

# Welcome to your CDP Water Security Questionnaire 2019

## W0. Introduction

### W0.1

**(W0.1) Give a general description of and introduction to your organization.**

Founded in 1979, Seagate is the leading provider of hard drives and data storage solutions. From the videos, music and documents we share with friends and family on social networks, to servers that form the backbone of enterprise data centers and cloud-based computing, to desktop and notebook computers that fuel our personal productivity, Seagate products help more people store, share and protect their valuable digital content. Seagate offers the industry's broadest portfolio of hard disk drives, solid-state drives and solid-state hybrid drives. In addition, the company offers an extensive line of retail storage products for consumers and small businesses, along with data-recovery services for any brand of hard drive and digital media type. Seagate employs approximately 42,000 people around the world.

### W0.2

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

	Start date	End date
Reporting year	January 1, 2018	December 31, 2018

### W0.3

**(W0.3) Select the countries/regions for which you will be supplying data.**

- China
- India
- Malaysia
- Singapore
- Thailand
- United Kingdom of Great Britain and Northern Ireland
- United States of America

### W0.4

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

- USD

## W0.5

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

Companies, entities or groups over which operational control is exercised

## W0.6

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

No

## W1. Current state

### W1.1

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

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	The primary use of freshwater in our direct operations and our value chain is as coolants and cleaning agents at production facilities. Additionally, freshwater is important for employee consumption and sanitation. The rating of "important" was chosen for direct and indirect use because without water, we could not clean products during manufacturing or provide adequate cooling to facilities and critical equipment. We do not anticipate any significant changes to our direct operations or our indirect supply chain that would impact our dependency on freshwater. It will continue to remain important as cleaning and cooling are critical to our direct operations and our indirect supply chain.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	The primary use of recycled and produced water in direct operations and our value chain is as coolants at production facilities. The rating of "important" was chosen for direct and indirect use because using recycled water in cooling systems allows us to reduce our potable water use, which

			<p>is an environmental and cost saving initiative for us and our suppliers.</p> <p>We do not anticipate any significant changes to our direct operations or our indirect supply chain that would impact our dependency on recycled or produced water. It will continue to remain important as cooling is critical to our direct operations and our indirect supply chain.</p>
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## W1.2

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

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	Seagate measures water withdrawals monthly at all facilities, and reports to corporate quarterly. For facilities where actual data are not available, we estimate withdrawals based on available data from other facilities until actual data are available. Manufacturing sites and Seagate’s largest R&D and administrative sites are prioritized for monitoring because they are the largest contributors to our water withdrawals.
Water withdrawals – volumes from water stressed areas	100%	Seagate measures water withdrawals monthly at all facilities, and reports to corporate quarterly. This monitoring includes whether the facility is in a water stressed area. For facilities where actual data is not available, we estimate withdrawals based on available data from other facilities until actual data is available. Manufacturing sites and Seagate’s largest R&D and administrative sites are prioritized for monitoring because they are the largest contributors to our water withdrawals.
Water withdrawals – volumes by source	100%	Seagate measures water withdrawals monthly at all facilities, and reports to corporate quarterly. For facilities where actual data is not available, we estimate withdrawals based on available data from other facilities until actual data is available. Manufacturing sites and Seagate’s largest R&D and administrative sites are prioritized for monitoring because they are

		the largest contributors to our water withdrawals.
Water withdrawals quality	Not relevant	This metric is not relevant to Seagate's operations.
Water discharges – total volumes	100%	Seagate monitors water discharges at all facilities annually. For facilities where actual data is not available, discharges are estimated based on available data for withdrawals and/or consumptive use at each facility. Manufacturing sites and Seagate's largest R&D sites are prioritized for monitoring because they are the largest contributors to our water discharges.
Water discharges – volumes by destination	100%	Seagate monitors water discharges by destination at all facilities annually. For facilities where actual data is not available, we estimate discharges based on available data for withdrawals and/or consumptive use at each facility. Manufacturing sites and Seagate's largest R&D and administrative sites are prioritized for monitoring because they are the largest contributors to our water discharges.
Water discharges – volumes by treatment method	100%	Seagate monitors discharges by treatment method at all facilities annually. Seagate's largest manufacturing, R&D and administrative sites are prioritized for monitoring because they are the largest contributors to our water discharges. We feel this prioritization of monitoring is appropriate because discharges are monitored by treatment method at all facilities where wastewater treatment takes place on site. Our remaining sites discharge to municipal sewers as per local requirements and do not negatively impact surrounding ecosystems.
Water discharge quality – by standard effluent parameters	100%	Seagate monitors water discharge quality at all facilities annually. Manufacturing sites and Seagate's largest R&D and administrative sites are prioritized for monitoring because they are the largest contributors to our water discharges. We feel this prioritization of monitoring is appropriate because water discharge quality is monitored by standard effluent parameters at all facilities where wastewater treatment takes place on site. Our remaining sites discharge to

		municipal sewers as per local requirements and do not negatively impact surrounding ecosystems.
Water discharge quality – temperature	76-99	Seagate monitors temperature of water discharged at manufacturing facilities annually, in compliance with local legal requirements.
Water consumption – total volume	100%	Seagate’s primary consumptive uses of water are for cooling and irrigation, both of which we monitor at our facilities annually. For facilities where actual data is not available, we estimate consumptive use based on available data from other facilities. Manufacturing sites and Seagate’s largest R&D and administrative sites are prioritized for monitoring because they are the largest contributors to our water use. For smaller office-based sites, consumption is negligible.
Water recycled/reused	100%	Seagate annually measures recycled water at all facilities (100%). The primary use of recycled water is for manufacturing processes. Additionally, some facilities use recycled water for irrigation and/or cooling towers.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Seagate provides fully functioning WASH services for all employees at 100% of facilities.

## W1.2b

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

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	8,282	About the same	There were no major changes to Seagate's water withdrawals from 2017 to 2018. We consider changes less than 10% to be about the same. Future withdrawals are not expected to vary significantly. Estimates are made when data are not available, which allows Seagate to balance its water (i.e. $W = D + C$ ). Water withdrawals are less than the sum of discharges

			and consumption by about four percent. This difference is driven by onsite storage and differences in meter timing and reporting time frames at several Seagate facilities. The water shortage is not currently monitored. We allow for a 5% difference in the water balance equation by site.
Total discharges	5,420	About the same	There were no major changes to Seagate's water discharges from 2017 to 2018. We consider changes less than 10% to be about the same. Future discharges are not expected to vary significantly. Estimates are made when data are not available, which allows Seagate to balance its water (i.e. $W = D + C$ ). Water withdrawals are less than the sum of discharges and consumption by about four percent. This difference is driven by onsite storage and differences in meter timing and reporting time frames at several Seagate facilities. The water shortage is not currently monitored. We allow for a 5% difference in the water balance equation by site.
Total consumption	3,138	About the same	There were no major changes to Seagate's consumptive use of water from 2017 to 2018. We consider changes less than 10% to be about the same. Future consumptive use of water is not expected to vary significantly. Estimates are made when data are not available, which allows Seagate to balance its water (i.e. $W = D + C$ ). Water withdrawals are less than the sum of discharges and consumption by about four percent. This difference is driven by onsite storage and differences in meter timing and reporting time frames at several Seagate facilities. The water shortage is not currently monitored. We allow for a 5% difference in the water balance equation by site.

