



Western Digital

Corporate Social Responsibility Report 2011





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From Our Chief Executive Officer

Western Digital's commitment to sound corporate citizenship starts with maintaining a strong company that invests resources wisely and operates ethically and efficiently.



WD's business model allows us to enter new markets and meet the needs of a widening customer base with cost-effective products. Success, in turn, fosters job creation and generates wealth in our global host communities. As we build and expand facilities throughout the world, we bring economic opportunities to the talented men and women who join our team, offering them the promise of challenging work and an improved standard of living.

Our commitment extends to our shareholders, for whom we work to produce strong returns earned through fair dealings with customers, suppliers and competitors. We maintain rigorous processes and controls to ensure

the accuracy of our financial reporting so shareholders and the investment community can measure our success in meeting or exceeding our bold objectives.

Our commitment extends to natural resources as we strive to preserve the environment by reducing our carbon footprint and recycling or reclaiming spent resources. We have introduced energy-efficient products that use our WD GreenPower Technology™ to help customers consume less power, reducing their carbon emissions and electricity costs while enjoying the benefits of superior hard drive performance.

Finally, our commitment embraces the people of our host communities. We help strengthen those communities by funding organizations that improve education, health care and the environment, and by encouraging our employees' voluntary service contributions. We work with fellow members of the Electronics Industry Citizenship Coalition to improve working and living conditions in these communities by raising labor, health, safety and environmental standards.

We are excited about the future and what it holds for our company. As WD's business grows, so does our opportunity to be an even greater and more positive presence in the world around us.

John Coyne

President and Chief Executive Officer

Global Citizenship at Work

Western Digital® has long been one of the world's leading storage companies. Customers recognize our commitment to designing and manufacturing products of exceptional quality, and our investors recognize our consistent profitability and operational excellence. However, we measure our performance against more than just operational and financial metrics.

We measure ourselves against values that are important to us, including the beliefs that integrity should be at the core of everything we do, and that we should be good stewards of the resources entrusted to us.

As the number of people who make, use and own our products continues to increase, we will have more opportunities than ever to positively influence people's lives throughout the world. With the guidance of our Committee on Corporate Responsibility we are able to think strategically about our role as a global corporate citizen.

Our Committee is a cross-functional group. It includes representatives from our human resources team,

focused on keeping our employee population engaged with challenging work, competitive compensation and a safe, clean workplace; members of our materials, engineering and quality teams who design products that consume less power and deliver more exceptional performance; the facilities and environmental, health and safety teams who look for opportunities to manufacture our products in ways that conserve natural resources; and our internal audit and legal teams who help ensure that we comply with legal and regulatory requirements that govern a large, multi-national enterprise.

The Committee meets regularly to review issues raised by our customers, vendors and other stakeholders and to develop

systems or programs that address their concerns. The Committee is our company's liaison with the members of the Electronic Industry Citizenship Coalition (EICC), working with the Coalition to develop and implement enhanced workplace, environmental, safety and corporate governance standards.

The Global Citizenship Committee is co-chaired by senior executives in the company, including the company's Senior Vice President, Administration and General Counsel, the Senior Vice President of Human Resources, the Senior Vice President Customer Satisfaction and Chief Information Officer, and the Senior Vice President and Chief Procurement Officer. The Committee reports to the company's President and CEO.



Valuing an Idea, a Product, a Company

From its founding, four decades ago, WD has steadily converted ideas into a range of useful products that form the foundation of a world-leading enterprise.

WD has become a global leader in the development and manufacturing of digital storage products used in desktop and notebook computers, mobile devices, corporate networks and home entertainment equipment. Today, substantially all the information on the Internet is stored on devices of the kinds made by WD.

WD hard drives and solid-state storage devices find applications in uses ranging from household and business computing to network communications, and from embedded computing to medical, military and aerospace activities. In many of these applications, hard drives make possible downstream innovations that enable new ways of doing things.

For example:

- Digital storage of medical images, such as x-rays, permits their rapid recall and instant viewing from across a hospital campus or across the world.
- Medical records kept on hard drives are instantly accessible and inexpensive to store, which helps control medical costs.
- Digital storage of aerospace and defense images simplifies the assembly of aircraft and other products by several manufacturers working from a variety of global locations.
- Hard drives make it possible for consumers to carry out banking transactions themselves, at home or through ATMs.
- From casinos and hotels to banks, business offices and retail stores, and from public parks to busy street corners, surveillance cameras help to deter crime by maintaining around-the-clock vigilance stored on hard drives.
- At home, family members select their favorite television programs for viewing on the family's schedule, not the network's, thanks to storage on the hard drive in a digital video recorder.
- Countless home-study courses offered by universities, technical institutes and private academies are made possible by hard-drive storage of massive libraries of information.
- Safe, convenient storage and retrieval of priceless family photos and other memorabilia is made possible inexpensively on internal or external, portable hard drives.
- ...and on and on. Wherever digital information needs to be stored, for a few seconds or many years, it can be stored on a hard drive.

The explosion of digital information over the past four decades has required the rapid expansion of storage capacity.

WD continues to meet this challenge with steady enlargement of the capacity of its hard drives – at a compounded annual rate of about

30%

Besides growing in capacity, WD products have evolved into new forms with special features that offer remarkable utility. WD's wide variety of external hard drives permit massive storage to be carried in a shirt pocket. The company's TV media players allow stored digital content to be shared throughout a home. And, an array of solid-state storage products offer extraordinary read speeds and resistance to shock and vibration. They are used in embedded applications in the most sophisticated military, aerospace and medical equipment.

In recent years, WD led its industry in many key areas of digital storage technology. We were the first to go "green" with our innovative WD GreenPower Technology, which uses sophisticated engineering techniques to conserve electric power and dissipate heat.

Valuing an Idea, a Product, a Company *continued*

We also led the recent introduction of drives that feature Advanced Format Technology which is paving the way to even higher capacities. Many of our hard drives rank among the fastest in the industry.

As digital storage has expanded beyond traditional computer and server environments into almost every aspect of everyday business and home life, people look increasingly for the security offered by reliable, high-performance storage backed by superior customer service and support.

It's become a matter of trust. The people of WD are proud to have earned the trust and loyalty of consumers and of the equipment manufacturers who build our hard drives and solid state drives into their products.

WD and Its People

Engaging Our Employees

Attracting and retaining a talented and diverse workforce is key to our success and our commitment to social responsibility contributes to our ability to do that. We strive to create a workplace environment that offers professional and intellectual challenges, encourages innovation and creativity, and rewards teamwork and success.

Western Digital's operations comply with local labor and environmental protection laws in all our worldwide host communities. Beyond these minimum requirements, we continuously assess our policies and practices relative to emerging global standards and to our PAPP11 2.0 core values. The result is a caring workplace that our employees are proud to be a part of.



Core Values

WD employees know the values and behaviors that combine to create a culture in which all of us can thrive. It is a culture that allows us to focus on doing our best work and that leads to high-quality, innovative products, exceptional customer service and operational excellence. Our core values are Passion, Action, Productivity, Perseverance, Integrity, Innovation and Teamwork.. This is what our values mean to us:

Passion

We have a passion for:

- The people we work with
- The products we produce
- The customers we serve
- The suppliers who serve us

Action

We have a bias towards action.

- We seize opportunities
- We aggressively push for solutions
- We are problem-solvers
- We enjoy working hard

Productivity

We expect the best from our people, and they deliver.

