

FY2016

Global Citizenship Annual Report



SEAGATE

The *FY2016 Global Citizenship Annual Report* describes Seagate's approach to advancing sustainable and responsible business practices in all aspects of its products, services and operations. This report provides highlights, insight and context for our Fiscal Year (FY) 2016 performance and metrics for FY2017 and beyond.

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Message from Our Chairman and Chief Executive Officer (CEO)

Global Citizenship FY2016 – Sustainability During a Time of Change

In FY2016 Seagate sustained its ethical, socially responsible business practices in an industry environment of fundamental change. Continued shifts in technology toward cloud-based and mobile architectures have had a profound influence on our customers, markets and global footprint. Seagate began realigning its operating capacity to these trends, well positioning ourselves to address increases in product capacity and complexity along with reduced unit volumes. Amidst these changes we have maintained our strong commitment to technology leadership and a sustainable, responsible, process-driven business.

Demonstrating this commitment, Seagate continues to support internationally recognized standards, such as the Electronic Industry Citizenship Coalition (EICC) Code of Conduct and the United Nations Global Compact (UNGC) Principles, and actively leads and participates in industry forums to advance sustainable and responsible practices. Seagate continues to work on our resilience to the impacts of climate change, and we are working diligently to reduce our water and carbon footprints.

Highlights of FY2016 activities include:

- Enabling the world with our products. Seagate is in the leading competitive position with our products as the market shifts from a low-capacity demand profile to future applications, which are component rich and require aggressive technology advancement. This is particularly important as the storage market shifts from client server to mobile cloud applications and storage environments.
- Ensuring responsible sourcing of tungsten, tin, tantalum and gold (3TG or “conflict minerals”). Our responsible sourcing efforts for the conflict minerals we use in our products are publicly documented and submitted to the SEC, and can be read on the [Global Citizenship](#) section of www.seagate.com.
- Maintaining our commitment to the well-being of our employees, and ensuring that we play a role in supporting our local communities.
- Keeping environmental sustainability as a key focus in our operations, with particular emphasis on managing one of the world’s crucial resources – water. We made progress in reducing water withdrawal, recycling and use per exabyte (EB) shipped.
- Engaging suppliers to encourage and ensure fair labor practices. Seagate partnered with other electronics companies for several events in FY2016 to train members of the supply chain on fair labor practices. For one event in China we trained suppliers on issues of safety and health, and we participated in the pilot program [Workplace of Choice](#), where we partnered with the EICC.
- Continuing our commitment to operating an ethical company by providing our employees with tools and training on ethics, and requiring that employees read and certify our Business Conduct Policy.

These results are just a few examples of how important Global Citizenship is to us and our business. I am proud of the efforts by Seagate and its global employees to continue on its path of sustainability and responsibility. Seagate’s Global Citizenship efforts emphasize transparency and credibility, and this report is a part of our commitment to transparent communication to inform our stakeholders of our activities.

Steve Luczo
Chairman and CEO

About Our Report

This report covers activities managed by Seagate Technology public limited company (“plc”), an Irish public limited company, from July 4, 2015 through July 1, 2016, our 2016 fiscal year (FY2016). References to “Seagate”, “we”, “us”, “our” and the “Company” within this report refer to Seagate Technology plc and its subsidiaries. References to “\$” are to United States dollars. Information in this report includes information about Dot Hill Systems Corp. (“Dot Hill”), which we acquired and closed on October 6, 2015. Besides the acquisition of Dot Hill there were no other significant changes to Seagate or restatements of information from previous reporting periods.

We are a leading provider of electronic data storage technology and solutions. Our principal products are hard disk drives, commonly referred to as HDDs, disk drives or hard drives. In addition to HDDs, we produce a broad range of electronic data storage products

including solid state hybrid drives, solid state drives, PCIe cards and SATA controllers. Our storage technology portfolio also includes storage subsystems, high performance computing solutions and data storage services. Seagate does not have products or services banned in any markets. Seagate sells the Seagate, LaCie, Samsung and Maxtor brands. Together these brands make up our products and services. One hundred percent of Seagate’s products meet regulatory requirements for health and safety in all jurisdictions.

Our previous Global Citizenship Annual Reports can be downloaded from Seagate’s external website at www.seagate.com, including the FY2015 report covering Seagate’s reporting cycle from June 28, 2014 through July 3, 2015. Our website contains information about company history, products, values, management and our most recent financial performance.

Defining Report Content

Using the *Global Reporting Initiative (GRI) Sustainability Reporting Standards 2016*, the FY2016 Global Citizenship Annual Report applies the principles of materiality, stakeholder inclusiveness, sustainability context and completeness for defining report content in accordance with the core reporting guidelines. This report contains Standard Disclosures from the *Sustainability Reporting Standards 2016* guidelines (the Guidelines). A list of the Standard Disclosures and their locations within this report can be found at the back of this report.

In FY2012, Seagate conducted a materiality assessment to identify, prioritize and validate the most relevant global citizenship issues to our business. We reviewed external trends across social and environmental dimensions to develop a comprehensive, prioritized list

and examined how these issues influenced decision making. The aspects that we identified as material to our business are governance and ethics, product stewardship, environmental sustainability, our employees, supplier engagement and community engagement, and in FY2016 we added a section on business continuity. Seagate’s FY2012 materiality assessment considered global citizenship impacts both inside and outside the company, such as customers, employees and the supply chain. These aspects make up the content and structure of this report. Our business is continually evolving as we respond to the fundamental shifts in our markets, as a result we will be conducting a new materiality assessment in FY2017 that will identify where in our value chain different impacts are material.



Company Profile

Global leader in data storage solutions



More than  **\$11 billion** in revenue

Locations in  **20** countries

 Vertically integrated design and manufacturing

Overview

Seagate is the global leader in data storage solutions, developing amazing products that enable people and businesses around the world to create, share and preserve their most critical memories and business data.

Seagate is deeply rooted in the history of the storage industry. Over the past 35 years, we have transformed the way storage technology works, progressing from the mass production of the 5.25-inch HDD to innovative cloud storage solutions. Disk drives continue to be the primary medium of mass data storage due to their performance attributes, high quality and cost effectiveness.

Seagate is working to enable people to expand the way they interact with information, not just store it. From helping kids take pictures on mobile phones to assisting corporations create massive data centers, we empower the next generation of innovators, inventors, analyzers, scientists and creators with greater speed, capacity and access to information than ever before. The principal markets served by Seagate are enterprise storage, client compute, client non-compute, cloud systems and solutions, major subcomponent manufacturers, hardware storage solutions manufacturers, system integrators, storage services and hyperscale data centers. Seagate's products are used in virtually every country in the world.

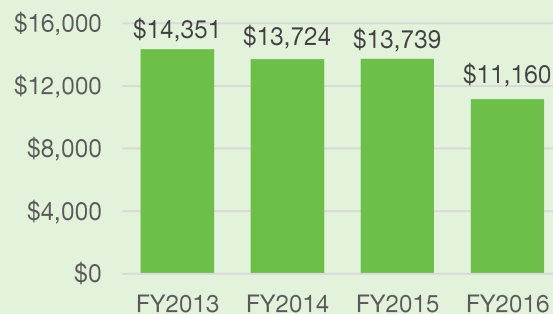
Seagate recognizes that data has evolved from static information that is stored and often forgotten to a living entity. To serve these changing dynamics, we create solutions to fit the increasing needs of our data-driven society. Seagate facilitates the increasingly connected world by enabling the cloud.

Seagate's global operations encompass design, manufacturing, sales, marketing and administrative functions. Our company headquarters are located in Ireland. Our principal manufacturing facilities are located in China, Malaysia, Northern Ireland, Singapore, Thailand and the United States. Our principal product development facilities are located in California, Colorado, Minnesota, Singapore and South Korea. Seagate also has locations in 20 countries, including sales and customer service locations.

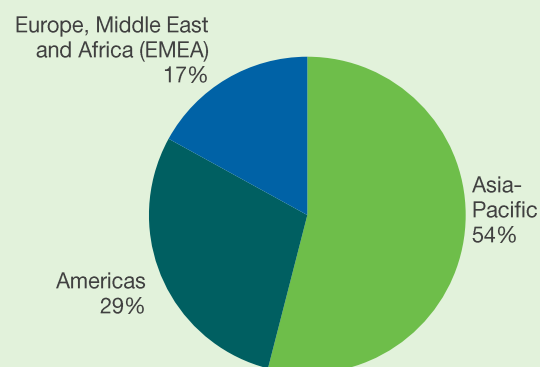
Seagate designs and produces our own read/write heads and recording media, which are critical technologies for HDDs. This vertical integration approach enables us to lower cost and improve the functionality of components to work together efficiently. Our sourcing, design, manufacturing, delivery and service are all vertically integrated, thus aiding in compliance.

Seagate Revenue

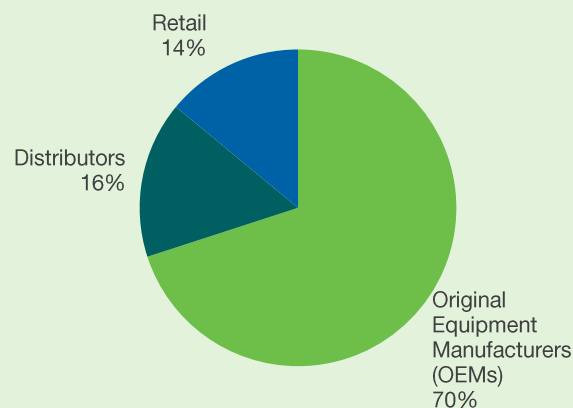
Net Revenue (in millions)



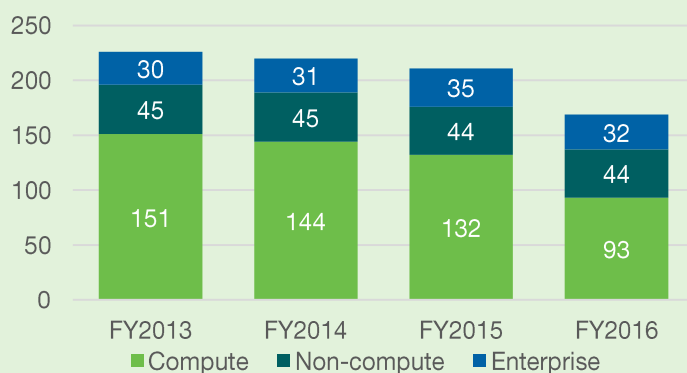
FY2016 Revenues by Geography



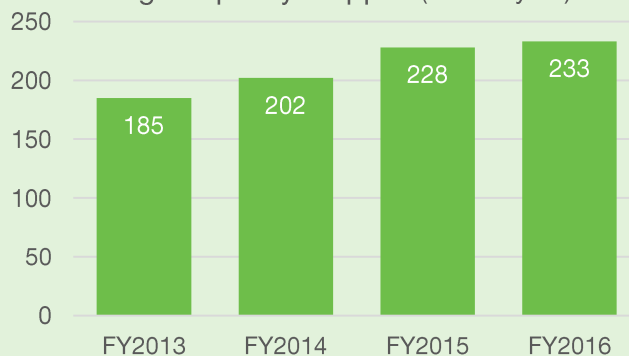
FY2016 Revenues by Channel



HDD Units Shipped by Category (in millions)



Storage Capacity Shipped (in exabytes)



FY2016 Global Citizenship Highlights



Member of the
 **UNGC**
EICC

Reduced water
withdrawal by

3%


Reached more than

29,000

students in
community
outreach



Partnered with
companies to
help ensure
forced labor is
not used in our

**supply
chain**



Seagate is committed to developing and maintaining sustainable and responsible practices – not only with our products and in our global operations, but also throughout our supply chain. Key areas of emphasis include our governance and ethics programs, product stewardship, environmental sustainability, employees, supplier engagement and community engagement, and in FY2016 we added business continuity. For more information about our environmental matters, see our FY2016 Annual Report on Form 10-K, filed with the Securities and Exchange Commission on August 5, 2016.

Seagate continued to improve in many areas of Global Citizenship in FY2016. We continue to be members of the Electronics Industry Citizenship Coalition (EICC) and United Nations Global Compact (UNGC).

In FY2016 we continued our commitment to operating an ethical company by providing our employees with the tools they need to understand our Business Conduct Policy and confidentially or anonymously report violations of any Seagate policy or the law. New employees are required to certify that they have read and understood the Business Conduct Policy and to disclose any actual or potential conflicts of interest and non-operator employees are required to recertify annually. We provide training and videos about our

ethics and compliance programs and policies on a regular basis. Our Ethics Helpline is available in eight languages to facilitate reporting of illegal or unethical situations in the workplace, and is also available for people outside of the company to utilize.

Our manufactured products contain tungsten, tin, tantalum and gold (3TG, also defined as “conflict minerals”). The Democratic Republic of the Congo (DRC) and adjoining countries have extensive reserves of 3TG, some of which are illegally sourced and traded by armed groups responsible for significant human rights violations. In FY2016, we took several actions to demonstrate our ongoing commitment to eliminating suppliers in our supply chain that contribute to human rights abuses in the DRC or adjoining countries. We revised our Seagate Corporate Policy on conflict minerals, posted it to www.seagate.com, and communicated it to Seagate’s direct suppliers so that they can align their programs to meet our requirements. This transparency with our suppliers aides our ability to meet our customers’ requirements. We updated our Corporate Standard Operating Procedure for Conflict Minerals Management, and implemented a 2015 Seagate Conflict Minerals Management Plan in accordance with the Standard Operating Procedure. We also established an internal team to implement the Management Plan.

We are making progress towards our environmental sustainability goals, particularly in water conservation. In CY2015, we made progress in reducing water withdrawal, recycling water and decreasing water intensity (the amount of water that we used for the production, processing and disposal of each Exabyte [EB] that we shipped). We reduced water withdrawal by 3 percent year-over-year, increased water recycled by 1 percent, and decreased water intensity by 4 percent. Our progress was driven by more efficient processes to help eliminate the need for water and improved recycling processes and systems. We continue to make progress in this area year over year, and additional projects will continue to achieve levels of reduction associated with this critical resource.

We are involved in numerous activities in our supply chain to encourage and ensure fair labor practices. A member of our senior leadership team continues to serve on the Senior Executive Advisory Council of the EICC, and we meet regularly with our suppliers to ensure compliance with the EICC Code of Conduct. We partnered with other electronics companies in FY2016 to train members of the supply chain in China about safety and health issues, and participated in [Workplace of Choice](#), a pilot factory worker protection program funded by the EICC.

In FY2016, we continued to demonstrate our commitment to employees by investing in education for

operators at our facility in Korat, Thailand, where the minimum education requirement for operators is secondary school graduation. The site has been partnering with the Korat Non-Formal Education Department to offer high school courses for graduation. There were 59 employees who obtained high school certifications from this program in FY2016.

During FY2016, we continued to remain active in the communities where we do business. As a technology company, we believe it is our responsibility to emphasize science, technology, engineering and math (STEM) education to students. In FY2016, we reached more than 29,000 students with our community programs. These programs included employees serving as judges at the Tech Challenge, Silicon Valley's largest STEM event; hosting STEM workshops at a mall in Wuxi, China; demonstrating STEM experiments for students in Bangalore and Pune, India; helping to judge a product design challenge for students in Northern Ireland and more.

Each department within Seagate conducts periodic reviews of programs relating to the identified material aspects and makes changes as appropriate, for example updating corporate standard operating procedures or employee training.

For a summary of our FY2016 performance, see page 45.



Governance and Ethics



23,200

Employees completed the certification process



Resulting in a completion rate of more than

99%



8

Languages that the Business Conduct Policy is available in

Overview

At Seagate, we value our integrity and work hard to ensure that we maintain our ethical reputation and standing as a productive and ethical global citizen. We are committed to maintaining the highest ethical standards throughout our business operations. As part of Seagate's overall ethics and compliance program, we have instituted policies and processes and delivered training and other communications around ethical business conduct to ensure that all employees know how to perform every aspect of their jobs with the highest ethical standards.

Seagate is governed by its Board of Directors. Additional information on our governance structure is available publicly in the [Governance](#) section of www.seagate.com. Our [Corporate Governance Guidelines](#) provide a framework for Seagate's Board of Directors in exercising their responsibilities toward Company stakeholders. These guidelines empower the Board with the authority to review Seagate's business operations and make decisions independent of Company management. The guidelines also describe a process for shareholders to communicate with members of the Board.



