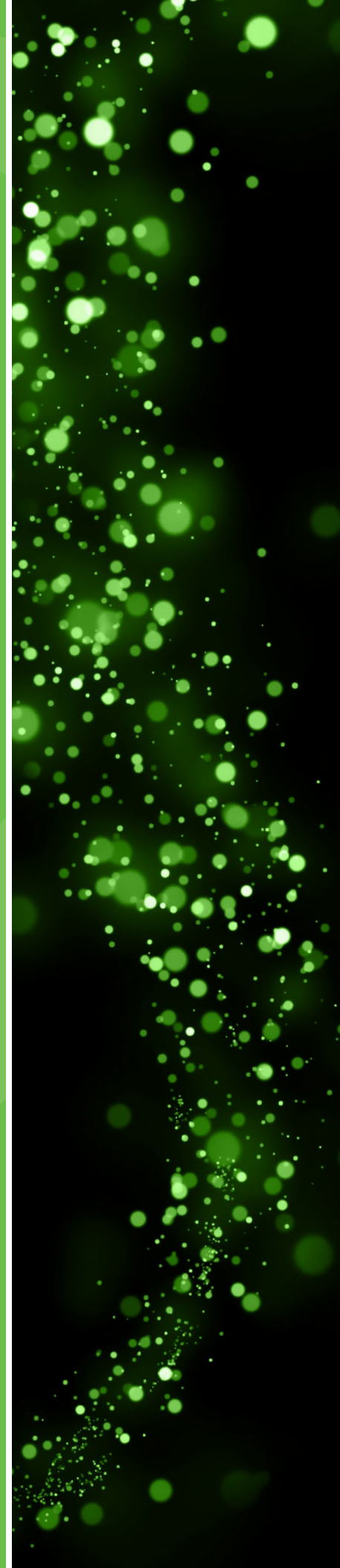


# SUSTAINABLE DATASPHERE

FISCAL YEAR 2018  
**GLOBAL CITIZENSHIP  
ANNUAL REPORT**



# REPORT CONTENTS

<a href="#">Message from the CEO</a> .....	004	<a href="#">Summary of Performance</a> .....	085
<a href="#">About This Report</a> .....	006	<a href="#">United Nations Global Compact (UNGC) Content Index</a> .....	087
<a href="#">Company Profile</a> .....	009	<a href="#">Global Reporting Initiative (GRI) Content Index</a> .....	088
<a href="#">Global Citizenship Highlights</a> .....	012	<a href="#">Environment, Health, and Safety Policy, APRIL 2018</a> .....	097
<a href="#">Governance and Ethics</a> .....	015	<a href="#">Human Rights Policy</a> .....	098
<a href="#">Product Sustainability</a> .....	021	<a href="#">Stakeholder Engagement</a> .....	101
<a href="#">Environmental Sustainability</a> .....	033	<a href="#">Acronym Index</a> .....	103
<a href="#">Our Employees</a> .....	052		
<a href="#">Community Engagement</a> .....	071		
<a href="#">Supply Chain</a> .....	075		
<a href="#">Business Continuity</a> .....	082		

The Fiscal Year (FY) 2018 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 FY2018 performance and metrics for FY2019 and beyond.

*Inquiries regarding this report should be directed to [social.response@seagate.com](mailto:social.response@seagate.com).*



# 01.

## REPORT CONTENTS





## MESSAGE FROM THE CHIEF EXECUTIVE OFFICER (CEO)

The ways we create, share, and interact with data are changing. From the cutting edge of artificial intelligence to the posts we share on social media, never before has the datasphere been so diverse—and the demand for fast, reliable, and secure data storage solutions so great.

For the past four decades, Seagate has innovated solutions and driven positive change throughout the data storage industry and our world. Our purpose is to craft the datasphere, and do so while delivering sustainable value to our customers, employees, and stakeholders.

Guided by our Seagate values of Innovation, Integrity, and Inclusion—and over 40,000 strong—Seagate remains committed to this goal of crafting the datasphere. We understand that global citizenship is not something we do, but something we embody. Our efforts to be sustainable and productive citizens are deeply embedded in the way we do business.

From our work to improve product circularity to creating technologies that consume less energy while storing greater

amounts of data, Seagate products embody the spirit of sustainable business, reflecting the expertise, dedication, and passion of our global workforce.

As a signatory of the United Nations Global Compact (UNGC) and a founding member of the Responsible Business Alliance (RBA), Seagate is committed to upholding the highest standards of ethical conduct, and I affirm this commitment.

As we continue on our journey of productive global citizenship, I am pleased to share with you Seagate's progress throughout the fiscal year 2018 (FY2018). While I am proud of our accomplishments, I look forward to continued achievement throughout FY2019 and beyond, as we work to build a better, more sustainable future.

Thank you,

Dave Mosley

  
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WE HOLD OURSELVES ACCOUNTABLE TO ALL THE WAYS WE IMPACT PEOPLE AND OUR PLANET, WHICH WE UNDERSTAND IS THE ONLY VIABLE WAY TO ACHIEVE OUR VISION OF CRAFTING THE DATASPHERE. THIS REPORT IS OUR COMMITMENT TO TRANSPARENTLY REPORTING THOSE IMPACTS AND HOW WE WILL ALWAYS STRIVE FOR CONTINUOUS IMPROVEMENT.

**DAVE MOSLEY, CEO**

## About This Report

This report covers activities managed by Seagate Technology Public Limited Company (PLC), an Irish public limited company, from July 1, 2017 through June 29, 2018, our 2018 fiscal year. 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 (U.S.) dollars. There were no significant changes to Seagate and the Supply Chain 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 solutions, including solid state drives, solid state hybrid drives, Peripheral Component Interconnect Express cards, and Serial Advanced Technology Attachment controllers. Our storage technology portfolio also includes storage subsystems, high-performance computing solutions,

and data storage services. All of these products and services are shipped under the Seagate, LaCie, and Maxtor brand names. All of Seagate’s products meet regulatory requirements for health and safety in all jurisdictions where we do business. Additionally, Seagate does not have any of its products or services banned in any markets where we do business. References to our major locations are defined as locations that contain more than 500 Seagate employees.

This report is published annually and our previous Global Citizenship Annual Reports can be downloaded from the Seagate website at [www.seagate.com](http://www.seagate.com), including the FY2017 report, which covers Seagate’s reporting cycle from July 2, 2016 through June 30, 2017. The Seagate website contains information about our company’s history, products, values, management, and our most recent financial performance. More information, including our net sales and other financial disclosures, can be found in [Seagate’s Annual Report](#).

*Inquiries regarding this report should be directed to [social.response@seagate.com](mailto:social.response@seagate.com).*

## Defining Report Content

Using the Global Reporting Initiative (GRI) Sustainability Reporting Standards 2016 and the GRI 102: General Disclosures 2016, Sustainable Datasphere: FY2018 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 GRI Sustainability Reporting Standards 2016 (the Standards). A list of the Standard Disclosures and their locations within this report can be found at the back of this report. In FY2017, Seagate conducted a materiality assessment to identify, prioritize, and validate the aspects that are most material to our operations. This included reviewing external trends across social and environmental dimensions and speaking with both internal and external stakeholders to develop a comprehensive understanding of how various issues influenced decision-making. Seagate's FY2017 materiality assessment considered aspects of our

business activity that resulted in both direct and indirect (through business relationship) impacts on issues internal and external to Seagate. The third party who conducted the assessment covered a wide range of issues to validate which were of importance to Seagate and our stakeholders, and those which were of lower priority. No aspect was intentionally excluded from the scope of the assessment. Stakeholder feedback gathered during the materiality assessment helped to shape the content of this report. Seagate's FY2017 materiality assessment considered global citizenship impacts both inside and outside the company, such as impacts to our customers, employees, global partners, and supply chain. These aspects make up the content and structure of this report. The aspects that we identified as material to our business can be categorized into governance and ethics, product stewardship, environmental sustainability, our employees, supplier engagement, community engagement, and business continuity.

*After reviewing our business operations in FY2018, there has been no significant change to the business, and so the FY2017 materiality assessment is sufficient. We will, however, conduct a new materiality assessment in FY2019.*

## Management Approach

Seagate aligns to the Business Process Management (BPM) approach in managing the aspects of our business that are material. In most cases we have management programs which are detailed in Corporate Standard Operating Procedures. These procedures are periodically reviewed to ensure they are current. Many program areas have performance metrics to measure the effectiveness of the management program in delivering the

expected results. These performance metrics are shared in this report. Our internal audit program ensures that the controls are effective in managing the risk and opportunities. Based on the performance metrics and audit results, actions are taken to improve the programs. Economic, environmental, and social programs are managed by the functional departments, with oversight by senior management who report directly to the CEO.

## Materiality Assessment





02.

# ABOUT SEAGATE



III  
INTEGRITY  
INNOVATION  
INCLUSION

## SEAGATE OVERVIEW

Seagate's products enable people and organizations around the globe to safely store, share, and interact with data. From treasured family photos to life-critical cancer research data, Seagate's products are trusted by millions of people with their most sensitive and precious information.

Since our beginnings in 1979, Seagate has proven itself as an innovator and disruptor in the storage industry. From pioneering the world's first 5.25-inch hard disk drive (HDD) in 1980 to breaking the areal density barrier with the first-ever HDD with one terabyte (TB) per platter in 2011, our commitment to innovation—backed by industry-leading expertise and precision engineering—is at the heart of all we do.

But innovation means much more to us than setting standards of capacity and performance. It means that we must

constantly search for opportunities to make our products better—not only for our customers, but also for our environment and planet. By harnessing the power of sustainability, we can design drives that consume less energy while delivering increased storage capacity. This is just one example of what we call the sustainable datasphere.

As a leader in our industry, we have a responsibility to do the right thing—even when doing so may not be easy. Guided by our core values of Innovation, Integrity, and Inclusion, Seagate is committed to setting the standards to which we and others in our industry adhere. This is why we are a proud signatory of the UNGC and a founding member of the RBA.

The road to a brighter, more sustainable future is one we must walk together. By leveraging critical partnerships, Seagate works to deliver sustainable value to employees, stakeholders, and customers, while protecting the planet we share.



Our highest areal density drives enable higher capacity in the same footprint, scaling up your Petabyte! Helium-enabled low power and weight, plus the capability to manager performance gives additional power savings.



OUR COMMITMENT TO INNOVATION—BACKED BY INDUSTRY-LEADING EXPERTISE AND PRECISION ENGINEERING—IS AT THE HEART OF ALL WE DO.

III  
INTEGRITY  
INNOVATION  
INCLUSION

With HDDs continuing to dominate the storage landscape, Seagate serves a wide variety of markets, including Enterprise Storage, Edge Compute, Edge Non-Compute, Enterprise Design Solutions, major subcomponent manufacturers, hardware storage solutions manufacturers, system integrators, storage services, advanced hyperscale data centers, and consumer. In addition to HDDs, we produce a broad range of data storage products including solid state drives (“SSD”), and storage subsystems. Our SSD products mainly include serial attached SCSI (“SAS”) and Non-Volatile Memory Express (“NVMe”) SSDs.

We are a leading provider of data storage technology and solutions. Because we are vertically integrated, we maintain control over the design and production of our own read-write heads and recording media. In addition, we control sourcing, design,

manufacturing, and delivery for all our products. It is this level of autonomy that enables us to not only innovate superior solutions, but to do so in the most sustainable way, ensuring compliance and uniformity across our global footprint.

As a diverse team, Seagate extends across more than 20 countries around the globe. Headquartered in Ireland, we have manufacturing sites in China, Malaysia, Northern Ireland, Singapore, Thailand, and the U.S. In addition, we have design centers in California, Colorado, Minnesota, and Singapore, with dozens of sales and support offices throughout the world.

We are proud of the work we do to uphold our core values, enable positive change through profitable, strategic partnerships, and do what is right in serving our stakeholders and the planet.



03.

# GLOBAL CITIZENSHIP HIGHLIGHTS



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INCLUSION

## Embracing Diversity and Inclusion

Inclusion plays a major role in our success, and we are committed to maintaining an environment where all of our employees feel valued, welcomed, and free to bring their authentic selves to work every day. In FY2018, Seagate supported site chapters of the Seagate Women's Leadership Network throughout the U.S., in

Northern Ireland, and in China. Also in FY2018, the Seagate PRIDE! ERG was established. As a signatory of the CEO Action for Diversity and Inclusion™ from PwC, in FY2018 Seagate provided employees with access to resources promoting unconscious bias education.

## Stewards of Our Planet

As a company focused on data, it is impossible for us to ignore the facts when it comes to the ways in which human activity impacts our environment, resources, and planet. We recognize our responsibility to conduct business ethically, in a way that not only delivers sustainable value to our stakeholders, but aligns with our commitment to doing the right thing for our planet. In FY2018,

for the fifth consecutive year, we sent no hazardous waste to landfills, and reduced hazardous waste production in total by 17 percent. In the area of water conservation, we reduced our total water withdrawal by 10 percent and improved our water recycling by 3 percent. Finally, we also reduced our total electricity consumption by 4 percent.



## Employee Health and Safety

With a global workforce of more than 40,000 individuals, Seagate is committed to ensuring the safety and health of our employees. Throughout FY2018, we hosted nearly 36 health and safety regulatory visits, and decreased our recordable case rate by .06, a 27 percent reduction from the previous fiscal year. In addition to our compliance regulations, we also conduct health

campaigns at many of our sites. Our Healthy Journeys program seeks to educate, encourage, and support our employees as they work on achieving their health and wellness goals. Because our benefits programs are managed at a country or site level, in line with local legislation and employment policies, the Healthy Journeys program varies from location to location.







# 04.

# GOVERNANCE AND ETHICS



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INNOVATION  
INCLUSION

# GOVERNANCE AND ETHICS OVERVIEW

In line with our value of Integrity, Seagate is dedicated to maintaining the highest standards of ethics throughout our operations. As part of our ethics and compliance program, we have instituted a number of policies and processes, and delivered trainings and other communications that ensure all employees know how to perform to the highest standards.

Seagate is governed by its Board of Directors (“the Board”). Additional information on our governance structure is available publicly in the [Governance section](#) of our website. Our Corporate Governance Guidelines provide a framework for Seagate’s Board of Directors in exercising their responsibilities toward Company stakeholders, and these guidelines entrust the Board with the authority to review Seagate’s business operations and make decisions independent of company management. The guidelines also provide a process for shareholders to communicate concerns with the Board.

Our Business Conduct Policy serves as Seagate’s guide for legal and ethical conduct each day, in every place where we do business. It outlines the standards we are all expected to adhere to while exemplifying our values and complying with applicable laws, regulations, and company policies. Seagate’s Business Conduct Policy is

supplemented by our Code of Ethics for Senior Financial Officers, both of which are available publicly on our website.

Our [Business Conduct Policy](#) helps to ensure a principles-based approach to our activities. It summarizes Seagate’s ethical standards and key policies across such areas as insider trading, conflict of interest, bribery and corruption, privacy and confidentiality, and antitrust and fair dealing. To promote awareness and understanding of the policy, we make it available in the following languages: English, Chinese, Korean, Malay, Thai, French, Spanish, and Portuguese.

As noted in the policy, we require all Seagate employees, business partners, and suppliers to follow all applicable national laws and regulations, including the U.S. Foreign Corrupt Practices Act and the United Kingdom (UK) Bribery Act.

Through the RBA process, 100 percent of our manufacturing sites have a

risk assessment every two years. In FY2018 there were no significant risks of corruption identified through any risk assessment among our seven manufacturing sites, which together comprise nearly 83% of our global footprint.

We continually reevaluate our policies to confirm they reflect and adhere to 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 related to ethical business conduct, on an annual basis to ensure Seagate continues to operate within the letter and spirit of the law.

Seagate is committed to protecting the personal information of our employees and customers. As we continue to comply with the requirements of the European Union (EU) General Data Protection Regulation (GDPR), we are also working toward compliance with other emerging data protection and privacy laws, such as the California Consumer Privacy Act of 2018 (CCPA) and Brazil's new Data Privacy Law (Lei Geral de Proteção de Dados Pessoais or "LGPD").

In today's business environment, data creates value. Data is clearly a vital business asset that needs to be protected, which is why security analysts recommend a complete

range of protective solutions that includes both software and hardware-based encryption. And along with instant access and maximum storage performance also comes the realization that encrypting every bit of your business data is the only viable service level. To this end, Seagate offers two levels of hardware-based encryption—Essential and Certified—to help protect the entire life cycle of data security for business, government, and enterprise. In addition, to help protect the data that our customers entrust to our hard drives, we have a feature called [Instant Secure Erase \(ISE\)](#), which is designed to instantly reset the drive to factory settings and change the encryption key so any data remaining on the drive is cryptographically erased. This means all data on the drive is permanently and instantly unreadable. This work extends the life of the drive by enabling it to be reused. In this way ISE also serves as a product sustainability feature since the drives can be repurposed, which extends the useful life of the drive.



Our global privacy program has adopted the principles from the GDPR and the Fair Information Practice Principles (FIPPs), which include the following: accountability; acting within the law; informing individuals of how their data will be used; only using data for a specific purpose; collecting only the minimum data

necessary; and not keeping the data longer than is necessary to fulfill its purpose. These principles are widely accepted concepts for fair information practice and data protection, and we are committed to implementing these principles throughout Seagate as a comprehensive and holistic approach to data privacy.





## Ethics Helpline and Reporting

Our Ethics Helpline is available to both our employees and to those external to the Company, with 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, or Thai. Throughout FY2018, we continued to promote our Ethics Helpline so that employees may confidentially and anonymously report illegal or unethical situations without any fear of retaliation.

