Welcome to your CDP Water Security Questionnaire 2022

W0. Introduction

W0.1

(W0.1) Give a general description of 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

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	July 1, 2020	June 30, 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

China
India
Israel
Japan
Malaysia
Philippines
Thailand
United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W0.7

(W0.7) 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

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Vital	Direct use: Water is used in wafer and media production processing. The majority of this processing does not require high quality fresh water, so we consider water quality and quantity “important” to operations. We work to conserve freshwater by prioritizing the usage of recycled water and water that has potentially been in contact with process chemicals for use in production processes. We believe freshwater is a valuable resource and only rely on it when necessary, for example, for reagent mixing and domestic water supply. During the reporting period, our global average for recycled water use at our sites is 27.1%. Indirect use: Wide ranges of supplies, grinding media, and chemical agents are needed to produce our products. The production involves complex processes, various industries and multi-level supply chains. Requirements for good quality freshwater vary significantly, but should generally be considered "vital."
Sufficient amounts of recycled, brackish and/or produced water available for use	Vital	Neutral	Direct Use: Water is used for cleaning equipment, wet grinding, physical separation, pumping tailings, power generation and cooling, etc. We work to conserve freshwater by prioritizing the usage of recycled water and water that has potentially been in contact with process chemicals for operational demands. The majority of this demand can be met by brackish water from recycled and/or saline

			water sources and is ranked “vital for operations.” To enhance the security of the available water supply, we work to establish alternative water supply sources. During the reporting period, our global average for recycled water use at our sites is 27.1%. Indirect use: The production of our goods involves complex processes, various industries and multi-levels of supply chains. The amount of recycled/brackish water needed for each purpose along the value chain varies significantly, but it is generally considered neutral.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	This is a fundamental metric in our water data and important for utility cost management. We monitor this data at each facility on a monthly basis via metering systems in place. The scope of "facility" includes large scale manufacturing facilities (component and final assembly site) and major R&D facilities.
Water withdrawals – volumes by source	76-99	This is a fundamental metric in our water data and we monitor this data at each facility on a monthly basis. The scope of "facility" includes large scale manufacturing facilities (component and final assembly site) and major R&D facilities.
Water withdrawals quality	Not monitored	Not monitored due to metering limitation. Also, we do not have a method to reasonably estimate the number.
Water discharges – total volumes	76-99	This is a fundamental metric in our water data and we monitor water discharges at each facility on a monthly basis via on-site metering systems. The scope of "facility" includes large scale manufacturing facilities (component and final assembly site) and major R&D facilities. Due to the limitations of some of our metering

		systems, not all facilities are able to report this number.
Water discharges – volumes by destination	76-99	This is a fundamental metric in our water data and we monitor water discharges at each facility on a monthly basis via on-site metering systems. The scope of "facility" includes large scale manufacturing facilities (component and final assembly site) and major R&D facilities. Due to the limitations of some of our metering systems, a limited number of facilities can report this number.
Water discharges – volumes by treatment method	Not monitored	Not monitored due to metering system limitations.
Water discharge quality – by standard effluent parameters	100%	Monitored following local regulations
Water discharge quality – temperature	Not monitored	Not monitored due to metering system limitations.
Water consumption – total volume	76-99	Calculated annually based on metered discharge and withdrawal data. Discharge and water volumes are monitored at each facility on a monthly basis via on-site metering systems. E.g. withdrawal minus discharge equals consumption.
Water recycled/reused	76-99	Monitored at sites where this category of water usage is applicable.
The provision of fully-functioning, safely managed WASH services to all workers	Not monitored	Not monitored, however water, sanitation and hygiene (WASH) services are provided. We believe that WASH services are a fundamental requirement for our staff at our operations. Each site must ensure WASH services are available and meet the local workplace health and safety regulations, as well as the requirements of international coalitions like UNICEF and the Responsible Business Alliance.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	17,772	Higher	The amount of water withdrawals (mainly city water usage) increased in this reporting period due to production volume increases and the start up of manufacturing process. We anticipate that this upward trend will continue in the next 5 years due to anticipated manufacturing expansion.
Total discharges	10,541	Higher	The amount of water discharge increased in this reporting period in conjunction with the increase of water withdrawal, which arose from manufacturing growth. Discharge increased at a lower rate than withdrawal, however. We expect that discharge total to grow over next 2-5 years based on further manufacturing growth.
Total consumption	7,231	Higher	The amount of water withdrawals (mainly city water usage) increased more significantly than that of water discharge. Therefore, calculated amount of water consumption increased. We anticipate that this upward trend will continue in the next 5 years due to anticipated expansions in manufacturing.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	11-25	Lower	WRI Aqueduct	Western Digital used the WRI Aqueduct tool to assess whether water withdrawals are located in geographic areas of water stress. We applied the WRI Aqueduct tool by entering in the location of each facility where water withdrawal occurs, and calculating the percentage