“At Seagate, we value our integrity and work hard to ensure that we maintain our ethical reputation and our standing as a productive and ethical global citizen.”

Steve Luczo
2016 Business Conduct Policy



Our [Business Conduct Policy](#) is our guide for conducting ourselves legally and ethically every day and in every place that we do business. It explains the standards we are all expected to embody in meeting our corporate values and complying with applicable laws, regulations and policies. It is supplemented by our [Code of Ethics for Senior Financial Officers](#), and both documents are publicly available at www.seagate.com.

Our Business Conduct Policy ensures the adoption of a principles-based approach to our activities, while promoting ethical conduct and compliance with laws and regulations. It summarizes Seagate's ethical standards and key policies in areas such as insider trading, conflict of interest, bribery and corruption, privacy and confidentiality, antitrust and fair dealing. To help ensure broad awareness and understanding of the policy, we make it available in the following languages of our employees: English, Chinese, Korean, Malay, Thai, French, Spanish and Portuguese.

We continually reevaluate our policies to confirm that they reflect the latest standards, requirements, laws, and regulations at local, national and international levels. The Board reviews our ethics and compliance program, including our key policies and processes around ethical business conduct, on an annual basis to ensure that Seagate continues to operate within the letter and spirit of the law.

FY2016 Highlights

Certifications

New employees are required to certify that they have read and understood the Business Conduct Policy and to disclose any actual or potential conflicts of interest during our on-boarding process. Thereafter, all non-operator employees with company email addresses are required to re-certify annually.

Approximately 23,200 employees participated in the FY2015 certification process, which concluded during FY2016. This resulted in a completion rate of over 99% after removing employees who were on long-term leave, were terminated, or left Seagate during the certification period.

Approximately 350 employees joining Seagate through various acquisitions completed a separate off-cycle certification in connection with their on-boarding in FY2016. These new employees were also included in the annual FY2016 certification process, which concluded after the close of FY2016.

Training and Communication

Throughout the year, we provided online and live training modules and delivered short videos to enhance employee understanding of the Business Conduct Policy and Seagate's overall ethics and compliance program.

Ethics Helpline

We also continued to promote our Ethics Helpline so that employees may confidentially and/or anonymously report illegal or unethical situations encountered in the workplace. The Ethics Helpline is available to employees and those external to the Company, with the contact information available on the homepages of both our internal and external Seagate websites. Concerns may be reported by phone or webmail in English, Spanish, French, Chinese, Korean, Malay, Portuguese and Thai.



Looking Forward: Governance and Ethics

We continue to evaluate our Business Conduct Policy and the related programs and processes for relevance and compliance with new laws and regulations. We have licensed new legal and ethics video training materials for FY2017 which are customized to Seagate to increase their relevance to all of our employees. We also plan to continue to develop and deliver relevant and impactful live and online employee training.



Product Sustainability

More than
2,000
restricted
substances
catalogued



Committed to
transparency
and **authenticity**



2
Life Cycle
Assessments
conducted on
Enterprise products

Overview

Seagate places a high value on reducing product impacts, which are the environmental impacts that are products have as identified by our Life Cycle Assessments (LCAs). Seagate’s Product Stewardship team works with our internal teams and our suppliers to assess and reduce impacts, and to be credible and transparent in those efforts. The key areas we have identified for environmental impact assessment and reduction include restricted substances, product end of life, conflict minerals and product environmental impacts.

The Precautionary Principle is not applicable to Seagate’s products and services because we do not utilize controversial technologies, for example Genetically Modified Organisms (GMOs) or systemic insecticides.

Product sustainability goes beyond the environment. Seagate looks holistically at the impacts our products have on the environment, customers, suppliers and communities that our products touch. Maximizing sustainability is an ongoing goal of our Product Stewardship program.

Seagate strives for transparency and credibility in all our sustainability efforts. This reflects the implied social contract that we acknowledge and owe allegiance to in order to conduct our business. We recognize that we are not perfect; however we aspire to first understand the impacts of our business on the environment/world/etc. and then work toward reducing or eliminating those impacts. We also acknowledge that we do not work in a vacuum and therefore share our results with our stakeholders to help them better understand their impacts and potential issues with their business processes.

Product Impacts

Seagate uses thousands of materials to make its products, spanning 51 elements of the periodic table. We strive for a complete understanding of material content to manage product environmental impacts and work with suppliers to obtain full disclosures for every material in every part included in our products. This information is maintained in a database that is heavily regulated by the Environment, Health and Safety and Sustainability (EHS&S) organization and is accessible to relevant internal stakeholders as any new substance concerns arise.

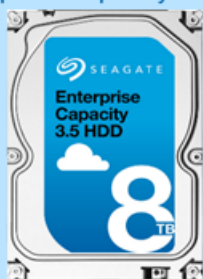
Seagate conducts LCAs according to the International Organization for Standardization (ISO) 14040:2006 and 14044:2006 to estimate each product’s impact on the environment. Each LCA is critically reviewed by an independent third party. Seagate uses LCA and product impact assessments to prioritize development efforts to

reduce environmental impacts. We prioritize conducting product LCAs based on production volume and customer data requirements.

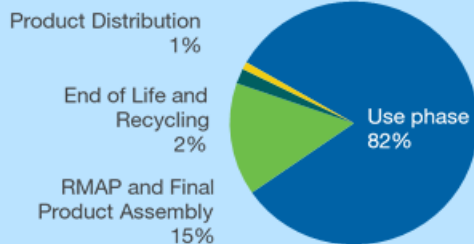
The ISO standard LCAs that Seagate conducts include 15 environmental endpoints such as climate change, metal depletion, water depletion and human toxicity. Each LCA addresses impacts at every stage in the product life cycle, from raw material extraction to end-of-life disposal and recycling. Climate impacts are analyzed further according to life stage contribution and major components. LCA summaries are publicly available on the [Global Citizenship](#) section of [www.seagate.com](#) for each product for which Seagate has completed LCA studies. In FY2016, Seagate completed LCAs on two enterprise drive products, our Enterprise Capacity 3.5, a Hard Disk Drive, and Seagate 1200.2 SAS, a Solid State Drive.

FY2016 Life Cycle Assessments

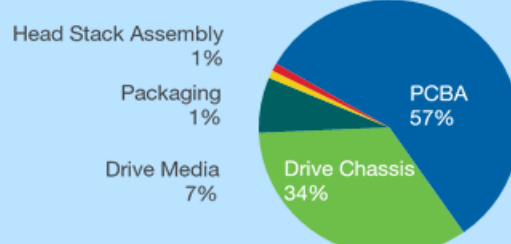
Enterprise Capacity 3.5



Climate Impacts by Life Cycle Stage



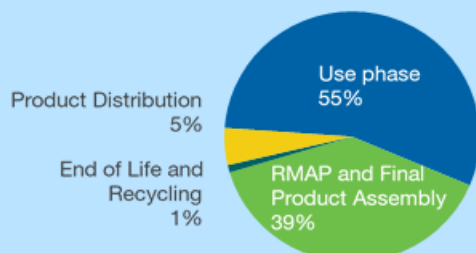
RMAP* Climate Impacts by Subassembly



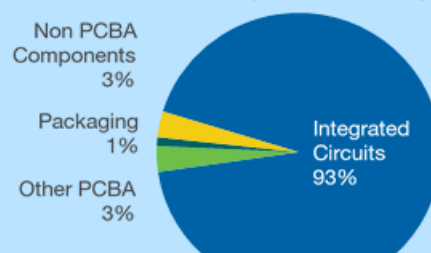
Seagate 1200.2 SAS



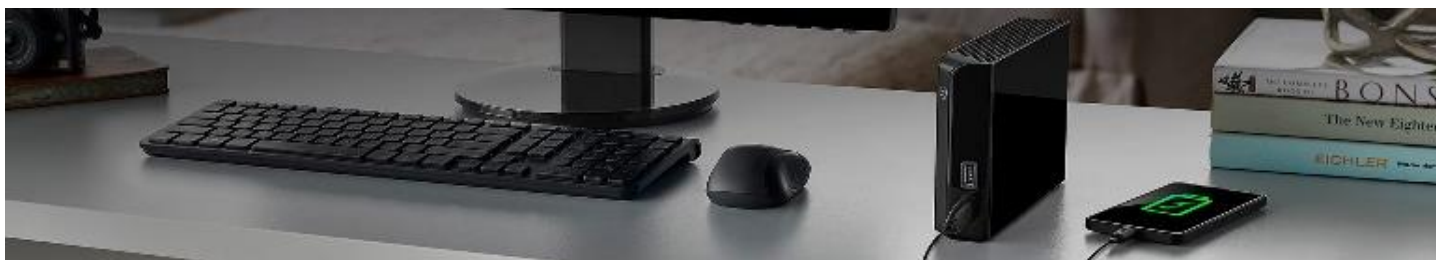
Climate Impacts by Life Cycle Stage



RMAP* Climate Impacts by Subassembly



*RMAP: Raw Material Acquisition and Pre-processing



Seagate continues to focus its efforts on developing more nimble and cost effective environmental impact assessment tools. In accordance with our commitment to authenticity, this process maintains third-party assurance. In FY2016, we initiated studies building both product and packaging life cycle assessment models that output 5 metrics: Metal Depletion, Water Depletion, Climate Change (Carbon), Human Toxicity, and Product Circularity.

Significant environmental impacts come from our customers' use of Seagate products. This means one of the largest opportunities to reduce product impacts comes from customers' understanding and use of Seagate's product power conservation modes, which allow customers to reduce costs associated with drive operation while concurrently reducing environmental impacts. The advantage of these power conservation modes are described in the product manuals.

Restricted Substances

As a leading supplier to major Original Equipment Manufacturers (OEMs), Seagate must meet our customers' strictest specifications. We are meticulous about cataloging restricted substances and currently list more than 2,000. Seagate maintains a database to evaluate ongoing legal, industry and customer requirements for product environmental compliance, and catalogs the Chemical Abstract Service (CAS) number for every chemical substance present in Seagate components and finished products. In addition to maintaining reporting on our core and retail products, we worked hard to bring companies acquired in FY2016 into our corporate systems.

Seagate strives to comply with all regulatory requirements where we and our customers do business. Seagate adheres to global restricted substance legislation, including the European Regulation regarding the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), and the Restriction of Hazardous Substances (RoHS) "Recast" Directive, as amended by Directive (EU) 2015/863. We monitor regulatory, industry and customer requirements and continuously add new chemicals and substances to our restricted list and eliminate them from Seagate products wherever possible. This allows us to evaluate all of our products against the most current REACH Candidate

Looking Forward: Product Impacts

Our FY2017 product impact strategy is to improve existing tools and develop new tools and methodologies, enhance efficiency and reduce impact quantification costs. We anticipate continuing to conduct rigorous LCAs, and supplement them with more nimble, scalable and efficient impact measurement approaches for development decision making. Becoming more efficient lowers assessment costs, facilitates design impact decision making and enables more credible product characterizations and key indicator reporting. Seagate will continue to publish additional product LCA summaries on www.seagate.com.

List upon publication. We are able to determine if and where Substances of Very High Concern (SVHC) are present in our products and at what concentrations, both at the homogeneous material level and at the article level. This allows us to respond to changing regulatory interpretations such as the European Union Court of Justice decision of September 2015 regarding the definition of an "article" to ensure compliance with REACH Article 33 requirements.

To help customers comply with these same requirements at the finished product level, we target exceeding, rather than merely meeting, the requirements. This allows our customers enough time to manage their own product compliance. For example, in continuation of our efforts in 2015 to analyze the impact of RoHS 2 as amended by Directive (EU) 2015/863 to add four phthalate, DEHP, BBP, DBP and DIBP, to Annex II of RoHS 2, we have eliminated or limited the use of these phthalates to ensure that all Seagate core products are already within the new limits for DEHP, BBP, DBP and DIBP that take effect on July 22, 2019. This diligence allows our customer to participate in programs like the Electronic Product Environmental Assessment Tool (EPEAT). Seagate products are generally components, for which no EPEAT standards apply. However, our ability to verify

RoHS 2 compliance and identify product composition at both the homogeneous material and article levels means that customers are assured that the incorporation of Seagate components into their final products would support their ability to meet the relevant EPEAT required and optional criteria for their final products.

We also continued our support for the Business non-governmental organization Working Group (BizNGO) Principles for Safer Chemicals, incorporated business acquisitions including Dot Hill into our Full Material Disclosure (FMD) database, and answered over 2,000 customer requests for product environmental compliance data. Seagate regularly participates in industry-wide reviews and discussions to help lead in the development of industry standards and tools that help our industry and supply chains meet both regulatory and OEM customer requirements.

Seagate publishes a Bill of Substances which lists materials used as a percentage of the total. Total materials used by weight is not a metric used by Seagate. Seagate received no significant fines or non-monetary sanctions for product environmental non-compliance in FY2016.

Looking Forward: Restricted Substances

Our efforts to incorporate our acquisitions into our FMD database will continue throughout FY2017. We will also work with suppliers and other industry leaders to raise the bar across the industry in reporting and minimizing the use of restricted and hazardous substances. We see this as a natural extension of our commitment to minimizing restricted substance usage and ensuring product environmental compliance and sustainability.

Seagate is conducting a significant upgrade of its Information Technology (IT) infrastructure for managing the material content of our products and manufacturing processes. The Chemical Abstract Service 2 (CAS2) tool, which comes online in mid-FY2017, is expected to be a significant improvement to our work with tracking and managing the chemicals in our products. It will allow Seagate to manage supplier-provided data for full material disclosure and conflict minerals in a single integrated environment. We are also implementing in CAS2 an innovative approach for tracking the use of chemicals that are used to manufacture the components in our products. This capability is expected to launch in FY2017.

Product End of Life

Seagate takes the entire product life cycle into account when we design our products. Most Seagate products are over 65 percent recyclable. For example, the aluminum and plastic used to make our drives can be recycled. Many regions where Seagate products are sold have electronic waste recycling programs. For this reason, Seagate drives are prime targets for salvage and recycling.

Because the vast majority of Seagate's products are sold as components to larger systems produced by OEMs or resellers, we have minimal leverage over how our products are managed at the end of their useful life. Just as we recycle our own internally generated scrap, we provide information to our customers to enable their own reclamation efforts and to participate in manufacturer take-back programs. Seagate does not have a product take-back program since the vast majority of our products are sold as components to larger systems.

For our retail products and servers, Seagate helps to manage product waste by taking back warranty returns. All of these drives are refurbished or recycled. We also provide customers with drive disassembly instructions to facilitate recycling.

Looking Forward: Product End of Life

We will continue to look for additional avenues to reclaim product waste. We are evolving our approach to product waste as we begin shifting to more cloud computing, which supports fewer, small manufactured products and more centralized storage devices.

Conflict Minerals

Conflict minerals are a significant challenge for hardware industries. Conflict minerals are tungsten, tin, tantalum and gold (3TG or “conflict minerals”), or more exactly, the ores used to make these minerals. Extensive reserves of these minerals are located in the Democratic Republic of the Congo (DRC) and adjoining countries. Some of these minerals are illegally sourced and traded by armed groups responsible for tragic human rights violations. Addressing conflict minerals became an even higher priority in 2012, when the Dodd-Frank Act, Section 1502, was adopted in the United States. The law requires companies to disclose whether 3TG used in their products originated in the DRC or an adjoining country. If so, companies must describe what efforts they have undertaken to ensure the sources of the 3TG metals are identified and documented for purposes of reporting to the Securities Exchange Commission (SEC).

As part of compliance with this regulation, Seagate participates in the EICC Conflict-Free Sourcing Initiative. Participation allows Seagate to contribute to industry solutions while maintaining standard processes for data collection. Our [Conflict Minerals Policy Statement](#) is available at www.seagate.com.

Although 75 percent of the world’s known 3TG smelters and refiners have been validated as conflict-free, there are not enough conflict-free validated sources to meet demand. We continue to seek supplier commitments to source only conflict-free 3TG, to have their smelters and refiners engage in the validation audit process, and have suppliers convert to other preferred sources if smelters and refiners decline to become conflict-free.

Seagate’s hardware products contain all four conflict minerals, which are required for the products’ functionality and production. Seagate does not directly procure pure metals from smelters or refiners; we purchase parts, components, materials, and subassemblies containing these metals. Therefore, we rely on our direct suppliers to provide information about the origin of the 3TG contained in components and materials supplied to us. The information about 3TG contained in our products comes from lower-tier suppliers and information provided through our membership with the EICC and Conflict-Free Sourcing Initiative (CFSI).