## W1.2d

**(W1.2d) Provide the proportion of your total withdrawals sourced from water stressed areas.**

	% withdrawn from stressed areas	Comparison with previous reporting year	Identification tool	Please explain
Row 1	52	About the same	WRI Aqueduct	Seagate uses the WRI Aqueduct Water Risk Atlas to determine which operations are in water stressed areas, which are defined as any basins where Baseline Water Stress is equal to or greater than “High” (40-80%). These 14 facilities make up 52% of our total water withdrawals in 2018, compared to 50% of our total water withdrawals in 2017. We consider changes less than 10% to be about the same. There were no major changes in operations at Seagate facilities in water stressed regions from 2017 to 2018.

## W1.2h

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant			This source is not relevant because Seagate sources 0% of total water withdrawals from fresh surface water. We do not anticipate any future changes to this source.
Brackish surface water/Seawater	Not relevant			This source is not relevant because Seagate sources 0% of total water withdrawals from brackish surface water and seawater sources. We do not anticipate any future changes to this source.
Groundwater – renewable	Not relevant			This source is not relevant because Seagate sources 0% of total water withdrawals from renewable groundwater sources. We do not anticipate

				any future changes to this source.
Groundwater – non-renewable	Not relevant			This source is not relevant because Seagate sources 0% of total water withdrawals from non-renewable groundwater sources. We do not anticipate any future changes to this source.
Produced/Entrained water	Not relevant			This source is not relevant because Seagate sources 0% of total water withdrawals from produced/process water sources. We do not anticipate any future changes to this source.
Third party sources	Relevant	8,282	About the same	This source is relevant because Seagate sources 100% of total water withdrawals from third party sources. These third party sources are mostly municipalities. Compared to the previous reporting year, withdrawals from this source were 7% lower, primarily driven by a decrease in consumptive use of water at our Woodlands facility, and the closure of our Penang facility.

## W1.2i

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	471	Much lower	This destination is relevant because Seagate discharges 9% of total water discharges to fresh surface water. Compared to the previous reporting year,



				discharges to this destination were 31% lower primarily due to our Korat facility which decreased their water withdrawals as a result of increased water recycling. We do not anticipate any future changes to this source.
Brackish surface water/seawater	Not relevant			This destination is not relevant because Seagate discharges 0% of total water discharges to brackish surface water and seawater. We do not anticipate any future changes to this source.
Groundwater	Not relevant			This destination is not relevant because Seagate discharges 0% of total water discharges to groundwater. We do not anticipate any future changes to this source.
Third-party destinations	Relevant	4,949	About the same	This destination is relevant because Seagate discharges 91% of total water discharges to third party destinations. Compared to the previous reporting year, discharges to this destination were about the same. There were no major changes to Seagate operations from 2017 to 2018 to drive significant changes in discharge at these sites. We do not anticipate any future changes to this source.

## W1.2j

### (W1.2j) What proportion of your total water use do you recycle or reuse?

	% recycled and reused	Comparison with previous reporting year	Please explain
Row 1	26-50	Higher	Water reuse programs are implemented at Seagate facilities to reduce Seagate's demand on freshwater. Seagate optimizes the use of recycled water for cooling towers to reduce fresh water intake. In 2018, additional opportunities for water reclamation were identified and implemented. At our Korat

			<p>facility, water recycling was implemented after the water treatment processes in order to supply reclaimed water to the cooling towers. Also, at our Woodlands facility, we continued a number of water reduction initiatives initially introduced in 2017, including reduced toilet flushing volume and improved recycling. Thus, there was a 20% increase in recycled water use at Seagate’s facilities from 2017 to 2018. As of 2018, 31% of Seagate’s total water intake is reused or recycled. We do not anticipate adding additional water reclamation equipment in the future, as most of our facilities are already equipped for water recycling. New construction includes water recycling.</p>
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## W1.4

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

Yes, our suppliers

Yes, our customers or other value chain partners

## W1.4a

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

#### Row 1

#### % of suppliers by number

76-100%

#### % of total procurement spend

76-100

#### Rationale for this coverage

These suppliers were selected because they represent the majority of Seagate’s supplier spend (more than 50%). As we continue to review supplier responses via the RBA tool, we will prioritize engagement with our suppliers based on those suppliers showing the greatest opportunity for improvement or representing the greatest risk to Seagate. Suppliers are motivated to report given the importance Seagate places on the RBA environmental reporting initiative. Seagate has a metric to drive supplier reporting, and the Materials team follows up with suppliers to ensure responses are received. Additionally, most of our suppliers are also requested by other customers, which adds leverage to our request.

#### Impact of the engagement and measures of success

Via the RBA Environmental tool, suppliers respond to a standardized questionnaire, providing quantitative energy, GHG, water, and waste data, as well as qualitative information on environmental management practices. The RBA tool now allows for the

suppliers to upload their CDP Water Security response to meet the reporting requirements for water. Therefore, Seagate has started receiving CDP Water Security responses for those who respond to CDP and in the traditional format for those who do not. Once received, this information is evaluated internally at Seagate to better understand the maturity of our suppliers with regard to environmental management practices, and identify areas to improve performance over time. Success is measured based on the number of suppliers that respond.

#### **Comment**

Seagate requests information on supplier energy/GHG, water, and waste indicators via the Responsible Business Alliance (RBA), formerly the Electronic Industry Citizenship Coalition (EICC)) environmental reporting initiative.

## **W1.4b**

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

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#### **Type of engagement**

Onboarding & compliance

#### **Details of engagement**

Requirement to adhere to our code of conduct regarding water stewardship and management

#### **% of suppliers by number**

76-100

#### **% of total procurement spend**

76-100

#### **Rationale for the coverage of your engagement**

Coverage is 100% of Seagate's direct suppliers, which provide components and parts for products. These suppliers, which make up 80% of our total direct and indirect procurement spend, were selected because they represent the majority of Seagate's supplier spend (>50%). As we continue to review supplier compliance with our Supplier Code of Conduct, we will prioritize engagement with our suppliers based on those suppliers showing the greatest opportunity for improvement or representing the greatest risk to Seagate.

#### **Impact of the engagement and measures of success**

We require all suppliers to sign our Supplier Code of Conduct, which is fully in line with the RBA code. Aligning with this industry standard eliminates confusion among suppliers about expectations around compliance. Seagate requires key suppliers to train their employees on the RBA code. All suppliers have direct and free access to a third-party online manager, which includes software that details RBA expectations and supplier reports that track progress. Seagate compliance managers also are positioned across locations. Through in-person meetings, quarterly business reviews with key suppliers,

and our Supplier Day held throughout Asia, we educate suppliers on the importance of global citizenship, sustainability and compliance with the RBA and our standards. Success is measured based on the level of compliance with this requirement.

### Comment

## W1.4c

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

- i. Seagate engages customers and investors around water-related issues
  
- ii. Seagate engages customers through education and information sharing about our water management strategy on our website. Additionally, we engage customers who request that we respond to CDP Supply Chain disclosure. We engage investors through education and information sharing by responding to the CDP Water questionnaire.
  
- iii. Seagate prioritizes customers for engagement because their satisfaction with our products is key to our success. We want customers to know that we value water as a key resource that warrants proper management to preserve and protect the health of our ecosystem as a whole. Investors are prioritized when they request or view Seagate's CDP Water response. Seagate provides data through CDP to any customers or investors requesting information about our water impacts and management. Our response is also made public on the CDP website to allow any additional investors interested in our water impacts and management to view our report.
  
