coverage at all, for natural disasters and environmental damages, as these types of insurance are sometimes not available or available only at a prohibitive cost.

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Western Digital has not yet calculated the costs related to responding to the risk. The risk response will include continued regular risk assessments and investments to build resilience to protect manufacturing operations from those risks.

**Comment**

**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Upstream

**Risk type & Primary climate-related risk driver**

Acute physical

Other, please specify

Increased severity and frequency of extreme weather events such as cyclones and floods

**Primary potential financial impact**

Increased direct costs

**Company-specific description**

As a result of climate change, Western Digital's supply chain may be at risk of disruption from impacts from severe extreme weather. Western Digital has an extensive in-house manufacturing network and hundreds of global production partners, suppliers and contract manufacturers across the globe.

The facilities of many of our suppliers and our customers' suppliers are concentrated in certain geographic locations throughout Asia and elsewhere. A fire, flood, earthquake, tsunami or other natural disaster, condition or event such as a power outage, terrorist attack, political instability, civil unrest, localized labor unrest or other employment issues, or a health epidemic that adversely affects any of these facilities, the employees, the technology infrastructure or logistics operators at these facilities, would significantly affect our ability to manufacture or sell our products and source components, which would result in a substantial loss of sales and revenue and a substantial harm to our operating results. A significant event that impacts any of our manufacturing sites, or the sites of our customers or suppliers, could adversely affect our ability to manufacture or sell our products, and our business, financial condition and results of operations could suffer.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

Financial impact figure not yet estimated.

**Cost of response to risk**

**Description of response and explanation of cost calculation**

To manage the potential risks from extreme weather impacts on Western Digital's supply chain, Western Digital seeks to diversify the supply chain by working with multiple suppliers in different geographical regions.

**Comment**

Cost of management is company confidential information.

## C2.4

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.4a

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Energy source

**Primary climate-related opportunity driver**

Other, please specify

Development of climate adaptation, resilience and insurance risk solutions

**Primary potential financial impact**

Returns on investment in low-emission technology

**Company-specific description**

Western Digital has committed to reduce absolute Scope 1 and 2 GHG emissions by 42% by FY2030, from a FY2020 base year, consistent with the goal to limit warming to 1.5°C above pre-industrial levels. We have also committed to reduce Scope 3 GHG emissions from use of sold products 50% per petabyte capacity sold by FY2030 from an

FY2020 base year. These targets have been approved by the Science-Based Targets initiative. To achieve these goals, we will focus primarily on energy reductions through increased operational efficiencies, adoption of on-site solar and direct procurement of renewable energy.

**Time horizon**

Long-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

This has not yet been estimated.

**Cost to realize opportunity**

**Strategy to realize opportunity and explanation of cost calculation**

The cost to realize this opportunity has not yet been estimated. However, our strategy to realize this opportunity focuses on executing in support of favorable opportunities for on-site solar installation. Western Digital conducts regular analyses of the potential cost benefits of different opportunities to procure renewable energy and/or install on-site renewable generation to realize the best returns on investment. The installation of on-site solar at some sites is more feasible than at other sites, especially when installed concurrently with new facility construction.

**Comment**

**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development of new products or services through R&D and innovation

**Primary potential financial impact**

Returns on investment in low-emission technology

**Company-specific description**

Western Digital has an opportunity to innovate and invest in research and development to improve the cradle to grave impacts of products while advancing operational efficiencies. This includes improving the emissions intensity of our manufacturing processes and enhancing circularity by increasing use of recycled materials in components and packaging. This will also support operational efficiencies that lead to financial gains and complement investments in renewable energy procurement, to help strategically reduce emissions across Western Digital operations all while lowering the environmental impacts of products through their lifecycle.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

This has not yet been estimated.

**Cost to realize opportunity**

**Strategy to realize opportunity and explanation of cost calculation**

The cost to realize this opportunity has not yet been estimated. However, our strategy to realize this opportunity centers on efficient product design and focuses on maximizing functional storage produced on a materials-used basis. 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.

**Comment**

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**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Shift in consumer preferences

**Primary potential financial impact**

Returns on investment in low-emission technology

**Company-specific description**

Western Digital's customers are increasingly seeking more energy efficient, lower emissions products. Several of Western Digital's customers have also set emissions reduction targets, thereby signaling an intent to reduce operational energy needs. This promotes the market for Western Digital products that use significantly less energy when compared with alternative solutions, and also products with a lower cradle to grave footprint. Western Digital has an opportunity to meet the shift in consumer preferences by prioritizing innovation that continues to reduce the energy requirements of products, which will in turn lower emissions associated with the "customer use" phase of products, and innovation focused on reducing emissions from the manufacturing phase to lower the overall product footprint.

**Time horizon**

Medium-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

Financial impact not yet estimated.

**Cost to realize opportunity**

**Strategy to realize opportunity and explanation of cost calculation**

The strategy to realize this opportunity will focus on continued investments in innovation and engineering to improve product energy efficiency, as well as investments to reduce emissions associated with manufacturing. The cost has not yet been estimated.

**Comment**

# C3. Business Strategy

## C3.1

**(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?**

**Row 1**

**Transition plan**

No, our strategy has been influenced by climate-related risks and opportunities, but we do not plan to develop a transition plan within two years

**Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future**

## C3.2

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

| | Use of climate-related scenario analysis to inform strategy |
|---|---|
| Row 1 | Yes, qualitative and quantitative |

## C3.2a

**(C3.2a) Provide details of your organization's use of climate-related scenario analysis.**

| Climate-related scenario | Scenario analysis coverage | Temperature alignment of scenario | Parameters, assumptions, analytical choices |
|---|---|---|---|
| Physical climate scenarios RCP 2.6 | Company-wide | | Key Parameters RCP 2.6 (+1.5°C, strongly declining emissions): A recovering economy fully embracing the low-carbon transition in a cooperative way, still subject to environmental shocks<br>Shared Socioeconomic Pathways 1 (low challenges to mitigation/ adaption)<br><br>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, to develop three scenarios for 2030 which explored climate-related 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.<br><br>The scenario analysis process involved the following steps:<br>• 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.<br>• 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 ~1.5°C – ~4°C) for emissions reductions and climate impacts. Furthermore, third-party climate projections consider a small range of variables, e.g. fuel mix, GDP growth, etc., whereas the scenarios used by Western Digital augmented these with consideration of additional factors such as political developments, emerging technologies and new business.<br>• Strategic Implications: A workshop was conducted with internal Western Digital stakeholders to identify the potential risks and opportunities for each scenario and |

| | | | |
|---|---|---|---|
| | | | identify ideas to enhance Western Digital's resilience and refine its 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 Western Digital's strategy and risk management processes as deemed necessary. |
| Physical climate scenarios RCP 8.5 | Company-wide | | Key Parameters RCP 8.5 (+4°C, rising emissions): A geopolitically fragmented world, a challenging economic situation and scaled environmental shocks<br>Shared Socioeconomic Pathway 3 (high challenges to mitigation and adaption)<br><br>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, to develop three scenarios for 2030 which explored climate-related 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. |
| Physical climate scenarios RCP 6.0 | Company-wide | | Key Parameters RCP 6.0 (+3°C, slowly declining): A geopolitically fragmented world, a slow global economy and ramping-up climate impact<br>Shared Socioeconomic Pathway 4 (low challenges to mitigation, high challenges to adaption)<br><br>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, to develop three scenarios for 2030 which explored climate-related 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. |
| Physical climate scenarios Bespoke physical scenario | Company-wide | Unknown | Internal Methodology<br>Western Digital conducted a study to identify and mitigate the effects of any future "Black Swan" or other events that may disrupt manufacturing operations in Asia and United States. Steps include a high-level identification of potential external hazards, hazardous |

| | | | |
|---|---|---|---|
| | | | situations and/or events that can cause harm to assets at a given facility. This is followed by a more refined study to gather specific data (e.g., geological maps, etc.), identification of extreme weather events, generation of specific data to understand and develop responses to specific events (e.g., flooding, earthquake, etc.), developing probabilities, assessing operational impacts, and preparing a risk register and threat assessment summary. The study focused on events of low (1 in 500 years) and medium (1 in 100 years) probability of occurring and identified site specific threats. Previous vulnerability assessments showed company operations being most likely to be impacted by low to medium probability events which could happen at any time. These macro inputs are further informed and refined by the more frequent business impact assessments conducted through implementation of Western Digital's detailed business continuity management system process, as previously described. The results of the scenario analysis provided a summary of anticipated risks and impacts to operations. The three greatest risks to Western Digital operations were identified to be floods, earthquakes, and tsunamis. Risk mitigation is strategically prioritized against OpEx and CapEx needs. Risks identified during the climate scenario analysis are assigned to functional or regional leaders for management and/or mitigation, depending on the characteristics of each risk. For example, we constructed a flood wall at a cost of around $20 million USD at our site in Thailand, which is at risk for flooding. Additionally, where appropriate, our business continuity team develops a strategy and process to manage the risk across our various sites. |

# C3.2b

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

### Row 1

#### Focal questions

Explore climate-related risks and opportunities and other key uncertainties relevant to Western Digital's business.