Additional details are in Seagate’s publicly available [Conflict Minerals Report](#) to the United States SEC.

Looking Forward: Conflict Minerals

Seagate continues to work towards our target of achieving conflict-free status. Our objective of attaining a conflict-free 3TG supply chain across all product lines. We believe that setting up special manufacturing lines to produce conflict-free products will ultimately drive up cost while failing to help remediate the human rights abuses in Central Africa. While Seagate provides product specific Conflict Minerals Reporting Templates (CMRTs) to customers upon request, Seagate continues to maintain its policy of soliciting only company-level CMRT data from its direct suppliers. Even if this approach takes longer, we believe our efforts will improve conditions in Africa and elsewhere in the world where Seagate’s supply chain resides.

We are in the process of refreshing all our direct supplier data using CMRT 4.1, with which we expect to enhance the quality of the information we obtain this year. We continue to work with the EICC and CFSI to improve processes that encourage responsible sourcing of 3TG in a manner that avoids de facto boycott of legitimate minerals from Covered Countries.







Environmental Sustainability

Sent
NO 
hazardous waste
to the landfills

Diverted
84% 
of solid waste
from landfills

Reduced energy
consumption by
16% 

Recycled
17% 
of water withdrawn

Overview

Seagate is committed to improving environmental sustainability in all of our operations. Seagate sets goals, tracks progress and audits systems to reduce energy consumption, carbon emissions, waste and water usage. Together, these initiatives comprise the majority of our environmental sustainability efforts.

Our environmental management system adheres to industry-leading International Organization for Standardization (ISO) 14001 requirements at all manufacturing facilities. By managing and reducing environmental impacts through this system, and following the Electronics Industry Citizenship Coalition (EICC) Code of Conduct, Seagate demonstrates recognized environmental sustainability leadership in the technology industry.

At the end of FY2016, all of Seagate’s manufacturing facilities were ISO 14001- and Occupational Health and Safety Assessment Series (OHSAS) 18001-certified, except for a former Xyratex site in Mexico, which was acquired in FY2014. The certification of the Xyratex site remains pending. We had 29 regulatory visits in FY2016, and there were no findings. There were no fines levied in FY2016.

Energy and Carbon Emissions Performance

Energy usage and process chemicals that produce greenhouse gas (GHG) emissions are necessary to manufacturing our products and providing our services. Seagate reduces the amount of energy and carbon required to produce disk drives by identifying energy conservation opportunities, auditing management systems and setting targets and reporting on progress throughout our operations. Our primary objective is to reduce energy use and GHG emissions per storage capacity produced. Seagate recognizes that climate change is real and will have social, economic and environmental consequences for everyone.

Across our industry, these measurements are known as “energy intensity” and “GHG emissions intensity” because they measure impact relative to the amount of economic activity taking place. Intensity is measured in various ways across industry sectors and product types; Seagate measures energy and carbon emissions intensity per exabyte (EB) of storage capacity shipped.

ISO 14001- and OHSAS 1800-Certified Facilities

Country	Location
China	Suzhou
	Wuxi
Thailand	Korat
	Teparuk
Malaysia	Penang
	Seremban
	Johor
Singapore	Woodlands
United Kingdom	Havant
	Springtown
United States	Bloomington, Minnesota

Seagate’s biggest environmental challenge continues to be reducing overall GHG emissions, especially given increasing storage capacities, product complexity (new products have additional production steps) and acquisitions. Furthermore, as the information technology industry transitions to increasing cloud-based data storage systems, Seagate will grow its cloud data storage product offerings, which generally require longer test times. We are working to better understand and mitigate the impact this transition will have on our energy and carbon emissions performance. Finding a replacement for the hydrofluorocarbon solvent used in our manufacturing processes, which is released as a fugitive emission¹, will be key in reducing overall GHG emissions. This hydrofluorocarbon solvent is a necessary part of our manufacturing processes, and has a very high global warming potential.

To view Seagate’s Environment, Health and Safety Policy, see page 51.

¹ Fugitive emissions result from the direct release to the atmosphere of GHG compounds from various types of equipment and processes.

Energy

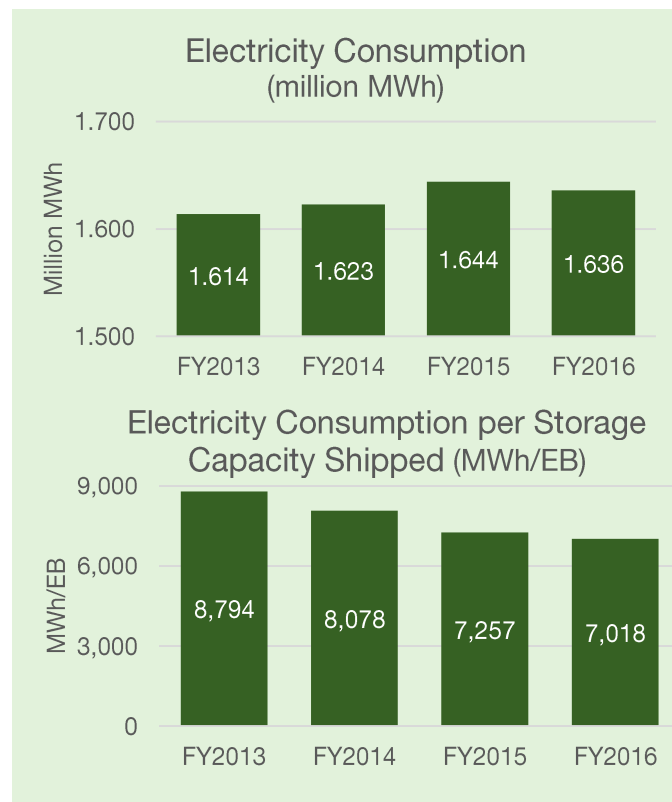
Total electricity consumption decreased slightly to 1.636 million MWh, down from 1.644 million MWh in FY2015, which includes sites from the Dot Hill acquisition. We shipped 6 more EBs in FY2016 than FY2015, resulting in a total of 7,018 MWh per EB shipped, down from 7,257 MWh per EB shipped in FY2014. This accounts for a 3 percent reduction year-over-year for MWh of electricity consumed per EB shipped. Higher-capacity drives require increased energy to manufacture, and normalizing our energy consumption per storage capacity shipped demonstrates we continue on the right path towards energy efficiency per EB manufactured and shipped.

Seagate also continued to focus efforts on energy conservation throughout our operations. We saved 33,797 MWh of electricity from multiple energy conservation projects, surpassing our target of 20,000 MWh for FY2016. This is an increase of 16 percent of energy savings from FY2015.

Carbon Emissions

Our carbon emissions data is collected by Calendar Year (CY). In CY2015, our Scope 1 emissions (GHG emissions generated directly from our sites) decreased 7 percent to 281,108 metric tons of CO₂e. The majority of the decrease in Scope 1 emissions occurred primarily in the process and fugitive emissions category. The decrease was due to optimizing processes that use the hydrofluorocarbon solvent, among other factors.

We are still challenged by our continued use of a hydrofluorocarbon solvent in our media manufacturing process, which results in fugitive emissions, and are committed to finding a suitable replacement. This



hydrofluorocarbon solvent contributed to about a quarter of our Scope 1 and Location-Based Scope 2 emissions totals. Finding a suitable replacement has proven to be more challenging than initially envisioned.

Our Location-Based Scope 2 emissions (indirect GHG emissions generated from the electricity that we purchase), decreased slightly from 999,652 metric tons of CO₂e in CY2014 to 979,311 metric tons of CO₂e in CY2015. The decrease in Location-Based Scope 2 emissions occurred mainly because of the decrease in electricity use in our processes.



Scope 1 and 2 GHG Annual Emissions (Metric Tons CO ₂ e)	CY2012	CY2013	CY2014	CY2015
Scope 1 - Direct Emissions	328,197	317,757	302,387	281,109
Stationary Combustion	14,144	14,371	13,595	10,303
Mobile Combustion	377	370	546	616
Process/Fugitive Emissions	313,676	303,016	288,246	270,190
Location-Based Scope 2 - Indirect Emissions	1,029,239	997,656	999,652	979,312
Electricity	1,028,282	994,508	996,405	976,695
Purchased Heating/Cooling	957	3,148	3,247	2,617
Total Scope 1 and 2 GHG Emissions	1,357,437	1,315,413	1,302,039	1,260,419

Combining our Scope 1 and Location-Based Scope 2 emissions, we generated 1,260,419 metric tons of CO₂e in CY2015, about a 3 percent decrease from CY2014. We continue to make progress toward our five-year goal of reducing total combined Scope 1 and Location-Based Scope 2 emissions by 10 percent (using the results from CY2011 as a baseline). The GHG emissions total for CY2015 includes the site in Longmont, Colorado, United States from our Dot Hill acquisition.

Seagate’s two largest sources of GHG emissions continue to be purchased electricity and “fugitive emissions,” or the unintended release of gases. To reduce GHG emissions intensity, each manufacturing site is required to achieve annual energy savings goals.

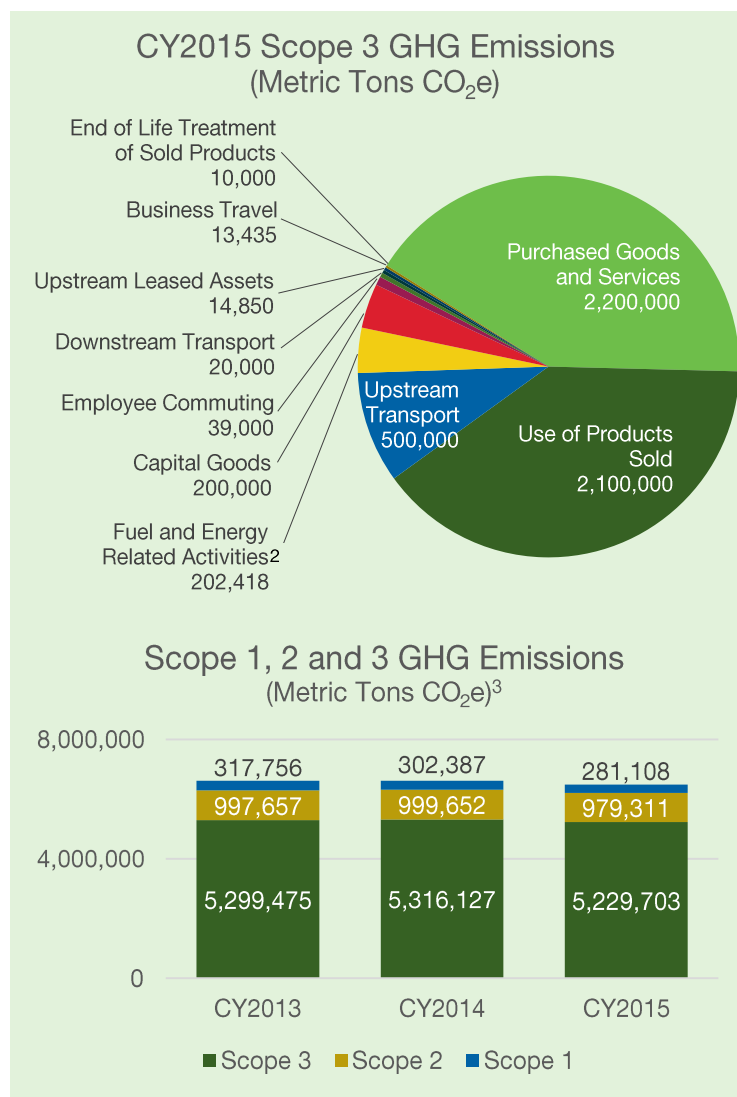
As is typical for technology products, we find that Scope 3 emissions, particularly those from product use, are much greater than Scope 1 and Location-Based Scope 2 emissions, highlighting the importance of Seagate’s continued efforts to reduce the amount of energy used by our products. One way that we achieve improvements in all aspects of our products, including sustainability impacts like energy usage, is to learn from current products and continuously improve upon each generation of our products. We can design each generation to be more energy efficient than the previous. Our Life Cycle Analysis (LCA) results help to inform these improvements in products and packaging.

Looking Forward: Energy and Carbon Emissions

We will continue to focus on energy conservation and target 20,000 MWh of electricity savings from energy conservation projects in FY2017. We continue to make progress toward our five-year goal of reducing total Scope 1 and Location-Based Scope 2 emissions by 10 percent by CY2017 (using results from CY2011 as the baseline). We will continue to evaluate our processes to identify savings opportunities.

² Not included in Scope 1 and Location-Based Scope 2.
³ In CY2013, we further expanded our reporting to include four new Scope 3 emission categories: purchased goods and services, capital goods, upstream transportation and distribution and downstream transportation and distribution.

We also conduct third-party verification of our GHG emissions reporting every year. In addition to keeping track of factory performance to inform stakeholders (compiled annually in this report), we share our results via the CDP investor and supply chain questionnaires (our responses are available publicly via the CDP website, and we share information with our customers via the EICC environmental module). Seagate continues to assess risk to the business from climate change as part of our annual ISO 14000 management system process, and we have not identified any risk unique to our company than what would apply to our industry.



Waste Management

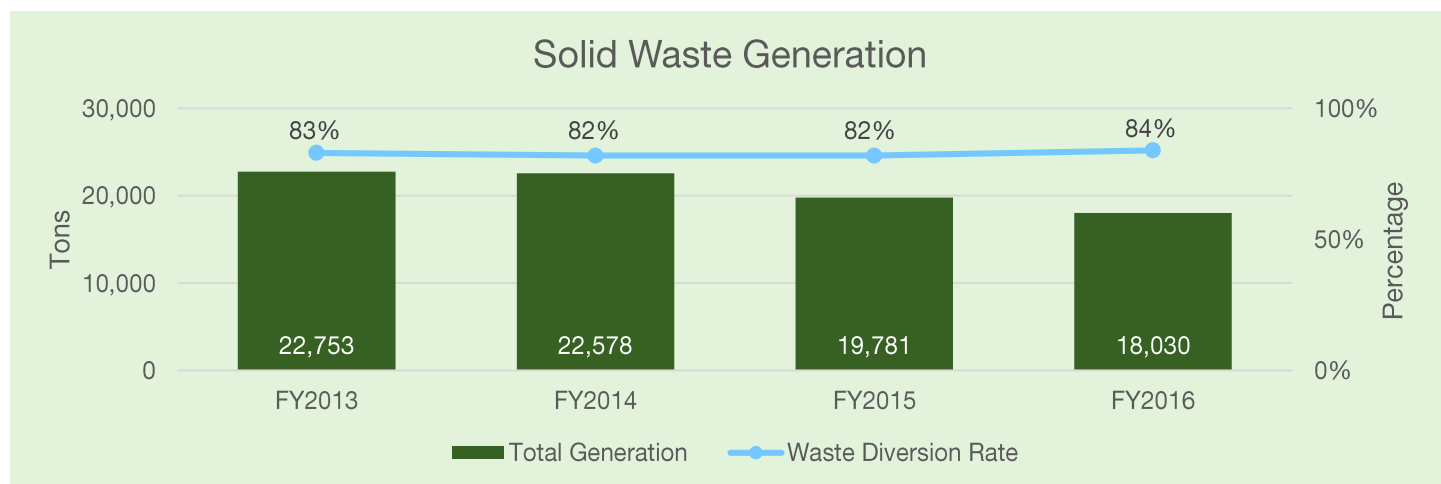
Seagate has established systems to track, manage and report waste at every Seagate site. Our sites identify and implement waste minimization initiatives with the goal of preventing waste from being produced, and recycling or reusing waste whenever possible. In addition, we commit to zero landfill disposal of hazardous waste, unless technically not feasible. Each Seagate site is responsible for reporting data on waste

to a central database that is only accessible by Seagate employees. It is reviewed by Seagate Corporate Environmental, Health and Safety and Sustainability (EHS&S). Seagate has established minimum requirements for the selection and performance of hazardous waste treatment vendors and qualifies vendors through a third-party audit of set criteria. We had zero significant spills in FY2016⁴.