- iv. Success for our customer engagement is measured by customer feedback received about our published information around water management. Success for our investor engagement is measured by their continued business and information collection requests through CDP or other avenues, as well as our annual CDP scores.

## W2. Business impacts

### W2.1

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

Yes

#### W2.1a

#### **(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and total financial impact.**

**Country/Region**

Malaysia

**River basin**

Other, please specify

Malaysia coast

**Type of impact driver**

Physical

**Primary impact driver**

Pollution incident

**Primary impact**

Reduction or disruption in production capacity

**Description of impact**

This disruption was caused by pollution in the nearby river which forced the water intake plant to shut down intermittently until the contaminant was cleaned, shutting down production at times. This water incident caused a reduction in our production capacity, but did not cause a substantive financial impact to our business because we were still able to successfully deliver product to 100% of our customers. While this resulted in losses in production of about \$700,000, this is well below our minimum financial threshold for substantive impact of \$100 million.

**Primary response**

Adopt water efficiency, water re-use, recycling and conservation practices

**Total financial impact**

700,000

**Description of response**

The financial impact was calculated based on the value of the product that would have been produced if the facility were running normal operations.

Seagate shut down the facility as needed in order to clean the contaminant from the water intake plant. We are currently pursuing in-house recycling to mitigate this risk in the future.

## **W2.2**

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

No

## W3. Procedures

### W3.3

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

Yes, water-related risks are assessed

### W3.3a

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

##### Direct operations

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###### Coverage

Full

###### Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

###### Frequency of assessment

Annually

###### How far into the future are risks considered?

3 to 6 years

###### Type of tools and methods used

Tools on the market

Other

###### Tools and methods used

WRI Aqueduct

Internal company methods

External consultants

###### Comment

##### Supply chain

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###### Coverage

Partial

###### Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

###### Frequency of assessment

Annually

**How far into the future are risks considered?**

3 to 6 years

**Type of tools and methods used**

Tools on the market

Other

**Tools and methods used**

WRI Aqueduct

Internal company methods

External consultants

Other, please specify

RBA On-line tool

**Comment**

**Other stages of the value chain**

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**Coverage**

None

**Comment**

**W3.3b**

**(W3.3b) Which of the following contextual issues are considered in your organization’s water-related risk assessments?**

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	Seagate considers water availability and quality at a local level across all of our risk assessment processes. Both internal company knowledge and the WRI Aqueduct tool provide input into issues associated with current water availability and quality. At all production facilities, Sustainability and operations staff conduct an environmental impact analysis annually, which considers water supply, withdrawal quantity, discharge quality, and related legal impacts, among other environmental factors. Water-related factors are also included in the company’s enterprise risk assessment process. This process is conducted annually at a business group level, and inputs are provided by operations staff at all facilities based on local conditions. Finally, Seagate conducts a river basin-level water risk assessment that covers all manufacturing

		and large R&D facilities using the WRI Aqueduct tool. This assessment allows the Sustainability staff to better understand water-related risk factors that may not be included in the company's other risk assessment processes.
Water quality at a basin/catchment level	Relevant, always included	Seagate considers water availability and quality at a local level across all of our risk assessment processes. Both internal company knowledge and the WRI Aqueduct tool provide input into issues associated with current water availability and quality. At all production facilities, Sustainability and operations staff conduct an environmental impact analysis annually, which considers water supply, withdrawal quantity, discharge quality, and related legal impacts, among other environmental factors. Water-related factors are also included in the company's enterprise risk assessment process. This process is conducted annually at a business group level, and inputs are provided by operations staff at all facilities based on local conditions. Finally, Seagate conducts a river basin-level water risk assessment that covers all manufacturing and large R&D facilities using the WRI Aqueduct tool. This assessment allows the Sustainability staff to better understand water-related risk factors that may not be included in the company's other risk assessment processes.
Stakeholder conflicts concerning water resources at a basin/catchment level	Not relevant, explanation provided	Seagate has evaluated stakeholder conflicts concerning water resources at a facility level as part of the business risk assessment and determined that it is not relevant. The primary reason that stakeholder conflicts are not relevant is because Seagate purchases the majority of its water from local utilities. Thus, we have determined that we are at little to no risk of stakeholder conflicts related to water. It is not anticipated that this issue will become relevant in the future.
Implications of water on your key commodities/raw materials	Relevant, always included	Seagate considers implications of water on our key commodities and raw materials in our enterprise risk assessment process. This process is conducted annually at a business group level, and inputs are provided by operations staff at all facilities based on local conditions (tool: internal company methods). Many of our component suppliers are geographically concentrated, which makes our supply chain more vulnerable to regional disruptions. Information regarding these types of supply chain risks are incorporated into our enterprise risk assessment process. Seagate requests information on supplier energy/GHG,



		<p>water, and waste performance and risk via the Electronic Industry Citizenship Coalition (EICC) environmental reporting initiative. Seagate has requested that all direct suppliers respond to the EICC through the EICC-ON tool. Via the EICC-ON tool, suppliers respond to a standardized questionnaire, providing quantitative energy, GHG, water, and waste data, as well as qualitative information on environmental management practices. Once received, this information is evaluated internally at Seagate to better understand the maturity of our suppliers with regard to environmental management practices, and identify areas to improve performance over time.</p>
Water-related regulatory frameworks	Relevant, always included	<p>Seagate considers water-related legal impacts in both our facility environmental impact analysis and enterprise risk assessment process. Internal company knowledge provides input into issues associated with current regulatory frameworks and tariffs at a local level. At all production facilities, Sustainability and operations staff conduct an environmental impact analysis annually, which considers water supply, withdrawal quantity, discharge quality, and related legal impacts, among other environmental factors. Water-related factors are also included in the company's enterprise risk assessment process. This process is conducted annually at a business group level, and inputs are provided by operations staff at all facilities based on local conditions, including water regulatory frameworks and tariffs.</p>
Status of ecosystems and habitats	Relevant, always included	<p>The WRI Aqueduct tool assesses whether or not amphibians are threatened in watersheds. Amphibian population health is a good indicator of the status of ecosystems. Seagate conducts a river basin-level water risk assessment that covers all manufacturing and large R&amp;D facilities using the WRI Aqueduct tool. This assessment allows the Sustainability staff to better understand water-related risk factors that may not be included in the company's other risk assessment processes.</p>
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	<p>We review WASH access independently, based on internal company knowledge. At all production facilities, Sustainability and operations staff conduct an environmental impact analysis annually, which considers water supply, withdrawal quantity, discharge quality, and related legal impacts, among other environmental factors. Water-related factors are also included in the company's enterprise risk assessment process. This process is</p>

		conducted annually at a business group level, and inputs are provided by operations staff at all facilities based on local conditions. These processes ensure that 100% of our facilities offer fully-functioning WASH services to our employees.
Other contextual issues, please specify	Relevant, always included	Seagate also considers current and estimates of future water-related costs in our enterprise risk assessment process. At all production facilities, Sustainability and operations staff conduct an environmental impact analysis annually, which considers water supply, withdrawal quantity, discharge quality, and related legal impacts, among other environmental factors (tool: internal company methods). Water-related factors are also included in the company's enterprise risk assessment process. This process is conducted annually at a business group level, and inputs are provided by operations staff at all facilities based on local conditions.