Additional reporting channels are available for employees to address ethics and other concerns, and ongoing training encourages worker feedback and participation in local sites, management communications sessions, and employee “all-hands” meetings with executives. These are just a few examples of how Seagate encourages worker consultation and supports the ability of employees to address complaints without the fear of retaliation.

## Public Policy Advocacy

Seagate is a diverse global company with operations, employees, customers, suppliers, and shareholders located throughout the world. As such, Seagate engages and interacts with officials and government representatives in a number of countries and municipalities, providing information about our company, our industry, markets, technology, and other facets of our business. Seagate does not contribute corporate funds to candidates for political office, political parties, or political action committees.

As a responsible corporate citizen, Seagate may actively engage in legislative and regulatory processes. This may include advocacy for certain

policies the company believes facilitate productive economic growth and are in the best interests of Seagate and its stakeholders.

Seagate's effort to interact with industry peers and stay informed of evolving policies, trends, technology developments, and regulations includes participation in a number of trade associations and related organizations. Some of these associations are categorized as 501(c) organizations under the U.S. tax code, and some may engage in public policy advocacy with the U.S. or other government entities. Seagate may make payments to these organizations,



including membership fees and dues, however the company's payments to, participation in, or membership with

these trade associations does not mean Seagate endorses or agrees with all of a group's policy objectives.

Below is a list of trade associations that may have received membership fees or payments from Seagate during FY2018.

- Responsible Business Alliance (RBA)
- US-ASEAN Business Council
- United Nations Global Compact
- United for Patent Reform
- Green Chemistry Council
- American Chamber of Commerce
- Silicon Valley Leadership Group
- TechNet
- The Minnesota High Tech Association
- Longmont, CO, Area Economic Council
- Longmont, CO, Chamber of Commerce
- Boulder, CO, Chamber of Commerce
- Cupertino, CA, Chamber of Commerce
- Fremont, CA, Chamber of Commerce
- American Chamber of Commerce, Thailand
- American Chamber of Commerce, Malaysia
- American Chamber of Commerce, Singapore
- American Chamber of Commerce, China
- Mastel (Indonesian association for ICT companies)
- Singapore Business Federation
- China Information Industry Association
- China Association for Foreign Invested Enterprises
- US-China Business Council in Beijing/Shanghai
- Jiangsu Provincial Informatization Association

## Looking Forward: Governance and Ethics

Seagate will continue to evaluate and assess our Business Conduct Policy, related programs, and processes for relevance and compliance with new laws and regulations. We plan to continue development and implementation of impactful live and online employee trainings and communications to support a culture of ethical behavior and compliance.



05.

# PRODUCT SUSTAINABILITY

# PRODUCT SUSTAINABILITY OVERVIEW

At Seagate, we understand the importance of reducing the impact our products and packaging have on the environment as identified by our rigorous Life Cycle Assessments (LCA). That is why our Product Sustainability team works closely with a number of internal and external partners, including suppliers, to assess and reduce impacts.

Identifying key environmental impacts and reduction opportunities, our LCAs include product environmental impacts, restricted substances, product end of life, and responsible sourcing of minerals. The Precautionary Principle is not applicable to Seagate's products and services because we do not utilize controversial technologies, such as genetically modified organisms or systemic insecticides in our products or processes.

Seagate takes a holistic view of product impacts, taking into account the environment, our customers, suppliers, and communities where our products and operations reside. Maximizing sustainability remains an ongoing goal of our Product Sustainability program, reflecting the implied social contract that we acknowledge and are proud to uphold.

In the spirit of continuous improvement, we aspire to first understand the impacts of our product offerings and then work toward reducing or eliminating those impacts across our operations. We recognize the importance of this work and share our results with our customers as inputs to their own processes, which in turn assist them to better understand their own business impacts.

In FY2018, Seagate's Product Compliance Council continued to operate according to its charter, supporting aspects of our product sustainability. Seagate products are designed to meet all Health and Safety regulations in the geographies where products are marketed.

## Product Impacts

Seagate uses thousands of materials to make its products, including many chemical substances. We strive for a complete understanding of material content in order to best manage product environmental impacts by working with suppliers to obtain Full Material Disclosures (FMD) for every part included in one of our products. This information is maintained in a database that is rigorously managed by Seagate's Sustainability organization, and is accessible to relevant internal stakeholders as any new substance concerns emerge.

Seagate conducts LCAs in accordance with the International Organization for Standardization (ISO) 14040:2006 and 14044:2006 to estimate each assessed product's impact on the environment. In addition, each LCA is critically reviewed by an independent third party.

In FY2018, we continued with the use of the Seagate Green Design Tool based

on Footprinter™ models, and published five more HDD LCAs using this tool. These assessments are available [on our website](#). All other LCAs are still relevant.

In accordance with our credibility and transparency efforts, the Seagate Green Design models have achieved a limited assurance verification by UL Environment based on criteria as detailed in the International Standards for LCA (ISO 14040 and ISO 14044), and the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Product Life Cycle Accounting and Reporting Standard. LCAs and product impact assessments help us focus development efforts to reduce environmental impacts. We prioritize conducting product LCAs based on production volume and customer data requirements. Seagate's initial LCA approach includes 15 environmental endpoints.

Each LCA addresses impacts at every stage in the product life cycle, from raw material extraction to end-of-life disposal and recycling. The Seagate Green Design Tool LCAs include four endpoints judged for particular relevance to the electronics industry:

1. Climate Change (kg CO<sub>2</sub>e)—Assessed across the seven GHGs specified in the GHG Protocol Product Standard
2. Human Toxicity (kg 1.4-DCB eq)—Accounts for environmental persistence, accumulation in the human food chain, and human toxicological effects
3. Metal Depletion (kg Fe eq)—Indicates the amount of mineral deposits consumed
4. Water Depletion (kg cubic meters)—Reflects the amount of water withdrawn in cubic meters from local freshwater systems

We assess all of our products for health and safety and improvements related to health and safety through a representative drive for each family of products, as well as for the overall product portfolio. We also assess health

and safety of our products to meet regulatory standards to place products in our markets to meet legal requirements. The progress that we have made is published on our [external website](#).





# CASE STUDY: EXOS X10 SERIES

Our 10TB Exos® X10 (formerly Enterprise Capacity 3.5 HDD) Helium drive was designed using results from previous sustainability reports to improve upon previous designs. Our

engineering focus is on increasing storage capacity utilization, while controlling the quantity and types of materials we use, and improving energy efficiency and recyclability.

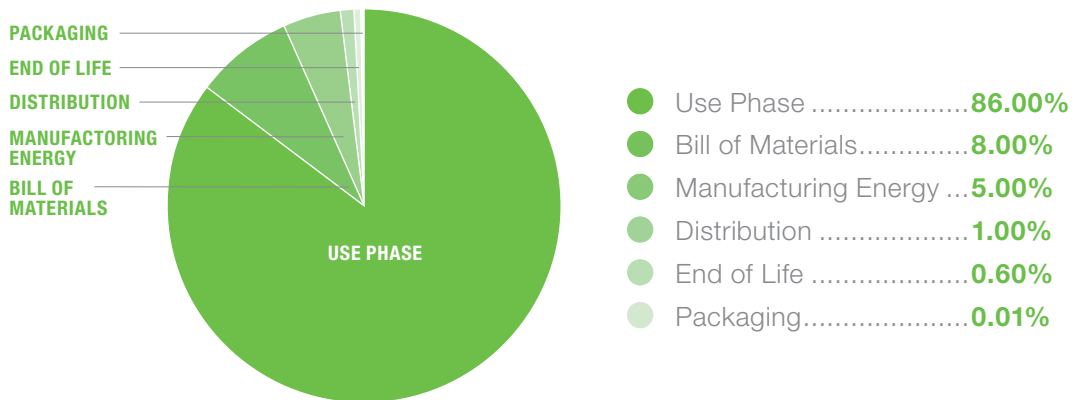
### This HDD has several sustainable design features:

- 10TB per drive for 25 percent more Petabyte per rack<sup>1</sup>
- Industry's lowest power and weight for optimum data center Total Cost of Ownership (TCO)
- PowerBalance™ feature optimizes IOPS/Watt
- 550TB/year workload rate limit
- Proven enterprise-class reliability backed by 2.5M-hour mean time between failures

As a part of our sustainability assessment, we measure and report its energy and greenhouse gas emissions, impact on safety, impact on scarce resources, and materials efficiency and circularity. This is shown by displaying power consumption, greenhouse gas emissions by life stage, human toxicity by life stage,

metal depletion by life stage, water depletion by life stage, device weight when shipped by unit and TB, and key circularity parameters. The chart below demonstrates how the use phase of our drives has the biggest impact on overall greenhouse gas emissions.

## Greenhouse Gas Emissions by Life Stage



<sup>1</sup>Compared to 8TB competitive product.

More details on the sustainability of this product and others can be found on our [external website](#).



## Materials Efficiency and Circularity

With the Seagate Green Design tool, we are introducing a circularity metric on each product LCA. Circularity is a measure of materials efficiency. Material use has traditionally been linear: virgin materials are taken from nature, used to make and use products, and ultimately proceed to disposal. A circular economy, however, promotes the continuous use of materials in order to reduce waste and minimize our reliance on finite virgin resources.

Seagate now measures the circularity of products using the Material Circularity Indicator (MCI) for those products assessed via the Seagate Green Design Tool. We do this to benchmark our products, identify opportunities for improvement, and to move toward greater material efficiency. We also do this to inform our storage solutions designs and add value to the way we serve our customers and partners.

The MCI focuses on the restoration of material flows at product and company levels, and is based on the following four principles: using feedstocks from reused or recycled sources, reusing components or recycling materials after each use of the product, keeping products in use longer (e.g., by reuse or remanufacture), and making more intensive use of products (e.g. via service or performance models). MCI

combines these measures of circularity into a single indicator.

A perfect score is one, or 100 percent restorative, while a score of zero indicates a product with average lifespan and functionality, no recycled or reused content, and with no prospect of being recycled or reused at end of life. LCAs are publicly available on the Global Citizenship page of our website for each product on which Seagate has completed ISO 14040/14044 LCA studies.

In FY2018, we published seven LCAs using the new format called the Product Sustainability Report. We continue to refine the tool as we use it in conducting our LCAs. In accordance with our commitment to credibility, this process maintains third-party assurance. Significant environmental impacts come from the use phase 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 the costs associated with drive operation while also reducing environmental impacts. The advantage of these power conservation modes are described in the product manuals.

Seagate does not stipulate post-consumer content when procuring components or parts from suppliers; however, it must be acknowledged that there is post-consumer material inherent in today's raw material supply. Utilizing data from our LCAs, we are able to determine the impact of metal depletion per terabyte (TB) of storage capacity shipped on average for our product portfolio. The metal depletion indicator specifies the amount of mineral deposits that are consumed to provide the end-use material in question. The process is normalized to the extraction of iron (kg Fe-Eq). The average metal depletion per TB across Seagate's product portfolio is 7.9 kg Fe-Eq, and the total CY2017 impact to metal depletion equates to 2.2 million tons of Fe-Eq. In order to be more accurate, in line with our methodology, we are reporting in a CY-based time frame for metal depletion.

Seagate takes the entire product life cycle into account when designing our products. Most Seagate products are highly recyclable, containing aluminum, steel, copper, and other recoverable materials, and many regions where Seagate products are sold have

electronic waste recycling programs. For this reason, our HDDs are prime targets for salvage and recycling.

Because the vast majority of Seagate's products are sold as components to larger systems produced by original equipment manufacturers (OEM) 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 promote participation 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-returned drives. All of these drives are refurbished or recycled. Drives that are recycled are done so at locations that have been third-party audited to ensure our environmental standards are met. We also provide customers with drive disassembly instructions to facilitate recycling.

## Looking Forward: Product Sustainability

In line with our commitment to product sustainability, we will continue to leverage our LCAs to drive transparency and accountability, and will continue to publish additional LCAs throughout FY2019. Seagate understands the value and importance of responsible resource management, and will continue to investigate and pursue strategic circularity opportunities involving rare earth metals throughout FY2019 and beyond.

As part of our efforts to maximize the value of our products and minimize waste at the end of a product's life, we will continue to evaluate options for sourcing material from recycled products throughout FY2019. Viable recovered materials would then be used in the manufacturing of new components, reducing waste and supporting our circularity initiative.

## Restricted Substances

As a supplier to major OEMs, Seagate must meet our customers' strictest specifications. We are meticulous about cataloging restricted substances, and currently list more than 2000. 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.

Throughout FY2018, we continued to populate our CAS2 system with supplier FMD and Conflict Minerals data—including over 15,000 active Seagate parts and 30,000 supplier components. Seagate also completed the migration of all supplier data from the CAS1 system into the CAS2 system, which enables us to access and demonstrate product compliance data from the past ten years. Using this data, we responded to over 3000 customer requests for product environmental compliance information in FY2018.

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, Authorization 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, eliminating them from Seagate products wherever possible. Seagate's FMDs and CAS2 allow us to evaluate all of our products against the most current REACH Candidate List upon publication. We are able to determine if and where Substances of Very High Concern are present in our products, and at what concentrations, both at the homogeneous material and article levels. 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 aim to exceed, rather than meet, the requirements, giving our customers enough time to manage their own product compliance. This diligence gives our customers the opportunity to participate in programs such as the Electronic Product Environmental Assessment Tool (EPEAT). Seagate products are generally components,

for which no EPEAT standards apply. However, our ability to verify RoHS compliance and identify product composition at both the homogeneous material and article levels provides customers the assurance that the incorporation of Seagate components into their final products will support their ability to meet the relevant EPEAT-required and optional criteria for their final products.

In FY2018, we continued our support of the BizNGO Safer Chemicals principles, and participated in the Chemical Footprint survey. Results of our survey are available publicly on the Chemical

Footprint Project website. Seagate regularly participates in industry-wide reviews and discussions to help lead the development of industry standards and tools that help our industry and supply chains meet regulatory and customer requirements.

As part of our commitment to transparency, Seagate publishes a Bill of Substances report, which lists all of the materials used as a percentage of the total. Total materials used by weight is not a metric recognized by Seagate. In FY2018, we received no significant fines or nonmonetary sanctions for product environmental noncompliance.

## Looking Forward: Restricted Substances

Upholding our value of Integrity, we will continue to manage our product compliance to ensure that all customer and regulatory requirements are fully met throughout FY2019 and beyond. While in the process of migrating to a new service provider for our Business Process Outsourcing activities, we will work to identify and leverage process efficiencies.



## Conflict Minerals

Conflict minerals are tungsten, tin, tantalum and gold (3TG or “conflict minerals”), which remain a major challenge for hardware industries. 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 U.S. 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 U.S. Securities and Exchange Commission (SEC).

As part of compliance with this regulation, Seagate participates in the RBA Responsible Minerals Initiative (RMI). Participation allows Seagate to contribute to industry solutions while maintaining standard processes for data collection. Our Conflict Minerals Policy Statement is available on our website.

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, or 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 in the RBA and RMI.

In FY2017, we conducted and passed an Internal Private Sector Audit (IPSA) aimed at validating that our due diligence framework conformed to the Organization for Economic Cooperation

and Development (OECD) guidance. Though we did not conduct an IPSA in FY2018, we maintained our commitment to the OECD due diligence framework.

Throughout FY2018, we continued to manage supplier communication and data via CAS2, following our implementation of the system in FY2017.

As of FY2018 year end, all of our HDD products were verified conflict-free as defined here, and we continue to make significant progress integrating our systems products into CAS2 and moving toward complete conflict-free validation among those products. "Conflict free" is defined as having 99.5 percent of suppliers and associated smelters complete the RMI protocol or equivalent certification.

## Looking Forward: Conflict Minerals

Seagate will remain committed and vigilant against human rights violations throughout our supply chain and associated smelters. As we plan to conduct an IPSA in FY2019, we continue toward our vision of conflict-free certification across our entire product portfolio.

*Additional information and details are available in our Conflict Minerals Report, filed annually with the U.S. SEC.*



06.

# ENVIRONMENTAL SUSTAINABILITY

# ENVIRONMENTAL SUSTAINABILITY OVERVIEW

Seagate understands and acknowledges that climate change is contributed to by human activity, and will lead to a number of social, economic, and environmental consequences for all of us if not properly dealt with. As we work on doing our part, we continue to set goals, track our progress, and audit our systems to reduce energy consumption, carbon emissions, waste, and water usage throughout our global footprint. These efforts are both important to and fully supported by senior management. In addition, our global environmental sustainability efforts are deeply embedded in how

we operate and do business, as evidenced throughout our corporate policies and processes. To the best of our knowledge, none of our operations are located in or adjacent to protected areas and areas of high biodiversity value outside protected areas. We are also not involved in any habitat protection and restoration efforts.

We work closely with our suppliers and provide training to key stakeholders to educate them on sustainability best practices, with indicators to gauge performance. These actions comprise the majority of our environmental sustainability efforts.

## Management Systems

Our environmental management system is shaped by ISO standards, the RBA Code of Conduct, and UNGC principles. By managing and reducing environmental impacts through this system, Seagate demonstrates our recognized environmental sustainability leadership in the Information and Communication Technology (ICT) industry.

At the end of FY2018, all of Seagate's manufacturing facilities were certified to

ISO 14001 Environmental Management System and Occupational Health and Safety Assessment Series (OHSAS) 18001-certified. We had 20 environmental regulatory visits in FY2018, resulting in no notices of violation or fines. In addition, we had 36 Health and Safety and Fire regulatory visits globally. There were no fines levied or notices of violations raised as a result of these visits in FY2018.

