

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended July 2, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from: _____ to _____

Commission File Number 001-31560

SEAGATE TECHNOLOGY HOLDINGS PUBLIC LIMITED COMPANY

(Exact name of registrant as specified in its charter)

Ireland

(State or other jurisdiction of
incorporation or organization)

98-1597419

(I.R.S. Employer
Identification Number)

38/39 Fitzwilliam Square

Dublin 2, Ireland

(Address of principal executive offices)

D02 NX53

(Zip Code)

Registrant's telephone number, including area code: (353) (1) 234-3136

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Ordinary Shares, par value \$0.00001 per share	STX	The NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

☒

Accelerated filer:

☐

Non-accelerated filer:

☐

Smaller reporting company:

☐

Emerging growth company:

☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting and non-voting ordinary shares held by non-affiliates of the registrant as of January 1, 2021, the last business day of the registrant's most recently completed second fiscal quarter, was approximately \$14.8 billion based upon the closing price reported for such date by the NASDAQ.

The number of outstanding ordinary shares of the registrant as of August 2, 2021 was 227,603,061.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A relating to the registrant's Annual General Meeting of Shareholders, to be held on October 20, 2021, will be incorporated by reference in this Form 10-K in response to Items 10, 11, 12, 13 and 14 of Part III. The definitive proxy statement will be filed with the SEC no later than 120 days after the registrant's fiscal year ended July 2, 2021.

SEAGATE TECHNOLOGY HOLDINGS PLC

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Annual Report on Form 10-K (the “Form 10-K”), unless the context indicates otherwise, as used herein, the terms “we,” “us,” “Seagate,” the “Company” and “our” refer to Seagate Technology Holdings public limited company (“plc”), an Irish public limited company, and its subsidiaries. References to “\$” and “dollars” are to United States dollars.

We have compiled the market size information in this Form 10-K using statistics and other information obtained from several third-party sources.

Various amounts and percentages used in this Form 10-K have been rounded and, accordingly, they may not total 100%.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical fact. Forward-looking statements contained in this Annual Report on Form 10-K include, among other things, statements about our plans, strategies and prospects; market demand for our products; shifts in technology; estimates of industry growth; effects of the economic conditions worldwide resulting from the COVID-19 pandemic; our ability to effectively manage our cash liquidity position and debt obligations, and comply with the covenants in our credit facilities; our restructuring efforts; the sufficiency of our sources of cash to meet cash needs for the next 12 months and our expectations regarding capital expenditures. Forward-looking statements generally can be identified by words such as “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “projects,” “may,” “will,” “will continue,” “can,” “could,” or negative of these words, variations of these words and comparable terminology. These forward-looking statements are based on information available to the Company as of the date of this Annual Report on Form 10-K and are based on management’s current views and assumptions. These forward-looking statements are conditioned upon and involve a number of known and unknown risks, uncertainties and other factors that could cause actual results, performance or events to differ materially from those anticipated by these forward-looking statements. Such risks, uncertainties and other factors may be beyond our control and may pose a risk to our operating and financial condition. Such risks and uncertainties include, but are not limited to:

- the uncertainty in global economic and political conditions, or adverse changes in the level of economic activity in the major regions in which we do business;
- the development and introduction of products based on new technologies and expansion into new data storage markets, and market acceptance of new products;
- the impact of competitive product announcements and unexpected advances in competing technologies or changes in market trends;
- the impact of variable demand, changes in market demand, and an adverse pricing environment for storage products;
- the Company’s ability to effectively manage its debt obligations and comply with certain covenants in its credit facilities with respect to financial ratios and financial condition tests and its ability to maintain a favorable cash liquidity position;
- the Company’s ability to successfully qualify, manufacture and sell its storage products in increasing volumes on a cost-effective basis and with acceptable quality;
- any price erosion or volatility of sales volumes through the Company’s distributor and retail channel;
- the effects of the COVID-19 pandemic and related individual, business and government responses on the global economy and their impact on the Company’s business, operations and financial results;
- disruptions to the Company’s supply chain or production capabilities;
- currency fluctuations that may impact the Company’s margins, international sales and results of operations;
- the impact of trade barriers, such as import/export duties and restrictions, tariffs and quotas, imposed by the U.S. or other countries in which the Company conducts business; the evolving legal and regulatory, economic, environmental and administrative climate in the international markets where the Company operates; and
- cyber-attacks or other data breaches that disrupt the Company’s operations or result in the dissemination of proprietary or confidential information and cause reputational harm.

Information concerning these and other risks, uncertainties and factors, among others, that could cause results to differ materially from our expectations statements is also set forth in “Item 1A. Risk Factors” of this Annual Report on Form 10-K, which we encourage you to carefully read. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date on which they were made and we undertake no obligation to update forward-looking statements except as required by law.

PART I

ITEM 1. BUSINESS

We are a leading provider of data storage technology and solutions. Our principal products are hard disk drives, commonly referred to as disk drives, hard drives or HDDs. In addition to HDDs, we produce a broad range of data storage products including solid state drives (“SSDs”), solid state hybrid drives (“SSHDS”), storage subsystems, as well as a scalable edge-to-cloud mass data platform that includes data transfer shuttles and a storage-as-a-service cloud.

HDDs are devices that store digitally encoded data on rapidly rotating disks with magnetic surfaces. HDDs continue to be the primary medium of mass data storage due to their performance attributes, reliability, high capacities, superior quality and cost effectiveness. Complementing existing storage architectures, SSDs use integrated circuit assemblies as memory to store data, and most SSDs use NAND flash memory. In contrast to HDDs and SSDs, SSHDs combine the features of SSDs and HDDs in the same unit, containing a high-capacity HDD and a smaller SSD acting as a cache to improve performance of frequently accessed data.

Our HDD products are designed for mass capacity storage and legacy markets. Mass capacity storage involves well-established use cases—such as hyperscale data centers and public clouds as well as emerging use cases. Legacy markets include markets we continue to service but that we do not plan to invest in significantly. Our HDD and SSD product portfolio includes Serial Advanced Technology Attachment (“SATA”), Serial Attached SCSI (“SAS”) and Non-Volatile Memory Express (“NVMe”) based designs to support a wide variety of mass capacity and legacy applications.

Our systems portfolio includes storage subsystems for enterprises, cloud service providers, scale-out storage servers and original equipment manufacturers (“OEMs”). Engineered for modularity, mobility, capacity and performance, these solutions include our enterprise HDDs and SSDs, enabling customers to integrate powerful, scalable storage within legacy environments or build new ecosystems from the ground up in a secure, cost-effective manner.

We recently launched our Lyve portfolio, which provides a simple, cost-efficient and secure way to manage massive volumes of data across the distributed enterprise. The Lyve platform includes a shuttle solution that enables enterprises to transfer massive amounts of data from endpoints to the core cloud, a storage-as-a-service cloud that provides frictionless mass capacity storage at the metro edge, a converged object storage solution enabling efficient capture and consolidation of massive data sets and Cortx, an open-source object storage software optimized for mass capacity and data intensive workloads.

Industry Overview

Data Storage Industry

The data storage industry includes companies that manufacture components or subcomponents designed for data storage devices, as well as providers of storage solutions, software and services for enterprise cloud, big data, computing platforms and consumer markets. The rapid growth of data generation and the intelligent application of data are driving demand for data storage. As more data is created at endpoints outside traditional data centers, which requires processing at the edge and in the core or cloud, the need for data storage and management between the edge and cloud has also increased. Use cases include connected and autonomous vehicles, smart manufacturing and smart cities. We believe the proliferation and personal creation of media-rich digital content, further enabled by fifth-generation wireless (“5G”), the edge, the Internet of Things (“IoT”), machine learning (“ML”) and artificial intelligence (“AI”), will continue to create demand for higher capacity storage solutions. The resulting mass data ecosystem is expected to require increasing amounts of data storage at the edge, in the core and in between.

Markets

The principal data storage markets include:

Mass Capacity Storage Markets

Mass capacity storage supports high capacity, low-cost per terabyte (“TB”) storage applications, including nearline, video and image applications and network-attached storage (“NAS”) and edge-to-cloud data storage infrastructures. Mass capacity storage markets represent sectors that have been increasing as a percentage of our total revenue and in total exabytes shipped in fiscal years 2021, 2020 and 2019, with this trend expected to continue in fiscal year 2022.

Nearline. Nearline applications require mass capacity devices, HDDs and mass capacity subsystems that provide end-to-end solutions to businesses for the purpose of modular and scalable storage. Enterprise storage applications require both high-capacity and energy efficient storage devices to support low total cost of ownership. The Seagate systems offer mass capacity storage solutions that provide foundational infrastructure for public and private clouds. We expect the nearline market, which includes storage for cloud computing, content delivery, archival, backup services and newer use cases to continue to grow and drive increasing exabyte demand.

Video imaging and analytics as well as NAS. Video and image applications and NAS drives are specifically designed to ensure the appropriate performance and reliability of the system for video analytics and camera enabled environments (video and image) and network storage environments (NAS). We expect these markets, which includes storage for security and smart video installations, to show long term secular growth in exabyte demand.

Edge-to-cloud data storage infrastructures, transport, and activation of mass data. The Seagate Lyve portfolio grew out of our mass capacity storage portfolio. It provides a simple, cost-efficient and secure way to manage, transport and activate massive volumes of data across the distributed enterprise. Among other elements, the Lyve portfolio includes a shuttle solution that enables enterprises to transfer vast amounts of data from endpoints to the core cloud and a storage-as-a-service cloud that provides frictionless mass capacity storage at the metro edge.

Legacy Markets

Legacy markets include mission critical, desktop, notebook, consumer, DVR, and gaming applications. We continue to service these markets but do not plan significant additional investment. These markets have been decreasing as a percentage of our total revenue in fiscal years 2021, 2020, and 2019 and this trend is expected to continue in fiscal year 2022, and the long term outlook is for a decrease in demand for exabytes in these markets.

Mission critical storage. Mission critical applications are defined as those that use very high-performance enterprise class HDDs and SSDs with sophisticated firmware to reliably support very high workloads. We expect that enterprises utilizing dedicated storage area networks will continue to drive market demand for mission critical enterprise storage solutions.

Consumer storage. Consumer applications are externally connected storage, both HDD and SSD-based, used to provide backup capabilities, augmented storage capacity, or portable storage for PCs and mobile devices.

Desktop and notebook storage. These applications rely on low cost-per-HDD and SSD devices to provide built-in storage for a wide variety of consumer and business applications.

Gaming storage. This market includes storage for PC-based gaming rigs as well as console gaming applications. The products are optimized for the speed and responsiveness gamers require, and include both internal and external storage options based on HDDs and SSDs.

DVR. DVR applications are HDD storage for video streaming in always-on consumer premise equipment like DVRs and media centers.

Participants in the data storage industry include:

Major subcomponent manufacturers. Companies that manufacture components or subcomponents used in data storage devices or solutions include companies that supply spindle motors, heads and media, and application specific integrated circuits (“ASICs”).

Storage device manufacturers. Companies that transform components into storage products include disk drive manufacturers and semiconductor storage manufacturers that integrate flash memory into storage products such as SSDs.

Storage solutions manufacturers and system integrators. Companies, such as OEMs, that bundle and package storage solutions, distributors that integrate storage hardware and software into end-user applications, cloud service providers (“CSPs”) that provide cloud based solutions to businesses for the purpose of scale-out storage solutions and modular systems, and producers of solutions such as storage racks.

Hyperscale data centers. Large hyperscale data center companies, many of which are CSPs, are increasingly designing their own storage subsystems and having them built by contract manufacturers for use inside their own data centers. This trend is reshaping the storage system and subsystem market, driving both innovation in system design and changes in the competitive landscape of large storage system vendors.

Storage services. Companies that provide and host services and solutions, which include storage, backup, archiving, recovery and discovery of data.

Demand for Data Storage

The International Data Corporation (“IDC”) forecasts in the Seagate-sponsored 2021 update of their “Worldwide Global DataSphere Forecast, 2021-2025” show that the global datasphere should grow from 64 zettabytes in 2020 to 180 zettabytes by 2025. According to IDC, we are fast approaching a new era of the Data Age, which we expect will have a positive impact on storage demand. The digital transformation has given rise to many new applications, all of which rely on faster access to and secure storage of data proliferating from endpoints through edge to cloud.

The *DataSphere Forecast* study found that data is shifting to both the core and the edge, and by 2025 nearly 60% of the world’s data will be stored in the core and edge, up from 39% in 2015.

As more applications require real-time decision making, some data processing and storage is moving closer to the network edge. We believe this will result in a buildup of private and edge cloud environments that will enable fast and secure access to data throughout the IoT ecosystem.

Factors contributing to the growth of digital content include:

- Creation, sharing and consumption of media-rich content, such as high-resolution photos, high definition videos and digital music through smart phones, tablets, digital cameras, personal video cameras, DVRs, gaming consoles or other digital devices;
- Increasing use of video and imaging sensors to collect and analyze data used to improve traffic flow, emergency response times and manufacturing production costs, as well as for new surveillance systems that feature higher resolution digital cameras and thus require larger data storage capacities;
- Creation and collection of data through the development and evolution of the IoT ecosystem, big data analytics, AI and new technology trends such as autonomous vehicles and drones, smart manufacturing, and smart cities;
- The growing use of analytics, especially for action on data created at the edge instead of processing and analyzing at the data center, which is particularly important for verticals such as autonomous vehicles, property monitoring systems, smart manufacturing and others;
- Cloud migration initiatives and the ongoing advancement of the cloud, including the build out of large numbers of cloud data centers by CSPs and private companies transitioning on-site data centers into the cloud; and
- Need for protection of increased digital content through redundant storage on backup devices and externally provided storage services.

As a result of these factors, we anticipate that the nature and volume of data being created will require greater storage capability, which is more efficiently and economically facilitated by higher capacity mass storage devices.

In addition, the economics of storage infrastructure are also evolving. The utilization of public and private hyperscale storage and open-source solutions is reducing the total cost of ownership of storage while increasing the speed and efficiency with which customers can leverage massive computing and storage devices. Accordingly, we expect these trends will continue to create significant demand for data storage products and solutions going forward.

Demand Trends

We believe that continued growth in digital content creation will require increasingly higher storage capacity in order to store, aggregate, host, distribute, analyze, manage, protect, back up and use such content. We also believe that as architectures evolve to serve a growing commercial and consumer user base throughout the world, storage solutions will evolve as well.

Mass capacity is and will continue to be the enabler of scale. We expect increased data creation will lead to the expansion of the need for storage in the form of HDDs, SSDs and systems. While the advance of solid state technology in many end markets is expected to increase, we believe that in the foreseeable future, cloud, edge and traditional enterprise which require high-capacity storage solutions will be best served by HDDs due to their ability to deliver reliable, energy-efficient and the most cost effective mass storage devices. We also believe that as HDD capacities continue to increase, a focus exclusively on unit demand does not reflect the increase in demand for exabytes. As demand for higher capacity drives increases, the demand profile has shifted to reflect fewer total HDD units, but with higher average capacity per drive and higher overall exabyte demand.

Industry Supply Balance

From time to time, the storage industry has experienced periods of imbalance between supply and demand. To the extent that the storage industry builds or maintains capacity based on expectations of demand that do not materialize, price erosion may become more pronounced. Conversely, during periods where demand exceeds supply, price erosion is generally muted.

Our Business

Data Storage Technologies

The design and manufacturing of HDDs depends on highly advanced technology and manufacturing techniques. Therefore, it requires high levels of research and development spending and capital equipment investments. We design, fabricate and assemble a number of the most important components in our disk drives, including read/write heads and recording media. Our design and manufacturing operations are based on technology platforms that are used to produce various disk drive products that serve multiple data storage applications and markets. Our core technology platforms, including innovations like the throughput-optimizing multi actuator MACH.2 technology and the high-capacity enabling heat-assisted magnetic recording (“HAMR”) technology, focus on the areal density of media and read/write head technologies. This design and manufacturing approach allows us to deliver a portfolio of storage products to service a wide range of data storage applications and industries.

Disk drives that we manufacture are commonly differentiated by the following key characteristics:

- input/output operations per second (“IOPS”), commonly expressed in megabytes per second, which is the maximum number of reads and writes to a storage location;
- storage capacity, commonly expressed in TB, which is the amount of data that can be stored on the disk drive;
- spindle rotation speed, commonly expressed in revolutions per minute (“RPM”), which has an effect on speed of access to data;
- interface transfer rate, commonly expressed in megabytes per second, which is the rate at which data moves between the disk drive and the computer controller;
- average seek time, commonly expressed in milliseconds, which is the time needed to position the heads over a selected track on the disk surface;
- data transfer rate, commonly expressed in megabytes per second, which is the rate at which data is transferred to and from the disk drive;
- product quality and reliability, commonly expressed in annualized return rates; and
- energy efficiency, commonly measured by the power output necessary to operate the disk drive.

Areal density is measured by storage capacity per square inch on the recording surface of a disk. The storage capacity of a disk drive is determined by the size and number of disks it contains as well as the areal density capability of these disks.

We also offer SSDs as part of our storage solutions portfolio. Our portfolio includes devices with SATA, SAS and NVMe interfaces. The SSDs differ from HDDs in that they are without mechanical parts.

SSDs store data on NAND flash memory cells, or metal-oxide semiconductor transistors using a charge on a capacitor to represent a binary digit. SSD technology offers fast access to data and robust performance. SSDs complement hyperscale applications, high-density data centers, cloud environments and web servers. They are also used in mission-critical enterprise applications, consumer, gaming and NAS applications.

The SSHDs that we manufacture contain technology that fuses some features of SSDs and HDDs. They include high capacity HDDs with flash memory that acts as a cache to improve performance of frequently accessed data and are primarily targeted at PC gaming applications.

Manufacturing

We primarily design and manufacture our own read/write heads and recording media, which are critical technologies for disk drives. This integrated approach enables us to lower costs and to improve the functionality of components so that they work together efficiently.

We believe that because of our vertical design and manufacturing strategy, we are well positioned to take advantage of the opportunities to leverage the close interdependence of components for disk drives. Our manufacturing efficiency and flexibility are critical elements of our integrated business strategy. We continuously seek to improve our manufacturing efficiency and reduce manufacturing costs by:

- employing manufacturing automation;
- employing machine learning algorithms and artificial intelligence;
- improving product quality and reliability;
- integrating our supply chain with suppliers and customers to enhance our demand visibility and reduce our working capital requirements;
- coordinating between our manufacturing group and our research and development organization to rapidly achieve volume manufacturing; and
- operating our facilities at optimal capacities.

A vertically integrated model, however, tends to have less flexibility when demand declines as it exposes us to higher unit costs when capacity utilization is not optimized.

Components and Raw Materials

Disk drives incorporate certain components, including a head disk assembly and a printed circuit board mounted to the head disk assembly, which are sealed inside a rigid base and top cover containing the recording components in a contamination-controlled environment. We maintain a highly integrated approach to our business by designing and manufacturing a significant portion of the components we view as critical to our products, such as read/write heads and recording media.

Read/Write Heads. The function of the read/write head is to scan across the disk as it spins, magnetically recording or reading information. The tolerances of read/write heads are extremely demanding and require state-of-the-art equipment and processes. Our read/write heads are manufactured with thin-film and photolithographic processes similar to those used to produce semiconductor integrated circuits, though challenges related to magnetic film properties and topographical structures are unique to the disk drive industry. We perform all primary stages of design and manufacture of read/write heads at our facilities. We use a combination of internally manufactured and externally sourced read/write heads, the mix of which varies based on product mix, technology and our internal capacity levels.

Media. Data is written to or read from the media, or disk, as it rotates at very high speeds past the read/write head. The media is made from non-magnetic substrates, usually an aluminum alloy or glass and is coated with thin layers of magnetic materials. We use a combination of internally manufactured and externally sourced finished media and aluminum substrates, the mix of which varies based on product mix, technology and our internal capacity levels. We purchase all of our glass substrates from third parties.

Printed Circuit Board Assemblies. The printed circuit board assemblies (“PCBAs”) are comprised of standard and custom ASICs and ancillary electronic control chips. The ASICs control the movement of data to and from the read/write heads and through the internal controller and interface, which communicates with the host computer. The ASICs and control chips form electronic circuitry that delivers instructions to a head positioning mechanism called an actuator to guide the heads to the selected track of a disk where the data is recorded or retrieved. Disk drive manufacturers use one or more industry standard interfaces such as SATA, SCSI, or SAS to communicate to the host systems.

Head Disk Assembly. The head disk assembly consists of one or more disks attached to a spindle assembly powered by a spindle motor that rotates the disks at a high constant speed around a hub. Read/write heads, mounted on an arm assembly, similar in concept to that of a record player, fly extremely close to each disk surface and record data on and retrieve it from concentric tracks in the magnetic layers of the rotating disks. The read/write heads are mounted vertically on an E-shaped assembly (“E-block”) that is actuated by a voice-coil motor to allow the heads to move from track to track. The E-block and the recording media are mounted inside the head disk assembly. We purchase spindle motors from outside vendors and from time to time participate in the design of the motors that go into our products.

Disk Drive Assembly. Following the completion of the head disk assembly, it is mated to the PCBA, and the completed unit goes through extensive defect mapping and machine learning prior to packaging and shipment. Disk drive assembly and machine learning operations occur primarily at our facilities located in China and Thailand. We perform subassembly and component manufacturing operations at our facilities in China, Malaysia, Northern Ireland, Singapore, Thailand and the United States.

Contract Manufacturing. We outsource the manufacturing and assembly of certain components and products to third parties in various countries worldwide. This includes outsourcing the PCBAs used in our disk drives, SSDs and storage subsystems. We continue to participate in the design of our components and products and are directly involved in qualifying key suppliers and components used in our products.

Suppliers of Components and Industry Constraints. There are a limited number of independent suppliers of components, such as recording heads and media, available to disk drive manufacturers. Vertically integrated disk drive manufacturers like us, who manufacture their own components, are less dependent on external component suppliers than less vertically integrated disk drive manufacturers. However, our business has been adversely affected by our suppliers' capacity constraints in the past and this could occur in the future.

Commodity and Other Manufacturing Costs. The production of disk drives requires rare earth elements, precious metals, scarce alloys and industrial commodities, which are subject to fluctuations in price and the supply of which has at times been constrained. In addition to increased costs of components and commodities, volatility in fuel and other transportation costs may also increase our costs related to commodities, manufacturing and freight. As a result, we may increase our use of alternative shipment methods to help offset any increase in freight costs, and we will continually review various forms of shipments and routes in order to minimize the exposure to higher freight costs.

Products

We offer a broad range of storage solutions for mass capacity storage and legacy applications. We supply more than one product within each product category and differentiate products on the basis of capacity, performance, product quality, reliability, price, form factor, interface, power consumption efficiency, security features and other customer integration requirements. Our industry is characterized by continuous and significant advances in technology that contribute to rapid product life cycles. Currently our product offerings include:

Mass Capacity Storage

Enterprise Nearline HDDs. Our high-capacity enterprise HDDs ship in capacities of up to 18TB. These products are designed for mass capacity data storage in the core and at the edge as well as server environments and cloud systems that require high capacity, enterprise reliability, energy efficiency and integrated security. They are available in SATA and SAS interfaces.

Enterprise Nearline SSDs. Our enterprise SSDs are designed for high-performance, hyperscale, high-density and cloud applications. They are offered with multiple interfaces, including SAS, SATA, and NVMe and in capacities up to 15TB.

Enterprise Nearline Systems. Our systems portfolio provides modular storage arrays, application platforms, JBODs and expansion shelves to expand and upgrade data center storage infrastructure and other enterprise applications. They feature speed, scalability and security. Our capacity-optimized systems feature multiple scalable configurations and can accommodate up to 106 16TB drives per chassis. We offer capacity and performance-optimized systems that include all-flash, all-disk and hybrid arrays for workloads demanding high performance, capacity and efficiency.

Video and Image Applications. Our video and image HDDs are built to support the high-write workload of an always-on, always-recording video systems. These optimized drives are built to support the growing needs of the video imaging market with support for multiple streams and capacities up to 18TB.

NAS. Our NAS drives are built to support the performance and reliability demanded by small and medium businesses, and incorporate interface software with custom-built health management, error recovery controls, power settings and vibration tolerance. Our NAS HDD solutions are available in capacities up to 18TB. We also offer NAS SSDs with capacities up to 1.9TB.

Legacy Applications

Mission Critical HDDs and SSDs. We continue to support 10,000 and 15,000 RPM HDDs, offered in capacities up to 2.4TB, which enable increased throughput while improving energy efficiency. Our enterprise SSDs are available in capacities up to 15TB, with endurance options up to 10 drive writes per day and various interfaces. Our SSDs deliver the speed and consistency required for demanding enterprise storage and server applications.

Consumer Solutions. Our external storage solutions are shipped under the Seagate Ultra Touch, One Touch and Expansion product lines, as well as under the LaCie and Maxtor brand names. These product lines are available in capacities up to 16TB. We strive to deliver the best customer experience by leveraging our core technologies, offering services such as Seagate Recovery Services (data recovery) and partnering with leading brands such as Xbox, Sony and Adobe.

Desktop Drives. Our 3.5-inch drives offer up to 18TB of capacity for HDD and up to 2TB for SSD. Desktop drives are designed for applications such as personal computers and workstations.

Notebook Drives. Our 2.5-inch drives offer up to 5TB for HDD and up to 2TB for SSD. Used in applications such as traditional notebooks, convertible systems and external storage, our drives are built to address a range of performance needs and sizes for affordable, high-capacity storage.

DVR. Our DVR HDDs are optimized for video streaming in always-on consumer premise equipment applications with capacities up to 4TB to support leading-edge digital entertainment.

Gaming. Our gaming SSDs are specifically optimized internal storage for gaming rigs. These products are designed to enhance the gaming experience during game load and game play and are available in capacities up to 4TB for SSD.

Lyve Edge-to-Cloud Mass Capacity Platform

Lyve. Lyve is our new platform built with mass data in mind. These solutions, including modular hardware and software, deliver a portfolio that streamlines data access, transport and management for today's enterprise.

Cloud. Lyve Cloud storage-as-a-service platform is an S3-compatible storage-only cloud designed to allow enterprises to unlock the value of their massive unstructured datasets. Seagate is collaborating with certain partners to maximize accessibility and provide extensive interconnect opportunities for additional cloud services and geographical expansion.

Data Services. Lyve Mobile Data Transfer Services consists of Lyve Mobile modular and scalable hardware, purpose-built for simple and secure mass-capacity edge data storage, lift-and-shift initiatives, and other data movement for the enterprise. These products are cloud-vendor agnostic and can be integrated seamlessly with public or private cloud data centers and providers.

Rack. Lyve Rack is a converged object storage infrastructure solution designed for applications such as AI and big data to enable efficient capture and consolidation of massive data sets.

Cortex. Cortex is an intelligent object storage software that is optimized for mass capacity and data-intensive workloads. This software is open source and has cloud interoperability, including S3-compatibility.

Customers

We sell our products to major OEMs, distributors and retailers.

OEM customers, including large hyperscale data center companies and CSPs, typically enter into master purchase agreements with us. Deliveries are scheduled only after receipt of purchase orders. In addition, with limited lead-time, customers may defer most purchase orders without significant penalty. Anticipated orders from many of our customers have in the past failed to materialize or OEM delivery schedules have been deferred or altered as a result of changes in their business needs.

Our distributors generally enter into non-exclusive agreements for the resale of our products. They typically furnish us with a non-binding indication of their near-term requirements and product deliveries are generally scheduled accordingly. The agreements and related sales programs typically provide the distributors with limited rights of return and price protection rights. In addition, we offer sales programs to distributors on a quarterly and periodic basis to promote the sale of selected products in the sales channel.

Our retail channel consists of our branded storage products sold to retailers either by us directly or by our distributors. Retail sales made by us or our distributors typically require greater marketing support, sales incentives and price protection periods.

See “Item 8. Financial Statements and Supplementary Data—*Note 16. Business Segment and Geographic Information*” contained in this report for a description of our major customers.

Competition

We compete primarily with manufacturers of hard drives used in the mass capacity storage and legacy markets and with other companies in the data storage industry that provide SSDs and systems. Some of the principal factors used by customers to differentiate among data storage solutions manufacturers are storage capacity, product performance, product quality and reliability, price per unit and price per TB, storage/retrieval access times, data transfer rates, form factor, product warranty and support capabilities, supply continuity and flexibility, power consumption, total cost of ownership and brand. While different markets and customers place varying levels of emphasis on these factors, we believe that our products are competitive with respect to many of these factors in the markets that we currently compete in.

Principal Competitors. We compete with manufacturers of storage solutions and the other principal manufacturers in the data storage solution industry including:

- Micron Technology, Inc.;
- Samsung Electronics;
- SK hynix, Inc.;
- Kioxia Holdings Corporation;
- Toshiba Corporation; and
- Western Digital Corporation, operating the Western Digital, Hitachi Global Storage Technologies and SanDisk brands.

Price Erosion. Historically, our industry has been characterized by price declines for data storage products with comparable capacity, performance and feature sets (“like-for-like products”). Price declines for like-for-like products (“price erosion”) tend to be more pronounced during periods of:

- economic contraction in which competitors may use discounted pricing to attempt to maintain or gain market share;
- few new product introductions when competitors have comparable or alternative product offerings; and
- industry supply exceeding demand.

Data storage manufacturers typically attempt to offset price erosion with an improved mix of data storage products characterized by higher capacity, better performance and additional feature sets and product cost reductions.

We believe the HDD industry experienced modest price erosion in fiscal years 2021, 2020 and 2019.

Product Life Cycles and Changing Technology. Success in our industry has been dependent to a large extent on the ability to balance the introduction and transition of new products with time-to-volume, performance, capacity and quality metrics at a competitive price, level of service and support that our customers expect. Generally, the drive manufacturer that introduces a new product first benefits from improved product mix, favorable profit margins and less pricing pressure until comparable products are introduced. Changing technology also necessitates on-going investments in research and development, which may be difficult to recover due to rapid product life cycles and economic declines. Further, there is a continued need to successfully execute product transitions and new product introductions, as factors such as quality, reliability and manufacturing yields continue to be of significant competitive importance.

Cyclicality and Seasonality

Variability of sales can be related to the timing of IT spending or a reflection of cyclical demand from CSPs based on the timing of their procurement and deployment requirements and the supply and demand balance of other components such as NAND and DRAM. Our legacy markets traditionally experience seasonal variability in demand with higher levels of demand in the second half of the calendar year. This seasonality is driven by consumer spending in the back-to-school season from late summer to fall and the traditional holiday shopping season from fall to winter.

Research and Development

We are committed to developing new component technologies, products, alternative storage technologies inclusive of systems, software and other innovative technology solutions to support emerging applications in data use and storage. Our research and development focus is designed to bring new products to market in high volume, with quality attributes that our customers expect, before our competitors. Part of our product development strategy is to leverage a design platform and/or subsystem within product families to serve different market needs. This platform strategy allows for more efficient resource utilization, leverages best design practices, reduces exposure to changes in demand, and allows for achievement of lower costs through purchasing economies. Our advanced technology integration effort focuses disk drive and component research on recording subsystems, including read/write heads and recording media; market-specific product technology; and technology we believe may lead to new business opportunities. The primary purpose of our advanced technology integration effort is to ensure timely availability of mature component technologies for our product development teams as well as to allow us to leverage and coordinate those technologies in the design centers across our products in order to take advantage of opportunities in the marketplace.

Patents and Licenses

As of July 2, 2021, we had approximately 5,300 U.S. patents and 1,100 patents issued in various foreign jurisdictions as well as approximately 600 U.S. and 200 foreign patent applications pending. The number of patents and patent applications will vary at any given time as part of our ongoing patent portfolio management activity. Due to the rapid technological change that characterizes the data storage industry, we believe that, in addition to patent protection, the improvement of existing products, reliance upon trade secrets, protection of unpatented proprietary know-how and development of new products are also important to our business in establishing and maintaining a competitive advantage. Accordingly, we intend to continue our efforts to broadly protect our intellectual property, including obtaining patents, where available, in connection with our research and development program.

The data storage industry is characterized by significant litigation arising from time to time relating to patent and other intellectual property rights. From time to time, we receive claims that our products infringe patents of third parties. Although we have been able to resolve some of those claims or potential claims without a material adverse effect on us, other claims have resulted in adverse decisions or settlements. In addition, other claims are pending, which if resolved unfavorably to us could have a material adverse effect on our business and results of operations. For more information on these claims, see “Item 8. Financial Statements and Supplementary Data—*Note 14. Legal, Environmental and Other Contingencies.*” The costs of engaging in intellectual property litigation in the past have been, and in the future may be, substantial, irrespective of the merits of the claim or the outcome.

Backlog

In view of industry practice, whereby customers may cancel or defer orders with little or no penalty, we believe backlog for our business is of limited indicative value in estimating future performance and results.

Environmental Matters

Our operations are subject to laws and regulations in the various jurisdictions in which we operate relating to the protection of the environment, including those governing discharges of pollutants into the air and water, the management and disposal of hazardous substances and wastes and the cleanup of contaminated sites. Some of our operations require environmental permits and controls to prevent and reduce air and water pollution, and these permits are subject to modification, renewal and revocation by issuing authorities.

We have established environmental management systems and continually update environmental policies and standard operating procedures for our operations worldwide. We believe that our operations are in material compliance with applicable environmental laws, regulations and permits. We budget for operating and capital costs on an ongoing basis to comply with environmental laws. If additional or more stringent requirements are imposed on us in the future, we could incur additional operating costs and capital expenditures.

Some environmental laws, such as the U.S. Comprehensive Environmental Response Compensation and Liability Act of 1980 (as amended, the “Superfund” law) and its state equivalents, can impose liability for the cost of cleanup of contaminated sites upon any of the current or former site owners or operators or upon parties who sent waste to these sites, regardless of whether the owner or operator owned the site at the time of the release of hazardous substances or the lawfulness of the original disposal activity. We have been identified as a responsible or potentially responsible party at several sites. Based on current estimates of cleanup costs and our expected allocation of these costs, we do not expect costs in connection with these sites to be material.

We may be subject to various state, federal and international laws and regulations governing environmental matters, including those restricting the presence of certain substances in electronic products. For example, the European Union (“EU”) enacted the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (2011/65/EU), which prohibits the use of certain substances, including lead, in certain products, including disk drives and server storage products, put on the market after July 1, 2006. Similar legislation has been or may be enacted in other jurisdictions, including in the U.S., Canada, Mexico, Taiwan, China and Japan. The EU REACH Directive (Registration, Evaluation, Authorization, and Restriction of Chemicals, EC 1907/2006) also restricts substances of very high concern in products. If we or our suppliers fail to comply with the substance restrictions, recycle requirements or other environmental requirements as they are enacted worldwide, it could have a materially adverse effect on our business.

Social and Employee Matters

As of July 2, 2021, we employed approximately 40,000 employees and temporary employees worldwide, of which approximately 33,000 were located in our Asia operations. We believe that our employees are crucial to our current success and that our future success will depend, in part, on our ability to attract, retain and further motivate qualified employees at all levels. We believe that our employee relations are good.

Diversity, Equity & Inclusion. One of our core values is inclusion. We rely on our diverse workforce to develop, deliver and sustain our business strategy and achieve our goals. One way we embrace our diverse employees and promote a culture of inclusion is through the support of employee resource groups (“ERG”). These voluntary, employee-led communities are built on a shared diversity of identity, experience or thought and provide a number of benefits to employees, including professional and leadership development. Seagate’s ERG community encompasses a wide array of diversity, such as LGBTQ+, women, people of color and interfaith, and includes over 20 chapters across five countries. We also support inclusion through active employee communications, unconscious bias education and ongoing efforts to ensure our employees feel safe, respected and welcomed. During fiscal year 2021, we published our annual Diversity, Equity, and Inclusion (“DEI”) Report, which provides an overview of our DEI efforts and outcomes including demographics on our workforce. The fiscal year 2020 DEI Report is available on our website.

Health & Safety. All our manufacturing sites have health and safety management systems certified to ISO 45001, which was migrated from Occupational Health and Safety Assessment Series 18001 in fiscal year 2021. 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. We also hosted health and safety regulatory visits that focused on issues such as safety, radiation, fire codes, food and transportation. Remaining focused on the continuous improvement of employee health and safety, we continued to provide comprehensive health and safety training to our employees in fiscal year 2021. We emphasize e-learning courses as our main vehicle for delivering such training because employees can learn at their own pace. In response to the COVID-19 pandemic and to protect the health and well-being of our employees, customers, suppliers and the communities in which we operate we implemented significant safety protocols over the past 15 months, including employees working from home, restricting the number of employees attending events or meetings in person, limiting the number of people in our buildings and factories at any one time, further restricting access to our facilities, suspending employee travel, refraining from meeting in person with customers and suppliers, health and temperature screenings, contact tracing and enhanced cleaning procedures. We will continue to monitor the impact of the COVID-19 pandemic and will adjust these measures over time as appropriate to protect the health and well-being of our employees, customers, suppliers and communities.

Development, Retention, Compensation, Benefits & Engagement. Our performance management system is a continuous process that helps team members focus on the right priorities. Meaningful conversations between managers and employees are the foundation of performance management at Seagate. We focus on dialogue centered around manager and employee conversations, and ongoing feedback, to align goals. This approach focuses on achieving high-quality productive dialogue between managers and employees. We also encourage our employees to participate in the many learning opportunities that are available at Seagate. The portfolio of learning and training formats include but are not limited to mentoring and coaching, e-learning opportunities, LinkedIn Learning classroom training, on-the-job training and other strategic internal programs that cover topics ranging from leadership and technical skills to health, safety and the environment. In addition, we are investing to re-skill and re-deploy employees as needed to support our future growth and respond to the changing demands of the business. For example, we launched a tool earlier this fiscal year that has already helped Seagate employees to establish networking and mentor connections as well as redeployment opportunities for hundreds of employees.