**Results of the climate-related scenario analysis with respect to the focal questions**

A workshop was conducted with internal Western Digital stakeholders to identify the potential risks and opportunities for each of three scenarios developed and identify ideas to enhance Western Digital's resilience and refine its 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 are being reviewed by Western Digital's Sustainability and Enterprise Risk Management teams and incorporated into Western Digital's strategy and risk management processes as deemed appropriate.

# C3.3

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

| | Have climate-related risks and opportunities influenced your strategy in this area? | Description of influence |
|---|---|---|
| Products and services | Yes | Climate-related risks and opportunities will influence our products and services strategy through the next 10 years as the organization continues to focus on product-level energy efficiency and storage capacity.<br><br>Issues related to customer satisfaction and competitive advantage benefit from Western Digital's continual reduction in product-level energy intensity. This benefits our customers by reducing the energy requirements associated with the use of our products, i.e., the "customer use" phase of the product lifecycle, and resulting GHG emissions.<br><br>Western Digital also works to increase storage capacity per device, resulting in significantly greater storage over time for a given physical footprint. Products that have a greater storage capacity per physical footprint allow for the consolidation of space in datacenter settings. This results in improved resource productivity in relation to energy, water, and GHG emissions. |
| Supply chain and/or value chain | Yes | Climate-related risks and opportunities will influence our supply chain strategy through the next 5 years as part of business continuity planning and sustainability strategy. We may achieve a competitive advantage by assessing and managing value chain climate risks and opportunities, especially those associated with avoiding reduced revenue from decreased production capacity (e.g., transport |

| | | |
|---|---|---|
| | | difficulties, supply chain interruptions). Reduced emissions in our supply chain could also drive incremental demand for our products from environmentally-focused customers and consumers.<br><br>Relevant risks include changes in precipitation patterns, extreme variability in weather patterns and increased likelihood of extreme weather events such as cyclones and floods, which could result in increased capital costs from damage to facilities. We have established business continuity programs for our internal operations and requirements for our suppliers to prepare for extreme weather and natural disaster events that are increasingly common (e.g., earthquakes and floods). We were an early customer for Resilinc's (www.resilinc.com) event notification and impact assessment services, which facilitates prompt assessment of any significant interruption of our customer fulfilment; and prompt recovery of impacted operations or transfer to alternative internal and supplier facilities. |
| Investment in R&D | Yes | Climate-related risks and opportunities will influence our investment in R&D strategy through the next 10 years as the organization continues to focus on innovation for energy efficiency and storage density.<br><br>Our teams are achieving significant advances in the energy efficiency of our storage products with simultaneous dramatic increases in storage capacity and no increase in physical footprint. Western Digital's continuing innovation in design enables significant greenhouse gas emission reductions during the customer use phase of our product life cycle. |
| Operations | Yes | Climate-related risks and opportunities will influence our operations strategy through the next 5 years as part of our business continuity planning. Since the majority of our company-wide climate impacts are tied to our manufacturing processes, we are capitalizing on opportunities to reduce our impacts significantly by adopting sustainable technologies and processes at our manufacturing sites. We have established ISO certified or compliant business continuity programs and procedures for our internal operations to prepare for extreme weather and natural disaster events that are increasingly more common (e.g., earthquakes and floods) and associated with climate change. We were an early customer for Resilinc's event notification and impact assessment services, which facilitates prompt assessment of |

| | | |
|---|---|---|
| | | any significant interruption and prompt recovery of impacted operations. |

## C3.4

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

| | Financial planning elements that have been influenced | Description of influence |
|---|---|---|
| Row 1 | Revenues<br>Direct costs<br>Capital expenditures<br>Acquisitions and divestments<br>Assets<br>Liabilities | We evaluate and address climate-related risks and opportunities in the same manner as we do other significant risks and opportunities affecting our business. Data on potential climate risks and opportunities is regularly presented to the executive leadership team, which uses that data to develop business strategies and allocate financial resources throughout the organization in a way that avoids or mitigates risks and capitalizes on opportunities. The time horizon for financial planning is up to 5 years. As one example, climate change may increase the risk of flooding in certain geographies. Accordingly, Western Digital has invested in significant flood mitigation improvements at sites that are particularly susceptible to flooding. We will continue to monitor needs at our sites for other resiliency measures or retrofits to adapt to climate change and will incorporate the necessary expenditures into our financial planning. We are also monitoring needs for energy supply and demand side efficiency and going forward will incorporate capital expenditure requirements into financial planning where applicable. |

# C4. Targets and performance

## C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Absolute target
Intensity target

## C4.1a

**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

**Target reference number**

Abs 1

**Year target was set**
2021

**Target coverage**
Company-wide

**Scope(s)**
Scope 1
Scope 2

**Scope 2 accounting method**
Market-based

**Scope 3 category(ies)**

**Base year**
2020

**Base year Scope 1 emissions covered by target (metric tons CO2e)**
44,643.4

**Base year Scope 2 emissions covered by target (metric tons CO2e)**
1,000,814.1

**Base year Scope 3 emissions covered by target (metric tons CO2e)**

**Total base year emissions covered by target in all selected Scopes (metric tons CO2e)**
1,045,457.5

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**
100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**
100

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**
100

**Target year**
2030

**Targeted reduction from base year (%)**

42

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]**

606,365.35

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

46,152

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

929,882.7

**Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

976,034.7

**% of target achieved relative to base year [auto-calculated]**

15.8105308874

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain target coverage and identify any exclusions**

This target covers 100% of Western Digital's global Scope 1 and Scope 2 footprint. There are no exclusions.

**Plan for achieving target, and progress made to the end of the reporting year**

To achieve this target, we will focus primarily on energy reductions through increased operational efficiencies, adoption of on-site solar and direct procurement of renewable energy. We are making progress in several areas:

• As of mid-2021, Western Digital's facilities in Northern California run on 100% renewable energy.

• Western Digital is exploring renewable energy options at global sites.

• Western Digital has implemented on-site solar at multiple facilities around the world.

• From FY2020 to FY2021, Western Digital reduced the energy intensity to manufacture its products by more than 43%.

• From FY2020 to FY2021, Western Digital reduced aggregate Scope 1 and market-based Scope 2 emissions by more than 6%.

**List the emissions reduction initiatives which contributed most to achieving this target**

## C4.1b

**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**

**Target reference number**
Int 1

**Year target was set**
2021

**Target coverage**
Company-wide

**Scope(s)**
Scope 3

**Scope 2 accounting method**

**Scope 3 category(ies)**
Category 11: Use of sold products

**Intensity metric**
Other, please specify
Metric tons CO2e per petabyte of capacity sold

**Base year**
2020

**Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)**

**Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)**

**Intensity figure in base year for Scope 3 (metric tons CO2e per unit of activity)**
13.25

**Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)**
13.25

**% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure**

**% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure**

**% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this Scope 3 intensity figure**

**% of total base year emissions in all selected Scopes covered by this intensity figure**

100

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]**

6.625

**% change anticipated in absolute Scope 1+2 emissions**

**% change anticipated in absolute Scope 3 emissions**

**Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)**

**Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)**

**Intensity figure in reporting year for Scope 3 (metric tons CO2e per unit of activity)**

11.33

**Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)**

11.33

**% of target achieved relative to base year [auto-calculated]**

28.9811320755

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science Based Targets initiative

**Target ambition**

Well-below 2°C aligned

**Please explain target coverage and identify any exclusions**

This target is limited to Scope 3: Category 11 Use of Sold Products

**Plan for achieving target, and progress made to the end of the reporting year**

Western Digital strives to design and manufacture more energy efficient products. We innovate to reduce the power consumption of our devices on a per-byte basis and to increase capacity of our storage devices in a given form factor—which results in better energy consumption per byte of storage.