Solid Waste

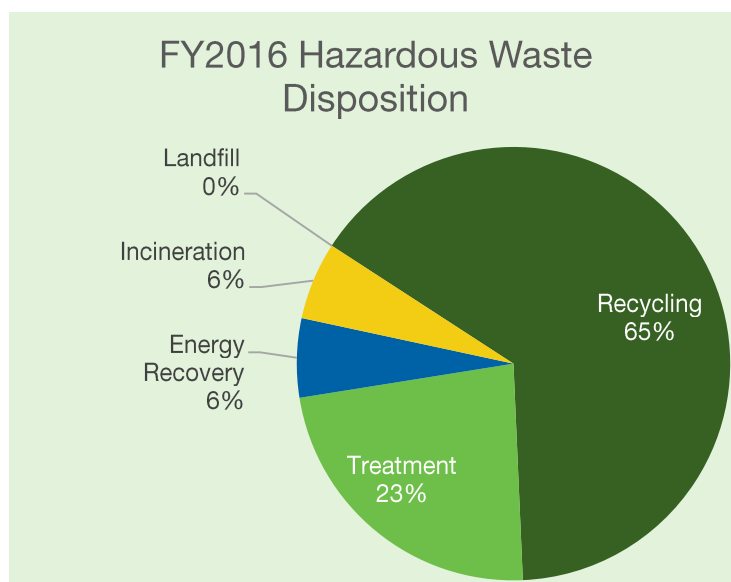
We measure the performance of our program by tracking the metrics listed in the below graph, taking into account recycling and energy recovery. Our annual totals include all waste generated at facilities under the company's ownership and control, not including waste generated as part of new construction projects.

During FY2016, Seagate met its goal of keeping more than 80 percent of solid (nonhazardous) waste out of landfills, with a diversion rate of 84 percent, a 2 percent increase from FY2015. We also generated less waste overall in FY2016: 18,030 tons of waste, down from 19,781 tons in FY2015, a 9 percent decrease.

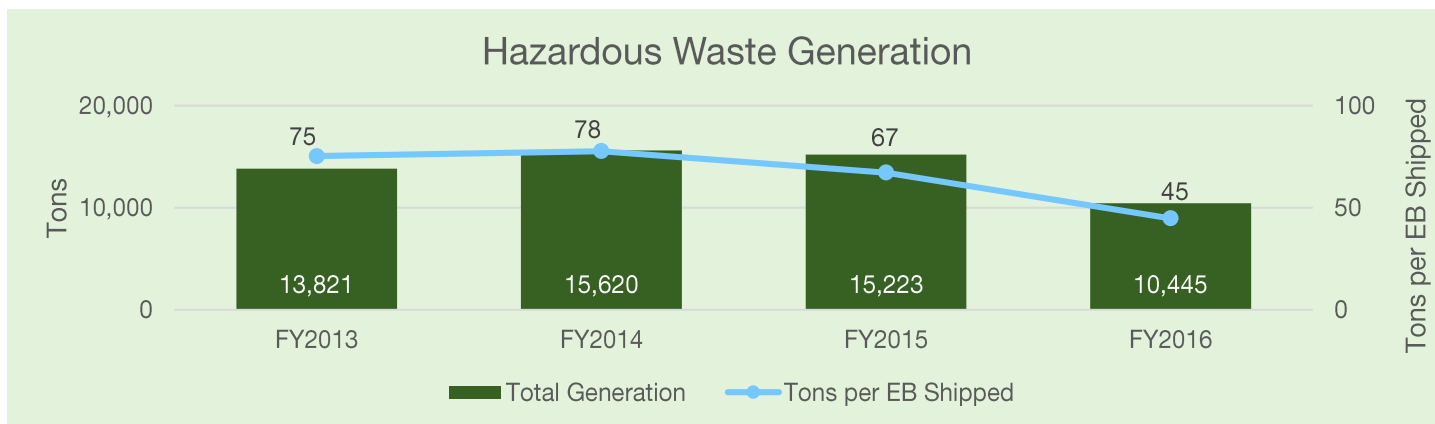


Hazardous Waste

For the third year in a row, Seagate sent no hazardous waste to landfills in FY2016. A total of 65 percent of the hazardous waste was recycled, 6 percent went to energy recovery, 6 percent was incinerated and 23 percent was disposed through treatment. This is a significant shift from FY2015 where the majority of hazardous waste was disposed of through treatment. The difference was made up by the new electrowinning process introduced at our Johor, Malaysia manufacturing facility. Electrowinning recovers metallic nickel from waste plating solution. The waste was previously shipped to a vendor for treatment, and is now classified as recycled.



⁴ A significant spill is defined as those which are reported in the financials as a liability and requiring an outside response by a party external to Seagate.



Additionally, Seagate generated 31 percent less total hazardous waste in FY2016, dropping from 15,223 tons in FY2015 to 10,445 tons. This exceeded our goal of a 20 percent reduction for FY2016. This also correlates with a drop in hazardous waste produced per million EB shipped, from 67 tons in FY2015 to 45 tons in FY2016. This is again due to treating a large amount of waste in-house through the electrowinning process in Johor, Malaysia.

We conducted or reviewed 21 Hazardous Waste Treatment, Storage and Disposal Facility (TSDF) audit reports in FY2016 to ensure our facilities meet standards set by Corporate EHS&S.

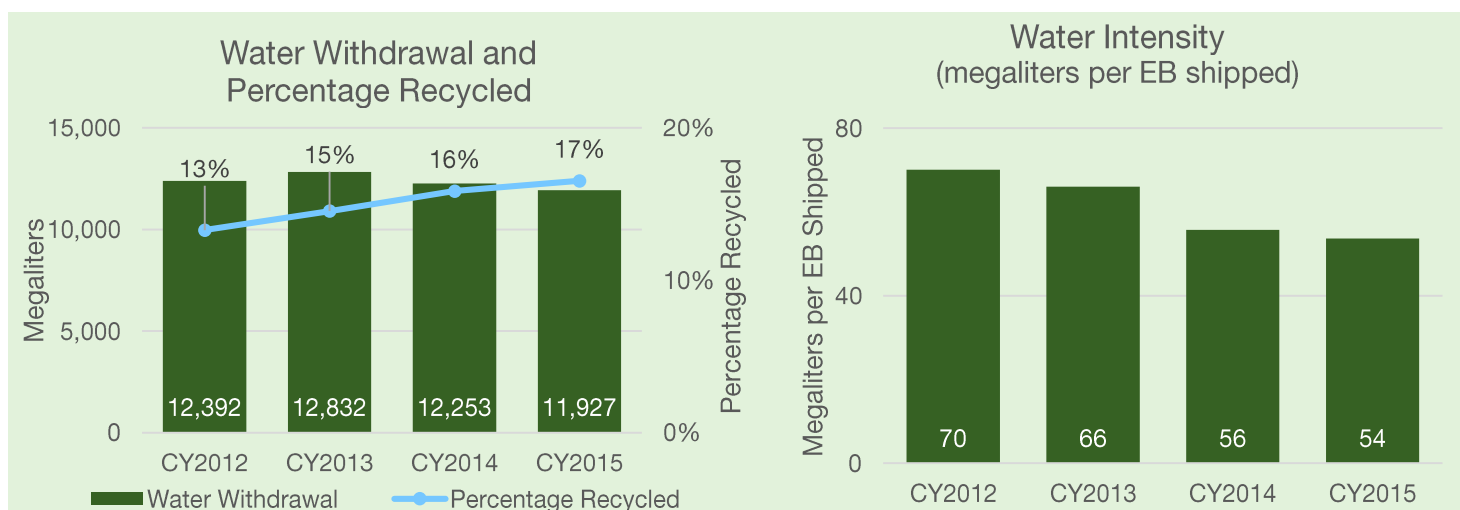
Looking Forward: Waste Management

Our goal remains to keep more than 83 percent of our solid waste out of landfills in FY2017. Numerous site-level projects are continuing and more are being created to help achieve this goal. Our target for hazardous waste reduction in FY2017 is 3 percent, and we plan to continue our commitment to keep 100 percent of our hazardous waste out of the landfills.

Water Management⁵

Water is a key natural resource and warrants proper management to preserve and protect the health of our ecosystem. Our manufacturing processes withdraw water from local watersheds for use as coolants and cleaning agents. We have implemented measures to reduce water consumption, improve water recycling and reduce water intensity over the past several years, and achieved gains in all of these areas in CY2015.

In CY2015 we reduced total water withdrawn by 3 percent, from 12,253 megaliters of water withdrawn in CY2014 to 11,927 megaliters in CY2015. In CY2015 we recycled 1,970 megaliters of water, up from 1,942 megaliters of water in CY2013, a 1 percent increase. In CY2015 our water intensity was 54 liters per EB, down from 56 liters per EB in CY2014, a 4 percent decrease.



⁵ Total annual water metrics are measured and reported based on the calendar year versus the fiscal year.

Our progress has been driven by reducing the water we use by developing more efficient processes, and recycling the water that we do use.

Continuing to improve our overall water recycling and reduce consumption remains one of our biggest opportunities. In CY2012, Seagate established a 5-year water use reduction goal of 10 percent. To support this goal, we conducted our first full water consumption footprint to create a baseline for the company in CY2012. This improved on previous water withdrawal data, which was only available for product manufacturing. We continue to use the CY2012 baseline for year-over-year comparisons. In addition to this report we report our water footprint externally via the CDP.

Looking Forward: Water Management

We continue to make progress towards a challenging 5-year reduction target. We will continue to seek new opportunities for reduction, including assessing and monitoring our data and implementing a more formal policy, practices and approaches to water management.

Case Study: Water Usage in Thailand

Seagate has long recognized that water conservation is one of the key environmental challenges facing industry today. Our manufacturing facilities in Korat and Teparuk, have done an exceptional job recycling and contributing to our overall reduction target.

in 2015, Korat doubled the amount of recycled water it used to 1,000 CMD. City water use was reduced from 3,700 CMD to 3,200 CMD, a 13.5 percent decrease in just one year.

In 2013, Korat was using 4,200 cubic meters per day (CMD), or 1.1 million gallons in manufacturing operations. The vast majority of the water was used in cleaning processes (52 percent) and the plant's cooling towers (38 percent.) Of the 4,200 CMD, only 500 CMD was recycled. This meant that Korat needed to withdraw 3,700 cubic meters of water from the city every day.



Korat achieved these results through actions such as installing additional piping to get more wastewater into clarifying tanks, thereby increasing the capacity of the system. They also reconditioned the clarifying tanks to get higher efficiency, increasing the rate of separating sedimentation from the water.

The high usage and heavy reliance on the Korat Provincial Waterworks Authority for water posed a risk to the business and to the water supply, particularly since Thailand has experienced significant drought during the last several years. The drought prompted the Thai government to increase monitoring of water sources and closely review city water usage.

Teparuk, which also uses a large amount of water in manufacturing processes, has been recycling since 1994. To meet Seagate quality requirements, the plant has to use water from the city in its cleaning processes; however, 100 percent of the water used in the cooling towers is recycled water. Teparuk decreased its water withdrawal by 5 percent from CY2014 to CY2015 by increasing the pump capacity to transfer more reused water, and modifying the control system at the water-recycling plant to ensure maximum recycled water utilization.

To support the plant's capacity ramp-up and expansion plans, our Korat team initiated a review of water and wastewater use and developed a water-management program. After implementing the conservation program



Our Employees



51 health and safety regulatory visits
NO notice of violations

0.10
 days-away cases and

0.23
 recordable case rate per 100 full-time employees



Bused employees over
10 million
 miles



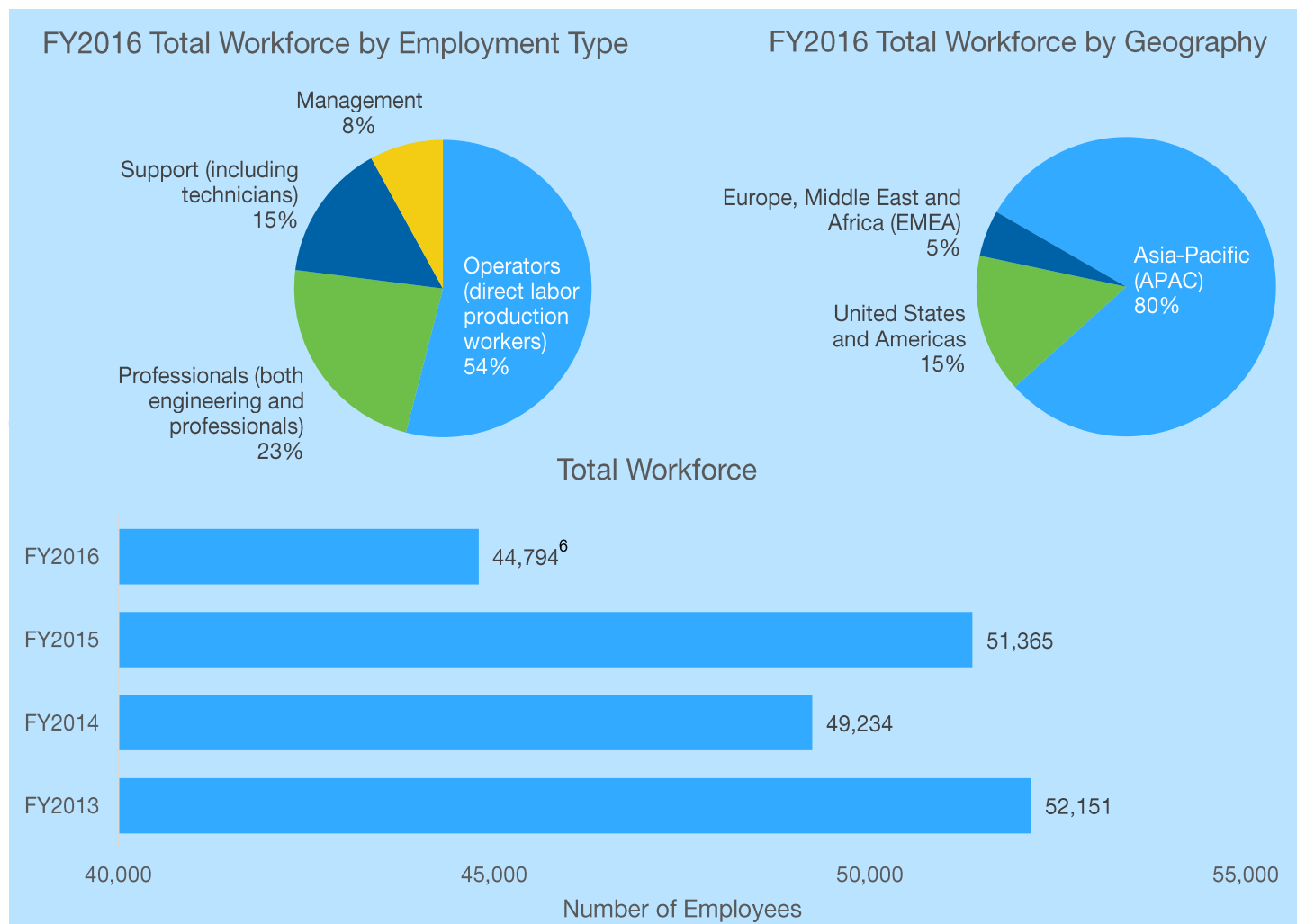
8 external EICC labor audits
NO labor findings

Overview

We strive to create a work environment where employees feel valued, engaged and committed to sharing their knowledge and ideas. Our policies and programs are designed to protect employees from potential work-related hazards, support wellness as well

as provide opportunities for development and foster a workplace where employees can openly make suggestions and provide feedback. We believe that attracting, retaining and motivating the best people will position Seagate at the forefront of the industry.

Global Workforce



At Seagate, our employees are one of our greatest resources. Our workforce is a diverse and inclusive global community made up of more than 44,000 regular employees – over half of whom are operators in our manufacturing sites. Seagate is fortunate to employ some of the brightest minds in technology, science and business. We recognize that successful employees are the driving force behind our competitive advantage. As a company, we establish goals each year to retain these employees and in FY2016 we had less than 10 percent voluntary turnover of employees globally.

Even as exabyte (EB) shipments continue to rise, FY2016 presented us with challenges including the decline in hard drive unit demand levels reflecting a

weak macroeconomic environment and storage market shifts from client-server to mobile and cloud applications and storage environments. We reshaped the company to align with market demand and this led to some difficult, but necessary, steps as we implemented our global footprint consolidation and restructuring plan. This plan brought about workforce restructuring and reductions in our overall global workforce of just over 4,400 positions in FY2016. The reductions were spread across many different business units and countries. We worked diligently to ensure affected individuals were treated with dignity and respect, and that local process and laws were followed. Seagate provided severance benefits, as well as outplacement assistance, in the majority of locations where reductions were made.