### W3.3c

**(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?**

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Seagate considers customers in our water risk assessment process because our customers are requesting us to respond to CDP Water Security through the supply chain program. We take this request seriously in our business operations. Our method of engagement with customers is through our CDP Supply Chain response.
Employees	Relevant, always included	Seagate considers employees in our risk assessment process in the context of access to fully functioning WASH services. Seagate engages employees through its environmental impact assessment process, which is carried out by the Sustainability and operations staff annually at all production facilities. At all production facilities, the Sustainability and operations staff conduct an environmental impact analysis annually, which considers water supply, withdrawal quantity, discharge quality, and related legal impacts, among other environmental factors. Water-related factors are also included in the company's enterprise risk assessment process. This process is conducted annually at a business group level, and inputs are provided by operations staff at all facilities based on local conditions.

Investors	Relevant, always included	Seagate considers investors in our water risk assessment process as it relates to our efforts to maintain positive socially responsible investment (SRI) ratings. Additionally, we use the CDP questionnaire when completing our risk assessment analyses as this identifies important areas to our investors and potential investors. We primarily engage with investors through SRI rating organizations and through publicly responding through CDP.
Local communities	Relevant, always included	The WRI Aqueduct tool considers media coverage of water issues and access to safe drinking water and sanitation at a local level, both of which are indicators of the potential impact of water issues on local communities. Additionally, Seagate has an established process to address specific stakeholder global citizenship issues or requests. A subset of the Global Citizenship team manages this process, which engages with various local community organizations by partnering on various community projects. The types of information provided to stakeholders ranges from environmental performance, product stewardship and product safety to labor standards, fair trade, supply chain and more. Seagate anticipates focusing more resources on water-related stakeholders, including local communities, in the future as our water management program progresses.
NGOs	Relevant, always included	Seagate considers NGOs in our supplier risk assessment process. We have established environmental management systems and continually update environmental policies and standard operating procedures for our operations worldwide. Additionally, we engage with key stakeholders on social and environmental issues to provide us with the insights and relationships needed to make well-informed business decisions. One of these key stakeholders is an NGO called the Institute of Public and Environmental Affairs (IPE), which created a Water Pollution Map to assess water pollution risk for our suppliers in China. The IPE has developed a pollution database to monitor corporate environmental performance. IPE's aim is to expand environmental information disclosure to allow communities to fully understand the hazards and risks in the surrounding environment, thus promoting widespread public participation in environmental governance. This tool has allowed us to identify potential water-related risks in our supply chain and develop corrective action plans with our suppliers, which are currently being implemented.

Other water users at a basin/catchment level	Relevant, always included	Seagate considers water availability and quality at a local level across all of our risk assessment processes; these processes consider the impact of other water users at a local level. Additionally, 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. We anticipate focusing more resources on water-related stakeholders, including other water users at a local level, in the future as our water management program progresses.
Regulators	Relevant, always included	Seagate considers current water-related legal impacts in both our facility environmental impact analysis and enterprise risk assessment process. We have established environmental management systems and continually update environmental policies and standard operating procedures for our operations worldwide. Additionally, we engage with key stakeholders on social and environmental issues to provide us with the insights and relationships needed to make well-informed business decisions. 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. The standards set out in the Code of Conduct reference international norms and standards including the Universal Declaration of Human Rights, ILO International Labor Standards, OECD Guidelines for Multinational Enterprises, ISO and SA standards, and many more. We anticipate focusing more resources on water-related stakeholders, including regulators, in the future as our water management program progresses.
River basin management authorities	Relevant, always included	Seagate considers river basin management authorities because they are important to our daily business as we regularly engage with water utility companies who are primarily river basin management authorities in Asia. We engage river basin management authorities through direct dialogue and communications. We incorporate their input into our business decisions and risk assessments.

Statutory special interest groups at a local level	Not considered	While potentially relevant, we do not yet include statutory special interest groups at a local level in our risk assessment process.
Suppliers	Relevant, always included	Many of our component suppliers are geographically concentrated, which makes our supply chain more vulnerable to regional disruptions. Information regarding these types of supply chain risks are incorporated into our enterprise risk assessment process. Seagate requests information on supplier energy/GHG, water, and waste indicators via the Electronic Industry Citizenship Coalition (EICC) environmental reporting initiative. Seagate has requested that all direct suppliers respond to the EICC through the EICC-ON tool. Via the EICC-ON tool, suppliers respond to a standardized questionnaire, providing quantitative energy, GHG, water, and waste data, as well as qualitative information on environmental management practices. Once received, this information is evaluated internally at Seagate to better understand the maturity of our suppliers with regard to environmental management practices, and identify areas to improve performance over time. We meet regularly with suppliers to communicate our expectations and evaluate their engagement.
Water utilities at a local level	Relevant, always included	Seagate considers water utilities at a local level because they are important to our daily business as we regularly engage with local water utilities because they ensure continuity of supply. We engage with water utilities through direct dialogue and communications or through industry associations. We incorporate their input into our business decisions and risk assessments.
Other stakeholder, please specify		

### W3.3d

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

Seagate conducts multiple risk assessment processes to assess water risk. At all production facilities, the Sustainability and operations staff conduct an environmental impact analysis annually, considering water supply, withdrawal and discharge quality, related legal impacts, other env. factors. Water-related factors are included in the company’s enterprise risk assessment process at a business group level. Inputs are provided by operations staff at all facilities based on local conditions (internal company methods). We conduct a river basin-level water risk assessment using WRI Aqueduct tool. This multi-faceted process was selected because it allows Sustainability staff to understand water-related risk factors throughout

operations. We also request information on supplier energy/GHG, water & waste indicators via the Responsible Business Alliance (RBA) env. reporting initiative. Via RBA Online tool, suppliers respond to a questionnaire, providing quantitative env. data and information on env. management practices. Information is evaluated for better understand the maturity of our suppliers with regard to env. management practices. In 2017, we completed a process to more closely assess water risk at our supplier locations, using data from RBA Online, publicly available CDP water responses and WRI Aqueduct. We evaluate suppliers that represent 80% of direct spend.

We use a severity matrix to assess potential changes in our business. Water concerns have not surfaced as being a top 5 risk to Seagate at this current time. We conduct analyses on an annual basis and considers 3 years into the future when evaluating water risks to company facilities, which aligns the risk assessment process with our enterprise wide planning process. As our water management program progresses, and water is further integrated into comprehensive company-wide risk assessment processes, we anticipate taking a longer-term view of our company's potential water risks.

## W4. Risks and opportunities

### W4.1

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

Yes, both in direct operations and the rest of our value chain

### W4.1a

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

Seagate defines substantive change in our business, operations, revenue or expenditure from water risk as those that would impact our ability to successfully deliver product to 100% of our customers. We use a severity matrix to assess potential changes in our business, which rates risks on a scale of 1 to 5, 1 being a minimum of a \$100 million of potential impact and 5 being a \$500 million or more of potential impact. This applies to our direct operations.

One example of a substantive impact considered is: Our business operations are subject to interruption by natural disasters such as floods and earthquakes. Such events could decrease demand for our products and make it difficult or impossible for us to make and deliver products to our customers. In the event of a natural disaster, losses and significant recovery time could be required to resume operations and our financial condition and operating results could be materially adversely affected. The severe flooding in Thailand in October 2011, which had a material impact on the production and availability of many components that we purchase. In fiscal year 2012, the industry experienced significant increases in the cost of components due to the severe flooding in Thailand. While in this instance, the primary impact was on our suppliers, we also have manufacturing facilities in Southeast Asia that could be similarly impacted by flooding and other natural disasters.