Our Total Rewards program is designed to attract, motivate and retain talented people in order to successfully meet our business goals. The program includes base pay, annual bonuses, commissions, equity awards, an employee share purchasing plan, retirement savings opportunities and other employee health and wellness benefits. Our compensation programs and guidelines are structured to align pay with performance and aim to provide internally and externally competitive total compensation.

Employee engagement is the psychological commitment and passion that drives discretionary effort. It predicts individual performance and is the measure of the relationship between employees and the Company. This year we expanded our engagement survey to include additional facets of the employee experience throughout the employee life cycle. Employee experience is what employees encounter and observe over the course of their career at Seagate. A positive employee experience can have an impact on everything from recruiting to Seagate's bottom line.

In our fiscal year 2021 survey, 92% of our global employees shared their feedback on their experience at Seagate. Following the conclusion of the survey, people managers were provided access to a dashboard with results that shared the key drivers of engagement specific to their own department. Managers were asked to follow our "Understand, Share and Take Action!" process to analyze their results, share and discuss with their teams, and create customized action plans designed to have the greatest impact to engagement for their particular department.

Giving Back. Our community engagement program is designed to provide support to our local communities, with an emphasis on science, technology, engineering and mathematics ("STEM") and also addressing health and human services, and environmental opportunities. The program is reflective of Seagate's vertically integrated model, with multiple large facilities across EMEA, Asia and the United States. Accordingly, the program is highly localized, involving a cross-functional process to identify and execute on opportunities that are meaningful locally.

In general, we maintain an emphasis on STEM, targeting K-12 students, supporting STEM efforts in a way that is age-appropriate and allows for fun as well as learning. In fiscal year 2021, due to COVID-19, Seagate pivoted to virtual engagements and funding of STEM partners as they worked to deliver their programs online or in a socially distanced manner. Seagate also increased support of health & human services partnerships due to the pandemic, such as support of food banks, clinics, and non-profit organizations providing COVID-19 health care and relief, while sustaining many of our ongoing community partnerships.

Financial Information

Financial information for our reportable business segment and about geographic areas is set forth in "Item 8. Financial Statements and Supplementary Data —Note 16. Business Segment and Geographic Information."

Corporate Information

Seagate Technology Holdings public limited company is a public limited company organized under the laws of Ireland.

Available Information

Availability of Reports. We are a reporting company under the Securities Exchange Act of 1934, as amended (the "1934 Exchange Act"), and we file reports, proxy statements and other information with the U.S. Securities and Exchange Commission (the "SEC"). Because we make filings to the SEC electronically, the public may access this information at the SEC's website: www.sec.gov. This site contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC.

Website Access. Our website is www.seagate.com. We make available, free of charge at the “Investor Relations” section of our website (investors.seagate.com), our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the 1934 Exchange Act as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the SEC. Reports of beneficial ownership filed pursuant to Section 16(a) of the 1934 Exchange Act are also available on our website.

Investors. Investors and others should note that we routinely use the Investor Relations section of our website to announce material information to investors and the marketplace. While not all of the information that the Company posts on its corporate website is of a material nature, some information could be deemed to be material. Accordingly, the Company encourages investors, the media and others interested in the Company to review the information that it shares on www.seagate.com. Information in, or that can be accessed through, our website is not incorporated into this Form 10-K.

Information About Our Executive Officers

The following sets forth the name, age and position of each of the persons who were serving as executive officers as of August 6, 2021. There are no family relationships among any of our executive officers.

Name	Age	Positions
Dr. William D. Mosley	54	Director and Chief Executive Officer
Gianluca Romano	52	Executive Vice President and Chief Financial Officer
Jeffrey D. Nygaard	57	Executive Vice President, Global Operations
Katherine E. Schuelke	58	Senior Vice President, Chief Legal Officer and Corporate Secretary
Ban Seng Teh	55	Executive Vice President, Global Sales and Sales Operations
Jeffrey Fochtman	47	Senior Vice President, Business and Marketing
Ravinandan Naik	50	Executive Vice President, Storage Services and Chief Information Officer

Dr. William D. Mosley, 54, has served as our Chief Executive Officer (“CEO”) since October 2017 and as a member of the Board since July 25, 2017. He was previously our President and Chief Operating Officer (“COO”) from June 2016 to September 2017. He also served as our President of Operations and Technology from October 2013 to June 2016 and as our Executive Vice President of Operations from March 2011 until October 2013. Prior to these positions, Dr. Mosley served as Executive Vice President, Sales and Marketing from February 2009 through March 2011; Senior Vice President of Global Disk Storage Operations from 2007 to 2009; and Vice President of Research and Development, Engineering from 2002 to 2007. He joined Seagate in 1996 as a Senior Engineer with a PhD in solid state physics. From 1996 to 2002, he served at Seagate in varying roles of increasing responsibility until his promotion to Vice President.

Gianluca Romano, 52, has served as our Executive Vice President and Chief Financial Officer since January 2019. From October 2011 to December 2018, Mr. Romano served as Corporate Vice President, Business Finance and Accounting at Micron Technology, Inc. (“Micron”), a producer of computer memory and computer data storage. Prior to his role at Micron, Mr. Romano served as Vice President Finance, Corporate Controller at Numonyx, Inc., a flash memory company which was acquired by Micron in February 2010, from 2008 to 2010. From 1994 until 2008, Mr. Romano held various finance positions at STMicroelectronics, an electronics and semiconductor manufacturer, most recently as Group Vice-President, Central & North Europe Finance Director, Shared Accounting Services Director.

Jeffrey D. Nygaard, 57, has served as our Executive Vice President, Operations, Product Development and Technology Development since November 2018; his areas of responsibility expanded to include Quality in October 2019 and Customer Technical Engagement in April 2020. Mr. Nygaard also served as our Executive Vice President, Global Operations from October 2017 to November 2018; Senior Vice President, Global Operations and Supply Chain from March 2017 to October 2017; Senior Vice President, Recording Head Operations from May 2013 to February 2017; Vice President Slider, HGA, HSA Operations from 2011 to April 2013; Vice President and Country Manager, Thailand and Penang Operations from 2009 to 2011; Vice President and Country Manager, Thailand Operations and Asia Drive Engineering from 2006 to 2009; and Vice President, Product and Process Development from 2004 to 2006. From 1994 to 2006, Mr. Nygaard served in varying roles of increasing responsibilities in engineering at Seagate until his promotion to Vice President. Mr. Nygaard began his career with Raytheon and IBM where he held positions as a design engineer and senior engineer.

Katherine E. Schuelke, 58, has served as our Senior Vice President, Chief Legal Officer and Corporate Secretary since June 2017. From 2011 to January 2016, Ms. Schuelke was the Senior Vice President, General Counsel and Secretary at Altera Corporation (“Altera”), a manufacturer of programmable logic devices. Prior to that, Ms. Schuelke was Vice President, General Counsel, and Secretary at Altera from 2001 to 2011. At Altera, she held other positions of increasing responsibility from 1996 through 2001. Ms. Schuelke began her career at an international law firm. Ms. Schuelke serves on the board of directors of SiTime Corporation, a provider of silicon timing solutions, and on its Compensation and Nominating and Corporate Governance Committees.

Ban Seng Teh, 55, has served as our Executive Vice President of Global Sales and Sales Operations since February 2021. Prior to that, Mr. Teh served as Senior Vice President of Global Sales and Sales Operations from November 2014 to February 2021. Mr. Teh also served as our Senior Vice President of Asia-Pacific and Japan Sales and marketing from July 2010 to November 2014. Mr. Teh joined Seagate in 1989 as a field customer engineer and has served in varying roles of increasing responsibilities, including as Vice President, Asia Pacific Sales and Marketing (Singapore) from January 2008 to July 2010; Vice President, Sales Operations from 2006 to 2008; Vice President, Asia Pacific Sales from 2003 to 2006; Director, Marketing and APAC Distribution Sales from 1999 to 2003; and Country Manager, South Asia Sales from 1996 to 1999.

Jeffrey Fochtman, 47, has served as our Senior Vice President, Business and Marketing since April 2020. Prior to that Mr. Fochtman served as our Vice President, Global Marketing and Consumer Solutions Group from February 2019 to April 2020; as VP, Global Marketing from August 2015 to February 2019; as Senior Director of Global Marketing from April 2012 to August 2015; and as Director of Marketing from October 2007 to October 2009. Prior to re-joining Seagate, he was VP of Marketing and Sales at Pogoplug, a data storage company, from October 2009 to March 2012; and he served as a Product Marketing Manager at Hitachi, a multinational conglomerate, from February 2001 to October 2007.

Ravinandan Naik, 50 has served as our Executive Vice President of Storage Services and Chief Information Officer (“CIO”) since February 2021. Prior to that Mr. Naik served as Senior Vice President Corporate Strategy and CIO from January 2019 to February 2021, and Senior Vice President and CIO from June 2017 to January 2019. Prior to joining Seagate in 2017, Mr. Naik was the Senior Vice President of Technology at Katera, a technology startup in the construction industry. Mr. Naik worked for SanDisk, a supplier of flash storage products, as Senior Vice President and CIO from 2013 to May 2016, and Head of Global Real Estate, Workplace and Corporate Physical Security from January 2012 to April 2016, Vice President and CIO from 2009 to 2013, and Director of the Enterprise Resource Planning Program from 2007 to 2009. Before that, he held leadership positions at Mercury Interactive, a software company, Hewlett Packard, an information technology company, and 3Com Corporation, a digital electronics manufacturer.

ITEM 1A. RISK FACTORS

Summary of Risk Factors

The following is a summary of the principal risks and uncertainties that could materially adversely affect our business, results of operations, financial condition, cash flows, brand and/or the price of our outstanding ordinary shares, and make an investment in our ordinary shares speculative or risky. You should read this summary together with the more detailed description of each risk factor contained below. Additional risks beyond those summarized below or discussed elsewhere in this Annual Report on Form 10-K may apply to our business and operations as currently conducted or as we may conduct them in the future or to the markets in which we currently, or may in the future, operate.

Risks Related to our Business, Operations and Industry

- Our ability to increase our revenue and maintain our market share depends on our ability to successfully introduce and achieve market acceptance of new products on a timely basis. If our products do not keep pace with customer requirements, our results of operations will be adversely affected.
- We operate in highly competitive markets and our failure to anticipate and respond to technological changes and other market developments, including price, could harm our ability to compete.
- We may be adversely affected by the loss of, or reduced, delayed or canceled purchases by, one or more of our key customers.
- We are dependent on sales to distributors and retailers, which may increase price erosion and the volatility of our sales.
- We must plan our investments in our products and incur costs before we have customer orders or know about the market conditions at the time the products are produced. If we fail to predict demand accurately for our products or if the markets for our products change, we may be unable to meet demand or we may have insufficient demand, which may materially adversely affect our financial condition and results of operations.

- Changes in demand for computer systems, data storage subsystems and consumer electronic devices may in the future cause a decline in demand for our products, or an increase in demand for our products that we are unable to meet.
- We experience seasonal declines in the sales of our consumer products during the second half of our fiscal year which may adversely affect our results of operations.
- We may not be successful in our efforts to grow our systems, SSD and Lyve revenues.
- Our worldwide sales operations subject us to risks that may adversely affect our business related to disruptions in international markets, currency exchange fluctuations, increased costs, and global health outbreaks.
- The ongoing COVID-19 pandemic has impacted our business, operating results and financial condition, as well as the operations and financial performance of many of the customers and suppliers in industries that we serve. We are unable to predict the extent to which the pandemic and related effects will adversely impact our business operations, financial performance, results of operations, financial position and the achievement of our strategic objectives.
- If we do not control our fixed costs, we will not be able to compete effectively.

Risks Associated with Supply and Manufacturing

- If we experience shortages or delays in the receipt of, or cost increases in, critical components, equipment or raw materials necessary to manufacture our products, we may suffer lower operating margins, production delays and other material adverse effects.
- Shortages or delays in critical components, as well as reliance on single-source suppliers, can affect our production and development of products and may harm our operating results.
- We have a long and unpredictable sales cycle for nearline and mission critical storage solutions, which impairs our ability to accurately predict our financial and operating results in any period and may adversely affect our ability to forecast the need for investments and expenditures.
- If revenues fall or customer demand decreases significantly, we may not meet all of our purchase commitments to certain suppliers.
- Due to the complexity of our products, some defects may only become detectable after deployment.

Risks Related to Human Capital

- The loss of or inability to attract key executive officers and employees could negatively impact our business prospects.
- We are subject to risks related to corporate and social responsibility and reputation.

Risks Related to Financial Performance or General Economic Conditions

- We may not be able to generate sufficient cash flows from operations and our investments to meet our liquidity requirements, including servicing our indebtedness.
- We are subject to counterparty default risks.
- Our quarterly results of operations fluctuate, sometimes significantly, from period to period, and may cause our share price to decline.
- Any cost reduction initiatives that we undertake may not deliver the results we expect, and these actions may adversely affect our business.
- Changes in the macroeconomic environment may in the future negatively impact our results of operations.
- Political events, war, terrorism, natural disasters, public health issues and other circumstances could materially adversely affect our results of operations and financial condition.

Legal, Regulatory and Compliance Risks

- Our business is subject to various laws, regulations, governmental policies, litigation, governmental investigations or governmental proceedings that may cause us to incur significant expense or adversely impact our results or operations and financial condition.
- Some of our products and services are subject to export control laws and other laws affecting the countries in which our products and services may be sold, distributed, or delivered, and any changes to or violation of these laws could have a material adverse effect on our business, results of operations, financial condition and cash flows.
- Changes in U.S. trade policy, including the imposition of sanctions or tariffs and the resulting consequences, may have a material adverse impact on our business and results of operations.

- We may be unable to protect our intellectual property rights, which could adversely affect our business, financial condition and results of operations.
- We are at times subject to intellectual property proceedings and claims which could cause us to incur significant additional costs or prevent us from selling our products, and which could adversely affect our results of operations and financial condition.
- Our business and certain products and services depend in part on IP and technology licensed from third parties, as well as data centers and infrastructure operated by third parties.

Risks Related to Information Technology, Data and Information Security

- We could suffer a loss of revenue and increased costs, exposure to significant liability including legal and regulatory consequences, reputational harm and other serious negative consequences in the event of cyber-attacks, ransomware or other cyber security breaches or incidents that disrupt our operations or result in the dissemination of proprietary or confidential information of our customers or about us or our customers or other third parties.
- We must successfully maintain and upgrade our IT systems, and our failure to do so could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Owning our Ordinary Shares

- The price of our ordinary shares may be volatile and could decline significantly.
- Any decision to reduce or discontinue the payment of cash dividends to our shareholders or the repurchase of our ordinary shares pursuant to our previously announced share repurchase program could cause the market price of our ordinary shares to decline significantly.

RISKS RELATED TO OUR BUSINESS, OPERATIONS AND INDUSTRY

Our ability to increase our revenue and maintain our market share depends on our ability to successfully introduce and achieve market acceptance of new products on a timely basis. If our products do not keep pace with customer requirements, our results of operations will be adversely affected.

The markets for our products are characterized by rapid technological change, frequent new product introductions and technology enhancements, uncertain product life cycles and changes in customer demand. The success of our products and services also often depends on whether our offerings are compatible with our customers' or third-parties' products or services and their changing technologies. Our customers demand new generations of storage products as advances in computer hardware and software have created the need for improved storage, with features such as increased storage capacity, enhanced security, energy efficiency, improved performance and reliability and lower cost. We, and our competitors, have developed improved products, and we will need to continue to do so in the future.

Historically, our results of operations have substantially depended upon our ability to be among the first-to-market with new data storage product offerings. We may face technological, operational and financial challenges in developing new products. In addition, our investments in new product development may not yield the anticipated benefits. Our market share, revenue and results of operations in the future may be adversely affected if we fail to:

- develop new products, identify business strategies and timely introduce competitive product offerings to meet technological shifts, or we are unable to execute successfully;
- consistently maintain our time-to-market performance with our new products;
- produce these products in adequate volume;
- meet specifications or satisfy compatibility requirements;
- qualify these products with key customers on a timely basis by meeting our customers' performance and quality specifications; or
- achieve acceptable manufacturing yields, quality and costs with these products.

Accordingly, we cannot accurately determine the ultimate effect that our new products will have on our results of operations. Our failure to accurately anticipate customers' needs and accurately identify the shift in technological changes could materially adversely affect our long-term financial results.

In addition, the concentration of customers in our largest end markets magnifies the potential effect of missing a product qualification opportunity. If the delivery of our products is delayed, our customers may use our competitors' products to meet their requirements.

When we develop new products with higher capacity and more advanced technology, our results of operations may decline because the increased difficulty and complexity associated with producing these products increases the likelihood of reliability, quality or operability problems. If our products experience increases in failure rates, are of low quality or are not reliable, customers may reduce their purchases of our products, our factory utilization may decrease and our manufacturing rework and scrap costs and our service and warranty costs may increase. In addition, a decline in the reliability of our products may make it more difficult for us to effectively compete with our competitors.

Additionally, we may be unable to produce new products that have higher capacities and more advanced technologies in the volumes and timeframes that are required to meet customer demand. We are transitioning to key areal density recording technologies that use HAMR technology to increase HDD capacities. If our transitions to more advanced technologies, including the transition to HDDs utilizing HAMR technology, require development and production cycles that are longer than anticipated or if we otherwise fail to implement new HDD technologies successfully, we may lose sales and market share, which could significantly harm our financial results.

We cannot assure you that we will be among the leaders in time-to-market with new products or that we will be able to successfully qualify new products with our customers in the future. If our new products are not successful, our future results of operations may be adversely affected.

We operate in highly competitive markets and our failure to anticipate and respond to technological changes and other market developments, including price, could harm our ability to compete.

We face intense competition in the data storage industry. Our principal sources of competition include HDD and SSD manufacturers, and companies that provide storage subsystems, including electronic manufacturing services and contract electronic manufacturing.

The markets for our data storage products are characterized by technological change, which is driven in part by the adoption of new industry standards. These standards provide mechanisms to ensure technology component interoperability but they also hinder our ability to innovate or differentiate our products. When this occurs, our products may be deemed commodities, which could result in downward pressure on prices.

We also experience competition from other companies that produce alternative storage technologies such as flash memory, where increasing capacity, decreasing cost, energy efficiency and improvements in performance have resulted in increased competition with our lower capacity, smaller form factor disk drives. Some customers for both mass capacity storage and legacy markets have adopted SSDs as an alternative to hard drives in certain applications. Further adoption of SSDs or other alternative storage technologies may limit our total addressable HDD market, impact the competitiveness of our product portfolio and reduce our market share. Any resulting increase in competition could have a material adverse effect on our business, financial condition and results of operations.

We may be adversely affected by the loss of, or reduced, delayed or canceled purchases by, one or more of our key customers.

Some of our key customers account for a large portion of our revenue. While we have long-standing relationships with many of our customers, if any key customers were to significantly reduce, defer or cancel their purchases from us or delay product acceptances, or we were prohibited from selling to those key customers, our results of operations would be adversely affected. Although sales to key customers may vary from period to period, a key customer that permanently discontinues or significantly reduces its relationship with us, or that we are prohibited from selling to, could be difficult to replace. In line with industry practice, new key customers usually require that we pass a lengthy and rigorous qualification process. Accordingly, it may be difficult or costly for us to attract new key customers. Conversely, if one of our key customers unexpectedly increases its orders, we may be unable to produce the additional product volumes in a timely manner or take advantage of any overall increased market demand. This could damage our customer relationships and reputation, which may adversely affect our results of operations.

Additionally, if there is consolidation among our customer base, our customers may be able to command increased leverage in negotiating prices and other terms of sale, which could adversely affect our profitability. Furthermore, if such customer pressures require us to reduce our pricing such that our gross margins are diminished, it might not be feasible to sell to a particular customer, which could result in a decrease in our revenue. Consolidation among our customer base may also lead to reduced demand for our products, replacement of our products by the combined entity with those of our competitors and cancellations of orders, each of which could adversely affect our results of operations. If a significant transaction or regulatory impact involving any of our key customers results in the loss of or reduction in purchases by these key customers, it could have a materially adverse effect on our business, results of operations and financial condition.

We are dependent on sales to distributors and retailers, which may increase price erosion and the volatility of our sales.

A substantial portion of our sales has been to distributors and retailers of disk drive products. Certain of our distributors and retailers may also market competing products. We face significant competition in this distribution channel as a result of limited product qualification programs and a focus on price, terms and product availability. Sales volumes through this channel are also less predictable and subject to greater volatility. In addition, deterioration in business and economic conditions could exacerbate price erosion and volatility as distributors or retailers lower prices to compensate for lower demand and higher inventory levels. Our distributors' and retailers' ability to access credit to fund their operations may also affect their purchases of our products. If prices decline significantly in this distribution channel or our distributors or retailers reduce purchases of our products or if distributors or retailers experience financial difficulties or terminate their relationships with us, our revenues and results of operations would be adversely affected.

We must plan our investments in our products and incur costs before we have customer orders or know about the market conditions at the time the products are produced. If we fail to predict demand accurately for our products or if the markets for our products change, we may be unable to meet demand or we may have insufficient demand, which may materially adversely affect our financial condition and results of operations.

Our manufacturing process requires us to make significant product-specific investments in inventory for production at least three to six months in advance. As a result, we incur inventory and manufacturing costs in advance of anticipated sales that may never materialize or that may be substantially lower than expected. If actual demand for our products is lower than the forecast, we may also experience higher inventory carrying costs, manufacturing rework costs and product obsolescence. Conversely, if we underestimate demand, we may have insufficient inventory to satisfy demand and may have to forego sales.

Other factors that have affected and may continue to affect our ability to anticipate or meet the demand for our products and adversely affect our results of operations include:

- competitive product announcements or technological advances that result in excess supply when customers cancel purchases in anticipation of newer products;
- variable demand resulting from unanticipated upward or downward pricing pressures;
- our ability to successfully qualify, manufacture and sell our data storage products;
- changes in our product mix, which may adversely affect our gross margins;
- key customers deferring or canceling purchases or delaying product acceptances, or unexpected increases in their orders;
- manufacturing delays or interruptions, particularly at our manufacturing facilities in China, Malaysia, Northern Ireland, Singapore, Thailand or the United States;
- limited access to components that we obtain from a single or a limited number of suppliers; and
- the impact of changes in foreign currency exchange rates on the cost of producing our products and the effective price of our products to non-U.S. customers.

Changes in demand for computer systems, data storage subsystems and consumer electronic devices may in the future cause a decline in demand for our products, or an increase in demand for our products that we are unable to meet.

Our products are components in computers, data storage systems and consumer electronic devices. Historically, the demand for these products has been volatile. Unexpected slowdowns in demand for computers, data storage subsystems or consumer electronic devices generally result in sharp declines in demand for our products. Declines in customer spending on the systems and devices that incorporate our products could have a material adverse effect on demand for our products and on our financial condition and results of operations. Uncertain global economic and business conditions can exacerbate these risks.

We are dependent on our long-term investments to manufacture adequate products. Our investment decisions in adding new assembly and test capacity require significant planning and lead-time, and a failure to accurately forecast demand for our products could cause us to over-invest or under-invest, which would lead to excess capacity, under-utilization charges, impairments or loss of sales and revenue opportunities.

Sales to the legacy markets remain an important part of our business. These markets, however, have been, and we expect them to continue to be, adversely affected by:

- announcements or introductions of major new operating systems or semiconductor improvements or shifts in customer preferences, performance requirements and behavior, such as the shift to tablet computers, smart phones, NAND flash memory or similar devices that meet customers' cost and capacity metrics;
- longer product life cycles; and
- changes in macroeconomic conditions that cause customers to spend less, such as the imposition of new tariffs, increased laws and regulations, and increased unemployment levels.

We believe that the deterioration of demand for disk drives in certain of the legacy markets has accelerated, and this deterioration may continue or further accelerate, which could cause our operating results to suffer.

In addition, we believe announcements regarding competitive product introductions from time to time have caused customers to defer or cancel their purchases, making certain inventory obsolete. Whenever an oversupply of products in the market causes our industry to have higher than anticipated inventory levels, we experience even more intense price competition from other manufacturers than usual, which may materially adversely affect our financial results.

We experience seasonal declines in the sales of our consumer products during the second half of our fiscal year which may adversely affect our results of operations.

In certain end markets, sales of computers, storage subsystems and consumer electronic devices tend to be seasonal, and therefore, we expect to continue to experience seasonality in our business as we respond to variations in our customers' demand for our products. In particular, we anticipate that sales of our products will continue to be lower during the second half of our fiscal year. Retail sales of our legacy markets solutions traditionally experience higher demand in the first half of our fiscal year driven by consumer spending in the back-to-school season from late summer to fall and the traditional holiday shopping season from fall to winter. We experience seasonal reductions in the second half of our fiscal year in the business activities of our customers during international holidays like Lunar New Year, as well as in the summer months (particularly in Europe), which typically result in lower sales during those periods. Since our working capital needs peak during periods in which we are increasing production in anticipation of orders that have not yet been received, our results of operations will fluctuate even if the forecasted demand for our products proves accurate. Failure to anticipate consumer demand for our branded solutions as well as an inability to maintain effective working relationships with retail and online distributors may also adversely impact our future results of operations. Furthermore, it is difficult for us to evaluate the degree to which this seasonality may affect our business in future periods because of the rate and unpredictability of product transitions and new product introductions, as well as macroeconomic conditions.

We may not be successful in our efforts to grow our systems, SSD and Lyve revenues.

We have made and continue to make investments to grow our systems, SSD and Lyve platform revenues. Our ability to grow systems, SSD and Lyve revenues is subject to the following risks:

- we may be unable to accurately estimate and predict data center capacity and requirements;
- we may not be able to offer compelling solutions or services to enterprises, subscribers, or consumers;
- we may be unable to obtain cost effective supply of NAND flash memory in order to offer competitive SSD solutions; and
- our cloud systems revenues generally have a longer sales cycle, and growth is likely to depend on relatively large customer orders, which may increase the variability of our results of operations and the difficulty of matching revenues with expenses.

Our results of operations and share price may be adversely affected if we are not successful in our efforts to grow our revenues as anticipated. In addition, our growth in these markets may bring us into closer competition with some of our customers or potential customers, which may decrease their willingness to do business with us.

Our worldwide sales operations subject us to risks that may adversely affect our business related to disruptions in international markets, currency exchange fluctuations, increased costs, and global health outbreaks.

We are a global company and have significant sales operations outside of the United States, including sales personnel and customer support operations. We also generate a significant portion of our revenue from sales outside the U.S. Disruptions in the economic, environmental, political, legal or regulatory landscape in the countries where we operate may have a material adverse impact on our manufacturing and sales operations. Disruptions in financial markets and the deterioration of global economic conditions have had and may continue to have an impact on our sales to customers located in, or whose end-user customers are located in such countries.

Prices for our products are denominated predominantly in dollars, even when sold to customers that are located outside the U.S. An increase in the value of the dollar could increase the real cost to our customers of our products in those markets outside of the U.S. where we sell in dollars. This could adversely impact our sales and market share in such areas or increase pressure on us to lower our price, and adversely impact our profit margins. In addition, we have revenue and expenses denominated in currencies other than the dollar, primarily the Thai Baht, Singaporean dollar, Chinese Renminbi and British Pound Sterling, which further exposes us to adverse movements in foreign currency exchange rates. A weakened dollar could increase the effective cost of our expenses such as payroll, utilities, tax and marketing expenses, as well as overseas capital expenditures. Any of these events could have a material adverse effect on our results of operations. We have attempted to manage the impact of foreign currency exchange rate changes by, among other things, entering into foreign currency forward exchange contracts from time to time, which could be designated as cash flow hedges or not designated as hedging instruments. Our hedging strategy may be ineffective, and specific hedges may expire and not be renewed or may not offset any or more than a portion of the adverse financial impact resulting from currency variations. The hedging activities may not cover our full exposure, subject us to certain counterparty credit risks and may impact our results of operations. See “Item 7A. Quantitative and Qualitative Disclosures About Market Risk—*Foreign Currency Exchange Risk*” of this report for additional information about our foreign currency exchange risk.

The shipping and transportation costs associated with our international operations are typically higher than those associated with our U.S. operations, resulting in decreased operating margins in some countries. Volatility in fuel costs, political instability or constraints in or increases in the costs of air transportation may lead us to develop alternative shipment methods, which could disrupt our ability to receive raw materials, or ship finished product, and as a result our business and results of operations may be harmed.

The occurrence of a pandemic disease, such as the recent COVID-19 pandemic, has impacted and may adversely impact our operations (including, without limitation, logistical and other operational costs) and the operations of some of our customers.

The ongoing COVID-19 pandemic has impacted our business, operating results and financial condition, as well as the operations and financial performance of many of the customers and suppliers in industries that we serve. We are unable to predict the extent to which the pandemic and related effects will adversely impact our business operations, financial performance, results of operations, financial position and the achievement of our strategic objectives.

The COVID-19 pandemic has resulted in a widespread health crisis and numerous disease control measures being taken to limit its spread. The impact of the pandemic on our business has included or could in the future include:

- disruptions to or restrictions on our ability to ensure the continuous manufacture and supply of our products and services, including insufficiency of our existing inventory levels and temporary or permanent closures or reductions in operational capacity of our facilities or the facilities of our direct or indirect suppliers or customers, and any supply chain disruptions;
- temporary shortages of skilled employees available to staff manufacturing facilities due to stay at home orders and travel restrictions within as well as into and out of countries;
- increases in operational expenses and other costs related to requirements implemented to mitigate the impact of the pandemic;
- delays or limitations on the ability of our customers to perform or make timely payments;
- reductions in short- and long-term demand for our products, or other disruptions in technology buying patterns;
- adverse effects on economies and financial markets globally or in various markets throughout the world, potentially leading to a prolonged economic downturn or reductions in business and consumer spending, which may result in decreased net revenue, gross margins, or earnings and/or in increased expenses and difficulty in managing inventory levels;
- delays to and/or lengthening of our sales or development cycles or qualification activity;
- challenges for us, our direct and indirect suppliers and our customers in obtaining financing due to turmoil in financial markets;
- workforce disruptions due to illness, quarantines, governmental actions, other restrictions, and/or the social distancing measures we have taken to mitigate the impact of COVID-19 in an effort to protect the health and well-being of our employees, customers, suppliers and of the communities in which we operate;
- increased vulnerability to cyberattacks due to the significant number of employees working remotely; and
- our management team continuing to commit significant time, attention and resources to monitoring the COVID-19 pandemic and seeking to mitigate its effects on our business and workforce.

The COVID-19 pandemic has increased economic and demand uncertainty. It continues to affect our business in both positive and negative ways, and there is uncertainty around its duration and impact. In some markets or industries where work-from-home or shelter-in-place orders have driven an increase in sales for certain of our products, the demand may not be sustainable if conditions change. The ultimate extent of the impact of COVID-19 on our business, financial condition and results of operations will depend on future developments, including the impact of any virus mutations or new strains of COVID-19 and the distribution and efficacy of the vaccine, which are highly uncertain and cannot be predicted at this time. These impacts, individually or in the aggregate, could have a material and adverse effect on our business, results of operations and financial condition. Such effect may be exacerbated in the event the pandemic and the measures taken in response to it, and their effects, persist for an extended period of time, or if there is a resurgence of the outbreak or variants thereof. Under any of these circumstances, the resumption of normal business operations may be delayed or hampered by lingering effects of COVID-19 on our operations, direct and indirect suppliers, partners, and customers. The COVID-19 pandemic may also heighten other risks described in this Risk Factors section.

If we do not control our fixed costs, we will not be able to compete effectively.

We continually seek to make our cost structure and business processes more efficient. We are focused on increasing workforce flexibility and scalability, and improving overall competitiveness by leveraging our global capabilities, as well as external talent and skills, worldwide. Our strategy involves, to a substantial degree, increasing revenue and exabytes volume while at the same time controlling expenses. If we do not control our manufacturing and operating expenses, our ability to compete in the marketplace may be impaired. In the past, activities to reduce costs have included closures and transfers of facilities, significant personnel reductions, restructuring efforts and efforts to increase automation. Our restructuring efforts may not yield the intended benefits and may be unsuccessful or disruptive to our business operations which may materially adversely affect our financial results.

RISKS ASSOCIATED WITH SUPPLY AND MANUFACTURING

If we experience shortages or delays in the receipt of, or cost increases in, critical components, equipment or raw materials necessary to manufacture our products, we may suffer lower operating margins, production delays and other material adverse effects.

The cost, quality, availability and supply of components, subassemblies, certain equipment and raw materials used to manufacture our products and key components like recording media and heads are critical to our success. Particularly important for our products are components such as read/write heads, substrates for recording media, ASICs, spindle motors, printed circuit boards, suspension assemblies and NAND flash memory. In addition, the equipment we use to manufacture our products and components is frequently custom made and comes from a few suppliers and the lead times required to obtain manufacturing equipment can be significant. Our efforts to control our costs, including capital expenditures, may also affect our ability to obtain or maintain such inputs and equipment, which could affect our ability to meet future demand for our products.

We rely on sole or a limited number of direct and indirect suppliers for some or all of these components that we do not manufacture, including substrates for recording media, read/write heads, ASICs, spindle motors, printed circuit boards, suspension assemblies and NAND flash memory. In light of this small, consolidated supplier base, if our suppliers increased their prices our results of operations would be negatively affected. Also, many of such direct and indirect component suppliers are geographically concentrated, making our supply chain more vulnerable to regional disruptions such as severe weather, the occurrence of local or global health issues or pandemics (such as COVID-19), acts of terrorism and an unpredictable geopolitical climate, which may have a material impact on the production, availability and transportation of many components. We have experienced and continue to experience disruptions in our supply chain due to the impact of the COVID-19 pandemic, which has also impacted and may adversely impact our operations (including, without limitation, logistical and other operational costs) and the operations of some of our key direct and indirect suppliers. If our direct and indirect vendors for these components are unable to meet our cost, quality, supply and transportation requirements, continue to remain financially viable or fulfill their contractual commitments and obligations, we could experience disruption in our supply chain, including shortages in supply or increases in production costs, which would materially adversely affect our results of operations. The current worldwide shortage of semiconductors may exacerbate these risks.

Certain rare earth elements are critical in the manufacture of our products. We purchase components that contain rare earth elements from a number of countries, including China. We cannot predict whether any nation will impose regulations or trade barriers including tariffs, duties, quotas or embargoes upon the rare earth elements incorporated into our products that would restrict the worldwide supply of such metals or increase their cost. We have experienced increased costs and production delays when we were unable to obtain the necessary equipment or sufficient quantities of some components, and/or have been forced to pay higher prices or make volume purchase commitments or advance deposits for some components, equipment or raw materials that were in short supply in the industry in general. Further, if our customers experience shortages of components or materials used in their products it could result in a decrease in demand for our products and have an adverse effect on our results of operations. If any major supplier were to restrict the supply available to us or increase the cost of the rare earth elements used in our products, we could experience a shortage in supply or an increase in production costs, which would adversely affect our results of operations.

Shortages or delays in critical components, as well as reliance on single-source suppliers, can affect our production and development of products and may harm our operating results.

We are dependent on a limited number of qualified suppliers who provide critical materials or components. If there is a shortage of, or delay in supplying us with, critical components, equipment or raw materials, then:

- it is likely that our suppliers would raise their prices and, if we could not pass these price increases to our customers, our operating margin would decline;
- we may have to reengineer some products, which would likely cause production and shipment delays, make the reengineered products more costly and provide us with a lower rate of return on these products;
- we would likely have to allocate the components we receive to certain of our products and ship less of others, which could reduce our revenues and could cause us to lose sales to customers who could purchase more of their required products from manufacturers that either did not experience these shortages or delays or that made different allocations; and
- we may be late in shipping products, causing potential customers to make purchases from our competitors, thus causing our revenue and operating margin to decline.

We cannot assure you that we will be able to obtain critical components in a timely and economic manner. The industry is currently experiencing a global shortage of semiconductors. In addition, many of our suppliers' manufacturing facilities are fully utilized. If they fail to invest in additional capacity or deliver components in the required timeframe, such failure would have an impact on our ability to ramp new products, and may result in a loss of revenue or market share if our competitors did not utilize the same components and were not affected.

We often aim to lead the market in new technology deployments and leverage unique and customized technology from single source suppliers who are early adopters in the emerging market. Our options in supplier selection in these cases are limited and the supplier based technology has been and may continue to be single sourced until wider adoption of the technology occurs and any necessary licenses become available. In such cases, any technical issues in the supplier's technology may cause us to delay shipments of our new technology deployments and harm our financial position.

We have a long and unpredictable sales cycle for nearline and mission critical storage solutions, which impairs our ability to accurately predict our financial and operating results in any period and may adversely affect our ability to forecast the need for investments and expenditures.

Our nearline and mission critical storage solutions are technically complex and we typically supply them in high quantities to a small number of customers. Many of our products are also tailored to meet the specific requirements of individual customers, and are often integrated by our customers into the systems and products that they sell. Factors that affect the length of our sales cycle include:

- the time required for developing, testing and evaluating our products before they are deployed;
- the size of the deployment; and
- the complexity of system configuration necessary to deploy our products.

As a result, our sales cycle for nearline and mission critical storage solutions is often in excess of one year and frequently unpredictable. Given the length of development and qualification programs and unpredictability of the sales cycle, we may be unable to accurately forecast product demand, which may result in lost sales or excess inventory and associated inventory reserves or write-downs, each of which could harm our business, financial condition and results of operations.

If revenues fall or customer demand decreases significantly, we may not meet all of our purchase commitments to certain suppliers.