⁶ Headcount as of FY2016 end.

The nature of our business is fast-paced and while the storage market shifts have presented challenges it has also introduced new opportunities. Even as we are resizing our global footprint to meet demand, we continued to build our business to address both traditional and new opportunities in our core business, along with emerging “adjacencies” in the silicon and storage systems spaces. In FY2016, we continued with merger and acquisitions (M&A) activity that aligns with this business model and maintained recruiting efforts to address attrition as well as acquiring new skill sets to meet our changing business needs. We are constantly searching for future employees that innovate by pushing the boundary of what is possible now. During the past year we hired and integrated over 3,500 employees into our global community.

Looking Forward: Global Workforce

As we move into FY2017, there will be additional challenges as we further consolidate our global footprint across Asia, Europe, Middle East and Africa (EMEA) and the Americas. This consolidation and restructuring will result in an overall reduction in global headcount during FY2017.



Labor and Human Rights

Seagate is committed to maintaining an environment where labor and human rights are protected. As a global citizen, we have a responsibility to protect international human rights, uphold labor standards, and to ensure that our employees are treated in a respectful manner. Our company policies adhere to all applicable local labor laws and are consistent with the International Labor Organization (ILO) core labor principles while ensuring conformance to the EICC Code of Conduct. Seagate’s Human Rights Policy focuses on treating employees respectfully, creating a workplace that is free from discrimination, assuring freedom of association and collective bargaining, eliminating forced labor and underage workers in the workplace, placing reasonable limitations on working hours, and ensuring that employees have adequate days of rest during each work week. During FY2016 we strengthened training and reinforced communications at nine of our

manufacturing sites to ensure employees’ understanding of the EICC Code of Conduct, and how it is incorporated into all aspects of our business and aligned to our Human Rights policy.

During FY2016, efforts were taken to ensure the protection of vulnerable workers, and we have worked diligently to ensure that these practices have been implemented at all of our locations. Seagate has had a long standing global policy to not hire under the age of 18, even if permitted by local labor laws, which eliminates the potential for underage workers in the workplace. Additionally, we transitioned away from using foreign migrant workers and only use local labor at all our facilities. We strictly prohibit the use of any forced, bonded, trafficked or slave labor at any of our sites.

We continue to place emphasis on treating our employees with respect and ensuring that our sites are free from discrimination. As noted later in this report, we revamped our diversity program and rolled out additional training to hiring managers to help ensure that any potential unconscious bias is removed from the interview and selection process. Additionally, in FY2016 our manufacturing locations ensured a more formal process was in place for employees to request reasonable religious accommodations, based on the EICC's new requirements related to non-discrimination based on religion. In FY2016 we revamped our Human Rights policy to emphasize that Seagate respects the rights of our employees to exercise freedom of association and collective bargaining, where legally permitted, and we take appropriate measures to support these rights.

Seagate is also committed to promoting and fostering open dialogue and creating an environment where employees feel comfortable providing feedback. A number of processes to achieve this were in active use in FY2016, and Seagate plans on continuing this focus area going forward, with appropriate variations on a region-by-region basis. For example, our site in Guadalajara, Mexico utilizes suggestion boxes where employees can submit suggestions or inquiries anonymously. We also have employee council meetings at our locations in Thailand where ideas, suggestions, and complaints can be openly discussed and resolved real time. Additionally, our facility in Penang, Malaysia completed its collective bargaining agreement with the in-house employee union. We conduct micro surveys company-wide twice per year to seek feedback. We welcome our employee's feedback, observations and ideas and strongly believe that working together with our employees helps create an engaged workforce.



Another way we ensured the safety and security of our employees in FY2016 reflects our ongoing commitment to the importance of managing working hours and rest days at our manufacturing locations. Supervisors take great care with scheduling employees to ensure conformance with both the EICC Code and local labor laws. Each site monitors working hours throughout the workweek to ensure that there are no occurrences of nonconformance. In cases where violations may occur, or where we are at risk of violation, we take corrective action and these cases are escalated to the site management team for review.

During FY2016, we continued to conduct our EICC internal labor audits at our manufacturing sites. These audits are designed to validate conformity to the EICC Code and help our sites prepare for external EICC audits. We successfully completed internal audits at our sites in Guadalajara, Mexico; Korat and Teparuk, Thailand; Bloomington, Minnesota, United States; Springtown, Northern Ireland, United Kingdom; Suzhou and Wuxi, China; and Woodlands, Singapore. We also maintained our obligation for external EICC audits, with audits conducted at our manufacturing sites in Springtown; Teparuk; Korat; Woodlands; Guadalajara; Bloomington; Wuxi; and Seremban, Malaysia. These audits revealed no labor findings.

Looking Forward: Labor and Human Rights

For FY2017 Seagate will continue its commitment to protecting human rights. We will review our internal program and controls to ensure ongoing conformance to the EICC code. We also plan to conduct EICC internal labor audits to verify conformance to the EICC code and ensure readiness for upcoming EICC external audits.

Employee Health, Safety and Wellness

Seagate is committed to keeping employees safe, healthy and well. We have spent more than a decade collecting health and safety performance indicators to inform strategies for reducing risks associated with work-related injury and illness. Today, our health and safety management systems support continuous improvement in risk reduction and mitigation.

All of our manufacturing sites except Guadalajara, Mexico have health and safety management systems certified to OHSAS18001. Seagate's global health and safety standards and accompanying management system often go beyond country-level regulations and industry guidance, with well-defined responsibilities, requirements and training to ensure that health and safety are integrated into company operations. Furthermore, we try to make sure that all employees, from plant managers to operators, understand that they are accountable for their actions on the job.

In FY2016, Seagate remained a safe place to work and continued to perform well under safety and health industry averages, as based on the standard calculations and industry averages determined by the Occupational Safety and Health Administration (OSHA). There were no work related fatalities in FY2016. Our recordable case rate, the number of employees per 100 full-time employees that were involved in a recordable injury or illness, was 0.23 for the year, up from 0.22 in FY2015. Our days-away case rate, the number of lost workdays per 100 full-time employees, was 0.11, up from 0.10 in FY2015. Seagate uses the [OSHA definition](#) for injury types and injury rates.

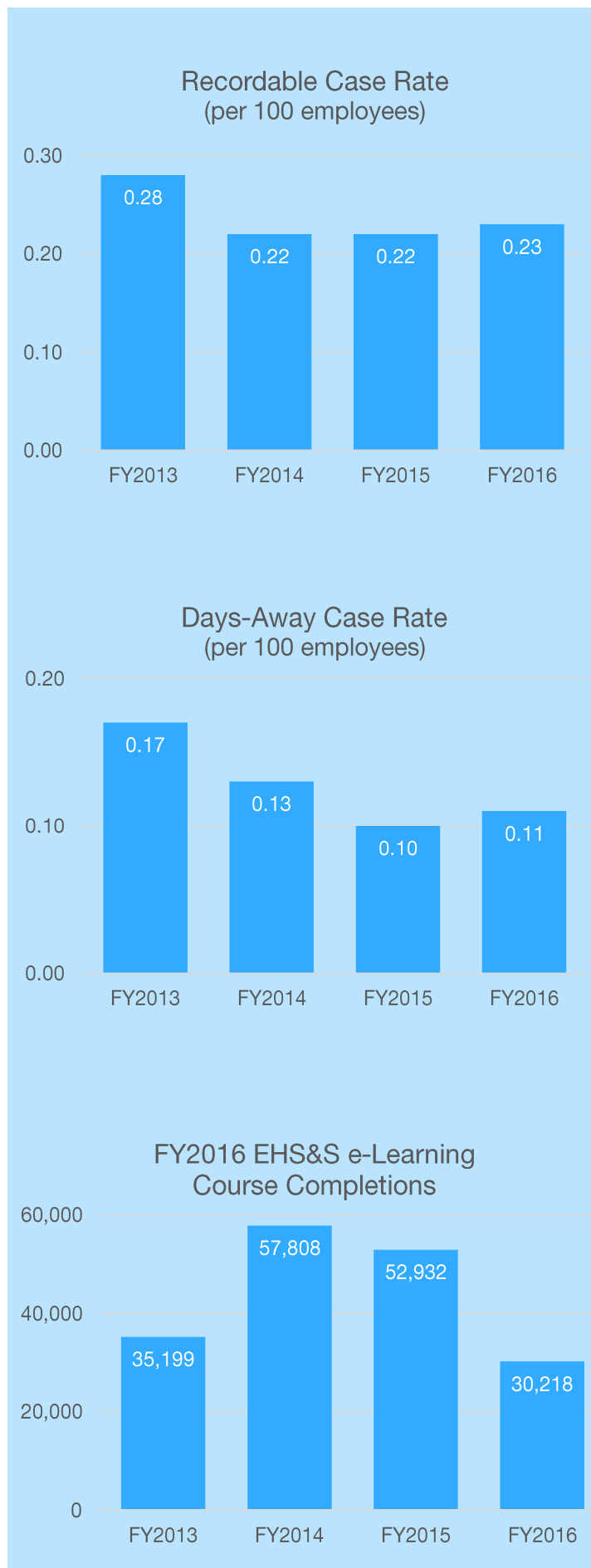
Seagate hosted 51 health and safety regulatory visits in FY2016. These visits focused on issues such as safety, radiation, fire codes, food and transportation. We did not receive any notice of violation findings in FY2016 and no fines were levied.

Demonstrating our commitment to keeping workplaces as safe as possible, we continued to provide comprehensive health and safety training to our employees. We conducted 30,218 e-learning courses in FY2016. This is down from the 52,932 courses that Seagate employees completed in FY2015. Several reasons account for this drop. First, some training courses are only required to be completed every two years. Some are only completed upon hiring. Finally, our total hiring activity is down. We continue to emphasize e-learning courses as our main vehicle for delivering training because employees can learn at their own pace.

In FY2016 globally, we served more than 975,000 meals per month and have a formal food safety program at all of our sites. In FY2016 we bused employees over 10 million miles. There were eight accidents in FY2016, two of which were caused or contributed by the Seagate driver, with no injuries to the occupants of the bus.

Encouraging healthy lifestyle choices is a global challenge and Seagate is committed to helping employees make informed decisions about their health and well-being. As part of this effort, Seagate has focused on establishing wellness programs which encourage employees to evaluate, improve and maintain their health and wellness.

For example, in the United States in FY2016, we continually promoted various aspects of our Healthy Journeys program and in general, increased employee participation in Seagate's Healthy Journeys wellness offerings. Seagate provided on-site biometric screenings, health coaching and numerous site-level activities as well as two US-wide wellness challenges to encourage physical activity, social connectedness, relaxation and other healthy behaviors. We also offered webinars on topics such as heart health, stress management, envisioning retirement, and making the choice to be healthy. In addition, we introduced Retirewise financial planning seminars at key locations and offered student college loan support through a new vendor, SoFi.



We also published three Healthy Journeys newsletters in the United States and Asia to encourage employees to be mindful of their health, provide practical tips, interviews and advice to live a healthy life. Also in FY2016, we introduced “CubeFit” – an on-demand video wellness program to meet our employees where they are at their convenience. The pilot video focuses on giving employees a quick and healthy way to de-stress by offering a full body relaxing stretch break for all levels of fitness leaving them refreshed and ready to go on with their day.

In the United Kingdom we continued to provide robust wellness offerings including a “pound for pound” (pound for lb) weight loss program, pension education seminars and one-on-one advice with an Independent Financial Advisor. We also implemented a health kiosk for biometrics in Havant, which was heavily utilized. The outstanding efforts in Springtown, Northern Ireland resulted in Seagate winning the 2016 Workplace Health and Wellbeing Award at the Northern Ireland Responsible Business Awards.

In Singapore, China, Thailand and Malaysia, we offered on-site health and wellness screenings, and wellness programs focused on promoting healthy lifestyles, weight management and mental wellness. Seagate also provided quiet and private areas for employees to practice religious activities, meditate and focus on their well-being. In addition, we offered a 12 Days of Wellness Challenge for employees in Singapore, Thailand and China in which employees could win raffle prizes for completing activities that were related to physical activity, nutrition or overall well-being.



Looking Forward: Employee Health, Safety and Wellness

The more a company emphasizes health, safety and wellness, the better off that company’s constituents will be. With this in mind, we expect to continue extending and amplifying our Environment, Health and Safety and Sustainability (EHS&S) programs. Our FY2017 targets for recordable case rate and days-away case rate are at or below 0.20 and at or below 0.10, respectively.

Employee Performance, Learning and Engagement

Seagate’s career development and performance management philosophy is for employees to be engaged, aligned, and always learning in their careers so that they are successful contributors to the business. We strive to create a workforce that is skilled and motivated while also providing our employees with the opportunity to expand their capabilities through development and learning opportunities. We also believe that feedback is critical to employees’ growth and development. This philosophy remained strongly in place in FY2016, underpinned by a range of ongoing programs and processes.

At Seagate, performance management is the foundation for employee performance and engagement. Our performance management system is an ongoing process comprised of setting and managing goals, developing skills, and receiving feedback. Our process is designed to align employee goals with corporate objectives while creating a culture of teamwork, initiative and decision making that also ensures individual accountability. This process emphasizes goal setting and achievement, ensures that employees receive feedback and coaching throughout the year,

and requires that managers evaluate and recognize employee results. Employees regularly meet with their managers throughout the year to receive feedback on performance, and our managers receive training on how to coach employees on setting and attaining meaningful goals. In FY2016, 96 percent of our non-operator employees had documented performance goals.

We strive to offer our employees opportunities for learning and development – and this starts on day one. We have a streamlined onboarding curriculum that outlines the expectations of new employees and connects them with resources that enable them to be effective on the job. We also have an employee-driven plan for learning and development where employees can leverage professional and management development programs offered in both a virtual classroom and instructor-led formats. In FY2016, we introduced a People Management Essentials curriculum. This curriculum consists of 6 courses that people managers will take in order to help them in their roles as managers. These courses range from Expectations of Managers to Developing People to Managing Change – all designed to empower our managers and give them tools and resources to be effective in their roles.

Our online learning management system offers more than 650 online learning and career development resources, which are available to non-operator employees 24 hours a day, 7 days a week. Through our online learning management system, employees can view at any time their record of professional development at Seagate. Course topics include sales, business skills, ethics, engineering and environment, health and safety, and more. These courses help employees develop and refine skills, and enable us to comply with safety, legal, customer and regional requirements. During FY2016, we had over 48,000 learners take advantage of the online self-study offerings. Seagate provides all employees with a minimum of 4 hours training per year.

Seagate also provides training and certifications to our operators with more than 650 courses offered and over 20,000 operators trained. Operator training covered a variety of topics, such as site specific environment,

health and safety courses, contamination prevention, wafer handling, electrostatic discharge (ESD) and Lean Manufacturing.

We believe that a positive work climate is imperative to attract, retain and engage the talent we need to remain a successful company. With that in mind, Seagate continued to conduct micro surveys to gather employee feedback on the effectiveness of manager/employee conversations and on the work climate. We conducted micro surveys twice during FY2016 to gather quantitative feedback on these conversations and began gathering important engagement data. Results are anonymous and shared with employees, managers and executives in order to continually improve our work teams and overall culture. All leaders are encouraged to seek to improve engagement scores in their organizations and are provided with Manager Engagement Tools to improve engagement in their organizations.

Looking Forward: Employee Performance, Learning and Engagement

In FY2017, Seagate plans to continue deploying micro surveys with an ongoing emphasis on engagement. We will also focus on rebuilding our Virtual Coach application – which is our internal toolkit for managers that offers direct access to performance tools and processes.

Talent and Diversity

Seagate is a highly diverse company, operating in more than 20 countries. As an inclusive global company, we need to be aware that people, customs and culture, and laws, are different from country to country. We embrace these differences and leverage them toward Seagate’s success. Our obligations in this area can be summarized as the “3 Cs”:

- 1 **C**orporate Social Responsibility: Our global diversity and inclusion efforts align with our commitment to the United Nations Global Compact (UNGC) Principles and the Electronic Industry Citizenship Coalition (EICC) Code of Conduct.
- 2 **C**ompliance: Meeting our government-related obligations enables us to successfully conduct business in dozens of countries around the world.
- 3 **C**ompetitive Advantage: Diverse perspectives and divergent thinking are keys to innovation and improving the quality of our decisions. Also, we increase our talent pools when we draw on diverse groups.