- We are productive, efficient and effective in planning and executing our work
- We consistently raise the bar to increasingly higher levels of productivity and performance
- We seek to outperform other companies with our ability to execute

Perseverance

We pursue our work with energy, drive and a need to win.

- We never give up, especially in the face of resistance or overwhelming odds
- We take charge
- We push hard
- We stand strong

Integrity

We respect ourselves and others.

- We are open and direct
- We present the unvarnished truth in an appropriate and helpful manner
- We can be counted on to keep confidences and admit our mistakes
- We do not misrepresent ourselves for personal gain

Innovation

We constantly look for new ways to improve technology, products, processes, systems and people.

- We have good judgment about which creative ideas and suggestions will work, and are good at bringing these ideas to market
- We show intellectual curiosity and the continuing desire to learn, seeking improvements, even in the face of success
- We take diverse priorities and multiple opportunities, and find new ways of creating long-term success
- We work hard to support an environment where people look for creative ways to benefit the business
- We take constructive risks and remove barriers getting in the way of achieving excellence

Teamwork

Working together, we outperform.

- We support others without being asked
- We first seek to understand before being understood
- We adapt interaction style to work effectively with others
- We assess the impact on others before taking action
- We take accountability for team results
- We work to achieve win-win solutions and results with others
- We actively look for ways to build strong working partnerships with other functions, reducing silos
- We work beyond job scope to support team goals



Professional Development and Training

We encourage our employees to continue developing their skills and furthering their education. Our Employee and Organizational Development Department works with cross-functional teams to develop programs and curricula that offer an array of courses targeted to specific skills — professional, managerial, leadership and technical development, with new programs added regularly based on employee and manager feedback, as well as our business needs.

Because we believe in investing in our employees, WD offers an Educational Reimbursement Plan that provides employees with financial assistance as they pursue undergraduate and advanced degrees. Employees are encouraged to enroll in degree programs that will increase their qualifications for progress within their current field or prepare them for more advanced work within the company.

Employees are also encouraged to attend external seminars, conferences

and job-related, non-credit short courses. The company pays fees associated with such seminars and conferences, and employees report to their managers on how their learning can be applied to WD's business needs or their personal development objectives. WD also reimburses employees for the costs associated with joining and participating in professional associations where they can network with their peers and learn more about industry best practices.

WD also offers unique opportunities for employees to participate in international assignments according to our business needs. Employees from our U.S. facilities work alongside their colleagues in our Asia facilities, and employees based in our Asia facilities get the opportunity to work with their colleagues at our U.S. facilities. Employees who are recommended for international assignment go through a selection process reviewed by senior management.



Performance Management

Our performance planning and coaching process is an interactive process between employees and their managers. The process provides for ongoing feedback about what employees can do to improve their contributions to the company and to advance their own career interests.

The elements we believe are critical to successful performance planning and coaching include:

- Discussion and agreement between employees and managers on work goals and skill development objectives.
- Feedback from managers regarding employees' progress against those goals and objectives.
- A written training and development plan.
- A formal written annual review.

We encourage employees to initiate career discussions with their managers and engage in open and creative exchange about ways to advance their careers at the company. We provide managers with tools to help them set measurable goals for their employees, provide constructive feedback on progress toward those goals and identify career opportunities for their employees.

Recognition and Rewards

Our compensation strategy is designed to create incentive and reward excellence within a lean operating model that aims for efficiency and measurable results.

We provide base pay competitive to the local markets in which we operate, and we provide variable pay opportunities to all employees that recognize outstanding individual and company performance.

We also offer a long-term incentive program that affords key employees equity ownership opportunities in the form of stock options and restricted stock. All employees are eligible to participate in the company's Employee Stock Purchase Plan, which offers employees the opportunity to purchase the company's stock at a discount.

We offer our employees a competitive health and welfare benefit program designed to provide the freedom to choose benefits that match their needs. Employees can choose from a series of medical, dental and vision plans, as well as plans that provide long-term and short-term disability, life insurance, dependent care, AD&D and retirement savings benefits.

Several other programs demonstrate our commitment to our employees and our dedication to their well-being and productivity. In our Asia facilities, we offer loan and subsidy programs

to assist employees with the purchase of a home, the purchase of an automobile and the purchase or upgrade of a personal computer. In the United States, we offer free private counseling by licensed professionals to employees and their families through our Employee Assistance Program. We also offer financial assistance to employees who have recently adopted a child and to employees who experience hardship resulting from funeral expenses associated with the death of an immediate family member. We present awards celebrating significant milestones in an employee's tenure at WD, and offer all employees WD products at a discount.

Communication

To keep our employees informed of developments in our business and industry, we sponsor worldwide all-hands meetings each quarter where employees at all of our offices are joined via teleconference to hear presentations from, and pose questions to, senior management. In addition, members of senior management often meet with employees at informal roundtable discussions organized by department.

Some of our facilities publish entertaining and informative quarterly magazines that highlight important product announcements,

operational milestones, employee achievements and employee festivities. For example, our Asia facilities publish the *Happy Family Chronicle* and our Magnetic Head Operations facility publishes the *Fremont Flash* newsletter.

We strive to provide a workplace atmosphere that allows employees to voice concerns freely and resolve them in a professional manner. We encourage employees to raise issues with their managers or the members of our human resources team so that questions can be answered and concerns allayed expeditiously. Employees who for

any reason do not feel comfortable reporting a concern to their managers or the human resources team can take advantage of our secure, anonymous ethics hotline which is available 24 hours a day, seven days a week.



Compliance with National and Local Laws and Regulations

We comply with all laws and regulations governing the jurisdictions in which we operate worldwide. Our human resources department prepares comprehensive written guidelines for our workplaces which employees can access via the company's Intranet at any time.

In addition, we regularly update our workplace guidelines and practices to incorporate changes to national, state or local laws, evolving competitive practices and recommendations from managers and employees.



Diversity in our Workforce

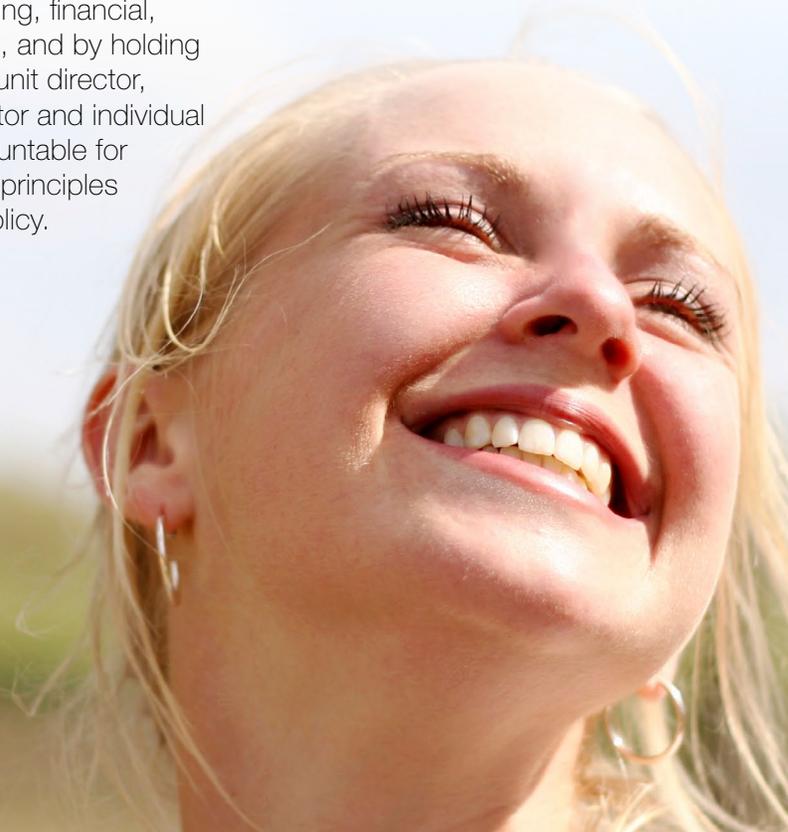
WD is an equal opportunity employer committed to extending consistent and equal employment opportunities for all applicants and employees. WD does not discriminate on the basis of race, color, ancestry, religion, sex, gender, age, national origin, sexual orientation, medical condition, marital status, physical or mental disability or any other legally protected characteristics. WD prohibits harassment of any individual on any of the bases listed above.