From time to time, we enter into long-term, non-cancelable purchase commitments or make large up-front investments with certain suppliers in order to secure certain components or technologies for the production of our products or to supplement our internal manufacturing capacity for certain components. If our actual revenues in the future are lower than our projections or if customer demand decreases significantly below our projections, we may not meet all of our purchase commitments with these suppliers. As a result, it is possible that our revenues will not be sufficient to recoup our up-front investments, in which case we will have to shift output from our internal manufacturing facilities to these suppliers or make penalty-type payments under the terms of these contracts. Additionally, because our markets are volatile, competitive and subject to rapid technology and price changes, we face inventory and other asset risks in the event we do not fully utilize purchase commitments. If we are unable to fully utilize our purchase commitments or if we shift output from our internal manufacturing facilities in order to meet the commitments, our gross margin and operating margin could be materially adversely impacted.

Due to the complexity of our products, some defects may only become detectable after deployment.

Our products are highly complex and are designed to operate in and form part of larger complex networks and storage systems. Our products may contain a defect or be perceived as containing a defect by our customers as a result of improper use or maintenance. Lead times required to manufacture certain components are significant, and a quality excursion may take significant time and resources to remediate. Defects in our products, third-party components or in the networks and systems of which they form a part, directly or indirectly, have resulted in and may in the future result in:

- increased costs and product delays until complex solution level interoperability issues are resolved;
- costs associated with the remediation of any problems attributable to our products;
- loss of or delays in revenues;
- loss of customers;
- failure to achieve market acceptance and loss of market share;
- increased service and warranty costs; and
- increased insurance costs.

Defects in our products could also result in legal actions by our customers for property damage, injury or death. Such legal actions, including but not limited to product liability claims could exceed the level of insurance coverage that we have obtained. Any significant uninsured claims could significantly harm our financial condition.

RISKS RELATED TO HUMAN CAPITAL

The loss of or inability to attract key executive officers and employees could negatively impact our business prospects.

Our future performance depends to a significant degree upon the continued service of key members of management as well as marketing, sales and product development personnel. We believe our future success will also depend in large part upon our ability to attract, retain and further motivate highly skilled management, marketing, sales and product development personnel. We have experienced intense competition for qualified and capable personnel, including in the U.S., Thailand, China, Singapore and Northern Ireland, and we cannot assure you that we will be able to retain our key employees or that we will be successful in attracting, assimilating and retaining personnel in the future. Additionally, because a portion of our key personnel's compensation is contingent upon the performance of our business, including through cash bonuses and equity compensation, when the market price of our ordinary shares fluctuates or our results of operations or financial condition are negatively impacted, we may be at a competitive disadvantage for retaining and hiring employees. The reductions in workforce that result from our historical restructurings have also made and may continue to make it difficult for us to recruit and retain personnel. Increased difficulty in accessing, recruiting or retaining personnel may lead to increased manufacturing and employment compensation costs, which could adversely affect our results of operations. The loss of one or more of our key personnel or the inability to hire and retain key personnel could have a material adverse effect on our business, results of operations and financial condition.

We are subject to risks related to corporate and social responsibility and reputation.

Many factors influence our reputation including the perception held by our customers, suppliers, partners, shareholders, other key stakeholders, and the communities in which we operate. We face increasing scrutiny related to environmental, social and governance activities. We risk damage to our reputation if we fail to act responsibly in a number of areas, such as diversity and inclusion, environmental stewardship, sustainability, supply chain management, climate change, workplace conduct, and human rights. Any harm to our reputation could impact employee engagement and retention, our corporate culture, and the willingness of customers, suppliers, and partners to do business with us, which could have a material adverse effect on our business, results of operations and cash flows. Further, despite our policies to the contrary, we may not be able to control the conduct of every individual actor, and our employees and personnel may violate environmental, social or governance standards or engage in other unethical conduct. These acts, or any accusation of such conduct, even if proven to be false, could adversely impact the reputation of our business.

RISKS RELATED TO FINANCIAL PERFORMANCE OR GENERAL ECONOMIC CONDITIONS

We may not be able to generate sufficient cash flows from operations and our investments to meet our liquidity requirements, including servicing our indebtedness.

Our business may not generate sufficient cash flows to enable us to meet our liquidity requirements, including working capital, capital expenditures, product development efforts, investments, servicing our indebtedness and other general corporate requirements. If we cannot fund our liquidity requirements, we may have to reduce or delay capital expenditures, product development efforts, investments and other general corporate expenditures. We cannot assure you that any of these remedies would, if necessary, be effected on commercially reasonable terms, or at all, or that they would permit us to meet our obligations, which would affect our results of operations.

We are leveraged and require significant amounts of cash to service our debt. Our debt and debt service requirements could adversely affect our ability to operate our business and may limit our ability to take advantage of potential business opportunities and reduce our options for capital allocation. Our high level of debt presents the following risks:

- we are required to use a substantial portion of our cash flow from operations to pay principal and interest on our debt, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, product development efforts, strategic acquisitions, investments and alliances and other general corporate requirements;
- our substantial leverage increases our vulnerability to economic downturns, decreased availability of capital, and adverse competitive and industry conditions and could place us at a competitive disadvantage compared to those of our competitors that are less leveraged;
- our debt service obligations could limit our flexibility in planning for, or reacting to, changes in our business and our industry, and could limit our ability to pursue other business opportunities, borrow more money for operations or capital in the future and implement our business strategies;
- our level of debt may restrict us from raising, or make it more costly to raise, additional financing on satisfactory terms to fund working capital, capital expenditures, product development efforts, strategic acquisitions, investments and alliances and other general corporate requirements; and
- covenants in our debt instruments limit our ability to pay future dividends or make other restricted payments and investments.

In addition, in the event that we need to refinance all or a portion of our outstanding debt as it matures or incur additional debt to fund our operations, we may not be able to obtain terms as favorable as the terms of our existing debt or refinance our existing debt or incur additional debt to fund our operations at all. If prevailing interest rates or other factors result in higher interest rates upon refinancing, then the interest expense relating to the refinanced debt would increase. Furthermore, if any rating agency changes our credit rating or outlook, our debt and equity securities could be negatively affected, which could adversely affect our ability to refinance existing debt or raise additional capital.

We are subject to counterparty default risks.

We have numerous arrangements with financial institutions that subject us to counterparty default risks, including cash and investment deposits, and foreign currency forward exchange contracts and other derivative instruments. As a result, we are subject to the risk that the counterparty to one or more of these arrangements will, voluntarily or involuntarily, default on its performance obligations. In times of market distress in particular, a counterparty may not comply with its contractual commitments that could then lead to it defaulting on its obligations with little or no notice to us, thereby limiting our ability to take action to lessen or cover our exposure. Additionally, our ability to mitigate our counterparty exposures could be limited by the terms of the relevant agreements or because market conditions prevent us from taking effective action. If one of our counterparties becomes insolvent or files for bankruptcy, our ability to recover any losses suffered as a result of that counterparty's default may be limited by the liquidity of the counterparty or the applicable laws governing the bankruptcy proceedings. In the event of any such counterparty default, we could incur significant losses, which could have a material adverse effect on our business, results of operations, or financial condition.

Further, our customers could have reduced access to working capital due to global economic conditions, higher interest rates, reduced bank lending resulting from contractions in the money supply or the deterioration in the customer's, or their bank's financial condition or the inability to access other financing, which would increase our credit and non-payment risk, and could result in an increase in our operating costs or a reduction in our revenue. Also, our customers outside of the United States are sometimes allowed longer time periods for payment than our U.S. customers. This increases the risk of nonpayment due to the possibility that the financial condition of particular customers may worsen during the course of the payment period. In addition, some of our OEM customers have adopted a subcontractor model that requires us to contract directly with companies, such as original design manufacturers, that provide manufacturing and fulfillment services to our OEM customers. Because these subcontractors are generally not as well capitalized as our direct OEM customers, this subcontractor model exposes us to increased credit risks. Our agreements with our OEM customers may not permit us to increase our product prices to alleviate this increased credit risk.

Our quarterly results of operations fluctuate, sometimes significantly, from period to period, and may cause our share price to decline.

Our quarterly revenue and results of operations fluctuate, sometimes significantly, from period to period. These fluctuations, which we expect to continue, have been and may continue to be precipitated by a variety of factors, including:

- uncertainty in global economic and political conditions, or adverse changes in the level of economic activity in the major regions in which we do business;
- pandemics, such as COVID-19, or other global health issues that impact our operations as well as those of our customers and suppliers;
- competitive pressures resulting in lower prices by our competitors which may shift demand away from our products;
- announcements of new products, services or technological innovations by us or our competitors, and delays or problems in our introduction of new, more cost-effective products, the inability to achieve high production yields or delays in customer qualification or initial product quality issues;
- changes in customer demand or the purchasing patterns or behavior of our customers;
- application of new or revised industry standards;
- disruptions in our supply chain, including increased costs or adverse changes in availability of supplies of raw materials or components;
- the impact of corporate restructuring activities that we have and may continue to engage in;
- changes in the demand for the computer systems and data storage products that contain our products;
- unfavorable supply and demand imbalances;
- our high proportion of fixed costs, including manufacturing and research and development expenses;
- any impairments in goodwill or other long-lived assets;
- changes in tax laws, regulatory requirements, including export regulations or tariffs, or accounting standards; and
- adverse changes in the performance of our products.

As a result, we believe that quarter-to-quarter and year-over-year comparisons of our revenue and results of operations may not be meaningful, and that these comparisons may not be an accurate indicator of our future performance. Our results of operations in one or more future quarters may fail to meet the expectations of investment research analysts or investors, which could cause an immediate and significant decline in our market value.

Any cost reduction initiatives that we undertake may not deliver the results we expect, and these actions may adversely affect our business.

From time to time, we engage in restructuring plans that have resulted and may continue to result in workforce reduction and consolidation of our real estate facilities and our manufacturing footprint. In addition, management will continue to evaluate our global footprint and cost structure, and additional restructuring plans are expected to be formalized. As a result of our restructurings, we have experienced and may in the future experience a loss of continuity, loss of accumulated knowledge, disruptions to our operations and inefficiency during transitional periods. Additionally, global footprint consolidation and reduction in excess capacity may result in us being unable to respond to increases in forecasted volume of customer demand and loss of revenue opportunity if our competitors have underutilized factories. Any cost-cutting measures could impact employee retention. In addition, we cannot be sure that any future cost reductions or global footprint consolidations will deliver the results we expect, be successful in reducing our overall expenses as we expect or that additional costs will not offset any such reductions or global footprint consolidation. If our operating costs are higher than we expect or if we do not maintain adequate control of our costs and expenses, our results of operations may be adversely affected.

Changes in the macroeconomic environment may in the future negatively impact our results of operations.

Changes in macroeconomic conditions may affect consumer and enterprise spending, and as a result, our customers may postpone or cancel spending in response to volatility in credit and equity markets, negative financial news and/or declines in income or asset values, all of which may have a material adverse effect on the demand for our products and/or result in significant decreases in our product prices. Other factors that could have a material adverse effect on demand for our products and on our financial condition and results of operations include inflation, slower growth or recession, conditions in the labor market, healthcare costs, access to credit, consumer confidence and other macroeconomic factors affecting consumer and business spending behavior.

Macroeconomic developments such as the withdrawal of the United Kingdom (“U.K.”) from the European Union (“EU”), slowing economies in parts of Asia and the Americas, increased tariffs between the U.S. and China, Mexico and other countries, or adverse economic conditions worldwide resulting from the COVID-19 pandemic and efforts of governments and private industry to slow the pandemic or efforts of governments to stimulate the economy, which may increase the risk of significant inflation, could negatively affect our business, operating results or financial condition which, in turn, could adversely affect the price of our ordinary shares. A general weakening of, and related declining corporate confidence in, the global economy or the curtailment in government or corporate spending could cause current or potential customers to reduce their information technology (“IT”) budgets or be unable to fund data storage systems, which could cause customers to delay, decrease or cancel purchases of our products or cause customers not to pay us or to delay paying us for previously purchased products and services.

Political events, war, terrorism, natural disasters, public health issues and other circumstances could materially adversely affect our results of operations and financial condition.

War, terrorism, geopolitical uncertainties, natural disasters, public health issues and other business interruptions have caused and could cause damage or disruption to international commerce and the global economy, and thus could have a strong negative effect on our business, our direct and indirect suppliers, logistics providers, manufacturing vendors and customers. Our business operations are subject to interruption by natural disasters such as floods and earthquakes, fires, power or water shortages, terrorist attacks, other hostile acts, labor disputes, public health issues (such as the COVID-19 pandemic), and other events beyond our control. Such events may decrease demand for our products, make it difficult or impossible for us to make and deliver products to our customers or to receive components from our direct and indirect suppliers, and create delays and inefficiencies in our supply chain.

A significant natural disaster, such as an earthquake, fire, flood, or significant power outage could have an adverse impact on our business, results of operations, and financial condition. The impact of climate change may increase these risks due to changes in weather patterns, such as increases in storm intensity, sea-level rise, melting of permafrost and temperature extremes in areas where we or our suppliers and customers conduct business. We have a number of our employees and executive officers located in the San Francisco Bay Area, a region known for seismic activity, wildfires and drought conditions, and in Asia, near major earthquake faults known for seismic activity. To mitigate wildfire risk, electric utilities are deploying public safety power shutoffs, which affects electricity reliability to our facilities and our communities. Many of our suppliers and customers are also located in areas with risks of natural disasters. For example, many of our component suppliers are geographically concentrated in Thailand, which suffered severe flooding in October 2011 resulting in a material impact on the production and availability of many components, which caused significant increases in the cost of components. In the event of a natural disaster, losses and significant recovery time could be required to resume operations and our financial condition and results of operations could be materially adversely affected. Further, governmental regulations related to the environment such as Singapore’s recent adoption of a law restricting data center development may also adversely affect our customers or our introduction of new products or services resulting in adverse effects on our financial condition and results of operations.

Should major public health issues, including pandemics, arise, we could be negatively affected by stringent employee travel restrictions, additional limitations or cost increases in freight and other logistical services, governmental actions limiting the movement of products or employees between regions, increases in or changes to data collection and reporting obligations, delays in production ramps of new products, and disruptions in our operations and those of some of our key direct and indirect suppliers and customers. For example, the recent COVID-19 pandemic resulted in government-imposed travel restrictions, border closures, stay-at-home orders, facility closures or operating constraints in a number of our global locations, disruptions in our operations and those of our suppliers, partners, and customers, increases in air freight rates, limited numbers of employees available to staff manufacturing operations, and shortages of supplies of personal protective equipment required for our manufacturing operations. If any of these circumstances continue for an extended period of time, our manufacturing ability and capacity, or those of our key direct and indirect suppliers or customers, could be impacted, and our results of operations and financial condition could be adversely affected.

LEGAL, REGULATORY AND COMPLIANCE RISKS

Our business is subject to various laws, regulations, governmental policies, litigation, governmental investigations or governmental proceedings that may cause us to incur significant expense or adversely impact our results or operations and financial condition.

Our business is subject to regulation under a wide variety of U.S. federal and state and non-U.S. laws, regulations and policies. There can be no assurance that laws, regulations and policies will not be changed in ways that will require us to modify our business model and objectives or affect our returns on investments by restricting existing activities and products, subjecting them to escalating costs or prohibiting them outright. In particular, governmental focus on antitrust and competition law, improper payments, the environment, data privacy, security and sovereignty, currency exchange controls, conflict minerals, import and export controls, complex economic sanctions, and the enactment of U.S. tax reform and potential further changes to global tax laws have had and may continue to have an effect on our business, corporate structure, operations, sales, liquidity, capital requirements, effective tax rate, results of operations, and financial performance. China, Malaysia, Northern Ireland, Singapore and Thailand, in which we have significant operating assets, and the European Union each have exercised and continue to exercise significant influence over many aspects of their domestic economies including, but not limited to, fair competition, tax practices, anti-corruption, anti-trust, data privacy and sovereignty, price controls and international trade.

Our business is subject to state, federal, and international data privacy and data protection regulations, involving matters including data use, data localization, data transfer, data storage, data retention and deletion, data access, and data security. Compliance with these laws and regulations can be onerous and have increased and may continue to increase our cost of doing business globally or otherwise adversely impact financial results. Our introduction of new products or services, changes to our existing products or services, or the manner in which our customers utilize our products or services may result in new or enhanced costly compliance requirements or governmental or regulatory scrutiny that could adversely affect our business and financial results. Data privacy and data protection regulations also continue to change and may be inconsistent from jurisdiction to jurisdiction and may adversely affect our business by requiring changes to our business practices, limiting our ability to offer a product or service, or making our products or services less attractive to customers. Laws and regulations related to data transfers, including, data localization, data access, and data storage, also continue to develop and have been subject to regulatory and judicial scrutiny. In many cases, these laws apply to transfers of information between us and our subsidiaries, and among us, our subsidiaries and our customers or other parties with which we have commercial relations. If we are restricted in our sharing of data among countries and regions in which we operate, among our subsidiaries, or with third parties with which we have a commercial relationship, it may increase our compliance costs and adversely impact our operations, the ability to provide our products or services, or the manner in which we provide our product or services. Our business is subject to state, federal, and international laws and regulations that subject us to requirements to notify vendors, customers, or employees of a data security breach. A data security breach or actual or perceived non-compliance with data privacy and data protection laws could result in damage to our brand including decreased customer demand for our products or services, significant financial penalties and liability, governmental investigations and proceedings, ongoing audit requirements, private or class actions, and unanticipated changes to our data handling or processing practices. We cannot be certain that our insurance coverage is adequate for data-handling or data-security liabilities incurred, or that insurance will continue to be available to us on economically reasonable terms or at all, or that any insurer will not deny coverage as to any future claim. The successful assertion of one or more claims against us that exceed our insurance coverage, or changes in our insurance policies, could have a material adverse effect on our business, including our financial condition, operating results and reputation. For example, the European General Data Protection Regulation (“GDPR”) took effect in May 2018 and applies to our operations, and our products and services used by individuals in Europe. Failure to comply with the GDPR could result in significant penalties of up to 4% of our worldwide revenue. The California Consumer Privacy Act (“CCPA”), which took effect in January 2020, imposed substantial compliance requirements and new rights for California consumers. Violations of the CCPA carry substantial civil penalties and the law creates a private right of action for certain data breaches. The California Privacy Rights Act, effective January 1, 2023, and the Colorado Privacy Act, effective July 1, 2023, will impose additional privacy-related requirements that may increase our cost of doing business, or adversely affect our business.

Further, the sale and manufacturing of products in certain states and countries has and may continue to subject us and our suppliers to state, federal and international laws and regulations governing protection of the environment, including those governing climate change, discharges of pollutants into the air and water, the management and disposal of hazardous substances and wastes, the cleanup of contaminated sites, restrictions on the presence of certain substances in electronic products and the responsibility for environmentally safe disposal or recycling. We endeavor to ensure that we and our suppliers comply with all applicable environmental laws and regulations, however, compliance has increased and may continue to increase our operating costs and may otherwise impact future financial results. If additional or more stringent requirements are imposed on us in the future, we could incur additional operating costs and capital expenditures. If we fail to comply with applicable environmental laws, regulations, initiatives, or standards of conduct, our customers may refuse to purchase our products and we could be subject to fines, penalties and possible prohibition of sales of our products into one or more states or countries, liability to our customers and damage to our reputation, which could result in a material adverse effect on our financial condition or results of operations.

SEC rules require certain disclosures regarding the use of specified minerals, often referred to as conflict minerals, that are necessary to the functionality or production of products manufactured or contracted to be manufactured. These rules could affect our ability to source, directly or indirectly, certain materials used in our products at competitive prices and could impact the availability of certain minerals used in the manufacture of our products, including gold, tantalum, tin and tungsten. As there may be only a limited number of suppliers of “conflict free” minerals, we cannot be sure that we will be able to obtain necessary conflict free minerals in sufficient quantities or at competitive prices. Our customers, including our OEM customers, may require that our products be free of conflict minerals, and our revenues and margins may be harmed if we are unable to procure conflict free minerals at a reasonable price, or at all, or are unable to pass through any increased costs associated with meeting these demands. We may also face challenges with government regulators and our customers and suppliers if we are unable to sufficiently verify that the metals used in our products are conflict free. Furthermore, our customers and manufacturing stakeholders may place increased demands on our compliance framework which may in turn negatively impact our relationships with our suppliers. If we are unable to comply with requirements regarding the use of conflict and other minerals, our business, financial condition or results of operations may be materially adversely affected.

From time to time, we have been and may continue to be involved in various legal, regulatory or administrative investigations, inquiries, negotiations or proceedings arising in the normal course of business. In the event of litigation, government investigations or governmental proceedings, we are subject to the inherent risks and uncertainties that may result if outcomes differ from our expectations. In the event of adverse outcomes in any litigation, investigation or government proceeding, we could be required to pay substantial damages, fines or penalties and cease certain practices or activities, which could materially harm our business. The costs associated with litigation and government investigations can also be unpredictable depending on the complexity and length of time devoted to such litigation or investigation. Litigation, investigations or government proceedings may also divert the efforts and attention of our key personnel, which could also harm our business.

In addition, regulation or government scrutiny may impact the requirements for marketing our products and slow our ability to introduce new products, resulting in an adverse impact on our business. Although we have implemented policies and procedures designed to ensure compliance, there can be no assurance that our employees, contractors or agents will not violate these or other applicable laws, rules and regulations to which we are and may be subject. Violations of these laws and regulations could lead to significant penalties, restraints on our export or import privileges, monetary fines, government investigations, disruption of our operating activities, damage to our reputation and corporate brand, criminal proceedings and regulatory or other actions that could materially adversely affect our results of operations. The political and media scrutiny surrounding a governmental investigation for the violation of such laws, even if an investigation does not result in a finding of violation, could cause us significant expense and collateral consequences, including reputational harm, that could have an adverse impact on our business, results of operations and financial condition.

Some of our products and services are subject to export control laws and other laws affecting the countries in which our products and services may be sold, distributed, or delivered, and any changes to or violation of these laws could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Due to the global nature of our business, we are subject to import and export restrictions and regulations, including the Export Administration Regulations administered by the U.S. Commerce Department's Bureau of Industry and Security ("BIS") and the trade and economic sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"). We incorporate encryption technology into certain of our products and solutions. These encryption products and the underlying technology may be exported outside of the United States only with export authorizations, including by license, a license exception or other appropriate government authorizations, including the filing of an encryption registration. The U.S., through the BIS and OFAC, places restrictions on the sale or export of certain products and services to certain countries, persons and entities, as well as for certain end-uses, such as military, military-intelligence and weapons of mass destruction end-uses. The U.S. government also imposes sanctions through executive orders restricting U.S. companies from conducting business activities with specified individuals and companies. Although we have controls and procedures to ensure compliance with all applicable regulations and orders, we cannot predict whether changes in laws or regulations by the U.S., China or another country will affect our ability to sell our products and services to existing or new customers. Additionally, we cannot ensure that our interpretation of relevant restrictions and regulations will be accepted in all cases by relevant regulatory and enforcement authorities.

Violators of any U.S. export control and sanctions laws may be subject to significant penalties, which may include monetary fines, criminal proceedings against them and their officers and employees, a denial of export privileges, and suspension or debarment from selling products to the U.S. government. Moreover, the sanctions imposed by the U.S. government could be expanded in the future. Our products could be shipped to those targets or for restricted end-uses by third parties, including potentially our channel partners, despite our precautions. In addition, if our partners fail to obtain appropriate import, export or re-export licenses or permits, we may also be adversely affected, through reputational harm as well as other negative consequences including government investigations and penalties. A significant portion of our sales are to customers which are located in geographies that have been the focus of recent changes in U.S. policies. Any limitation that impedes our ability to export or sell our products and services could materially adversely affect our business, results of operations and financial condition.

Other countries also regulate the import and export of certain encryption and other technology, including import and export licensing requirements, and have enacted laws that could limit our ability to sell or distribute our products and services or could limit our partners' or customers' ability to sell or use our products and services in those countries, which could materially adversely affect our business, results of operations and financial condition. Violations of these regulations may result in significant penalties and fines. Changes in our products and services or future changes in export and import regulations may create delays in the introduction of our products and services in those countries, prevent our customers from deploying our products and services globally or, in some cases, prevent the export or import or sale of our products and services to certain countries, governments or persons altogether. From time to time, various governmental agencies have proposed additional regulation of encryption technology, including the escrow and government recovery of private encryption keys. Any change in export or import regulations, economic sanctions or related legislation, increased export and import controls, or change in the countries, governments, persons or technologies targeted by such regulations, in the countries where we operate could result in decreased use of our products and services by, or in our decreased ability to export or sell our products and services to, new or existing customers, which could materially adversely affect our business, results of operations and financial condition.

If we were ever found to have violated applicable export control laws, we may be subject to various penalties available under the laws, any of which could have a material and adverse impact on our business, results of operations and financial condition. Even if we were not found to have violated such laws, the political and media scrutiny surrounding any governmental investigation of us could cause us significant expense and reputational harm. Such collateral consequences could have a material adverse impact on our business, results of operations, financial condition and cash flows.

Changes in U.S. trade policy, including the imposition of sanctions or tariffs and the resulting consequences, may have a material adverse impact on our business and results of operations.

We face uncertainty with regard to U.S. government trade policy. Current U.S. government trade policy includes tariffs on certain non-U.S. goods, including information and communication technology products. These measures may materially increase costs for goods imported into the United States. This in turn could require us to materially increase prices to our customers which may reduce demand, or, if we are unable to increase prices to adequately address any tariffs, quotas or duties, could lower our margin on products sold and negatively impact our financial performance. Changes in U.S. trade policy have resulted in, and could result in more, U.S. trading partners adopting responsive trade policies, including imposition of increased tariffs, quotas or duties. Such policies could make it more difficult or costly for us to export our products to those countries, therefore negatively impacting our financial performance.

We may be unable to protect our intellectual property rights, which could adversely affect our business, financial condition and results of operations.

We rely on a combination of patent, trademark, copyright and trade secret laws, confidentiality agreements, security measures and licensing arrangements to protect our intellectual property rights. In the past, we have been involved in significant and expensive disputes regarding our intellectual property rights and those of others, including claims that we may be infringing patents, trademarks and other intellectual property rights of third parties. We expect that we will be involved in similar disputes in the future.

There can be no assurance that:

- any of our existing patents will continue to be held valid, if challenged;
- patents will be issued for any of our pending applications;
- any claims allowed from existing or pending patents will have sufficient scope or strength to protect us;
- our patents will be issued in the primary countries where our products are sold in order to protect our rights and potential commercial advantage;
- we will be able to protect our trade secrets and other proprietary information through confidentiality agreements with our customers, suppliers and employees and through other security measures; and
- others will not gain access to our trade secrets.

In addition, our competitors may be able to design their products around our patents and other proprietary rights. Enforcement of our rights often requires litigation. If we bring a patent infringement action and are not successful, our competitors would be able to use similar technology to compete with us. Moreover, the defendant in such an action may successfully countersue us for infringement of their patents or assert a counterclaim that our patents are invalid or unenforceable.

Furthermore, we have significant operations and sales in countries where intellectual property laws and enforcement policies are often less developed, less stringent or more difficult to enforce than in the United States. Therefore, we cannot be certain that we will be able to protect our intellectual property rights in jurisdictions outside the United States.

We are at times subject to intellectual property proceedings and claims which could cause us to incur significant additional costs or prevent us from selling our products, and which could adversely affect our results of operations and financial condition.

We are subject from time-to-time to legal proceedings and claims, including claims of alleged infringement of the patents, trademarks and other intellectual property rights of third parties by us, or our customers, in connection with the use of our products. Intellectual property litigation can be expensive and time-consuming, regardless of the merits of any claim, and could divert our management's attention from operating our business. In addition, intellectual property lawsuits are subject to inherent uncertainties due to the complexity of the technical issues involved, which may cause actual results to differ materially from our expectations. Some of the actions that we face from time-to-time seek injunctions against the sale of our products and/or substantial monetary damages, which, if granted or awarded, could materially harm our business, financial condition and operating results.

We cannot be certain that our products do not and will not infringe issued patents or other intellectual property rights of others. We may not be aware of currently filed patent applications that relate to our products or technology. If patents are later issued on these applications, we may be liable for infringement. If our products were found to infringe the intellectual property rights of others, we could be required to pay substantial damages, cease the manufacture, use and sale of infringing products in one or more geographic locations, expend significant resources to develop non-infringing technology, discontinue the use of specific processes or obtain licenses to the technology infringed. We might not be able to obtain the necessary licenses on acceptable terms, or at all, or be able to reengineer our products successfully to avoid infringement. Any of the foregoing could cause us to incur significant costs and prevent us from selling our products, which could adversely affect our results of operations and financial condition. See "Item 8. Financial Statements and Supplementary Data—Note 14. Legal, Environmental and Other Contingencies" contained in this report for a description of pending intellectual property proceedings.

Our business and certain products and services depend in part on IP and technology licensed from third parties, as well as data centers and infrastructure operated by third parties.

Some of our business and some of our products rely on or include software licensed from third parties, including open source licenses. We may not be able to obtain or continue to obtain licenses from these third parties at all or on reasonable terms, or such third parties may demand cross-licenses to our intellectual property. Third-party components and technology may become obsolete, defective or incompatible with future versions of our products or services, or our relationship with the third party may deteriorate, or our agreements may expire or be terminated. We may face legal or business disputes with licensors that may threaten or lead to the disruption of inbound licensing relationships. In order to remain in compliance with the terms of our licenses, we monitor and manage our use of third-party software, including both proprietary and open source license terms to avoid subjecting our products and services to conditions we do not intend, such as the licensing or public disclosure of our intellectual property without compensation or on undesirable terms. The terms of many open source licenses have not been interpreted by U.S. courts, and these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to commercialize our products or services. Additionally, some of these licenses may not be available to us in the future on terms that are acceptable or that allow our product offerings to remain competitive. Our inability to obtain licenses or rights on favorable terms could have a material effect on our business, financial condition, results of operations and cash flow, including if we are required to take remedial action that may divert resources away from our development efforts.

In addition, we also rely upon third-party hosted infrastructure partners globally to serve customers and operate certain aspects of our business or services. Any disruption of or interference at our hosted infrastructure partners would impact our operations and our business could be adversely impacted.

RISKS RELATED TO INFORMATION TECHNOLOGY, DATA AND INFORMATION SECURITY

We could suffer a loss of revenue and increased costs, exposure to significant liability including legal and regulatory consequences, reputational harm and other serious negative consequences in the event of cyber-attacks, ransomware or other cyber security breaches or incidents that disrupt our operations or result in the dissemination of proprietary or confidential information of our customers or about us or our customers or other third parties.

Our operations are dependent upon our ability to protect our computer equipment and the electronic data stored in our databases. We manage and store various proprietary information and sensitive or confidential data relating to our operations, as well as customers and suppliers, and we will store subscribers' data on our edge-to-cloud mass storage platform. As our operations become more automated and increasingly interdependent and our edge-to-cloud mass storage platform service grows, our exposure to the risks posed by storage, transfer, and maintenance of data, such as corruption, loss or unavailability of, or damage to, and other security risks to, data, will continue to increase. We use third-party vendors to store and otherwise process data for us and they face similar risks. The measures we and our vendors have implemented to secure our computer equipment and our and our customers' data have been and may continue to be vulnerable to phishing, employee error, hacking, ransomware and other cyberattacks, malfeasance, system error or other irregularities or incidents, including from breaches and incidents or attacks at third party vendors we utilize, and may not be sufficient for all eventualities, including sustained maintenance of remote working requirements. We cannot ensure that any limitation-of-liability provisions in our customer and user agreements, contracts with third-party vendors and service providers or other contracts are enforceable or adequate or would protect us from any liabilities or damages with respect to claims relating to a security breach or other security-related matter. Experienced computer programmers and threat actors may be able to penetrate our network security, misappropriate or compromise our confidential information and other data or that of our customers, suppliers or other third parties, create system disruptions or cause shutdowns. Computer programmers and threat actors also may be able to develop and deploy viruses, worms and other malicious software programs that attack our products and services or otherwise exploit any security vulnerabilities of our products and services. Such attempts are increasing in technical sophistication, number and the ability to evade detection or to obscure such activities. We anticipate that these threats will continue to grow in scope and complexity over time. Because the techniques used to obtain unauthorized access, or to sabotage systems, change frequently and generally are not recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Although we take steps to protect against and detect such attempts, our efforts may not be sufficient for all eventualities, including sustained maintenance of remote working requirements. In addition, sophisticated hardware and operating system software and applications that we produce or procure from third parties may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation of the system or our services. We have been, and will likely continue to be, subject to computer viruses or other malicious code, cyber-attacks or other computer-related attempts to breach the IT systems we use for these purposes. We have been and may also continue to be subject to IT system failures and network disruptions due to these factors. To date, these attacks have not had a material impact on our operations, but we cannot provide assurance that they will not have a material impact in the future. The insurance coverage we maintain that is intended to address certain data security risks may be insufficient to cover all types of claims or losses that may arise, and has been increasing in price over time. We cannot be certain that insurance coverage will continue to be available to us on economically reasonable terms, or at all.

The costs to us to eliminate or address the foregoing security problems and security vulnerabilities before or after a security breach or incident could be significant. System redundancy may be ineffective or inadequate, certain legacy IT systems may not be easily remediated, and our disaster recovery planning may not be sufficient for all eventualities. Our remediation efforts may not be successful and could result in interruptions, delays or cessation of service, and loss of existing or potential customers that may impede our sales, manufacturing, distribution or other critical functions. We could lose existing or potential customers for cloud and outsourcing services or other IT solutions in connection with any actual or perceived security vulnerabilities in our products and services. Some of our products and services contain encryption and other measures implemented in an effort to protect third-party content stored on our products. Such measures may be compromised, breached or circumvented or otherwise fail and losses or unauthorized access to or releases of our, our customers' or third parties' confidential information may occur. Security breaches or incidents and unauthorized access to, or loss, corruption, unavailability, or the unapproved dissemination of proprietary information or sensitive or confidential data about us or our customers or other third parties, has exposed us and could expose us, our vendors and customers or other third parties affected to a risk of loss or misuse of this information, and result in litigation or governmental investigations, fines, penalties, indemnity obligations and other potential liability and costs for us, materially damage our brand or otherwise materially harm our business. In addition, we rely in certain capacities on third-party data management providers whose possible security problems and security vulnerabilities may have similar effects on us. Our business, brand and reputation could also be materially adversely affected by media or other reports of perceived security vulnerabilities in our products, services, network or processes, even if unsubstantiated.

We must successfully maintain and upgrade our IT systems, and our failure to do so could have a material adverse effect on our business, financial condition and results of operations.

From time to time, we expand and improve our IT systems to support our business going forward. Consequently, we are in the process of implementing, and will continue to invest in and implement, modifications and upgrades to our IT systems and procedures, including making changes to legacy systems or acquiring new systems with new functionality, and building new policies, procedures, training programs and monitoring tools, including in connection with the sustained maintenance of remote working requirements. For example, we are currently implementing a new global enterprise resource planning system, which is a multi-year process. These types of activities subject us to inherent costs and risks associated with changing and acquiring these systems, policies, procedures and monitoring tools, including capital expenditures, additional operating expenses, demands on management time and other risks and costs of delays or difficulties in transitioning to or integrating new systems policies, procedures or monitoring tools into our current systems. These implementations, modifications and upgrades may not result in productivity improvements at a level that outweighs the costs of implementation, or at all. In addition, difficulties with implementing new technology systems, delays in our timeline for planned improvements, significant system failures or our inability to successfully modify our IT systems, policies, procedures or monitoring tools to respond to changes in our business needs have caused and may continue to cause disruptions in our business operations, increase data security risks, and may have a material adverse effect on our business, financial condition and results of operations.

RISKS RELATED TO OWNING OUR ORDINARY SHARES

The price of our ordinary shares may be volatile and could decline significantly.

The market price of our ordinary shares has experienced price fluctuations and could be subject to wide fluctuations in the future. The market price of our ordinary shares has fluctuated and may continue to fluctuate or decline significantly in response to various factors some of which are beyond our control, including:

- general stock market conditions, or general uncertainty in stock market conditions due to global economic conditions and negative financial news unrelated to our business or industry, including the impact of the COVID-19 pandemic;
- the timing and amount of or the discontinuance of our share repurchases;
- actual or anticipated variations in our results of operations;
- announcements of innovations, new products, significant contracts, acquisitions, or significant price reductions by us or our competitors, including those competitors who offer alternative storage technology solutions;
- our failure to meet our guidance or the performance estimates of investment research analysts, or changes in financial estimates by investment research analysts;
- significant announcements by or changes in financial condition of a large customer;
- actual or perceived security breaches or security vulnerabilities;
- the occurrence of major catastrophic events, including natural disasters, acts of war or climate change;
- actual or anticipated changes in the credit ratings of our indebtedness by rating agencies; and
- the sale of our ordinary shares held by certain equity investors or members of management.

In addition, in the past, following periods of decline in the market price of a company's securities, class action lawsuits have often been pursued against that company. If similar litigation were pursued against us, it could result in substantial costs and a diversion of management's attention and resources, which could materially adversely affect our results of operations, financial condition and liquidity.

Any decision to reduce or discontinue the payment of cash dividends to our shareholders or the repurchase of our ordinary shares pursuant to our previously announced share repurchase program could cause the market price of our ordinary shares to decline significantly.