We maintain an environment where equal opportunity is available to all. Decisions about employees are based on achievements against job goals and/or standards and required competencies. Decisions about applicants are made on qualifications against job requirements. Personnel decisions are made without consideration of age, race, color, ancestry, ethnic or national origin, disability, genetics, medical status, pregnancy, marital status, veteran standing, gender, gender identity or expression, sexual orientation, perceived or actual religious beliefs or political opinion, or other bases protected by applicable law. This includes all personnel actions such as recruitment, selection, compensation, benefits, transfers, promotions, reductions, disciplinary actions, company-sponsored training, development, degree assistance, and social and recreational programs.

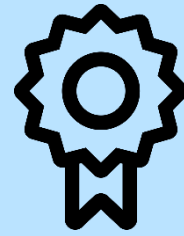
Seagate is committed to providing an inclusive and supportive environment where all employees are valued. We strive to ensure that employees feel free to contribute their personal best, not only as skilled workers, but also as unique individuals.

In FY2016, we established a quarterly scorecard process to monitor and report our diversity statistics to functional executives. Our FY2016 diversity and inclusion communications strategy focused on building awareness. This consisted of a new resource page to guide employees on Seagate’s global inclusion commitment and how they can support global inclusion on their teams. Additionally, we began using Seagate’s internal communications channel to distribute “Global Perspectives,” a way to share profiles and videos from diverse leaders within the company. We also developed a Behavior Based Interviewing course that is gradually being rolled out to hiring managers. This course focuses on how to conduct structured, behavior-based interviews to reduce potential bias and make better hiring decisions.

Our global talent acquisition strategy is focused on attracting top talent who will have a positive impact on the business. Seagate continues to hold itself accountable for hiring, retaining and promoting minorities in the United States. Each year, we provide detailed information about our performance in this area to our Board of Directors.

Seagate’s University Recruiting program is a critical component of our talent acquisition strategy. Our future growth and success depends on attracting high-quality graduates and accelerating their productivity through rapid assimilation and professional development. University recruitment activities in China, India, Malaysia, Singapore, Thailand, the United Kingdom and the United States—including events with minority student groups in the United States—have enabled us to find top talent.

Awards



- Our manufacturing facility in Suzhou, China received the Labor Relations Harmonious Enterprise Award, issued by the Suzhou Municipal Government.
- Our manufacturing facility in Korat, Thailand was presented with the CSR-DIW Continuous Award, presented by the Department of Industrial Works, Ministry of Industry. The award is aimed at enhancing the CSR programs of business leaders in Thailand. Seagate Korat has received this award for 4 consecutive years.
- Seagate Springtown in Northern Ireland, United Kingdom won the Workplace Health and Wellbeing Award at the Northern Ireland Responsible Business Awards. The award recognized commitment to developing and retaining a workforce through a positive contribution to employee health. Seagate was commended for its’ holistic approach to the health and well-being of its employees, for the wide range of activities offered through Healthy Journeys and for its use of health champions as advocates of physical activity and other health lifestyle choices.
- Seagate Springtown also won two awards for its “pound for lb” 12 Week Challenge event. The first award was for the organization with the highest number of people losing 12 pounds or more and the second award was for engaging 255 employees in the challenge across five different shift groups and the tireless work of the health champions who kept the momentum going throughout the 12 weeks.
- Seagate Thailand received the Excellent Establishment on Labor Relations and Welfare award by the Thailand Ministry of Labor for the eighth consecutive year. This award aims to promote labor relations and labor welfare in the workplace.



Seagate worked in FY2016 with key diversity-focused organizations to showcase the company at universities in California, Colorado and Minnesota. The organizations included the National Society of Black Engineers, Society of Hispanic Professional Engineers, Society of Women Engineers, and Women in Computing. We added several diversity-focused universities to these outreach efforts, which led to an expanded focus on female and diversity candidate pools, an increase of female hiring globally and a rise in diversity hiring in the United States.

Our internship program attracts professionals beginning their careers. Interns are fully integrated into our performance management system just like employees, and their managers are trained on how to be effective mentors. This program holds many activities to help interns meet peers and seasoned colleagues. In the United States, our interns participated in events such as classes, executive lunch and learns, poster sessions, presentations, and networking events. Our interns had opportunities to join together and volunteer with local non-profit organizations in their communities. These

teams helped to build and repair homes for those in need in the Silicon Valley and Colorado, and package boxes of meals at a food bank for malnourished children in Minnesota. Responses from our FY2016 global intern experience survey indicated that 93 percent would be interested in prospective opportunities with the company and 98 percent would recommend a friend.

In FY2016, Seagate also joined the United States “Joining Forces” initiative, pledging to significantly increase hiring of Veterans.

Looking Forward: Workforce Talent and Diversity

In FY2017, we plan to continue to promote diversity and inclusion internally through enhanced data collection, communications, and training. Externally, we plan to increase our diversity outreach by fostering relationships with key universities and organizations. We also plan to leverage tools to enhance our social media presence and develop and maintain our talent pipelines.

Case Study: Continuous Education for Operators and Technicians in Thailand

At Seagate, we believe in developing our employees for success in their careers and beyond. The minimum education requirement for operators at our facility in Korat, Thailand, is secondary school graduation. The site has developed several different partnerships to provide educational opportunities for operators that wish to further their education that will provide them with various skills for their current or future jobs at Seagate. The site has been partnering with the Korat Non-Formal Education Department for some years, offering high school courses for graduation or additional computer or business classes. The site provides the facility for classes and the institute offers teachers who come in and conduct classes during the operators’ time off. More than 1,000 of our operators have obtained their high school certifications from this program.

We also have a program in place with the Korat Technical School for operators who have graduated from high school and seek further education and skill building. These individuals can take vocational courses to earn a diploma in Electrical/Electronics that then allows them to pursue jobs as technicians within the company. And we have also worked with the Skill Development Department in Korat to provide English courses for those operators and technicians who routinely need this skill in their day-to-day job. The outcome has been very favorable from these programs, and providing our employees with these opportunities helps contribute to the overall success of our company.



Supply Chain

Programs aligned with the

EICC



 **100%**

supplier completion rate of the self-assessment questionnaire



Committed to collaborating with our suppliers and industry partners

Completed

53



full supplier audits through the EICC VAP

Overview

Our business success depends on quick-to-market, high-volume product delivery which requires a robust, flexible supply chain that delivers value to Seagate and our customers. Our supply chain success is underpinned by supplier education, supplier management and supply chain transparency to ensure fair treatment of people and resources.

Seagate has hundreds of suppliers across the globe. Our suppliers include consultants, contractors, distributors, manufacturers and more. Seagate has two types of suppliers: direct, which provide components

and parts for products, and indirect, which provide products and services to support operations.

Our supply chain environmental, social and governance programs align with the Electronics Industry Citizenship Coalition (EICC) Code of Conduct and utilize the tools developed by the EICC. We require our suppliers to sign the EICC Code of Conduct, complete required training and complete the EICC Self-Assessment Questionnaire and Validated Audit Process (VAP). These requirements are documented in our Standard Operating Procedures (SOPs).

Supplier Engagement and Collaboration

Proactive supplier engagement is an important, ongoing objective. We meet regularly with suppliers to communicate our expectations and evaluate their engagement. We also maintain long-term, stable relationships with our top suppliers to align goals and standards. We require certain service providers such as foreign labor agents, janitorial services and canteen providers, who bring workers to our sites, to follow our Standard Operating Procedures (SOPs), ensuring that our on-site service providers are held to the same standards as our employees.

Our Supply Chain organization has full-time, dedicated resources to help educate new and existing suppliers about EICC compliance requirements. This support was extended to the suppliers that we inherited as a part of our Dot Hill acquisition during the integration process.

Collaborating with our suppliers is very important to Seagate. We host Executive Business Reviews to showcase and demonstrate our EICC compliance and sustainability efforts to supplier CEOs. We also engage our suppliers on projects and teams that focus on issues ranging from EICC conformance and financial sustainability to process improvement.

Our suppliers also participated in EICC Code training conducted by the EICC in Malaysia and China during FY2016. Some of our suppliers participated in EICC-organized forums and meetings focused on forced labor in Malaysia.

In FY2016, five of our suppliers engaged in a pilot factory worker protection program, [Workplace of Choice](#), funded by the EICC. The five suppliers have completed the employee survey and are working on improvement plans. We are collaborating with Verité, a non-profit organization that conducts research and training on working conditions, on a labor agent risk mapping exercise, and participate on the EICC Venerable Worker task force.

Seagate continued to play a key leadership role in the EICC. A member of our senior leadership team served on the Senior Executive Advisory Council, which helps guide EICC strategy. We also led the EICC Risk Assessment Workgroup, which works on the Validated Audit Process (VAP) program.

We have been challenged in FY2016 due to consolidation of our supply chain to match market demand for our products. In FY2016, there were five peaceful strikes by employees of our suppliers, all in China, due to these consolidation efforts. We took immediate action to improve communication. We asked our suppliers to survey their employees, hold All Hands meetings and increase other communication efforts, to give sufficient forewarning to the employees about the actions taking place and the results of these actions. Seagate worked to ensure that all of the workers received what was due to them by law. In all five cases, the government agencies and labor bureau confirmed that there was no violation of labor laws or compensation laws. All five cases were resolved peacefully with no disruption to Seagate's manufacturing.

Looking Forward: Supplier Engagement and Collaboration

In FY2017, we will continue to look at capacity-building opportunities and identify shared solutions. We maintain that a collaborative approach is the most efficient way to roll out our capacity building as it demonstrates that we are aligning our requirements and expectations in the industry. In FY2017, we are rolling out a questionnaire to suppliers who use foreign workers in a joint pilot project to help mitigate forced labor and human trafficking problems in the supply chain. We will continue to serve on the EICC Senior Executive Advisory Council. Our goal is for 100 percent of the identified direct and indirect suppliers to complete the EICC Self-Assessment questionnaire.

Supply Chain Audits

Our supply chain management program requires that all direct and indirect materials suppliers with whom we have an annual spend of \$1 million or more undergo an EICC Validated Audit Process (VAP) audit. EICC VAP audit reports are valid for two years, and our suppliers are on a two-year audit cycle. We completed 53 full supplier audits through the EICC VAP in FY2016. Of 127 suppliers, 111 have a valid audit report. Seagate identified no child labor issues during internal audits and during the EICC VAP audits. Seagate identified one finding involving a supplier labor agent withholding passports during the EICC VAP audit which was rectified immediately. All Seagate manufacturing sites undergo internal and EICC VAP audits as well.

In FY2016, all of our suppliers engaged in VAP also completed the Self-Assessment Questionnaire. Additionally, all 110 suppliers that we assigned the questionnaire to completed the EICC Environmental questionnaire, which gathers information on energy, water and waste. This 100 percent completion rate is up from the 96 percent completion rate in FY2015.

We also conducted 27 “closure” audits, which help validate that corrective actions have been implemented to correct actual or potential violations identified during the initial VAP. We are working with our suppliers to close out the audit findings. If suppliers cannot close the finding, we work to reduce the severity from “priority” and “major” to “minor”, and track the closure rates. At the end of FY2016, 50 percent of the working-hours-related findings and 80 percent of the non-working hour findings were either fully closed out or reduced to “minor”. This number changes constantly as new audits are included in the pool and old audits fall out. In FY2016, the majority of our VAP and closure audits were conducted in China, Thailand and Singapore. No supplier relationships were terminated due to audit performance.

In addition to audits, we also screen supplier sites on an annual basis in China against the [Institute of Public and Environmental Affairs \(IPE\)](#) database for environmental violations. In FY2016, we screened 68 supplier facilities against the IPE database and found two supplier sites with violations. We worked with the suppliers to close out the corrective actions and in FY2017 they will undergo a third-party audit before the violations are removed from the database.

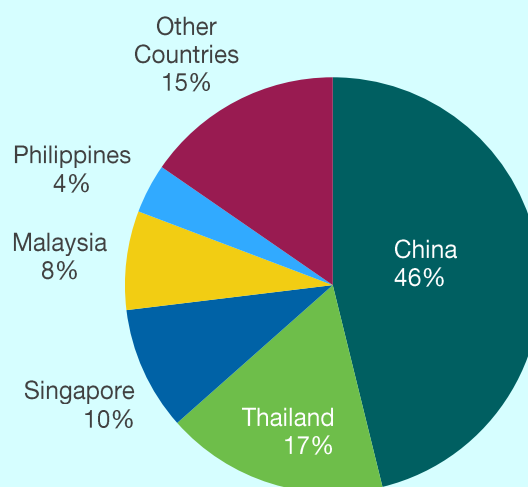
Looking Forward: Supply Chain Audits

We adopted Revision 5.1 of the Self-Assessment Questionnaire from the EICC, and are engaging with our suppliers to complete the new questionnaire in FY2017. We will continue to partner with suppliers to ensure that all instances of EICC nonconformance have corrective actions in place and are managed to completion. We also will continue to utilize and report key metrics quarterly on program performance to senior leadership. In FY2017, our goal is to have 100 percent of identified suppliers complete the third-party EICC VAP audits.

Top Ten Supplier VAP Audit Findings

1. Working Hours
2. Emergency Preparedness
3. Wages & Benefits
4. Occupational Injury & Illness
5. Occupational Safety
6. Freely Chosen Employment
7. Supplier Responsibility
8. Hazardous Substances
9. Energy Consumption and GHG Emission
10. Nondiscrimination

FY2016 Supplier Audits by Country



Case Study: Health and Safety Supplier Training



We continue to work towards achieving our collaboration and supplier engagement goals. In FY2016, we partnered with HP, Intel and Western Digital on Safety and Health training for suppliers in China. The two-day training took place May 11-12, 2016.

The training focused on four topics: risk assessment, industrial hygiene, emergency preparedness, and hazardous material handling and storage. The objective

was to build supplier knowledge and understanding in these four areas that were identified as challenges in previous audits.

Twenty-six suppliers, including 17 Seagate suppliers, from the Shanghai area participated. All participants were surveyed after the event and 95 percent scored the overall training as beneficial, selecting a 4 or a 5 on a 5-point scale.





Community Engagement

Community programs at

ALL

major company locations



Comprising

98%

of our global headcount

Reached more than

29,000

students in community outreach



Our products help the world

CREATE



Overview

Seagate engages with its local communities in several ways, including employee volunteerism, financial contributions and donations of products and goods.

Even as the storage industry continued to evolve in FY2016, with shifting technologies and demand patterns, Seagate sustained a meaningful community engagement program consistent with its overall objectives and footprint.

Community programs were featured at all major company locations (comprising approximately 98 percent of Seagate’s global headcount). Our program continued to emphasize Science, Technology, Engineering and Math (STEM), including awareness and

use of digital technology. The company sustained its level of students reached -- more than 29,000. Seagate also supported a range of other activities targeting health and human services and the environment.

Seagate products have an impact on communities around the world. They help meet the ever-growing demand for electronic data storage that is being driven by the cloud, proliferation of mobile devices, development of the Internet of Things (IoT), video surveillance, evolution of consumer electronic devices, and enterprise use of big data analytics. We expect our higher-capacity storage devices to support this demand for storing, managing, distributing, analyzing and backing up such content well into the future.

Americas

United States - Colorado

Cyclists Help Homeless Gain Mobility with Bikes

For many at Seagate’s Longmont, Colorado sites, road biking is a passion. During a two-week drive, employees donated 19 bikes and a large bin full of bike parts and gear to Bikes for Hope, a community-based program designed to help the homeless regain their mobility and independence by owning refurbished bicycles to more easily access jobs, interviews, social services and medical appointments.

Students Design Robots, Prep for STEM Careers

Just a few years ago, many of the kids at a Longmont migrant family housing complex, Casa de la Esperanza, would not have dreamed they could design and build a life-sized robot—and then program it to shoot hoops or traverse rough terrain. Seagate has been supporting Casa through the years, and in FY2016, volunteers from Seagate helped the students design circuit boards, write code and see themselves as future engineers and programmers, participating in the Lego, VEX and FIRST Robotics teams.