					of water withdrawn for FY21 from all locations with water stress. Water stressed areas are defined as the locations where baseline water stress equals or exceeds 40%, or baseline water depletion equals or exceeds 50%. For this reporting period, this includes water withdrawals at the following locations: Shanghai, China; Bangalore, India; Kfar-Saba, Omer, and Tefen Israel; Bang Pa In, Thailand; Prachinburi, Thailand; and Longmont, Colorado.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant			Our operation does not use this type of water.
Brackish surface water/Seawater	Not relevant			Our operation does not use this type of water.
Groundwater – renewable	Not relevant			Our operation does not use this type of water.
Groundwater – non-renewable	Relevant	1,351.1	Higher	Some of our facilities are using groundwater for operational purposes, and there was the increase of production and employees' returning to site. We are anticipating that this amount will continue to increase due to continued increase of production and more

				employees' returning to site post COVID.
Produced/Entrained water	Not relevant			Our operation does not use this type of water.
Third party sources	Relevant	16,420.9	Higher	The third-party source is the municipality supplier. Some sites had production volume increases and "returning to site" programs. There were also start-ups of large-scale manufacturing processes. As a result, the amount of new water needs increased the global total consumption of water from third party sources. We anticipate that this amount will continue to increase in the next few reporting periods due to the expected expansion of manufacturing operations.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	4,035	Higher	Fresh surface water discharge includes the discharge to rivers, and the amount is measured with metering systems. The discharge is treated appropriately per local laws and other regulations. The amount of discharge increased from the previous reporting year due to increased production and the employee return to site program following COVID-19. We anticipate that there will be further increases due to similar situations.

Brackish surface water/seawater	Not relevant			Our operations do not use this type of water.
Groundwater	Not relevant			Our operation does not use this type of water
Third-party destinations	Relevant	6,506	About the same	Third-party destinations include the discharge to off-site treatment facilities. This amount does not include water to other organizations for further use. The amount is similar to the last reporting period, but may increase in the next few reporting years due to expansion of manufacturing operations.

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	16,922,000,000	17,771	952,225.535985594	We anticipate that the relationship will stay relatively constant moving forward.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

51-75

% of total procurement spend

76-100

Rationale for this coverage

Western Digital requested information on water use and management from the top 90% of total procurement spend, single/sole source suppliers, strategic suppliers, and logistics suppliers (154 suppliers in total). This group of suppliers was chosen because they are the critical and key suppliers who manufacture high-volume components, use the highest amount of water for part cleaning which generate a large amount of water usage, recycle, discharge, and reuse, or provide services for the transportation of the products and components. Suppliers are incentivized to report water usage data via an annual request from Western Digital to complete the CDP Water module.