We have established an Affirmative Action Plan at each of our U.S. locations as required by law to promote the employment and advancement of members of those covered groups identified by statute and regulations, including minorities, women and qualified disabled individuals. We conduct outreach activities at job fairs and professional conferences designed to attract a diverse applicant pool and, ultimately, a diverse workforce.

Health and Safety

The people of Western Digital pledge to make our company a worldwide industry leader in the protection of the environment and employee health and safety. Consistent with our corporate core values, we will adhere to this pledge by conducting all of our business activities in the light of these environmental, health and safety (EH&S) values:

1. We comply with all applicable environmental, health and safety laws and regulations as our minimum threshold of EH&S performance and we strive to surpass compliance requirements.
2. We recognize prevention of health and safety risks and pollution prevention as two of our paramount corporate objectives, and apply best prevention practices through our system of Continuous Process Improvement.
3. We strive to identify and minimize adverse EH&S impacts and risks from our business operations by considering opportunities for EH&S protection in the design and planning stages of all facilities, processes, product developments and modification, and by establishing specific EH&S improvement objectives.
4. We work to conserve raw materials and natural resources including energy and water, recognizing that this is essential to the sustained profitability of our business, as well as to the sustainability of natural ecosystems.
5. We distribute responsibility for EH&S protection throughout our value chain. We diligently partner with our customers, suppliers and contractors to optimize EH&S protection and performance in our products, operations and facilities.
6. We actively foster open communication to internal and external stakeholders regarding our EH&S performance, recognizing that this dialogue is essential to continuous improvement of our EH&S protection practices and to build an environment of trust within the communities in which we operate.
7. We work to develop within each individual employee a sense of personal responsibility for EH&S protection. We support this responsibility with appropriate education, training, financial, other resources, and by holding each business unit director, managing director and individual employee accountable for adhering to the principles stated in this Policy.
8. We pursue minimization of solid and hazardous waste in all of our business decisions and operations. To achieve this, recyclables and reusability of all waste, including product packaging, are key considerations.
9. We continuously seek to improve our management of EH&S risks and impacts, and to enhance our EH&S performance. Continuous improvement is pursued by periodic management reviews of, and internal audits for conformance to, this policy statement and the EH&S management system.



Supervision, Certification

We have management representatives at all critical sites whose core responsibility is monitoring, communicating with and training employees in all aspects of both facility and employee health and safety. Our manufacturing facilities in Asia all have occupational health and safety management systems that are

ISO 14001, ISO 9001 and OHSAS 18001 certified.

Each site has a comprehensive policy and set of supporting procedures addressing occupational safety, emergency preparedness, occupational illness and injury, industrial hygiene, machine

safeguarding and physically demanding work. Information about these policies and procedures is provided to employees through in-person training, web-based training, face-to-face communications, postings and bulletins – all in the employees' respective languages.

Supplier Conformance

Whenever possible, WD executes contracts with its suppliers requiring that the suppliers comply with all relevant and applicable health and safety laws and regulations.

Safety Committees

All of our facilities worldwide have safety committees comprising cross-functional teams of employees who meet regularly to assess the company's policies and processes, and recommend improvements. Safety committee members work with health and safety personnel at each facility to keep track of occupational injuries, assess their root causes and recommend corrective action to avoid recurrences. Committee members also conduct periodic inspections of our facilities and organize activities aimed at promoting safety. WD's EH&S professionals and other outside professionals provide testing and recommendations to ensure a healthy workplace.

We maintain a variety of site-specific programs and systems to respond to incidents such as a fire, medical crisis or earthquake. The programs include evacuation

procedures and routes, qualification and training of first responders, emergency-response drills and guidelines for reporting. Systems include fire alarms, gas monitoring systems, emergency lighting, the use of protective equipment and cleanup and decontamination. We provide all necessary protective equipment to workers exposed to potential hazards. Our programs include chemical hygiene, hearing conservation, respirator protection and ergonomics. Basic first aid supplies are maintained at all facilities, and some locations are staffed with medical personnel should the need arise for more sophisticated medical services.



Emergency Response Teams

All of our facilities have Emergency Response Teams whose members are trained to respond to such incidents. Each team assists in developing a site-specific plan whose objective is to organize an effective response and minimize injury and damage. Virtually all WD facilities have sprinkler systems, and all maintain necessary fire hoses, fire extinguishers and trained response personnel.

WD has dedicated site supervisors at all key locations whose responsibility is to interface with local emergency authorities. In addition, all sites are staffed with security personnel who are trained with respect to receiving and reporting with local emergency agencies.



Case Management

WD has personnel assigned to manage occupational injuries and illness, including treatment of reported cases, investigations, record keeping and returning employees to work as soon as they

are physically able. The company maintains insurance to compensate workers for the medical costs of work-related injuries or illness.

Corporate Governance, Integrity and Ethics

Governance Guidelines, together with the charters of each of the Board Board of Director committees, provide the framework for the governance of the company.

Equity Award Guidelines, together with other policies and procedures of the company, set forth the company's policy for granting equity awards.

The Code of Business Ethics provides a framework for ethical business conduct for all the company's directors, officers and employees.

Board and Committee Composition & Charters describes the Board's four standing committees, their charters and their members.

Workplace Integrity expresses Western Digital's commitment to the highest business and ethical standards.

Corporate Governance Q & A presents WD's response to many of the factors that shareholders consider when evaluating a company's governance practices.

More information can be found at WD's website:
www.wdc.com/en/company/governance/

WD and the Environment

Protecting and Preserving Our Environment

Being a good corporate citizen and a good neighbor requires maintaining or improving the cleanliness of the air, water, and land of our host communities.

With that in mind,, the people in our operations throughout the world work aggressively to comply with and exceed environmental laws and regulations. Each has developed and implemented a comprehensive set of practices designed to ensure further progress in meeting this obligation.

All of our manufacturing facilities in Asia have ISO 14001 and OSHAS 18001 certified environmental management systems in place. Each facility has a comprehensive policy and set of supporting procedures addressing energy conservation, environmental permits, pollution prevention, storage and use of hazardous substances, management of waste water, solid waste and airborne emissions, and product content.

We continually review our operations and processes to find ways to reduce or eliminate the use of hazardous materials such as flammables, combustibles, corrosives, and toxic gases. The same reviews help us to reduce or recycle byproducts such as solvents and process waste and packaging scrap generated by our activities.

Our policies express a commitment to continued improvement, and to this end, we review the status of our environmental management systems annually at a minimum.

All of our manufacturing facilities have environmental specialists onsite, and we provide training programs on environmental practices for all employees whose duties affect our

environmental compliance. In addition, our facilities provide clearly written direction to all employees and workers regarding our environmental policy requirements and responsibilities. The substance of these programs is delivered to employees using various formats including in-person training, web-based training, face-to-face communications, postings, and bulletins. All programs are communicated in local languages to ensure employees' clear understanding. WD makes Material Safety Data Sheets available to employees at all its facilities.