Although historically we have announced regular cash dividend payments and a share repurchase program, we are under no obligation to pay cash dividends to our shareholders in the future at historical levels or at all or to repurchase our ordinary shares at any particular price or at all. The declaration and payment of any future dividends is at the discretion of our Board of Directors. Our previously announced share repurchase program may be suspended or discontinued at any time. Our payment of quarterly cash dividends and the repurchase of our ordinary shares pursuant to our share repurchase program are subject to, among other things, our financial position and results of operations, distributable reserves, available cash and cash flow, capital and regulatory requirements, market and economic conditions, our ordinary share price and other factors. Any reduction or discontinuance by us of the payment of quarterly cash dividends or the repurchase of our ordinary shares pursuant to our share repurchase program could cause the market price of our ordinary shares to decline significantly. Moreover, in the event our payment of quarterly cash dividends or repurchases of our ordinary shares are reduced or discontinued, our failure to resume such activities at historical levels could result in a persistent lower market valuation of our ordinary shares.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our principal executive offices are located in Ireland. Our principal manufacturing facilities are located in China, Malaysia, Northern Ireland, Singapore, Thailand and the United States. Our principal product development facilities are located in California, Colorado, Minnesota and Singapore. Our leased facilities are occupied under leases that expire on various dates through 2067.

Our main material manufacturing, product development and marketing and administrative facilities at July 2, 2021 are as follows:

Location	Building(s) Owned or Leased	Approximate Square Footage	Primary Use
Europe			
<i>Northern Ireland</i>			
Springtown	Owned	479,000	Manufacture of recording heads
United States			
California	Owned	412,000	Product development, marketing and administrative and operational offices
Colorado	Owned	528,000	Product development, administrative and operational offices
Minnesota	Owned/Leased	1,098,000	Manufacture of recording heads and product development
Asia			
<i>China</i>			
Wuxi	Leased	740,000	Manufacture of drives and drive subassemblies
<i>Malaysia</i>			
Johor	Owned ⁽¹⁾	631,000	Manufacture of substrates
<i>Singapore</i>			
Woodlands	Owned/Leased ⁽¹⁾	1,511,000	Manufacture of media, administrative and operational offices
Shugart	Owned ⁽¹⁾	410,000	Product development, administrative and operational offices
<i>Thailand</i>			
Korat	Owned/Leased	2,733,000	Manufacture of drives and drive subassemblies
Teparuk	Owned/Leased	453,000	Manufacture of drive subassemblies

⁽¹⁾ Land leases for these facilities expire on various dates through 2067.

As of July 2, 2021, we owned or leased a total of approximately 9.7 million square feet of space worldwide. The 9.7 million square feet of owned or leased space includes a total of 68,000 square feet that is currently subleased. We believe that our existing properties are in good operating condition and are suitable for the operations for which they are used.

ITEM 3. LEGAL PROCEEDINGS

See “Item 8. Financial Statements and Supplementary Data—*Note 14. Legal, Environmental and Other Contingencies.*”

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

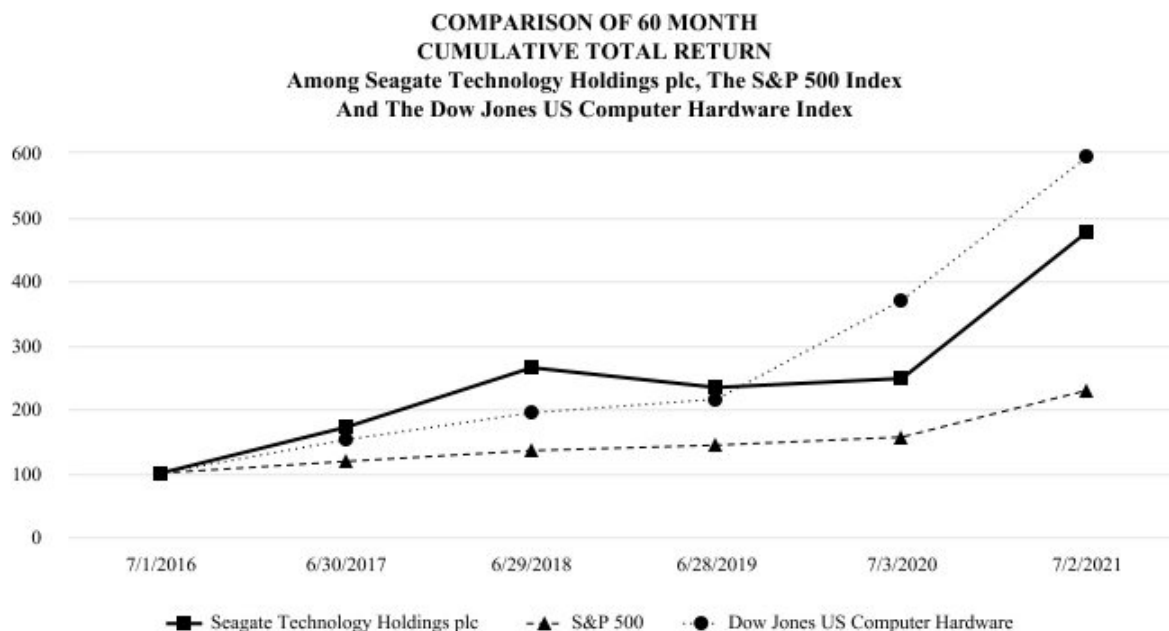
Market Information

Our ordinary shares trade on the NASDAQ Global Select Market under the symbol "STX."

As of August 2, 2021, there were approximately 497 holders of record of our ordinary shares. We did not sell any of our equity securities during fiscal year 2021 that were not registered under the Securities Act of 1933, as amended.

Performance Graph

The performance graph below shows the cumulative total shareholder return on our ordinary shares for the period from July 1, 2016 to July 2, 2021. This is compared with the cumulative total return of the Dow Jones US Computer Hardware Index and the Standard & Poor's 500 Stock Index ("S&P 500") over the same period. The graph assumes that on July 1, 2016, \$100 was invested in our ordinary shares and \$100 was invested in each of the other two indices, with dividends reinvested on the date of payment without payment of any commissions. Dollar amounts in the graph are rounded to the nearest whole dollar. The performance shown in the graph represents past performance and should not be considered an indication of future performance.



	7/1/2016	6/30/2017	6/29/2018	6/28/2019	7/3/2020	7/2/2021
Seagate Technology Holdings plc	\$ 100.00	\$ 171.58	\$ 264.31	\$ 233.43	\$ 246.81	\$ 476.38
S&P 500	100.00	117.64	134.53	143.17	155.41	228.38
Dow Jones US Computer Hardware	100.00	150.92	193.99	214.19	369.24	593.44

⁽¹⁾ \$100 invested on 7/1/2016 in shares and in indices, including reinvestment of dividends.

Dividends

Our ability to pay dividends in the future will be subject to, among other things, general business conditions within the data storage industry, our financial results, the impact of paying dividends on our credit ratings and legal and contractual restrictions on the payment of dividends by our subsidiaries to us or by us to our ordinary shareholders, including restrictions imposed by covenants on our debt instruments.

Repurchases of Our Equity Securities

On October 21, 2020 and February 22, 2021, our Board of Directors authorized the repurchase of an additional \$3.0 billion and \$2.0 billion of our outstanding ordinary shares, respectively, and as a result, we had an aggregate authority to repurchase approximately \$8.0 billion of our ordinary shares. As of July 2, 2021, \$4.2 billion remained available for repurchase of ordinary shares under the existing repurchase authorization limits. All repurchases are effected as redemptions in accordance with our Constitution. There is no expiration date on our repurchase authorizations.

The following table sets forth information with respect to all repurchases of our shares made during the fiscal year ended July 2, 2021, including shares withheld for statutory tax withholdings related to vesting of employee equity awards:

<u>Period</u>	<u>Total Number of Shares Purchased ⁽¹⁾</u>	<u>Average Price Paid per Share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</u>	<u>Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾</u>
(In millions, except average price paid per share)				
1st Quarter through 3rd Quarter of Fiscal Year 2021	31	\$ 58.51	31	\$ 4,441
April 3, 2021 through April 30, 2021	1	83.44	1	4,366
May 1, 2021 through May 28, 2021	2	88.68	2	4,224
May 29, 2021 through July 2, 2021	—	85.32	—	4,223
Through 4th Quarter of Fiscal Year 2021	34		34	\$ 4,223

⁽¹⁾ Repurchase of shares including tax withholdings.

ITEM 6. [Reserved]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of the Company's financial condition, changes in financial condition and results of operations for the fiscal years ended July 2, 2021, July 3, 2020 and June 28, 2019.

You should read this discussion in conjunction with "Item 8. Financial Statements and Supplementary Data" included elsewhere in this Annual Report on Form 10-K. Except as noted, references to any fiscal year mean the twelve-month period ending on the Friday closest to June 30 of that year. Accordingly, fiscal year 2021 comprised 52 weeks and ended on July 2, 2021. Fiscal year 2020 comprised 53 weeks and ended on July 3, 2020. Fiscal year 2019 comprised 52 weeks and ended on June 28, 2019. Fiscal year 2026 will also be comprised of 53 weeks and will end on July 3, 2026.

Our Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is provided in addition to the accompanying consolidated financial statements and notes to assist readers in understanding our results of operations, financial condition and cash flows. Our MD&A is organized as follows:

- *Fiscal Year 2021 Summary.* Overview of financial and other highlights affecting us in fiscal year 2021.
- *Results of Operations.* Analysis of our financial results comparing fiscal years 2021 and 2020 to the prior-year periods.
- *Liquidity and Capital Resources.* Analysis of changes in our balance sheets and cash flows, and discussion of our financial condition including potential sources of liquidity.
- *Contractual Obligations and Off-Balance Sheet Arrangements.* Overview of contractual obligations and contingent liabilities and commitments outstanding as of July 2, 2021 and an explanation of off-balance sheet arrangements.
- *Critical Accounting Estimates.* Accounting estimates that we believe are important to understanding the assumptions and judgments incorporated in our reported financial results.
- For an overview of our business, see "Part I - Item 1. Business—Overview."

Fiscal Year 2021 Summary

During fiscal year 2021, we shipped 535 exabytes of HDD storage capacity. We generated revenue of \$10.7 billion, gross margins of 27%, net income of \$1.3 billion and diluted EPS of \$5.36 and our operating cash flow was \$1.6 billion. We increased our unsecured revolving credit facility (“Revolving Credit Facility”) to \$1.725 billion and issued \$1.0 billion of new senior notes. We repurchased approximately 33 million of our ordinary shares for \$2.0 billion and paid \$649 million in dividends.

Impact of COVID-19

The COVID-19 pandemic has resulted in a widespread health crisis and numerous disease control measures being taken to limit its spread, the effects of which began during our quarter ended April 3, 2020. We continued to incur certain supply chain and demand disruptions during the fiscal year 2021, as well as higher logistics and operational costs and softer or higher demand across certain markets due to the COVID-19 pandemic, which we expect to continue into our fiscal year 2022. Our customers also continued to experience certain supply chain and demand disruptions in fiscal year 2021, which we anticipate will continue into fiscal year 2022. We are continuing to actively monitor the effects and potential impacts of the COVID-19 pandemic on all aspects of our business, liquidity and capital resources. We are complying with governmental rules and guidelines across all of our sites and are actively working on opportunities to lower our cost structure and drive further operational efficiencies. Although we are unable to predict the impact of COVID-19 on our business, results of operations, liquidity or capital resources at this time, we expect we will be negatively affected if the pandemic and related public and private health measures result in substantial manufacturing or supply chain problems, substantial reductions in demand due to disruptions in the operations of our customers or partners, disruptions in local and global economies, volatility in the global financial markets, sustained reductions or volatility in overall demand trends, restrictions on the export or shipment of our products, or other ramifications from the COVID-19 pandemic. For a further discussion of the uncertainties and business risks associated with the COVID-19 pandemic, see the section entitled “Risk Factors” in Part I, Item 1A of this Annual Report.

Corporate Reorganization

On May 18, 2021 we completed a corporate reorganization whereby a new Irish public limited company, Seagate Technology Holdings plc, serves as the publicly traded parent company of Seagate. The reorganization was carried out pursuant to a scheme of arrangement (the “Scheme”) under Irish law, which resulted in the exchange of ordinary shares of Seagate Technology plc for ordinary shares of Seagate Technology Holdings plc on a one-for-one basis. The purpose of the reorganization and the related transactions, which were completed on July 16, 2021, was to allow us to maintain our ability to make future distributions to our shareholders, including making dividend payments and effecting share redemptions and repurchases.

Results of Operations

We list in the tables below summarized information from our Consolidated Statements of Operations by dollar amounts and as a percentage of revenue:

(Dollars in millions)	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Revenue	\$ 10,681	\$ 10,509	\$ 10,390
Cost of revenue	7,764	7,667	7,458
Gross profit	2,917	2,842	2,932
Product development	903	973	991
Marketing and administrative	502	473	453
Amortization of intangibles	12	14	23
Restructuring and other, net	8	82	(22)
Income from operations	1,492	1,300	1,487
Other expense, net	(144)	(268)	(115)
Income before income taxes	1,348	1,032	1,372
Provision (Benefit) for income taxes	34	28	(640)
Net income	\$ 1,314	\$ 1,004	\$ 2,012

	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Revenue	100 %	100 %	100 %
Cost of revenue	73	73	72
Gross margin	27	27	28
Product development	8	9	10
Marketing and administrative	5	5	4
Amortization of intangibles	—	—	—
Restructuring and other, net	—	1	—
Operating margin	14	12	14
Other expense, net	(2)	(2)	(1)
Income before income taxes	12	10	13
Provision (Benefit) for income taxes	—	—	(6)
Net income	12 %	10 %	19 %

The following table summarizes information regarding consolidated revenues by channel, geography, and market and HDD exabytes shipped by market and price per terabyte:

	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Revenues by Channel (%)			
OEMs	69 %	71 %	70 %
Distributors	18 %	17 %	17 %
Retailers	13 %	12 %	13 %
Revenues by Geography (%) ⁽¹⁾			
Asia Pacific	49 %	48 %	49 %
Americas	34 %	34 %	32 %
EMEA	17 %	18 %	19 %
Revenues by Market (%)			
Mass capacity	60 %	53 %	43 %
Legacy	32 %	39 %	50 %
Other	8 %	8 %	7 %
HDD Exabytes Shipped by Market			
Mass capacity	417	317	202
Legacy	118	125	145
Total	535	442	347
HDD Price per Terabyte	\$ 18	\$ 22	\$ 28

⁽¹⁾ Revenue is attributed to geography based on the bill from location.

Fiscal Year 2021 Compared to Fiscal Year 2020

Revenue

(Dollars in millions)	Fiscal Years Ended			% Change
	July 2, 2021	July 3, 2020	Change	
Revenue	\$ 10,681	\$ 10,509	\$ 172	2 %

Revenue in fiscal year 2021 increased approximately 2%, or \$172 million, from fiscal year 2020, primarily due to an increase in mass capacity exabytes shipped, partially offset by price erosion and a decrease in legacy exabytes shipped.

Cost of Revenue and Gross Margin

(Dollars in millions)	Fiscal Years Ended		Change	% Change
	July 2, 2021	July 3, 2020		
Cost of revenue	\$ 7,764	\$ 7,667	\$ 97	1 %
Gross profit	2,917	2,842	75	3 %
Gross margin	27 %	27 %		

For fiscal year 2021, gross margin as a percentage of revenue remained flat compared to the prior fiscal year primarily due to improved product mix, offset by price erosion and higher logistics costs as a result of the COVID-19 pandemic.

Operating Expenses

(Dollars in millions)	Fiscal Years Ended		Change	% Change
	July 2, 2021	July 3, 2020		
Product development	\$ 903	\$ 973	\$ (70)	(7) %
Marketing and administrative	502	473	29	6 %
Amortization of intangibles	12	14	(2)	(14) %
Restructuring and other, net	8	82	(74)	(90) %
Operating expenses	\$ 1,425	\$ 1,542	\$ (117)	

Product Development Expense. Product development expenses for fiscal year 2021 decreased by \$70 million from fiscal year 2020 primarily due to a \$42 million decrease in compensation and other employee benefits from the reduction in headcount as a result of our June 2020 restructuring plan and the additional fourteenth week in the quarter ended October 4, 2019, a \$19 million decrease in information technology and software costs, a \$9 million decrease in travel and entertainment expenses mainly as a result of the disruptions related to COVID-19, a \$9 million decrease in materials expense and a \$6 million decrease in outside services, partially offset by a \$23 million increase in variable compensation expense.

Marketing and Administrative Expense. Marketing and administrative expenses for fiscal year 2021 increased by \$29 million from fiscal year 2020 primarily due to a \$46 million increase in information technology and software costs and a \$14 million increase in variable compensation expense, partially offset by a \$12 million decrease in depreciation expense, an \$11 million decrease in travel and entertainment expenses mainly as a result of disruptions related to COVID-19, an \$8 million decrease in equipment expense and a \$7 million decrease in rent expense.

Amortization of Intangibles. Amortization of intangibles for fiscal year 2021 decreased by \$2 million, as compared to fiscal year 2020, due to certain intangible assets that reached the end of their useful lives.

Restructuring and Other, net. Restructuring and other, net for fiscal year 2021 was \$8 million, primarily comprised of workforce reduction costs and supplier transition costs, partially offset by a gain from the sale of a certain property and a gain upon termination of an operating lease.

Restructuring and other, net for fiscal year 2020 was \$82 million, primarily comprised of restructuring charges related to the restructuring plan the Company committed to on June 1, 2020 to reduce our workforce by approximately 500 employees and charges related to a voluntary early exit program and other restructuring plans.

Other Expense, net

(Dollars in millions)	Fiscal Years Ended		Change	% Change
	July 2, 2021	July 3, 2020		
Other expense, net	\$ (144)	\$ (268)	\$ 124	(46) %

Other expense, net for fiscal year 2021 decreased by \$124 million compared to fiscal year 2020 primarily due to \$62 million non-recurring losses in fiscal year 2020 from the repurchase and exchange of certain long-term debt, \$51 million of strategic investment gains resulting from sales and upward adjustments in fiscal year 2021, a \$49 million increase in equity method investment gains, a \$15 million increase in gains on de-designated cash flow hedges and a \$6 million decrease in strategic investment impairment charges. These changes were partially offset by a \$20 million increase in foreign exchange remeasurement expense, a \$19 million increase in interest expense due to the net increase in debt and a \$17 million decrease in interest income primarily due to a decline in interest rates.

Income Taxes

(Dollars in millions)	Fiscal Years Ended		Change	% Change
	July 2, 2021	July 3, 2020		
Provision for income taxes	\$ 34	\$ 28	\$ 6	21 %

We recorded an income tax provision of \$34 million for fiscal year 2021 compared to an income tax provision of \$28 million for fiscal year 2020. Our fiscal year 2021 income tax provision included net tax benefits of approximately \$8 million associated with share-based compensation and \$13 million related to the United Kingdom tax rate changes enacted in June 2021. Our fiscal year 2020 income tax provision included net tax benefits of approximately \$12 million associated with share-based compensation and \$16 million associated with the release of valuation allowances on deferred tax assets driven by our profitability outlook in the U.S.

Our Irish tax resident parent holding company owns various U.S. and non-Irish subsidiaries that operate in multiple non-Irish income tax jurisdictions. Our worldwide operating income is either subject to varying rates of income tax or is exempt from income tax due to tax incentive programs we operate under in Malaysia, Singapore and Thailand. These tax incentives are scheduled to expire in whole or in part at various dates through 2025. Certain tax incentives may be extended if specific conditions are met.

Our income tax provision recorded for fiscal year 2021 and 2020 differed from the provision for income taxes that would be derived by applying the Irish statutory rate of 25% to income before income taxes, primarily due to the net effect of (i) tax benefits related to non-U.S. and non-Irish earnings generated in jurisdictions that are subject to tax incentive programs and are considered indefinitely reinvested outside of Ireland; and (ii) tax benefits related to research credits.

Based on our ownership structure and subject to (i) potential future increases in our valuation allowance for deferred tax assets; and (ii) a future change in our intention to indefinitely reinvest earnings from our subsidiaries outside of Ireland, we anticipate that our effective tax rate in future periods will generally be less than the Irish statutory rate.

Fiscal Year 2020 Compared to Fiscal Year 2019

Revenue

(Dollars in millions)	Fiscal Years Ended		Change	% Change
	July 3, 2020	June 28, 2019		
Revenue	\$ 10,509	\$ 10,390	\$ 119	1 %

Revenue in fiscal year 2020 increased approximately 1%, or \$119 million, from fiscal year 2019, primarily due to an increase in mass capacity storage exabytes shipped, partially offset by price erosion and a decrease in legacy exabytes shipped.

Cost of Revenue and Gross Margin

(Dollars in millions)	Fiscal Years Ended		Change	% Change
	July 3, 2020	June 28, 2019		
Cost of revenue	\$ 7,667	\$ 7,458	\$ 209	3 %
Gross profit	2,842	2,932	(90)	(3) %
Gross margin	27 %	28 %		

For fiscal year 2020, gross margin as a percentage of revenue decreased compared to the prior fiscal year due to price erosion and higher logistics costs and factory under-utilization due to COVID-19 related disruptions, partially offset by improved product mix and lower depreciation expense due to the change in useful lives of our manufacturing equipment in the quarter ended October 4, 2019.

Operating Expenses

(Dollars in millions)	Fiscal Years Ended		Change	% Change
	July 3, 2020	June 28, 2019		
Product development	\$ 973	\$ 991	\$ (18)	(2)%
Marketing and administrative	473	453	20	4 %
Amortization of intangibles	14	23	(9)	(39)%
Restructuring and other, net	82	(22)	104	(473)%
Operating expenses	<u>\$ 1,542</u>	<u>\$ 1,445</u>	<u>\$ 97</u>	

Product Development Expense. Product development expenses for fiscal year 2020 decreased by \$18 million from fiscal year 2019 primarily due to a \$21 million decrease in depreciation expense and an \$18 million decrease in materials expense, partially offset by a \$13 million increase in outside services expense, an \$8 million increase in variable compensation expense and a \$7 million increase in compensation and other employee benefits.

Marketing and Administrative Expense. Marketing and administrative expenses for fiscal year 2020 increased by \$20 million from fiscal year 2019 primarily due to a \$13 million increase in other general expenses, an \$11 million increase in outside services expense, a \$6 million increase in share-based compensation expense and a \$5 million increase in variable compensation expense, partially offset by a \$5 million decrease in compensation and other employee benefits and a \$4 million decrease in depreciation expense.

Amortization of Intangibles. Amortization of intangibles for fiscal year 2020 decreased by \$9 million compared to fiscal year 2019, due to certain intangible assets reaching the end of their useful lives.

Restructuring and Other, net. Restructuring and other, net for fiscal year 2020 was comprised of a \$82 million, primarily comprised of restructuring charges related to the restructuring plan the Company committed to on June 1, 2020 to reduce our workforce by approximately 500 employees and charges related to a voluntary early exit program and other restructuring plans.

Restructuring and other, net for fiscal year 2019 was comprised of a \$75 million net gain from the sale of a certain property, partially offset by charges related to a voluntary early exit program.

Other Expense, net

(Dollars in millions)	Fiscal Years Ended		Change	% Change
	July 3, 2020	June 28, 2019		
Other expense, net	\$ (268)	\$ (115)	\$ (153)	133 %

Other expense, net for fiscal year 2020 increased by \$153 million compared to fiscal year 2019 mainly due to \$80 million of non-recurring income, net in fiscal year 2019 related to our previous investment in Toshiba Memory Holdings Corporation ("TMHC"), now known as Kioxia, which was redeemed in fiscal year 2019, a \$62 million loss resulting from the repurchase of certain long-term debt, an \$18 million strategic investment impairment and an \$11 million net increase in losses due to unfavorable changes in foreign currency exchange rates, partially offset by a \$20 million decrease in interest expense related to the repurchase of certain long-term debt.

Income Taxes

(Dollars in millions)	Fiscal Years Ended		Change	% Change
	July 3, 2020	June 28, 2019		
Provision (benefit) for income taxes	\$ 28	\$ (640)	\$ 668	(104)%

We recorded an income tax provision of \$28 million for fiscal year 2020 compared to an income tax benefit of \$640 million for fiscal year 2019. Our fiscal year 2020 income tax provision included net tax benefits of approximately \$12 million associated with share-based compensation and \$16 million associated with the release of valuation allowance on deferred tax assets driven by our profitability outlook in the U.S. Our fiscal year 2019 income tax benefit included a net tax benefit of \$761 million primarily associated with the release of valuation allowance on deferred tax assets driven by improvements in our profitability outlook in the U.S., including our efforts to structurally and operationally align our systems business with the rest of the Company.

Our Irish tax resident parent holding company owns various U.S. and non-Irish subsidiaries that operate in multiple non-Irish income tax jurisdictions. Our worldwide operating income is either subject to varying rates of income tax or is exempt from income tax due to tax incentive programs we operate under in Malaysia, Singapore and Thailand. These tax incentives are scheduled to expire in whole or in part at various dates through 2025. Certain tax incentives may be extended if specific conditions are met.

Our income tax provision recorded for fiscal year 2020 differed from the provision for income taxes that would be derived by applying the Irish statutory rate of 25% to income before income taxes, primarily due to the net effect of (i) tax benefits related to non-U.S. and non-Irish earnings generated in jurisdictions that are subject to tax incentive programs and are considered indefinitely reinvested outside of Ireland; and (ii) tax benefits related to research credits. Our income tax benefit recorded for fiscal year 2019 differed from the provision for income taxes that would be derived by applying the Irish statutory rate of 25% to income before income taxes, primarily due to the net effect of (i) a decrease in valuation allowances for certain deferred tax assets, primarily driven by improvements in our profitability outlook in the U.S.; and (ii) tax benefits related to non-U.S. and non-Irish earnings generated in jurisdictions that are subject to tax incentive programs and are considered indefinitely reinvested outside of Ireland.

Based on our ownership structure and subject to (i) potential future increases in our valuation allowance for deferred tax assets; and (ii) a future change in our intention to indefinitely reinvest earnings from our subsidiaries outside of Ireland, we anticipate that our effective tax rate in future periods will generally be less than the Irish statutory rate.

Liquidity and Capital Resources

The following sections discuss our principal liquidity requirements, as well as our sources and uses of cash and our liquidity and capital resources. Our cash and cash equivalents are maintained in investments with remaining maturities of 90 days or less at the time of purchase. The principal objectives of our investment policy are the preservation of principal and maintenance of liquidity. We believe our cash equivalents are liquid and accessible. We operate in some countries that have restrictive regulations over the movement of cash and/or foreign exchange across their borders. However, we believe that our sources of cash have been and will continue to be sufficient to fund our operations and meet our cash requirements for at least the next 12 months. Although there can be no assurance, we believe that our financial resources, along with controlling our costs, will allow us to manage the potential impacts of the COVID-19 pandemic on our business operations for the foreseeable future. However, the challenges posed by the COVID-19 pandemic to our industry and to our business continue to remain uncertain and cannot be predicted at this time. Consequently, we will continue to evaluate our financial position in light of future developments, particularly those relating to the COVID-19 pandemic.

We are not aware of any downgrades, losses or other significant deterioration in the fair value of our cash equivalents from the values reported as of July 2, 2021.

Cash and Cash Equivalents

(Dollars in millions)	As of		Change
	July 2, 2021	July 3, 2020	
Cash and cash equivalents	\$ 1,209	\$ 1,722	\$ (513)

Our cash and cash equivalents decreased by \$513 million from July 3, 2020 primarily as a result of repurchases of our ordinary shares of \$2,047 million, payment of dividends to our shareholders of \$649 million and payments for capital expenditures of \$498 million, partially offset by net cash of \$1,626 million provided by operating activities and net proceeds of \$986 million from issuance of long-term debt. The following table summarizes results from the Consolidated Statement of Cash Flows for the periods indicated:

(Dollars in millions)	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Net cash flow provided by (used in):			
Operating activities	\$ 1,626	\$ 1,714	\$ 1,761
Investing activities	(466)	(635)	846
Financing activities	(1,673)	(1,605)	(2,212)
Effect of foreign currency exchange rates	—	(1)	(1)
Net (decrease) increase in cash, cash equivalents and restricted cash	<u>\$ (513)</u>	<u>\$ (527)</u>	<u>\$ 394</u>

Cash Provided by Operating Activities

Cash provided by operating activities for fiscal year 2021 was approximately \$1.6 billion and includes the effects of net income adjusted for non-cash items including depreciation, amortization, share-based compensation and:

- an increase of \$58 million in accrued employee compensation, primarily due to an increase in our variable compensation expense; partially offset by
- an increase of \$64 million in inventories, primarily due to an increase in materials purchased for increased production of higher capacity drives and to mitigate supply chain disruptions; and
- an increase of \$42 million in accounts receivable, primarily due to an increase in revenue.

Cash provided by operating activities for fiscal year 2020 was approximately \$1.7 billion and includes the effects of net income adjusted for non-cash items including depreciation, amortization, share-based compensation and:

- an increase of \$394 million in accounts payable, primarily due to timing of payments and an increase in materials purchased; partially offset by
- an increase of \$166 million in inventories, primarily due to an increase in materials purchased for new product ramps and the potential for supply chain disruptions due to the COVID-19 pandemic; and
- an increase of \$127 million in accounts receivable, primarily due to the timing of shipments.

Cash provided by operating activities for fiscal year 2019 was approximately \$1.8 billion and includes the effects of net income adjusted for non-cash items including depreciation and amortization, share-based compensation, a release of valuation allowance related to our U.S. deferred tax assets and:

- a decrease of \$204 million in accounts receivable, primarily due to lower revenue; and
- a decrease of \$80 million in inventories, primarily due to a decrease in units built; partially offset by
- a decrease of \$268 million in accounts payable, primarily due to a decrease in direct material purchases; and
- a decrease of \$84 million in accrued employee compensation, primarily due to a decrease in our variable compensation expense.

Cash (Used in) Provided by Investing Activities

In fiscal year 2021, we used \$0.5 billion for net cash investing activities, which was primarily due to payments for the purchase of property, equipment and leasehold improvements of approximately \$498 million, partially offset by proceeds from the sale of investments of \$29 million.

In fiscal year 2020, we used \$0.6 billion for net cash investing activities, which was primarily due to payments for the purchase of property, equipment and leasehold improvements of approximately \$585 million and payments for the purchase of investments of \$58 million.

In fiscal year 2019, we received \$0.8 billion for net cash investing activities, which was primarily due to proceeds of \$1.3 billion from the redemption of an investment in non-convertible preferred stock of TMHC and the proceeds of \$144 million primarily from the sale of certain properties, partially offset by the payments for the purchase of property, equipment and leasehold improvements of approximately \$602 million.

Cash Used in Financing Activities

Net cash used in financing activities of \$1.7 billion for fiscal year 2021 was primarily attributable to the following activities:

- \$2,047 million in payments for repurchases of our ordinary shares;
- \$649 million in dividend payments; partially offset by
- \$986 million from the issuance of Senior Notes; and
- \$108 million in proceeds from the issuance of ordinary shares under employee stock plans.

Net cash used in financing activities of \$1.6 billion for fiscal year 2020 was primarily attributable to the following activities:

- \$1,137 million net repurchases of long-term debt;
- \$850 million in payments for repurchases of our ordinary shares;
- \$673 million in dividend payments; partially offset by
- \$498 million in net proceeds from borrowings under the Term Loan;
- \$496 million from the issuance of Senior Notes; and
- \$103 million in proceeds from the issuance of ordinary shares under employee stock plans.

Net cash used in financing activities of \$2.2 billion for fiscal year 2019 was primarily attributable to the following activities:

- \$963 million in payments for repurchases of our ordinary shares;
- \$713 million in dividend payments; and
- \$574 million net repurchases of long-term debt.

Liquidity Sources

Our primary sources of liquidity as of July 2, 2021, consist of: (1) approximately \$1.2 billion in cash and cash equivalents, (2) cash we expect to generate from operations and (3) \$1.725 billion available for borrowing under our senior unsecured revolving credit facility (“Revolving Credit Facility”), which is part of our credit agreement (the “Credit Agreement”).

As of July 2, 2021, no borrowings (including swing line loans) were outstanding and no commitments were utilized for letters of credit issued under the Revolving Credit Facility. The Revolving Credit Facility is available for borrowings, subject to compliance with financial covenants and other customary conditions to borrowing.

The Credit Agreement includes three financial covenants: (1) interest coverage ratio, (2) total leverage ratio and (3) a minimum liquidity amount. The term of the Revolving Credit Facility is through February 20, 2024.

As of July 2, 2021, cash and cash equivalents held by non-Irish subsidiaries was \$1.2 billion. This amount is potentially subject to taxation in Ireland upon repatriation by means of a dividend into our Irish parent. However, it is our intent to indefinitely reinvest earnings of non-Irish subsidiaries outside of Ireland and our current plans do not demonstrate a need to repatriate such earnings by means of a taxable Irish dividend. Should funds be needed in the Irish parent company and should we be unable to fund parent company activities through means other than a taxable Irish dividend, we would be required to accrue and pay Irish taxes on such dividend.

We believe that our sources of cash will be sufficient to fund our operations and meet our cash requirements for at least the next 12 months. For additional information on factors that could impact our ability to fund our operations and meet our cash requirements, including the COVID-19 pandemic, see the section entitled “Risk Factors” in Part I, Item 1A of this Annual Report.

Cash Requirements and Commitments

Our liquidity requirements are primarily to meet our working capital, product development and capital expenditure needs, to fund scheduled payments of principal and interest on our indebtedness, and to fund our quarterly dividend and any future strategic investments. Our ability to fund these requirements will depend on our future cash flows, which are determined by future operating performance, and therefore, subject to prevailing global macroeconomic conditions and financial, business and other factors, some of which are beyond our control.

From time to time, we may repurchase any of our outstanding senior notes in open market or privately negotiated purchases or otherwise, or we may repurchase outstanding senior notes pursuant to the terms of the applicable indenture.

On July 19, 2021, our Board of Directors declared a quarterly cash dividend of \$0.67 per share, which will be payable on October 6, 2021 to shareholders of record as of the close of business on September 22, 2021.

As of July 2, 2021, we were in compliance with all of the covenants under our debt agreements. Based on our current outlook and the information we currently have available to us, we expect to be in compliance with the covenants in our debt agreements over the next 12 months.

The carrying value of our debt as of July 2, 2021 and July 3, 2020 was \$5.1 billion and \$4.2 billion, respectively. The table below presents the principal amounts of our outstanding debt:

(Dollars in millions)	As of		Change
	July 2, 2021	July 3, 2020	
4.250% Senior Notes due March 2022	\$ 220	\$ 229	\$ (9)
4.750% Senior Notes due June 2023	541	546	(5)
4.875% Senior Notes due March 2024	500	500	—
4.750% Senior Notes due January 2025	479	479	—
4.875% Senior Notes due June 2027	505	505	—
4.091% Senior Notes due June 2029	500	500	—
3.125% Senior Notes due July 2029	500	—	500
4.125% Senior Notes due January 2031	500	500	—
3.375% Senior Notes due July 2031	500	—	500
5.75% Senior Notes due December 2034	490	490	—
LIBOR based Term Loan due September 2025	481	500	(19)
	<u>\$ 5,216</u>	<u>\$ 4,249</u>	<u>\$ 967</u>

From time to time, at the Company's discretion, we may repurchase any of our outstanding ordinary shares through private, open market, or broker assisted purchases, tender offers, or other means, including through the use of derivative transactions. Our Board of Directors increased the authorization for the repurchase of our outstanding ordinary shares by \$3.0 billion on October 21, 2020, and \$2.0 billion on February 22, 2021. During fiscal year 2021, we repurchased approximately 34 million of our ordinary shares including shares withheld for statutory tax withholdings related to vesting of employee equity awards. See "Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities-Repurchases of Our Equity Securities." As of July 2, 2021, \$4.2 billion remained available for repurchase under our existing repurchase authorization limit. We may limit or terminate the repurchase program at any time. All repurchases are effected as redemptions in accordance with our Constitution.

For fiscal year 2022, we expect capital expenditures to be aligned to our updated long-term targeted range of 4% to 6% of revenue. We require substantial amounts of cash to fund any increased working capital requirements, future capital expenditures, scheduled payments of principal and interest on our indebtedness and payments of dividends. We will continue to evaluate and manage the retirement and replacement of existing debt and associated obligations, including evaluating the issuance of new debt securities, exchanging existing debt securities for other debt securities and retiring debt pursuant to privately negotiated transactions, open market purchases, tender offers or other means or otherwise. In addition, we may selectively pursue strategic alliances, acquisitions, joint ventures and investments, which may require additional capital.

Contractual Obligations and Commitments

Our contractual cash obligations and commitments as of July 2, 2021, are summarized in the table below:

(Dollars in millions)	Total	Fiscal Year(s)			
		2022	2023-2024	2025-2026	Thereafter
Contractual Cash Obligations:					
Long-term debt	\$ 5,216	\$ 245	\$ 1,091	\$ 885	\$ 2,995
Interest payments on debt	1,486	228	391	291	576
Purchase obligations ⁽¹⁾	1,658	1,497	91	56	14
Operating leases, including imputed interest ⁽²⁾	65	15	20	9	21
Capital expenditures	269	204	65	—	—
Subtotal	8,694	2,189	1,658	1,241	3,606
Commitments:					
Letters of credit or bank guarantees	31	22	—	—	9
Total	\$ 8,725	\$ 2,211	\$ 1,658	\$ 1,241	\$ 3,615

⁽¹⁾ Purchase obligations are defined as contractual obligations for the purchase of goods or services, which are enforceable and legally binding on us, and that specify all significant terms.

⁽²⁾ Includes total future minimum rent expense under non-cancelable leases for both occupied and vacated facilities (rent expense is shown net of sublease income). Refer to "Item 8. Financial Statements and Supplementary Data—Note 6. Leases" for details.

As of July 2, 2021, we had a liability for unrecognized tax benefits and an accrual for the payment of related interest totaling \$3 million, none of which is expected to be settled within one year. Outside of one year, we are unable to make a reasonably reliable estimate of when cash settlement with a taxing authority will occur.