Impact of the engagement and measures of success

The measure of success for this engagement is percent of water use reduction. By gathering data on water use through CDP we can better understand our supplier's water use and then encourage and support reductions based on the information. The timeframe for this reporting is as follows; conduct CDP Water Survey in 2020 (Jan 20 – Dec 20 report period), set a reduction target for 2021 and conduct CDP Water resurvey in 2021 (Jan 21 – Dec 21 report period). Compare the results between 2020 and 2021. The response rate to Western Digital's outreach to our suppliers has been strong. The final submission rate for the CDP Water Security Questionnaire in 2021 was 93%, an improvement over 86% in 2020.

An additional measure of success we have for this engagement is the rate of suppliers reporting their water accounting details. In 2021, 85% of our suppliers reported this information, over 71% in 2020. Specifically, 82% of suppliers reported withdrawal in 2021 (from 78% in 2020); 82% reported consumption in 2021 (from 74% in 2020); 81% reported discharge in 2021 (from 73% in 2020).

Comment

Western Digital requested a response from the in-scope suppliers (top 90% spend suppliers, single/sole sources, strategic, and logistics suppliers) to the CDP Climate Change and Water Security modules for the 2021 reporting cycle.

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Innovation & collaboration

Details of engagement

Educate suppliers about water stewardship and collaboration

% of suppliers by number

51-75

% of total procurement spend

76-100

Rationale for the coverage of your engagement

Western Digital requested information from the top 90% of total procurement spend, single/sole source, strategic and logistics suppliers. These suppliers are the critical and key suppliers who manufacture the high-volume components and use the highest amount of water for their production processes or provide services for the transportation of the products and components.

Impact of the engagement and measures of success

Success of engagement is measured by the number of suppliers who pass the RBA Validated Audit Program (VAP) audit without findings in C7. Water Management. By successfully passing the audit, suppliers demonstrate that they are monitoring their water sources, use and discharge; conserving water; controlling contamination; treating discharge and ensuring optimal performance and regulatory compliance.

Comment

W1.4c

(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Western Digital engages directly with any customer who has an interest or concern about how Western Digital is impacted by and is managing these risks. We have established a streamlined process so that customers can engage directly on any Corporate Social and Environmental Responsibility (CSER) topic including but not limited to water resources, and the information they need for support. We engage these customers in particular to ensure their needs are being met and questions answered. We measure success in these engagements by how successfully we address customers' concerns and provide them with the information they are seeking.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Yes, fines, enforcement orders or other penalties but none that are considered as significant

W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

Row 1

Total number of fines

2

Total value of fines

900

% of total facilities/operations associated

5

Number of fines compared to previous reporting year

Higher

Comment

Western Digital does not view these fines as significant. These were isolated occurrences that have since been corrected and are being monitored through our Integrated Management System, including monitoring of water quality, to prevent recurrence.

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

Annually

How far into the future are risks considered?

1 to 3 years

Type of tools and methods used

Tools on the market
Enterprise risk management
Databases

Tools and methods used

Other, please specify
WRI Aqueduct, company Business Continuity Management Process and Resilinc Software

Contextual issues considered

Other, please specify
Potential water-related risks including extreme weather events, water supply and usage

Stakeholders considered

Customers
Employees
Water utilities at a local level

Comment

Western Digital's Energy Resource Management (ERM) Program and Business Continuity Management System (BCMS) program addresses water risks. As part of our ERM Program, operations report monthly water supply and usage data. These complement our BCMS program, ensuring risks are assessed, managed and monitored. Western Digital also conducts strategic vulnerability assessments approximately every 10 yrs. of key facilities to evaluate likelihood of a "Black Swan" event.

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

Annually

How far into the future are risks considered?

1 to 3 years

Type of tools and methods used

Tools on the market
Other

Tools and methods used

Internal company methods
Other, please specify
Resilinc

Contextual issues considered

Implications of water on your key commodities/raw materials
Other, please specify
Potential water-related risks including extreme weather events, water supply and usage

Stakeholders considered

Suppliers

Comment

Western Digital regularly monitors our supply chain to identify risk and has built-in contingency plans to confirm that risks do not lead to substantive financial or strategic impact. Two significant commodity supply points lie in water-stressed California. Frequent competitive and operational planning reviews of major, critical supplies and supply chains provide warning of pending water stress-related regulatory and cost issues to allow us to plan for supply continuity before a large impact. Western Digital has subscribed to Resilinc's Event watch service since 2014 which maintains a data base of our internal and supplier manufacturing facilities and their geographic locations. The service provides early warning notices to all facilities located in the expected impact zones and requires them to respond within 24 hours if the event had a significant impact on their order fulfilment capability or capacity, and to report their recovery plan and expected recovery times.