## Energy and Carbon Emissions Performance

Energy usage and process chemicals that contribute to greenhouse gas (GHG) emissions are essential to the manufacturing processes of our products and to providing our services. Seagate reduces the amount of energy and carbon required to produce HDDs by identifying energy conservation opportunities, auditing management systems, setting targets, creating awareness among employees, and reporting on progress throughout our operations.

Our primary objective is to reduce energy use and GHG emissions per storage capacity produced. 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.

Seagate’s two largest sources of GHG emissions continue to be purchased electricity and fugitive emissions (the unintended release of GHG compounds into the atmosphere from various types of equipment and processes). To reduce the intensity of GHG emissions, each manufacturing site is required to achieve annual energy savings goals.

The reduction of GHG emissions continues to be the most significant environmental aspect to our operations, especially given the growth in storage capacities and product complexity, as new products have additional production steps. Furthermore, as the ICT industry transitions to increased cloud-based data storage systems, Seagate will grow its cloud storage product offerings, which generally require longer test times.

We are working to better understand and mitigate the impact this transition may 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 emission, will be key in reducing overall GHG emissions, as this is the main contributor to Scope 1 emissions.

Throughout FY2018, we worked toward finalizing our emissions reduction goal for the Science Based Targets Initiative (SBTI), which we committed to publicly in FY2017. SBTI is a methodology designed to set GHG reduction targets that align with climate science, to mitigate the rise in global temperatures to less than two degrees Celsius compared to pre-industrial temperatures.



## Energy

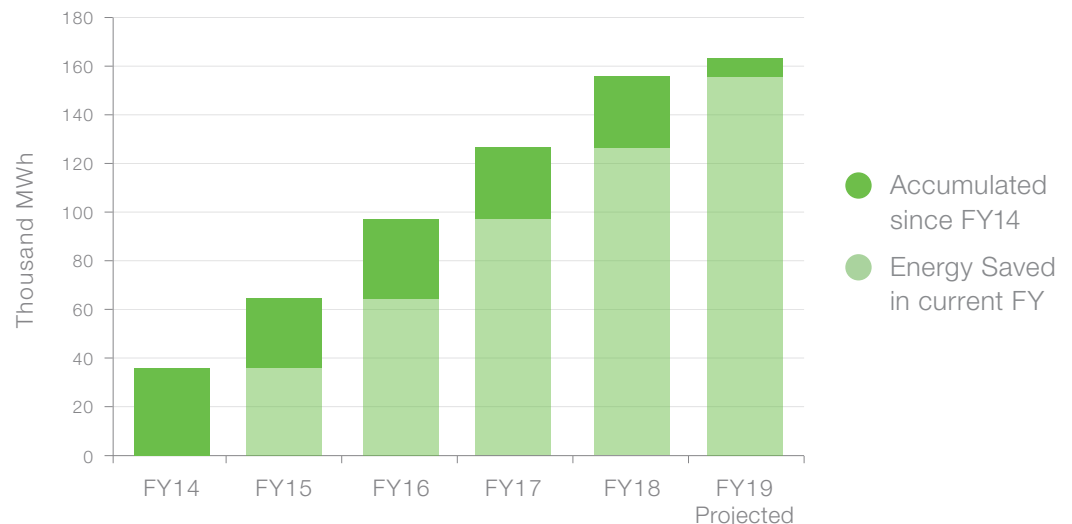
Total internal electricity consumption decreased to 1.567 million megawatt hours (MWh), from 1.633 million MWh in FY2017. We shipped 338 EB of storage capacity in FY2018, resulting in a total of 4634 MWh per EB of storage capacity shipped, down from 6220 MWh per EB of storage capacity shipped in FY2017. This accounts for a 25 percent reduction in electricity consumption from FY2017 to FY2018, reflective of our ongoing commitment to responsible energy use.

Higher-capacity drives tend to require an increased amount of energy to manufacture, and normalizing our energy consumption per storage capacity shipped demonstrates our continued progress toward and commitment to energy efficiency—aligned to our value of Innovation.

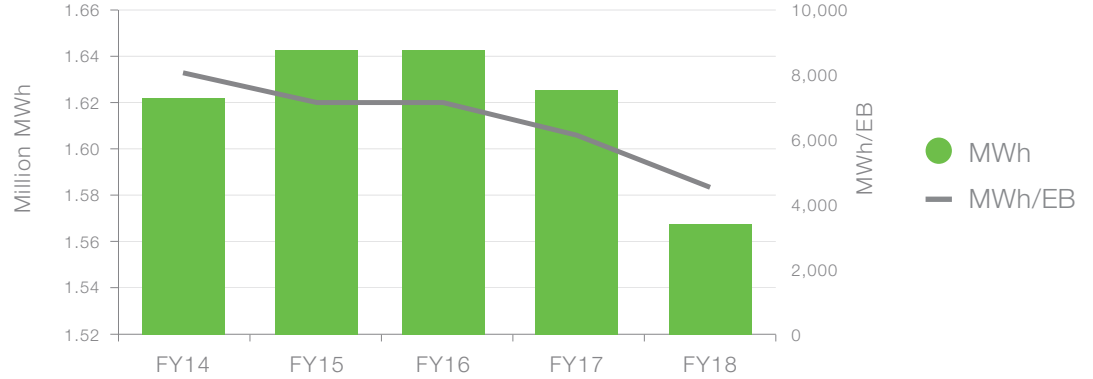
Seagate also continues to focus efforts on energy conservation throughout our operations. In FY2018, we saved 39,000 MWh of electricity, exceeding our conservation goal of 20,000 MWh by nearly double. Energy savings are calculated using the Metered Baseline Method (MBM); since FY2014, the site-initiated energy conservation projects have saved a cumulative 154,000 MWh. Our conservation goal for FY2019 is 10,000 MWh.

At our design centers in Singapore and Fremont, California, we generated a total of 1540 MWh of renewable, solar energy throughout FY2018. Our manufacturing sites in Wuxi, China, and Londonderry, Northern Ireland, are certified to ISO 50001 Energy Management System.

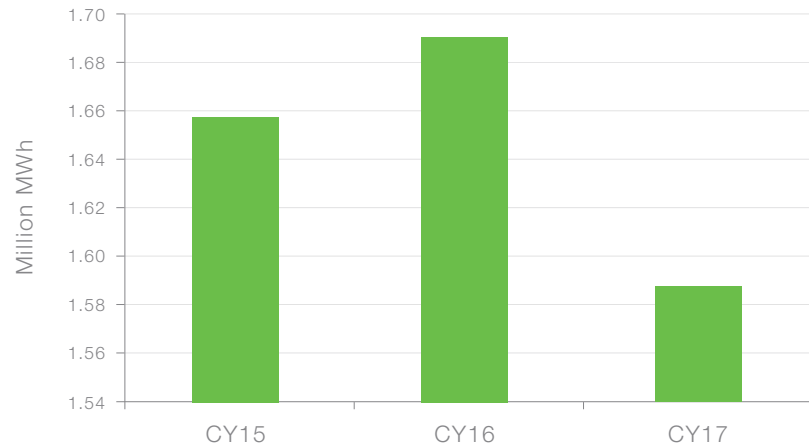
## Accumulated Energy Saved (MWh) since FY14



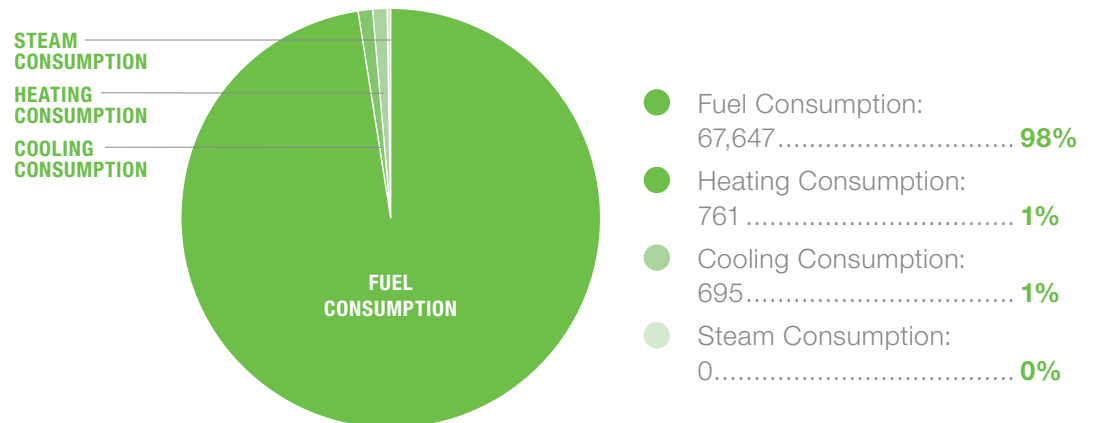
### Grid Electricity Consumption Over 5 Years



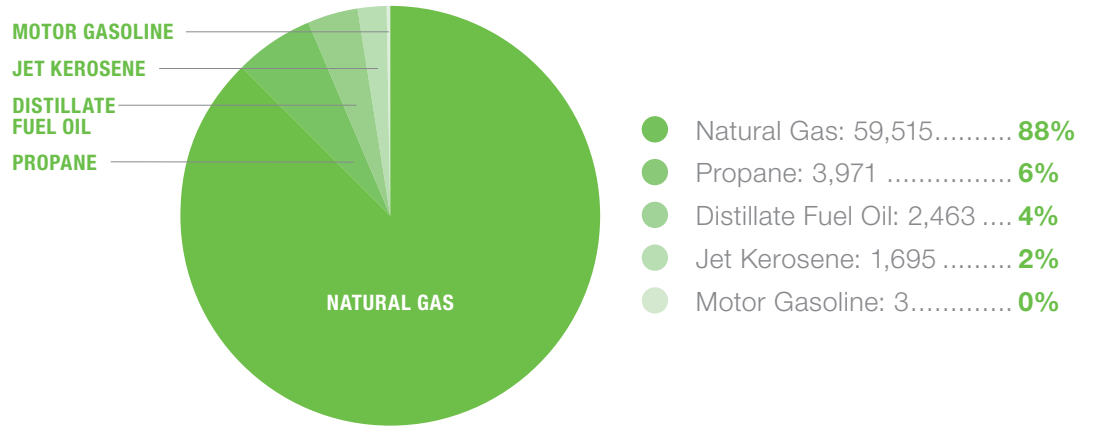
### Grid Electricity Consumption



### Energy Consumption Excluding Electricity (MWh) in CY2017



### Fuel Type (MWh) in 2017



### Solar Energy Generated on Site



## Carbon Emissions

Our carbon emissions data is collected by Calendar Year (CY). In CY2017, our Scope 1 emissions (GHG emissions generated directly at our sites) reduced by 12 percent to 262,343 metric tons of CO<sub>2</sub>e. The majority of this decrease occurred as a result of our program to reduce fugitive-hydrofluorocarbon and other process improvements.

We are still challenged by our 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 is a necessary part of our manufacturing processes, and has a very high global warming potential. The media design and manufacturing teams at our facility in Fremont, California, are working closely with the teams at

our manufacturing site in Singapore on qualifying a replacement for this solvent and improving process efficiency. This hydrofluorocarbon solvent contributed to nearly a quarter of our Scope 1 and Location-Based Scope 2 emissions totals, and finding a suitable replacement has proven to be more challenging than initially envisioned.

Our Scope 2 emissions, which come from the indirect GHG emissions generated from the electricity that we purchase, decreased by 10 percent, from 991,279 metric tons of CO<sub>2</sub>e in CY2016 to 894,885 metric tons of CO<sub>2</sub>e in CY2017. The primary approach to reduction is through energy conservation; we used the WRI/WBCSD Greenhouse Gas Protocol (Scope 1 and 2) for Scopes 1 and 2 calculations, and the WRI/WBCSD Greenhouse Gas



Protocol Corporate Value Chain (Scope 3) for our Scope 3 calculations.

Combining our Scope 1 and Scope 2 emissions, we generated 1,157,228 metric tons of CO<sub>2</sub>e in CY2017, representing a 10 percent reduction from CY2016. We also conduct third-party verification of our GHG emissions reporting every year, per ISO 14064-3: Greenhouse gases—Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions.

Our CY2017 goal was to reduce our total combined Scope 1 and Scope 2 emissions by two percent from CY2016, which was achieved. We believe that measuring emissions normalized over EBs shipped is a more accurate representation of the emissions portfolio of our business.

In addition to tracking factory performance to inform stakeholders (annually via this report), we share our results through the CDP (Carbon Disclosure Project) investor and supply chain questionnaires. Our responses

are available publicly on the CDP website, and we share information with our customers through the RBA environmental module.

- [CDP Response for Carbon Emissions and Third-Party Verification.](#)

Seagate continues to assess risk to the business from climate change as part of our annual ISO 14001 management system process, and we have not identified any risk unique to our company beyond what would apply to our industry.

As is typical for technology products, we find that Scope 3 emissions, particularly those from product use, are much greater than Scope 1 and 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 new generation. Our LCA results help to inform these improvements in products and packaging. As a result, each generation of products is more energy efficient (EB/watt) compared to previous generations.

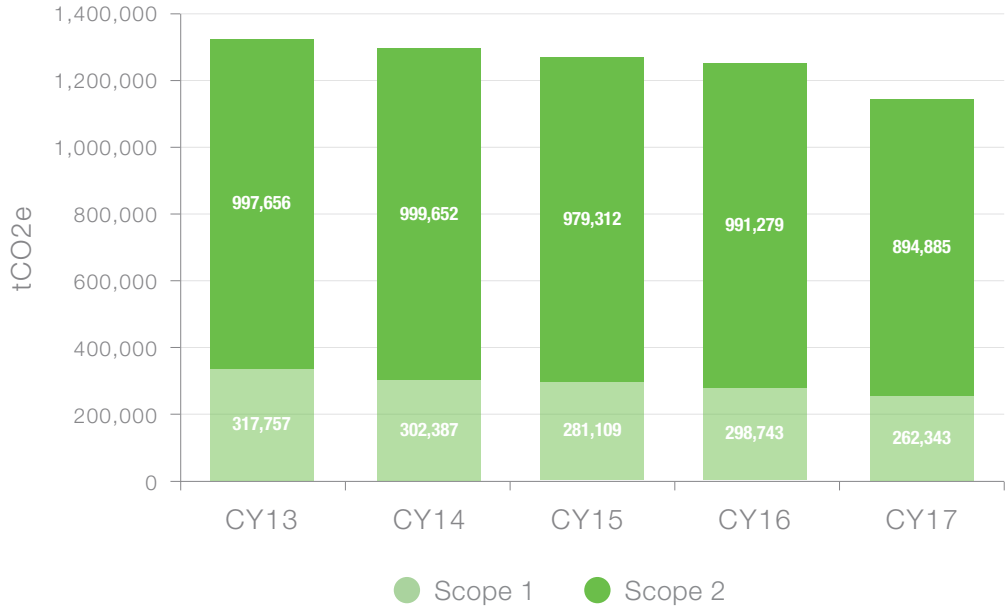
Seagate reports on all twelve Scope 3 parameters that are relevant to our operations; FY2017 represents the first year that we have a completed Scopes 1, 2, and 3 GHG footprint reported.



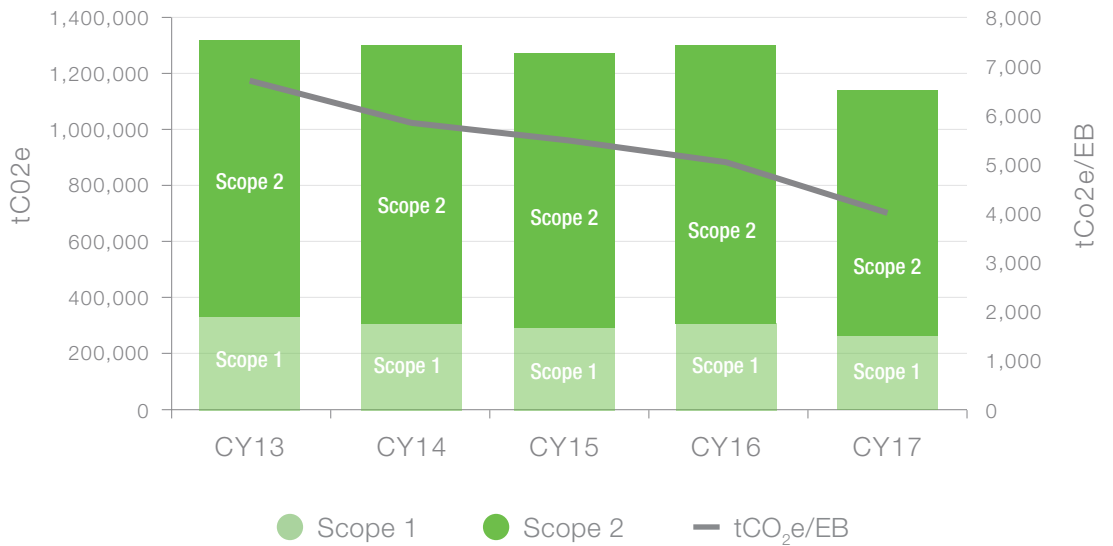
Our helium drives capture energy savings opportunities from sustainability report findings of previous product lines.