**List the emissions reduction initiatives which contributed most to achieving this target**

## C4.2

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Other climate-related target(s)

## C4.2b

**(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.**

**Target reference number**

Oth 1

**Year target was set**

2021

**Target coverage**

Company-wide

**Target type: absolute or intensity**

Absolute

**Target type: category & Metric (target numerator if reporting an intensity target)**

Energy consumption or efficiency
MWh

**Target denominator (intensity targets only)**

**Base year**

2020

**Figure or percentage in base year**

2,033,788.2

**Target year**

2021

**Figure or percentage in target year**

2,101,000

**Figure or percentage in reporting year**

2,101,000

**% of target achieved relative to base year [auto-calculated]**

100

**Target status in reporting year**

Achieved

**Is this target part of an emissions target?**

Yes, Western Digital is achieving energy consumption reduction through promoting energy efficiency globally. This energy efficiency improvement target is also leveraged to the GHG Scope1 and 2 (Abs 1) reduction target.

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain target coverage and identify any exclusions**

The coverage of this target is all manufacturing and main research and development locations. This energy reduction target is a subset of companywide energy conservation goals.

**Plan for achieving target, and progress made to the end of the reporting year**

**List the actions which contributed most to achieving this target**

The actions which contributed to significantly to achieve target are;
1. End of life system replacement with more energy efficient model: One of example is installing LED at our one of R&D facilities.
2. Critical facilities systems optimizations via installation of improved controls /

installation of VFD's /VSD's for motor loads
3. Test process optimization: Based on careful review on manufacturing plan, site performed shutdown of unnecessary testers' operation. Site also performed test temperature optimization (test area ambient control) and reduced energy consumption.

We completed all energy saving projects whose saving is corresponding to 3% energy reduction from 2020. However, there was production increase, start-up of manufacturing operations, and absolute energy consumption increased from 2020. However, we consider that we can claim that energy usage was offset by 3% through project implementations and considers that energy saving target was achieved.

## C4.3

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

## C4.3a

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

| | Number of initiatives | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---|---|---|
| Under investigation | 0 | 0 |
| To be implemented* | 154 | 15,619.6 |
| Implementation commenced* | 0 | 0 |
| Implemented* | 108 | 33,329.6 |
| Not to be implemented | 0 | 0 |

## C4.3b

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative category & Initiative type**

Energy efficiency in production processes
Process optimization

**Estimated annual CO2e savings (metric tonnes CO2e)**

21,360.5

**Scope(s) or Scope 3 category(ies) where emissions savings occur**
Scope 2 (market-based)

**Voluntary/Mandatory**
Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**
3,399,689

**Investment required (unit currency – as specified in C0.4)**
0

**Payback period**
<1 year

**Estimated lifetime of the initiative**
1-2 years

**Comment**
Facilities implemented manufacturing operation improvement such as test time reduction.

---

**Initiative category & Initiative type**
Energy efficiency in buildings
Motors and drives

**Estimated annual CO2e savings (metric tonnes CO2e)**
1,167.9

**Scope(s) or Scope 3 category(ies) where emissions savings occur**
Scope 2 (market-based)

**Voluntary/Mandatory**
Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**
185,878

**Investment required (unit currency – as specified in C0.4)**
1,000

**Payback period**
1-3 years

**Estimated lifetime of the initiative**
3-5 years

**Comment**

Variable Frequency Drive and motors installation to adjust critical facility system operation.

**Initiative category & Initiative type**

Energy efficiency in buildings
Heating, Ventilation and Air Conditioning (HVAC)

**Estimated annual CO2e savings (metric tonnes CO2e)**

9,902.7

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

1,576,901

**Investment required (unit currency – as specified in C0.4)**

7,562,588

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

The example of projects include optimization of air-conditioning system based on mfg and facility operation in clean room area.

**Initiative category & Initiative type**

Energy efficiency in buildings
Lighting

**Estimated annual CO2e savings (metric tonnes CO2e)**

898.5

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

142,998

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

LED lighting installation at R&D sites

## C4.3c

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

| Method | Comment |
|---|---|
| Dedicated budget for energy efficiency | In the regular Capital Review Board (CRB) process, the potential improvements of energy efficiency are carefully evaluated, and projects are funded as appropriate to achieve energy efficiency and financial goals. Also, Western Digital's energy/resource management program office annually reviews global performance of efficiency investments to evaluate whether the funding levels are appropriate. |
| Dedicated budget for low-carbon product R&D | Western Digital continues to drive innovation with our HelioSeal® platform of high-capacity data center drives. With one of the lowest power profiles in the industry, our products help data center architects meet eco-environmental goals and requirements by delivering more capacity (storage density), more efficiency (watts/TB), more reliability and more value ($/TB). |
| Financial optimization calculations | The directive from our executive team is clear – we have the freedom to execute the programs we believe will be most impactful, however programs should demonstrate a clear return on investment. |
| Employee engagement | Our ISO14001 management system assists Western Digital in establishing systems and programs that reduce energy, water usage and waste, as well as encouraging employees to become active participants in protecting our environment.<br>Western Digital has also established a cross-functional Sustainability Working Group that drives specific sustainability initiatives throughout the company and includes representatives from Corporate Sustainability, our Business Units, Human Resources, Corporate Real Estate, Supply Chain Management, Quality, Sales and Marketing, Operations, and Ethics and Compliance. |

| | |
|---|---|
| Internal incentives/recognition programs | The Western Digital energy/resource management program office formally recognizes and rewards significant accomplishments in facilities energy and CO2 reduction. |

## C4.5

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

No

# C5. Emissions methodology

## C5.1

**(C5.1) Is this your first year of reporting emissions data to CDP?**

No

## C5.1a

**(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?**

**Row 1**

**Has there been a structural change?**

No

## C5.1b

**(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?**

| | Change(s) in methodology, boundary, and/or reporting year definition? | Details of methodology, boundary, and/or reporting year definition change(s) |
|---|---|---|
| Row 1 | Yes, a change in methodology | The changes are limited to Scope 3 methodology changes. The methodology was updated for the following Scope 3 categories: Category 1: Purchased Goods and Services (emission factor updates); Category 2: Capital Goods (emission factor updates and incorporation of primary data where available); Category 4: Upstream Transportation and Distribution (unit conversion correction); Category 8: Upstream Leased Assets (emission factor updates); Category 9: Downstream Transportation and Distribution |

| | | |
|---|---|---|
| | | (unit conversion correction); Category 15: Investments (emission factor updates, change of data source, and incorporation of primary data where available). |

# C5.1c

**(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?**

| | Base year recalculation | Base year emissions recalculation policy, including significance threshold |
|---|---|---|
| Row 1 | Yes | The Scope 3 methodology changes resulted in a recalculation and a restatement of fiscal year 2020 Scope 3 emissions for the following categories: Category 1: Purchased Goods and Services (emission factor updates); Category 2: Capital Goods (emission factor updates and incorporation of primary data where available); Category 4: Upstream Transportation and Distribution (unit conversion correction); Category 8: Upstream Leased Assets (emission factor updates); Category 9: Downstream Transportation and Distribution (unit conversion correction); Category 15: Investments (emission factor updates, change of data source, and incorporation of primary data where available).<br><br>The methodology changes and related restatement do not result in an adjustment of fiscal year 2020 Category 11: Use Phase emissions, for which Western Digital has set a science-based target as approved by SBTi. Western Digital considers any change resulting in a >5% impact to be significant. The changes resulting from the described methodology updates are not considered to amount to a significant change. |

# C5.2

**(C5.2) Provide your base year and base year emissions.**

### Scope 1

**Base year start**

July 1, 2019

**Base year end**

June 30, 2020

**Base year emissions (metric tons CO2e)**

44,643.4

**Comment**

The Scope 1 emissions total includes gas, oil usage, CO2 for cleaning, and fugitive gas for facility operations. This value is not restated from previous disclosures.