United States - California

Students “Take Flight” at Tech Challenge 2016

More than 2,600 students gathered in the heart of Silicon Valley to compete in the region’s largest annual STEM event. Small teams of youngsters from elementary through high school competed to solve a real-world problem with more than 50 Seagate volunteers serving as judges and general support staff. The 2016 challenge was to create a model glider to deliver “supplies” to a remote location over a mini-mountain range, using a set of process and design specifications. The glider launches from a catapult device and in-flight route were closely judged from five onstage stations, and simultaneously played live on large screens for a crowd of several thousand. More than 40 percent of participants were girls, and more than 40 percent came from low-income communities — helping to address the gender and opportunity gaps that affect the U.S. tech talent pool over the long term.



United States - Minnesota

Employees Wow Children and Adults with Interactive Demos

Nearly 500 parents and children attended Technology Day at the Bakken Museum in Minneapolis, where Seagate volunteers demonstrated exciting technology and conducted hands-on activities at eight disk drive stations as part of the museum's week-long event showcasing how technology and science work together to improve lives. One of the demos showed how fast a computer and hard drive can transmit information by having participants write the first letter of their names using ASCII code, and then comparing it to the number of bits or letters the computer wrote during the same amount of time. The "bit stopwatch" converted results to the number of Harry Potter books the computer transmitted.

Mexico

Food, Gifts for Young Street Vendors and the Hospitalized

Employees at Seagate's Guadalajara, Mexico facility donated toys and thermal clothes for the benefit of about 30 youngsters that work as street vendors. The donations were part of numerous activities in the city of Guadalajara for Children's Day, a day of recognition and service observed in many countries. The employees also donated and delivered 300 breakfasts to patients at the city's public hospital.



Asia

Korea

Charity Bazaar Supports Young Leukemia Patients

Seagate's Korea Design Center held a Charity Bazaar in December 2015 to support children battling leukemia. Employees donated more than 150 items, from books and DVDs to perfumes and golf clubs, which were auctioned off during the two-day bazaar. A total of \$5,000 was raised for the Korea Childhood Leukemia foundation through the bazaar and a corporate donation.

India

Increasing Students' Interest in STEM

Volunteers from Seagate engaged with the children at SOS Children's Villages of India in Bangalore and Pune by demonstrating experiments which focused on science and engineering, encouraging students to develop an interest in these fields. Experiments included making a soap-powered motor boat, rolling a can with static energy, constructing a balloon rocket car, and making electromagnets and writing messages using invisible ink. Volunteers also discussed the scope of

STEM in building a stronger foundation for children's future.

Also in Bangalore and Pune, volunteers from the Seagate design centers in those cities visited the local Smile Foundation India facilities, conducting a math and science challenge and activities for the students, including technology-themed mural painting and a science challenge to build the tallest structure using straws.

Singapore

Reusable Tote Bags Benefit Environment

Seagate organized an "eco" tote bag design competition for Singapore employees to encourage use of such reusable products. Two winning designs were selected and printed for sale at Seagate Singapore facilities to raise funds for the National Volunteer & Philanthropy Center during the Earth Day Week in April. Over \$10,000 was raised through the sale of the tote bags and various other Earth Day activities held at Seagate's Singapore facilities.



China

Seagate “Science Month” Attracts 1.5 Million Citizens
Over the course of one month during the Chinese New Year Season, three workshops with the theme of “Seagate Science Month” were held for 300 students at a Wuxi area shopping center. The workshops included the science behind magic, do-it-yourself holographic imaging and power generation using fruit. Seagate also sponsored an interactive science equipment exhibition. About 1.5 million shoppers saw the Seagate STEM-themed activities, display and branding.

Helping the Sight-impaired Navigate the Online World

A group of 40 employees in Wuxi organized a day-long workshop benefiting more than 120 sight-impaired area residents. Volunteers practiced narrating movie scenes and joined their guests at a local cinema to help describe scenes to augment the movie’s dialogue. With Seagate’s help, the sight-impaired also learned to use computers via a special “screen reader” software. Designed to work with any standard computer, the software converts text and images on a screen into an artificial voice/audio output that guides users through the steps required to navigate around the screen, and use some computer applications. The team also installed 40 sets of the software in the homes of sight-impaired residents, visiting them regularly to address any ongoing issues.

3D Printing Workshop

Engineers from Seagate Wuxi and 3D System China conducted a four-day 3D printing workshop which attracted around 100 primary and middle school students in Wuxi. The students learned how to use 3D Max to design and create, and print their own objects, including castles, minions, animals, hard drives and other designs.



Malaysia

Programming Camp, Manufacturing Facility Visit

In collaboration with Universiti Teknologi Malaysia, Seagate organized a 5-day electronics camp for high school students in Johor. Seagate volunteers mentored and worked together with students at an Arduino programming workshop where students learned about the basics of programming and its real-world applications. Students were also given a talk by a Seagate engineer on what his job is like, and visited the Johor Substrate manufacturing facility to see engineers at work. Through the camp, Seagate hopes to have inculcated interest in science and engineering to inspire the students to be engineers of tomorrow.

International Science Fair

For the third consecutive year, Seagate’s Penang team participated in the Penang International Science Fair, which drew more than 55,000 visitors over two days. Seagate’s portion of the event included several fun and interactive activities, including a “green-screen” photography booth that leveraged Chroma Key technology to let visitors choose a variety of backgrounds for their photo. Seagate’s display also included a binary code game, and a product exhibition showcasing Seagate and LaCie consumer products, along with a hard drive demo that showed visitors how our storage technology plays a vital role in their digital lives.

EMEA

United Kingdom – Northern Ireland

Seagate Product Design Challenge

The Seagate Product Design Challenge gave 100 young people hands-on experience of taking a product through the stages of the design process, including: researching the customer, generating and developing ideas, solving problems, prototyping a product and getting feedback. Working in teams, the students chose one of three customer personas and designed a tech product to solve a particular problem. During the brainstorming process, a number of facilitators—including five Seagate volunteers—observed and encouraged the teams at work, looking for evidence of good teamwork, creativity and innovation. Students then created prototypes from Lego bricks, plasticine, cardboard and tape, and also produced a poster illustrating their design.

Looking Forward: Community Engagement

In FY2017, the company plans to maintain its community engagement program at a steady and sustained pace. The objective is to continue expanding beyond traditionally defined STEM to cultivate students’ interest in creating, sharing and otherwise experiencing storage-enabled digital tools and platforms.



Case Study: Offering the Underserved a Helping Hand

Helping Feed the Hungry in Our U.S. Communities

In many of our local communities, citizens go hungry despite the economic powerhouse that is the United States. Employees at company facilities in California, Minnesota, Oklahoma and Colorado stepped up to make a difference, helping bring reliable sustenance and nutrition to thousands of people in need.

In Minnesota, a “Running Scared 5K Challenge” and food drive provided food and online cash donations for the Thanksgiving holiday. Between Seagate’s two Minnesota sites, more than \$1,300 was donated to the Volunteers Enlisted to Assist People and Community Action Partnership non-profit agencies to stock food shelves. Seagate donated an additional \$3,400 to split between the two agencies on behalf of the 140 Seagate race participants. Between the two sites, nearly 2,100 pounds of food was collected and another 148 bags of groceries was donated. In Northern California, an employee food drive gathered food for food banks in Santa Clara, Santa Cruz and Alameda counties, which collectively serve millions pounds of food annually to hundreds of thousands of underserved Bay Area residents.

In Oklahoma City, volunteers gave time, money and commitment to the community, to amass more than \$17,000 and 142 pounds of food benefiting the Regional Food Bank of Oklahoma. The Food Bank provides enough food to feed more than 116,000 hungry Oklahomans weekly. In addition, Oklahoma City employees supported the Letter Carriers’ Food Drive, in which bags of donated canned food are given to local letter carriers, and donated to nonprofits serving the region. Seagate’s Longmont, Colorado, site held a successful food/personal care products drive for “Our Center,” a local organization that “helps people move toward self-sufficiency by unifying community resources.” Several bags of personal care supplies and 380 pounds of food were donated.

Holiday and Festival Cheer for the Youngest and Oldest in Need

During Christmas 2015, volunteers from the Korat, Thailand, facility donated blankets for 300 elderly and disabled people under the care of the Association of Physically Handicapped of Nakhon Ratchasima. Seagate volunteers also hosted lunch for 120 students under the care of Baan Ratchasima Home for Boys, and donated school supplies, educational toys, clothing and dried food products. Also during the holiday season, volunteers from Seagate’s Teparuk facility visited 200 pre-school children at Foundation for Rehabilitation and Development of Children and Family to host lunch and hand out stationery gift sets, along with milk, food supplies, educational toys and office supplies. The volunteers also entertained the children with a fun scientific experiment, and repaired the foundation’s roof. Thailand employees who weren’t able to volunteer donated more than 3,300 second-hand items to the Yuwabatr Foundation, which resells items to raise cash to support needy students; in this case, about \$4,600 in support of educating the children.

Some 170 senior citizens in Northern Ireland with challenges including poor health, social isolation and limited income enjoyed a holiday meal and music thanks to Seagate in partnership with Older People North West (OPNW). Volunteers served Christmas dinner to approximately 100 at a OPNW’s day center and 70 who are homebound had a holiday lunch delivered.

In China, 18 teams comprising 150 employees made more than 500 dumplings during a morning competition, and delivered the treats that afternoon to three senior citizens’ homes in the Wuxi New District. The dumplings -- rice, beans and meat filling steamed in bamboo leaves -- are traditionally enjoyed during the Chinese Dragon Boat Festival.



Business Continuity

Overview

Seagate prepares and plans for eventualities to minimize disruption to its business and operations. Disruptions to the business include natural disasters, disruptions to the supply chain, labor disruptions, infrastructure incapacitation, damage to a facility or a supplier's facility, loss of data and more. An enterprise

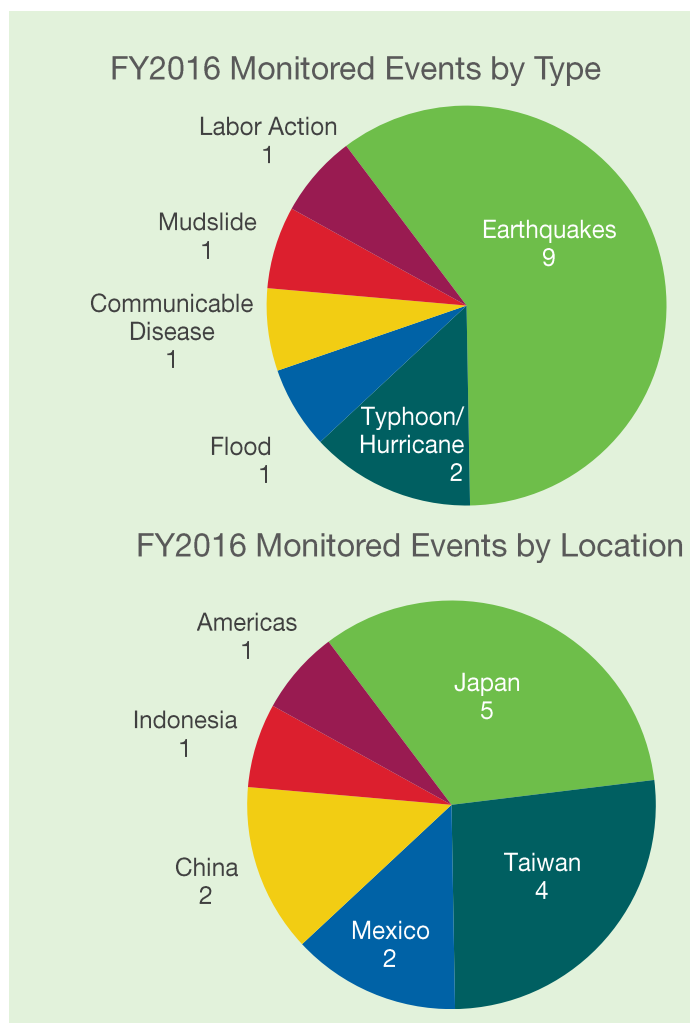
Business Continuity Management System (BCMS) has been established to understand and manage our risks to ensure resilience. Our BCMS is based on ISO 22301 Societal Security Requirements. Information on our business resilience program is available publicly at the [Operational Resilience](http://www.seagate.com/Operational-Resilience) section of www.seagate.com.

FY2016 Highlights

We maintain a BCMS overview for our customers' reference that is evaluated and updated every year. We updated the FY2016 version to reflect changes in the Company and our program.

In FY2016 we created an internal website with external resources for BCMS. The BCMS program office keeps track of and publishes information to this website that might be of interest to our customers in terms of incidents and events and whether or not there was an impact to our suppliers or our business. The website is a resource for our customer facing teams and other customer facing positions to reference for updates on impacts based on current events.

Our three drive manufacturing facilities in Wuxi and Suzhou, China and Korat, Thailand were all audited and obtained ISO 22301 certification in FY2016. Non-drive sites are implementing a program which aligns with the ISO 22301 standard, and we do not have plans for formal certification at this time. Each drive facilities' BCMS is scored based on a Business Continuity Readiness Index (BCRI). Twenty different elements are assessed, each one worth 5 points, which mirrors the implementation steps required to attain ISO certification. The target for each drive manufacturing location is a BCRI score of at least 80 percent. We monitored 15 events in FY2016 so that necessary preparations could be initiated as needed. This also provided the opportunity to test our event recognition and communication systems.



Looking Forward: Business Continuity

We will continue to evaluate our customer BCMS communication process and update the internal BCMS resource site in FY2017 to improve the timeliness of information exchange. We plan to continue to improve the business continuity policy to hone our strategy toward executing the core principles that enable the continued delivery of products and services at acceptable predefined levels following a disruptive incident in order to reduce the impact to our business. Implementation of required elements of the BCMS will continue according to planned schedules established at each location and within each enterprise-wide organization. Progress will be measured by a Readiness Index metric whereby drive manufacturing sites are required to attain a score of 80 percent or greater with the component sites being required to attain a score of 50 percent or greater. Our certified drive manufacturing sites will test their plans and risk mitigation arrangements to measure effectiveness and improve. We are also implementing an enterprise-wide Business Continuity management software in FY2017. This will allow visibility to all dependencies, ranking of all risks and the ability to prioritize critical activities for recovery. We are also creating a core team to coordinate responses to customer inquiries to ensure an accurate and timely response to business continuity surveys.

Summary of Performance

We provide a summary of our performance history and a selection of our most recent FY2016 results. For our latest business and financial news and results, visit our company website at www.seagate.com.

	Performance Indicator	FY2014	FY2015	FY2016
Energy Use and Carbon Emissions	Energy Consumption (Million MWh)	1,623	1,644	1,636
	Energy Consumption per Storage Capacity Shipped (MWh/EB)	8,077	7,257	7,018
	Scope 1 and Location-Based Scope 2 GHG Emissions (Million Metrics Tons CO ₂ e) ^{7,8,9}	1,315	1,302	1,260
	Scope 1 and Location-Based Scope 2 GHG Emissions per Storage Capacity Shipped (Metric Tons CO ₂ e/EB) ^{7,8,9}	6,773	5,918	5,675
	Scope 3 GHG Emissions (Million Metrics Tons CO ₂ e) ⁷	5,299 ¹⁰	5,316	5,229
Water Usage	Water Withdrawal ⁷ (Megaliters)	12,832	12,253	11,927
	Water Recycled ⁷ (Percentage)	15%	16%	17%
	Water Intensity ⁷ (Megaliters per EB shipped)	66	56	54
Pollution Prevention	Hazardous Waste Generated (Tons)	15,620	15,223	10,445
	Solid Waste Diversion (Percentage)	82%	82%	84%
Health and Safety	Injury and Illness Recordable Case Rate (Cases per 100 Employees)	.22	.22	.23
	Injury and Illness Days-Away Case Rate (Cases per 100 Employees)	.13	.10	.11
Ethics	Ethical Conduct and Conflict of Interest Policy Certification (Percent Completed)	98%	99.86%	99%

⁷ Total annual carbon emissions, carbon emissions per storage capacity shipped, and water metrics are measured and reported based on the calendar year. The values provided in this table are for calendar years 2013, 2014 and 2015.

⁸ In 2015 three adjustments were made to the 2011 – 2014 inventory years. The adjustments were due to a methodology change in how Scope 2 emissions are reported, the identification of leased facilities not captured in previous inventories, and updated global warming potentials (GWPs) in the IPCC Fifth Assessment Report. Seagate follows the guidelines in the GHG Protocol for adjusting the base year GHG inventory.

⁹ Includes Scope 3 emissions from business travel and employee commute only.