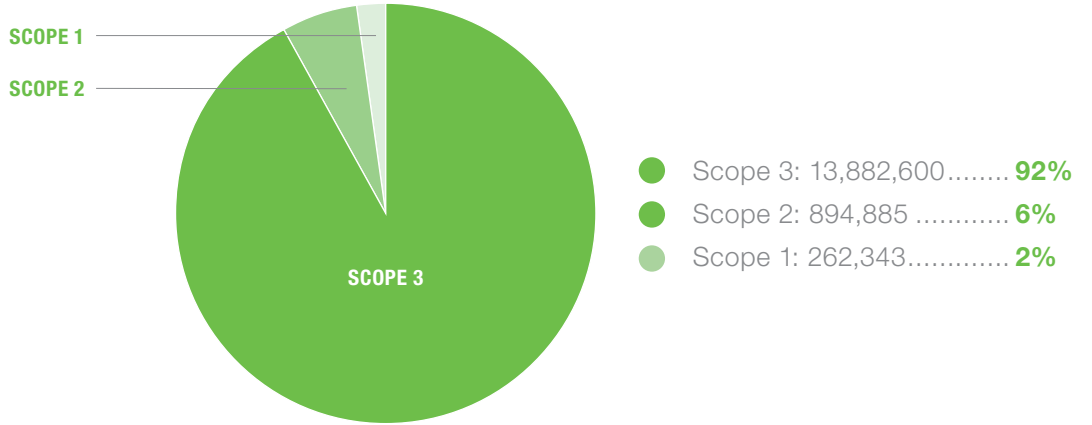
## GHG Emissions Over 5 Years



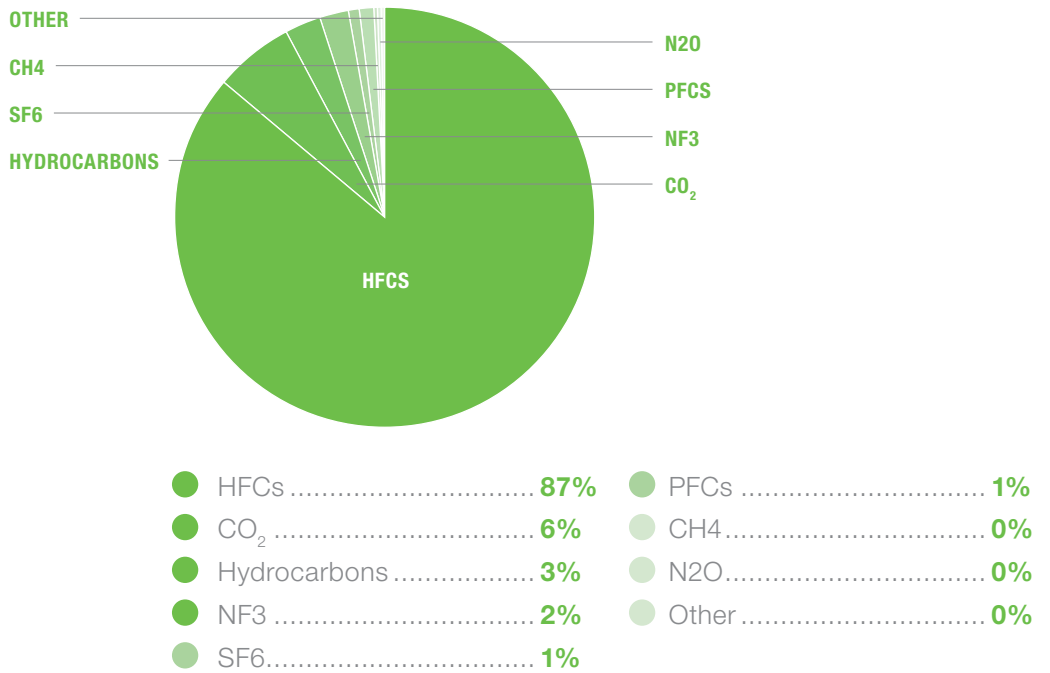
## GHG Emission Intensity Over 5 Years



## GHG Emissions in 2017



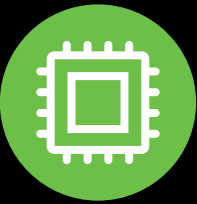
## Scope 1 Emissions in 2017



# Total Scope 1, 2 & 3 Emissions 15.04 million metric tons CO<sub>2</sub>e



**Scope 3 Upstream**  
= 2,764



Purchased Goods & Services = 2,200

- Upstream Transportation & Distribution = 190
- Fuel & Energy Related Activities = 190
- Capital Goods = 130
- Employee Commuting = 29
- Business Travel = 17
- Waste Generated = 5
- Upstream Leased Assets = 3

**Scope 2 = 895**



Purchased Electricity = 894

Purchased Heating /Cooling = 1

**Scope 1 = 262**



Process/Fugitive = 250

- Stationary Combustion = 12
- Mobile Combustion = 0.4

**Scope 3 Downstream**  
= 11,118



Use of Sold Products = 11,000

- End of Life Treatment for Sold Products = 100
- Downstream Transportation & Distribution = 16
- Processing of Sold Products = 2

## 2017 Scope 3 Emissions

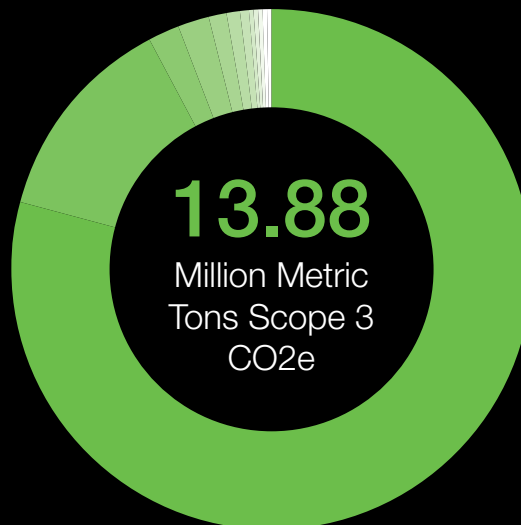
**11 MILLION**  
metric tons CO<sub>2</sub>e

79% of Scope 3 CO<sub>2</sub>e from the Use of Sold Products

**2.2 MILLION**  
metric tons CO<sub>2</sub>e

16% of Scope 3 CO<sub>2</sub>e from Purchased Goods & Services

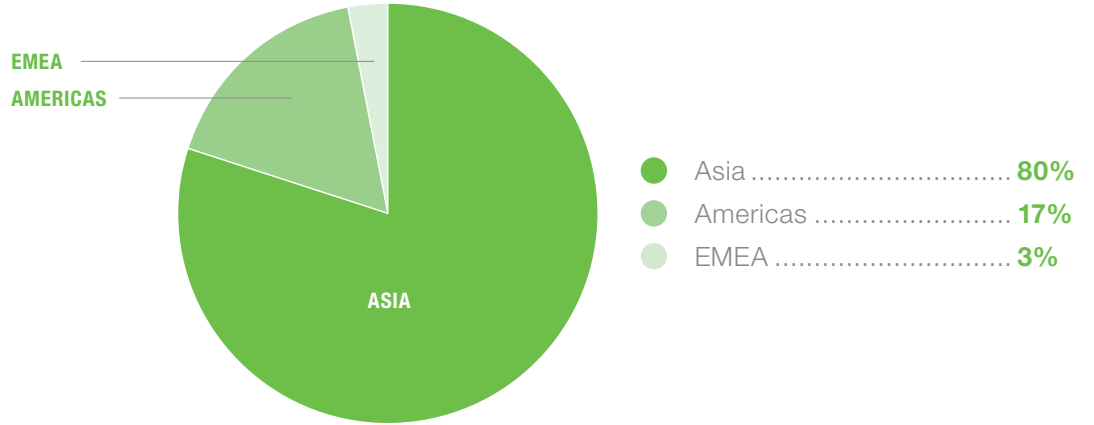
Balance 5% from other Scope 3 CO<sub>2</sub>e



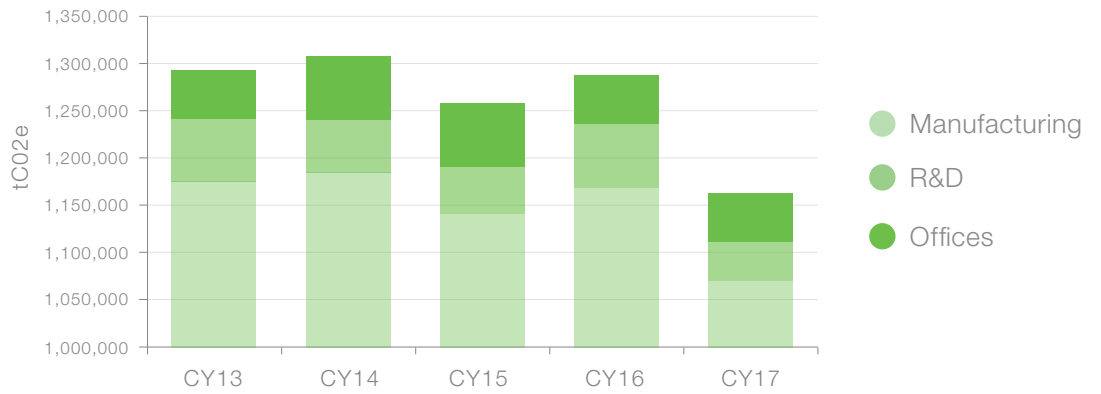
- Use of Sold Products
- Purchased Goods & Services
- Fuel & Energy Related Activities
- Upstream Transportation & Distribution
- Capital Goods
- Employee Commuting
- Processing of Sold Products
- Business Travel
- Waste Generated
- Upstream Leased Assets
- Downstream Transportation & Distribution
- End of Life Treatment for Sold Products

All units in million metric tons CO<sub>2</sub>e

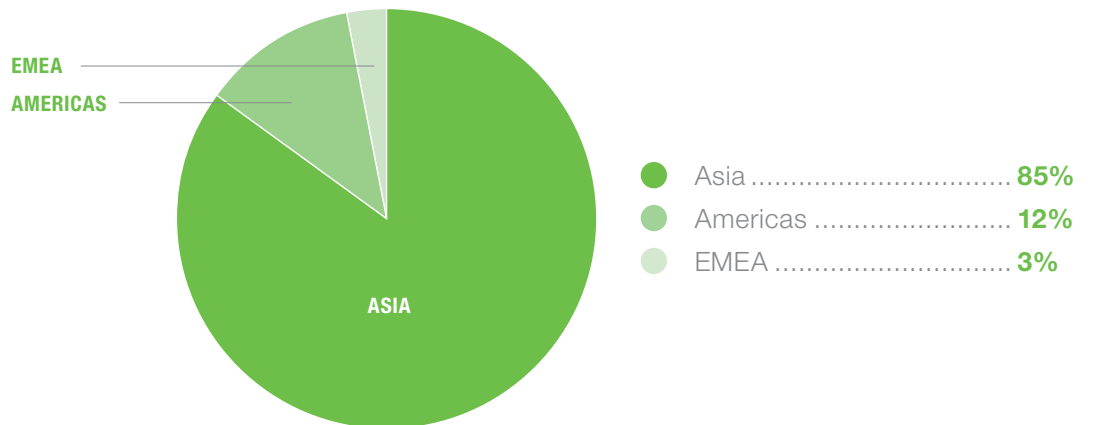
### GHG Scope 1 & 2 by Type of Facilities in CY2017



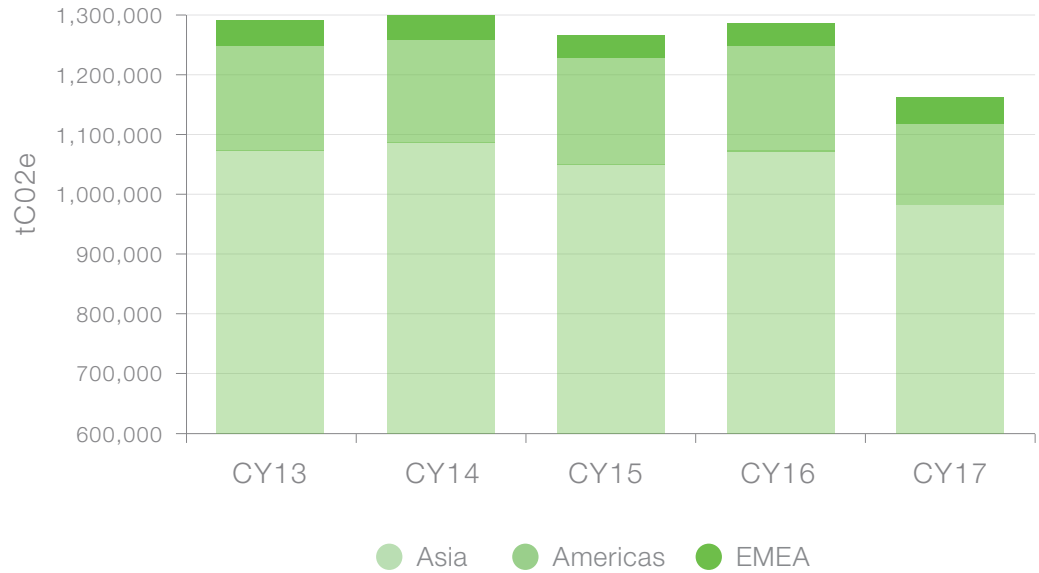
### GHG Scope 1 & 2 by Type of Facilities



### GHG Scope 1 & 2 by Region in CY2017



## GHG Scope 1 & 2 by Region



### Looking Forward: Energy and Carbon Emissions

As we continue to focus on energy conservation throughout FY2019 and beyond, we continuously evaluate our processes to identify savings opportunities throughout our global footprint. We anticipate our total energy consumption will be reduced in FY2019 as we continue to focus on reducing our footprint. In addition, we will continue to work toward achieving our aggressive SBTI goal.

## Waste Management

Seagate has established systems to track, manage, and report waste at every Seagate site across our global footprint. 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. We work with the disposal facility to identify the most appropriate method for treatment and disposal. Our preference is to recycle the waste, but if that is not an option, we look at chemical, physical treatment, and finally incineration.

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 Sustainability. 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 no significant spills in FY2018. A significant spill is defined as one which is reported in the financials as a liability requiring an outside response by a party external to Seagate.

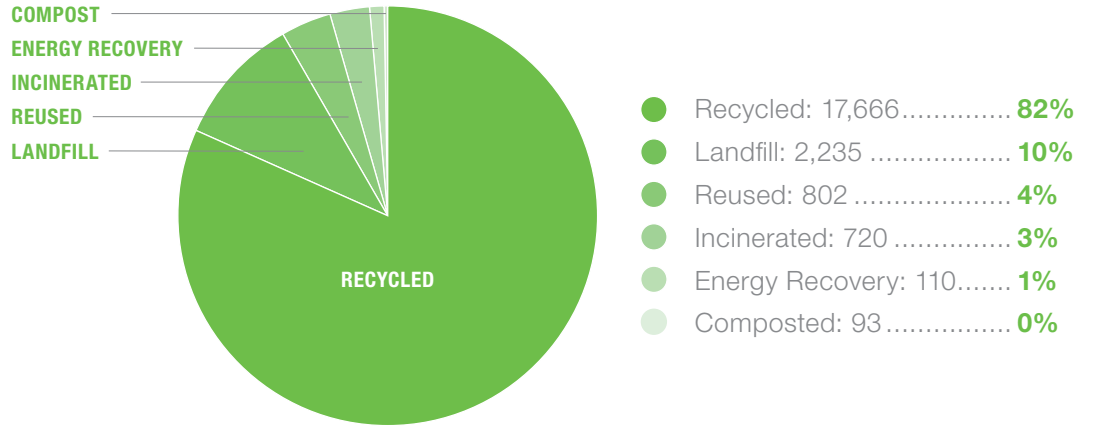
## Solid Waste

We measure the performance of our program by tracking the metrics listed in the graph that follows, 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

FY2018, Seagate met its target of keeping more than 83 percent of solid (nonhazardous) waste out of landfills, with a diversion rate of 85 percent. We generated more waste overall in FY2018: 20,730 tons, up from 19,513 tons in FY2017, representing a 6 percent increase.



## Solid Waste Disposition FY18 Total 20,730 Tons



## Total Waste Generated Over 5 Years



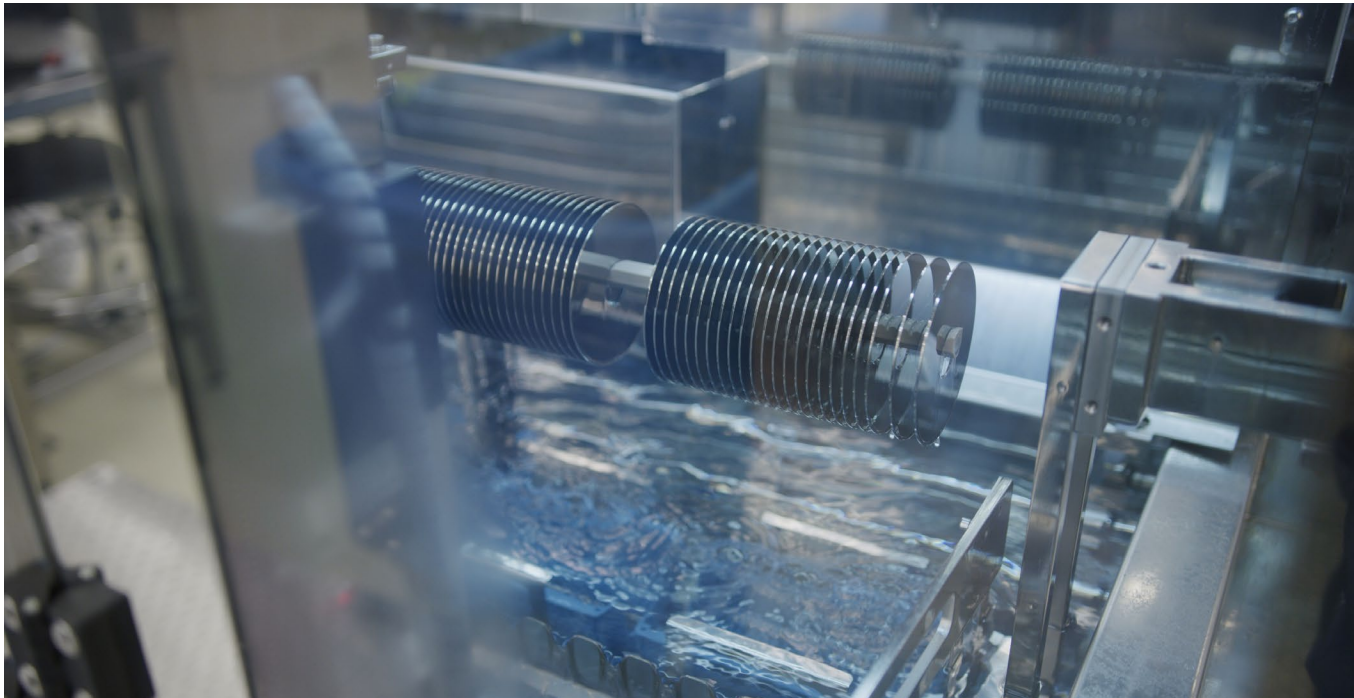
## Hazardous Waste

Eighty-three percent of the hazardous waste produced in FY2018 was recycled, with 2.6 percent going to energy recovery, 6.4 percent being incinerated, and 7.7 percent being disposed of through treatment processes. Because of these efforts, in line with our commitment to responsible waste management, FY2018 represents the fifth consecutive year that we sent no hazardous waste to landfills.