## Scope 2 (location-based)

### Base year start
July 1, 2019

### Base year end
June 30, 2020

### Base year emissions (metric tons CO2e)
958,051.6

### Comment
The Scope 2 location-based emissions total includes the use of purchased electricity for facility operations. This value is not restated from previous disclosures.

## Scope 2 (market-based)

### Base year start
July 1, 2019

### Base year end
June 30, 2020

### Base year emissions (metric tons CO2e)
1,000,814.1

### Comment
The Scope 2 market-based emissions total includes the use of purchased electricity for facility operations. This value is not restated from previous disclosures.

Note, location-based emission factors were referenced for locations where market-based factors were unavailable.

## Scope 3 category 1: Purchased goods and services

### Base year start
July 1, 2019

### Base year end
June 30, 2020

### Base year emissions (metric tons CO2e)
1,566,098

### Comment
Purchased Goods and Services has been recalculated due to methodology changes and emission factor updates. We switched from a prior version of US EPA EEIO data that contained a modeling error to US EPA EEIO Supply Chain Emission Factors v1.1.1 which corrected the error. We also use primary Scope 1 and 2 data from our suppliers' CDP responses where available, adding in the Scope 3 portion of the corresponding

spend category specific EEIO factor. Scope 1, 2, and 3 breakouts of EEIO factors were developed by our consultant using information within the US EPA EEIO Supply Chain Emission Factor dataset.

### Scope 3 category 2: Capital goods

#### Base year start

July 1, 2019

#### Base year end

June 30, 2020

#### Base year emissions (metric tons CO2e)

246,667

#### Comment

Capital Goods has been recalculated due to emission factor updates. We switched from a prior version of US EPA EEIO data that contained a modeling error to US EPA EEIO Supply Chain Emission Factors v1.1.1 which corrected the error.

### Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

#### Base year start

July 1, 2019

#### Base year end

June 30, 2020

#### Base year emissions (metric tons CO2e)

232,813

#### Comment

This value is not restated from previous disclosures.

### Scope 3 category 4: Upstream transportation and distribution

#### Base year start

July 1, 2019

#### Base year end

June 30, 2020

#### Base year emissions (metric tons CO2e)

334,196

#### Comment

Upstream Transportation & Distribution has been restated due to a unit conversion error in FY20. We use the US EPA Emission Factors for Greenhouse Gas Inventories which calculates emissions based on short ton-miles. It was discovered that FY20 calculations

were based on metric ton-miles, so emissions were recalculated after correcting the unit to short ton-miles.

### Scope 3 category 5: Waste generated in operations

#### Base year start
July 1, 2019

#### Base year end
June 30, 2020

#### Base year emissions (metric tons CO2e)
484

#### Comment
This value is not restated from previous disclosures.

### Scope 3 category 6: Business travel

#### Base year start
July 1, 2019

#### Base year end
June 30, 2020

#### Base year emissions (metric tons CO2e)
27,254

#### Comment
This value is not restated from previous disclosures.

### Scope 3 category 7: Employee commuting

#### Base year start
July 1, 2019

#### Base year end
June 30, 2020

#### Base year emissions (metric tons CO2e)
49,341

#### Comment
This value is not restated from previous disclosures.

### Scope 3 category 8: Upstream leased assets

#### Base year start
July 1, 2019

#### Base year end
June 30, 2020

**Base year emissions (metric tons CO2e)**

7,821

**Comment**

Upstream Leased Assets has been recalculated due to emission factor updates. We switched from a prior version of US EPA EEIO data that contained a modeling error to US EPA EEIO Supply Chain Emission Factors v1.1.1 which corrected the error.

### Scope 3 category 9: Downstream transportation and distribution

**Base year start**

July 1, 2019

**Base year end**

June 30, 2020

**Base year emissions (metric tons CO2e)**

198,686

**Comment**

Downstream Transportation & Distribution has been restated due to a unit conversion error in FY20. We use the US EPA Emission Factors for Greenhouse Gas Inventories which calculates emissions based on short ton-miles. It was discovered that FY20 calculations were based on metric ton-miles, so emissions were recalculated after correcting the unit to short ton-miles.

### Scope 3 category 10: Processing of sold products

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

Western Digital completed an assessment of Scope 3 emissions, and it was determined that this category is not relevant to the business. Western Digital products do not require further processing.

### Scope 3 category 11: Use of sold products

**Base year start**

July 1, 2019

**Base year end**

June 30, 2020

**Base year emissions (metric tons CO2e)**

6,862,142

**Comment**

This value is not restated from previous disclosures.

## Scope 3 category 12: End of life treatment of sold products

**Base year start**

July 1, 2019

**Base year end**

June 30, 2020

**Base year emissions (metric tons CO2e)**

2,188

**Comment**

This value is not restated from previous disclosures.

## Scope 3 category 13: Downstream leased assets

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

Western Digital completed an assessment of Scope 3 emissions, and it was determined that this category is not relevant to the business. Western Digital does not have downstream leased assets.

## Scope 3 category 14: Franchises

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

Western Digital completed an assessment of Scope 3 emissions, and it was determined that this category is not relevant to the business. Western Digital does not have franchises.

## Scope 3 category 15: Investments

### Base year start

July 1, 2019

### Base year end

June 30, 2020

### Base year emissions (metric tons CO2e)

1,064,543

### Comment

Investments has been recalculated due to methodology changes and emission factor updates. We switched from a prior version of US EPA EEIO data that contained a modeling error to US EPA EEIO Supply Chain Emission Factors v1.1.1 which corrected the error. In addition, where available we now use primary Scope 1 and 2 data from CDP allocated based on WD's ownership share in each company. When reported emissions data is unavailable, we either use company fuel and electricity spend to estimate energy usage or use the company revenue multiplied by an industry-specific US EPA EEIO factor.

## Scope 3: Other (upstream)

### Base year start

### Base year end

### Base year emissions (metric tons CO2e)

### Comment

Western Digital completed an assessment of Scope 3 emissions, and it was determined that this category is not relevant to the business. Western Digital does not have additional other upstream emissions.

## Scope 3: Other (downstream)

### Base year start

### Base year end

### Base year emissions (metric tons CO2e)

### Comment

Western Digital completed an assessment of Scope 3 emissions, and it was determined that this category is not relevant to the business. Western Digital does not have additional other downstream emissions.

## C5.3

**(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

IEA CO2 Emissions from Fuel Combustion
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Public Sector Standard
The Greenhouse Gas Protocol: Scope 2 Guidance

# C6. Emissions data

## C6.1

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

### Reporting year

**Gross global Scope 1 emissions (metric tons CO2e)**
46,152

**Start date**
July 1, 2020

**End date**
June 30, 2021

**Comment**

### Past year 1

**Gross global Scope 1 emissions (metric tons CO2e)**
44,643.4

**Start date**
July 1, 2019

**End date**
June 30, 2020

**Comment**

The Scope 1 emissions total includes gas, oil usage, CO2 for cleaning, and fugitive gas for facility operations. This value is not restated from previous disclosures.

# C6.2

## (C6.2) Describe your organization's approach to reporting Scope 2 emissions.

### Row 1

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

If market-based emissions factors are not available, location-based emissions factors are used alternatively.

# C6.3

## (C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

### Reporting year

**Scope 2, location-based**

998,988.5

**Scope 2, market-based (if applicable)**

929,882.7

**Start date**

July 1, 2020

**End date**

June 30, 2021

**Comment**

### Past year 1

**Scope 2, location-based**

958,051.6

**Scope 2, market-based (if applicable)**

1,000,814.1

**Start date**

July 1, 2019

**End date**

June 30, 2020

**Comment**

The Scope 2 location-based emissions total includes the use of purchased electricity for facility operations. This value is not restated from previous disclosures.

The Scope 2 market-based emissions total includes the use of purchased electricity for facility operations. This value is not restated from previous disclosures.
Note, location-based emission factors were referenced for locations where market-based factors were unavailable.

## C6.4

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

## C6.5

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

### Purchased goods and services

**Evaluation status**

Relevant, calculated

**Emissions in reporting year (metric tons CO2e)**

1,683,478

**Emissions calculation methodology**

Hybrid method

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

15.46

**Please explain**

Methodology:
Spend-based emissions calculation = spend ($) x emission factor (kg CO2e per $); US EPA Supply Chain Emission Factors dataset is used for spend-based environmentally-extended input-output analysis (EEIO) calculations.
We also use primary Scope 1 and 2 data from our suppliers' CDP responses where available, adding in the Scope 3 portion of the corresponding spend category specific EEIO factor. Scope 1, 2, and 3 breakouts of EEIO factors were developed by our consultant using information within the US EPA EEIO Supply Chain Emission Factor

dataset.