WD management is forming and developing a system for scoring each of our operations' achievements in environmental affairs, in the hope that intracompany competition can further raise our performance. The same system is to be used for scoring achievements in health, safety, business continuity, and community outreach.

Clean-air Objectives

WD is committed to reducing its carbon footprint. To that end, we are continuing to challenge our employees to find ways to reduce our Greenhouse Gas emissions profile. We have implemented programs that address manufacturing processes and materials, energy efficiency and consumption, business travel and employee commutes. We continue to identify areas where we can reduce emissions either in our operations or in the products we manufacture. Some

examples of these efforts include:

- WD is working to reduce methane gas pollution from our Bangpa-in, Thailand, facility by an average of 29 tons per year.
- To ensure that its large employee bus fleet continues to meet the most stringent emissions requirements, we perform monthly testing of the buses' exhaust emissions. A program to replace these vehicles with cleaner natural gas-powered units is under way.

WD also participates in reporting greenhouse gas emissions, including working with the Carbon Disclosure Project.

To view WD's Greenhouse Gas report, visit [www.wdc.com/en/company/globalcitizenship/pdf/greenhousegas\(ghg\)report.pdf](http://www.wdc.com/en/company/globalcitizenship/pdf/greenhousegas(ghg)report.pdf)

The Carbon Disclosure Project can be found online at www.cdproject.net.

Water Conservation

Because some processes in the electronics industry require substantial amounts of water for cleaning and other purposes, we are sensitive to the need to conserve water in every possible way. Some of our successes:

- Water reclamation is saving 1.2 million cubic meters of raw water annually in Penang, Malaysia, and nearly a half-million cubic meters in our Johor facility. Second- and third-stage recovery systems in our Penang operation can save another one million cubic meters of water per year.
- Use of recycled water in a Singapore plant saves 72,000 cubic meters of water per month.
- The re-routing of process flows in a water pre-treatment system resulted in the savings of 281,050 cubic meters of fresh water per year.



Energy Conservation

Substantial amounts of electric power are also required in electronics manufacturing. To cut down on energy used at WD, we are constantly looking for ways to cut energy consumption. Small changes can make a big impact when added up over time. Here are some of the ways we conserve:

- At a WD plant in Penang, Malaysia, the use of automated startup and shutdown of a compressor delivers yearly electric power savings of 807,148kWh, equal to 529,000 kg of CO₂ emission. Another in Johor saves 1,022,400kWh annually, equivalent to 670,080 kg of CO₂.
- The use of energy-saving lighting tubes reduces yearly energy usage by 606,800kWh in WD's Singapore operation, equal to 246,360 kg of CO₂ emission.
- A product cleansing system has been altered to recapture both the waste heat and the water, and both are reused for other purposes. The electric power savings amounts to 792,000kWh per year; water saved totals 36,000 cubic meters.
- Changing procedures on the operation of machines providing clean-room air pressure yields a saving of 1.5 million kWh annually, equal to 869,842 kilograms of carbon dioxide.
- The replacement of 47 Halogen outdoor lights with LED lamps saves 51,465kWh per year, equivalent to 32,165 kg of CO₂. Changing indoor lights from 36-watt to 28-watt fluorescent lighting tubes saves 163,785kWh of power or 91,883 kg of CO₂.
- At a WD plant, an 11-hour daily shutdown of power to 100 personal computers yields a saving of 66,000kWh per year.
- WD has improved our energy usage reduction per unit year-over-year by installing automatic ball cleaning in our chiller units to make our air conditioning system more effective, resulting in a 10 percent reduction in our power consumption. Other energy saving projects include optimizing the speed of our Fan Filter Unit system to 0.39 m/s from 0.4 m/s and actively encouraging the turning off of lights in the office area during our lunch break.
- Management of our San Jose facility has formed an agreement with Pacific Gas & Electric to reduce our consumption of electricity during periods of the community's greatest power demand.
- WD has developed hard drives that employ our WD GreenPower Technology, which has power saving as the primary attribute. These drives deliver exceptional power conservation, ultra-cool, quiet operation and solid performance. IntelliPower technology provides a fine-tuned balance of spin speed, transfer rate and cache size; IntelliPark™ reduces power consumption by automatically unloading heads during idle to reduce aerodynamic drag; and IntelliSeek™ calculates optimum seek speeds to lower power consumption.

Reducing Landfill Waste

WD has established a company-wide objective of a 10% reduction in waste sent to landfills over the next fiscal year. The use of returnable and recyclable packaging between WD plants and between the company and its customers is having a great effect as we work toward this goal.

Some examples:

- In Penang, Malaysia, packing two or three finished products in a single bag is reducing plastic bag consumption and label printing by 50 to 75 percent.
- Also in Penang, WD is substituting recyclable bags for non-recyclable aluminum foil bags as finished goods packaging. Using bulk bins for finished goods shipment is reducing packaging materials by 50 percent.
- In Johor, Malaysia, some wood pallets received with suppliers' components are being reused in shipping WD's finished goods. All WD-owned pallets are made of recyclable plastic.
- Some trash bags are reused; all new bags are selected in lesser thicknesses and smaller sizes.
- Moisture-barrier bags used for 3.5-inch hard drives can be reused to package 2.5-inch drives.
- At WD's facilities in Thailand, the use of glass bottles for drinking water has replaced the 60,000 plastic bottles previously used each month. The change was made to reduce the volume in the waste stream and to save both a natural resource and the considerable energy required to process plastic.
- In Malaysia and Thailand, cafeteria waste is processed by contractors to be used for fertilizer and animal feed.
- Since 2007, the use of bio-degradable plastic bags has been required in every WD employee canteen in Thailand.
- A reduction in the company's paper flow is another continuing WD objective. Today, our media- and head-production facilities have achieved "paper-free" status, communicating their work instructions, procedures, and schedules solely on electronic monitors.
- In Thailand, hard-copy employee certifications have been replaced with eCert. Bi-monthly pay slips are also now produced electronically to reduce the use of paper and ink.



Hazardous Waste Reduction

In March 2005, WD established a policy to eliminate six types of hazardous metal substances to comply with the European RoHS standard. We executed a management system to deploy action plans to eliminate these hazardous substances from our supply chain, and full compliance was achieved in July 2007. WD has been recognized by our key customers for our efforts to promote environmental safety. A steady reduction in the use of hazardous and difficult-to-recycle materials is lowering the amounts of these materials that must be dealt with. Some examples:

- In a WD plant in Thailand, the capture of 46,000 liters of solvent per month permits the sale of the chemicals for other purposes and the reduction of 1,500 kg per day of chemicals in the wastewater treatment system.
- Printed circuit boards in WD hard drives are now designed to be halogen-free and lead-free.
- In Singapore, 11,700 liters of waste solvent is sold to licensed contractors monthly for recycling and reuse in other industries.
- In our Fremont, California, facility, the investment in a hazardous waste treatment system enables us to separate from the waste stream two common solvents that are captured for reuse. This investment reduces the amount of material requiring disposal by more than 70 percent.

Rare and Restricted Materials

We are concerned about protecting the natural resources of the communities in which our products are sold and used, and from which materials for our products are extracted. We have established programs to phase out the use of certain materials restricted by international legislation.