Our hazardous waste disposition continues to shift away from treatment to recycling due to 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.

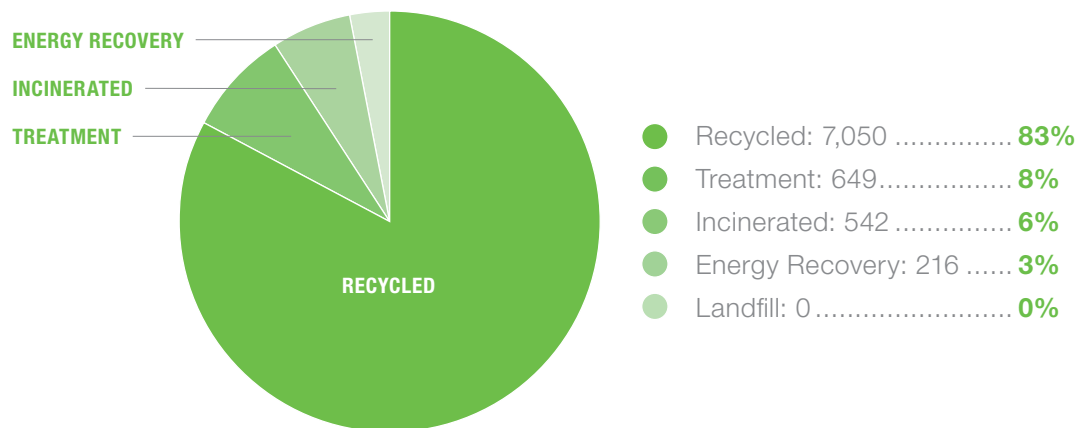
Additionally, Seagate generated 17 percent less total hazardous waste in FY2018, dropping from 10,211 tons in FY2017 to 8,457 tons. This also correlates with a drop in hazardous waste produced per million EBs shipped, from 39 tons in FY2017 to 25 tons in FY2018. This is again due to treating a large amount of waste in-house through the electrowinning process in Johor, Malaysia.



We utilize CHWMEG third-party audit reports to assess Treatment, Storage, and Disposal Facilities (TSDF) across global sites. When CHWMEG audit reports are not available, we directly contract with third-party firms to conduct audits of TSDFs. In FY2018, we conducted or reviewed 13 Hazardous Waste TSDF audit reports to ensure these facilities meet the standards set

by Seagate Corporate Sustainability. A total of 8457 tons of hazardous waste was transported to in-country TSDFs for treatment in FY2018. No waste was imported nor exported during the year. The volume of waste transported is calculated from hazardous waste consignment notes that accompany the shipment for treatment.

### Hazardous Waste Disposition FY18 Total 8,457 Tons



### Looking Forward: Waste Management

Underpinned by our value of Integrity, we are committed to keeping 100 percent of hazardous waste out of landfills throughout FY2019. Additionally, we will maintain a solid waste diversion rate of 83 percent or greater in FY2019, leveraging site initiatives, as well as the insights of our dedicated teams, to help achieve these goals.

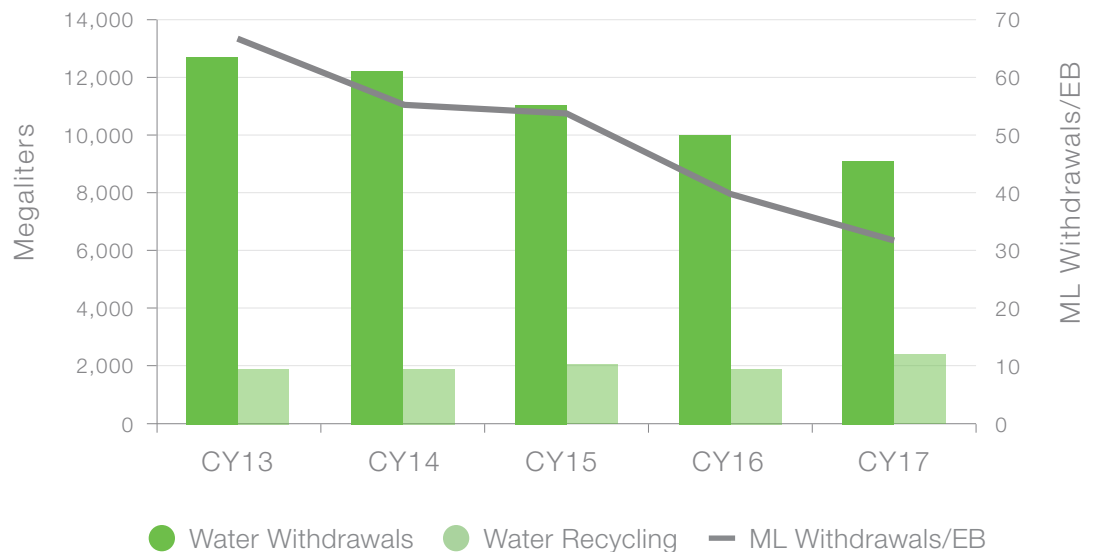
## Water Management

Water is a key natural resource, and warrants proper management to preserve and protect the health of our ecosystem. Our manufacturing processes draw water from local watersheds for use as coolants and cleaning agents. We have applied measures to reduce water consumption, improve water recycling, increase awareness among employees, and reduce water intensity over the past several years. Like our carbon emissions, total annual water metrics are reported based on the calendar year, not fiscal year.

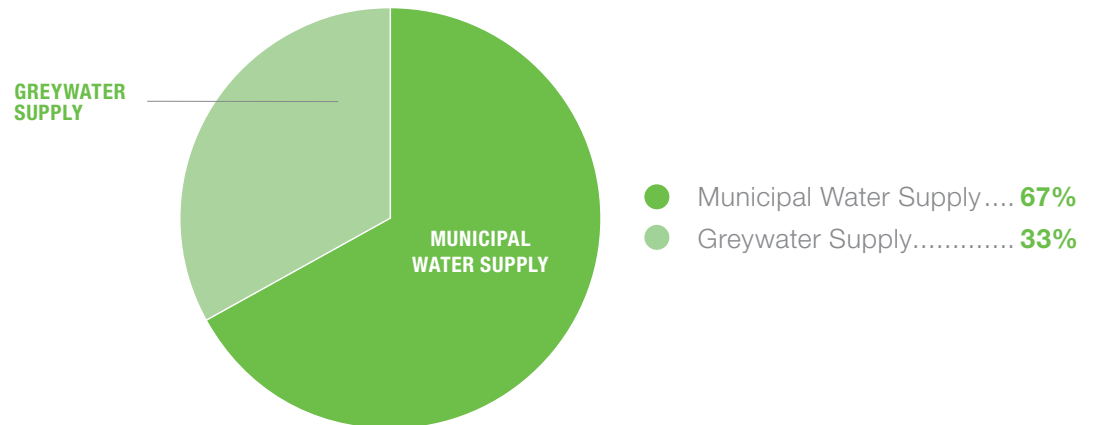
We reduced total water withdrawn by 11 percent, from 10,119 megaliters in CY2016 to 9047 megaliters in CY2017. This is the total volume of

water withdrawn from municipal water supplies based on meter reading. In CY2017 we recycled 2291 megaliters of water, up from 1873 megaliters in CY2016, a 22 percent increase based on meter reading. Our progress has been driven by reducing water use through more efficient processes, and recycling the water we use. In CY2017, our water intensity was 31.7 liters per EB, down from 40.1 liters per EB in CY2016, a 21 percent decrease. This is due to an overall reduction in withdrawal as well as the increased number of EBs shipped from CY2016 from CY2017. The [CDP Response for Water](#) and [Third-Party Verification](#) can be found on our external Global Citizenship website.

## Water Withdrawals & Recycling



## Water Withdrawal by Source, Total 9,047 Megaliters for CY2017



### Looking Forward: Water Management

We recognize that water is one of our most precious resources, and will remain committed to reducing our use throughout FY2019. To achieve this, we will continue to seek out new and innovative solutions, opportunities, and technologies, including assessing and monitoring our water usage data to determine best practices, approaches, and policies around our water management.



# 07. ● OUR EMPLOYEES





INTEGRITY  
INNOVATION  
INCLUSION

## OUR EMPLOYEES OVERVIEW

Our employees form the heart and soul of our business—from the technology behind our products to the sustainability of our growth and performance. This was the driving force behind our FY2018 priority of “Focus on People.”

Because we rely on our diverse workforce to develop, deliver, and sustain business strategy and achieve our goals, we believe that to focus on people is to focus on business. This requires aligning, developing, and communicating with our workforce through a refreshed goal-setting process and related activities to drive engagement. It also requires our continued commitment to uphold labor and human rights, cultivate a diverse and inclusive work environment, promote employee health, safety, and wellness, and provide employees with opportunities for development and growth.

Our workforce is comprised of over 42,000 regular employees, 99 percent of whom are employed full-time. Our workforce

encompasses more than 120 nationalities spanning more than 20 countries globally. We employ some of the brightest minds in technology, science, and business, and we recognize that successful employees are the driving force behind our success as a business. We establish goals each year to retain these employees, and in FY2018 our voluntary employee turnover was nine percent worldwide, exceeding our goal of 10 percent.

We continue to focus on creating an optimal organization aligned to market demands, and actively recruit employees that align with our value of Innovation. We hire new graduates as well as mid-career employees via global recruitment and branding activities, and seek to attract a wide variety of talent. In FY2018 we added more than 11,000 employees into our global workforce community.

# LOOKING FORWARD: SEAGATE EMPLOYEES

Shifts in our industry mean shifts in our workforce. As we address these shifts throughout FY2019, we plan to offer programs designed to retrain targeted employees to fill positions in high demand, which may be less feasible to outsource. Our voluntary turnover goal will remain at 10 percent globally, and we will continue to recruit employees that align with Seagate values.

## Total Global Employees By Region



## Total Global Employees By Gender



**Female 59.6%**

Full-time 99.7% Part-time .3%



**Male 40.4%**

Full-time 99.8% Part-time .2%

## FY18 Global Hires Total: 11,267

BY GENDER	BY AGE GROUP	BY REGION
Female 66.2%	<b>&lt;30</b> 71.1%	<b>Americas</b> 2.6%
Male 33.8%	<b>30-50</b> 28.0%	<b>Asia Pac</b> 96.4%
	<b>&gt;50</b> 0.9%	<b>EMEA</b> 1.0%



## Human Rights and Labor

Throughout our global operations, Seagate lives its value of Integrity. As part of our commitment to respect and protect human rights, we seek to uphold the highest standards in our labor practices. Our company policies adhere to applicable local labor laws, are consistent with both the United Nations Global Compact (UNGC) and the International Labor Organization (ILO) core labor principles, and conform to the Reliable Business Alliance (RBA) Code of Conduct.

As a member of the RBA, we fully adopt and adhere to the human rights framework incorporated in the RBA

Code, and actively pursue conformance throughout our operations. In FY2018 all manufacturing sites, representing 86% of our workforce, conducted annual assessments to identify and mitigate labor and human rights risks that could arise. These sites also participated in internal labor audits to ensure policies and practices are aligned with local legislation and the RBA code. The six countries where all of our manufacturing does operations that included the assessment are the United States, Malaysia, China, Thailand, the United Kingdom, and Singapore.



Our internal Human Rights Policy, which was adopted in 2004, is reviewed annually, and includes clear statements about our commitment to labor and human rights. The policy is communicated to new hires during orientation and onboarding, and annually to all employees to build awareness and drive transparency within our organization. In FY2018, during our annual policy acknowledgment program, this policy was communicated to over 17,000 nonoperator employees and more than 99 percent reviewed and acknowledged the policy. This policy covers key areas such as:

- **Respectful Workplace:** We are committed to a workforce free of harassment and unlawful discrimination. We have established recruitment and employment practices to safeguard against 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, 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 law.

- **Freely Chosen Employment:** We ensure that employees work of their own free will and there is no forced, bonded, or indentured labor, involuntary prison labor, slavery, or trafficking of persons in our workforce. Through RBA VAP audits there have been no cases of forced labor found in our operations, and our ongoing commitment keeps such cases at a low risk.
- **Freedom of Association:** We understand the importance of good labor relations and respect the right of employees to choose whether or not to join unions and engage in collective bargaining; as permitted by applicable laws in the countries where Seagate does business. We respect our employees' rights to freedom of association and collective bargaining. Slightly more than 15% percent of our worldwide employees are represented by unions and we strive to maintain positive relationships with those representatives. We have not identified any operations in which the right to exercise freedom of association or collective bargaining may violate applicable laws or be at significant risk.
- **Young Workers:** We do not employ child labor and we have established 18 as the standard minimum age for employment, which complies with or exceeds

local legal requirements. Through RBA VAP audits there have been no cases of child labor found in our operations and our policy and processes keep such cases at a low risk.

- **Working Hours:** We ensure that our employees are not working excessive overtime by complying with the maximum number of working hours and required rest days as set by the RBA code or local legislation, whichever is more strict.
- **Wages and Benefits:** Our compensation practices comply with applicable wage laws and international standards, including those relating to minimum wages, overtime compensation and legally mandated benefits.

- **Open Communication:** We look to foster an open, collaborative environment where people feel empowered to give and solicit feedback or raise concerns. We communicate this approach through our Open Door policy, which outlines formal and informal complaint or grievance procedures for each Seagate location. Additionally, employees have easy access to the Seagate Global Ethics Helpline to report complaints or concerns. We also look to gain feedback from our employees through our micro surveys, which are conducted twice per year, and other feedback mechanisms that our sites have put in place.

## Looking Forward: Labor and Human Rights

In FY2019 we will continue to uphold our commitment to protecting human rights and setting higher labor standards. In addition, we will focus on continuous improvement, and will perform annual Labor and Human Rights Risk Assessments, internal audits and participate in one planned external third-party audit.



# EMPLOYEE HEALTH, SAFETY, AND WELLNESS

## Employee Health & Safety

Seagate is dedicated to keeping our employees safe, healthy, and well. Our efforts are the result of over a decade of collecting health and safety performance indicators, which are used to inform our strategies for reducing risks associated with work-related injuries and illnesses. Today, our health and safety management systems support continuous improvements across our risk reduction and mitigation efforts.

All of our manufacturing sites have health and safety management systems certified to OHSAS 18001. We work hard to keep our employees safe and healthy, which is why our global health and safety standards, as well as our accompanying management systems, frequently go beyond country or industry-level guidelines.

With well-defined responsibilities, requirements, and training aimed at ensuring that health and safety are fully integrated into Seagate operations, we help to ensure that all employees, from all functions and global locations, understand that they are accountable for their own actions while on the job.





In FY2018, 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 FY2018. Our recordable case rate, the number of employees per 100 full-time employees that were involved in a recordable injury or illness, was 0.16 for the year; and our days-away case rate, the number of lost workdays per 100 full-time employees, was 0.08, down from 0.14 in FY2017. Seagate uses the OSHA definition for injury types and injury rates.

Seagate hosted 36 health and safety regulatory visits in FY2018, focused on issues such as safety, radiation, fire codes, food, and transportation. Seagate

received no notice of violation findings in FY2018, and no fines were levied.

Remaining focused on the continuous improvement of employee health and safety, we continued to provide comprehensive health and safety training to our employees and completed more than 62,000 health and safety e-learning courses in FY2018. We continue to emphasize e-learning courses as our main vehicle for delivering training because employees can learn at their own pace.

In FY2018, we served more than 600,000 meals globally per month (on average), and have a formal food safety program at all of our sites. We also bused employees over five million miles, with just 4.8 incidents per one million miles traveled. All incidents were investigated and actions taken to prevent reoccurrence.

## Employee Benefits

Seagate's benefits are benchmarked to local market practices, industry norms, and cultural requirements, and reflect our standards as a competitive, multinational organization. Although these programs take different forms geographically, Seagate's plans offer value and flexibility throughout, in support of our employees and, in some cases, their dependents.

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take different forms geographically, Seagate's plans offer value and flexibility throughout, in support of our employees and, in some cases, their dependents.