## W4.1b

**(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?**

	<b>Total number of facilities exposed to water risk</b>	<b>% company-wide facilities this represents</b>	<b>Comment</b>
Row 1	11	51-75	Seagate considers facilities at risk if they have a flood risk rating of high [4. High (10-27)] or greater, as classified by WRI Aqueduct. In 2018, 11 Seagate facilities were in regions with flood risk, representing 52% of Seagate's total facilities.

## W4.1c

**(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive impact on your business, and what is the potential business impact associated with those facilities?**

---

**Country/Region**

India

**River basin**

Other, please specify  
Ponnaivar

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

1-25

**% company's total global revenue that could be affected**

**Comment**

---

**Country/Region**

Malaysia

**River basin**

Other, please specify  
Malaysia Coast

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

1-25

**% company's total global revenue that could be affected**

**Comment**

---

**Country/Region**

Thailand

**River basin**

Mekong

**Number of facilities exposed to water risk**

2

**% company-wide facilities this represents**

1-25

**% company's total global revenue that could be affected**

**Comment**

---

**Country/Region**

United States of America

**River basin**

Mississippi River

**Number of facilities exposed to water risk**

4

**% company-wide facilities this represents**

1-25

**% company's total global revenue that could be affected**



**Comment**

---

**Country/Region**

India

**River basin**

Krishna

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

1-25

**% company's total global revenue that could be affected**

**Comment**

---

**Country/Region**

China

**River basin**

Other, please specify

Lake Tai Hu

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

1-25

**% company's total global revenue that could be affected**

**Comment**

---

**Country/Region**

Malaysia

**River basin**

Other, please specify  
Kurau/Beruas

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

1-25

**% company's total global revenue that could be affected**

**Comment**

## W4.2

**(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

---

**Country/Region**

Thailand

**River basin**

Chao Phraya

**Type of risk**

Physical

**Primary risk driver**

Flooding

**Primary potential impact**

Closure of operations

**Company-specific description**

Our business operations are subject to interruption by natural disasters such as floods and earthquakes, based on the location of our facilities. Such events could decrease demand for our products and make it difficult or impossible for us to make and deliver products to our customers. In the event of a natural disaster, losses and significant recovery time could be required to resume operations and our financial condition and operating results could be materially adversely affected. Severe flooding could have a material impact on the production and availability of components that we purchase. We also have manufacturing facilities in Southeast Asia that could be similarly impacted by flooding and other natural disasters.

**Timeframe**

1 - 3 years

**Magnitude of potential impact**

Medium

**Likelihood**

Likely

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

Yes, an estimated range

**Potential financial impact figure (currency)**

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

2,200,000

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

4,400,000

**Explanation of financial impact**

Seagate estimates the potential financial impact based on the average revenue per manufacturing facility per day. With 2018 revenues of \$11,184,000,000 and seven manufacturing facilities, our average daily revenue is between \$2,200,000 to \$4,400,000 per facility.

**Primary response to risk**

Amend the Business Continuity Plan

**Description of response**

Seagate has pursued ISO22301 certification at all three of our primary drive sites, which are located in Thailand and China. This certification provides a framework for business continuity planning and management. This certification helps us protect our facilities against severe weather and natural disasters, including flooding. Additionally, it allows us to actively plan for, prepare for, respond to and recover from disruptions to our operations. Each site has a unique approach to business continuity planning. For example, our facility in Thailand has instituted a protocol to notify staff and commuter bus drivers if the facility has closed, to prevent employees from attempting to get to work in unsafe conditions.

**Cost of response**

90,000

**Explanation of cost of response**

Certifications, such as ISO14001, ISO50001 or ISO22301, cost \$25,000-\$30,000 per facility to acquire. Seagate spends more than \$15,000 annually to maintain these certifications.

## W4.2a

**(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

---

### Country/Region

#### River basin

Other, please specify  
Multiple, Global

#### Stage of value chain

Other, please specify  
Multiple, Global

#### Type of risk

Physical

#### Primary risk driver

Flooding

#### Primary potential impact

Supply chain disruption

#### Company-specific description

Our supply chain operations are subject to interruption by natural disasters such as floods and earthquakes. Such events could decrease demand for our products, make it difficult or impossible for us to make and deliver products to our customers, or to receive components from our suppliers, and create delays and inefficiencies in our supply chain. In the event of a natural disaster, losses and significant recovery time could be required to resume operations and our financial condition and operating results could be materially adversely affected. Additionally, many of our component suppliers are geographically concentrated, in particular, in Thailand, which makes our supply chain more vulnerable to regional disruptions such as the severe flooding in Thailand in October 2011, which had a material impact on the production and availability of many components. There are a limited number of independent suppliers of components, such as recording heads and media, available to disk drive manufacturers. In fiscal year 2012, the industry experienced significant increases in the cost of components due to the severe flooding in Thailand.

#### Timeframe

1 - 3 years

#### Magnitude of potential financial impact

Medium

**Likelihood**

Likely

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

Yes, an estimated range

**Potential financial impact figure (currency)**

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

1,000,000,000

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

2,000,000,000

**Explanation of financial impact**

In 2012, the average selling price of our products increased from \$54 per unit to \$66 per unit, primarily due to the limited industry supply of hard drives resulting from the severe flooding in Thailand. Had we not been able to pass these costs on to our customers, Seagate would have faced potential losses of up to \$5-10 per unit, which would have led to \$1,000,000,000 to \$2,000,000,000 in lost revenues in 2012.

**Primary response to risk**

Supplier diversification

**Description of response**

While the equipment we use to manufacture our products and components is frequently custom made and comes from a few suppliers and the lead times required to obtain manufacturing equipment can be significant, we aim to diversify our supply base as much as possible, to prevent shortages in supply and increases in production costs. Additionally, we are often able to pass increased component costs on to our customers. For example, in 2012, the average selling price of our products increased from \$54 per unit to \$66 per unit, primarily due to the limited industry supply of hard drives resulting from the severe flooding in Thailand.

**Cost of response**

0

**Explanation of cost of response**

These management methods are a routine part of our business and thus have an incremental cost of \$0.

## **W4.3**

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

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

## W4.3a

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

---

**Type of opportunity**

Efficiency

**Primary water-related opportunity**

Improved water efficiency in operations

**Company-specific description & strategy to realize opportunity**

In our operations we have many opportunities to reduce our water consumption. For example, in 2018, several projects were implemented to increase water recycling in our Singapore facility. These projects will reclaim about 450,000 m<sup>3</sup> of water per year with plans for more water recycling projects in the future. Water recycling is particularly important in Singapore where water is a strategic commodity at the national level.

**Estimated timeframe for realization**

Current - up to 1 year

**Magnitude of potential financial impact**

Low

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

Yes, a single figure estimate

**Potential financial impact figure (currency)**

500,000

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

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

**Explanation of financial impact**

This figure represents the cost savings associated with implementing water recycling projects at our facility in Singapore.

## W5. Facility-level water accounting

### W5.1

**(W5.1) For each facility referenced in W4.1c, provide coordinates, total water accounting data and comparisons with the previous reporting year.**

---

**Facility reference number**

Facility 1

**Facility name (optional)**

**Country/Region**

India

**River basin**

Other, please specify

Ponnaivar

**Latitude**

12.930276

**Longitude**

77.685378

**Total water withdrawals at this facility (megaliters/year)**

6

**Comparison of withdrawals with previous reporting year**

About the same

**Total water discharges at this facility (megaliters/year)**

4

**Comparison of discharges with previous reporting year**

About the same

**Total water consumption at this facility (megaliters/year)**

2

**Comparison of consumption with previous reporting year**

About the same

**Please explain**

There were no major changes to water metrics at this facility from 2017 to 2018.

