

# WESTERN DIGITAL CORPORATION EXECUTIVE STOCK OWNERSHIP GUIDELINES

(Amended and Restated Effective March 4, 2020)

The Board of Directors of the Company believes that certain executives should own and hold common stock of the Company to further align their interests and actions with the interests of the Company's stockholders. Therefore, the Board of Directors has adopted the following Executive Stock Ownership Guidelines, effective February 6, 2008.

## 1. Participation

The Company's Executive Stock Ownership Guidelines apply to the following executives (each a "Covered Executive"):

- Chief Executive Officer;
- President, Chief Financial Officer and Division Presidents;
- Other Executive Vice Presidents; and
- Senior Vice Presidents.

In the event that a Covered Executive also serves as a member of the Board of Directors, the Covered Executive will be subject to these Executive Stock Ownership Guidelines in lieu of any stock ownership guidelines applicable to members of the Board of Directors.

## 2. Qualifying Shares for Executive Stock Ownership Guidelines

Stock that counts toward satisfaction of these Executive Stock Ownership Guidelines includes ("Qualifying Shares"):

- stock purchased on the open market;
- stock obtained through stock option exercises or pursuant to the Company's Employee Stock Purchase Plan;
- restricted stock and restricted stock units;
- deferred stock units; and
- stock beneficially owned in a trust, by a spouse and/or minor children.

Shares of stock that Covered Executives have the right to acquire through the exercise of stock options (whether or not vested) are not included as Qualifying Shares for Executive Stock Ownership Guideline purposes.

## 3. Executive Stock Ownership Guidelines

### *Achievement of Required Market Value*

The Company's Executive Stock Ownership Guidelines require each Covered Executive to achieve ownership of a number of Qualifying Shares with a market value equal to a multiple of the Covered Executive's base salary (in effect upon the later of February 6, 2008 or the date he or she first becomes a Covered Executive). The market value of the Qualifying Shares each Covered Executive is required to own or hold (the Covered Executive's "Required Market Value") is as follows:

- Chief Executive Officer: A multiple of six (6) times the executive's base salary.
- President, Chief Financial Officer and Division Presidents: A multiple of three (3) times the executive's base salary.
- Other Executive Vice Presidents: A multiple of two (2) times the executive's base salary.
- Senior Vice Presidents: A multiple of one (1) times the executive's base salary.

Covered Executives are required to achieve ownership of a number of Qualifying Shares meeting the Required Market Value within the later of February 6, 2013 or three (3) years after first being designated as a Covered Executive. As explained in more detail below, a Covered Executive's Required Market Value will be re-calculated as a result of a change in base salary and, if applicable, a change in title. Otherwise, once established, a Covered Executive's Required Market Value will not change as a result of any fluctuations in the market price of the Company's common stock or in the event of a stock split, reverse stock split, stock dividend or similar change in the Company's capital structure.

#### *Ownership of Required Share Level*

On the trading day the Covered Executive achieves ownership of Qualifying Shares meeting his or her Required Market Value (the Covered Executive's "Achievement Date"), the Covered Executive's Required Market Value will be converted into a number of shares based on the closing market price of a share of common stock on the Achievement Date. The resulting number of shares is referred to as the Covered Executive's "Required Share Level." Once a Covered Executive's Required Share Level is determined, the Covered Executive must maintain ownership of a number of Qualifying Shares meeting the Required Share Level for so long as he or she remains a Covered Executive.

In the event of a stock split, reverse stock split, stock dividend or other similar change in the Company's outstanding capital stock, the Governance Committee will evaluate whether to adjust the Required Share Level for any Covered Executive whose Required Share Level has been established as of the date of the change in capital structure. Otherwise, once established, a Covered Executive's Required Share Level will not change as a result of fluctuations in the market price of the Company's common stock.

#### *Change in Title or Base Salary*

If a Covered Executive's Required Market Value increases because of a change in title or increase in base salary, a three (3) year period to achieve share ownership meeting the incremental increase in the applicable Required Market Value begins with the date of the title change or base salary increase. On the Achievement Date with respect to the incremental increase in the Covered Executive's Required Market Value, the incremental Required Market Value will be converted into a number of shares based on the closing market price of a share of common stock on the Achievement Date. The resulting number of shares will be added to the Covered Executive's then-current Required Share Level.

If, after a Covered Executive's Achievement Date, the Covered Executive's Required Market Value decreases because of a change in title or decrease in base salary, the Covered Executive's Required Share Level will be reduced by a number of shares equal to the applicable decrease in Required Market Value, divided by the closing market price of a share of common stock on the effective date of the title change or base salary reduction. A decrease in Required Market Value as a result of a change

in title or decrease in base salary prior to a Covered Executive's Achievement Date will not affect the period of time in which the Covered Executive must meet the revised Required Market Value.

#### **4. Exceptions**

There may be instances where these Executive Stock Ownership Guidelines would place a severe hardship on a Covered Executive. In such instances, the Governance Committee will make the final decision as to developing an alternative stock ownership guideline for the Covered Executive that reflects both the intention of these Executive Stock Ownership Guidelines and the personal circumstances of the Covered Executive.

Approved by Board of Directors: March 4, 2020