We offer regular employees in our major locations comprehensive benefits coverage, which reflects our commitment to our people. This plan includes health care, wellness programs, parental leave, paid time-off, retirement savings opportunities, life insurance, disability coverage, and equity ownership opportunities.

Seagate is committed to a culture of health and well-being for our employees which is critical to the stability and vitality of our business. Our goal is to provide our employees with the tools and resources

that enable them to improve their health and the quality of their lives. Seagate strives to cultivate an environment of health and wellness including both physical and emotional health, as well as financial wellness. Our Healthy Journeys program seeks to educate, encourage, and support our employees as they work on achieving their health and wellness goals. Because our benefits programs are managed at a country or site level, in line with local legislation and employment policies, the Healthy Journeys program varies from location to location.



### In the United States

We promoted our Healthy Journeys program by providing on-site biometric screenings, health risk assessments, health coaching, site-level activities, and two U.S.-wide wellness challenges aimed at encouraging physical activity, social connectedness, and relaxation. We also offered webinars on topics such

as back health, stress relief, teens' risky behavior, and living with cancer. We offer our employees Wellbeats Virtual Fitness Classes that give U.S. employees access to hundreds of fitness classes of varying specialties and lengths, which can be accessed from anywhere at any time.



### In EMEA (Europe, Middle East, and Africa)

We continued to provide robust wellness offerings throughout the EMEA region, including a weight loss event and a specialized walking challenge designed to encourage employees to increase

their walking distance and take their regular exercise outdoors. Additionally, we launched a training series aimed at heart health and stroke awareness, mindfulness classes, and speakers on caregiving.



### In Asia

Our goal is to offer our employees in Asia a one-stop portal for their health and wellness needs by FY2020, starting with Singapore in 2018, China in FY2019 and the rest of Asia by FY2020. The portal gives them access to educational materials, health screening results, and health risk assessment. Its mobile application makes it easily accessible to operators.

Throughout Asia, our programs include on-site and off-site health screening, financial wellness/retirement planning education, and overall physical activities, such as Fun Run in Thailand and an inter-site badminton tournament between Singapore and Malaysia. In the area of mental wellness, workplace resilience training, where applicable, is offered to Supervisors.

## Looking Forward: Employee Health, Safety, and Wellness

Globally, we will continue our Healthy Journeys program, offering challenges throughout the year, with the goal of encouraging and rewarding employees for taking steps toward better health and wellness—physical, mental, and financial.

# EMPLOYEE PERFORMANCE, LEARNING, AND ENGAGEMENT

Seagate recognizes its people as its most important asset and the skills and engagement of our employees are key to business performance. This means trust, excitement about the future, a strong sense of belonging –as well as clear and challenging goals and learning paths. We believe that learning and development is a combination of education, exposure, environment, and experience. We are dedicated to offering our employees the opportunity to enhance their skills and knowledge through a variety of offerings. Our ecosystem for learning and development at Seagate is broad and consists of our performance management system, our HR portal, virtual coach, Seagate Learning Platform, and LinkedIn Learning.

## Performance Management

Performance Management is a continuous process that helps team members focus on the right priorities. Meaningful conversations between managers and employees have been the foundation of performance management at Seagate. In FY2018 we moved from static performance ratings to focus on dialogue centered around manager and employee conversations, and ongoing feedback, to align goals. This approach removes the emphasis on annual performance reviews and ratings and focuses instead on the high-quality, productive dialogue between managers and employees. Our operator employees work directly with their supervisors to

receive ongoing feedback and coaching throughout the year. Our nonoperator employees develop two to three clear, meaningful goals and one stretch goal to drive innovation, that are all aligned to our overall company strategy. The progress toward these goals is assessed twice during the year based on progress against goals and demonstrated behaviors. In FY2018 our goal was to have 95% of our nonoperator employees participate in the performance management process. We exceeded this goal with 97% of our nonoperator employees documenting their goals in our online system and 98% receiving a year-end goal review with their manager.

## Learning

Learning and development are key aspects of continuously growing our talent pool and keeping them engaged, underpinning our innovation and IP, all while being flexible and adaptable as we pursue our strategy. A leader's role is to help employees define development needs and goals and to connect employees with resources. Employees are encouraged to have documented learning plans that outline their plan to grow and develop in their current role and prepare for future roles at Seagate. In FY2018 more than 96 percent of our nonoperator population had learning plans.

We offer various ways for employees to learn and we have more than 2500 courses through the Seagate Learning Platform as well as face-to-face training opportunities. In FY2018, we expanded our education offerings by adopting

LinkedIn Learning for our employees. This cloud-based tool added more than 6000 technical, professional, and leadership courses to our list of learning opportunities. It is a great tool to use for fast, easy-to-execute, "just-in-time learning," and a way for managers to promote development during quarterly check-ins. This system also helps us create global role-based curricula in the form of Learning paths for Professionals, New/Experienced Managers and Leaders. Also during the past year more than 20,000 operator employees were trained on a variety of topics, such as health, safety, and environment. Overall, the average number of training hours per employee was more than 30 (a combination of training records from our Learning Management System, LinkedIn Learning, and Operations Training Management System).



## Engagement

Employee engagement is the commitment and passion that drives people to achieve goals and connect as a team. Our biannual micro survey is designed to help us understand global employee perspectives on engagement. During FY2018 over 90% of our global non-operator employees responded to share their perspectives on respect, belonging, challenging work, and the direction of the company.

Once the survey concludes and results are analyzed, they are then shared

with leaders, and managers work with their teams to develop targeted action plans. These action plans follow a 1-2-3 approach where teams pick one issue to improve from the micro survey results, two things that the team sees as important to implement, and then they commit to having three meaningful conversations about their progress. Using the micro survey results to have open, candid discussions is an important step in driving engagement and trust that our workplace is a safe place to speak up.

## Looking Forward: Employee Performance, Learning and Engagement

We plan to continue to seek feedback from our employees and in FY2019 we will be expanding our micro surveys to include our operator population. The timing of these surveys has been adjusted to better align with our performance management cycle and will include questions that focus on our updated corporate values—Inclusion, Innovation and Integrity. Additionally, we will promote using LinkedIn Learning Paths to assist managers and employees by providing a guide of suggested courses for targeted roles within the organization to help them reach their development goals.



# DIVERSITY AND INCLUSION

At Seagate, we strive to make each location a place where every employee feels they belong. We work to create and sustain an inclusive environment that embraces, respects, and leverages the diversity of our employees. Diverse people bring diverse perspectives that are key to effectively addressing the complex challenges we face in our industry, and we believe that diversity improves productivity and innovation.

At Seagate, we view diversity through Diversity of Thought and Diversity of Identity.

- Diversity of Thought refers to differences in perspective and expertise: people from various backgrounds and experiences bring different approaches to solving problems. Innovation and continuous improvement are the result of fresh ideas being strengthened by including many points of view.

- Diversity of Identity refers to the visible and non-visible human characteristics that constitute identity: gender or gender identity, race, age, sexual orientation, ancestry, physical abilities, religion, and more. At Seagate, everyone should be treated fairly and with dignity. There is room for everyone in our company and we welcome diverse people and diverse perspectives.

## A Culture of Inclusion

We are committed to promoting a culture of diversity, inclusion, and belonging in which everyone feels valued, respected, and engaged as we embrace the unique skills, experiences, and talents of our global workforce. Creating a diverse and inclusive culture helps employees know they are valued and respected, and empowers them to bring their best ideas forward.

### Employee Resource Groups

One way Seagate embraces its diverse employees and promotes a culture of inclusion is through the support of employee resource groups (ERG) at our sites. ERGs provide a place of connection and workplace-related resources for Seagate's diverse workforce and allied employees. Groups

host internal and external educational events, networking, and community engagement activities with local charities related to the ERG missions.

To support existing and emerging ERGs, Seagate provides an online platform, development tools, and resources. Seagate provides guidance to ERG leaders from our research partners' leaders: PricewaterhouseCoopers, Gartner, and Neuroleadership Institute. Each ERG has executive support and funding. Employees can find out about and join an ERG by visiting a global, online platform accessible to all employees.

In FY2018, Seagate supported site chapters of the Seagate Women's Leadership Network throughout the U.S., in Northern Ireland, and in China. Also in

FY2018, the Seagate PRIDE! ERG was established. In June, all U.S. Seagate sites flew the rainbow flag in support of the Seagate PRIDE! community, and several sites held receptions. Seagate was the lead sponsor of two PRIDE!-related festivals near the Colorado office.

### **Unconscious Bias Program**

Seagate provides all employees with education regarding unconscious bias and inclusion via an internal site. As a signatory of the CEO Action for Diversity and Inclusion™ from PwC, in FY2018 Seagate provided employees with access to resources promoting unconscious bias education. Employees also have access 24x7 to LinkedIn Learning courses on unconscious bias, diversity, and inclusion.



## Building a Diverse Workforce

Diverse talent is essential for our business. The diversity of people improves productivity and innovation. We value and embrace all backgrounds, cultures, affiliations, abilities, work styles, and perspectives. Our Talent Acquisition team continues to refine strategy and tools to improve how we hire. In FY2018 our Talent Acquisition team partnered with hiring managers to ensure that a broader set of skills and experience are considered for opportunities—not only when hiring externally but also when considering internal talent. The direction is to focus on skill set, competencies, and experience, rather than just specific academic qualifications and tenure, using behavioral-based interviewing—essentially working to ‘screen in’ instead of ‘screen out’ talent. This enables Seagate to benefit from, and be inclusive of, a diverse candidate and employee population.

We continue to make efforts to improve the diversity of our workforce at all levels. To help us in reaching prospective employees, we’ve expanded our social media presence to include career pages on Instagram, Facebook, and Twitter that focus on our employees, career opportunities, and life at Seagate. We

are also partnering with websites such as FairyGodBoss to highlight our female employees and post opportunities that are available at Seagate. Last year in the U.S. almost 35% of our new hires were female. We also work closely with organizations such as America’s Job Bank to push our jobs to diversity and veteran websites to continuously expand our pipeline. While we are making improvements, we realize there is still work to do and remain committed to improving the diversity of our workforce.

The University Recruiting program is integral to our recruitment strategy in building our pipeline of talent. In this global strategic program we are partnering with identified institutions to attract intern and graduate hires with specific skill sets. We offer internships which provide valuable work experience and pipeline opportunities to jobs at Seagate. In FY2018, we had over 250 interns at our locations globally in technical and no-technical disciplines. We leverage local partnerships with minority organizations, such as the Society of Women Engineers (SWE), and in FY2018, 36% of our interns and 40% of our graduate hires were female.

# GLOBAL EMPLOYEES

Job Role	By Gender		By Age Group			Minority/ Nonminority	
	Female	Male	<30	30-50	>50	Minority (US Only)	Nonminority (US Only)
Executive	17.7% 	82.3% 	0.0% 	29.0% 	71.0% 	17.0% 	74.5% 
Director	16.9% 	83.1% 	0.0% 	46.9% 	53.1% 	26.8% 	69.4% 
Manager	28.0% 	72.0% 	0.6% 	73.4% 	26.0% 	28.3% 	66.9% 
Supervisor	36.4% 	63.6% 	5.7% 	77.3% 	17.0% 	27.0% 	73.0% 
Professional	30.6% 	69.4% 	16.2% 	63.8% 	20.0% 	33.6% 	62.7% 
Support	17.0% 	83.0% 	17.2% 	68.5% 	14.2% 	48.8% 	49.5% 
Operator	81.2% 	18.8% 	36.1% 	59.6% 	4.3% 	78.8% 	19.8% 
<b>Total</b>	59.6% 	40.4% 	27.6% 	62.1% 	10.3% 	38.8% 	50.0% 

## Looking Forward: Diversity and Inclusion

We are proud of our diversity as it is the key to our past and future success—but we are challenging ourselves to do more. Making a diverse organization inclusive takes commitment, and in FY2019, inclusion is moving into the spotlight as one of our key corporate values. There will be more focus on the key levers of diversity. We will continue to expand our hiring efforts. We will integrate diversity focus into our talent development and promotional processes. We will focus on retention of diverse talent through promoting an inclusive environment that ensures equal pay for equal work, focused training and change management around unconscious bias, as well as communication around creating and supporting an inclusive work environment that will include executive videos, blog posts, and learning opportunities on diversity-related topics. Our ERGs will be expanding the site activities they participate in as well. We will continue to focus on our diversity pipeline by participating with female and minority engineering organizations on local levels and also participating in U.S. conferences for the Society of Women Engineers and the National Society of Black Engineers.



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## CASE STUDY: SEAGATE AMBASSADOR PROGRAM

Inclusion is the key to innovation, and as a diverse and competitive company, Seagate understands the value of our employees' unique skills, ideas, and backgrounds in driving sustainable growth. Nobody is more passionate about what we do than our employees, and in FY2018 we launched the Seagate Ambassador Program to share that passion with our customers, stakeholders, and the world.

Open to employees from a number of diverse functions, departments, and global locations, our Ambassador Program offers individuals the opportunity to grow their professional network, build their knowledge of our

brand, business, and product portfolio, and represent Seagate at an industry event of their choosing.

“This is a brand new initiative designed to put our most passionate employees on the front lines of data storage, where our company meets our customers,” says Seagate CEO Dave Mosley. “It’s really our people—their skill sets and their knowledge—that will ultimately drive the future success of Seagate.”

Since the launch of the program in FY2018, we have had a total of 90 participants, representing nine different countries. In total, Seagate Ambassadors represented the Seagate brand at sixteen industry events across the globe.







08.

# COMMUNITY ENGAGEMENT

# COMMUNITY ENGAGEMENT OVERVIEW

Over the past four decades, Seagate has helped to strengthen and transform the communities where we live and work by investing time, talent, and money, as well as through charitable donations of goods and services.

In FY2018, we engaged stakeholders, including employees, local community members, nonprofit partners, civic and academic institutions, and governments with community programs being featured at all major company locations. Employee volunteers contributed to initiatives supporting education and fostering safe, healthy communities.

Our Community and Corporate Giving program presents opportunities for us to put our corporate values into action and give back to our communities. Seagate offers community engagement opportunities at its major locations (500 or more employees), comprising 96 percent of our workforce.



Supporting education, particularly in the areas of Science, Technology Engineering and Math (STEM), is a major priority for Seagate, and we aim for at least 50 percent of our outreach efforts to target these areas. In FY2018, 63 percent of our outreach efforts were education-related.

Many of our FY2018 efforts focused on fundamental learning, from hosting the middle school Mathcounts competition in Colorado to supporting STEM learning curricula in seven underserved schools in India. Other efforts provided more targeted engagements, leveraging our expertise in automation technology and supporting youth robotics activities across Minnesota, Colorado, India, Northern Ireland, Singapore, Malaysia, and Thailand.

It's no secret that our teams work hard to meet the high demand for our products. But despite this, our volunteers in FY2018 were able to reach more than 26,000

students. This number is in line with our typical range of students impacted per year, and we are humbled to continue to have the opportunity to introduce students to the world of STEM. Engaging students and the 72,000 people who make up their networks and communities, from parents to teachers, we were able to instill a positive brand experience and build meaningful connections.

Other activities Seagate employees participated in focused on helping people in need, including a New Year's meal for several hundred seniors in China. In Colorado, 90 Seagate volunteers prepared more than 1000 hot meals for people without a home.

Employee volunteers in California were able to reach more than 2500 student participants at Tech Challenge, a student STEM event. Over 45 percent of the students were from low-income school districts, and approximately 43 percent of the student participants were female.

## Program Highlights

In line with our value of Inclusion, Seagate understands the importance of reaching underserved communities. In FY2018, nearly 44 of the 153 events and causes we supported reached underserved and diverse schools and students. Here are a few highlights from some of our education outreach:

- In Colorado, about 250 female students participated in Seagate-sponsored activities. These included "Expand Your Horizons" workshops, with approximately half coming from underserved communities; and Casa FIRST Robotics, serving children from migrant families.

- In Minnesota, about 100 students from inner-city schools attended the Seagate-support STARBASE summer science camp, which included Seagate technology demos.
- About 2500 underprivileged children in Thailand went on Seagate-sponsored field trips to the National Science Museum or a regional science camp. Another 1000 benefited from lab and science equipment donated by Seagate to local primary schools.
- In California, Seagate supported the Tech Museum of Innovation's annual "Tech Challenge," a large regional STEM competition in Silicon Valley. More than 2500 students participated, 45 percent of whom were from low-income schools. Seagate also sponsored Tech's ongoing field-trip program for schools, which reaches more than 100,000 students annually, 60 percent of whom come from low-income school districts.
- At our site in Northern Ireland, Seagate delivered the Raspberry Pi program—in partnership with STEM Aware—at local schools via workshops, and at other regional schools via online teaching materials. An estimated 540 female students were reached. Volunteers also delivered a Raspberry Pi workshop at the Northern Ireland Science Festival. Involvement in this event helped to generate additional positive brand exposure in connection with STEM.

## Looking Forward: Community Engagement

As we look forward to FY2019 and beyond, we will focus on using volunteer opportunities as a touchpoint for reinforcing employee engagement and fostering positive brand awareness among those in our communities. We will also continue to explore ways we can begin to increase the focus of our educational outreach on company areas of strength and value, such as the datasphere and our products.





# 09.

## SUPPLY CHAIN

# SUPPLY CHAIN OVERVIEW

Seagate is a dynamic and globally diverse company, and our success is dependent on our ability to act quickly to customer and market demands. This strategic agility and flexibility is not possible without the robust community of partners that make up our global supply chain.

Underpinned by educational outreach, strategic management, and a commitment to transparency, Seagate's supply chain ensures that people are treated fairly and resources managed responsibly. With thousands of suppliers across the planet, from consultants to manufacturers, managing Seagate's supply chain effectively requires the cohesion and dedication of a diverse, global team.