Percentage of emissions calculated using data obtained from suppliers or value chain partners:
For direct materials spend, we use primary scope 1 and 2 data as provided by our suppliers where available. For the reporting period the primary data represented 15.47% of the purchased goods and services category total.

## Capital goods

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

201,749

### Emissions calculation methodology

Spend-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Methodology:
Spend-based emissions calculation = spend ($) x emission factor (kg CO2e per $); US EPA Supply Chain Emission Factors dataset is used for spend-based environmentally-extended input-output analysis (EEIO) calculations

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

215,137

### Emissions calculation methodology

Fuel-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Methodology:
Fuel and energy related activities (FERA) emissions were calculated using a well-to-tank emissions factor for each fuel type consumed by Western Digital, referencing the Department for Environment Food & Rural Affairs (Defra) 2020 dataset

## Upstream transportation and distribution

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

262,693

### Emissions calculation methodology

Distance-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

40

### Please explain

Methodology:
Calculated based on distance, weight, and mode of transportation; Transportation emissions (mass CO2/CH4/N2O) = Weighted distance (ton-mile) x Emission factor (mass CO2/CH4/N2O per ton-mile)

Percentage of emissions calculated using data obtained from suppliers or value chain partners:
Five distinct data points were reviewed for each individual shipment including: ship from location, ship to location, transport mode, weight, and distance. 2 of the 5 (40%) data points for each shipment used in the analysis are based on customer-provided information.

## Waste generated in operations

### Evaluation status

Not relevant, calculated

### Emissions in reporting year (metric tons CO2e)

510

### Emissions calculation methodology

Waste-type-specific method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Methodology:
Waste emissions (mass CO2/CH4/N2O) = Material treatment (lbs.) x Emission factor (mass CO2/CH4/N2O per material treatment); Calculated based on emission factors from the EPA Waste Reduction Model (WARM) tool (2020)

## Business travel

### Evaluation status

Not relevant, calculated

### Emissions in reporting year (metric tons CO2e)

809

### Emissions calculation methodology

Spend-based method

Distance-based method

Other, please specify

Air travel: based on distance (miles) between departure and arrival airport, haul-type assigned based on distance; Car rental: spend-based; Rail travel: distance X emissions factor; Hotel stays: emissions factors for business hotel stays

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Please explain

Methodology:
The emissions were calculated based on the following methodology: Air travel: based on distance (miles) between departure and arrival airport, haul-type assigned based on distance (short-haul, medium-haul, long-haul); emissions factors based on 2020 Department for Environment Food & Rural Affairs (Defra) / Department of Energy and Climate Change's (DECC's) GHG Conversion Factors for Company Reporting; includes radioactive forcing Rail travel: distance X emissions factor; based on EPA, Emission Factors for Greenhouse Gas Inventories Car rental: spend-based, based on EPA Emission Factors for Greenhouse Gas Inventories Hotel stays: emissions factors used for business hotel stays from 2020 Department for Environment Food & Rural Affairs (Defra) / Department of Energy and Climate Change's (DECC's) GHG Conversion Factors for Company

Percentage of emissions calculated using data obtained from suppliers or value chain partners:
All air travel, rail travel, car rental, and hotel stay data is provided by the travel booking platform used by the company.

## Employee commuting

### Evaluation status

Not relevant, calculated

### Emissions in reporting year (metric tons CO2e)

49,158

### Emissions calculation methodology

Other, please specify

Emissions were calculated based on assumptions regarding employee commuting patterns

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Methodology:
Emissions were calculated based on assumptions regarding employee commuting patterns. Commute emissions (mass CO2/CH4/N2O) = Distance by mode (miles) x Emission factor (mass CO2/CH4/N2O per mile by mode); emissions factors from the EPA, Emission Factors for Greenhouse Gas Inventories

## Upstream leased assets

### Evaluation status

Not relevant, calculated

### Emissions in reporting year (metric tons CO2e)

10,659

### Emissions calculation methodology

Hybrid method
Spend-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Please explain

Methodology:
A combination of spend-based environmentally-extended input-output analysis (EEIO) and electricity consumption by emissions factor, referencing US EPA's Supply Chain Emission Factors dataset for spend-based EEIO calculations. Spend-based: Lease emissions (mass CO2/CH4/N2O) = Spend ($) x Emission factor (mass CO2/CH4/N2O per $) And Electricity consumption-based: Lease emissions (mass CO2/CH4/N2O) = Electricity (kWh) x Emission factor (mass CO2/CH4/N2O per kWh)

Percentage of emissions calculated using data obtained from suppliers or value chain partners:
The costs and electricity consumption associated with leases and co-located datacenters were provided by value chain partners, either total annual spend and/or electricity consumption, power usage effectiveness (PUE), location, and/or electricity supplier.

## Downstream transportation and distribution

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

158,378

### Emissions calculation methodology

Distance-based method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Methodology:
Calculated based on distance, weight, and mode of transportation; Transportation emissions (mass CO2/CH4/N2O) = Weighted distance (ton-mile) x Emission factor (mass CO2/CH4/N2O per ton-mile)

## Processing of sold products

### Evaluation status

Not relevant, explanation provided

### Please explain

Western Digital completed an assessment of Scope 3 emissions, and it was determined that this category is not relevant to the business. Western Digital products do not require further processing.

## Use of sold products

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

6,127,263

### Emissions calculation methodology

Methodology for direct use phase emissions, please specify

Use phase emissions (mass CO2/CH4/N2O) = Units sold in FY21 x Product lifespan (years) x Electricity use per year (kWh) x Emission factor (mass CO2/CH4/N2O per kWh)

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

40.8

### Please explain

Methodology:
Emissions calculations are based on the annual lifetime use-phase power consumption by product family, where the lifetime power consumption is based on a calculation of the

power draw in each mode multiplied by an estimate of the percentage of time the device will spend in each mode over its lifetime. The emissions factors are based on the World Average International Energy Agency (IEA) published emission factors for 2020. Use phase emissions (mass CO2/CH4/N2O) = Units sold in FY21 x Product lifespan (years) x Electricity use per year (kWh) x Emission factor (mass CO2/CH4/N2O per kWh)

Percentage of emissions calculated using data obtained from suppliers or value chain partners:
Approximately forty percent of the overall emissions footprint was informed by actual use data from an analysis of returned devices and/or data from field reliability studies.

## End of life treatment of sold products

### Evaluation status

Not relevant, calculated

### Emissions in reporting year (metric tons CO2e)

1,913

### Emissions calculation methodology

Waste-type-specific method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Methodology:
Emissions calculations are based on the total weight of goods sold in the reporting year and an assumption on the proportion of goods by weight that are landfilled, recycled, and incinerated. The emission factors are referenced from the US EPA Waste Reduction Model (WARM) Tool (2020). Calculation: Waste emissions (mass CO2/CH4/N2O) = Material treatment (lbs.) x Emission factor (mass CO2/CH4/N2O per material treatment)

## Downstream leased assets

### Evaluation status

Not relevant, explanation provided

### Please explain

Western Digital completed an assessment of Scope 3 emissions, and it was determined that this category is not relevant to the business. Western Digital does not have downstream leased assets.

## Franchises

### Evaluation status

Not relevant, explanation provided

### Please explain

Western Digital completed an assessment of Scope 3 emissions, and it was determined that this category is not relevant to the business. Western Digital does not have franchises.

## Investments

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO2e)

1,154,142

### Emissions calculation methodology

Hybrid method
Investment-specific method

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Please explain

Methodology:
Calculations based on either revenue by ownership share by emission factor or primary scope 1 and 2 data allocated by ownership share; US EPA Supply Chain Emission Factors dataset is used for spend-based environmentally-extended input-output analysis (EEIO) calculations. Based on ownership share: Investment emissions (mass CO2/CH4/N2O) = primary scope 1 and 2 emissions from relevant facilities x WD ownership share (%)

Percentage of emissions calculated using data obtained from suppliers or value chain partners:
All data for this category was obtained from suppliers or value chain partners. The portion of this category calculated from the revenue ownership share is based on the proportion of the revenue total as reported by the joint venture. The remaining portion is calculated from primary scope 1 and 2 data.