Off-Balance Sheet Arrangements

As of July 2, 2021, we did not have any material off-balance sheet arrangements (as defined in Item 303(a)(4)(ii) of Regulation S-K).

Critical Accounting Policies and Estimates

The methods, estimates and judgments we use in applying our most critical accounting policies have a significant impact on the results we report in our consolidated financial statements. The SEC has defined the most critical accounting policies as the ones that are most important to the portrayal of our financial condition and operating results, and require us to make our most difficult and subjective judgments, often as a result of the need to make estimates of matters that are highly uncertain at the time of estimation. Based on this definition, our most critical accounting policies include: Revenue - Sales Program Accruals, Warranty and Income taxes. Below, we discuss these policies further, as well as the estimates and judgments involved. We also have other accounting policies and accounting estimates relating to uncollectible customer accounts, valuation of inventories, assessing goodwill and other long-lived assets for impairment, valuation of share-based payments and restructuring. We believe that these other accounting policies and accounting estimates either do not generally require us to make estimates and judgments that are as difficult or as subjective, or it is less likely that they would have a material impact on our reported results of operations for a given period.

Revenue - Sales Program Accruals. We record estimated variable consideration at the time of revenue recognition as a reduction to revenue. Variable consideration generally consists of sales incentive programs, such as price protection and volume incentives aimed at increasing customer demand. For OEM sales, rebates are typically established by estimating the most likely amount of consideration expected to be received based on an OEM customer's volume of purchases from us or other agreed upon rebate programs. For the distribution and retail channel, these sales incentive programs typically involve estimating the most likely amount of rebates related to a customer's level of sales, order size, advertising or point of sale activity as well as the expected value of price protection adjustments based on historical analysis and forecasted pricing environment. Total sales programs were 14%, 12% and 11% of gross revenue in fiscal years 2021, 2020 and 2019, respectively. Adjustments to revenues due to under or over accruals for sales programs related to revenues reported in prior quarterly periods were less than 1% of gross revenue in fiscal years 2021, 2020 and 2019.

Warranty. We estimate probable product warranty costs at the time revenue is recognized. We generally provide a warranty on our products for a period of 1 to 5 years. Our warranty provision considers estimated product failure rates and trends (including the timing of product returns during the warranty periods), and estimated repair or replacement costs related to product quality issues, if any. We also exercise judgment in estimating our ability to sell refurbished products based on historical experience. Our judgment is subject to a greater degree of subjectivity with respect to newly introduced products because of limited experience with those products upon which to base our warranty estimates.

Income Taxes. We make certain estimates and judgments in determining income tax expense for financial statement purposes. These estimates and judgments occur in the calculation of tax credits, recognition of income and deductions and calculation of specific tax assets and liabilities, which arise from differences in the timing of recognition of revenue and expense for income tax and financial statement purposes, as well as tax liabilities associated with uncertain tax positions. The calculation of tax liabilities involves uncertainties in the application of complex tax rules and the potential for future adjustment of our uncertain tax positions by various taxing authorities. If estimates of these tax liabilities are greater or less than actual results, an additional tax provision or benefit will result. The deferred tax assets we record each period depend primarily on our ability to generate future taxable income in the United States and certain non-U.S. jurisdictions. Each period, we evaluate the need for a valuation allowance for our deferred tax assets and, if necessary, adjust the valuation allowance so that net deferred tax assets are recorded only to the extent we conclude it is more likely than not that these deferred tax assets will be realized. If our outlook for future taxable income changes significantly, our assessment of the need for, and the amount of, a valuation allowance may also change.

Recent Accounting Pronouncements

See “Item 8. Financial Statements and Supplementary Data—*Note 1. Basis of Presentation and Summary of Significant Accounting Policies*” for information regarding the effect of new accounting pronouncements on our financial statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have exposure to market risks due to the volatility of interest rates, foreign currency exchange rates, credit rating changes and equity and bond markets. A portion of these risks may be hedged, but fluctuations could impact our results of operations, financial position and cash flows.

Interest Rate Risk. Our exposure to market risk for changes in interest rates relates primarily to our cash investment portfolio. As of July 2, 2021, we had no available-for-sale debt securities that had been in a continuous unrealized loss position for a period greater than 12 months. We determined no available-for-sale debt securities were other-than-temporarily impaired as of July 2, 2021.

We have fixed rate and variable rate debt obligations. We enter into debt obligations for general corporate purposes including capital expenditures and working capital needs. Our Term Loan bears interest at a variable rate equal to London Interbank Offered Rate (“LIBOR”) plus a variable margin set on June 17, 2021.

In the quarter ended October 4, 2019, we entered into certain interest rate swap agreements with a notional amount of \$500 million to convert the variable interest rate on the Term Loan to fixed interest rates. The contracts were effective as of October 4, 2019 and will mature on September 16, 2025. The notional amount of the interest rate swap agreements was \$481 million as of July 2, 2021. The objective of the interest rate swap agreements is to eliminate the variability of interest payment cash flows associated with the variable interest rate on the Term Loan. The Company designated the interest rate swaps as cash flow hedges.

The table below presents principal amounts and related fixed or weighted-average interest rates by year of maturity for our investment portfolio and debt obligations as of July 2, 2021.

	Fiscal Years Ended								Fair Value at July 2, 2021
(Dollars in millions, except percentages)	2022	2023	2024	2025	2026	Thereafter	Total		
Assets									
Money market funds, time deposits and certificates of deposit									
Floating rate	\$ 553	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 553	\$ 553	
Average interest rate	0.03 %						0.03 %		
Other debt securities									
Fixed rate	\$ 10	\$ —	\$ —	\$ —	\$ —	\$ 8	\$ 18	\$ 18	
Fixed interest rate	5.00 %						5.00 %		
Debt									
Fixed rate	\$ 220	\$ 541	\$ 500	\$ 479	\$ —	\$ 2,995	\$ 4,735	\$ 5,009	
Average interest rate	4.25 %	4.75 %	4.88 %	4.75 %		4.22 %	4.40 %		
Variable rate	\$ 25	\$ 25	\$ 25	\$ 25	\$ 381	\$ —	\$ 481	\$ 478	
Average interest rate	3.29 %	3.29 %	3.29 %	3.29 %	3.29 %		3.29 %		

Foreign Currency Exchange Risk. From time to time, we may enter into foreign currency forward exchange contracts to manage exposure related to certain foreign currency commitments and anticipated foreign currency denominated expenditures. Our policy prohibits us from entering into derivative financial instruments for speculative or trading purposes.

We hedge portions of our foreign currency denominated balance sheet positions with foreign currency forward exchange contracts to reduce the risk that our earnings will be adversely affected by changes in currency exchange rates. The change in fair value of these contracts is recognized in earnings in the same period as the gains and losses from the remeasurement of the assets and liabilities. All foreign currency forward exchange contracts mature within 12 months.

We recognized a net gain of \$14 million and a net loss of \$7 million in Cost of revenue and Interest expense related to the loss of hedge designations on discontinued cash flow hedges during fiscal year 2021, respectively. We recognized \$4 million in Other expense, net related to hedge ineffectiveness and discontinued cash flow hedges during fiscal year 2020.

The table below provides information as of July 2, 2021 about our foreign currency forward exchange contracts. The table is provided in dollar equivalent amounts and presents the notional amounts (at the contract exchange rates) and the weighted-average contractual foreign currency exchange rates.

(Dollars in millions, except average contract rate)	Notional Amount	Average Contract Rate	Estimated Fair Value ⁽¹⁾
Foreign currency forward exchange contracts:			
Singapore Dollar	\$ 215	\$ 1.34	\$ (1)
Thai Baht	177	\$ 31.01	(6)
Chinese Renminbi	94	\$ 6.64	1
British Pound Sterling	70	\$ 0.73	1
Total	<u>\$ 556</u>		<u>\$ (5)</u>

⁽¹⁾ Equivalent to the unrealized net gain (loss) on existing contracts.

Other Market Risks. We have exposure to counterparty credit downgrades in the form of credit risk related to our foreign currency forward exchange contracts and our fixed income portfolio. We monitor and limit our credit exposure for our foreign currency forward exchange contracts by performing ongoing credit evaluations. We also manage the notional amount of contracts entered into with any one counterparty, and we maintain limits on maximum tenor of contracts based on the credit rating of the financial institution. Additionally, the investment portfolio is diversified and structured to minimize credit risk.

Changes in our corporate issuer credit ratings have minimal impact on our near term financial results, but downgrades may negatively impact our future ability to raise capital, our ability to execute transactions with various counterparties and may increase the cost of such capital.

We are subject to equity market risks due to changes in the fair value of the notional investments selected by our employees as part of our Non-qualified Deferred Compensation Plan—the Seagate Deferred Compensation Plan (the “SDCP”). The SDCP is a successor plan to the prior Seagate Deferred Compensation Plans, as amended from time to time, under which no additional deferrals may be made after December 31, 2014. In fiscal year 2014, we entered into a Total Return Swap (“TRS”) in order to manage the equity market risks associated with the SDCP liabilities. We pay a floating rate, based on the LIBOR plus an interest rate spread, on the notional amount of the TRS. The TRS is designed to substantially offset changes in the SDCP liabilities due to changes in the value of the investment options made by employees. See “Item 8. Financial Statements and Supplementary Data—*Note 8. Derivative Financial Instruments*” of this Report on Form 10-K.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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SEAGATE TECHNOLOGY HOLDINGS PLC
CONSOLIDATED BALANCE SHEETS
(In millions, except share and per share data)

	Fiscal Years Ended	
	July 2, 2021	July 3, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,209	\$ 1,722
Accounts receivable, net	1,158	1,115
Inventories	1,204	1,142
Other current assets	208	135
Total current assets	3,779	4,114
Property, equipment and leasehold improvements, net	2,181	2,129
Goodwill	1,237	1,237
Other intangible assets, net	29	58
Deferred income taxes	1,117	1,120
Other assets, net	332	272
Total Assets	<u>\$ 8,675</u>	<u>\$ 8,930</u>
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 1,725	\$ 1,808
Accrued employee compensation	282	224
Accrued warranty	61	69
Current portion of long-term debt	245	19
Accrued expenses	608	602
Total current liabilities	2,921	2,722
Long-term accrued warranty	75	82
Other non-current liabilities	154	183
Long-term debt, less current portion	4,894	4,156
Total Liabilities	8,044	7,143
Commitments and contingencies (See Notes 14 and 15)		
Shareholders' Equity:		
Preferred shares, \$0.00001 par value per share—100,000,000 authorized; no shares issued or outstanding	—	—
Ordinary shares, \$0.00001 par value per share—1,250,000,000 authorized; 227,382,980 issued and outstanding at July 2, 2021 and 256,718,840 issued and outstanding at July 3, 2020	—	—
Additional paid-in capital	6,977	6,757
Accumulated other comprehensive loss	(41)	(66)
Accumulated deficit	(6,305)	(4,904)
Total Shareholders' Equity	631	1,787
Total Liabilities and Shareholders' Equity	<u>\$ 8,675</u>	<u>\$ 8,930</u>

See Notes to Consolidated Financial Statements.

SEAGATE TECHNOLOGY HOLDINGS PLC
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)

	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Revenue	\$ 10,681	\$ 10,509	\$ 10,390
Cost of revenue	7,764	7,667	7,458
Product development	903	973	991
Marketing and administrative	502	473	453
Amortization of intangibles	12	14	23
Restructuring and other, net	8	82	(22)
Total operating expenses	9,189	9,209	8,903
Income from operations	1,492	1,300	1,487
Interest income	2	20	84
Interest expense	(220)	(201)	(224)
Other, net	74	(87)	25
Other expense, net	(144)	(268)	(115)
Income before income taxes	1,348	1,032	1,372
Provision (benefit) for income taxes	34	28	(640)
Net income	<u>\$ 1,314</u>	<u>\$ 1,004</u>	<u>\$ 2,012</u>
Net income per share:			
Basic	\$ 5.43	\$ 3.83	\$ 7.13
Diluted	\$ 5.36	\$ 3.79	\$ 7.06
Number of shares used in per share calculations:			
Basic	242	262	282
Diluted	245	265	285

See Notes to Consolidated Financial Statements.

SEAGATE TECHNOLOGY HOLDINGS PLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)

	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Net income	\$ 1,314	\$ 1,004	\$ 2,012
Other comprehensive income (loss), net of tax:			
Change in net unrealized loss on cash flow hedges:			
Net unrealized gains (losses) arising during the period	15	(27)	—
(Gains) losses reclassified into earnings	(9)	3	—
Net change	6	(24)	—
Change in unrealized components of post-retirement plans:			
Net unrealized gains (losses) arising during the period	1	(7)	(16)
Losses (gains) reclassified into earnings	3	1	—
Net change	4	(6)	(16)
Foreign currency translation adjustments	15	(2)	(2)
Total other comprehensive income (loss), net of tax	25	(32)	(18)
Comprehensive income	<u>\$ 1,339</u>	<u>\$ 972</u>	<u>\$ 1,994</u>

See Notes to Consolidated Financial Statements.

SEAGATE TECHNOLOGY HOLDINGS PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
OPERATING ACTIVITIES			
Net income	\$ 1,314	\$ 1,004	\$ 2,012
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	397	379	541
Share-based compensation	112	109	99
Loss on redemption and repurchase of debt	1	58	—
Deferred income taxes	(4)	(6)	(690)
Other non-cash operating activities, net	(50)	52	(97)
Changes in operating assets and liabilities:			
Accounts receivable, net	(42)	(127)	204
Inventories	(64)	(166)	80
Accounts payable	(14)	394	(268)
Accrued employee compensation	58	55	(84)
Accrued expenses, income taxes and warranty	(38)	(39)	(81)
Other assets and liabilities	(44)	1	45
Net cash provided by operating activities	1,626	1,714	1,761
INVESTING ACTIVITIES			
Acquisition of property, equipment and leasehold improvements	(498)	(585)	(602)
Proceeds from the sale of assets	4	1	144
Proceeds from settlement of foreign currency forward exchange contracts	—	—	29
Proceeds from redemption of debt security	—	—	1,283
Purchases of investments	(4)	(58)	(18)
Proceeds from sale of investments	29	7	10
Maturities of short-term investments	3	—	—
Net cash (used in) provided by investing activities	(466)	(635)	846
FINANCING ACTIVITIES			
Redemption and repurchase of debt	(33)	(1,137)	(819)
Dividends to shareholders	(649)	(673)	(713)
Repurchases of ordinary shares	(2,047)	(850)	(963)
Taxes paid related to net share settlement of equity awards	(33)	(40)	(31)
Proceeds from issuance of long-term debt	1,000	994	245
Proceeds from issuance of ordinary shares under employee stock plans	108	103	69
Other financing activities, net	(19)	(2)	—
Net cash used in financing activities	(1,673)	(1,605)	(2,212)
Effect of foreign currency exchange rate changes on cash, cash equivalents and restricted cash	—	(1)	(1)
(Decrease) increase in cash, cash equivalents and restricted cash	(513)	(527)	394
Cash, cash equivalents and restricted cash at the beginning of the year	1,724	2,251	1,857
Cash, cash equivalents and restricted cash at the end of the year	\$ 1,211	\$ 1,724	\$ 2,251
Supplemental Disclosure of Cash Flow Information			
Cash paid for interest	\$ 184	\$ 226	\$ 223
Cash paid for income taxes, net of refunds	\$ 44	\$ 51	\$ 39

See Notes to Consolidated Financial Statements.

SEAGATE TECHNOLOGY HOLDINGS PLC
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For Fiscal Years Ended July 2, 2021, July 3, 2020 and June 28, 2019
(In millions)

	Number of Ordinary Shares	Par Value of Shares	Additional Paid- in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance at, June 29, 2018	287	\$ —	\$ 6,377	\$ (16)	\$ (4,696)	\$ 1,665
Cumulative effect of adoption of new revenue standard					34	34
Net income					2,012	2,012
Other comprehensive loss				(18)		(18)
Issuance of ordinary shares under employee stock plans	4		69			69
Repurchases of ordinary shares	(21)				(966)	(966)
Tax withholding related to vesting of restricted share units	(1)				(31)	(31)
Dividends to shareholders (\$2.52 per ordinary share)					(702)	(702)
Share-based compensation			99			99
Balance at, June 28, 2019	269	—	6,545	(34)	(4,349)	2,162
Impact of adoption of new lease standard					(2)	(2)
Net income					1,004	1,004
Other comprehensive loss				(32)		(32)
Issuance of ordinary shares under employee stock plans	6		103			103
Repurchases of ordinary shares	(17)				(847)	(847)
Tax withholding related to vesting of restricted share units	(1)				(40)	(40)
Dividends to shareholders (\$2.58 per ordinary share)					(670)	(670)
Share-based compensation			109			109
Balance at, July 3, 2020	257	—	6,757	(66)	(4,904)	1,787
Net income					1,314	1,314
Other comprehensive income				25		25
Issuance of ordinary shares under employee stock plans	4		108			108
Repurchases of ordinary shares	(33)				(2,047)	(2,047)
Tax withholding related to vesting of restricted share units	(1)				(33)	(33)
Dividends to shareholders (\$2.66 per ordinary share)					(635)	(635)
Share-based compensation			112			112
Balance at, July 2, 2021	227	\$ —	\$ 6,977	\$ (41)	\$ (6,305)	\$ 631

See Notes to Consolidated Financial Statements.

SEAGATE TECHNOLOGY HOLDINGS PLC NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation and Summary of Significant Accounting Policies

Organization

Seagate Technology Holdings plc (“STX”) and its subsidiaries (collectively, unless the context otherwise indicates, the “Company”) is a leading provider of data storage technology and solutions. Its principal products are hard disk drives, commonly referred to as disk drives, hard drives or HDDs. In addition to HDDs, the Company produces a broad range of data storage products including solid state drives (“SSDs”), solid state hybrid drives (“SSHds”) and storage subsystems.

On May 18, 2021, Seagate Technology plc, now known as Seagate Technology Unlimited Company (“STUC”), and STX completed a scheme of arrangement pursuant to which STUC’s ordinary shares were acquired by STX and the ordinary shareholders of STUC received, on a one-for-one basis, new ordinary shares of STX (the “Scheme”). As a result of the Scheme, STUC is now a direct, wholly-owned subsidiary of STX, which is the successor issuer to STUC. In connection with the Scheme, STX assumed STUC’s existing obligations in connection with awards granted under STUC’s incentive plans and other similar employee awards and amended such plans and awards as necessary to provide for the issuance of STX’s registered shares rather than the ordinary shares of STUC upon the exercise or vesting of awards.

Basis of Presentation and Consolidation

The Company’s consolidated financial statements include the accounts of the Company and all its wholly-owned and majority-owned subsidiaries, after elimination of intercompany transactions and balances.

The preparation of financial statements in accordance with the United States (“U.S.”) generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the Company’s consolidated financial statements and accompanying notes. These estimates and assumptions include the impact of the COVID-19 pandemic. Actual results could differ materially from those estimates. The methods, estimates and judgments the Company uses in applying its most critical accounting policies have a significant impact on the results the Company reports in its consolidated financial statements.

Fiscal Year

The Company operates and reports financial results on a fiscal year of 52 or 53 weeks ending on the Friday closest to June 30. Accordingly, fiscal years 2021 and 2019 were comprised of 52 weeks and ended on July 2, 2021 and June 28, 2019, respectively. Fiscal year 2020 was comprised of 53 weeks and ended on July 3, 2020. All references to years in these Notes to Consolidated Financial Statements represent fiscal years unless otherwise noted. Fiscal year 2026 will also be comprised of 53 weeks and will end on July 3, 2026.

Summary of Significant Accounting Policies

Cash and Cash Equivalents. The Company considers all highly liquid investments with a remaining maturity of 90 days or less at the time of purchase to be cash equivalents. The Company’s highly liquid investments are primarily comprised of money market funds, time deposits and certificates of deposits. The Company has classified its marketable debt securities as available-for-sale and they are stated at fair value with unrealized gains and losses included in Accumulated other comprehensive loss, which is a component of Shareholders’ Equity. The Company evaluates the available-for sale debt securities in an unrealized loss position for other-than-temporary impairment. Realized gains and losses are included in Other, net on the Company’s Consolidated Statements of Operations. The cost of securities sold is based on the specific identification method. Other cash equivalents are carried at cost, which approximates fair value.

Restricted Cash and Cash Equivalents. Restricted cash and cash equivalents represent cash and cash equivalents that are restricted as to withdrawal or use for other than current operations.

Allowance for expected credit loss. The Company maintains an allowance for expected credit loss relating to its accounts receivable based upon expected collectability. This reserve is established based upon historical trends, global macroeconomic conditions, reasonable and supportable forecasts of future conditions and an analysis of specific exposures. The provision for expected credit loss is recorded as a charge to Marketing and administrative expense on the Company’s Consolidated Statements of Operations.

Inventories. Inventories are valued at the lower of cost (using the first-in, first-out method) and net realizable value. Net realizable value is based upon the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. Adjustments to reduce cost of inventories to its net realizable value are made, if required, for estimated excess or obsolescence determined primarily by future demand forecasts.

Property, Equipment and Leasehold Improvements. Property, equipment and leasehold improvements are stated at cost less accumulated depreciation and amortization. Equipment and buildings are depreciated using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the shorter of the estimated life of the asset or the remaining term of the lease. The costs of additions and substantial improvements to property, equipment and leasehold improvements, which extend the economic life of the underlying assets, are capitalized. The cost of maintenance and repairs to property, equipment and leasehold improvements is expensed as incurred.

Goodwill. The Company performs a qualitative assessment in the fourth quarter of each year, or more frequently if indicators of potential impairment exist, to determine if any events or circumstances exist, such as an adverse change in business climate or a decline in the overall industry that would indicate that it would more likely than not reduce the fair value of a reporting unit below its carrying amount, including goodwill. If it is determined in the qualitative assessment that the fair value of a reporting unit is more likely than not below its carrying amount, including goodwill, then the Company will perform a quantitative impairment test. The quantitative goodwill impairment test is performed by comparing the fair value of a reporting unit with its carrying amount. Any excess in the carrying value of a reporting unit over its fair value is recognized as an impairment loss, limited to the total amount of goodwill allocated to that reporting unit.

Other Long-lived Assets. The Company tests other long-lived assets, including property, equipment and leasehold improvements and other intangible assets subject to amortization, for recoverability whenever events or changes in circumstances indicate that the carrying value of those assets may not be recoverable. The Company performs a recoverability test to assess the recoverability of an asset group. If the recoverability test indicates that the carrying value of the asset group is not recoverable, the Company will estimate the fair value of the asset group and the excess of the carrying value over the fair value is allocated pro rata to derive the adjusted carrying value of assets in the asset group. The adjusted carrying value of each asset in the asset group is not reduced below its fair value.

In accordance with its policy, the Company reviews the estimated useful lives of its fixed assets on an ongoing basis. This review indicated that the actual lives of certain manufacturing equipment at its manufacturing facilities were longer than the estimated useful lives used for depreciation purposes in the Company's consolidated financial statements. As a result, effective June 29, 2019, the Company changed its estimate of the useful lives of its manufacturing equipment from a range of three to five years to a range of three to seven years. The effect of this change in estimate increased the net income by \$134 million for the fiscal year ended July 3, 2020 and increased the diluted earnings per share by \$0.51 for the fiscal year ended July 3, 2020.

The Company tests other intangible assets not subject to amortization whenever events occur or circumstances change, such as declining financial performance, deterioration in the environment in which the entity operates or deteriorating macroeconomic conditions that have a negative effect on future expected earnings and cash flows that could affect significant inputs used to determine the fair value of the indefinite-lived intangible asset.

Assets Held for Sale. The Company classifies its long-lived assets to be sold as held for sale in the period (i) it has approved and committed to a plan to sell the asset, (ii) the asset is available for immediate sale in its present condition, (iii) an active program to locate a buyer and other actions required to sell the asset have been initiated, (iv) the sale of the asset is probable, (v) the asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value and (vi) it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. The Company initially measures a long-lived asset that is classified as held for sale at the lower of its carrying value or fair value less any costs to sell. Any loss resulting from this measurement is recognized in the period in which the held for sale criteria are met. Conversely, gains are not recognized on the sale of a long-lived asset until the date of sale. Upon designation as an asset held for sale, the Company stops recording depreciation expense on the asset. The Company assesses the fair value of a long-lived asset less any costs to sell at each reporting period and until the asset is no longer classified as held for sale.

Leases. Effective June 29, 2019, the Company adopted a new accounting policy for leases in accordance with Accounting Standard Codification ("ASC") 842, Leases, using the modified retrospective approach. Accordingly, the Company applied the new lease accounting standard prospectively to leases existing or commencing on or after June 29, 2019. The Company elected to apply the practical expedients which allow for not reassessing whether existing contracts contain leases, the classification of existing leases and whether the existing initial direct costs meet the new definition. In addition, the Company elected to combine lease and non-lease components for facility leases and to not recognize right-of-use ("ROU") assets and lease liabilities for leases with an initial term of 12 months or less on the balance sheet.

The Company determines if an arrangement is a lease or contains a lease at inception. ROU assets are included in Other assets, net and lease liabilities are included in Accrued expenses and Other non-current liabilities on the Company's Consolidated Balance Sheets. ROU assets represent the Company's right to use an underlying asset for the lease term and the corresponding lease liabilities represent its obligation to make lease payments arising from the lease.

Lease liabilities are measured at the present value of the remaining lease payments and ROU assets are based on the lease liability, adjusted for lease prepayments, lease incentives received and the lessee's initial direct costs. For the Company's leases that do not provide an implicit rate, the net present value of future minimum lease payments is determined using the Company's estimated incremental borrowing rate based on the information available at the lease commencement date. Additionally, the Company's lease term may include options to extend or terminate the lease. These options are reflected in the ROU asset and lease liability when it is reasonably certain that the Company will exercise the option. The Company's lease agreements do not contain any material residual value guarantees.

The Company recognizes lease expense on a straight-line basis over the lease term. Variable lease payments not dependent on an index or a rate primarily consist of common area maintenance charges, are expensed as incurred, and are not included in the ROU asset and lease liability calculation. The total operating and variable lease costs were included in operating expenses in the Company's Consolidated Statements of Operations.

Payment-in-Kind ("PIK") Income. The Company had a debt investment in non-convertible preferred stock of Toshiba Memory Holdings Corporation ("TMHC"), now known as Kioxia, that was fully redeemed by TMHC in June 2019. Transaction costs incurred by the Company to acquire this investment were capitalized and amortized as a reduction of interest income on the Consolidated Statements of Operations over the respective term of the investment. The investment contained a PIK income provision, which represented contractual interest that was due upon redemption, and was accrued and recorded as Interest income each reporting period and added to the carrying value of the Investment in debt security.

Derivative Financial Instruments. The Company records all derivatives on the balance sheet at fair value and establishes criteria for designation and effectiveness of hedging relationships. The Company excludes the change in forward points from the assessment of hedge effectiveness and recognizes the excluded component in Other, net in the Consolidated Statements of Operations. Foreign currency forward exchange contracts not designated as hedge instruments are used to economically hedge the foreign currency exposure on forecasted expenditures in currencies other than U.S. dollar. The Company recognizes the unrealized gains and losses due to the changes in the fair value of these contracts, as well as the related costs in Other, net in the Consolidated Statements of Operations.

Warranty. The Company estimates probable product warranty costs at the time revenue is recognized. The Company generally provides warranty on its products for a period of 1 to 5 years. The Company's warranty provision considers estimated product failure rates and trends (including the timing of product returns during the warranty periods), and estimated repair or replacement costs related to product quality issues, if any. The Company also exercises judgment in estimating its ability to sell refurbished products. The Company's judgment is subject to a greater degree of subjectivity with respect to newly introduced products because of limited experience with those products upon which to base our warranty estimates.

Revenue Recognition and Sales Incentive Programs. The Company determines revenue recognition through the following steps: (1) identification of the contract with a customer; (2) identification of the performance obligations in the contract; (3) determination of the transaction price; (4) allocation of the transaction price to the performance obligations in the contract; and (5) recognition of revenue when, or as, the Company satisfies a performance obligation.

Revenue from sales of products is generally recognized upon transfer of control to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products, net of sales taxes. This typically occurs upon shipment from the Company. When applicable, the Company includes shipping charges billed to customers in Revenue and includes the related shipping costs in Cost of revenue on the Company's Consolidated Statements of Operations.

The Company records estimated variable consideration at the time of revenue recognition as a reduction to revenue. Variable consideration generally consists of sales incentive programs, such as price protection and volume incentives aimed at increasing customer demand. For original equipment manufacturers ("OEMs") sales, rebates are typically established by estimating the most likely amount of consideration expected to be received based on an OEM customer's volume of purchases from the Company or other agreed upon rebate programs. For the distribution and retail channel, these programs typically involve estimating the most likely amount of rebates related to a customer's level of sales, order size, advertising or point of sale activity as well as the expected value of price protection adjustments based on historical analysis and forecasted pricing environment. Marketing development program costs are accrued and recorded as a reduction to revenue at the same time that the related revenue is recognized.

The Company expenses sales commissions as incurred because the amortization period would have been one year or less. These costs are recorded as Marketing and administrative on the Company's Consolidated Statements of Operations.

Restructuring Costs. The timing of recognition for severance costs depends on whether employees are required to render service until they are terminated in order to receive the termination benefits. If employees are required to render service until they are terminated in order to receive the termination benefits, a liability is recognized ratably over the future service period. Otherwise, a liability is recognized when management has committed to a restructuring plan and has communicated those actions to employees. Employee termination benefit costs covered by existing benefit arrangements are recognized when management has committed to a restructuring plan and the severance costs are probable and estimable.

Advertising Expense. The cost of advertising is expensed as incurred. Advertising costs were approximately \$13 million, \$19 million and \$22 million in fiscal years 2021, 2020 and 2019, respectively.

Share-Based Compensation. The Company has elected to apply the with-and-without method to assess the realization of related excess tax benefits. The Company also elected to continue to account for share-based compensation expense net of estimated forfeitures. Refer to *Note 11. Compensation* for details.

Accounting for Income Taxes. The Company makes certain estimates and judgments in determining income tax expense for financial statement purposes. These estimates and judgments occur in the calculation of tax credits, recognition of income and deductions and calculation of specific tax assets and liabilities, which arise from differences in the timing of recognition of revenue and expense for income tax and financial statement purposes, as well as tax liabilities associated with uncertain tax positions. The calculation of tax liabilities involves uncertainties in the application of complex tax rules and the potential for future adjustment of the Company's uncertain tax positions by various taxing authorities. If estimates of these tax liabilities are greater or less than actual results, an additional tax provision or benefit will result. The deferred tax assets the Company records each period depend primarily on the Company's ability to generate future taxable income in the United States and certain non-U.S. jurisdictions. Each period, the Company evaluates the need for a valuation allowance for its deferred tax assets and, if necessary, adjusts the valuation allowance so that net deferred tax assets are recorded only to the extent the Company concludes it is more likely than not that these deferred tax assets will be realized. If the Company's outlook for future taxable income changes significantly, the Company's assessment of the need for, and the amount of, a valuation allowance may also change.

Equity Investments. From time to time, the Company enters into certain strategic investments for the promotion of business and strategic objectives, which are accounted for either under equity method or the measurement alternative. These investments are included in Other assets, net in the Company's Consolidated Balance Sheets and are adjusted through Other, net in the Consolidated Statement of Operations.

Investments are accounted for under the equity method if the Company has the ability to exercise significant influence, but does not have a controlling financial interest. These investments are measured at cost, less any impairment plus the Company's portion of investee's income or loss. The Company uses the financial statements of investees to determine any adjustments, which are received on a one-quarter lag.

For equity investments where the Company does not have the ability to exercise significant influence and there are no readily determinable fair values, the Company has elected to apply the measurement alternative, under which investments are measured at cost, less impairment, and adjusted for qualifying observable price changes on a prospective basis.

The Company's strategic investments are periodically analyzed to determine whether or not there are indicators of impairment by assessing factors such as deterioration of earnings, adverse change in market/industry conditions, the ability to operate as a going concern, and other factors which indicate that the carrying amount of the investment might not be recoverable. In such a case, the decrease in value is recognized in the period the impairment occurs in the Consolidated Statements of Operations.

Comprehensive Income. The Company presents comprehensive income in a separate statement. Comprehensive income is comprised of net income and other gains and losses affecting equity that are excluded from net income.

Foreign Currency Remeasurement and Translation. The U.S. dollar is the functional currency for the majority of the Company's foreign operations. Monetary assets and liabilities denominated in foreign currencies are remeasured into the functional currency of the subsidiary at the balance sheet date. The gains and losses from the remeasurement of foreign currency denominated balances into the functional currency of the subsidiary are included in Other, net on the Company's Consolidated Statements of Operations. The Company's subsidiaries that use the U.S. dollar as their functional currency remeasure monetary assets and liabilities at exchange rates in effect at the end of each period, and nonmonetary assets and liabilities at historical rates.

The Company translates the assets and liabilities of its non-U.S. dollar functional currency subsidiaries into U.S. dollars using exchange rates in effect at the end of each period. Revenue and expenses for these subsidiaries are translated using rates that approximate those in effect during the period. Gains and losses from these translations are recognized in foreign currency translation included in Accumulated other comprehensive loss, which is a component of Shareholders' Equity.

Concentrations

Concentration of Credit Risk. The Company's customer base is concentrated with a small number of customers. The Company does not generally require collateral or other security to support accounts receivable. To reduce credit risk, the Company performs ongoing credit evaluations on its customers' financial condition. The Company establishes allowances for expected credit losses based upon factors surrounding the credit risk of customers, global macroeconomic conditions and an analysis of specific exposures. One customer accounted for 11% and 11% of the Company's accounts receivable as of July 2, 2021 and July 3, 2020, respectively, and one customer accounted for 15% of the Company's accounts receivable as of July 3, 2020.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash equivalents, investments and foreign currency forward exchange contracts. The Company mitigates concentrations of credit risk in its financial instruments through diversification, by investing in highly-rated securities and/or major multinational companies.

In entering into foreign currency forward exchange contracts, the Company assumes the risk that might arise from the possible inability of counterparties to meet the terms of their contracts. The counterparties to these contracts are major multinational commercial and investment banks, and the Company has not incurred and does not expect any losses as a result of counterparty defaults.

Supplier Concentration. Certain of the raw materials, components and equipment used by the Company in the manufacture of its products are available from single-sourced direct and indirect vendors. Shortages could occur in these essential materials and components due to an interruption of supply or increased demand in the industry. If the Company were unable to procure certain materials, components or equipment at all or acceptable prices, it would be required to reduce its manufacturing operations, which could have a material adverse effect on its results of operations. In addition, the Company may make prepayments to certain suppliers or enter into minimum volume commitment agreements. Should these suppliers be unable to deliver on their obligations or experience financial difficulty, the Company may not be able to recover these prepayments.

Recently Issued Accounting Pronouncements

In December 2019, the FASB issued ASU 2019-12 (ASC Topic 740), *Simplifying the Accounting for Income Taxes*. This ASU simplifies accounting for income taxes by removing certain exceptions to the general principles and amending existing guidance to improve consistent application. The Company is required to adopt this guidance in the first quarter of fiscal year 2022. The Company does not expect the adoption of this ASU to have a material impact on its consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04 (ASC Topic 848), *Reference Rate Reform*. This ASU provides optional expedients and exceptions for applying U.S. generally accepted accounting principles to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. Adoption of the expedients and exceptions is permitted upon issuance of this update through December 31, 2022. The Company does not expect the adoption of this ASU to have a material impact on its consolidated financial statements.

Recently Adopted Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13 (ASC Topic 326), *Financial Instruments—Credit Losses: Measurement of Credit Losses on Financial Instruments*. This ASU amends the requirement on the measurement and recognition of expected credit losses for financial assets held to include future conditions in its estimate of expected credit losses. The Company adopted this new accounting pronouncement in the quarter ended October 2, 2020. The adoption of this ASU did not have a material impact on the Company's consolidated financial statements.

In August 2018, the FASB issued ASU 2018-15 (ASC Subtopic 350-40), *Intangibles—Goodwill and Other - Internal-Use Software—Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That is a Service Contract*. This ASU aligns the accounting for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the accounting for implementation costs incurred to develop or obtain internal-use software. The Company adopted this new accounting pronouncement in the quarter ended October 2, 2020. The adoption of this ASU did not have a material impact on the Company's consolidated financial statements.

2. Balance Sheet Information

Available-for-sale Debt Securities

The following table summarizes, by major type, the fair value and amortized cost of the Company's investments as of July 2, 2021:

(Dollars in millions)	Amortized Cost	Unrealized Gain/(Loss)	Fair Value
Available-for-sale debt securities:			
Money market funds	\$ 552	\$ —	\$ 552
Time deposits and certificates of deposit	1	—	1
Other debt securities	18	—	18
Total	<u>\$ 571</u>	<u>\$ —</u>	<u>\$ 571</u>
Included in Cash and cash equivalents			\$ 551
Included in Other current assets			2
Included in Other assets, net			18
Total			<u>\$ 571</u>

As of July 2, 2021, the Company's Other current assets included \$2 million in restricted cash equivalents held as collateral at banks for various performance obligations.

As of July 2, 2021, the Company had no material available-for-sale debt securities that had been in a continuous unrealized loss position for a period greater than 12 months. The Company determined no available-for-sale debt securities were other-than-temporarily impaired as of July 2, 2021.