---

**Facility reference number**

Facility 2

**Facility name (optional)**

**Country/Region**

Malaysia

**River basin**

Other, please specify

Malaysia Coast

**Latitude**

1.4655

**Longitude**

103.7578

**Total water withdrawals at this facility (megaliters/year)**

2,149

**Comparison of withdrawals with previous reporting year**

About the same

**Total water discharges at this facility (megaliters/year)**

2,048

**Comparison of discharges with previous reporting year**

About the same

**Total water consumption at this facility (megaliters/year)**

101

**Comparison of consumption with previous reporting year**

About the same

**Please explain**

There were no major changes to water metrics at this facility from 2017 to 2018.

---

**Facility reference number**

Facility 3

**Facility name (optional)**

**Country/Region**

Thailand

**River basin**

Mekong

**Latitude**

14.899044

**Longitude**

101.820665



**Total water withdrawals at this facility (megaliters/year)**

1,146

**Comparison of withdrawals with previous reporting year**

Lower

**Total water discharges at this facility (megaliters/year)**

404

**Comparison of discharges with previous reporting year**

Much lower

**Total water consumption at this facility (megaliters/year)**

743

**Comparison of consumption with previous reporting year**

About the same

**Please explain**

Decreasing water withdrawals as a result of an increase in recycled water resulted in a decrease in water discharges.

---

**Facility reference number**

Facility 4

**Facility name (optional)**

**Country/Region**

United States of America

**River basin**

Mississippi River

**Latitude**

44.065324

**Longitude**

-92.506234

**Total water withdrawals at this facility (megaliters/year)**

15

**Comparison of withdrawals with previous reporting year**

About the same

**Total water discharges at this facility (megaliters/year)**

15

**Comparison of discharges with previous reporting year**

About the same

**Total water consumption at this facility (megaliters/year)**

0

**Comparison of consumption with previous reporting year**

About the same

**Please explain**

There were no major changes to water metrics at this facility from 2017 to 2018.

---

**Facility reference number**

Facility 5

**Facility name (optional)**

**Country/Region**

United States of America

**River basin**

Mississippi River

**Latitude**

44.864366

**Longitude**

-93.345631

**Total water withdrawals at this facility (megaliters/year)**

311

**Comparison of withdrawals with previous reporting year**

About the same

**Total water discharges at this facility (megaliters/year)**

209

**Comparison of discharges with previous reporting year**

About the same

**Total water consumption at this facility (megaliters/year)**

110

**Comparison of consumption with previous reporting year**

About the same

**Please explain**

There were no major changes to water metrics at this facility from 2017 to 2018.

---

**Facility reference number**

Facility 6

**Facility name (optional)**

**Country/Region**

United States of America

**River basin**

Mississippi River

**Latitude**

35.464366

**Longitude**

-97.696081

**Total water withdrawals at this facility (megaliters/year)**

26

**Comparison of withdrawals with previous reporting year**

About the same

**Total water discharges at this facility (megaliters/year)**

4

**Comparison of discharges with previous reporting year**

Lower

**Total water consumption at this facility (megaliters/year)**

22

**Comparison of consumption with previous reporting year**

About the same

**Please explain**

There were no major changes to water metrics at this facility from 2017 to 2018. The decrease in discharges is less than 4% of withdrawals which is within the limit uncertainty.

---

**Facility reference number**

Facility 7

**Facility name (optional)**

**Country/Region**

Malaysia

**River basin**

Other, please specify  
Kurau/Beruas

**Latitude**

1.4655

**Longitude**

103.7578

**Total water withdrawals at this facility (megaliters/year)**

13

**Comparison of withdrawals with previous reporting year**

Much lower

**Total water discharges at this facility (megaliters/year)**

11

**Comparison of discharges with previous reporting year**

Much lower

**Total water consumption at this facility (megaliters/year)**

0

**Comparison of consumption with previous reporting year**

Much lower

**Please explain**

This facility closed during the 2018 reporting year.

---

**Facility reference number**

Facility 8

**Facility name (optional)**

**Country/Region**

India

**River basin**

Krishna

**Latitude**

18.563859

**Longitude**

73.885309

**Total water withdrawals at this facility (megaliters/year)**

2

**Comparison of withdrawals with previous reporting year**

About the same

**Total water discharges at this facility (megaliters/year)**

1

**Comparison of discharges with previous reporting year**

About the same

**Total water consumption at this facility (megaliters/year)**

1

**Comparison of consumption with previous reporting year**

About the same

**Please explain**

There were no major changes to water metrics at this facility from 2017 to 2018.

---

**Facility reference number**

Facility 9

**Facility name (optional)**

**Country/Region**

United States of America

**River basin**

Mississippi River

**Latitude**

44.784958

**Longitude**

-93.473336

**Total water withdrawals at this facility (megaliters/year)**

64

**Comparison of withdrawals with previous reporting year**

Lower

**Total water discharges at this facility (megaliters/year)**

21

**Comparison of discharges with previous reporting year**

Much higher

**Total water consumption at this facility (megaliters/year)**

43

**Comparison of consumption with previous reporting year**

Much lower

**Please explain**

Water withdrawals decreased by less than the decrease in consumption therefore increasing the water discharges at this facility.

---

**Facility reference number**

Facility 10

**Facility name (optional)**

**Country/Region**

Thailand

**River basin**

Mekong

**Latitude**

17.851331

**Longitude**

103.563528

**Total water withdrawals at this facility (megaliters/year)**

328

**Comparison of withdrawals with previous reporting year**

About the same

**Total water discharges at this facility (megaliters/year)**

68

**Comparison of discharges with previous reporting year**

Much higher

**Total water consumption at this facility (megaliters/year)**

235

**Comparison of consumption with previous reporting year**

About the same

**Please explain**

There were no major changes to water metrics at this facility from 2017 to 2018.

---

**Facility reference number**

Facility 11

**Facility name (optional)**

**Country/Region**

China

**River basin**

Other, please specify  
Lake Tai Hu

**Latitude**

31.56887

**Longitude**

120.28857

**Total water withdrawals at this facility (megaliters/year)**

604

**Comparison of withdrawals with previous reporting year**

About the same

**Total water discharges at this facility (megaliters/year)**

292

**Comparison of discharges with previous reporting year**

Lower

**Total water consumption at this facility (megaliters/year)**

312

**Comparison of consumption with previous reporting year**

About the same

**Please explain**

There were no major changes to water metrics at this facility from 2017 to 2018.

## W5.1a

(W5.1a) For each facility referenced in W5.1, provide withdrawal data by water source.