Value chain stage

Other stages of the value chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

Annually

How far into the future are risks considered?

1 to 3 years

Type of tools and methods used

Other

Tools and methods used

Internal company methods

Contextual issues considered

Stakeholders considered

Comment

While the use of our products does not require water, Western Digital regularly monitors other aspects of our value chain to identify risk and has built in contingency plans to confirm that risks do not lead to substantive financial or strategic impact.

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Western Digital has defined the specific requirements to plan, establish, implement, operate, monitor, review, maintain and continually improve a Business Continuity Management System to protect against, reduce the likelihood of occurrence, prepare for, respond to, and recover from disruptive incidents when they arise. Through implementation of this process, Western Digital business functions regularly assess potential impacts, both internal and external. These may include impacts arising directly or indirectly from climate change and water-related risk and their effects on our direct operations as well as our supply chain, among others. Since 2014 Western Digital has subscribed to Resilinc's Event Watch service. With this tool, we maintain a database of our internal and supplier manufacturing facilities and their geographic locations. The service provides early warning notices to all facilities located in the expected impact zones and requires them to respond within 24 hours if the event had a significant impact on their order fulfilment capability or capacity, and to report their recovery plan and expected recovery times. This allows Western Digital's Procurement team to be kept apprised of any significant impact in the supply and order fulfilment chain so they can determine if it's necessary to activate our own response plan. We also evaluate which sites may be in water-stressed areas using WRI's Aqueduct application. Knowing which sites are at risk helps us monitor ongoing threats and implement mitigating activities as needed.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

When addressing whether the liabilities related to operational and/or supply chain 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 qualitative impacts are large enough and likely enough to occur to be considered substantive and warrant further action.

W4.2b

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Western Digital conducts a water risk assessment annually using WRI's Aqueduct tool, and follows our internal business continuity management system (BCMS) process to conduct and regularly update business impact assessments at each of our factory locations. Sites were flagged through our internal Business Continuity Management System (BCMS) and the Aqueduct tool for potential flooding and drought risk, but we have concluded that none of these represent substantive risk to our business at this time, due in part to steps we have taken to mitigate those risks. We continually monitor such risks and take action to avoid or reduce them, depending on the likelihood and potential impact of each risk.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Western Digital regularly monitors portions of our value chain that are at-risk, and has built in contingency plans to try to ensure that risks do not lead to substantive financial or strategic impact on our business. Two of our significant commodity supply points, our wafer fabs, are located in a water stressed area in California. Frequent competitive and operational planning reviews of major and critical supplies and supply chains provide warning of pending water stress related regulatory and cost situations. This allows various options for supply continuity planning to take place before the situation becomes urgent. We monitor the water level in the area close

		to our facility and request suppliers in Thailand to provide the updated information of water risk assessments. We also request our suppliers to provide a Business Continuity Plan in case of floods, droughts and/or pandemics and update the plan on a yearly basis. We also monitor suppliers for IPE compliance.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

Water plays an important role in our manufacturing processes, and we seek opportunities to both significantly reduce water withdrawal and optimize the use of recycled water. Western Digital has invested in water reclamation and water reuse solutions at certain sites, and there are continued opportunities for investment to apply successful solutions at additional manufacturing locations. For example, in FY21, we expanded on reclamation projects to maintain a reclamation ratio of over 95% at our Shanghai facility. Similar reclamation efforts in our Shenzhen facility earned recognition from the local government and have resulted in conservation of 478 million gallons of water annually.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial 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