We are reducing the magnet mass in WD drives, which means lower consumption of rare earth materials. And, the base castings of WD drives use as much as 40 percent recycled metal.

Compliance with RoHS and WEEE Directives

WD products manufactured and sold worldwide after August 1, 2005, meet or exceed Restriction of Hazardous Substances (RoHS) compliance requirements as mandated by the European Union for electrical and electronic products. The RoHS Directive 2002/95/EC of the European Parliament, which was effective in the EU beginning July 1, 2006, aims to protect human health and the environment by restricting

the use of certain hazardous substances such as lead, mercury, and cadmium in new equipment.

The Waste Electrical and Electronic Equipment (WEEE) directive was developed to minimize the disposal of electrical and electronic equipment into landfills. WD hard drive products and packaging include the WEEE symbol in support of this directive.



Supplier Compliance

WD continues to conduct very extensive tests regarding the use of environmental compliant material in all our components. WD requires all component suppliers to meet WD's environmental specification, titled "WD's Environmental Guidelines for Materials, Components and Products." This specification sets forth the maximum threshold limits for restricted, prohibited and managed substances and requires suppliers to adhere to all applicable laws.

In addition, the specification states that all WD suppliers and sub-suppliers will be expected to complete environmental declaration forms for all new materials and components based on a combination of knowledge of their incoming raw materials, process review and their own analytical testing and certification data.

Suppliers are required to maintain records, made available to WD, indicating which measures are used to ensure compliance to the specification. We review all suppliers' declarations of

compliance with WD's environmental specification during the launch of every new hard drive program and also track this together with third-party analytical lab data by component in our Environmental Compliance database. In addition, we maintain strict requirements with respect to Supplier Process/Material Change requests. Suppliers are also required to keep records of their in-process tests to ensure compliance to the approved Process Management Plan and approved materials. These are regularly audited by WD.

On Our Own Time

WD employees worldwide receive orientations and updates in environmental affairs. Many of us volunteer for public-area cleanups and other environmental projects:

- In Malaysia, WD volunteers regularly help to clean the beach at Penang National Park.
- Also in Penang, WD employees and children from a local orphanage form mud balls containing effective microorganisms and throw the balls into the canal in an industrial area. The microorganisms inhibit the growth of algae and break down sludge and silt in the water.
- In Kuala Selangor, Malaysia, WD employees planted mangrove trees to help maintain a wetland that is essential in erosion prevention and in protection against storm surges.
- In a project initiated by our company to reduce carbon dioxide in the environment, more than 5,000 trees have been planted by WD volunteers in Saraburi Province, Thailand.



WD and Its Partners

Supplier Engagement and EICC Compliance

The Electronics Industry Citizenship Coalition (EICC) consists of more than 50 companies, including HP, Apple, Microsoft, Sony, and Dell, that have come together to improve working conditions and environmental stewardship throughout the electronics supply chain.

This group supports a common “Code of Conduct” for electronics companies — the EICC Code. The Code covers expectations for performance across a range of practices, including labor, health and safety, environmental practices, ethics and management systems and is rapidly becoming the industry standard for social responsibility in the electronics sector.

Through its board, steering committee and working groups, the EICC is developing the tools to implement the EICC Code, engage with stakeholders and update the Code regularly.

Western Digital has long supported the EICC goals and conformed our practices to comply with the Code. In 2007, WD joined the EICC to help the industry improve social, economic

and environmental outcomes for all those involved in the electronics supply chain. We are working with the tools available through the EICC to help ensure that WD and all of its supply partners are in compliance with the EICC Code and its goals.

Through IDEMA, the hard drive equipment and materials association, WD conducts training courses on the EICC Code for other hard drive manufacturers and their suppliers.

More information about the EICC and its Code of Conduct can be found at: <http://eicc.info>.

Supply Chain Management and Audits

We expect our business partners to adhere to the same goals that Western Digital subscribes to in the manufacturing of our products. Accordingly, WD works with its business partners to drive the goals set forth in the EICC Code of Conduct through our supply chain. We provide the training and necessary tools to our suppliers to enable them to comply with the EICC Code of Conduct. It is important to WD that they understand the goals of the EICC and why they should adhere to the Code of Conduct.

To ensure that the Code is being enforced at the supplier level, we perform EICC audits on our suppliers

on a regular basis. We also request that our key suppliers use the EICC-validated Audit Process to ensure the effectiveness of the implementation of the EICC Code of Conduct at their sites. WD will partner with its suppliers to address any gaps in compliance with the Code.

We have additionally provided capability training to our first-tier suppliers, performed supplier site audits, and tied adherence to the EICC Code of Conduct in our Quarterly Business Review measurement process. Our first-tier suppliers are responsible for the following tiers, with WD involved immediately to help resolve any issues.



Policy Regarding Conflict-Free Minerals

As a member of the EICC, WD supports the EICC goals of eradicating conflict metals from its products. The EICC has been working with various NGOs to identify the mines from which various conflict metals have been sourced. We support this project.

In furtherance of this goal and accordance with Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of the 2010 United States Congress, Western Digital prohibits using in its products tin, tungsten, tantalum, or gold from any source whose supply chain, back

to the mines of origin of the minerals used to produce these metals, contributes to human rights abuses in the Democratic Republic of Congo or adjoining countries. We also expect our partners to support this policy throughout the supply chain.



Other Supply Chain Initiatives

WD is working with its suppliers to support participation in the EICC Carbon reporting system survey.

We also work with business partners to prepare them for early ISO 14064 certification and have partnered with local universities to further this goal.

WD and the Community

Building Local Economies

Western Digital's operations contribute significantly to the economic vitality of our diverse host communities throughout the world. As we grow our operations, we provide jobs with good wages and benefits for our growing employee population. In addition, we help create and encourage other businesses that provide materials and services to us. It is a symbiotic relationship whose primary beneficiaries are the men and women who find expanded economic and educational opportunities in those host countries.

This is particularly the case in Thailand and Malaysia, where we produce a lot of our products. Our plants in Thailand employ over

35,000

people, making WD the single largest U.S. employer in the country.

We employ local people which enlarges the host nation's tax base. We also pay local suppliers for raw materials, finished goods, services and capital equipment. Our demand for these goods and services leads to the creation and growth of local companies that create additional jobs filled by local residents. In fact, more than 300 businesses based in Thailand work with WD in some capacity. In fiscal year 2010, our direct contributions to Thailand's

economy totaled 79 billion Thai baht, or 0.78% of the nation's gross domestic product. The indirect contribution would be even higher.

The impact of our operations is not merely economic. We are generating an increasing number of highly skilled technical and managerial positions in Thailand. Rather than importing this talent from abroad, we are hiring local talent to fill these positions from within.

The result is greater local investment in education. Unique partnerships between WD and local educational institutions are designed to train the next generation of engineers and managers who will help lead our development and manufacturing activities in the future. We engage and cooperate with local governments and universities to develop advanced technology curricula. We provide hands-on training for polytechnic lecturers; we donate lab equipment; and we provide engineers as volunteer teachers at local universities.

WD also provides scholarships for both students and our own employees who are seeking advanced degrees.

WD partnered with Thailand's National Electronics and Computer Technology Center to create the HDD Technology Training Institute, which brings together researchers, academics and business and technology leaders to train and

educate engineers to work for hard drive manufacturers and the companies in their supply chains. WD has also worked closely with the Asian Institute of Technology and other Thai universities to develop college courses and graduate level degree programs focused on various aspects of hard drive technology.

The story is similar in Malaysia, where we have had a significant presence for almost 40 years. We employ nearly

24,000

people in our Malaysian facilities, making us the largest U.S. employer in the country.