## Other (upstream)

### Evaluation status

Not relevant, explanation provided

### Please explain

Western Digital completed an assessment of Scope 3 emissions, and it was determined that this category is not relevant to the business. Western Digital does not have additional other upstream emissions.

## Other (downstream)

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Western Digital completed an assessment of Scope 3 emissions, and it was determined that this category is not relevant to the business. Western Digital does not have additional other downstream emissions.

# C6.5a

**(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.**

## Past year 1

**Start date**

July 1, 2019

**End date**

June 30, 2020

**Scope 3: Purchased goods and services (metric tons CO2e)**

1,566,098

**Scope 3: Capital goods (metric tons CO2e)**

246,667

**Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)**

232,813

**Scope 3: Upstream transportation and distribution (metric tons CO2e)**

334,196

**Scope 3: Waste generated in operations (metric tons CO2e)**

484

**Scope 3: Business travel (metric tons CO2e)**

27,254

**Scope 3: Employee commuting (metric tons CO2e)**

49,341

**Scope 3: Upstream leased assets (metric tons CO2e)**

7,821

**Scope 3: Downstream transportation and distribution (metric tons CO2e)**

198,686

**Scope 3: Processing of sold products (metric tons CO2e)**

**Scope 3: Use of sold products (metric tons CO2e)**

6,862,142

**Scope 3: End of life treatment of sold products (metric tons CO2e)**

2,188

**Scope 3: Downstream leased assets (metric tons CO2e)**

**Scope 3: Franchises (metric tons CO2e)**

**Scope 3: Investments (metric tons CO2e)**

1,064,543

**Scope 3: Other (upstream) (metric tons CO2e)**

**Scope 3: Other (downstream) (metric tons CO2e)**

**Comment**

Purchased Goods and Services has been recalculated due to methodology changes and emission factor updates. We switched from a prior version of US EPA EEIO data that contained a modeling error to US EPA EEIO Supply Chain Emission Factors v1.1.1 which corrected the error. We also use primary Scope 1 and 2 data from our suppliers' CDP responses where available, adding in the Scope 3 portion of the corresponding spend category specific EEIO factor. Scope 1, 2, and 3 breakouts of EEIO factors were developed by our consultant using information within the US EPA EEIO Supply Chain Emission Factor dataset.

Capital Goods has been recalculated due to emission factor updates. We switched from a prior version of US EPA EEIO data that contained a modeling error to US EPA EEIO Supply Chain Emission Factors v1.1.1 which corrected the error.

Upstream Transportation & Distribution has been restated due to a unit conversion error in FY20. We use the US EPA Emission Factors for Greenhouse Gas Inventories which calculates emissions based on short ton-miles. It was discovered that FY20 calculations were based on metric ton-miles, so emissions were recalculated after correcting the unit to short ton-miles.

Upstream Leased Assets has been recalculated due to emission factor updates. We switched from a prior version of US EPA EEIO data that contained a modeling error to US EPA EEIO Supply Chain Emission Factors v1.1.1 which corrected the error.

Downstream Transportation & Distribution has been restated due to a unit conversion error in FY20. We use the US EPA Emission Factors for Greenhouse Gas Inventories which calculates emissions based on short ton-miles. It was discovered that FY20

calculations were based on metric ton-miles, so emissions were recalculated after correcting the unit to short ton-miles.

Investments has been recalculated due to methodology changes and emission factor updates. We switched from a prior version of US EPA EEIO data that contained a modeling error to US EPA EEIO Supply Chain Emission Factors v1.1.1 which corrected the error. In addition, where available we now use primary Scope 1 and 2 data from CDP allocated based on WD's ownership share in each company. When reported emissions data is unavailable, we either use company fuel and electricity spend to estimate energy usage or use the company revenue multiplied by an industry-specific US EPA EEIO factor.

The following Scope 3 categories are not relevant to Western Digital: processing of sold products, downstream leased assets, franchises, other (upstream), and other (downstream).

# C6.7

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

# C6.10

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

0.0000577

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

976,034.7

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

16,922,000,000

**Scope 2 figure used**

Market-based

**% change from previous year**

2.4

**Direction of change**

Decreased

**Reason for change**

The primary reason for the change is a reduction in our absolute GHG emissions. Western Digital has implemented multiple projects to improve energy efficiency and has also procured renewable energy. For example, we have improved the efficiency of our testing processes at manufacturing locations, which is one of the most energy intensive steps in our manufacturing. The Western Digital Facilities team reviewed the requirement from the manufacturing department and assisted in the effort to optimize tester operation. We have worked to improve facility-related energy efficiency in heating, ventilation, air conditioning, lighting, and maintenance. We have also improved the energy efficiency in production processes by investing in compressed air, cooling technology, machine and equipment replacement, motors and drives, and process optimization.

# C7. Emissions breakdowns

## C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

## C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

| Greenhouse gas | Scope 1 emissions (metric tons of CO2e) | GWP Reference |
|---|---|---|
| CO2 | 33,558.3 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| CH4 | 0 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| N2O | 0 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| HFCs | 903.6 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| PFCs | 0 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| SF6 | 2,324.1 | IPCC Fifth Assessment Report (AR5 – 100 year) |

| | | |
|---|---|---|
| NF3 | 4.7 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| Other, please specify<br>CF4 | 409.4 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| Other, please specify<br>C4F8 | 3.5 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| Other, please specify<br>HFE7100 | 7,540.1 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| Other, please specify<br>HCFC-22 | 93.1 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| Other, please specify<br>R404A | 1,292.5 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| Other, please specify<br>HCFC-123 | 14.2 | IPCC Fifth Assessment Report (AR5 – 100 year) |
| Other, please specify<br>HFE7200 | 8.6 | IPCC Fifth Assessment Report (AR5 – 100 year) |

## C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

| Country/Region | Scope 1 emissions (metric tons CO2e) |
|---|---|
| India | 1,392.49 |
| Israel | 3.97 |
| Japan | 1,785.19 |
| Malaysia | 311.95 |
| Philippines | 1,022.21 |
| Thailand | 10,338.37 |
| United States of America | 30,176.56 |
| China | 1,121.28 |

## C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By business division

## C7.3a

**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

| Business division | Scope 1 emissions (metric ton CO2e) |
|---|---|
| Hard Disk Drive (HDD) manufacturing and development | 43,040.34 |
| Solid State Drive (SSD) manufacturing and development | 3,111.68 |

## C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

| Country/Region | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|---|---|---|
| India | 20,831.77 | 20,831.77 |
| Israel | 8,271.67 | 8,271.67 |
| Japan | 13,434.7 | 11,640.23 |
| Malaysia | 258,441.72 | 229,108.7 |
| Philippines | 69,223.06 | 69,223.06 |
| Thailand | 362,685.12 | 360,122.01 |
| United States of America | 66,105.68 | 61,053.48 |
| China | 199,994.82 | 169,631.77 |

## C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By business division

## C7.6a

**(C7.6a) Break down your total gross global Scope 2 emissions by business division.**

| Business division | Scope 2, location-based (metric tons CO2e) | Scope 2, market-based (metric tons CO2e) |
|---|---|---|
| Hard Disk Drive (HDD) | 744,901.63 | 745,160.85 |
| Solid State Drive (SSD) | 254,086.9 | 184,721.84 |