¹⁰ Starting CY2013, Scope 3 emissions include four additional emissions categories: purchased goods and services; capital goods; upstream transportation and distribution; and downstream transportation and distribution. Scope 3 emission categories are defined in the *Corporate Value Chain Scope 3) Accounting and Reporting Standard*, published by the Greenhouse Gas Protocol.

UNGC Content Index

United Nations Global Compact Content Index

Seagate has been an active participant in the UNGC since 2004, and we have aligned our management systems to the 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. These principles guide us as we develop new programs and strategies in the area of global citizenship. We are committed to the implementation, disclosure and promotion of the UNGC's principles throughout our operations. The table below provides a guide to our strategies and actions in support of the 10 principles. In FY2016 we have also included the Sustainability Development Goals - a set of 17 goals with 169 targets developed by the United Nations as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity.

	UNGC's 10 Principles	Sustainability Development Goals	Location
Human Rights	Business should:		
Principle 1	Support and respect the protection of internationally proclaimed human rights.	17. Partnerships for the Goals	Pages 15-16 Pages 27-28 Pages 35-37
Principle 2	Make sure that they are not complicit in human rights abuses.		
Labor	Business should uphold:		
Principle 3	The freedom of association and the effective recognition of the right to collective bargaining.	5. Gender Equality	Pages 15-16 Pages 26-34 Pages 35-37
Principle 4	The elimination of all forms of forced and compulsory labour.	8. Decent Work and Economic Growth	
Principle 5	The effective abolition of child labour.		
Principle 6	The elimination of discrimination in respect of employment and occupation.		
Environment	Business should:		
Principle 7	Support a precautionary approach to environmental challenges.	6. Clean Water and Sanitation	Pages 13-17 Pages 18-25
Principle 8	Undertake initiatives to promote greater environmental responsibility.	12. Responsible Consumption and Production	
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	13. Climate Action	
Anti-Corruption	Business should:		
Principle 10	Work against corruption in all its forms, including extortion and bribery.		Pages 10-12

GRI Content Index

Seagate used the *GRI Sustainability Reporting Standards 2016* to promote more standardized approaches to reporting.

The Seagate FY2016 *Global Citizenship Annual Report* references the GRI Standards listed in the left hand column of this GRI Content Index. Where the GRI Standard has not been used in full we have marked the disclosure “partial” and explained the reasons for omission. For more information about the GRI and Reporting Standards visit www.globalreporting.org.

GRI Standard	GRI Disclosure	Location	Level of Disclosure	Reason for Omission and Other Notes
GRI 102: General Disclosures 2016	102-1 Name of the organization	4	Full	
	102-2 Activities, brands, products, and services	4	Full	
	102-3 Location of headquarters	6	Full	
	102-4 Location of operations	6	Full	
	102-5 Ownership and legal form	4	Full	
	102-6 Markets served	6	Full	
	102-7 Scale of the organization	6, 26	Full	
	102-8 Information on employees and other workers	26	Partial	Full time / part time distinction is not material.
	102-9 Supply chain	34-37	Full	
	102-10 Significant changes to the organization and its supply chain	4	Full	
	102-11 Precautionary Principle or approach	4	Full	
	102-12 External initiatives	8	Full	
	102-13 Membership of associations	8	Full	
	102-14 Statement from senior decision-maker	3	Full	
	102-15 Key impacts, risks, and opportunities	FY2016 Form 10K Annual Report p18-35	Full	
	102-16 Values, principles, standards, and norms of behavior	10-12	Full	

GRI 102: General Disclosures 2016	102-17 Mechanisms for advice and concerns about ethics	10-12	Full	
	102-18 Governance structure	11, Governance Web Page	Full	
	102-22 Composition of the highest governance body and its committees	Board of Directors Web Page	Full	
	102-23 Chair of the highest governance body	3, Board of Directors Web Page	Full	
	102-24 Nominating and selecting the highest governance body	Definitive Proxy Statement p22, Governance Web Page	Full	
	102-25 Conflicts of interest	Governance Web Page	Full	
	102-36 Process for determining remuneration	Governance Web Page	Full	
	102-40 List of stakeholder groups	52	Full	
	102-41 Collective bargaining agreements	27-28	Partial	Data not readily available
	102-42 Identifying and selecting stakeholders	52	Full	
	102-43 Approach to stakeholder engagement	52	Full	
	102-44 Key topics and concerns raised	52	Full	
	102-45 Entities included in the consolidated financial statements	Annual Report p3	Full	
	102-46 Defining report content and topic Boundaries	4	Full	
	102-47 List of material topics	4	Full	
	102-48 Restatements of information	4	Full	
	102-49 Changes in reporting	4	Full	
	102-50 Reporting period	4	Full	
	102-51 Date of most recent report	4	Full	
	102-52 Reporting cycle	4	Full	
102-53 Contact point for questions regarding the report	2	Full		

GRI 102: General Disclosures 2016	102-54 Claims of reporting in accordance with the GRI Standards	47	Full	
	102-55 GRI content index	47	Full	
	102-56 External assurance		N/A	No Assurance Sought
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	4	Full	
	103-2 The management approach and its components	4, 10, 13, 18, 25, 34, 38, 44	Full	
	103-3 Evaluation of the management approach	4	Full	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report p1	Full	
	201-3 Defined benefit plan obligations and other retirement plans	Annual Report p100	Full	
	205-2 Communication and training about anti-corruption policies and procedures	12	Full	
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Annual Report p32	Full	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	16, Life Cycle Assessment	Partial	Materials by weight or volume is not currently tracked, but a different measure is used in our LCAs.
	301-3 Reclaimed products and their packaging materials	16	Full	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	20	Full	
	302-3 Energy intensity	20	Full	
GRI 302: Energy 2016	302-4 Reduction of energy consumption	20	Full	
	302-5 Reductions in energy requirements of products and services	20	Full	
GRI 303: Water 2016	303-1 Water withdrawal by source	23, CDP Disclosure	Full	
	303-3 Water recycled and reused	23	Full	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	21, CDP Disclosure	Full	
	305-2 Energy indirect (Scope 2) GHG emissions	21, CDP Disclosure	Full	
	305-3 Other indirect (Scope 3) GHG emissions	21, CDP Disclosure	Full	
	305-5 Reduction of GHG emissions	21	Full	

	306-2 Waste by type and disposal method	22	Full	
	306-3 Significant spills	22	Full	
	306-4 Transport of hazardous waste	22	Full	
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	16	Full	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	34-37	Full	
	308-2 Negative environmental impacts in the supply chain and actions taken	36	Full	
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	29	Full	Seagate does not break down injury rates by region or gender as this is not applicable to how we manage this risk.
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	30-31	Full	
	404-2 Programs for upgrading employee skills and transition assistance programs	30-31, 26	Full	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	36	Full	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	36	Full	
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	36	Full	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	34-37	Full	
	414-2 Negative social impacts in the supply chain and actions taken	36	Full	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	4	Full	
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Annual Report p26	Full	



Environment, Health and Safety Policy

Seagate is a worldwide leader in storage solutions, and is committed to providing a safe place to work, protecting the environment, conserving natural resources, and being an environmentally-responsible neighbor in communities where we operate.

All Seagate employees and contractors are required to work safely and ensure that Environment, Health and Safety (EHS) requirements are integrated into their daily work activities, projects and programs.

As a company, Seagate is committed to:

- Implementing and continually improving comprehensive management systems that ensure compliance with local laws, regulations and other internal and external requirements to which we subscribe.
- Delivering measurable EHS performance improvements and sustained operational resilience associated with potentially disruptive events.
- Protecting the safety and health of all those associated with our operations by identifying and eliminating the causes of incidents, injuries and illnesses.
- Promoting a healthy lifestyle and encouraging employees to proactively manage their personal health.
- Supporting sustainable economic growth and minimizing impact to the environment by preventing pollution through continuous process improvements and responsible operating practices.
- Developing safe and eco-efficient products and manufacturing processes by integrating EHS considerations into all aspects of research, design and development.
- Partnering with suppliers, customers and stakeholders to publicly share best practices and EHS performance criteria.
- Supporting the global communities in which we operate through sponsorship of environmental, educational, social, health-related and other worthy causes.

Stephen J. Luczo
Chairman and CEO

January 2015

Stakeholder Engagement

Overview

Seagate regularly engages with customers, employees, suppliers and investors, and participates in stakeholder engagement sessions organized by industry associations, both of which inform identification of core stakeholder groups.

While Seagate has not undertaken a specific engagement as part of the report preparation process, we regularly consider stakeholder feedback in the development of the report. For example, we have included Business Continuity as a result of continued stakeholder interest.

Stakeholder Engagement Statement

Engaging with key stakeholders on relevant social and environmental issues is an important activity that provides Seagate with the insights and relationships needed to make well-informed business decisions.

Each year, we solicit feedback from our customers and business partners to shape Global Citizenship program plans and strategies. For example, through a variety of surveys and reporting initiatives, Seagate shares detailed information about the company's environmental performance and greenhouse gas emissions to help the electronics industry improve its environmental footprint.

We meet regularly with investors, governments, nongovernmental organizations, local communities and other civil society members to gather perspectives about trends in business and society that may influence not only our business success, but also the extent to which we can contribute positively to sustainable development.

Industry Collaboration and Leadership

One of our key industry collaborations is with the Electronic Industry Citizenship Coalition (EICC), a cooperative of leading electronics companies working to improve social, ethical and environmental responsibility in the global electronics supply chain. Seagate was a founding member of the EICC in 2004. We adopted the EICC [Code of Conduct](#) in 2007 and continue to maintain full and active membership in this organization.

Seagate also participates in the [United Nations Global Compact](#) (UNGC), a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles around human rights, labor, environment and anti-corruption. Seagate executives have participated in UNGC Leaders Summits in the past to enhance the role of responsible business and investment. Seagate is a member of the UNGC's U.S. Network and regularly engages in membership meetings, including sponsorship of meetings when the opportunity presents.

Global Citizenship Stakeholder Inquiry Process

Seagate has an established process to address specific stakeholder global citizenship issues or requests. A subset of the Global Citizenship team manages this process. The types of information provided range from environmental performance, product stewardship and product safety to labor standards, fair trade, supply chain and more.

Human Rights Policy

As a global industry leader, Seagate welcomes the responsibility to also be a "Global Citizen." In partnership with employees, community members, customers, suppliers, and other stakeholders, our commitment to Global Citizenship includes support of the ten Principles of the United Nations Global Compact within our sphere of influence. These Principles address responsibility for the environment and other matters; however, most address the international human rights and labor standards that must be upheld to ensure the well-being and dignity of each person.

We have developed policies to reinforce our commitment to uphold these human rights and labor standards. We will abide by these policies or the local law in the countries where we operate, whichever sets a higher standard. Managers are responsible for upholding these Principles and for ensuring adherence to all company policies and guidelines in their support.

Procedures

The following are some of Seagate's basic standards with regard to International Human Rights and Labor Standards (including the International Labor Organization (ILO) core labor conventions*):

Respectful treatment. Employees must respect and value each other and we hold everyone accountable for this. Violations, such as physical abuse and/or harassment or the threat of either, are not tolerated. All employees will be allowed access to basic liberties while on Company premises. (Refer to **Harassment Free Workplace** and **Violence Free Workplace** policies.)

We respect religious diversity and employees may be provided with reasonable accommodations for religious practices, upon request. Any requests for reasonable accommodation should be directed to Site Human Resources.

Employment based on achievements. Decisions about employees are based on achievements against job goals and/or standards and required competencies; decisions about applicants are made on qualifications against job requirements. In all employment actions, we prohibit discrimination based on age, race, color, ancestry, ethnic or national origin, physical or mental disability, medical condition, genetic information, marital status, sex (which includes pregnancy or perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender identity, gender expression, sexual orientation, perceived or actual religious creed or political opinion, military and veteran status, taking or requesting statutorily protected leave, taking or requesting a reasonable accommodation for a protected basis, or other basis protected by applicable law. (Refer to **Equal Employment Opportunity** policy.)

Free to express opinions. Every employee has a right to openly express his or her opinion. In fact, we welcome and encourage ideas and input, including notification of issues and concerns. (Refer to **Open Door** policy.)

Fair compensation. We assess performance against job requirements and consider business conditions and appropriate market comparisons to deliver compensation. We will compensate employees with wages and benefits that meet or exceed the legally required minimum without delay, and will clearly communicate to all employees their compensation earned. (Refer to **Base Pay and Other Pay Components** policy.)

Due process. We understand that an employee may not meet performance or conduct expectations. In such circumstances, the employee has a right to a fair process of review. Any resulting disciplinary actions will be humane. Deductions from wages as a disciplinary measure will not be permitted. (Refer to **Performance Management, Open Door and Coaching and Discipline**, policies.)

Reasonable limitation of working hours. The hours worked by employees should not exceed 60 hours per work week, or be in excess of the maximum hours of daily labor set by local laws in the countries in which we operate. We will also provide employees with at least one day off per every seven days. Overtime will be voluntary and comply with all applicable overtime pay requirements. No unreasonable restrictions of movement will be placed upon employees during non-work hours. (Refer to **Hours of Work** policy.)

Free to associate. We respect and adhere to all applicable laws concerning the right of workers to organize in labor unions and engage in collective bargaining and peaceful assembly, and Seagate will not prohibit or impede employees exercising such rights. However, we believe maintaining an open, unencumbered relationship between Seagate employees and their managers is the most effective means of addressing work environment questions and concerns.

Free to choose employment. We will ensure that the overall terms of employment are voluntary. We will not require employees to pay the Company any remuneration or withhold an employee's government-issued identification upon hire. We firmly prohibit any form of human trafficking or slavery, and will ensure no forced, bonded or involuntary prison labor is used in the production of Seagate products

Employment at age 18 or higher. We strictly prohibit child labor and will comply with all local minimum age laws and requirements and/or set a minimum employment age of 18, whichever sets the higher standard. (Refer to Recruitment at Seagate policy.)

Intern Program. We provide internship opportunities to college/polytechnic/university students, who meet our minimum employment age of 18. This program provides interns an opportunity to undergo supervised practical development and gain real-world experiential learning that compliments their education. Seagate does not offer any type of apprentice program. Additionally, Seagate does not hire student workers other than those that meet the criteria for the intern program. (Refer to Internship policy.)

For additional information, visit Seagate's Global Citizenship website.

Note: * Our labor standards in the Human Rights policy address the core ILO Labor Conventions No. 29, 87, 98, 100, 105, 111, 138 and 182.

Acronyms

3TG:	Tungsten, tin, tantalum and gold
BCMS:	Business Continuity Management System
BCRI:	Business Continuity Readiness Index
BizNGO:	Business non-governmental organization Working Group
BSR:	Business for Social Responsibility
CAS:	Chemical Abstract Service
CEO:	Chief Executive Officer
CFSI:	Conflict-Free Sourcing Initiative
CDP:	Formerly known as the Carbon Disclosure Project
CMD:	Cubic meters per day
CMRT:	Conflict Minerals Reporting Template
CO ₂ :	Carbon dioxide
CO ₂ e:	Carbon dioxide equivalent
CSR:	Corporate social responsibility
CY:	Calendar year
DRC:	Democratic Republic of the Congo
EB:	Exabyte
EICC:	Electronic Industry Citizenship Coalition
EHS&S:	Environment, Health and Safety and Sustainability
EMEA:	Europe, Middle East and Africa
EPEAT:	Electronic Product Environmental Assessment Tool
FY:	Fiscal year
FMD:	Full Material Disclosure
GHG:	Greenhouse gas
GRI:	Global Reporting Initiative
HDD:	Hard Disk Drive
IoT:	Internet of Things
ISO:	International Organization for Standardization
IT:	Information Technology
LCA:	Life cycle assessment
M&A:	Merger and acquisition
MI:	Megaliter
MWh:	Megawatt hour
NGO:	Nongovernmental organization
OEM:	Original equipment manufacturer
OHSAS:	Occupational Health and Safety Advisory Services
OSHA:	Occupational Safety and Health Administration
PLC:	Public limited company
REACH:	European Registration, Evaluation, Authorisation and Restriction of Chemicals
RMAP:	Raw Material Acquisition and Pre-processing
RoHS:	Restriction of Hazardous Substances
SEC:	Securities and Exchange Commission
SOP:	Standard Operating Procedure
STEM:	Science, technology, engineering and math
SVHC:	Substances of Very High Concern
TSDF:	Treatment, Storage and Disposal Facility
UNGC:	United Nations Global Compact
VAP:	Validated Audit Process

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