The fair value and amortized cost of the Company's investments classified as available-for-sale debt securities at July 2, 2021 by remaining contractual maturity were as follows:

(Dollars in millions)	Amortized Cost	Fair Value
Due in less than 1 year	\$ 553	\$ 553
Due in 1 to 5 years	10	10
Due in 6 to 10 years	—	—
Thereafter	8	8
Total	<u>\$ 571</u>	<u>\$ 571</u>

The following table summarizes, by major type, the fair value and amortized cost of the Company's investments as of July 3, 2020:

(Dollars in millions)	Amortized Cost	Unrealized Gain/(Loss)	Fair Value
Available-for-sale securities:			
Money market funds	\$ 495	\$ —	\$ 495
Time deposits and certificates of deposits	56	—	56
Other debt securities	18	—	18
Total	<u>\$ 569</u>	<u>\$ —</u>	<u>\$ 569</u>
Included in Cash and cash equivalents			\$ 549
Included in Other current assets			2
Included in Other assets, net			18
Total			<u>\$ 569</u>

As of July 3, 2020, the Company's Other current assets included \$2 million in restricted cash and investments held as collateral at banks for various performance obligations.

As of July 3, 2020, the Company had no material available-for-sale debt securities that had been in a continuous unrealized loss position for a period greater than 12 months. The Company determined no available-for-sale debt securities were other-than-temporarily impaired as of July 3, 2020.

Cash, Cash Equivalents and Restricted Cash

The following table provides a summary of cash, cash equivalents and restricted cash reported within the Consolidated Balance Sheets that reconciles to the corresponding amount in the Consolidated Statements of Cash Flows:

(Dollars in millions)	July 2, 2021	July 3, 2020	June 28, 2019	June 29, 2018
Cash and cash equivalents	\$ 1,209	\$ 1,722	\$ 2,220	\$ 1,853
Restricted cash included in Other current assets	2	2	31	4
Total cash, cash equivalents and restricted cash shown in the Statements of Cash Flows	<u>\$ 1,211</u>	<u>\$ 1,724</u>	<u>\$ 2,251</u>	<u>\$ 1,857</u>

As of June 28, 2019, the Company's Other current assets included \$31 million in restricted cash and cash equivalents in an escrow account for the sale of certain properties and cash equivalents held as collateral at banks for various performance obligations

Accounts Receivable, net

The following table provides details of the accounts receivable, net balance sheet item:

(Dollars in millions)	July 2, 2021	July 3, 2020
Accounts receivable	\$ 1,162	\$ 1,120
Allowances for expected credit losses	(4)	(5)
Account receivable, net	<u>\$ 1,158</u>	<u>\$ 1,115</u>

Activity in the expected credit losses accounts is as follows:

(Dollars in millions)	Balance at Beginning of Period	Charges (Credit) to Operations	Deductions ⁽¹⁾	Balance at End of Period
Fiscal year ended June 28, 2019	\$ 4	—	—	\$ 4
Fiscal year ended July 3 2020	\$ 4	1	—	\$ 5
Fiscal year ended July 2, 2021	\$ 5	—	(1)	\$ 4

⁽¹⁾ Uncollectible accounts written off, net of recoveries.

In connection with an existing factoring agreement, the Company sells trade receivables to a third party for cash proceeds less a discount. During fiscal year 2021, the Company sold trade receivables without recourse for cash proceeds of \$183 million, of which none remained subject to servicing by the Company as of July 2, 2021. During fiscal year 2020, the Company sold trade receivables without recourse for cash proceeds of \$89 million, of which \$10 million remained subject to servicing by the Company as of July 3, 2020. The discounts on trade receivables sold were not material for fiscal years 2021 and 2020.

Inventories

The following table provides details of the inventory balance sheet item:

(Dollars in millions)	July 2, 2021	July 3, 2020
Raw materials and components	\$ 375	\$ 451
Work-in-process	443	313
Finished goods	386	378
Total inventories	<u>\$ 1,204</u>	<u>\$ 1,142</u>

Property, Equipment and Leasehold Improvements, net

The components of property, equipment and leasehold improvements, net were as follows:

(Dollars in millions)	Useful Life in Years ⁽¹⁾	July 2, 2021	July 3, 2020
Land and land improvements		\$ 47	\$ 48
Equipment	3 – 7	8,250	8,033
Buildings and leasehold improvements	Up to 30	1,881	1,848
Construction in progress		200	283
		10,378	10,212
Less: accumulated depreciation and amortization		(8,197)	(8,083)
Property, equipment and leasehold improvements, net		\$ 2,181	\$ 2,129

⁽¹⁾ Effective June 29, 2019, the Company changed its estimate of the useful lives of its manufacturing equipment from a range of three to five years to a range of three to seven years. Please refer to Note 1, Basis of Presentation and Summary of Significant Accounting Policies for more details.

Depreciation expense, which includes amortization of leasehold improvements, was \$368 million, \$325 million and \$464 million for fiscal years 2021, 2020 and 2019, respectively. Interest on borrowings related to eligible capital expenditures is capitalized as part of the cost of the qualified assets and amortized over the estimated useful lives of the assets. During fiscal years 2021, 2020 and 2019, the Company capitalized interest of \$5 million, \$6 million and \$3 million, respectively.

Accrued Expenses

The following table provides details of the accrued expenses balance sheet item:

(Dollars in millions)	July 2, 2021	July 3, 2020
Dividends payable	\$ 153	\$ 167
Other accrued expenses	455	435
Total	\$ 608	\$ 602

Accumulated Other Comprehensive Loss (“AOCL”)

The components of AOCL, net of tax, were as follows:

(Dollars in millions)	Unrealized Gains/(Losses) on Cash Flow Hedges	Unrealized Gains/(Losses) on Post-Retirement Plans	Foreign Currency Translation Adjustments	Total
Balance at June 28, 2019	\$ —	\$ (20)	\$ (14)	\$ (34)
Other comprehensive loss before reclassifications	(27)	(7)	(2)	(36)
Amounts reclassified from AOCL to Consolidated Statements of Operations	3	1	—	4
Other comprehensive loss	(24)	(6)	(2)	(32)
Balance at July 3, 2020	(24)	(26)	(16)	(66)
Other comprehensive gain before reclassifications	15	1	15	31
Amounts reclassified from AOCL to Consolidated Statements of Operations	(9)	3	—	(6)
Other comprehensive income	6	4	15	25
Balance at July 2, 2021	\$ (18)	\$ (22)	\$ (1)	\$ (41)

3. Goodwill and Other Intangible Assets

Goodwill

The carrying amount of goodwill was \$1,237 million as of July 2, 2021 and July 3, 2020. There were no additions to, disposals of, impairments of or translation adjustments to goodwill in fiscal years 2021, 2020 and 2019.

Other Intangible Assets

Other intangible assets consist primarily of existing technology, customer relationships and trade names acquired in business combinations. Intangibles are amortized on a straight-line basis over the respective estimated useful lives of the assets. Amortization is charged to Operating expenses in the Consolidated Statements of Operations.

In fiscal years 2021, 2020 and 2019, amortization expense for other intangible assets was \$29 million, \$53 million and \$77 million, respectively.

The carrying value of other intangible assets subject to amortization, excluding fully amortized intangible assets, as of July 2, 2021, is set forth in the following table:

(Dollars in millions)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Remaining Useful Life
Existing technology	\$ 43	\$ (30)	\$ 13	1.8 Years
Customer relationships	71	(58)	13	1.2 Years
Other intangible assets	9	(6)	3	1.7 Years
Total amortizable other intangible assets	<u>\$ 123</u>	<u>\$ (94)</u>	<u>\$ 29</u>	1.5 Years

The carrying value of other intangible assets subject to amortization, excluding fully amortized intangible assets, as of July 3, 2020 is set forth in the following table:

(Dollars in millions)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Remaining Useful Life
Existing technology	\$ 199	\$ (179)	\$ 20	1.5 Years
Customer relationships	71	(48)	23	2.2 Years
Trade name	2	(2)	—	0.2 Years
Other intangible assets	19	(4)	15	2.9 Years
Total amortizable other intangible assets	<u>\$ 291</u>	<u>\$ (233)</u>	<u>\$ 58</u>	2.1 Years

As of July 2, 2021, expected amortization expense for other intangible assets for each of the next two years is as follows:

(Dollars in millions)	Amount
2022	\$ 20
2023	9
Thereafter	—
Total	<u>\$ 29</u>

4. Debt

Credit Agreement

The Company's subsidiary, Seagate HDD Cayman, entered into a credit agreement on February 20, 2019, which was amended on January 13, 2021 and May 18, 2021 (the "Credit Agreement"), increasing the size of the senior unsecured revolving credit facility ("Revolving Credit Facility"), capping the indebtedness guaranteed by certain of Seagate HDD Cayman's material subsidiaries to an amount \$100 million less than the amount that would give rise to a guarantee requirement by such subsidiaries in respect of any series of senior notes and amending certain definitions, covenants, and other provisions to contemplate STX as the parent entity as of the Scheme effective time, respectively. In connection with the May 18, 2021 amendment, STX entered into a joinder agreement pursuant to which, at the Scheme effective time, it became a party to and guarantor of the Credit Agreement. The Credit Agreement provides an up to \$1.725 billion senior unsecured revolving credit facility and a term loan facility in an aggregate principal amount of \$500 million ("Term Loan"). The Revolving Credit Facility has a final maturity of February 20, 2024 and the Term Loan has a final maturity date of September 16, 2025. The loans made under the Revolving Credit Facility and Term Loan will bear interest at a rate of the London Interbank Offered Rate ("LIBOR") plus a variable margin for each facility that will be determined based on the corporate credit rating of the Company. STX and certain of its material subsidiaries, including STUC, fully and unconditionally guarantee both the Revolving Credit Facility and Term Loan. The Revolving Credit Facility also allows such facility to increase by an additional \$275 million, provided that (i) there has been, and will be after giving effect to such increase, no default, (ii) the increase is at least \$25 million and (iii) the existing commitments under the facility receive 0.50% most favored nation protection. An aggregate amount of up to \$75 million of the Revolving Credit Facility is available for the issuance of letters of credit, and an aggregate amount of up to \$50 million of such facility is also available for swing line loans.

On September 17, 2019, Seagate HDD Cayman borrowed the \$500 million principal amount under the Term Loan and the proceeds were used to repurchase a portion of its outstanding senior notes. The Term Loan is repayable in quarterly installments of 1.25% of the original principal amount beginning on December 31, 2020, with the remaining balance payable upon maturity. The Company repaid \$19 million principal amount of the Term Loan during fiscal year 2021.

The Credit Agreement includes three financial covenants: (1) interest coverage ratio, (2) total leverage ratio and (3) a minimum liquidity amount. The Company was in compliance with the covenants as of July 2, 2021 and expects to be in compliance for the next 12 months.

As of July 2, 2021, no borrowings (including swing line loans) were outstanding and no commitments were utilized for letters of credit issued under the Revolving Credit Facility.

Long-Term Debt

\$800 million Aggregate Principal Amount of 3.75% Senior Notes due November 2018 (the "2018 Notes"). On November 5, 2013, Seagate HDD Cayman, issued \$800 million in aggregate principal amount of 3.75% Senior Notes. The obligations under the 2018 Notes were fully and unconditionally guaranteed on a senior unsecured basis by Seagate Technology plc. The interest on the Notes was payable semi-annually on May 15 and November 15 of each year. On November 15, 2018, the 2018 Notes matured and the entire outstanding principal amount of \$499 million was repaid, plus accrued and unpaid interest.

\$750 million Aggregate Principal Amount of 4.25% Senior Notes due March 2022 (the "2022 Notes"). On February 3, 2017, Seagate HDD Cayman issued, in a private placement, \$750 million in aggregate principal amount of 4.25% Senior Notes which will mature on March 1, 2022. The obligations under the 2022 Notes are fully and unconditionally guaranteed on a senior unsecured basis, by STUC and, pursuant to a supplemental indenture dated as of May 18, 2021, STX. The interest on the 2022 Notes is payable semi-annually on March 1 and September 1 of each year, commencing on September 1, 2017. At any time before February 1, 2022, Seagate HDD Cayman may redeem some or all of the 2022 Notes at a "make whole" redemption price, plus accrued and unpaid interest, if any. The "make-whole" redemption price will be equal to (1) 100% of the principal amount of the 2022 Notes redeemed, plus (2) the excess, if any, of (a) the sum of the present values of the remaining scheduled payments of principal and interest on the 2022 Notes being redeemed, discounted to the redemption date on a semi-annual basis at a rate equal to the sum of the Treasury Rate (as defined in the relevant Indenture) plus 40 basis points, minus accrued and unpaid interest, if any, on the 2022 Notes being redeemed to, but excluding, the redemption date over (b) the principal amount of the 2022 Notes being redeemed, plus (3) accrued and unpaid interest, if any, on the 2022 Notes being redeemed to, but excluding, the redemption date. During fiscal year 2021, \$9 million aggregate principal amount of the 2022 Notes was repurchased for cash at a premium to their principal amount, plus accrued and unpaid interest. During fiscal year 2020, \$521 million aggregate principal amount of the 2022 Notes were repurchased for cash at a premium to their principal amount, plus accrued and unpaid interest, \$250 million and \$248 million principal amount of which were repurchased pursuant to cash tender offers for certain senior notes on September 18, 2019 and June 18, 2020 (the "Tender Offers"), respectively. The Company recorded an immaterial loss and a loss of \$29 million on repurchases during fiscal years 2021 and 2020, respectively, which is included in Other, net in the Company's Consolidated Statements of Operations. At any time on or after February 1,

2022, Seagate HDD Cayman may redeem some or all of the 2022 Notes at a redemption price equal to 100% of the principal amount of the 2022 Notes redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

\$1 billion Aggregate Principal Amount of 4.75% Senior Notes due June 2023 (the “2023 Notes”). On May 22, 2013, Seagate HDD Cayman issued, in a private placement, \$1 billion in aggregate principal amount of 4.75% Senior Notes, which will mature on June 1, 2023. The obligations under the 2023 Notes are fully and unconditionally guaranteed on a senior unsecured basis, by STUC and, pursuant to a supplemental indenture dated as of May 18, 2021, STX. The interest on the 2023 Notes is payable semi-annually on June 1 and December 1 of each year. Seagate HDD Cayman may redeem the 2023 Notes in whole or in part, on not less than 30, nor more than 60 days’ notice, at a “make-whole” premium redemption price. The “make-whole” redemption price will be equal to the greater of (1) 100% of the principal amount of the 2023 Notes being redeemed, or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the 2023 Notes being redeemed, discounted at the redemption date on a semi-annual basis at a rate equal to the sum of the applicable Treasury Rate plus 50 basis points. Accrued and unpaid interest, if any, will be paid to, but excluding, the redemption date. During fiscal years 2021 and 2019, \$5 million and \$10 million aggregate principal amount of the 2023 Notes was repurchased for cash at a premium to their principal amount, plus accrued and unpaid interest, respectively. During fiscal year 2020, \$395 million aggregate principal amount of the 2023 Notes were repurchased for cash at a premium to their principal amount, plus accrued and unpaid interest, \$200 million and \$178 million principal amount of which was repurchased pursuant to the Tender Offers on September 18, 2019 and June 18, 2020, respectively. The Company recorded a loss of \$1 million and \$20 million for fiscal years 2021 and 2020, which is included in Other, net in the Company’s Consolidated Statement of Operations. The loss recorded on the repurchases in fiscal year 2019 was immaterial.

\$500 million Aggregate Principal Amount of 4.875% Senior Notes due March 2024 (the “2024 Notes”). On February 3, 2017, Seagate HDD Cayman issued, in a private placement, \$500 million in aggregate principal amount of 4.875% Senior Notes which will mature on March 1, 2024. The obligations under the 2024 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STUC and, pursuant to a supplemental indenture dated as of May 18, 2021, STX. The interest on the 2024 Notes is payable semi-annually on March 1 and September 1 of each year, commencing on September 1, 2017. At any time before January 1, 2024, Seagate HDD Cayman may redeem some or all of the 2024 Notes at a “make-whole” redemption price, plus accrued and unpaid interest, if any. The “make-whole” redemption price will be equal to (1) 100% of the principal amount of the 2024 Notes redeemed, plus (2) the excess, if any, of (a) the sum of the present values of the remaining scheduled payments of principal and interest on the 2024 Notes being redeemed, discounted to the redemption date on a semi-annual basis at a rate equal to the sum of the Treasury Rate plus 45 basis points, minus accrued and unpaid interest, if any, on the 2024 Notes being redeemed to, but excluding, the redemption date over (b) the principal amount of the 2024 Notes being redeemed, plus (3) accrued and unpaid interest, if any, on the 2024 Notes being redeemed to, but excluding, the redemption date.

\$1 billion Aggregate Principal amount of 4.75% Senior Notes due January 2025 (the “2025 Notes”). On May 28, 2014, Seagate HDD Cayman issued, in a private placement, \$1 billion in aggregate principal amount of 4.75% Senior Notes due 2025, which will mature on January 1, 2025. The obligations under the 2025 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STUC and, pursuant to a supplemental indenture dated as of May 18, 2021, STX. The interest on the 2025 Notes will be payable in cash semiannually on January 1 and July 1 of each year, commencing on January 1, 2015. At any time, upon not less than 30 nor more than 60 days’ notice, Seagate HDD may redeem some or all of the 2025 Notes at a “make-whole” redemption price. The “make-whole” redemption price will be equal to the greater of (1) 100% of the principal amount of the 2025 Notes redeemed, and (2) the sum of the present values of the remaining scheduled payments of principal and interest on the 2025 Notes being redeemed, discounted to the redemption date on a semi-annual basis at a rate equal to the sum of the Treasury Rate plus 50 basis points. Accrued and unpaid interest, if any, will be paid to, but excluding, the redemption date. On September 18, 2019, \$170 million principal amount of the 2025 Notes was repurchased at a premium pursuant to the Tender Offers. During fiscal year 2019, \$55 million aggregate principal amount of the 2025 Notes were repurchased for cash at a discount to their principal amount, plus accrued and unpaid interest. For fiscal years 2020 and 2019 the Company recorded a loss of \$8 million and a gain of approximately \$1 million on the repurchases respectively, which is included in Other, net in the Company’s Consolidated Statements of Operations. On June 18, 2020, Seagate HDD Cayman completed an exchange offer in which the principal amount of \$271 million of the 2025 Notes was exchanged for the principal amount of \$297 million of the July 2029 Notes (as defined below). The exchange was accounted for as a debt modification with no gain or loss recognized.

\$700 million Aggregate Principal Amount of 4.875% Senior Notes due June 2027 (the “2027 Notes”). On May 14, 2015, Seagate HDD Cayman issued, in a private placement, \$700 million in aggregate principal amount of 4.875% Senior Notes, which will mature on June 1, 2027. The obligations under the 2027 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STUC and, pursuant to a supplemental indenture dated as of May 18, 2021, STX. The interest on the 2027 Notes is payable semi-annually on June 1 and December 1 of each year, commencing on December 1, 2015. At any time before March 1, 2027, Seagate HDD Cayman may redeem some or all of the 2027 Notes at a “make-whole” redemption price. The “make-whole” redemption price will be equal to (1) 100% of the principal amount of the 2027 Notes redeemed, plus (2) the excess, if any of (x) the sum of the present values of the remaining scheduled payments of principal and interest on the 2027 Notes being redeemed, discounted to the redemption date on a semi-annual basis at a rate equal to the sum of the Treasury Rate plus 40 basis points, minus accrued and unpaid interest, if any, on the 2027 Notes being redeemed to, but excluding, the redemption date over (y) the principal amount of the 2027 Notes being redeemed, plus (3) accrued and unpaid interest, if any, on the 2027 Notes being redeemed to, but excluding, the redemption date. At any time on or after March 1, 2027, Seagate HDD Cayman may redeem some or all of the 2027 Notes at a redemption price equal to 100% of the principal amount of the 2027 Notes redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. During fiscal year 2019, \$6 million aggregate principal amount of the 2027 Notes were repurchased for cash at a discount to their principal amount, plus accrued and unpaid interest. For fiscal year 2019, the Company recorded an immaterial gain on the repurchase, which is included in Other, net in the Company’s Consolidated Statements of Operations. On June 18, 2020, Seagate HDD Cayman completed an exchange offer in which the principal amount of \$185 million of the 2027 Notes was exchanged for the principal amount of \$203 million of the July 2029 Notes (as defined below). The exchange was accounted for as a debt modification with no gain or loss recognized.

\$500 million Aggregate Principal Amount of 4.091% Senior Notes due June 2029 (the “June 2029 Notes”). On June 18, 2020, Seagate HDD Cayman issued, in a private placement, \$500 million in aggregate principal amount of 4.091% Senior Notes in connection with Seagate HDD Cayman’s exchange offers to certain eligible holders of Seagate HDD Cayman’s outstanding 2025 Notes and 2027 Notes (the “Exchange Offers”). The obligations under the June 2029 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STUC and, pursuant to a supplemental indenture dated as of May 18, 2021, STX. The June 2029 Notes will mature on June 1, 2029. Interest on the June 2029 Notes will be payable in cash semiannually on June 1 and December 1 of each year, commencing on December 1, 2020. At any time before March 1, 2029, Seagate HDD Cayman may redeem any or all of the June 2029 Notes at a “make-whole” redemption price. The “make-whole” redemption price will be equal to (1) 100% of the principal amount of the June 2029 Notes redeemed, plus (2) the excess, if any, of (x) the sum of the present values of the remaining scheduled payments of principal and interest on the June 2029 Notes being redeemed (as if the 2029 Notes matured on the Notes Par Call Date, as defined below), discounted to the redemption date on a semi-annual basis (assuming a 360-day year of twelve 30-day months) at a rate equal to the sum of the Treasury Rate plus 50 basis points, minus accrued and unpaid interest, if any, on the June 2029 Notes being redeemed to, but excluding, the redemption date over (y) the principal amount of the June 2029 Notes being redeemed, plus (3) accrued and unpaid interest, if any, on the June 2029 Notes being redeemed to, but excluding, the redemption date. At any time on or after March 1, 2029 (the “Notes Par Call Date”), Seagate HDD Cayman may redeem some or all of the June 2029 Notes at a redemption price equal to 100% of the principal amount of the June 2029 Notes redeemed, plus accrued and unpaid interest thereon, if any, to, but excluding, the redemption date.

\$500 million Aggregate Principal Amount of 3.125% Senior Notes due July 2029 (the “July 2029 Notes”). On December 8, 2020, Seagate HDD Cayman issued, in a private placement, \$500 million in aggregate principal amount of the July 2029 Notes, which will mature on July 15, 2029. The obligations under the July 2029 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STUC and, pursuant to a supplemental indenture dated as of May 18, 2021, STX. The interest on the July 2029 Notes is payable semi-annually on January 15 and July 15 of each year, commencing on July 15, 2021. At any time before January 15, 2024, Seagate HDD Cayman may redeem some or all of the July 2029 Notes at a “make-whole” redemption price. The “make-whole” redemption price will be equal to (1) 100% of the principal amount of the July 2029 Notes redeemed, plus (2) the greater of (a) 1.0% of the principal amount of the July 2029 Notes and (b) the excess, if any, of (i) the present value at such redemption date of (x) the applicable redemption price of such July 2029 Notes that would apply if such July 2029 Notes were redeemed on January 15, 2024, plus (y) all remaining scheduled payments of interest due on such July 2029 Notes to and including January 15, 2024, computed using a discount rate equal to the applicable Treasury Rate as of such redemption date plus 50 basis points; over (ii) the sum of accrued and unpaid interest, if any, to, but excluding, the redemption date, plus the principal amount of such July 2029 Notes, plus (3) accrued and unpaid interest, if any, to, but excluding, the redemption date. At any time on or after January 15, 2024, Seagate HDD Cayman may redeem some or all of such July 2029 Notes at a price of 101.563%, 100.781% and 100.000%, after January 15, 2024, January 15, 2025 and January 15, 2026, respectively, plus accrued and unpaid interest thereon, if any, to, but excluding, the redemption date. In addition, Seagate HDD Cayman may redeem with the net cash proceeds from one or more equity offerings up to 40% of the July 2029 Notes before January 15, 2024, at a redemption price of 103.125%, plus accrued and unpaid interest to, but excluding, the redemption date.

\$500 million Aggregate Principal Amount of 4.125% Senior Notes due January 2031 (the “January 2031 Notes”). On June 10, 2020, Seagate HDD Cayman issued, in a private placement, \$500 million in aggregate principal amount of 4.125% Senior Notes, which will mature on January 15, 2031. The obligations under the January 2031 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STUC and, pursuant to a supplemental indenture dated as of May 18, 2021, STX. Interest on the Notes will be payable in cash semiannually on January 15 and July 15 of each year, commencing on January 15, 2021. At any time before October 15, 2030, Seagate HDD Cayman may redeem any or all of the Notes at a “make-whole” redemption price. The “make-whole” redemption price will be equal to (1) 100% of the principal amount of the January 2031 Notes redeemed, plus (2) the excess, if any, of (x) the sum of the present values of the remaining scheduled payments of principal and interest on the January 2031 Notes being redeemed (as if the January 2031 Notes matured on the January 2031 Notes Par Call Date, as defined below), discounted to the redemption date on a semi-annual basis (assuming a 360-day year of twelve 30-day months) at a rate equal to the sum of the Treasury Rate plus 50 basis points, minus accrued and unpaid interest, if any, on the January 2031 Notes being redeemed to, but excluding, the redemption date over (y) the principal amount of the January 2031 Notes being redeemed, plus (3) accrued and unpaid interest, if any, on the January 2031 Notes being redeemed to, but excluding, the redemption date. At any time on or after October 15, 2030 (the “January 2031 Notes Par Call Date”), Seagate HDD Cayman may redeem some or all of the January 2031 Notes at a redemption price equal to 100% of the principal amount of the January 2031 Notes redeemed, plus accrued and unpaid interest thereon, if any, to, but excluding, the redemption date.

\$500 million Aggregate Principal Amount of 3.375% Senior Notes due July 2031 (the “July 2031 Notes”). On December 8, 2020, Seagate HDD Cayman issued, in a private placement, \$500 million in aggregate principal amount of the July 2031 Notes, which will mature on July 15, 2031. The obligations under the July 2031 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STUC and, pursuant to a supplemental indenture dated as of May 18, 2021, STX. The interest on the July 2031 Notes is payable semi-annually on January 15 and July 15 of each year, commencing on July 15, 2021. At any time before January 15, 2026, Seagate HDD Cayman may redeem some or all of the July 2031 Notes at a “make-whole” redemption price. The “make-whole” redemption price will be equal to (1) 100% of the principal amount of the July 2031 Notes redeemed, plus (2) the greater of (a) 1.0% of the principal amount of the July 2031 Notes and (b) the excess, if any, of (i) the present value at such redemption date of (x) the applicable redemption price of such July 2031 Notes that would apply if such July 2031 Notes were redeemed on January 15, 2026, plus (y) all remaining scheduled payments of interest due on such July 2031 Notes to and including January 15, 2026, computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over (ii) the sum of accrued and unpaid interest, if any, to, but excluding, the redemption date, plus the principal amount of such July 2031 Notes, plus (3) accrued and unpaid interest, if any, to, but excluding, the redemption date. At any time on or after January 15, 2026, Seagate HDD Cayman may redeem some or all of such July 2031 Notes at a price of 101.688%, 101.125%, 100.563% and 100.000%, after January 15, 2026, January 15, 2027, January 15, 2028 and January 15, 2029, respectively, plus accrued and unpaid interest thereon, if any, to, but excluding, the redemption date. In addition, Seagate HDD Cayman may redeem with the net cash proceeds from one or more equity offerings up to 40% of the July 2031 Notes before January 15, 2024, a redemption price of 103.375%, accrued and unpaid interest to, but excluding, the redemption date.

\$500 million Aggregate Principal Amount of 5.75% Senior Notes due December 2034 (the “2034 Notes”). On December 2, 2014, Seagate HDD Cayman issued, in a private placement, \$500 million in aggregate principal amount of 5.75% Senior Notes, which will mature on December 1, 2034. The obligations under the 2034 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STUC and, pursuant to a supplemental indenture dated as of May 18, 2021, STX. The interest on the Notes is payable semi-annually on June 1 and December 1 of each year, commencing on June 1, 2015. At any time before June 1, 2034, Seagate HDD Cayman may redeem some or all of the 2034 Notes at a “make-whole” redemption price. The “make-whole” redemption price will be equal to (1) 100% of the principal amount of the 2034 Notes redeemed, plus (2) the excess, if any of (x) the sum of the present values of the remaining scheduled payments of principal and interest on the 2034 Notes being redeemed, discounted to the redemption date on a semi-annual basis at a rate equal to the sum of the Treasury Rate plus 50 basis points, minus accrued and unpaid interest, if any, on the 2034 Notes being redeemed to, but excluding, the redemption date over (y) the principal amount of the 2034 Notes being redeemed, plus (3) accrued and unpaid interest, if any, on the 2034 Notes being redeemed to, but excluding, the redemption date. At any time on or after June 1, 2034, Seagate HDD Cayman may redeem some or all of the 2034 Notes at a redemption price equal to 100% of the principal amount of the 2034 Notes redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date.

At July 2, 2021, future principal payments on long-term debt were as follows (in millions):

Fiscal Year	Amount
2022	\$ 245
2023	566
2024	525
2025	504
2026	381
Thereafter	2,995
Total	\$ 5,216

5. Income Taxes

Income before income taxes consisted of the following:

(Dollars in millions)	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
U.S.	\$ 191	\$ 121	\$ 275
Non-U.S.	1,157	911	1,097
	<u>\$ 1,348</u>	<u>\$ 1,032</u>	<u>\$ 1,372</u>

The provision (benefit) for income taxes consisted of the following:

(Dollars in millions)	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Current income tax expense:			
U.S.	\$ —	\$ —	\$ —
Non-U.S.	38	36	45
Total Current	<u>38</u>	<u>36</u>	<u>45</u>
Deferred income tax benefit:			
U.S.	8	(18)	(678)
Non-U.S.	(12)	10	(7)
Total Deferred	<u>(4)</u>	<u>(8)</u>	<u>(685)</u>
Provision (benefit) for income taxes	<u>\$ 34</u>	<u>\$ 28</u>	<u>\$ (640)</u>

The significant components of the Company's deferred tax assets and liabilities were as follows (in millions):

(Dollars in millions)	Fiscal Years Ended	
	July 2, 2021	July 3, 2020
Deferred tax assets		
Accrued warranty	\$ 31	\$ 35
Inventory carrying value adjustments	39	30
Receivable allowances	15	11
Accrued compensation and benefits	66	55
Depreciation	47	59
Restructuring accruals	1	9
Other accruals and deferred items	25	22
Net operating losses	698	735
Tax credit carryforwards	628	603
Other assets	1	7
Gross: Deferred tax assets	1,551	1,566
Less: Valuation allowance	(429)	(438)
Net: Deferred tax assets	1,122	1,128
Deferred tax liabilities		
Unremitted earnings of certain non-U.S. entities	(5)	(16)
Acquisition-related Items	(5)	(8)
Other liabilities	(9)	(5)
Net: Deferred tax liabilities	(19)	(29)
Total net deferred tax assets	\$ 1,103	\$ 1,099

At July 2, 2021, the Company recorded \$1.1 billion of net deferred tax assets. The realization of most of these deferred tax assets is primarily dependent on the Company's ability to generate sufficient U.S. and certain non-Irish taxable income in future periods. Although realization is not assured, the Company's management believes it is more likely than not that these deferred tax assets will be realized. The amount of deferred tax assets considered realizable, however, may increase or decrease in subsequent periods when the Company re-evaluates the underlying basis for its estimates of future U.S. and certain non-Irish taxable income.

The deferred tax asset valuation allowance decreased by \$9 million in fiscal year 2021.

At July 2, 2021, the Company had U.S. and non-U.S. tax net operating loss carryforwards of approximately \$4.6 billion and \$65 million, respectively, which will expire at various dates beginning in fiscal year 2022, if not utilized. Net operating loss carryforwards of approximately \$103 million are scheduled to expire in fiscal year 2022. At July 2, 2021, the Company had U.S. tax credit carryforwards of \$731 million which will expire at various dates beginning in fiscal year 2022 if not utilized.

As of July 2, 2021, approximately \$222 million and \$108 million of the Company's total U.S. net operating loss and tax credit carryforwards, respectively, are subject to annual limitations ranging from \$1 million to \$45 million pursuant to U.S. tax law.

For purposes of the reconciliation between the provision (benefit) for income taxes at the statutory rate and the effective tax rate, the Irish statutory rate of 25% was applied as follows:

(Dollars in millions)	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Provision at statutory rate	\$ 337	\$ 258	\$ 343
Permanent differences	8	(1)	3
Valuation allowance	(2)	(16)	(742)
Earnings taxed at less than statutory rate	(287)	(193)	(234)
Research Credit	(27)	(27)	(38)
Tax expense related to intercompany transactions	—	—	23
Other individually immaterial items	5	7	5
Provision (benefit) for income taxes	<u>\$ 34</u>	<u>\$ 28</u>	<u>\$ (640)</u>

A substantial portion of the Company's operations in Malaysia, Singapore and Thailand operate under various tax incentive programs, which expire in whole or in part at various dates through 2025. Certain tax incentives may be extended if specific conditions are met. The net impact of these tax incentive programs was to increase the Company's net income by approximately \$226 million in fiscal year 2021 (\$0.92 per share, diluted), to increase the Company's net income by approximately \$206 million in fiscal year 2020 (\$0.78 per share, diluted) and to increase the Company's net income by approximately \$194 million in fiscal year 2019 (\$0.68 per share, diluted).

The Company consists of an Irish tax resident parent holding company with various U.S. and non-U.S. subsidiaries that operate in multiple non-Irish taxing jurisdictions. The amount of temporary differences (including undistributed earnings) related to outside basis differences in the stock of non-Irish resident subsidiaries considered indefinitely reinvested outside of Ireland for which Irish income taxes have not been provided as of July 2, 2021, was approximately \$4.0 billion. If such amounts were remitted to Ireland as a dividend, income tax at 25%, or approximately \$1.0 billion would result.

As of July 2, 2021, and July 3, 2020, the Company had approximately \$108 million and \$89 million, respectively, of unrecognized tax benefits excluding interest and penalties. These amounts, if recognized, would impact the effective tax rate subject to certain future valuation allowance offsets.

The following table summarizes the activities related to the Company's gross unrecognized tax benefits:

(Dollars in millions)	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Balance of unrecognized tax benefits at the beginning of the year	\$ 89	\$ 83	\$ 60
Gross increase for tax positions of prior years	7	—	22
Gross decrease for tax positions of prior years	(1)	(1)	(9)
Gross increase for tax positions of current year	15	8	16
Gross decrease for tax positions of current year	—	—	—
Settlements	(1)	(1)	—
Lapse of statutes of limitation	(1)	—	(6)
Non-U.S. exchange gain	—	—	—
Balance of unrecognized tax benefits at the end of the year	<u>\$ 108</u>	<u>\$ 89</u>	<u>\$ 83</u>

It is the Company's policy to include interest and penalties related to unrecognized tax benefits in the provision for income taxes on the Consolidated Statements of Operations. During fiscal year 2021, the Company recognized net income tax benefit for interest and penalties of less than \$1 million, as compared to net tax benefit of less than \$1 million during fiscal year 2020, and net tax benefit of \$2 million during fiscal year 2019. As of July 2, 2021, the Company's accrued interest and penalties related to unrecognized tax benefits remains unchanged at less than \$1 million compared with fiscal year 2020.

During the 12 months beginning July 3, 2021, the Company expects that its unrecognized tax benefits could be reduced by less than \$1 million as a result of the expiration of certain statutes of limitation.

The Company is required to file U.S. and non-U.S. income tax returns. The Company is no longer subject to examination of its U.S. income tax returns for years prior to fiscal year 2009 and prior to fiscal year 2010 for non-U.S. income tax returns.

6. Leases

The Company is a lessee in several operating leases related to real estate facilities for warehouse and office space.

The Company's lease arrangements comprise operating leases with various expiration dates through 2067. The lease term includes the non-cancelable period of the lease, adjusted for options to extend or terminate the lease when it is reasonably certain that an option will be exercised.

Operating lease costs include short-term lease costs and are shown net of immaterial sublease income. The components of lease costs and other information related to leases were as follows:

(Dollars in millions)	Fiscal Years Ended	
	July 2, 2021	July 3, 2020
Operating lease cost	\$ 15	22
Variable lease cost	4	4
Total lease cost	<u>\$ 19</u>	<u>26</u>
Operating cash outflows from operating leases	\$ 19	18

Prior to fiscal year 2020, the Company recognized rent expense for operating leases under the legacy guidance ASC 840. Total rent expense for all land, facility and equipment operating leases, net of sublease income, was \$18 million for fiscal year 2019.

	July 2, 2021	July 3, 2020
Weighted-average remaining lease term	7.2 years	13.2 years
Weighted-average discount rate	6.02 %	6.53 %

ROU assets and lease liabilities are included on the Company's Consolidated Balance Sheet as follows:

(Dollars in millions)	Balance Sheet Location	July 2, 2021	July 3, 2020
ROU assets	Other assets, net	\$ 97	\$ 103
Current lease liabilities	Accrued expenses	15	14
Non-current lease liabilities	Other non-current liabilities	39	49

At July 2, 2021, future lease payments included in the measurement of lease liabilities were as follows (in millions):

Fiscal Year	Amount
2022	\$ 15
2023	12
2024	8
2025	5
2026	4
Thereafter	21
Total lease payments	<u>65</u>
Less: imputed interest	<u>(11)</u>
Present value of lease liabilities	<u>\$ 54</u>

7. Restructuring and Exit Costs

During fiscal years 2021 and 2020, the Company recorded restructuring charges of \$8 million and \$82 million, respectively, comprised primarily of charges related to workforce reduction costs and facilities and other exit costs associated with the restructuring of its workforce. During fiscal year 2019, the Company recorded a net gain of \$22 million that included a gain from the sale of a certain property. The Company's significant restructuring plans are described below. All restructuring charges are reported in Restructuring and other, net on the Consolidated Statements of Operations.