# C7.9

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

# C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

| | Change in emissions (metric tons CO2e) | Direction of change | Emissions value (percentage) | Please explain calculation |
|---|---|---|---|---|
| Change in renewable energy consumption | 66,994 | Decreased | 6.4 | Four global sites purchased renewable energy credits for the reporting period (fiscal year 2021). This resulted in an overall Scope 2 emissions reduction of 66,994 metric tons CO2e and a gross Scope 1 and 2 reduction of 6.4% over the previous reporting year (fiscal year 2020). This was a new initiative in the reporting period and thus a new reduction over the previous year.<br><br>The total Scope 1 and 2 emissions in the previous reporting year (fiscal year 2020) totaled 1,045,477.5 metric tons CO2e. Therefore, the renewable energy savings of 66,994 metric tons CO2e divided by 1,045,477.5 metric tons CO2e equals a 6.4% year over year decrease in emissions. |
| Other emissions reduction activities | 2,429 | Decreased | 0.2 | In the reporting period, Western Digital implemented multiple energy conservation projects and associated GHG emissions reduction totaled 34,154.1 metric tons CO2e. This is calculated by multiplying reduced amount of energy with market-based emission factors.<br><br>In the previous reporting period, we |

| | | | | |
|---|---|---|---|---|
| | | | | also implemented energy saving projects and associated GHG reduction was 36,583.1 metric tons of CO2e. As a result, the change of emissions associated with emissions reduction activities was a year over year additional savings of 2,429.0 metric tons of CO2e, which equates to a gross Scope 1 and 2 reduction of 0.2% over the previous reporting year.<br><br>The total Scope 1 and 2 emissions in the previous reporting year (fiscal year 2020) totaled 1,045,477.5 metric tons CO2e. Therefore, the energy conservation project savings of 2,429 metric tons CO2e divided by 1,045,477.5 metric tons CO2e equals a 0.2% year over year decrease in emissions. |
| Divestment | | | | |
| Acquisitions | | | | |
| Mergers | | | | |
| Change in output | | | | |
| Change in methodology | | | | |
| Change in boundary | | | | |
| Change in physical operating conditions | | | | |
| Unidentified | | | | |
| Other | | | | |

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

# C8. Energy

## C8.1

### (C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 30% but less than or equal to 35%

## C8.2

### (C8.2) Select which energy-related activities your organization has undertaken.

| | Indicate whether your organization undertook this energy-related activity in the reporting year |
|---|---|
| Consumption of fuel (excluding feedstocks) | Yes |
| Consumption of purchased or acquired electricity | Yes |
| Consumption of purchased or acquired heat | No |
| Consumption of purchased or acquired steam | No |
| Consumption of purchased or acquired cooling | No |
| Generation of electricity, heat, steam, or cooling | No |

## C8.2a

### (C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

| | Heating value | MWh from renewable sources | MWh from non-renewable sources | Total (renewable and non-renewable) MWh |
|---|---|---|---|---|
| Consumption of fuel (excluding feedstock) | LHV (lower heating value) | 0 | 159,615 | 159,615 |
| Consumption of purchased or acquired electricity | | 279,904 | 1,661,512 | 1,941,416 |

| | | | | |
|---|---|---|---|---|
| Total energy consumption | | 279,904 | 1,821,127 | 2,101,031 |

## C8.2b

**(C8.2b) Select the applications of your organization's consumption of fuel.**

| | Indicate whether your organization undertakes this fuel application |
|---|---|
| Consumption of fuel for the generation of electricity | No |
| Consumption of fuel for the generation of heat | No |
| Consumption of fuel for the generation of steam | No |
| Consumption of fuel for the generation of cooling | No |
| Consumption of fuel for co-generation or tri-generation | No |

## C8.2c

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

### Sustainable biomass

#### Heating value

#### Total fuel MWh consumed by the organization

0

#### Comment

Not applicable

### Other biomass

#### Heating value

#### Total fuel MWh consumed by the organization

0

#### Comment

Not applicable

### Other renewable fuels (e.g. renewable hydrogen)

**Heating value**

**Total fuel MWh consumed by the organization**
0

**Comment**
Not applicable

### Coal

**Heating value**

**Total fuel MWh consumed by the organization**
0

**Comment**
Not applicable

### Oil

**Heating value**
Unable to confirm heating value

**Total fuel MWh consumed by the organization**
4,134.3

**Comment**
Light oil

### Gas

**Heating value**
Unable to confirm heating value

**Total fuel MWh consumed by the organization**
148,554.3

**Comment**
Natural gas

### Other non-renewable fuels (e.g. non-renewable hydrogen)

**Heating value**
LHV

**Total fuel MWh consumed by the organization**
6,926.4

**Comment**
Kerosene, Gasoline

### Total fuel

#### Heating value

LHV

#### Total fuel MWh consumed by the organization

159,615

#### Comment

No comment

## C8.2e

**(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.**

#### Sourcing method

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

#### Energy carrier

Electricity

#### Low-carbon technology type

Renewable energy mix, please specify

Solar and wind Green-e and renewable portfolio standards (RPS) renewable energy credits

#### Country/area of low-carbon energy consumption

United States of America

#### Tracking instrument used

US-REC

#### Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

39,608

#### Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

#### Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

#### Comment

Default delivered electricity supported by energy attribute certificates (mix of Green-e and RPS)

**Sourcing method**

Unbundled energy attribute certificates (EACs) purchase

**Energy carrier**

Electricity

**Low-carbon technology type**

Wind

**Country/area of low-carbon energy consumption**

China

**Tracking instrument used**

I-REC

**Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)**

107,200

**Country/area of origin (generation) of the low-carbon energy or energy attribute**

China

**Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**

2,012

**Comment**

Period of production: 2021-02-01 – 2021-06-30

## C8.2g

**(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.**

**Country/area**

China

**Consumption of electricity (MWh)**

107,200

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

107,200

**Country/area**
Malaysia

**Consumption of electricity (MWh)**
35,799.13

**Consumption of heat, steam, and cooling (MWh)**
0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

35,799.13

**Country/area**
Thailand

**Consumption of electricity (MWh)**
18,330.1

**Consumption of heat, steam, and cooling (MWh)**
0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

18,330.1

**Country/area**
United States of America

**Consumption of electricity (MWh)**
118,575.2

**Consumption of heat, steam, and cooling (MWh)**
0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

118,575.2

# C9. Additional metrics

## C9.1

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

# C10. Verification

## C10.1

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

| | Verification/assurance status |
|---|---|
| Scope 1 | Third-party verification or assurance process in place |
| Scope 2 (location-based or market-based) | Third-party verification or assurance process in place |
| Scope 3 | Third-party verification or assurance process in place |

## C10.1a

**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.**

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**

FY2021 GHG and Water Verification Statement.pdf

**Page/ section reference**
1-3

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**

100

## C10.1b

**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.**

**Scope 2 approach**
Scope 2 market-based

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**

FY2021 GHG and Water Verification Statement.pdf

**Page/ section reference**
1-3

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

## C10.1c

**(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

**Scope 3 category**
Scope 3: Business travel

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**

FY2021 GHG and Water Verification Statement.pdf

**Page/section reference**
1-3

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

## C10.2

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**
Yes

## C10.2a

**(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?**

FY2021 GHG and Water Verification Statement.pdf

| Disclosure module verification relates to | Data verified | Verification standard | Please explain |
|---|---|---|---|
| C6. Emissions data | Energy consumption | ISAE 3000 | Western Digital engages a third party annually for limited assurance review of the company's total energy consumption. The limited assurance for the reporting period is complete. |

# C11. Carbon pricing

## C11.1

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**
Yes

# C11.1a

**(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.**

Japan carbon tax
Shanghai pilot ETS
Shenzhen pilot ETS

# C11.1b

**(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.**

### Shanghai pilot ETS

**% of Scope 1 emissions covered by the ETS**
100

**% of Scope 2 emissions covered by the ETS**
100

**Period start date**
January 1, 2021

**Period end date**
December 31, 2021

**Allowances allocated**
118,778

**Allowances purchased**
0

**Verified Scope 1 emissions in metric tons CO2e**
1,245

**Verified Scope 2 emissions in metric tons CO2e**
97,721.4

**Details of ownership**
Facilities we own and operate

**Comment**
The allowance will be finalized after carbon emissions audit by the Government

### Shenzhen pilot ETS

**% of Scope 1 emissions covered by the ETS**
100

**% of Scope 2 emissions covered by the ETS**

100

**Period start date**
January 1, 2021

**Period end date**
December 31, 2021

**Allowances allocated**
75,983

**Allowances purchased**
25,691

**Verified Scope 1 emissions in metric tons CO2e**
186.07

**Verified Scope 2 emissions in metric tons CO2e**
101,487.81

**Details of ownership**
Facilities we own and operate

**Comment**

## C11.1c

**(C11.1c) Complete the following table for each of the tax systems you are regulated by.**

### Japan carbon tax

**Period start date**
January 1, 2021

**Period end date**
December 31, 2021

**% of total Scope 1 emissions covered by tax**
100

**Total cost of tax paid**
16,444

**Comment**

# C11.1d

### (C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Japan Carbon Tax: As part of our integrated management system (IMS), we measure and track our fossil fuel usage at our Japanese facilities, complete quality checks and manage the data, and carefully meet the regulatory obligations by reporting the emissions and paying the required taxes. Considering that our energy use in Japan is a relatively small fraction of the Western Digital total, our focus is on reduction of our worldwide footprint rather than local cost avoidance.