As is true with Thailand, our operations in Malaysia result in significant direct investment in the form of thousands of high wage jobs, as well as substantial indirect investment manifested in the creation and growth of local companies who provide us various goods and services. Nearly 600 businesses based in Malaysia work with WD to provide goods and services to our operations and employee population. In fiscal year 2010, our direct contributions to the Malaysian economy totaled 12.8 billion Malaysian Ringgit, or 2.3% of Malaysia's gross domestic product. Our indirect contribution is estimated to be at least 2.5 times higher.

Building Local Economies, *continued*

Our presence in communities throughout Malaysia and Thailand also helps create and sustain public infrastructure, which is developed to enhance the lives of the people we employ and those employed by our business partners. Our host communities invest in roads and bridges, telecommunications and electricity networks, schools and public safety organizations, all of which are essential to serve and protect the thriving communities that spring up around our operations.

In social welfare development, WD has participated with local governments in ways that helped define government programs. For example, the company engaged in a program with Equal Access,

a non-government organization, to ensure that foreign employees working for WD in Malaysia are recruited ethically; that safe migration is provided to and from their home countries; and that workplace practices meet or exceed our employment standards. WD also collaborates with organizations such as the American Malaysian Chamber of Commerce to provide input related to labor practices and employment law.

Host communities also benefit from WD's substantial funding and other assistance to schools, orphanages, homes for the aged and other institutions in and around the areas where we live and work.



Philanthropic and Community Involvement, WD Foundation

The Western Digital Charitable Foundation is a California non-profit benefit corporation created in 1997 to support WD's philanthropic activities that meet economic, social, educational, and health needs in our regional business communities within the United States.

WD Foundation

WD Foundation grants are directed toward non-profit organizations in Orange, Santa Clara and Alameda Counties in California, and Boulder County, Colorado.

WD also supports global philanthropic programs through WD Foundations in Thailand and Malaysia. Each WD Foundation manages grant applications within its geographic region, based on local guidelines, legal requirements, and local customs.

Our policy is to align monetary contributions with our corporate giving priorities and defined target percentage of earnings. The budget is allocated each fiscal year and reviewed quarterly against the company's financial performance.

WD supports organizations that operate in three categories and allocates specified percentages of the annual budget for charitable contributions: Education, 40%; Health and Human Services, 40%; and Civic and Community, 20%.

Education

WD supports public educational organizations that offer programs from primary through graduate levels. Of special interest are programs that focus on:

- Innovation in engineering (electrical, mechanical, chemical and solid state physics)
- Personal computing literacy and science discovery
- STEM (Science, Technology, Engineering and Mathematics) Programs

In addition to grants, WD provides a matching gifts program, through a partnership with United Way, for employee donations made to educational institutions. Private educational institutions may qualify for WD funding through the Matching Gifts Program rather than through Foundation grants.

Health and Human Services

Emphasis will be placed on requests received from agencies that are directed toward countering economic hardship, providing for economic progress, and for programs leading to economic self-sufficiency.

Organizations of particular interest focus their efforts on:

- Disadvantaged or at-risk youth
- Homeless prevention and crisis intervention
- Basic healthcare services

Civic and Community

WD supports organizations in Orange, Santa Clara and Alameda Counties in California, and Boulder County, Colorado, that promote the long-term betterment and permanent improvement of a community and are of benefit to all residents. Of particular interest are agencies supporting:

- Environmental protection and preservation
- Community volunteer projects benefiting low-income families, veterans, and/or disabled individuals

Matching Gifts

The WD Matching Gifts Program is managed through our partnership with the United Way. Only employee gifts through the United Way are qualified for a corporate match.

For a list of recent recipients visit: www.wdc.com/en/company/communityrelations/CharitableGrantAwards.aspx

Employee Volunteer Program

Western Digital encourages community involvement and employee volunteerism through our corporate volunteer program, Team WD. Some examples of the volunteer programs that our employees have participated in include:

Serve the People, Santa Ana, CA

Team WD members, including employees, family members and friends, assist Serve the People, a non-profit based in Santa Ana, with distributing groceries and clothing to low-income families. The agency also provides free legal services, free health care, and an educational program directed at keeping students in school.

Painting Project with Operation Cleanslate, Santiago Elementary School, Lake Forest, CA

Operation Cleanslate - There is nothing like a fresh coat of paint to spruce up local schools, especially if the paint is for a playground map or backboard mural. Western Digital is a sponsor of Operation Cleanslate, a non-profit providing murals to Southern California schools. Team WD has partnered with the agency to transform several local OC schools.

Habitat for Humanity, San Juan Capistrano, CA

When the call went out for volunteers to help build Habitat for Humanity homes in San Juan Capistrano, CA, for veterans and their families, Team WD answered. Dozens of employees hammered, hung windows, cut wood, and gave their "sweat equity" to turn the dream of home ownership into a reality for many families.

WD Adopt a Solider Program

Led by employees at WD's Fremont and San Jose locations, WD volunteers collect and package "care items" for U.S. troops serving overseas. Any employee may provide the name of a family member or friend and they immediately receive a care package. It's clear from the smiling faces of recipients that they appreciate the treats from home.

WD's Season of Giving

Each year, WD employees select a non-profit charity to receive holiday gifts. Employees select the name of a child and fulfill a holiday "wish" or two. Partner agencies have included Concept 7, Olive Crest, The Family Giving Tree, Orangewood Children's Foundation, Camp Pendleton Marines families, Serve the People, and Share Our Selves.

Lunch for Marines

When a group of U.S. Marines spent the day building homes for Habitat for Humanity, WD executives, led by President and CEO, John Coyne, provided lunch and hard drives!



Philanthropic and Community Involvement, Southeast Asia

As corporate citizens, Western Digital and its employees recognize that responding to the needs of communities where we employ significant numbers of people is a responsibility consistent with our business and good-citizenship objectives.

Ensuring a high quality of life and solid education, providing for the well-being of our employees and their families, and promoting the economic health of our society are of vital interest and concern to our corporate family.

WD has carried on community service projects for many years to support a variety of needs in our local communities, with particular emphasis on Better Education, Better Health & Human Services and Better Civic & Community Relations. The company focuses on areas where our factories are located and where our employees and their families live.

Here we discuss some of the activities that demonstrate our concerns and our pride of accomplishment in enhancing the quality of life in our host communities.

Better Education Community Programs

The mission of our Better Education community programs is to support the development of individuals, which promises better lives for many of our stakeholders and ensures a qualified labor pool to support WD's continued success. We understand that a nation cannot advance without improving its intellectual capacity. Here are some key projects that reflect our objectives:

Wat Wiwekwayuphat School, Ayutthaya, Thailand

In collaboration with AMCHAM, which provided matching funds, WD supported the reconstruction and restoration of an old school building, "Navaratchabophitnukroh," for which HM the King graciously bestowed his private funds to erect in 1970. The building, located near our

Bangpa-in facility, was deteriorating and became unsafe for use, so WD recognized it should take the lead in preserving this important educational institution. Through several initiatives, we raised the money to restore Wat Wiwekwayuphat School on its former site, expanding its capacity with an additional story while maintaining the original style of the structure. This primary school has grown to more than 300 students. Wat Wiwekwayuphat School has become a vital component of the community's development.