June 2020 Plan - On June 1, 2020, the Company committed to a restructuring plan (the "June 2020 Plan") consistent with its long-term strategy to drive operational efficiencies, reduce its cost structure and invest in future opportunities. The June 2020 Plan included consolidating the Company's Minnesota facilities into one location and reducing its headcount worldwide by approximately 500 employees. The June 2020 Plan was substantially completed during the first quarter of fiscal year 2021.

December 2017 Plan - On December 8, 2017, the Company committed to a restructuring plan (the "December 2017 Plan") to reduce its cost structure. The December 2017 Plan included reducing the Company's global headcount by approximately 500 employees. The December 2017 Plan was substantially completed during fiscal year 2018.

The following table summarizes the Company's restructuring activities under all of the Company's active restructuring plans for fiscal years 2021, 2020 and 2019:

(Dollars in millions)	June 2020 Plan		December 2017 Plan		Other Plans		Total
	Workforce Reduction Costs	Facilities and Other Exit Costs	Workforce Reduction Costs	Facilities and Other Exit Costs	Workforce Reduction Costs	Facilities and Other Exit Costs	
Accrual balances at June 29, 2018	\$ —	\$ —	\$ 5	\$ 4	\$ 14	\$ 19	\$ 42
Restructuring charges	—	—	—	3	41	10	54
Cash payments	—	—	(5)	(5)	(43)	(12)	(65)
Adjustments	—	—	—	(1)	1	(1)	(1)
Accrual balances at June 28, 2019	—	—	—	1	13	16	30
Lease adoption adjustment	—	—	—	—	—	(11)	(11)
Restructuring charges	56	2	—	—	26	2	86
Cash payments	(18)	—	—	(1)	(30)	(4)	(53)
Adjustments	—	—	—	—	(4)	—	(4)
Accrual balances at July 3, 2020	38	2	—	—	5	3	48
Restructuring charges	—	—	—	—	6	8	14
Cash payments	(37)	(1)	—	—	(10)	(5)	(53)
Adjustments	—	—	—	—	—	(1)	(1)
Accrual balances at July 2, 2021	\$ 1	\$ 1	\$ —	\$ —	\$ 1	\$ 5	\$ 8
Total costs incurred to date as of July 2, 2021	\$ 56	\$ 2	\$ 26	\$ 8	\$ 156	\$ 52	\$ 300
Total expected costs to be incurred as of July 2, 2021	\$ —	\$ 7	\$ —	\$ —	\$ —	\$ —	\$ 7

The accrued restructuring balance of \$8 million at July 2, 2021 is included in Accrued expenses in the Company's Consolidated Balance Sheet.

During fiscal year 2021, the Company recognized a gain of \$3 million from the sale of a certain property and a gain of \$2 million from termination of an operating lease, which are reported in Restructuring and other, net on the Company's Condensed Consolidated Statements of Operations.

During fiscal year 2019, the Company sold a certain property, which was previously classified as assets held for sale and recognized a gain of approximately \$78 million. The Company also recorded an impairment charge of \$3 million on its held for sale land and building during fiscal year 2019. The gain and impairment charge were included in Restructuring and other, net in the Company's Consolidated Statements of Operations.

8. Derivative Financial Instruments

The Company is exposed to foreign currency exchange rate, interest rate and to a lesser extent, equity market risks relating to its ongoing business operations. From time to time, the Company enters into cash flow hedges in the form of foreign

currency forward exchange contracts in order to manage the foreign currency exchange rate risk on forecasted expenses and investments denominated in foreign currencies.

In the quarter ended October 4, 2019, the Company entered into certain interest rate swap agreements with a notional amount of \$500 million to convert the variable interest rate on its Term Loan to fixed interest rates. The contracts will mature on September 16, 2025. The notional amount of the interest rate swap agreements was \$481 million as of July 2, 2021. The objective of the interest rate swap agreements is to eliminate the variability of interest payment cash flows associated with the variable interest rates under the Term Loan. The Company designated the interest rate swaps as cash flow hedges.

The Company's accounting policies for these instruments are based on whether the instruments are classified as designated or non-designated hedging instruments. The Company records all derivatives on its Consolidated Balance Sheets at fair value. The changes in the fair value of highly effective designated cash flow hedges are recorded in Accumulated other comprehensive loss until the hedged item is recognized in earnings. Derivatives that are not designated as hedging instruments or are not assessed to be highly effective are adjusted to fair value through earnings. The amount of net unrealized loss on cash flow hedges was \$18 million and \$24 million as of July 2, 2021 and July 3, 2020, respectively. As of July 2, 2021, the amount of existing net losses related to cash flow hedges recorded in Accumulated other comprehensive loss included a net loss of \$5 million that is expected to be reclassified to earnings within twelve months.

The Company de-designates its cash flow hedges when the forecasted hedged transactions affects earnings or it is probable the forecasted hedged transactions will not occur in the initially identified time period. At such time, the associated gains and losses deferred in Accumulated other comprehensive loss on the Company's Consolidated Balance Sheets are reclassified into earnings and any subsequent changes in the fair value of such derivative instruments are immediately reflected in earnings. The Company recognized a net gain of \$14 million in Cost of revenue and a net loss of \$7 million in Interest expense related to the loss of hedge designation on discontinued cash flow hedges during fiscal year 2021. The Company recognized a net loss of \$3 million in Other expense, net related to the loss of hedge designation on discontinued cash flow hedges during fiscal year 2020. The Company did not recognize any material amounts related to the loss of hedge designation on discontinued cash flow hedges during the fiscal year 2019.

Other derivatives not designated as hedging instruments consist of foreign currency forward exchange contracts that the Company uses to hedge the foreign currency exposure on forecasted expenditures denominated in currencies other than the U.S. dollar. The Company recognizes gains and losses on these contracts, as well as the related costs in Other, net on its Consolidated Statements of Operations.

The following tables show the total notional value of the Company's outstanding foreign currency forward exchange contracts as of July 2, 2021 and July 3, 2020. All of the foreign currency forward exchange contracts mature within 12 months.

(Dollars in millions)	As of July 2, 2021	
	Contracts Designated as Hedges	Contracts Not Designated as Hedges
Singapore Dollar	\$ 172	\$ 43
Thai Baht	131	46
Chinese Renminbi	73	21
British Pound Sterling	54	16
	<u>\$ 430</u>	<u>\$ 126</u>

(Dollars in millions)	As of July 3, 2020	
	Contracts Designated as Hedges	Contracts Not Designated as Hedges
Singapore Dollar	\$ 187	\$ 56
Thai Baht	157	42
Chinese Renminbi	81	25
British Pound Sterling	64	20
	<u>\$ 489</u>	<u>\$ 143</u>

The Company is subject to equity market risks due to changes in the fair value of the notional investments selected by its employees as part of its non-qualified deferred compensation plan: the Seagate Deferred Compensation Plan (the “SDCP”). In fiscal year 2014, the Company entered into a Total Return Swap (“TRS”) in order to manage the equity market risks associated with the SDCP’s liabilities. The Company pays a floating rate, based on LIBOR plus an interest rate spread, on the notional amount of the TRS. The TRS is designed to substantially offset changes in the SDCP’s liabilities due to changes in the value of the investment options made by employees. As of July 2, 2021, the notional investments underlying the TRS amounted to \$126 million. The contract term of the TRS is through January 2022 and is settled on a monthly basis, therefore limiting counterparty performance risk. The Company did not designate the TRS as a hedge. Rather, the Company records all changes in the fair value of the TRS to earnings to offset the market value changes of the SDCP’s liabilities.

The following tables show the Company’s derivative instruments measured at gross fair value as reflected in the Consolidated Balance Sheets as of July 2, 2021 and July 3, 2020:

(Dollars in millions)	As of July 2, 2021			
	Derivative Assets		Derivative Liabilities	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives designated as hedging instruments:				
Foreign currency forward exchange contracts	Other current assets	\$ 1	Accrued expenses	\$ (5)
Interest rate swap	Other current assets	—	Accrued expenses	(14)
Derivatives not designated as hedging instruments:				
Foreign currency forward exchange contracts	Other current assets	1	Accrued expenses	(2)
Total return swap	Other current assets	2	Accrued expenses	—
Total derivatives		<u>\$ 4</u>		<u>\$ (21)</u>

(Dollars in millions)	As of July 3, 2020			
	Derivative Assets		Derivative Liabilities	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives designated as hedging instruments:				
Foreign currency forward exchange contracts	Other current assets	\$ 3	Accrued expenses	\$ —
Interest rate swap	Other current assets	—	Accrued expenses	\$ (27)
Derivatives not designated as hedging instruments:				
Foreign currency forward exchange contracts	Other current assets	2	Accrued expenses	(2)
Total return swap	Other current assets	1	Accrued expenses	—
Total derivatives		<u>\$ 6</u>		<u>\$ (29)</u>

The following tables show the effect of the Company’s derivative instruments on the Consolidated Statement of Comprehensive Income and Consolidated Statement of Operations for the fiscal year ended July 2, 2021:

Derivatives Not Designated as Hedging Instruments	Location of Gain/(Loss) Recognized in Income on Derivatives	Amount of Gain/(Loss) Recognized in Income on Derivatives
Foreign currency forward exchange contracts	Other, net	\$ 10
Total return swap	Operating expenses	30

(Dollars in millions)	Amount of Gain/(Loss) Recognized in OCI on Derivatives (Effective Portion)	Location of Gain/(Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of Gain/(Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Location of Gain/(Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Amount of Gain/(Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)
Derivatives Designated as Hedging Instruments					
Foreign currency forward exchange contracts	\$ 7	Cost of revenue	\$ 14	Other, net	\$ 1
Interest rate swap	8	Interest expense	(7)	Interest expense	—

The following table shows the effect of the Company's derivative instruments on the Consolidated Statement of Comprehensive Income and Consolidated Statement of Operations for the fiscal year ended July 3, 2020:

	Location of Gain/(Loss) Recognized in Income on Derivatives	Amount of Gain/(Loss) Recognized in Income on Derivatives
Derivatives Not Designated as Hedging Instruments		
Foreign currency forward exchange contracts	Other, net	\$ (2)
Total return swap	Operating expenses	2

(Dollars in millions)	Amount of Gain/(Loss) Recognized in OCI on Derivatives (Effective Portion)	Location of Gain/(Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of Gain/(Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Location of Gain/(Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Amount of Gain/(Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)
Derivatives Designated as Hedging Instruments					
Foreign currency forward exchange contracts	\$ 2	Other expense, net	\$ (3)	Other expense, net	\$ (1)
Interest rate swap	(29)	Other expense, net	—	Other expense, net	—

9. Fair Value

Measurement of Fair Value

Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

Fair Value Hierarchy

A fair value hierarchy is based on whether the market participant assumptions used in determining fair value are obtained from independent sources (observable inputs) or reflects the Company's own assumptions of market participant valuation (unobservable inputs). A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of inputs that may be used to measure fair value are:

Level 1 - Quoted prices in active markets that are unadjusted and accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 - Quoted prices for identical assets and liabilities in markets that are inactive; quoted prices for similar assets and liabilities in active markets or financial instruments for which significant inputs are observable, either directly or indirectly; or

Level 3 - Prices or valuations that require inputs that are both unobservable and significant to the fair value measurement.

The Company considers an active market to be one in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis, and views an inactive market as one in which there are few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or among market makers. Where appropriate, the Company's or the counterparty's non-performance risk is considered in determining the fair values of liabilities and assets, respectively.

Items Measured at Fair Value on a Recurring Basis

The following tables present the Company's assets and liabilities, by financial instrument type and balance sheet line item that are measured at fair value on a recurring basis, excluding accrued interest components, as of July 2, 2021:

(US Dollars in millions)	Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Balance
Assets:				
Money market funds	\$ 551	\$ —	\$ —	\$ 551
Time deposits and certificates of deposit	—	—	—	—
Total cash equivalents	551	—	—	551
Restricted cash and investments:				
Money market funds	1	—	—	1
Time deposits and certificates of deposit	—	1	—	1
Other debt securities	—	—	18	18
Derivative assets	—	4	—	4
Total assets	\$ 552	\$ 5	\$ 18	\$ 575
Liabilities:				
Derivative liabilities	\$ —	\$ 21	\$ —	\$ 21
Total liabilities	\$ —	\$ 21	\$ —	\$ 21

(US Dollars in millions)	Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Balance
Assets:				
Cash and cash equivalents	\$ 551	\$ —	\$ —	\$ 551
Other current assets	1	5	—	6
Other assets, net	—	—	18	18
Total assets	\$ 552	\$ 5	\$ 18	\$ 575
Liabilities:				
Accrued expenses	\$ —	\$ 21	\$ —	\$ 21
Total liabilities	\$ —	\$ 21	\$ —	\$ 21

The following tables present the Company's assets and liabilities, by financial instrument type and balance sheet line item that are measured at fair value on a recurring basis, excluding accrued interest components, as of July 3, 2020:

(US Dollars in millions)	Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Balance
Assets:				
Money market funds	\$ 494	\$ —	\$ —	\$ 494
Time deposits and certificates of deposit	—	55	—	55
Total cash equivalents	494	55	—	549
Restricted cash and investments:				
Money market funds	1	—	—	1
Time deposits and certificates of deposit	—	1	—	1
Other debt securities	—	—	18	18
Derivative assets	—	6	—	6
Total assets	\$ 495	\$ 62	\$ 18	\$ 575
Liabilities:				
Derivative liabilities	\$ —	\$ 29	\$ —	\$ 29
Total liabilities	\$ —	\$ 29	\$ —	\$ 29

(Dollars in millions)	Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Balance
Assets:				
Cash and cash equivalents	\$ 494	\$ 55	\$ —	\$ 549
Other current assets	1	7	—	8
Other assets, net	—	—	18	18
Total assets	\$ 495	\$ 62	\$ 18	\$ 575
Liabilities:				
Accrued expense	\$ —	\$ 29	\$ —	\$ 29
Total liabilities	\$ —	\$ 29	\$ —	\$ 29

The Company classifies items in Level 1 if the financial assets consist of securities for which quoted prices are available in an active market.

The Company classifies items in Level 2 if the financial asset or liability is valued using observable inputs. The Company uses observable inputs including quoted prices in active markets for similar assets or liabilities. Level 2 assets include: agency bonds, corporate bonds, commercial paper, municipal bonds, U.S. Treasuries, time deposits and certificates of deposit. These debt investments are priced using observable inputs and valuation models which vary by asset class. The Company uses a pricing service to assist in determining the fair value of all of its cash equivalents. For the cash equivalents in the Company's portfolio, multiple pricing sources are generally available. The pricing service uses inputs from multiple industry standard data providers or other third-party sources and various methodologies, such as weighting and models, to determine the appropriate price at the measurement date. The Company corroborates the prices obtained from the pricing service against other independent sources and, as of July 2, 2021, has not found it necessary to make any adjustments to the prices obtained. The Company's derivative financial instruments are also classified within Level 2. The Company's derivative financial instruments consist of foreign currency forward exchange contracts, interest rate swaps and the TRS. The Company recognizes derivative financial instruments in its consolidated financial statements at fair value. The Company determines the fair value of these instruments by considering the estimated amount it would pay or receive to terminate these agreements at the reporting date.

Items Measured at Fair Value on a Non-Recurring Basis

From time to time, the Company enters into certain strategic investments for the promotion of business and strategic objectives, which are accounted for either under the equity method or the measurement alternative. If measured at fair value in the Consolidated Balance Sheets, these investments would generally be classified in Level 3 of the fair value hierarchy.

For the investments that are accounted for under the equity method, the Company recorded a net gain of \$48 million in fiscal year 2021, a net loss of \$2 million and \$2 million in fiscal year 2020 and 2019, respectively. The adjusted carrying value of the investments accounted for under the equity method amounted to \$78 million and \$29 million as of July 2, 2021 and July 3, 2020 respectively.

For the investments that are accounted for under the measurement alternative, Company recorded \$51 million of net gains in fiscal year 2021, of which \$27 million is unrealized as of July 2, 2021 related to upward adjustments due to observable price changes. For fiscal year 2021 and 2020, the Company recorded downward adjustments of \$12 million and \$18 million, respectively, to write down the carrying amount of certain investments to their fair value. As of July 2, 2021, and July 3, 2020, the carrying value of the Company's strategic investments under the measurement alternative was \$117 million and \$106 million, respectively.

The Company's debt is carried at amortized cost. The estimated fair value of the Company's debt is derived using the closing price of the same debt instruments as of the date of valuation, which takes into account the yield curve, interest rates and other observable inputs. Accordingly, these fair value measurements are categorized as Level 2. The following table presents the fair value and amortized cost of the Company's debt in order of maturity:

(Dollars in millions)	July 2, 2021		July 3, 2020	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
4.250% Senior Notes due March 2022	\$ 220	\$ 224	\$ 229	\$ 237
4.750% Senior Notes due June 2023	541	578	546	576
4.875% Senior Notes due March 2024	499	544	498	541
4.750% Senior Notes due January 2025	479	529	479	517
4.875% Senior Notes due June 2027	504	561	504	549
4.091% Senior Notes due June 2029	461	519	456	523
3.125% Senior Notes due July 2029	500	488	—	—
4.125% Senior Notes due January 2031	499	513	499	524
3.375% Senior Notes due July 2031	500	487	—	—
5.750% Senior Notes due December 2034	489	566	489	543
LIBOR Based Term Loan due September 2025	481	478	500	490
	\$ 5,173	\$ 5,487	\$ 4,200	\$ 4,500
Less: debt issuance costs	(34)	—	(25)	—
Debt, net of debt issuance costs	\$ 5,139	\$ 5,487	\$ 4,175	\$ 4,500
Less: current portion of debt, net of debt issuance costs	(245)	(249)	(19)	(19)
Long-term debt, less current portion, net of debt issuance costs	\$ 4,894	\$ 5,238	\$ 4,156	\$ 4,481

10. Shareholders' Equity

Share Capital

The Company's authorized share capital is \$13,500 and consists of 1,250,000,000 ordinary shares, par value \$0.00001, of which 227,382,980 shares were outstanding as of July 2, 2021, and 100,000,000 preferred shares, par value \$0.00001, of which none were issued or outstanding as of July 2, 2021.

On May 18, 2021, in connection with a corporate reorganization, a new Irish public limited company, STX, began serving as the publicly traded parent company, and pursuant to a scheme of arrangement under Irish law, each STUC ordinary shareholder received one ordinary share, par value \$0.00001, of STX on a one-for-one basis. As of May 18, 2021, there were 227,340,817 ordinary shares of \$0.0001 par value per share exchanged in connection with the reorganization.

Ordinary shares - Holders of ordinary shares are entitled to receive dividends when and as declared by the Company's board of directors (the "Board of Directors"). Upon any liquidation, dissolution, or winding up of the Company, after required payments are made to holders of preferred shares, any remaining assets of the Company will be distributed ratably to holders of the preferred and ordinary shares. Holders of shares are entitled to one vote per share on all matters upon which the ordinary shares are entitled to vote, including the election of directors.

Preferred shares - The Company may issue preferred shares in one or more series, up to the authorized amount, without shareholder approval. The Board of Directors is authorized to establish from time to time the number of shares to be included in each series, and to fix the rights, preferences and privileges of the shares of each wholly unissued series and any of its qualifications, limitations or restrictions. The Board of Directors can also increase or decrease the number of shares of a series, but not below the number of shares of that series then outstanding, without any further vote or action by the shareholders.

The Board of Directors may authorize the issuance of preferred shares with voting or conversion rights that could harm the voting power or other rights of the holders of the ordinary shares. The issuance of preferred shares, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in control of the Company and might harm the market price of its ordinary shares and the voting and other rights of the holders of ordinary shares.

Repurchases of Equity Securities

All repurchases are effected as redemptions in accordance with the Company's Constitution.

The Company's Board of Directors increased the authorization for the repurchase of its outstanding ordinary shares by \$3.0 billion on October 21, 2020, and \$2.0 billion on February 22, 2021. As of July 2, 2021, \$4.2 billion remained available for repurchase under the existing repurchase authorization limit.

The following table sets forth information with respect to repurchases of the Company's ordinary shares during fiscal years 2021, 2020 and 2019:

(In millions)	Number of Shares Repurchased	Dollar Value of Shares Repurchased
Cumulative repurchased through June 29, 2018	352	\$ 10,502
Repurchased in fiscal year 2019 ⁽¹⁾	22	997
Cumulative repurchased through June 28, 2019	374	11,499
Repurchased in fiscal year 2020 ⁽¹⁾	18	887
Cumulative repurchased through July 3, 2020	392	12,386
Repurchased in fiscal year 2021 ⁽¹⁾	34	2,081
Cumulative repurchased through July 2, 2021	426	\$ 14,467

⁽¹⁾ For fiscal years 2021, 2020 and 2019, includes net share settlements of \$33 million, \$40 million and \$31 million for 1 million, 1 million and 1 million shares, respectively, in connection with tax withholding related to vesting of restricted share units.

11. Share-Based Compensation

Share-Based Compensation Plans

The Company's share-based compensation plans have been established to promote the Company's long-term growth and financial success by providing incentives to its employees, directors and consultants through grants of share-based awards. The provisions of the Company's share-based benefit plans, which allow for the grant of various types of equity-based awards, are also intended to provide greater flexibility to maintain the Company's competitive ability to attract, retain and motivate participants for the benefit of the Company and its shareholders.

Seagate Technology Holdings plc 2012 Equity Incentive Plan (the "EIP"). On October 26, 2011, the shareholders approved the EIP and authorized the issuance of up to a total of approximately 27.0 million ordinary shares, par value \$0.00001 per share, plus any shares remaining available for grant under the Seagate Technology plc 2004 Share Compensation Plan (the "SCP") as of the effective date of the EIP (which was equal to approximately 11.0 million ordinary shares as of the effective date of the EIP and which will increase by such additional number of shares as will be returned to the share reserve in respect of awards previously granted under the SCP) (together, the "Share Reserve"). On October 22, 2014, the shareholders authorized the issuance under the EIP of an additional 25.0 million ordinary shares, par value \$0.00001 per share. On October 19, 2016, the shareholders authorized the issuance under the EIP of an additional 7.5 million ordinary shares, par value \$0.00001 per share. On October 29, 2019, the shareholders authorized the issuance under the EIP of an additional 12.1 million ordinary shares, par value \$0.00001 per share. Any shares that are subject to options or share appreciation rights granted under the EIP will be counted against the Share Reserve as one share for every one share granted, and any shares that are subject to restricted share units ("RSUs") or performance-based share units ("PSU") (collectively, "Full-Value Share Awards") will generally be counted, after October 29, 2019, against the Share Reserve as 2.25 shares for every one share granted. As of July 2, 2021, there were approximately 19.0 million ordinary shares available for issuance of Full-Value Share Awards under the EIP.

Dot Hill Systems 2009 Equity Incentive Plan (the "DHEIP"). Effective May 18, 2021, Seagate Technology Holdings plc assumed the Dot Hill Systems 2009 Equity Incentive Plan, which was acquired by STUC effective October 6, 2015. The Company assumed the remaining authorized but unused share reserve of approximately 2.0 million shares, based on the conversion ratio, from the DHEIP on the acquisition date. Effective April 24, 2019, the Company terminated the DHEIP and thus, no further grants will be made under the DHEIP. Outstanding awards granted under the DHEIP will remain subject to the terms of the DHEIP.

Seagate Technology Holdings plc Employee Stock Purchase Plan (the "ESPP"). There are 60.0 million ordinary shares authorized to be issued under the ESPP. The ESPP consists of a six-month offering period with a maximum issuance of 1.5 million ordinary shares per offering period. The ESPP permits eligible employees to purchase ordinary shares through payroll deductions generally at 85% of the fair market value of the ordinary shares. As of July 2, 2021, there were approximately 8.4 million ordinary shares available for issuance under the ESPP.

Equity Awards

RSUs generally vest over a period of four years, with cliff vesting of a portion of each award occurring annually, subject to continuous employment with the Company through the vesting date. Options generally vest as follows: 25% of the options will vest on the first anniversary of the vesting commencement date and the remaining 75% will vest ratably each month thereafter over the next 36 months. Options granted under the EIP and SCP have an exercise price equal to the fair market value of the Company's ordinary shares on the grant date. Fair market value is defined as the closing price of the Company's ordinary shares on NASDAQ on the grant date.

The Company granted PSUs to its senior executive officers under the SCP and the EIP where vesting is subject to both the continued employment of the participant by the Company and the achievement of certain financial and operational performance goals established by the Compensation Committee of the Company's Board of Directors. A single PSU represents the right to receive a single ordinary share of the Company. During fiscal years 2021, 2020 and 2019, the Company granted 0.3 million, 0.3 million and 0.4 million PSUs, respectively, where performance is measured based on a three-year average return on invested capital ("ROIC") goal and a relative total shareholder return ("TSR") goal, which is based on the Company's ordinary shares measured against a benchmark TSR of a peer group over the same three-year period (the "TSR/ROIC" awards). These awards vest after the end of the performance period of three years from the grant date. A percentage of these units may vest only if at least the minimum ROIC goal is met regardless of whether the TSR goal is met. The number of share units to vest will range from 0% to 200% of the targeted units. In evaluating the fair value of these units, the Company used a Monte Carlo simulation on the grant date, taking the market-based TSR goal into consideration. Compensation expense related to these units is only recorded in a period if it is probable that the ROIC goal will be met, and it is to be recorded at the expected level of achievement.

The Company also granted 0.1 million, 0.1 million and 0.1 million PSUs during fiscal years 2021, 2020 and 2019, respectively, to its senior executive officers which are subject to a performance goal related to the Company's adjusted earnings per share ("AEPS"). These awards have a maximum seven-year vesting period, with 25% annual vesting starting on the first anniversary of the grant date. If the AEPS goal is not achieved, vesting is delayed to a following year in which the AEPS goal is achieved. Any unvested awards from prior years may vest cumulatively in a future year within the seven-year vesting period if the annual AEPS goal is achieved during a subsequent year. If the AEPS goal has not been met by the end of the seven-year period, any unvested shares will be forfeited.

Determining Fair Value of Seagate Technology Share Plans

Valuation and amortization method - The Company estimates the fair value of granted share options, RSUs and PSUs subject to an AEPS condition granted using the Black-Scholes-Merton valuation model and a single share award approach. This fair value is then amortized on a straight-line basis over the requisite service periods of the awards, which is generally the vesting period or the remaining service (vesting) period.

Expected Term - Expected term represents the period that the Company's share-based awards are expected to be outstanding and was determined based on historical experience of similar awards, giving consideration to the contractual terms of the share-based awards, vesting schedules and expectations of future employee behavior as influenced by changes to the terms of its share-based awards.

Expected Volatility - The Company uses a combination of the implied volatility of its traded options and historical volatility of its share price.

Expected Dividend - The Black-Scholes-Merton valuation model calls for a single expected dividend yield as an input. The dividend yield is determined by dividing the expected per share dividend during the coming year by the grant date share price. The expected dividend assumption is based on the Company's current expectations about its anticipated dividend policy. Also, because the expected dividend yield should reflect marketplace participants' expectations, the Company does not incorporate changes in dividends anticipated by management unless those changes have been communicated to or otherwise are anticipated by marketplace participants.

Risk-Free Interest Rate - The Company bases the risk-free interest rate used in the Black-Scholes-Merton valuation model on the implied yield currently available on U.S. Treasury zero-coupon issues with an equivalent remaining term. Where the expected term of the Company's share-based awards do not correspond with the terms for which interest rates are quoted, the Company performed a straight-line interpolation to determine the rate from the available term maturities.

The fair value of the Company's shares related to options and RSUs granted to employees, shares issued from the ESPP and PSUs subject to TSR/ROIC or AEPS conditions for fiscal years 2021, 2020 and 2019 were estimated using the following assumptions:

	Fiscal Years		
	2021	2020	2019
Options			
Expected term (in years)	4.2	4.2	4.2
Volatility	37 - 38%	39 %	39 - 40%
Weighted-average volatility	38 %	39 %	39 %
Expected dividend rate	3.2 - 5.2%	4.2 %	4.6 - 5.0%
Weighted-average expected dividend rate	4.7 %	4.2 %	4.7 %
Risk-free interest rate	0.2 - 0.7%	1.4 %	2.5 - 2.8%
Weighted-average fair value	\$ 10.77	\$ 12.41	\$ 11.49
RSUs			
Expected term (in years)	1 - 2.5	1 - 2.5	1 - 2.5
Expected dividend rate	2.5 - 5.4%	3.9 - 5.8%	4.1 - 6.4%
Weighted-average expected dividend rate	4.6 %	4.3 %	4.7 %
Weighted-average fair value	\$ 50.64	\$ 49.49	\$ 44.37
ESPP			
Expected term (in years)	0.5	0.5	0.5
Volatility	39 - 44%	32 - 35%	34 - 42%
Weighted-average volatility	42 %	33 %	38 %
Expected dividend rate	4.0 - 5.8%	4.3 - 5.4%	4.8 - 5.6%
Weighted-average expected dividend rate	5.1 %	4.9 %	5.2 %
Risk-free interest rate	0.1%	1.6 - 2.0%	2.2 - 2.4%
Weighted-average fair value	\$ 13.77	\$ 12.23	\$ 12.18
PSUs subject to TSR/ROIC conditions			
Expected term (in years)	3.0	3.0	3.0
Volatility	38 %	37 %	46 %
Weighted-average volatility	38 %	37 %	46 %
Expected dividend rate	5.6 %	4.6 %	5.0 %
Weighted-average expected dividend rate	5.6 %	4.6 %	5.0 %
Risk-free interest rate	0.2 %	1.5 %	2.8 %
Weighted-average fair value	\$ 43.20	\$ 52.39	\$ 46.38
PSUs subject to an AEPS condition			
Expected term (in years)	2.5	2.5	2.5
Expected dividend rate	3.2 - 5.2%	4.2 %	4.6 - 5.0%
Weighted-average expected dividend rate	4.9 %	4.2 %	4.7 %
Weighted-average fair value	\$ 45.50	\$ 49.27	\$ 43.92

Share-Based Compensation Expense

The Company recorded \$112 million, \$109 million and \$99 million of share-based compensation during fiscal years 2021, 2020 and 2019, respectively. Management has made an estimate of expected forfeitures and is recognizing compensation costs only for those equity awards expected to vest. When estimating forfeitures, the Company considers voluntary termination behavior as well as the historical analysis of actual forfeited awards.

Share Option Activity

The Company issues new ordinary shares upon exercise of share options. The following is a summary of option activities:

Options	Number of Shares (In millions)	Weighted- Average Exercise Price	Weighted-Average Remaining Contractual Term (In years)	Aggregate Intrinsic Value (Dollars in millions)
Outstanding at July 3, 2020	2.4	\$ 44.18	3.7	\$ 15
Granted	0.3	\$ 53.06		
Exercised	(1.1)	\$ 46.62		
Forfeitures	—	\$ 30.95		
Expirations	—	\$ 65.68		
Outstanding at July 2, 2021	1.6	\$ 44.24	4.0	\$ 69
Vested and expected to vest at July 2, 2021	1.6	\$ 44.09	4.0	\$ 68
Exercisable at July 2, 2021	1.0	\$ 39.94	3.1	\$ 47

The aggregate intrinsic value is calculated as the difference between the exercise price of the underlying awards and the quoted price of the Company's ordinary shares for the options that were in-the-money at July 2, 2021. During fiscal years 2021, 2020 and 2019, the aggregate intrinsic value of options exercised under the Company's share option plans was \$31 million, \$22 million and \$5 million, respectively, determined as of the date of option exercise. The aggregate fair value of options vested during fiscal years 2021, 2020 and 2019 was approximately \$4 million, \$6 million and \$9 million, respectively.

At July 2, 2021, the total compensation cost related to options granted to employees but not yet recognized was approximately \$6 million, net of an immaterial amount of estimated forfeitures. This cost is being amortized on a straight-line basis over a weighted-average remaining term of approximately 2.4 years and will be adjusted for subsequent changes in estimated forfeitures.

Unvested Awards Activity

The following is a summary of unvested award activities which do not contain a performance condition:

Unvested Awards	Number of Shares (In millions)	Weighted- Average Grant- Date Fair Value
Unvested at July 3, 2020	4.8	\$ 41.77
Granted	3.3	\$ 50.64
Forfeitures	(0.2)	\$ 38.06
Vested	(2.0)	\$ 38.28
Unvested at July 2, 2021	5.9	\$ 47.81

At July 2, 2021, the total compensation cost related to unvested awards granted to employees but not yet recognized was approximately \$204 million, net of estimated forfeitures of approximately \$16 million. This cost is being amortized on a straight-line basis over a weighted-average remaining term of 2.5 years and will be adjusted for subsequent changes in estimated forfeitures. The aggregate fair value of unvested awards vested during fiscal years 2021, 2020 and 2019 were approximately \$75 million, \$71 million and \$57 million, respectively.

Performance Awards

The following is a summary of unvested award activities which contain a performance condition:

Performance Awards	Number of Shares (In millions)	Weighted- Average Grant- Date Fair Value
Performance units at July 3, 2020	0.9	\$ 42.77
Granted	0.6	\$ 38.11
Forfeitures	—	\$ 46.93
Vested	(0.5)	\$ 28.20
Performance units at July 2, 2021	1.0	\$ 46.56

At July 2, 2021, the total compensation cost related to performance awards granted to employees but not yet recognized was approximately \$23 million, net of estimated forfeitures of approximately \$3 million. This cost is being amortized on a straight-line basis over a weighted-average remaining term of 1.5 years. The aggregate fair value of performance awards vested during fiscal years 2021, 2020 and 2019 were approximately \$8 million, \$12 million and \$12 million, respectively.

ESPP

During fiscal years 2021, 2020 and 2019, the aggregate intrinsic value of shares purchased under the Company's ESPP was approximately \$27 million, \$19 million and \$10 million, respectively. At July 2, 2021, the total compensation cost related to options to purchase the Company's ordinary shares under the ESPP but not yet recognized was approximately \$1.4 million. This cost will be amortized on a straight-line basis over a weighted-average period of approximately one month. During fiscal year 2021, the Company issued 1.5 million ordinary shares with a weighted-average exercise price of \$38.24 per share.

Tax-Deferred Savings Plan

The Company has a tax-deferred savings plan, the Seagate 401(k) Plan (the "401(k) plan"), for the benefit of qualified employees. The 401(k) plan is designed to provide employees with an accumulation of funds at retirement. Qualified employees may elect to make contributions to the 401(k) plan on a bi-weekly basis. Pursuant to the 401(k) plan, the Company matches 50% of employee contributions, up to 6% of compensation, subject to maximum annual contributions of \$6,000 per participating employee. During fiscal years 2021, 2020 and 2019, the Company made matching contributions of \$15 million, \$15 million and \$16 million, respectively.

Deferred Compensation Plan

The Company has adopted the SDCP for the benefit of eligible employees. The plan is designed to permit certain discretionary employer contributions, in excess of the tax limits applicable to the 401(k) plan, and to permit employee deferrals in excess of certain tax limits. During fiscal year 2014, the Company entered into a TRS in order to manage the equity market risks associated with the SDCP liabilities. See *Note 8. Derivative Financial Instruments* contained in this report for additional information about the TRS.

12. Guarantees

Indemnifications of Officers and Directors

Seagate Technology, an exempted company incorporated with limited liability under the laws of the Cayman Islands (“Seagate-Cayman”) and wholly-owned subsidiary of STX, from time to time enters into indemnification agreements with the directors, officers, employees and agents of STX or any of its subsidiaries (each, an “Indemnitee”). The indemnification agreements provide indemnification in addition to any of Indemnitee’s indemnification rights under any relevant Articles of Association (or similar constitutional document), applicable law or otherwise, and indemnifies an Indemnitee for certain expenses (including attorneys’ fees), judgments, fines and settlement amounts actually and reasonably incurred by him or her in any action or proceeding, including any action by or in the right of STX or any of its subsidiaries, arising out of his or her service as a director, officer, employee or agent of STX or any of its subsidiaries or of any other entity to which he or she provides services at the Company’s request. However, Indemnitees are not indemnified under the indemnification agreements for (i) any fraud or dishonesty in the performance of Indemnitee’s duty to STX or the applicable subsidiary or (ii) Indemnitee’s conscious, intentional or willful failure to act honestly, lawfully and in good faith with a view to the best interests of the Company. In addition, the indemnification agreements provide that Seagate-Cayman will advance expenses incurred by an Indemnitee in connection with enforcement of the indemnification agreement or with the investigation, settlement or appeal of any action or proceeding against him or her as to which he or she could be indemnified.

The nature of these indemnification obligations prevents the Company from making a reasonable estimate of the maximum potential amount it could be required to pay on behalf of its officers and directors. Historically, the Company has not made any significant indemnification payments under such indemnification agreements and no amount has been accrued in the Company’s consolidated financial statements with respect to these indemnification obligations.

Indemnification Obligations

The Company from time to time enters into agreements with customers, suppliers, partners and others in the ordinary course of business that provide indemnification for certain matters including, but not limited to, intellectual property infringement claims, environmental claims and breach of agreement claims. The nature of the Company’s indemnification obligations prevents the Company from making a reasonable estimate of the maximum potential amount it could be required to pay. Historically, the Company has not made any significant indemnification payments under such agreements and no amount has been accrued in the Company’s consolidated financial statements with respect to these indemnification obligations.