Shanghai and Shenzhen, China, Emissions Trading Schemes: Our compliance approach for the emissions trading schemes is similar to the approach mentioned above. As part of our IMS, we measure and track our annual fuel and energy usage at our Chinese facilities, complete quality checks, manage the data, and calculate the associated GHG emissions. These emissions are then 3rd party verified and then reported through the prescribed online reporting system. Each year we must surrender an amount of allowances that correspond to the previous year's verified emissions. The emission trading schemes are regulatory requirements with non-compliance penalties.

As an example from Western Digital's Shenzhen site, based on previous years data, the government releases the next year carbon emission target to the site by a formal letter. In March every year, Western Digital's Shenzhen site invites a certified third-party to audit and qualify the authenticity of the previous year carbon emission data with industrial added value (a financial data) together and uploads them into the government's GHG report system. If the report and request reflects a gap between the actual emissions and government-calculated quota, the government requires Western Digital to comply with the target before June 30 every year. For calendar year 2021, the gap was slightly less than 26,000 tons of carbon. Therefore, Western Digital needed to purchase the necessary credits from the Shenzhen Carbon Emission Spot Trading System. Thus, Western Digital fulfilled the emissions agreement through the carbon emission equities system.

# C11.2

### (C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

# C11.3

### (C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

# C12. Engagement

## C12.1

### (C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

## C12.1a

### (C12.1a) Provide details of your climate-related supplier engagement strategy.

**Type of engagement**

Engagement & incentivization (changing supplier behavior)

**Details of engagement**

Run an engagement campaign to educate suppliers about climate change

**% of suppliers by number**

72.6

**% total procurement spend (direct and indirect)**

90

**% of supplier-related Scope 3 emissions as reported in C6.5**

15.46

**Rationale for the coverage of your engagement**

Western Digital selects suppliers for engagement based on several factors. We focus on the top 90% of total spend, single/sole source suppliers, strategic suppliers, and logistics suppliers. The top 90% spend, single/sole source, and strategic suppliers are the critical and key components suppliers who manufacture high-volume components. They use the highest amount of energy for parts manufacturing, which generates the largest amount of GHG emissions. Western Digital also uses logistics suppliers globally to transport products and components worldwide, which also generates relatively substantial amounts of GHG emissions.

**Impact of engagement, including measures of success**

Western Digital has worked with CDP to provide training for Western Digital's suppliers through the CDP Supply Chain Program (Climate Change and Water Security). CDP training was provided to suppliers in April 2021. A total of 111 participants from 66 suppliers joined the training, including 11 suppliers who were new to CDP reporting. Additional training specific to Western Digital's Science-Based Targets was provided in June 2021 to help our supply partners set their own emission reduction targets, in line with our goal of limiting global warming to 1.5°C. A total of 74 participants from 52 suppliers attended.

The response rate to Western Digital's outreach to our suppliers has been strong. The final submission rate for the CDP Climate Change Questionnaire in 2021 was 96%. Western Digital currently monitors post-engagement survey results as a measure of success. 100% of the supplier respondents to the 2021 post-engagement survey agreed that the information Western Digital requested via the CDP questionnaires is clear. Going forward, we anticipate measuring the percentage of CO2 reduction as a measure of effective impact. Ultimately, the impact of our engagement will be measured by the reduction of carbon emissions at our supplier sites.

**Comment**

**Type of engagement**

Innovation & collaboration (changing markets)

**Details of engagement**

Run a campaign to encourage innovation to reduce climate impacts on products and services

**% of suppliers by number**

72.6

**% total procurement spend (direct and indirect)**

90

**% of supplier-related Scope 3 emissions as reported in C6.5**

**Rationale for the coverage of your engagement**

Western Digital selected this group of suppliers based on several factors: they represent 90% of total spend, single/sole source, strategic, and logistics.

**Impact of engagement, including measures of success**

The response rate to Western Digital's outreach to our suppliers has been strong compared to the industry norm measured by CDP. Going forward we anticipate measuring percent CO2e reduction as a measure of effective impact. Ultimately the impact of our engagement will be reduced carbon emissions at our supplier sites.

**Comment**

## C12.1b

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

**Type of engagement & Details of engagement**

Collaboration & innovation

Other, please specify

Collaboration with customers on climate change-related initiatives, including reductions in energy usage and emissions

**% of customers by number**

12.79

**% of customer - related Scope 3 emissions as reported in C6.5**

46.28

**Please explain the rationale for selecting this group of customers and scope of engagement**

Western Digital has established a streamlined, centrally-managed process for our customers to engage with us on any corporate social and environmental responsibility (CSER) topics, including climate change, and discuss their respective priorities and data needs. The rationale for engaging with customers is to provide customer satisfaction. Climate engagement is primarily with clients requesting information via the CDP Supplier Module, through RBA's on-line reporting platform, as well as direct client questionnaires to Western Digital. This represents nearly 13% of total customers, accounting for approximately 46% of total sales based on storage capacity (petabytes) sold in FY2021. Western Digital also shares climate change performance and strategy progress with customers by publishing our annual corporate sustainability report on our website (https://www.westerndigital.com/company/corporate-responsibility).

**Impact of engagement, including measures of success**

Western Digital's transparency and willingness to collaborate on sustainability initiatives has improved our relationships with customers, and is increasingly being recognized in customer feedback during quarterly Quality Business Reviews. Our measure of success is enhanced long-term relationships with customers, especially as reflected by improved quarterly performance scores.

# C12.2

**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization’s purchasing process?**

No, but we plan to introduce climate-related requirements within the next two years

# C12.3

**(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?**

**Row 1**

**Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate**

Yes, we engage indirectly through trade associations

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

No, and we do not plan to have one in the next two years

**Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy**

As stated on Western Digital's website, Western Digital seeks to affect government action only on issues and areas that directly impact our business. Potential support of any policy initiative would need to be presented to the appropriate senior executives, legal and government affairs staff for discussion, and those leaders are aware of and/or participate in leading our sustainability strategy, which includes climate change. The company is implementing a consolidated, long-term sustainability strategy, while it continues to focus on delivering immediate sustainable value for customers and other stakeholders. Decisions on matters such as these will take into consideration degree of alignment between the proposed initiative and Western Digital's overall sustainability and climate change strategies.

## C12.3b

**(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.**

## C12.4

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

**Publication**

In voluntary sustainability report

**Status**

Complete

**Attach the document**

western-digital-FY2021-sustainability-report.pdf

**Page/Section reference**

Page 26: Management Approach, Integrated Management System, Targets and Goals
Page 27-29: Energy Resource Management Program, Climate Scenario Analysis (TCFD-aligned)
Page 56: Emissions figures

**Content elements**

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

**Comment**

# C15. Biodiversity

## C15.1

**(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?**

| | Board-level oversight and/or executive management-level responsibility for biodiversity-related issues |
|---|---|
| Row 1 | No, and we do not plan to have both within the next two years |

## C15.2

**(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?**

| | Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity |
|---|---|
| Row 1 | No, and we do not plan to do so within the next 2 years |

## C15.3

**(C15.3) Does your organization assess the impact of its value chain on biodiversity?**

| | Does your organization assess the impact of its value chain on biodiversity? |
|---|---|
| Row 1 | |

## C15.4

**(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?**

| | Have you taken any actions in the reporting period to progress your biodiversity-related commitments? |
|---|---|
| Row 1 | |

## C15.5

**(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?**

| | Does your organization use indicators to monitor biodiversity performance? | Indicators used to monitor biodiversity performance |
|---|---|---|
| Row 1 | | |

## C15.6

**(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

| Report type | Content elements | Attach the document and indicate where in the document the relevant biodiversity information is located |
|---|---|---|

# C16. Signoff

## C-FI

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

## C16.1

**(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

| | Job title | Corresponding job category |
|---|---|---|
| Row 1 | Senior Director, Corporate Sustainability | Environment/Sustainability manager |