We have two categories of suppliers: direct and indirect. Direct suppliers provide components and parts for our products, while indirect suppliers provide products and services that support our operations. Comprised of four aspects spanning Code, Capacity Building, Risk Assessment, and Remedy, Seagate's Supply Chain and Global Citizenship programs are aligned with the RBA Code of Conduct, which also serves as the code of conduct for our suppliers.

Seagate conducts multiple trainings, either directly to suppliers in collaboration with industry partners or by leveraging tools provided to us by the RBA. We use the Self-Assessment Questionnaire (SAQ) and Validated Audit Process (VAP) as primary risk assessment tools. When there are audit findings, we require root cause and corrective action plans.

The RBA Closure audit is our preferred option when verifying the successful closure of audit findings, and our requirements are documented in our Corporate Standard Operating Procedure (CSOP). Supplier performance in audits and closure findings are scored in the Quarterly Supplier Scorecard for the effected supplier. In addition, our supply chain disclosures are aligned with the California Transparency in Supply Chain Act as well as the UK Modern Slavery Act, reflecting our ongoing commitment to transparency and integrity.



## Supplier Engagement and Collaboration

Proactively engaging our suppliers is an ongoing objective, and we regularly meet with suppliers to share expectations and evaluate our engagement. In addition, we maintain long-term relationships with many of our top-tier suppliers in order to ensure our goals and standards are aligned.

For service providers such as labor agents, janitorial services, and canteen providers, which all provide talent at our sites, we require adherence to Seagate's CSOP. This ensures that all of our on-site service providers are held to the same standards as our own workforce. Seagate does not currently use foreign labor via agents, and we partner with recruitment agents in both China and the U.S. who provide local talent.

Our Supply Chain organization has full-time staff and dedicated resources designed to ensure new and existing suppliers are educated on RBA compliance, conform to and comply with the law.

Strong collaboration is essential for supply chain success. As such, Seagate hosts a number of Executive Business Reviews designed to showcase our RBA compliance and sustainability efforts to supplier leadership. We also engage our suppliers on key projects that focus on issues such as RBA conformance, financial sustainability, and process improvement.

Throughout FY2018 we conducted a number of educational outreaches and supplier trainings, ranging from one-on-one

sessions to small groups and webinars. Partnering with Intel, HP, and WD, Seagate conducted trainings in Kuala Lumpur and Penang, Malaysia, as well as in Bangkok, Thailand. Seagate also hosted a two-day training in Singapore aimed at educating suppliers on the issues of forced labor, helping them to develop stronger internal control and monitoring systems, and providing assurance to our stakeholders that Seagate's supply chain is free from forced labor.

We require all of our suppliers to update their SAQs annually. In FY2018, 122 suppliers either completed or updated their SAQ and released the SAQ via the RBA-ONLINE system. We also worked to align suppliers with the latest RBA Code of Conduct revision update, Conflict-Free Mineral development plan, and RBA environmental questionnaire.

Throughout FY2018 Seagate continued to play a major role in the RBA, with one of our Senior Vice Presidents serving as vice chair of the RBA Board of Directors. We also co-lead the Risk Assessment Workgroup, and in FY2018 participated in various other workgroups and task forces spearheaded by the RBA.

## Stakeholder Engagement

Throughout FY2018, Seagate continued our engagement with a supplier in Thailand, on the allegation made by the MWRN and Electronic Watch that recruitment fees were being collected from workers. Based on our initial investigation, a total of 221 foreign workers (from Myanmar) were reimbursed 150,000 kyat. Further investigation revealed that additional recruitment fees were being collected

at the workers' home country, and Seagate is currently working with the aforementioned supplier to quantify the amount and initiate reimbursement.

It must be recognized that the identification of recruitment fees, especially in a worker's home country, has been extremely challenging; Seagate is working closely with the RBA and other customers at supplier facilities to address this issue.

## Supply Chain Audits

To ensure integrity throughout our supply chain, Seagate requires all of our direct materials suppliers with whom we spend at least \$1 million annually, as well as selected indirect suppliers, to undergo the RBA VAP audit process. RBA VAP audit reports are valid for two years, and our suppliers are on a two-year audit cycle. We completed 63 full supplier audits through the RBA VAP in FY2018, up from 56 in FY2017.

In FY2018, 10 percent of audited suppliers received Platinum Level recognition through VAP, meaning they achieved a full score in the initial audit. This reflects our ongoing efforts to engage, educate, and partner with our suppliers to make sure they have the necessary tools to be compliant.

Seagate also requested 23 suppliers undergo closure audits in FY2018. It is the objective of these audits to ensure that suppliers found to be noncompliant have implemented measures to correct violations identified in the initial VAP audit. If suppliers cannot close the findings, we will work to reduce the level of severity from "priority" and/or "major" to "minor." We then track the closure rates.

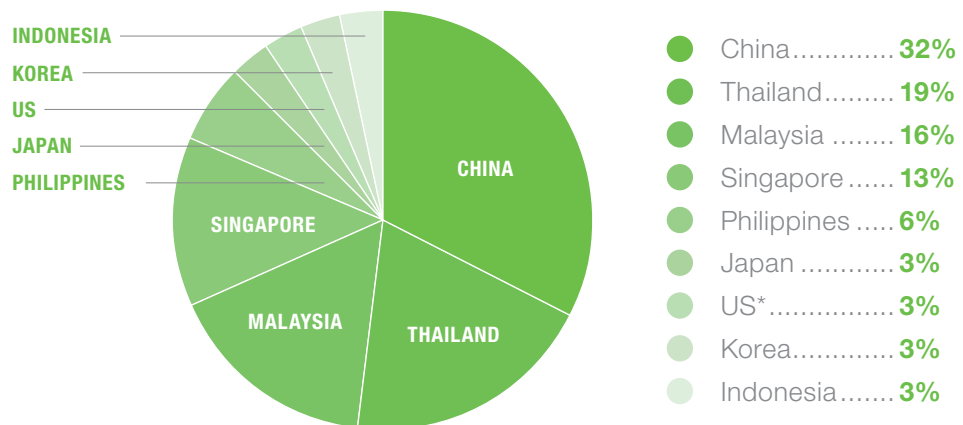
In addition to tracking SAQ and VAP completion, Seagate also tracks finding closure rates. At the end of FY2018, the closure rate of nonworking hour findings was 71 percent; the closure rate of working hour findings was 41 percent.

  
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## Top 10 Supplier VAP Audit Findings

1. Working Hours
2. Emergency Preparedness
3. Occupational Safety
4. Freely Chosen Employment
5. Wages and Benefits
6. Occupational Injury and Wellness
7. Hazardous Substances
8. Supplier Responsibility
9. Sanitation, Food, and Housing
10. Nondiscrimination

## FY2018 Supplier Audits by Country



We remain vigilant to the risk of child labor, forced labor, and threats to the freedom of association within our supply chain. The highest risk of forced labor in our supply chain is where foreign labor is utilized; suppliers in Malaysia, Thailand, and Singapore pose the highest risk. This is why our training on forced labor has been focused on suppliers in these countries over the past three years. Based on our supplier VAP audits, child labor has not been identified as a serious concern in our supply chain. However, according to various nongovernmental organization (NGO) reports, student workers in the China supply chain represent an area of possible concern.

As for freedom of association and collective bargaining, our audit results have not identified any geographies of concern; most of the findings in this area are related to suppliers not having a policy/procedure on the right of peaceful assembly.

In FY2018, all of our 186 targeted suppliers completed the SAQ. Additionally, we assigned 111 suppliers the RBA Environmental survey, which gathers information on energy, water, and waste. All 111 suppliers completed the survey, making FY2018 the third consecutive year in which Seagate achieved a 100 percent response rate.



Seagate also conducted environmental compliance screenings of 43 Chinese suppliers via the Institute of Public and Environmental Affairs (IPE) database. Based on our screenings, three of our

suppliers were found on the database for issues pertaining to operation permits, construction permits, and hazardous waste requirements not met. All instances of noncompliance have been closed.

### Supplier Diversity

With major operations in six countries, spanning North America, Asia, and Europe, Seagate has great diversity among its employees, local communities, and global customer base. We are committed to fostering a diverse workforce, reflective of our external stakeholders. In line with our value of Inclusion, Seagate is committed to providing an inclusive and supportive environment where all employees feel valued, safe, respected, and empowered to participate fully in the Seagate employment experience.

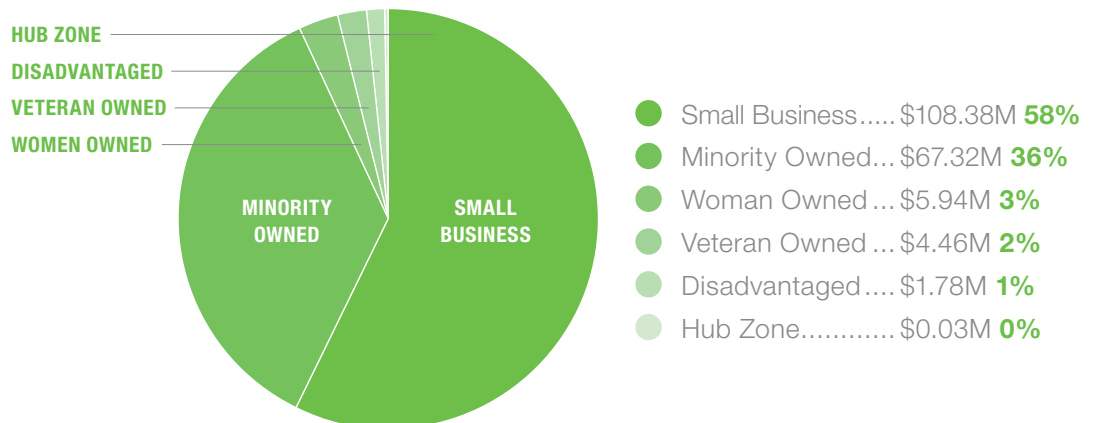
Seagate encourages diversity throughout our supplier base, and contracts regularly with diverse suppliers who qualify and successfully compete

for our business. As a result, we gain access to solutions that not only meet our customers' requirements, but allow us to build meaningful and invaluable business relationships.

Seagate recognizes the value and buying power of minority-owned businesses. Diverse suppliers in the U.S. are welcome to participate in Seagate's competitive bidding process, including businesses owned and operated by minorities and those located in historically underutilized business zones.

We are proud to play a part in helping our diverse suppliers grow, create jobs, and, in turn, strengthen the communities where they live and do business.

### FY2018 Diversity Spend (U.S. Only) \$187.91M



## Looking Forward: Supply Chain

As we continue to innovate solutions that offer higher capacity, our focus remains on identifying and building strong synergies with our suppliers. We believe a collaborative approach to supply chain management is the most efficient way to achieve our capacity goals and meet our customer needs, and demonstrates our alignment with industry expectations. We will continue to carry out capacity building with our suppliers in the coming year.

Seagate will continue its involvement on the RBA Senior Executive Advisory Council, and will strive for 100 percent completion rates among all identified suppliers (direct and indirect) of the RBA SAQ. In addition, we have a goal of 100 of identified suppliers completing a third-party RBA VAP audit.



# 10.

# BUSINESS CONTINUITY



# BUSINESS CONTINUITY OVERVIEW

Seagate understands that the world is a complex and unpredictable place, and that there exist innumerable risks and threats to our business. We also understand that a disruption in our business should not constitute a disruption for our customers and stakeholders, and work hard to ensure that we are prepared and ready should a disruptive event occur.

Throughout FY2018, Seagate continued to implement our Business Continuity Management System (BCMS) to help us identify, manage, and mitigate the various risks and threats to our business. Our

BCMS encompasses four areas—Incident Management, Crisis Management, Business Continuity Planning, and Disaster Recovery Planning—and aligns to our current management system.



An overview of our BCMS is available to our customers and is evaluated and updated annually. The FY2018 version was updated to reflect changes in the company and our program.

Deployment of Seagate's enterprise business continuity software was further enhanced throughout FY2018, with over 200 employees across China, Thailand, Malaysia, and Singapore completing system training. Our drive manufacturing facilities in China and Thailand were

audited in FY2018 and maintain their [ISO 22301](#) certifications.

A Business Continuity Readiness Index (BCRI) was continued for the drive sites, and expanded to component manufacturing locations in FY2017, with further implementation throughout FY2018. Twenty different data points are evaluated, each one worth five points, which mirrors the implementation steps required to attain ISO certification.

## Looking Forward: Business Continuity

We will continue to implement and improve our BCMS throughout FY2019, including further deployment of our enterprise business continuity software and the extension of the BCRI to all sites across our global footprint.

# SUMMARY OF PERFORMANCE

	PERFORMANCE INDICATOR	FY2016	FY2017	FY2018
ENERGY USE AND CARBON EMISSIONS	<b>Energy Consumption</b> (Million MWh)	1,636	1,633	1,567
	<b>Energy Consumption per Storage Capacity Shipped</b> (MWh/EB)	7,018	6,220	4,634
	<b>Scope 1 and Location-Based Scope 2 GHG Emissions</b> (Million Metric Tons CO <sub>2</sub> e) <sup>1,2,3</sup>	1,260	1,290	1,157
	<b>Scope 1 and Location-Based Scope 2 GHG Emissions per Storage Capacity Shipped</b> (Metric Tons CO <sub>2</sub> e/EB) <sup>1,2,3</sup>	5,675	5,115	4,053
	<b>Scope 3 GHG Emissions</b> (Million Metric Tons CO <sub>2</sub> e) <sup>1</sup>	5,229	4,988	13,883
WATER USAGE	<b>Water Withdrawal</b> (Megaliters) <sup>1</sup>	11,927	10,119	9,047
	<b>Water Recycled</b> (Percentage) <sup>1</sup>	17%	19%	22%
	<b>Water Intensity</b> (Megaliters/EB of storage capacity shipped) <sup>1</sup>	54	40	31.7
POLLUTION PREVENTION	<b>Hazardous Waste Generated</b> (Tons)	10,445	10,211	8,457
	<b>Solid Waste Diverted</b> (Percentage)	84%	84%	83%
HEALTH AND SAFETY	<b>Injury and Illness Recordable Case Rate</b> (Cases/100 employees)	.23	.22	.16
	<b>Injury and Illness Days-Away Case Rate</b> (Cases/100 employees)	.11	.14	.08
ETHICS	<b>Ethical Conduct and Conflict of Interest Policy Certification</b> (Percentage)	99%	99%	99%

	PERFORMANCE INDICATOR	FY2016	FY2017	FY2018
OUR EMPLOYEES	Nonoperator Employees Completing Annual Performance Evaluation Process	98%	98%	98%
	Nonoperator Employees With with Performance Goals	96%	95%	97%
	Nonoperator Employees With with Learning Plans <sup>4</sup>	90%	90%	96%

1. 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 2015, 2016 and 2017.
2. In CY2015 three adjustments were made to the 2011 through 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 (GWP) in the IPCC Fifth Assessment Report. Seagate follows the guidelines in the GHG Protocol for adjusting the base year GHG inventory.
3. Includes Scope 3 emissions from business travel and employee commute only.
4. Change in system and process resulted in lower development plan numbers in FY2016 and FY2017.

# UNGC CONTENT INDEX

Seagate has been an active participant in the United Nations Global Compact (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 anticorruption. 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.

UNGC PRINCIPLE	THE BUSINESS SHOULD SUPPORT AND/OR UPHOLD THE FOLLOWING:	SUSTAINABILITY DEVELOPMENT GOAL	PAGES
1	Support and respect the protection of internationally proclaimed human rights.	<ul style="list-style-type: none"> <li>SDG 17: Partnerships for the goals</li> </ul>	
2	Make sure that they are not complicit in human rights abuses.		
3	The freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none"> <li>SDG 5: Gender equality</li> <li>SDG 8: Decent work and economic growth</li> </ul>	
4	The elimination of all forms of forced and compulsory labour.		
5	The effective abolition of child labour.		
6	The elimination of discrimination in respect of employment and occupation.		
7	Support a precautionary approach to environmental challenges.	<ul style="list-style-type: none"> <li>SDG 6: Clean water and sanitation</li> </ul>	
8	Undertake initiatives to promote greater environmental responsibility.	<ul style="list-style-type: none"> <li>SDG 7: Affordable and Clean Energy</li> <li>SDG 12: Responsible consumption and production</li> <li>SDG 13: Climate action</li> </ul>	
9	Encourage the development and diffusion of environmentally friendly technologies.		
10	Work against corruption in all its forms, including extortion and bribery.		

# GRI CONTENT INDEX

Seagate uses Global Reporting Initiative (GRI) Sustainability Reporting Standards to promote a more consistent, standardized approach to its sustainability reporting.