The cost to realize this opportunity has not yet been estimated. However, our strategy to realize this opportunity focuses on investments to advance water reclamation. Progress towards higher rates of water reclamation will result in a reduction of water withdrawals and thus reduction in costs.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Commitments beyond regulatory compliance Commitment to water-related innovation	Given our dependence on water for cleaning equipment, wet grinding, physical separation, pumping tailings, power generation and cooling, etc. Western Digital aims to minimize potential impacts on water resources. Our Integrated Management System (IMS) Policy states our commitment to protect the environment by mitigating global risks to prevent environmental pollution and ensure environmental protection, including water risks. Our Energy Resource Management (ERM) Program addresses performance standards for IMS projects, operations and sites to 1) develop/implement a water management plan, identify risks and opportunities, and support water related planning; 2) establish criteria for consistent monitoring, analysis and reporting; 3) establish an approach for maintaining a sustainable site water balance; 4) establish an approach to conduct water management risk assessments, identify challenges, mitigation activities and define a basis for water management improvements. Key water management parameters must be quantified in our reporting network. These are core elements of our sustainable water management system, along with quality/quantity monitoring, environmental/social impact analysis, water supply, storage, efficient usage, treatment and system evaluation/improvement.

			We continue to improve our strategy to assess risks, efficiency and transparency.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Chief Executive Officer (CEO)	The CEO, CFO, CLO and other executive leaders regularly review information about the potential impact of water 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.
Director on board	The Board periodically reviews information relating to the potential impact water-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. The Governance Committee is responsible for assisting our Board in overseeing our corporate responsibility and sustainability policies and programs. 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.
Board-level committee	The Governance Committee is responsible for assisting our Board in overseeing our corporate responsibility and sustainability policies and programs. The Governance Committee also has specific responsibility for periodic review of Western Digital's policies, practices, and programs related to environmental, including water and climate change.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain

Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing major capital expenditures Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy	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 water. 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. 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 water-related issues rise to the level of a key enterprise risk, they will be reviewed as part of this process.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	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.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Other, please specify

Vice President, Global Operations

Responsibility

Assessing water-related risks and opportunities

Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Annually

Please explain

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/strategy and develop risk mitigation measures, contingency plans and a consolidated risk profile. The risk profile is reviewed with our CEO and CFO before presentation to the Audit Committee. On a regular basis, sr. mgt reviews the risk profile/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 VP, 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 water issues/natural disasters that may impact the company, assessing the risk annually and implementing initiatives to mitigate any potential risks.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

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 water-related

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 water. 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 the degree of alignment between the proposed initiative and Western Digital's overall CSER and water strategies.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, and we have no plans to do so

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	Integration of water-related issues into long-term strategic planning is prioritized based on the materiality of such issues relative to other enterprise risks. Western Digital's Energy Resource Management (ERM) Program Office sets an annual water conservation target to protect water supply, which feeds into our long-term business objective of reducing water risks, increasing resiliency, and controlling water costs.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	In line with our long-term sustainability objectives, our strategy for water use reductions in fiscal year 2021 included implementation of several new water reclamation projects. At our Shanghai facility, these reclamation projects achieved a reclamation ratio of 95%, the highest in the region. Similar reclamation efforts in our Shenzhen facility earned recognition from the local government and have resulted in conservation of 478 million gallons of water annually.
Financial planning	Yes, water-related issues are integrated	5-10	Per our long-term sustainability strategy, we integrate water-related issues into financial planning as needed

			to mitigate against the risks of water supply disruption, flooding at our sites or other water risks.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

-100

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

7.1

Anticipated forward trend for OPEX (+/- % change)

7.6

Please explain

In this reporting period, there were no investments for water management related facilities or water conservation projects. All saving projects are operation-efficiency improvement with no investment. With regard to OPEX, our spend increased accordingly due to the increase of water consumption. Considering near-term production/building expansion plan, we are anticipating similar upward trending.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	Western Digital periodically conducts a climate-related scenario analysis aligned with TCFD. The most recent scenario analysis applied 3 scenarios: 1) aligned with a 4° trajectory using RCP 8.5, Shared Socioeconomic Pathway 3; 2) aligned with a 3° trajectory using RCP 6.0, Shared Socioeconomic Pathway 4; and 3) aligned with a 1.5° trajectory using RCP 2.6, Shared Socioeconomic Pathway 1. Additionally, Western Digital conducts studies to identify and mitigate the effects of any future "Black Swan" or other events that may disrupt operations. 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 analysis is periodically updated.