---

**Facility reference number**

Facility 1

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0

**Third party sources**

6

**Comment**

---

**Facility reference number**

Facility 2

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0



**Third party sources**

2,149

**Comment**

---

**Facility reference number**

Facility 3

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0

**Third party sources**

1,146

**Comment**

---

**Facility reference number**

Facility 4

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0

**Third party sources**

15

**Comment**

---

**Facility reference number**

Facility 5

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0

**Third party sources**

311

**Comment**

---

**Facility reference number**

Facility 6

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0

**Third party sources**

26

**Comment**

---

**Facility reference number**

Facility 7

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0

**Third party sources**

13

**Comment**

---

**Facility reference number**

Facility 8

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0

**Third party sources**

2

**Comment**

---

**Facility reference number**

Facility 9

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0

**Third party sources**

64

**Comment**

---

**Facility reference number**

Facility 10

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0

**Third party sources**

328

**Comment**

---

**Facility reference number**

Facility 11

**Facility name**

**Fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Brackish surface water/seawater**

0

**Groundwater - renewable**

0

**Groundwater - non-renewable**

0

**Produced/Entrained water**

0

**Third party sources**

604

**Comment**

## **W5.1b**

**(W5.1b) For each facility referenced in W5.1, provide discharge data by destination.**

---

**Facility reference number**

Facility 1

**Facility name**

**Fresh surface water**

0

**Brackish surface water/Seawater**

0

**Groundwater**

0

**Third party destinations**

4

**Comment**

---

**Facility reference number**

Facility 2

**Facility name**

**Fresh surface water**

0

**Brackish surface water/Seawater**

0

**Groundwater**

0

**Third party destinations**

2,048

**Comment**

---

**Facility reference number**

Facility 3

**Facility name**

**Fresh surface water**

404

**Brackish surface water/Seawater**

0

**Groundwater**

0

**Third party destinations**

0

**Comment**

---

**Facility reference number**

Facility 4

**Facility name**

**Fresh surface water**

0

**Brackish surface water/Seawater**

0

**Groundwater**

0

**Third party destinations**

15

**Comment**

---

**Facility reference number**

Facility 5

**Facility name**

**Fresh surface water**

0

**Brackish surface water/Seawater**

0

**Groundwater**

0

**Third party destinations**

209

**Comment**

---

**Facility reference number**

Facility 6

**Facility name**

**Fresh surface water**

0

**Brackish surface water/Seawater**

0



**Groundwater**

0

**Third party destinations**

4

**Comment**

---

**Facility reference number**

Facility 7

**Facility name**

**Fresh surface water**

0

**Brackish surface water/Seawater**

0

**Groundwater**

0

**Third party destinations**

11

**Comment**

---

**Facility reference number**

Facility 8

**Facility name**

**Fresh surface water**

0

**Brackish surface water/Seawater**

0

**Groundwater**

0

**Third party destinations**

1

**Comment**

---

**Facility reference number**

Facility 9

**Facility name**

**Fresh surface water**

0

**Brackish surface water/Seawater**

0

**Groundwater**

0

**Third party destinations**

21

**Comment**

---

**Facility reference number**

Facility 10

**Facility name**

**Fresh surface water**

68

**Brackish surface water/Seawater**

0

**Groundwater**

0

**Third party destinations**

0

**Comment**

---

**Facility reference number**

Facility 11

**Facility name**

**Fresh surface water**

0

**Brackish surface water/Seawater**

0

**Groundwater**

0

**Third party destinations**

292

**Comment**

## W5.1c

(W5.1c) For each facility referenced in W5.1, provide the proportion of your total water use that is recycled or reused, and give the comparison with the previous reporting year.

---

**Facility reference number**

Facility 1

**Facility name**

**% recycled or reused**

None

**Comparison with previous reporting year**

About the same

**Please explain**

This facility does not have water recycling.

---

**Facility reference number**

Facility 2

**Facility name**

**% recycled or reused**

None

**Comparison with previous reporting year**

About the same

**Please explain**

This facility does not have water recycling.

---

**Facility reference number**

Facility 3

**Facility name**

**% recycled or reused**

76-99%

**Comparison with previous reporting year**

Much higher

**Please explain**

This facility has increased recycling from 2017 to 2018. Water recycling was implemented at this facility after the water treatment processes in order to supply reclaimed water to the cooling towers.

---

**Facility reference number**

Facility 4

**Facility name**

**% recycled or reused**

None

**Comparison with previous reporting year**

About the same

**Please explain**

This facility does not have water recycling.

---

**Facility reference number**

Facility 5

**Facility name**

**% recycled or reused**

Less than 1%

**Comparison with previous reporting year**

About the same

**Please explain**

Water recycling at this facility remained about the same.

---

**Facility reference number**

Facility 6

**Facility name**

**% recycled or reused**

None

**Comparison with previous reporting year**

About the same

**Please explain**

This facility does not have water recycling.

---

**Facility reference number**

Facility 7

**Facility name**

**% recycled or reused**

None

**Comparison with previous reporting year**

About the same

**Please explain**

This facility does not have water recycling.

---

**Facility reference number**

Facility 8

**Facility name**

**% recycled or reused**

None

**Comparison with previous reporting year**

About the same

**Please explain**

This facility does not have water recycling.

---

**Facility reference number**

Facility 9

**Facility name**

**% recycled or reused**

26-50%

**Comparison with previous reporting year**

Much higher

**Please explain**

This facility has increased recycling from 2017 to 2018. Recycled water is recycled from manufacturing processes to the cooling tower and from the cooling tower to domestic uses.

---

**Facility reference number**

Facility 10

**Facility name**

**% recycled or reused**

11-25%

**Comparison with previous reporting year**

Lower

**Please explain**

This facility has decreased recycling from 2017 to 2018. Recycled water is used in the facilities cooling tower and for domestic uses.

---

**Facility reference number**

Facility 11

**Facility name**

**% recycled or reused**

1-10%

**Comparison with previous reporting year**

About the same

**Please explain**

Water recycling at this facility remained about the same.

## **W5.1d**

**(W5.1d) For the facilities referenced in W5.1, what proportion of water accounting data has been externally verified?**

**Water withdrawals – total volumes**

---

**% verified**

76-100

**What standard and methodology was used?**

CDP Water Security Reporting Guidance 2018 (Water Withdrawal) 100%

**Water withdrawals – volume by source**

---

**% verified**

Not verified

**What standard and methodology was used?**

**Water withdrawals – quality**

---

**% verified**

Not verified

**What standard and methodology was used?**

**Water discharges – total volumes**

---

**% verified**

Not verified

**What standard and methodology was used?**

**Water discharges – volume by destination**

---

**% verified**

Not verified

**What standard and methodology was used?**

**Water discharges – volume by treatment method**

---

**% verified**

Not verified

**What standard and methodology was used?**

**Water discharge quality – quality by standard effluent parameters**

---

**% verified**

Not verified

**What standard and methodology was used?**

**Water discharge quality – temperature**

---

**% verified**

Not verified

**What standard and methodology was used?**

**Water consumption – total volume**

---

**% verified**

Not verified

**What standard and methodology was used?**



### Water recycled/reused

**% verified**

Not verified

**What standard and methodology was used?**

## W6. Governance

### W6.1

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

No, but we plan to develop one within the next 2 years

### W6.2

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

Yes

### W6.2a

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

Position of individual	Please explain
Chief Executive Officer (CEO)	Our CEO and Chairman of the Board has overall responsibility for climate change. Responsibility for climate-related issues has been assigned to our CEO because it is an integral part of our business strategy and the CEO is responsible for our overall business strategy. The CEO briefs the Board of Directors on climate change and sustainability issues on a quarterly basis.

### W6.2b

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

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Reviewing and guiding strategy	The CEO briefs the Board of Directors on water and sustainability issues on a quarterly basis.