Sustainable Datasphere, Seagate's FY2018 global citizenship 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](http://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	<a href="#">Form 10-K</a> page 12	Full	
	102-2 Activities, brands, products, and services	<a href="#">Form 10-K</a>	Full	
	102-3 Location of headquarters	<a href="#">Form 10-K</a> , <a href="#">Page 11</a>	Full	
	102-4 Location of operations	<a href="#">Form 10-K</a> , <a href="#">Page 11</a>	Full	
	102-5 Ownership and legal form	<a href="#">Form 10-K</a>	Full	
	102-6 Markets served	<a href="#">Form 10-K</a> , <a href="#">Page 11</a>	Full	
	102-7 Scale of the organization	<a href="#">Page 53</a> , <a href="#">Page 54</a>	Full	
	102-8 Information on employees and other workers	<a href="#">Page 53</a> , <a href="#">Page 54</a>	Full	



GRI STANDARD	GRI DISCLOSURE	LOCATION	LEVEL OF DISCLOSURE	REASON FOR OMISSION AND OTHER NOTES
<b>GRI 102: GENERAL DISCLOSURES 2016</b>	<b>102-9</b> Supply chain	<a href="#">Page 75-81</a>	Full	
	<b>102-10</b> Significant changes to the organization and its supply chain	<a href="#">Page 6</a>	Full	
	<b>102-11</b> Precautionary Principle or approach	<a href="#">Page 22</a>	Full	
	<b>102-12</b> External initiatives	<a href="#">Page 4</a>	Full	
	<b>102-13</b> Membership of associations	<a href="#">Page 20</a>	Full	
	<b>102-14</b> Statement from senior decision-maker	<a href="#">Page 4</a>	Full	
	<b>102-15</b> Key impacts, risks, and opportunities	<a href="#">Form 10-K</a>	Full	
	<b>102-16</b> Values, principles, standards, and norms of behavior	<a href="#">Page 16</a>	Full	
	<b>102-17</b> Mechanisms for advice and concerns about ethics	<a href="#">Page 19</a>	Full	

GRI STANDARD	GRI DISCLOSURE	LOCATION	LEVEL OF DISCLOSURE	REASON FOR OMISSION AND OTHER NOTES
GRI 102: GENERAL DISCLOSURES 2016	102-18 Governance structure	<a href="#">Form 10-K page 104 Investors Page</a>	Full	
	102-22 Composition of the highest governance body and its committees	<a href="#">Board of Directors Site</a>	Full	
	102-23 Chair of the highest governance body	<a href="#">Board of Directors Site</a>	Full	
	102-24 Nominating and selecting the highest governance body	<a href="#">Governance Site</a>	Full	
	102-25 Conflicts of interest	<a href="#">Governance Site</a>	Full	
	102-40 List of stakeholder groups	Throughout Report	Full	
	102-41 Collective bargaining agreements	<a href="#">Page 56</a>	Full	
	102-42 Identifying and selecting stakeholders	<a href="#">Page 101</a>	Full	
	102-43 Approach to stakeholder engagement	<a href="#">Page 7, Page 101</a>	Full	
	102-44 Key topics and concerns raised	Throughout Report	Full	
	102-45 Entities included in the consolidated financial statements	<a href="#">Form 10-K page 113</a>	Full	

GRI STANDARD	GRI DISCLOSURE	LOCATION	LEVEL OF DISCLOSURE	REASON FOR OMISSION AND OTHER NOTES
GRI 102: GENERAL DISCLOSURES 2016	<b>102-46</b> Defining report content and topic Boundaries	<a href="#">Page 6</a>	Full	
	<b>102-47</b> List of material topics	<a href="#">Page 7-8</a>	Full	
	<b>102-48</b> Restatements of information	<a href="#">Page 6</a>	Full	
	<b>102-49</b> Changes in reporting	<a href="#">Page 6</a>	Full	
	<b>102-50</b> Reporting period	<a href="#">Page 6</a>	Full	
	<b>102-51</b> Date of most recent report	<a href="#">Page 6</a>	Full	
	<b>102-52</b> Reporting cycle	<a href="#">Page 6</a>	Full	
	<b>102-53</b> Contact point for questions regarding the report	<a href="#">Page 6</a>	Full	
	<b>102-54</b> Claims of reporting in accordance with the GRI Standards	<a href="#">Page 6-7</a>	Full	
	<b>102-55</b> GRI content index	<a href="#">Page 88</a>	Full	
	<b>102-56</b> External assurance	N/A	N/A	No assurance sought.

GRI STANDARD	GRI DISCLOSURE	LOCATION	LEVEL OF DISCLOSURE	REASON FOR OMISSION AND OTHER NOTES
GRI 103: MANAGEMENT APPROACH 2016	103-1 Explanation of the material topic and its Boundary	<a href="#">Page 6</a>	Full	
	103-2 The management approach and its components	<a href="#">Page 8</a>	Full	
	103-3 Evaluation of the management approach	<a href="#">Page 8</a>	Full	
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	<a href="#">Form 10-K</a>	Full	
	201-2 Financial implications and other risks and opportunities due to climate change	<a href="#">Page 39, CDP Disclosure</a>	Full	
GRI 201: ECONOMIC PERFORMANCE 2016	201-3 Defined benefit plan obligations and other retirement plans	<a href="#">Form 10-K</a>	Full	
	205-1 Operations assessed for risk related to corruption	<a href="#">Page 16-17</a>	Full	
GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	206-1 Legal actions for anticompetitive behavior, antitrust, and monopoly practices	<a href="#">Form 10-K</a>	Full	
GRI 301: MATERIALS 2016	301-1 Materials used by weight or volume	<a href="#">Life Cycle Assessments</a>	Full	
	301-3 Reclaimed products and their packaging materials	<a href="#">Page 27</a>	Full	

GRI STANDARD	GRI DISCLOSURE	LOCATION	LEVEL OF DISCLOSURE	REASON FOR OMISSION AND OTHER NOTES
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	<a href="#">Page 36 - 38</a>	Full	
	302-3 Energy intensity	<a href="#">Page 36 - 38</a>	Full	
	302-4 Reduction of energy consumption	<a href="#">Page 36 - 38</a>	Full	
GRI 303: WATER 2016	303-1 Water withdrawal by source	<a href="#">CDP Disclosure Page 50</a>	Full	
	303-3 Water recycled and reused	<a href="#">Page 26, Page 27, Page 50</a>	Full	
GRI 304: BIODIVERSITY	304-1 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	<a href="#">Page 34</a>	Full	
	304-3 Habitats protected or restored	<a href="#">Page 34</a>	Full	
GRI 305: EMISSIONS	305-1 Direct (Scope 1) GHG emissions	<a href="#">CDP Disclosure Page 39 - 45</a>	Full	
	305-2 Energy indirect (Scope 2) GHG emissions	<a href="#">CDP Disclosure Page 39 - 45</a>	Full	
	305-3 Other indirect (Scope 3) GHG emissions	<a href="#">CDP Disclosure Page 39 - 45</a>	Full	

GRI STANDARD	GRI DISCLOSURE	LOCATION	LEVEL OF DISCLOSURE	REASON FOR OMISSION AND OTHER NOTES
GRI 305: EMISSIONS	305-4 GHG emission intensity	<a href="#">Page 39 - 45</a>	Full	
	305-5 Reduction of GHG emissions	<a href="#">Page 39 - 45</a>	Full	
GRI 306: EFFLUENTS AND WASTE	306-1 Water discharge by quality and destination	<a href="#">CDP Disclosure Page 50</a>	Full	
	306-2 Waste by type and disposal method	<a href="#">Page 46-49</a>	Full	
	306-3 Significant spills	<a href="#">Page 46</a>	Full	
	306-4 Transport of hazardous waste	<a href="#">Page 46</a>	Full	
GRI 307: ENVIRONMENTAL COMPLIANCE 2016	307-1 Non-compliance with environmental laws and regulations	<a href="#">Page 30, Page 34</a>	Full	
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria	<a href="#">Page 75-81, Page 79</a>	Full	
	308-2 Negative environmental impacts in the supply chain and actions taken	<a href="#">Page 80</a>	Full	
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	<a href="#">Page 54</a>	Full	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<a href="#">Page 60</a>	Full	



GRI STANDARD	GRI DISCLOSURE	LOCATION	LEVEL OF DISCLOSURE	REASON FOR OMISSION AND OTHER NOTES
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	<a href="#">Page 59</a>	Full	Seagate does not break down injury rates by region or gender as this is not material to how we manage this risk.
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	<a href="#">Page 63</a>	Full	
	404-2 Programs for upgrading employee skills and transition assistance programs	<a href="#">Page 63</a>	Full	
	404-3 Percentage of employees receiving regular performance and career development reviews	<a href="#">Page 62</a>	Full	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY	405-1 Diversity of governance bodies and employees	<a href="#">Page 68</a>	Full	
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<a href="#">Page 56,</a> <a href="#">Page 79</a>	Full	
GRI 408: CHILD LABOR 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	<a href="#">Page 56-57,</a> <a href="#">Page 79</a>	Full	
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	<a href="#">Page 56,</a> <a href="#">Page 78</a>	Full	

GRI STANDARD	GRI DISCLOSURE	LOCATION	LEVEL OF DISCLOSURE	REASON FOR OMISSION AND OTHER NOTES
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	<a href="#">Page 55</a>	Full	
	412-2 Employee training on human rights policies or procedures	<a href="#">Page 56</a>	Full	
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	<a href="#">Page 77 - 78</a>	Full	
	414-2 Negative social impacts in the supply chain and actions taken	<a href="#">Page 78</a>	Full	
GRI 415: PUBLIC POLICY	415-1 Political contributions	<a href="#">Page 19</a>	Full	
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-1 Assessment of the health and safety impacts of product and service categories	<a href="#">Page 23,</a> <a href="#">Page 24</a>	Full	
	416-2 Incidents of noncompliance concerning the health and safety impacts of products and services	<a href="#">Page 6</a>	Full	
	419-1 Non-compliance with laws and regulations in the social and economic area	<a href="#">Form 10-K</a> <a href="#">Page 34</a>	Full	

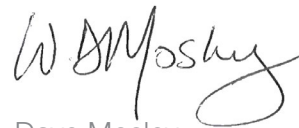
# ENVIRONMENT, HEALTH, AND SAFETY POLICY, APRIL 2018

Seagate is committed to providing safe workplaces, natural resource conservation, and environmentally responsible operations in the communities where we do business. Our commitment is underpinned by three values that ensure our business sustainably delivers value to our many stakeholders: Integrity, Innovation, and Inclusion.

Seagate requires all employees and contractors to work safely and integrate Environment, Health, and Safety (EHS) procedures and practices into their daily work activities, projects, and programs.

## Seagate commits to:

- Implement and continually improve comprehensive management systems ensuring compliance with legal, regulatory, and other stakeholder requirements to which we subscribe.
- Protect the safety and health of all those associated with our operations by identifying and implementing a hierarchy of controls to eliminate the sources of incidents, injuries, and illnesses.
- Encourage employees at all levels to participate in occupational, health, and safety programs with an expectation that safe behavior is incorporated into all business activities.
- Promote a healthy lifestyle and encourage employees to proactively manage their personal health.
- Promote economic, environmental, and social sustainability, and pollution prevention through continual process improvements and responsible business practices.
- Deliver operational resilience to effectively respond to potential disruptions through measurable EHS performance improvements.
- Develop safe, efficient products and manufacturing processes by integrating EHS considerations into all aspects of research, design, and development.
- Partner with suppliers, customers, and stakeholders to publicly share best practices and EHS performance criteria.
- Support environmental, educational, health-related and other socially-sustainable initiatives in the communities in which Seagate operates.



Dave Mosley,  
CEO

## Human Rights Policy, March 2018

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.

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.

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.

**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.

**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.

**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.

**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.

**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 (including debt bondage) or indentured labor; involuntary or exploitative 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.



**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.



*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.*



# STAKEHOLDER ENGAGEMENT

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

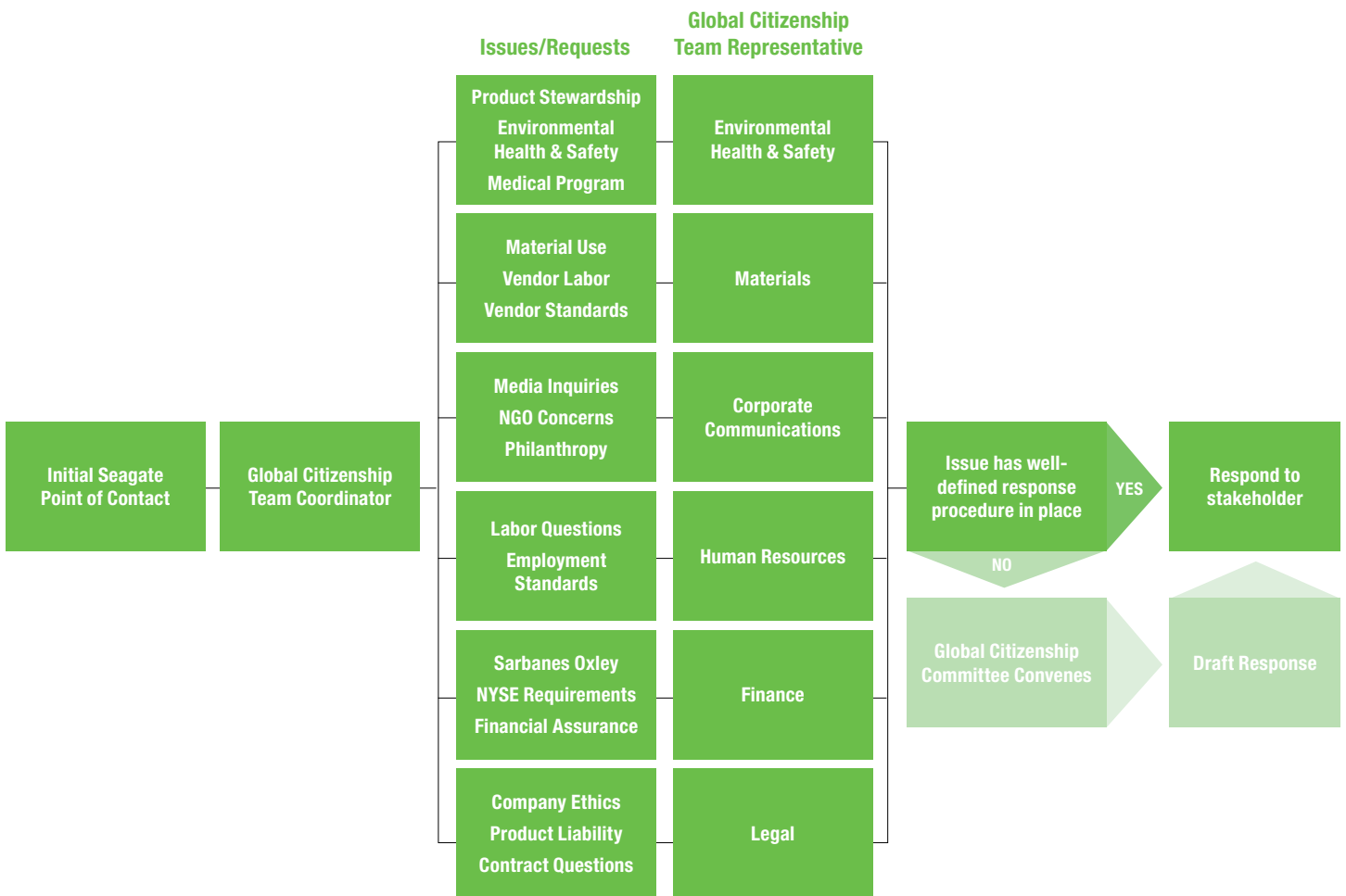
One of our key industry collaborations is with the RBA, a cooperative of leading electronics companies working to improve social, ethical, and environmental responsibility in the global electronics supply chain. Seagate was a founding member of the RBA (formerly EICC) in 2004. We adopted the RBA Code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

Seagate also participates in the 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.

## 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.



# ACRONYMS

<b>3TG (“Conflict Minerals”)</b>	Tungsten, Tin, Tantalum, and Gold
<b>BCMS</b>	Business Continuity Management System
<b>BCRI</b>	Business Continuity Readiness Index
<b>CAS</b>	Chemical Abstract Service
<b>CDP</b>	Carbon Disclosure Project
<b>CEO</b>	Chief Executive Officer
<b>CO<sub>2</sub></b>	Carbon Dioxide
<b>CO<sub>2</sub>e</b>	Carbon Dioxide Equivalent
<b>CSOP</b>	Corporate Standard Operating Procedures
<b>CY</b>	Calendar Year
<b>DRC</b>	Democratic Republic of the Congo
<b>EB</b>	Exabyte
<b>EMEA</b>	Europe, Middle East, Africa
<b>EPEAT</b>	Electronic Product Environmental Assessment Tool
<b>FMD</b>	Full Material Disclosure
<b>FY</b>	Fiscal Year
<b>GHG</b>	Greenhouse Gas
<b>GRI</b>	Global Reporting Initiative
<b>HDD</b>	Hard Disk Drive
<b>ICT</b>	Information and Communication Technology
<b>ILO</b>	International Labor Organization
<b>ISE</b>	Instant Secure Erase
<b>ISO</b>	International Organization for Standardization
<b>LCA</b>	Life Cycle Assessment
<b>MCI</b>	Material Circularity Indicator
<b>MWh</b>	Megawatt Hour
<b>NGO</b>	Nongovernmental Organization
<b>OEM</b>	Original Equipment Manufacturer

# ACRONYMS

<b>OHSAS</b>	Occupational Health and Safety Assessment Series
<b>OSHA</b>	Occupational Safety and Health Administration
<b>PLC</b>	Public Limited Company
<b>RBA</b>	Responsible Business Alliance
<b>REACH</b>	Registration, Evaluation, Authorization and Restriction of Chemicals
<b>RMA</b>	Responsible Minerals Initiative
<b>RoHS</b>	Restriction of Hazardous Substances
<b>SAQ</b>	Self-Assessment Questionnaire
<b>SEC</b>	Securities and Exchange Commission
<b>STEM</b>	Science, Technology, Engineering, Math
<b>TCO</b>	Total Cost of Ownership
<b>TSDf</b>	Treatment, Storage, and Disposal Facility
<b>U.S.</b>	United States (of America)
<b>UK</b>	United Kingdom
<b>UNGC</b>	United Nations Global Compact
<b>VAP</b>	Validated Audit Program



SEAGATE

THANK  
YOU.