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related	Climate-related: Western Digital periodically conducts a climate-related scenario analysis aligned with TCFD. The most recent scenario analysis applied 3 scenarios: 1) aligned with a 4° trajectory using RCP 8.5, Shared Socioeconomic Pathway 3; 2) aligned with a 3° trajectory using RCP 6.0, Shared Socioeconomic Pathway 4; and 3) aligned with a 1.5° trajectory using RCP 2.6, Shared Socioeconomic Pathway 1. Water-related: Western Digital conducts studies to identify and mitigate the effects of any future "Black Swan" or other events that may disrupt operations. 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 analysis is periodically updated.	Possible water-related events: drought, extreme weather and flooding.	Climate-related: As a result of the TCFD aligned scenario analysis, we identified three areas of our strategy that may incur risks and opportunities across all scenarios. These scenario insights are reviewed by Western Digital's Sustainability and Enterprise Risk Management teams and incorporated into Western Digital's strategy and risk management processes as appropriate. Water-related: Western Digital will periodically review and update studies to identify and mitigate the effects of any future "Black Swan" or other events that may disrupt operations. 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 identify potential extreme weather events, understand and develop responses to specific potential events by developing

				probabilities and assessing operational impacts, and preparing a risk register and threat assessment summary. These inputs are refined by the more frequent risk assessment and test & exercise of Business Continuity Plans conducted through our business continuity management system process.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

In the past, Western Digital implemented an internal price on water specifically for our San Jose CA manufacturing facility. After weighing the pros and cons of charging business units for their water use, the company decided it was not a worthwhile accounting practice when water demands fluctuate based largely on production volumes and other consolidation activities. Real Estate Operations actively works with water users to identify water savings and implement capital projects to do so.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, and we do not plan to address this within the next two years		

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Site/facility specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Western Digital has a global water conservation program. The program steering committee reviews and discusses water performance annually and sets corporate reduction targets as a minimum threshold. Each site sets its own site level target and implements water conservation measures to achieve this target.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number
Target 1

Category of target
Water withdrawals

Level
Company-wide

Primary motivation
Cost savings

Description of target
1.5% or more water reduction from previous year by the end of reporting year

Quantitative metric
% reduction in total water withdrawals

Baseline year
2020

Start year
2021

Target year

2021

% of target achieved

100

Please explain

Western Digital's global ERM (Energy and resource management) program team implemented several water conservation projects across our portfolio. Savings attributed to project implementation is equivalent to 2.8% reduction from the water consumption in 2020. Implemented projects include, for example, shutting down of unnecessary facility operations and replacing old systems with new, more efficient ones.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Other, please specify

Annual conservation project

Level

Company-wide

Motivation

Cost savings

Description of goal

Improving water conservation since water is a vital resource for Western Digital operations. Western Digital ERM (Energy and resource management program) implemented several projects at each site to promote responsible water use and efficiency.

Baseline year

2020

Start year

2021

End year

2021

Progress

As noted in 8.1a, significant water conservation projects were implemented in 2021. Western Digital continues to seek further water conservation opportunities. For example, Western Digital holds regular communications across all material global locations for knowledge sharing, and sites support each other to identify additional water conservation measures.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Global total water withdrawn, discharged and recycle/reused.	ISAE 3000	ISAE 3000 is the assurance standard for compliance, sustainability and outsourcing audits.

W10. Sign off

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

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