Chung Hwa Primary School, Kuala Lumpur, Malaysia

This school has an 80-year history but was closed for eight years as a developer tried to usurp the school's

land. The community kept the school alive at a nearby temple and ultimately succeeded in getting the facilities reopened. Despite the lack of funds, this school started four special classes for autistic children in addition to their regular classes. This mix encourages autistic children to be self-sufficient and to build confidence by interacting with non-autistic children. This is a great addition to the school and community as a whole given that there are very few schools available for autistic children in Malaysia. After years of forced closure, many facilities required critical repairs. In addition to setting up a computer room complete with PCs, WD helped refurbish the school library and simultaneously raised funds for the critical infrastructure repairs.



Wat Wiwekwayuphat School



Chung Hwa Primary School

Better Education Community Programs, *continued*

Tahfiz Al-Islah School, Tasek Glugor, Malaysia

WD helped to reduce the digital divide for students in schools that require private funding from the community to survive. The company contributed 14 computers to Tahfiz Al-Islah School in Kedah Malaysia. Ready access to computers and the Internet, with the vast amount of information online, will help open the minds of school children.

SK Kong Kong Laut, Johor Malaysia

WD provided refurbished computers and an air conditioner for SK Kong Kong Laut's computer room. The company also purchased school tables and chairs to replace unsuitable and damaged classroom furniture.

Johor Malaysia

WD Caring Foundation Malaysia works with several schools across all communities to identify and provide essential school items such as uniforms and shoes to underprivileged children in need of special assistance. These schools include:

- SJK Chee Tong
- SK Cahaya Baru
- SK Taman Cendana
- SK Perigi Aceh
- SK Kota Masai 2
- SJK (C) Masai
- SJK (T) Masai
- SJK (T) Permas Jaya
- SJK (C) Chien Chi

School uniforms and shoes assistance have now been extended to cover schools near other WD locations in Kuala Lumpur and Penang.



Baan Namludd School ribbon cutting

Baan Namludd School, Chiangrai province

WD completed a building construction project at Baan Namludd School. This one-story building has been equipped with an audiovisual system to support multimedia learning. The project also involved providing a playground and five computer sets for this school, which offers educational opportunities to many students from local hill tribes.

Wat Chumponnigayaram School, Bangpa-in, Ayutthaya province

We provided funds to construct a two-story classroom building at Wat Chumponnigayaram School. The school's construction helps to resolve the problem of classroom shortages.

Wat Bangkian School, Bangpa-in Ayutthaya

WD supported the reconstruction and restoration of a two-story school building at Wat Bangkian School. The top floor of this building is used for a science and technology laboratory, and the ground floor is dedicated to the Thai Traditional Music learning center.



Wat Chumponnigayaram School building construction

Wat Rajsatthatham School, Bangpa-in Ayutthaya

We supported the reconstruction and restoration of a two-story school building at Wat Rajsatthatham School. The newly constructed ground floor is dedicated to a multi-purpose function room and a Computer Learning Center for the students and local community.



Wat Rajsatthatham School e-learning center

Wat Photiyarn School

WD, in collaboration with AMCHAM, donated a fully equipped e-learning center to Wat Photiyarn School. This project supports an essential element of modern education and prepares students for a high-tech world, which WD (Thailand) is helping to drive. The center consists of a server, five computers and a big screen TV to

facilitate interactive and innovative teaching. Importantly, Microsoft's MultiPoint learning software is included in this project as well as local IT support to promote sustainable use.

“Live” Library

In 2009, WD completed three libraries for schools in the Bangpa-in area. The project improved the conditions of these libraries in terms of both hardware and software, including a new set of books for each school.

Volunteer Teacher Program, Ayutthaya province

WD, in co-operation with the Ayutthaya Education Bureau, launched a volunteer teacher project to respond to the problem of teacher shortages in the area. WD supports its employees in volunteering during working hours to teach in selected schools. We currently have more than 100 volunteer employees teaching in four schools.

Cooperative Education Program, Thailand

WD supports a Cooperative Education program for undergraduate students. Cooperative Education is a structured method of combining classroom-based education with practical work experience. We have been working with 23 universities and have had 213 students complete the program with us. These students spent up to four months learning by working in the company. The program helps these students to successfully make the school-to-work transition.

Early Recruitment Program

WD takes a further step of supporting Thai Education through an Early Recruitment program. The purpose is to provide academic funding to the qualified third-year students of various faculties in the collaborative universities. We treat these selected students as our employees, providing guidance and planning curricula to fit into the future work requirement.

Seaport Tamil Primary School, Kuala Lumpur

WD volunteers helped Seaport Tamil Primary School faculty and students clean and refurbish the 80 year-old school, created a safe play area and distributed food, uniforms and shoes. Our WD team also supported the students with motivational presentations.



Seaport Tamil Primary School

Better Education Community Programs, *continued*

Developing Local HDD Scientists

We are the first HDD company to co-operate with NECTEC (National Electronics and Computer Technology Center) to develop HDD scientists for Thailand by selecting Thai PhDs from various local universities to work on HDD projects at the WD Research and Development Center in California. WD co-sponsors these scientists who will transfer technological know-how to their homeland, teaching Thai students and further developing Thailand's HDD engineering capabilities.

University Scholarship Program

Since 2005, WD has provided 59 scholarships for deserving engineering students from various universities, without any bonding or conditions requiring employment with WD.



University engineering students



Employees' children scholarship recipients

Scholarship to Support Children's Education Programs

WD supports children's education by providing scholarships to employees' children and to needy students in community schools. Every year, more than 200 scholarships are presented to the selected students to assist their family financial status.

PCs for School Children Project, Tasek Gelugor

Western Digital Media Operation provided another community service by donating funds and 14 computers to Al-Islah School. A launching ceremony inaugurated the new computer lab.

Education Support to School Children Program, SK Kong Kong Laut

WD in Malaysia provided PCs, café tables, air conditioning units, tables and chairs for all classrooms, as well as school uniforms for needy students. School uniforms are also provided to students at Grace Covenant Community Care.

Sports Equipment for Community Schools

Many primary schools in our host communities lack budgets to provide enough sports gear for their students. WD is an active sponsor of local sports programs, recognizing the importance of exercise activities to improve the health and well-being of students, and to contribute to the reduction of "social ills" such as drug abuse.



Grace Covenant Community Care

HDD for Education Program, Thailand

Many schools in remote areas lack access to PCs with which students can learn and develop essential computer skills. WD, in collaboration with National Science and Technology Development Agency and the Embassy of the United States Thailand, supports schools with HDDs for the PCs that are provided to these needy schools.



Employee Birthday Program

Employee Birthday Program, Thailand

Each month, WD Thailand celebrates its employees' birthdays by bringing these employees to different community schools to host lunches



Employee Birthday Program participants

for the children. It is a tradition among Thais to support meals for disadvantaged children during their birthdays. The objective of this activity is to raise participation among our employees in contributing to the care of children, and to serve as a team building function that improves employee relations.

National Children's Day Program

WD organizes National Children's Day at schools in local communities every year. The purpose is to give an opportunity to our employees and local residents to bring their children to participate in activities and games that provide learning experiences for our children.



National Children's Day program participants

Philanthropic and Community Involvement, Southeast Asia

Better Health and Human Services Community Programs

The mission of our Better Health & Human Services community programs is to support the development of good health for people in our communities and to provide essential human services for those who are least able to help themselves.