## W6.3

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

---

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

Facilities manager

**Responsibility**

Both assessing and managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

As important matters arise

**Please explain**

Water risk assessment is conducted at the site level by the Plant manager and Facilities Manager and in some cases EHS manager (ISO14001). We have a process which will bring the top 5 issues to the CEO level, water will be included as relevant. The CEO is informed if we have a water disruption causing production loss. The CEO reviews plans to reduce business impact.

## W6.5

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

Yes, other

### W6.5a

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

One of our key industry collaborations is with the Responsible Business Alliance (RBA). Seagate was a founding member of the RBA in 2004. We adopted the RBA Code of Conduct in 2007 and continue to maintain full and active membership in this organization. A revised RBA code came into effect in 2015, which includes water management requirements, which will help encourage action to mitigate water use throughout our supply chain. Additionally, we are a signatory to the United Nations Global Compact, a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles around human rights, labor, environment and anti-corruption. We have participated in activities (e.g. NGO forums) that engage policy makers in the area of water management on specific topics, such as water conservation. These forums take place at least annually; Seagate participates in these activities alongside many other companies. Our strategy on water is a component of our broader Global Citizenship program, of which our CEO has direct responsibility. Reporting metrics have been developed and progress against

the metrics is reported to Senior Management, which ensures that our all of our activities are in alignment and as an organization, we are driving toward a common objective.

## W6.6

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

No, and we have no plans to do so

## W7. Business strategy

### W7.1

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

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	Water withdrawals are integrated into the long-term business plan through water reduction goals. Seagate has an ongoing water intensity goal is to reduce water withdrawals by 2% per exabyte annually. This goal was active in 2018. To achieve this goal, Seagate has been increasing its use of grey water through the use of water recycling and water treatment to supply cooling towers. Additionally, we are pursuing process efficiencies, such as optimizing controls of systems that use water.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	At all production facilities, operations staff conduct an annual environmental impact analysis, considering water supply, quality, and legal impacts. We have environmental management systems and continually update policies and procedures for our operations worldwide. Seagate has pursued ISO22301 certification at all of our primary drive sites. This certification provides a framework for business continuity planning and helps us protect our facilities against severe weather, including flooding. It allows us to plan for, prepare for, respond to and recover from operations disruptions.
Financial planning	Yes, water-related issues are integrated	5-10	Our business operations are subject to interruption by natural disasters such as floods. Such events could decrease demand for our products and make it difficult

			<p>or impossible for us to make and deliver products to our customers. In the event of a natural disaster, losses and significant recovery time could be required to resume operations and our financial condition and operating results could be materially adversely affected. The severe flooding in Thailand in October 2011 had a material impact on the production and availability of many components that we purchase. While in this instance, the primary impact was on our suppliers, we also have manufacturing facilities in Southeast Asia that could be similarly impacted by flooding and other natural disasters. Seagate has pursued ISO22301 certification at all of our primary drive sites. This certification provides a framework for business continuity planning and helps us protect our facilities against severe weather, including flooding. It allows us to plan for, prepare for, respond to and recover from operations disruptions. Many of our component suppliers are geographically concentrated, which makes our supply chain vulnerable to regional disruptions like the flooding in Thailand in October 2011, which had a material impact on availability of many components. There are a limited number of suppliers of components, such as recording heads and media, available to us. We aim to diversify our supply base as much as possible.</p>
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## W7.2

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

Row 1

**Water-related CAPEX (+/- % change)**

0

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

0

**Water-related OPEX (+/- % change)**

0

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

0

**Please explain**

There was no substantive change in water-related capital or operating spend since the previous reporting period

### W7.3

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

	Use of climate-related scenario analysis	Comment
Row 1	No plans for the next two years	

### W7.4

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

Row 1

**Does your company use an internal price on water?**

No, but we are currently exploring water valuation practices

**Please explain**

We are currently developing a water policy based on our successful energy policy. We intend to include water into the capital valuation model as part of this water policy implementation.

## W8. Targets

### W8.1

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

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals	Targets are monitored at the corporate level	Seagate has an ongoing water intensity goal is to reduce water withdrawals by 2% per exabyte annually. This goal was active in 2018. To achieve this goal, Seagate has been increasing its use of grey water through the use of water recycling and water treatment to supply cooling towers. Additionally, we are pursuing process efficiencies, such as optimizing controls of systems that use water. Seagate approach to setting targets begins with data analysis of current and historical trends to determine past performance and model future outcomes. This analysis informs the development of multiple target options, which are reviewed by

			various internal stakeholders. Feedback is collected and used to determine the final target, which is then disseminated within the company for final approval.
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## W8.1a

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

### Target reference number

Target 1

### Category of target

Water withdrawals

### Level

Company-wide

### Primary motivation

Corporate social responsibility

### Description of target

Seagate has an ongoing water intensity goal is to reduce water withdrawals company-wide by 2% per exabyte annually. This goal was active to reduce water withdrawals from 2017 to 2018.

### Quantitative metric

% reduction per unit of production

### Baseline year

2017

### Start year

2018

### Target year

2018

### % achieved

100

### Please explain

100% of the goal was achieved because Seagate decreased water withdrawals through increased water recycling and water treatment to supply cooling towers. Additionally, we are pursuing process efficiencies, such as optimizing controls of systems that use water. We also closed some facilities in 2018, but increased our exabyte production, therefore decreasing our intensity.

## W9. Linkages and trade-offs

### W9.1

**(W9.1) Has your organization identified any linkages or tradeoffs between water and other environmental issues in its direct operations and/or other parts of its value chain?**

Yes

### W9.1a

**(W9.1a) Describe the linkages or tradeoffs and the related management policy or action.**

---

**Linkage or tradeoff**

Tradeoff

**Type of linkage/tradeoff**

Decreased energy efficiency

**Description of linkage/tradeoff**

Recycling water reduces municipal withdrawals of potable water, but increases energy use due to additional water pumps and filters that must be used.

**Policy or action**

At some facilities, specifically in California and Thailand, water recycling is used to reduce use of potable water in operations and reduce costs. However, recycling water increases our energy use, due to additional pumps and filters that must be used. This tradeoff is managed at the local level. Each facility has specific annual energy reduction targets, such as our recent target to reduce energy use by 2% from the prior year. Thus, facility managers must balance the use of recycled water with the total electricity consumption at the facility. Additional considerations are that this water is wastewater, which must be treated before it can be discharged. The recycled water is used in non-potable applications, such as cooling and sanitary, so the treatment requirements are not as high.

## W10. Verification

### W10.1

**(W10.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1d)?**

No, we do not currently verify any other water information reported in our CDP disclosure

## W11. Sign off

### W-FI

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

### W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

### W11.2

(W11.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

## SW. Supply chain module

### SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	11,184,000

### SW0.2

(SW0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

Yes

### SW0.2a

(SW0.2a) Please share your ISIN in the table below.

	ISIN country code	ISIN numeric identifier (including single check digit)
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Row 1	IE	00B58JVZ52
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## SW1.1

**(SW1.1) Have you identified if any of your facilities reported in W5.1 could have an impact on a requesting CDP supply chain member?**

We do not have this data and have no intentions to collect it

## SW1.2

**(SW1.2) Are you able to provide geolocation data for your site facilities?**

No, we do not have this data and have no plans to collect it

## SW2.1

**(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.**

## SW2.2

**(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?**

No

## SW3.1

**(SW3.1) Provide any available water intensity values for your organization's products or services across its operations.**

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

**Please confirm below**

I have read and accept the applicable Terms