WD supports a variety of programs to improve the health of its employees and those of senior citizens, children and people living with HIV/AIDS, as well as victims of natural disasters. Here are some key projects that reflect our corporate social responsibility objectives:

Donation drive for Indonesia Disaster Relief

Apart from caring for our local communities, volunteers from WD Caring Foundation Malaysia actively canvassed all WD sites to raise funds for the tsunami victims in Sumatra, Indonesia. The response was spontaneous and generous. Together with US\$30,000 plus a matching contribution, WD and our staff donated a total of US\$56,000 to Indonesia via the Malaysia Red Crescent Society in the presence of senior Indonesian Embassy representatives.

Donation drive for Japan Disaster Relief

Just four months after the Indonesia Disaster Relief, the WD Caring Foundation Malaysia volunteers rose to the challenge again when earthquakes and tsunamis hit Japan causing a massive loss of lives and nuclear plant damage affecting millions. Total staff donations amounted to US\$19,871 – a new record in fund raising for WD in Malaysia and Singapore. The donations were given to the Japanese Red Cross via the Malaysia Red

Crescent Society and were matched by a contribution from WD.

Product donation to MERCY Malaysia

MERCY provides medical and humanitarian aid in emergency situations, both domestically and internationally. In managing their growing storage needs WD is proud to support with a donation of WD Sharespace network storage systems. WD staff in Malaysia also collected US\$6,800 for the victims of the Myanmar Cyclone in 2008 through MERCY and the Malaysia Red Crescent Society.

Support for Handicapped Children's Home

Yee Ran Jin Sheh is a handicapped children's home that relies solely on community support. WD in Penang, Malaysia, organized a round of collections from staff and purchased food and provisions, in addition to cash donations in aid of this under-funded charity.

Support for Grace Covenant Community Care, Johor

This self-funded charity provides care to abandoned and abused children. It also provides a temporary refuge for women escaping violent and abusive situations including rape and domestic violence. WD provided support through funding and the rebuilding of shelter rooms.

Orang Asli (Aborigines) Village, Taman Rinting, Johor

WD Johor set up tents for medical examinations in order to improve health awareness and to help supplement the community's need for clothing and daily essentials.



Fundraising for Japan earthquake victims

Young Enterprise Program

Together with AMCHAM, WD actively participates in an innovative extra-curricular activity for secondary school students who are selected to form a 'mini' company. The students learn to translate economic theories into reality and experience the complete business cycle, from capitalization to voluntary liquidation, thus gaining an understanding of basic economics and how business works. WD has been providing advisers to schools in Kuala Lumpur and Penang for many years and has won several awards for its efforts.

Community Hospital Support

We have contributed to the restructuring of the Emergency Room at the Bangpa-in Hospital as well as improving the landscape and patient receiving area. WD also improved its IT systems and donated 37 computers, resulting in a reduction in waiting and processing time for patients from an average of three hours to one hour.



Community Security Support patrol vehicle

Community Security Support, Bangpa-in

WD has donated two complete alcohol testing units to our community police station to use for testing the blood alcohol level of drivers, with the objective of reducing accidents and deterring drunk driving. In 2007 we also provided a vehicle to the police station to increase its patrol capability and better support our community. Recently, we helped to renovate and expand the Bangpa-in police station to allow the officers to better manage the needs of the public. This included providing additional drives and computers to support record management.

Drug Free Factory Project, Thailand

In collaboration with the Bangpa-in Community Police, Thanyarak Hospital, The Office of Narcotics Control and the Thai Labor Department, we launched our Drug Free Factory Project to educate our employees about drugs and their negative effects. We work with our employees to ensure that we keep our workplace drug free and that we immediately become aware of any threats identified in our company.

AIDS Management Project

WD has received the AIDS Management Award from the Ministry of Labor. In collaboration with the Ministry of Labor and the People Development Association, we launched a project to improve AIDS awareness, including how to help and respond to friends, colleagues or family members with AIDS in a

constructive way. Each year, WD encourages employee donations by matching these funds, which are donated to various associations and Wat Prabatnampu, providing medical treatment to HIV patients. The objective of this project is to encourage non-discrimination and to help community members to cope with this illness.

Blood Donation Program

WD, in collaboration with Thai Red Cross Society, organizes a company-wide Blood Drive every quarter so that employees can donate to help save human lives. WD in Malaysia regularly has extensive blood donation campaigns, which are very well attended. In the last campaign there were about 800 donors from Kuala Lumpur, and equally large number of donors in Penang and Johor.



Blood donation participant

Better Health and Human Services Community Programs, *continued*

Senior Citizen Sponsorship Program

Since 2006, WD has sponsored a project to support our senior citizens who reside in the Ayutthaya Retirement Home. We provide entertainment, personal essentials and meals for the seniors who reside there, as well as additional funds to support the upkeep of this facility



Senior Citizen Sponsorship Program

Orphan Sponsorship Program

We are very happy to be able to support and share some fun times with infants that have been taken in by the Pathumthani Orphanage. Twice a year, WD team members volunteer their time at the orphanage and the company contributes meals, supplies and supports specific requirements that the Orphanage needs.

School Restrooms

Many underfunded schools in Thailand lack sanitation facilities. WD constructed and restored restrooms at five schools in various provinces

including: Baan Namtak and Baan Phra Ti Nang School in Phitsanulok province, Wat Yai, Baanplub and Bangban School in Ayutthaya province.

Clinic and Medical Center, Baan Namtak School, Phitsanulok Province

WD supported the renovation of a clinic and medical center to improve conditions for school children.

Cafeteria Building, Subbonwitthayakom School, Phetchabun Province

WD sponsored a project to reconstruct a cafeteria building to improve its overall conditions for school children.

Campaign for Avian Flu Prevention

WD, in collaboration with Industrial Estate Authority of Bangpa-in, launched a campaign in a fight against the spread of Avian Flu.

Blanket Drive for the Needy

WD provided blankets and medical necessities received from employees to the needy in the rural areas affected by natural disasters such as Loei, Phetchabun, Chaingrai, Kalasin and Chaingmai province.

Medicines and Supplements, Orang Asli Village in Malaysia

WD provided medicines and supplements for its community including tents, tables and chairs to support medical check-ups by local doctors organized by SIJB. We also collected used clothes for adults and children.



Cafeteria building before construction



Cafeteria building after construction

WD Caring Foundation

With the support of our corporate leadership, the WD Caring Foundations in Thailand and Malaysia were established in 2009 and 2010, respectively, and are now registered charitable organizations. Their charter is to raise funds for community betterment and to reach out in our areas of focus to make an even greater impact and bring more benefit to our stakeholders.

Better Civic and Community Programs

The mission of our Better Civic & Community programs is to develop sustainable programs that improve public health and living conditions while protecting the environment and natural resources.

WD's environmental improvement programs are designed to promote the greatest benefits to employees, local stakeholders and the next generations. Here are some key projects that reflect our CSR objectives:

Good Governance in Environmental Management Award

In June 2009, the IEAT established the Environmental Good Governance Award to recognize factories in its industrial zone for their pursuit of environmental preservation. The IEAT set up a committee to perform environmental management systems auditing the factories, and WD received top honors for its environmental management programs.



Good Governance in Environmental Management Award



Energy Management Award

Energy Management Award

WD participated in the Energy Conservation Program with the Department of Alternative Energy Development and Efficiency, Ministry of Energy. The purpose is to maintain and further improve the Energy Management standard beyond the Energy Management Award received from the Energy Conservation Center of Japan.

Happy Workplace Program

WD implemented the Happy Workplace Program in the company to improve Quality of Work Life for employees. This Happy Workplace principle consists of eight happy foundations: Happy Body, Happy Heart, Happy Society, Happy Relax, Happy Brain, Happy Soul, Happy Money and Happy Family.

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