Product Warranty

The Company estimates probable product warranty costs at the time revenue is recognized. The Company generally warrants its products for a period of 1 to 5 years. The Company uses estimated repair or replacement costs and uses statistical modeling to estimate product return rates in order to determine its warranty obligation. As of July 2, 2021, the Company’s reserve for product warranty was \$136 million compared to \$151 million as of July 3, 2020. This decrease of \$15 million was primarily driven by a continued decline in total number of units under warranty and a decrease in the Company’s warranty return rate as compared to prior year.

Changes in the Company’s product warranty liability during the fiscal years ended July 2, 2021, July 3, 2020 and June 28, 2019 were as follows:

(Dollars in millions)	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Balance, beginning of period	\$ 151	\$ 195	\$ 237
Warranties issued	76	86	112
Repairs and replacements	(81)	(85)	(99)
Changes in liability for pre-existing warranties, including expirations	(10)	(45)	(55)
Balance, end of period	\$ 136	\$ 151	\$ 195

13. Earnings Per Share

Basic earnings per share is computed by dividing income available to shareholders by the weighted-average number of shares outstanding during the period. Diluted earnings per share is computed by dividing income available to shareholders by the weighted-average number of shares outstanding during the period and the number of additional shares that would have been outstanding if the potentially dilutive securities had been issued. Potentially dilutive securities include outstanding options, unvested RSUs and PSUs and shares to be purchased under the ESPP. The dilutive effect of potentially dilutive securities is reflected in diluted earnings per share by application of the treasury stock method. Under the treasury stock method, an increase in fair market value of the Company's share price can result in a greater dilutive effect from potentially dilutive securities. The following table sets forth the computation of basic and diluted net income per share attributable to the shareholders of the Company:

(In millions, except per share data)	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Numerator:			
Net income	\$ 1,314	\$ 1,004	\$ 2,012
Number of shares used in per share calculations:			
Total shares for purposes of calculating basic net income per share	242	262	282
Weighted-average effect of dilutive securities:			
Employee equity award plans	3	3	3
Total shares for purposes of calculating diluted net income per share	245	265	285
Net income per share			
Basic	\$ 5.43	\$ 3.83	\$ 7.13
Diluted	5.36	3.79	7.06

The anti-dilutive shares related to employee equity award plans that were excluded from the computation of diluted net income per share were not material for the fiscal years ended July 2, 2021, July 3, 2020 and June 28, 2019.

14. Legal, Environmental and Other Contingencies

The Company assesses the probability of an unfavorable outcome of all its material litigation, claims or assessments to determine whether a liability had been incurred and whether it is probable that one or more future events will occur confirming the fact of the loss. In the event that an unfavorable outcome is determined to be probable and the amount of the loss can be reasonably estimated, the Company establishes an accrual for the litigation, claim or assessment. In addition, in the event an unfavorable outcome is determined to be less than probable, but reasonably possible, the Company will disclose an estimate of the possible loss or range of such loss; however, when a reasonable estimate cannot be made, the Company will provide disclosure to that effect. Litigation is inherently uncertain and may result in adverse rulings or decisions. Additionally, the Company may enter into settlements or be subject to judgments that may, individually or in the aggregate, have a material adverse effect on its results of operations. Accordingly, actual results could differ materially.

Litigation

Convolv, Inc. ("Convolv") and Massachusetts Institute of Technology ("MIT") v. Seagate Technology LLC, et al. On July 13, 2000, Convolv and MIT filed suit against Compaq Computer Corporation and Seagate Technology LLC in the U.S. District Court for the Southern District of New York, alleging infringement of U.S. Patent No. 4,916,635 (the "'635 patent") and U.S. Patent No. 5,638,267 (the "'267 patent"), misappropriation of trade secrets, breach of contract and other claims. On January 16, 2002, Convolv filed an amended complaint, alleging defendants were infringing U.S. Patent No. 6,314,473 (the "'473 patent"). The district court ruled in 2010 that the '267 patent was out of the case.

On August 16, 2011, the district court granted in part and denied in part the Company's motion for summary judgment. On July 1, 2013, the U.S. Court of Appeals for the Federal Circuit: 1) affirmed the district court's summary judgment rulings that the Company did not misappropriate any of the alleged trade secrets and that the asserted claims of the '635 patent are invalid; 2) reversed and vacated the district court's summary judgment of non-infringement with respect to the '473 patent; and 3) remanded the case for further proceedings on the '473 patent. On July 11, 2014, the district court granted the Company's further summary judgment motion regarding the '473 patent. On February 10, 2016, the U.S. Court of Appeals for the Federal Circuit: 1) affirmed the district court's summary judgment of no direct infringement by the Company because the Company's ATA/SCSI disk drives do not meet the "user interface" limitation of the asserted claims of the '473 patent; 2) affirmed the district court's summary judgment of non-infringement by Compaq's products as to claims 1, 3, and 5 of the '473 patent because Compaq's F10 BIOS interface does not meet the "commands" limitation of those claims; 3) vacated the district court's summary judgment of non-infringement by Compaq's accused products as to claims 7-15 of the '473 patent; 4) reversed the district court's summary judgment of non-infringement based on intervening rights; and 5) remanded the case to the district court for further proceedings on the '473 patent. In view of the rulings made by the district court and the Court of Appeals and the uncertainty regarding the amount of damages, if any, that could be awarded Convolve in this matter, the Company does not believe that it is currently possible to determine a reasonable estimate of the possible range of loss related to this matter.

Lambeth Magnetic Structures LLC v. Seagate Technology (US) Holdings, Inc., et al. On April 29, 2016, Lambeth Magnetic Structures LLC filed a complaint against Seagate Technology (US) Holdings, Inc. and Seagate Technology LLC in the U.S. District Court for the Western District of Pennsylvania, alleging infringement of U.S. Patent No. 7,128,988, "Magnetic Material Structures, Devices and Methods." The Company believes the claims asserted in the complaint are without merit and intends to vigorously defend this case. The court issued its claim construction ruling on October 18, 2017. The trial is scheduled to begin on February 7, 2022. While the possible range of loss for this matter remains uncertain, the Company estimates the amount of loss to be immaterial to the financial statements.

Seagate Technology LLC, et al. v. NHK Spring Co. Ltd. and TDK Corporation, et al. On February 18, 2020, Seagate Technology LLC, Seagate Technology (Thailand) Ltd., Seagate Singapore International Headquarters Pte. Ltd., and Seagate Technology International filed a complaint in the United States District Court for the Northern District of California against defendant suppliers of HDD suspension assemblies. Defendants include NHK Spring Co. Ltd., TDK Corporation, Hutchinson Technology Inc., and several of their subsidiaries and affiliates. The complaint includes federal and state antitrust law claims, as well as a breach of contract claim. The complaint alleges that defendants and their co-conspirators knowingly conspired for more than twelve years not to compete in the supply of suspension assemblies; that defendants misused confidential information that the Company had provided pursuant to nondisclosure agreements, in breach of their contractual obligations; and that the Company paid artificially high prices on its purchases of suspension assemblies. The Company seeks to recover the overcharges it paid for suspension assemblies, as well as additional relief permitted by law.

Nidec Corporation v. Seagate Technology LLC, et al. On January 18, 2021, Nidec Corporation filed a complaint against Seagate Technology LLC, Seagate Singapore International Headquarters Pte. Ltd., and Seagate Technology (Netherlands) B.V. in the United States District Court for the District of Delaware, alleging infringement of the following patents: U.S. Patent No. 8,737,017, titled "Spindle Motor and Disk Drive Apparatus," U.S. Patent No. 9,742,239, titled "Spindle Motor and Disk Drive Apparatus," U.S. Patent No. 9,935,528, titled "Spindle Motor and Disk Drive Apparatus," U.S. Patent No. 10,407,775, titled "Base Plate, Hard Disk Drive, and Method of Manufacturing Base Plate," and U.S. Patent No. 10,460,767, titled "Base Member Including Information Mark and Insulating Coating Layer, and Disk Drive Apparatus Including the Same." The complaint seeks unspecified compensatory damages and other relief. The Company believes the claims asserted in the complaint are without merit and intends to vigorously defend this case. The Company does not believe that it is currently possible to determine a reasonable estimate of the possible range of loss related to this matter.

Environmental Matters

The Company's operations are subject to U.S. and foreign laws and regulations relating to the protection of the environment, including those governing discharges of pollutants into the air and water, the management and disposal of hazardous substances and wastes and the cleanup of contaminated sites. Some of the Company's operations require environmental permits and controls to prevent and reduce air and water pollution, and these permits are subject to modification, renewal and revocation by issuing authorities.

The Company has established environmental management systems and continually updates its environmental policies and standard operating procedures for its operations worldwide. The Company believes that its operations are in material compliance with applicable environmental laws, regulations and permits. The Company budgets for operating and capital costs on an ongoing basis to comply with environmental laws. If additional or more stringent requirements are imposed on the Company in the future, it could incur additional operating costs and capital expenditures.

Some environmental laws, such as the Comprehensive Environmental Response Compensation and Liability Act of 1980 (as amended, the “Superfund” law) and its state equivalents, can impose liability for the cost of cleanup of contaminated sites upon any of the current or former site owners or operators or upon parties who sent waste to these sites, regardless of whether the owner or operator owned the site at the time of the release of hazardous substances or the lawfulness of the original disposal activity. The Company has been identified as a responsible or potentially responsible party at several sites. At each of these sites, the Company has an assigned portion of the financial liability based on the type and amount of hazardous substances disposed of by each party at the site and the number of financially viable parties. The Company has fulfilled its responsibilities at some of these sites and remains involved in only a few at this time.

While the Company’s ultimate costs in connection with these sites is difficult to predict with complete accuracy, based on its current estimates of cleanup costs and its expected allocation of these costs, the Company does not expect costs in connection with these sites to be material.

The Company may be subject to various state, federal and international laws and regulations governing the environment, including those restricting the presence of certain substances in electronic products. For example, the European Union (“EU”) enacted the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (2011/65/EU), which prohibits the use of certain substances, including lead, in certain products, including disk drives and server storage products, put on the market after July 1, 2006. Similar legislation has been or may be enacted in other jurisdictions, including in the U.S., Canada, Mexico, Taiwan, China, Japan and others. The EU REACH Directive (Registration, Evaluation, Authorization, and Restriction of Chemicals, EC 1907/2006) also restricts substances of very high concern in products. If the Company or its suppliers fails to comply with the substance restrictions, recycle requirements or other environmental requirements as they are enacted worldwide, it could have a materially adverse effect on the Company’s business.

Other Matters

The Company is involved in a number of other judicial, regulatory or administrative proceedings and investigations incidental to its business, and the Company may be involved in such proceedings and investigations arising in the normal course of its business in the future. Although occasional adverse decisions or settlements may occur, the Company believes that the final disposition of such matters will not have a material adverse effect on its financial position or results of operations.

15. Commitments

Unconditional Long-Term Purchase Obligations. As of July 2, 2021, the Company had unconditional long-term purchase obligations of approximately \$161 million, primarily related to purchases of minimum quarterly amounts of inventory components at fixed contractual prices. The Company expects the commitment to total \$47 million, \$44 million, \$32 million, \$24 million and \$14 million for fiscal years 2023, 2024, 2025, 2026 and thereafter, respectively.

Unconditional Long-term Capital Expenditures. As of July 2, 2021, the Company had \$65 million unconditional long-term commitment primarily related to purchases of equipment.

16. Business Segment and Geographic Information

The Company’s manufacturing operations are based on technology platforms that are used to produce various data storage and systems solutions that serve multiple applications and markets. The Company has determined that its Chief Operating Decision Maker, the Chief Executive Officer, evaluates performance of the Company and makes decisions regarding investments in the Company’s technology platforms and manufacturing infrastructure based on the Company’s consolidated results. As a result, the Company has concluded that its manufacture and distribution of storage solutions constitutes one reporting segment.

In fiscal year 2021, one customer accounted for approximately 11% of consolidated revenue. In fiscal years 2020 and 2019, no customer accounted for more than 10% of consolidated revenue.

The following table summarizes the Company's operations by country:

(Dollars in millions)	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Revenue from external customers ⁽¹⁾ :			
Singapore	\$ 5,180	\$ 5,032	\$ 5,085
United States	3,656	3,583	3,310
The Netherlands	1,825	1,572	1,630
Other	20	322	365
Consolidated	<u>\$ 10,681</u>	<u>\$ 10,509</u>	<u>\$ 10,390</u>
Long-lived assets:			
Thailand	\$ 682	\$ 681	\$ 558
United States	612	567	523
Singapore	570	601	556
Other	411	376	286
Consolidated	<u>\$ 2,275</u>	<u>\$ 2,225</u>	<u>\$ 1,923</u>

⁽¹⁾ Revenue is attributed to countries based on the bill from location.

17. Revenue

The following table provides information about disaggregated revenue by sales channel and geographical region for the Company's single reportable segment:

(Dollars in millions)	Fiscal Years Ended		
	July 2, 2021	July 3, 2020	June 28, 2019
Revenues by Channel			
OEMs	\$ 7,403	\$ 7,504	\$ 7,261
Distributors	1,854	1,738	1,780
Retailers	1,424	1,267	1,349
Total	<u>\$ 10,681</u>	<u>\$ 10,509</u>	<u>\$ 10,390</u>
Revenues by Geography ⁽¹⁾			
Asia Pacific	\$ 5,198	\$ 5,060	\$ 5,115
Americas	3,656	3,583	3,310
EMEA	1,827	1,866	1,965
Total	<u>\$ 10,681</u>	<u>\$ 10,509</u>	<u>\$ 10,390</u>

⁽¹⁾ Revenue is attributed to countries based on bill from locations.

18. Subsequent Events

Dividend Declared

On July 19, 2021, the Company's Board of Directors declared a quarterly cash dividend of \$0.67 per share, which will be payable on October 6, 2021 to shareholders of record as of the close of business on September 22, 2021.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Seagate Technology Holdings public limited company

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Seagate Technology Holdings public limited company (the Company) as of July 2, 2021 and July 3, 2020, the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended July 2, 2021, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at July 2, 2021 and July 3, 2020, and the results of its operations and its cash flows for each of the three years in the period ended July 2, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of July 2, 2021, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated August 6, 2021 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue recognition—Sales incentive program rebates and discounts

Description of the Matter

The Company sells its products to original equipment manufacturers, distributors and retailers (collectively, "customers"). As explained in Note 1 to the consolidated financial statements, the Company reduces revenue for estimated future reductions to the final selling prices for shipped products including sales incentive programs, such as price protection and volume incentives.

Auditing management's estimates of future reductions to the final selling prices is complex as it requires management to make subjective assumptions including the amount of price adjustments on products as well as the timing of its channel sales of products through to end customers.

How We Addressed the Matter in Our Audit We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the completeness of sales incentive programs, the accuracy and completeness of the underlying data used in the calculations and management's assumptions of the amount of future reductions to the final selling prices as well as the timing of its channel sales of products through to end customers.

To test the estimated sales incentive programs, our audit procedures included, among others, testing the completeness of sales incentive programs as well as the accuracy and completeness of the underlying data used in the calculations and evaluating the significant assumptions used by management to estimate its reserves related to remaining channel inventory. To test the completeness of the sales incentive programs, we inspected significant new sales contracts and agreements that include the contractual rights to discounts and rebates to validate they are being properly considered in the incentives reserve calculations and examined credit memos issued after year end. We also directly confirmed terms and conditions of agreements with a sample of the Company's customers as well as inquired of sales representatives and other members of management to assess whether all contractual terms were provided to the Finance Department. To test the underlying data used in the sales incentive program reserve calculations, we confirmed ending on hand inventory at a sample of distributors and retailers. To test management's assumptions of the amount of future reductions to the final selling prices as well as the timing of its distributors' sales of products through to end customers we inquired with operations management and compared estimates with industry and analysts' forecasts. In addition, we performed a retrospective review comparing prior period assumptions to the actual results in subsequent periods and performed sensitivity analyses to evaluate the potential effect of changes in the Company's significant assumptions.

Realizability of deferred income taxes

Description of the Matter At July 2, 2021, the Company had gross deferred tax assets of \$1,551 million, partially offset by a valuation allowance of \$429 million. As discussed in Note 5 to the consolidated financial statements, the Company recognizes a valuation allowance to reduce the carrying value of its deferred tax assets to the amount that management believes is more likely than not to be realized.

Auditing the realizability of the deferred tax assets was complex as the assessment process includes forecasting future sources of taxable income and scheduling the use of the applicable deferred tax assets which includes subjective management assumptions, and the amounts involved are material to the financial statements as a whole.

How We Addressed the Matter in Our Audit We obtained an understanding, evaluated the design and tested the operating effectiveness of controls that address the risks of material misstatement relating to the realizability of deferred tax assets. This included controls over management's determination of sources and amount of future taxable income including income from operations and scheduling of the future reversal of existing taxable temporary differences.

Among other audit procedures performed, we evaluated the assumptions used by the Company to develop projections of future taxable income by jurisdiction and tested the completeness and accuracy of the underlying data used in its projections. For example, we compared the projections of future taxable income with the actual results of prior periods, as well as management's consideration of current industry and economic trends. We also assessed the historical accuracy of management's projections and compared the projections of future taxable income with other forecasted financial information prepared by the Company. In addition, we tested the Company's scheduling of the reversal of existing temporary taxable differences.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1980.
San Jose, California
August 6, 2021

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Seagate Technology Holdings public limited company

Opinion on Internal Control Over Financial Reporting

We have audited Seagate Technology Holdings public limited company's internal control over financial reporting as of July 2, 2021, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Seagate Technology Holdings public limited company (the Company) maintained, in all material respects, effective internal control over financial reporting as of July 2, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of July 2, 2021 and July 3, 2020, and the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended July 2, 2021 and the related notes and our report dated August 6, 2021 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

San Jose, California
August 6, 2021

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Conclusions Regarding Disclosure Controls and Procedures

Our chief executive officer and our chief financial officer have concluded, based on the evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended) by our management, with the participation of our chief executive officer and our chief financial officer, that our disclosure controls and procedures were effective as of July 2, 2021.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended). Under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO.

Based on our evaluation under the 2013 framework in *Internal Control—Integrated Framework*, our management has concluded that our internal control over financial reporting was effective as of July 2, 2021. The effectiveness of our internal control over financial reporting as of July 2, 2021 has been audited by Ernst & Young LLP, the independent registered public accounting firm that audited our financial statements included in this Annual Report on Form 10-K, as stated in their report that is included herein.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during our fourth fiscal quarter that have materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls

Our management, including our chief executive officer and chief financial officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Our disclosure controls and procedures and our internal controls have been designed to provide reasonable assurance of achieving their objectives. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within Seagate have been detected. An evaluation was performed under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of July 2, 2021. Based on that evaluation, our management, including our chief executive officer and chief financial officer, concluded that our disclosure controls and procedures were effective at the reasonable assurance level.

ITEM 9B. OTHER INFORMATION

Not applicable.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information regarding our directors and compliance with Section 16(a) of the Securities Exchange Act of 1934, as amended, set forth in the sections entitled “Proposal 1—Election of Directors,” “Corporate Governance” and “Delinquent Section 16(A) Beneficial Ownership Reports,” in our Proxy Statement to be filed with the SEC within 120 days of the end of our fiscal year pursuant to General Instruction G(3) to Form 10-K are hereby incorporated by reference in this section. In addition, the information set forth in Part I of this report under “Item 1. Business—*Executive Officers*” is also incorporated by reference in this section.

We have adopted a Code of Ethics that applies to the Chief Executive Officer, the Chief Financial Officer, and the principal accounting officer or controller or persons performing similar functions. This Code of Ethics is available on our website. The Internet address for our website is www.seagate.com, and the Code of Ethics may be found from our main web page by clicking first on “Investors,” next on “Governance” and then on “Code of Ethics.”

We intend to satisfy any disclosure requirements under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of this Code of Ethics by posting such information on our website in the location specified above for the Code of Ethics.

ITEM 11. EXECUTIVE COMPENSATION

The information regarding executive compensation required by this Item 11 set forth in the section entitled “Compensation of Named Executive Officers” in our Proxy Statement to be filed with the SEC within 120 days of the end of our fiscal year pursuant to General Instruction G(3) to Form 10-K is hereby incorporated by reference in this section.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information regarding security ownership beneficial owners and management and related shareholders and equity compensation plans required by this Item 12 set forth in the sections entitled “Security Ownership of Certain Beneficial Owners and Management” and “Equity Compensation Plan Information,” respectively, in our Proxy Statement to be filed with the SEC within 120 days of the end of our fiscal year pursuant to General Instruction G(3) to Form 10-K is hereby incorporated by reference in this section.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information regarding certain relationships, related transactions and director independence required by this Item 13 set forth in the section entitled “Certain Relationships and Related Transactions” in our Proxy Statement to be filed with the SEC within 120 days of the end of our fiscal year pursuant to General Instruction G(3) to Form 10-K is hereby incorporated by reference in this section.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information regarding principal accountant fees and services required by this Item 14 set forth in the section entitled “Fees to Independent Auditors” in our Proxy Statement to be filed with the SEC within 120 days of the end of our fiscal year pursuant to General Instruction G(3) to Form 10-K is hereby incorporated by reference in this section.

PART IV

ITEM 15 EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this Report:

1. *Financial Statements.* The following Consolidated Financial Statements of Seagate Technology Holdings plc and Report of Independent Registered Public Accounting Firm are included in Item 8:

	<u>Page No.</u>
Consolidated Balance Sheets	53
Consolidated Statements of Operations	54
Consolidated Statements of Comprehensive Income	55
Consolidated Statements of Cash Flows	56
Consolidated Statements of Shareholders' Equity	57
Notes to Consolidated Financial Statements	58
Reports of Independent Registered Public Accounting Firm	93

2. *Financial Statement Schedules.* All schedules are omitted because they are not applicable or the required information is included in the Financial Statements or in the notes thereto.

(b) *Exhibits.* The following exhibits, as required by Item 601 of Regulation S-K are attached or incorporated by reference as stated below.

EXHIBIT INDEX

Exhibit No.	Exhibit Description	Incorporated by Reference			Filing Date	Filed Herewith
		Form	File No.	Exhibit		
2.1	Scheme of Arrangement among Seagate Technology plc and the Scheme Shareholders	DEF M14A	001-31560	Annex A	3/3/2021	
3.1	Certificate of Incorporation of Seagate Technology Holdings plc					X
3.2	Constitution of Seagate Technology Holdings public limited company as of May 18, 2021 (as amended by special resolution dated May 14, 2021)	8-K12B	001-31560	3.1	5/19/2021	
4.1	Description of Securities					X
4.2	Specimen Ordinary Share Certificate					X
4.3	Indenture for the 2023 Notes dated as of May 22, 2013, among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor, and U.S. Bank National Association, as trustee	8-K	001-31560	4.1	5/22/2013	
4.3(a)	Supplemental Indenture, dated as of May 18, 2021, to Indenture for the 2023 Notes dated May 22, 2013, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman, and U.S. Bank National Association, as trustee	8-K12B	001-31560	10.3	5/19/2021	
4.4	Form of 4.75% Senior Note due 2023	8-K	001-31560	4.1	5/22/2013	
4.5	Registration Rights Agreement dated as of May 22, 2013, among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC.	8-K	001-31560	4.3	5/22/2013	
4.6	Indenture for the 2025 Notes dated as of May 28, 2014, among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor and U.S. Bank National Association, as trustee	8-K	001-31560	4.1	5/28/2014	
4.6(a)	Supplemental Indenture, dated as of May 18, 2021, to Indenture for the 2025 Notes dated May 28, 2014, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman and U.S. Bank National Association	8-K12B	001-31560	10.4	5/19/2021	
4.7	Form of 4.75% Senior Note due 2025	8-K	001-31560	4.1	5/28/2014	
4.8	Registration Rights Agreement dated as of May 28, 2014, among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC.	8-K	001-31560	4.3	5/28/2014	
4.9	Indenture for the 2034 Notes dated as of December 2, 2014, among Seagate HDD Cayman, as issuer, Seagate Technology plc, as guarantor and U.S. Bank National Association, as trustee.	8-K	001-31560	4.1	12/2/2014	

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	File No.	Exhibit	
4.9(a)	Supplemental Indenture, dated as of May 18, 2021, to Indenture for the 2034 Notes dated December 2, 2014, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman and U.S. Bank National Association	8-K12B	001-31560	10.5	5/19/2021
4.10	Form of 5.75% Senior Note due 2034	8-K	001-31560	4.1	12/2/2014
4.11	Registration Rights Agreement dated as of December 2, 2014, among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC.	8-K	001-31560	4.3	12/2/2014
4.12	Indenture for the 2022 Notes, dated as of February 3, 2017, among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor, and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	4.1	2/3/2017
4.12(a)	Supplemental Indenture, dated as of May 18, 2021, to Indenture for the 2022 Notes dated February 3, 2017, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman	8-K12B	001-31560	10.7	5/19/2021
4.13	Form of 4.250% Senior Note due 2022	8-K	001-31560	4.1	2/3/2017
4.14	Registration Rights Agreement for the 2022 Notes, dated as of February 3, 2017, among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC	8-K	001-31560	4.5	2/3/2017
4.15	Indenture for the 2024 Notes, dated as of February 3, 2017, among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor, and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	4.3	2/3/2017
4.15(a)	Supplemental Indenture, dated as of May 18, 2021, to Indenture for the 2024 Notes dated February 3, 2017, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman and Wells Fargo Bank, National Association	8-K12B	001-31560	10.6	5/19/2021
4.16	Form of 4.875% Senior Note due 2024	8-K	001-31560	4.3	2/3/2017
4.17	Registration Rights Agreement for the 2024 Notes, dated as of February 3, 2017, among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC	8-K	001-31560	4.6	2/3/2017
4.18	Indenture for the 2027 Notes dated as of May 14, 2015, among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor, and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	4.1	5/14/2015
4.18(a)	Supplemental Indenture, dated as of May 18, 2021, to Indenture for the 2027 Notes dated May 14, 2015, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman and Wells Fargo Bank, National Association	8-K12B	001-31560	10.8	5/19/2021

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	File No.	Exhibit	
4.19	Form of 4.875% Senior Note due 2027	8-K	001-31560	4.1	5/14/2015
4.20	Registration Rights Agreement dated as of May 14, 2015 among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC	8-K	001-31560	4.3	5/14/2015
4.21	Indenture for the January 2031 Notes dated as of June 10, 2020 among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	4.1	6/11/2020
4.21(a)	Supplemental Indenture, dated as of May 18, 2021, to Indenture for the January 2031 Notes dated June 10, 2020, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman and Wells Fargo Bank, National Association	8-K12B	001-31560	10.9	5/19/2021
4.22	Form of 4.125% Senior Note due January 2031	8-K	001-31560	4.1	6/11/2020
4.23	Registration Rights Agreement for January 2031 Notes dated as of June 10, 2020 among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC and BofA Securities Inc.	8-K	001-31560	4.3	6/11/2020
4.24	Indenture for the June 2029 Notes dated as of June 18, 2020 among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	4.1	6/18/2020
4.24(a)	Supplemental Indenture, dated as of May 18, 2021, to Indenture for the June 2029 Notes dated June 18, 2020, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman and Wells Fargo Bank, National Association	8-K12B	001-31560	10.10	5/19/2021
4.25	Form of 4.091% Senior Note due 2029	8-K	001-31560	4.1	6/18/2020
4.26	Registration Rights Agreement for June 2029 Notes dated as of June 18, 2020 among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC and BofA Securities Inc.	8-K	001-31560	4.3	6/18/2020
4.27	Indenture for the July 2029 Notes dated as of December 8, 2020 among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	4.1	12/9/2020
4.27(a)	Supplemental Indenture, dated as of May 18, 2021, to Indenture for the July 2029 Notes dated December 8, 2020, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman and Wells Fargo Bank, National Association	8-K12B	001-31560	10.12	5/19/2021
4.28	Form of 3.125% Senior Note due July 2029	8-K	001-31560	4.1	12/9/2020
4.29	Registration Rights Agreement for the July 2029 Notes dated as of December 8, 2020 among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC	8-K	001-31560	4.3	12/9/2020

Exhibit No.	Exhibit Description	Incorporated by Reference			Filing Date	Filed Herewith
		Form	File No.	Exhibit		
4.30	Indenture for the July 2031 Notes dated as of December 8, 2020 among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	4.4	12/9/2020	
4.30(a)	Supplemental Indenture, dated as of May 18, 2021, to Indenture for the July 2031 Notes dated December 8, 2020, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman and Wells Fargo Bank, National Association	8-K12B	001-31560	10.11	5/19/2021	
4.31	Form of 3.375% Senior Note due 2031	8-K	001-31560	4.4	12/9/2020	
4.32	Registration Rights Agreement for the July 2031 Notes dated as of December 8, 2020 among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC	8-K	001-31560	4.6	12/9/2020	
10.1+	Amended and Restated Seagate Technology plc 2012 Equity Incentive Plan as amended and restated on October 19, 2016.	10-Q	001-31560	10.4	10/27/2017	
10.2+	Form of Outside Directors Restricted Share Unit Agreement for Seagate Technology Public Limited Company pursuant to the 2012 Equity Incentive Plan	10-Q	001-31560	10.4	1/26/2017	
10.3+	Form of Executive Performance Unit Agreement for Seagate Technology Public Limited Company pursuant to the 2012 Equity Incentive Plan	10-Q	001-31560	10.3	1/26/2017	
10.4+	Form of Employee Restricted Share Unit Agreement for Seagate Technology Public Limited Company pursuant to the 2012 Equity Incentive Plan	10-Q	001-31560	10.2	1/26/2017	
10.5+	Form of Employee Stock Option Agreement for Seagate Technology Public Limited Company pursuant to the 2012 Equity Incentive Plan	10-Q	001-31560	10.1	1/26/2017	
10.6+	Seagate Technology plc Amended and Restated Employee Stock Purchase Plan	8-K	001-31560	10.1	10/18/2017	
10.7+	Dot Hill Systems Corp. 2009 Equity Incentive Plan, as amended, as assumed by Seagate Technology Public Limited Company by Deed Poll on October 21, 2015, and assumed by Seagate Technology Holdings Public Limited Company by Deed Poll on May 18, 2021	10-Q	001-31560	10.1	1/29/2016	
10.8+	2015 Seagate Deferred Compensation Plan	10-Q	001-31560	10.3	1/30/2015	
10.8(a)+	First Amendment to the 2015 Seagate Deferred Compensation Plan	10-Q	001-31560	10.1	10/30/2015	
10.8(b)+	Second Amendment to the 2015 Seagate Deferred Compensation Plan	10-K	001-31560	10.16(b)	8/2/2019	
10.8(c)+	Third Amendment to the 2015 Seagate Deferred Compensation Plan	10-Q	001-31560	10.6	2/4/2019	
10.8(d)+	Fourth Amendment to the 2015 Seagate Deferred Compensation Plan	10-Q	001-31560	10.1	2/5/2020	
10.8(e)+	Fifth Amendment to the 2015 Seagate Deferred Compensation Plan	10-Q	001-31560	10.2	1/28/2021	
10.9+	Seagate 2009 Deferred Compensation Plan	10-K	001-31560	10.17	8/2/2019	
10.9(a)+	First Amendment to 2009 Seagate Deferred Compensation Plan	10-Q	001-31560	10.26	5/5/2010	

Exhibit No.	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.9(b)+	Second Amendment to 2009 Seagate Deferred Compensation Plan	10-Q	001-31560	10.21	5/3/2011	
10.9(c)+	Third Amendment to 2009 Seagate Deferred Compensation Plan	10-Q/A	001-31560	10.56	1/31/2013	
10.9(d)+	Fourth Amendment to 2009 Seagate Deferred Compensation Plan	10-Q	001-31560	10.4	1/30/2015	
10.9(e)+	Fifth Amendment to 2009 Seagate Deferred Compensation Plan	10-Q	001-31560	10.7	2/4/2019	
10.9(f)+	Sixth Amendment to 2009 Seagate Deferred Compensation Plan	10-K	001-31560	10.17(f)	8/7/2020	
10.9(g)+	Seventh Amendment to the 2009 Seagate Deferred Compensation Plan	10-Q	001-31560	10.3	1/28/2021	
10.10+	2010 Restated Seagate Deferred Compensation Plan	10-Q	001-31560	10.27	4/30/2012	
10.10(a)+	First Amendment to the 2010 Restated Seagate Deferred Compensation Plan	10-Q	001-31560	10.4	2/4/2019	
10.10(b)+	Second Amendment to the 2010 Restated Seagate Deferred Compensation Plan	10-K	001-31560	10.18(b)	8/7/2020	
10.11+	Seagate Deferred Compensation Sub-Plan	10-Q	001-31560	10.28	5/5/2010	
10.11(a)+	First Amendment to the Seagate Deferred Compensation Sub-Plan	10-Q	001-31560	10.5	2/4/2019	
10.11(b)+	Second Amendment to the Seagate Deferred Compensation Sub-Plan	10-K	001-31560	10.19(b)+	8/7/2020	
10.12+	Seagate Technology plc Amended and Restated Executive Officer Performance Bonus Plan	8-K	001-31560	10.1	11/4/2013	
10.13+	Summary description of Seagate Technology plc's Compensation Policy for Non-Management Members of the Board of Directors with an Effective date of October 22, 2020					X
10.14	Form of Revised Indemnification Agreement between Seagate Technology and the director or officer named therein	10-Q	001-31560	10.4(b)	5/6/2009	
10.15	Deed Poll of Assumption by Seagate Technology plc, dated July 2, 2010	8-K	001-31560	10.2	7/6/2010	
10.16	September 26, 2017 Equity Commitment Letter entered into by Seagate Technology plc and a consortium of investors led by Bain Capital Private Equity for the acquisition of Toshiba Memory Corporation	10-Q	001-31560	10.3	10/27/2017	
10.17+	Offer Letter, dated December 3, 2018 by and between Seagate US LLC and Gianluca Romano	10-Q	001-31560	10.3	2/4/2019	
10.18	Credit Agreement, dated as of February 20, 2019, by and among Seagate Technology public limited company, Seagate HDD Cayman, as the Borrower, the Lenders party thereto, The Bank of Nova Scotia, as Administrative Agent, Bank of America, N.A., BNP Paribas Securities Corp. and Morgan Stanley Senior Funding, Inc., as Syndication Agents, and MUFG Bank, Ltd. and Wells Fargo Bank, National Association, as Documentation Agents	10-Q	001-31560	10.1	4/30/2019	

Exhibit No.	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	File No.	Exhibit	
10.19	U.S. Guarantee Agreement, dated as of February 20, 2019, among Seagate Technology public limited company and the subsidiaries party thereto, as Guarantors, and The Bank of Nova Scotia, as Administrative Agent	10-Q	001-31560	10.2	4/30/2019
10.19(a)	First Amendment, dated as of January 13, 2021 to the U.S. Guarantee Agreement dated as of February 20, 2019	10-Q	001-31560	10.5	1/28/2021
10.20	Indemnity, Subrogation and Contribution Agreement, dated as of February 20, 2019, among Seagate Technology public limited company, Seagate HDD Cayman, as the Borrower, the subsidiaries party thereto, as Guarantors, party thereto, and The Bank of Nova Scotia, as Administrative Agent	10-Q	001-31560	10.3	4/30/2019
10.21	First Amendment, dated as of May 28, 2019, to the Credit Agreement dated as of February 20, 2019	10-Q	001-31560	10.1	11/1/2019
10.21(a)	Second Amendment and Joinder Agreement, dated as of September 16, 2019, to the Credit Agreement dated as of February 20, 2019	10-Q	001-31560	10.2	11/1/2019
10.21(b)	Third Amendment, dated as of January 13, 2021, to the Credit Agreement dated as of February 20, 2019	10-Q	001-31560	10.4	1/28/2021
10.21(c)	Fourth Amendment, dated as of May 18, 2021, to the Credit Agreement as of February 19, 2019	8-K	001-31560	10.1	5/19/2021
10.22	Joinder and Assumption Agreement, dated as of May 18, 2021, by and among Seagate Technology Holdings public limited company, Seagate Technology public limited company, Seagate HDD Cayman, the guarantors party thereto, and The Bank of Nova Scotia, as administrative agent for the lenders	8-K12B	001-31560	10.2	5/19/2021
10.23+	Amended and Restated Seagate Technology plc 2012 Equity Incentive Plan amended and restated as of October 29, 2019	8-K	001-31560	10.1	11/4/2019
10.24+	Revised Form of Executive Performance Unit Agreement for Seagate Technology public limited company pursuant to the 2012 Equity Incentive Plan (for awards granted after January 2020)	10-K	001-31560	10.35	8/7/2020
10.25+	Revised Form of Employee Restricted Share Unit Agreement for Seagate Technology public limited company pursuant to the 2012 Equity Incentive Plan (for awards granted after January 2020)	10-K	001-31560	10.36	8/7/2020
10.26+	Revised Form of Employee Stock Option Agreement for Seagate Technology public limited company pursuant to the 2012 Equity Incentive Plan (for awards granted after January 2020)	10-K	001-31560	10.37	8/7/2020
10.27+	Revised Form of Outside Directors Restricted Share Unit agreement for Seagate Technology plc pursuant to pursuant to the 2012 Equity Incentive Plan (for awards granted after August 2020)	10-K	001-31560	10.38	8/7/2020
10.28+	Revised Form of Employee Restricted Share Unit Agreement for Seagate Technology public limited company pursuant to the 2012 Equity Incentive Plan (for awards granted after April 2021)	10-Q	001-31560	10.3	4/29/2021

Exhibit No.	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.29+	Amended and Restated Seagate Technology Holdings plc 2012 Equity Incentive Plan as amended and restated on May 18, 2021	8-K12B	001-31560	10.18	5/19/2021	
10.30+	Revised Form of Employee Restricted Share Unit Agreement for Seagate Technology Holdings public limited company pursuant to the 2012 Equity Incentive Plan (includes Compensation Recovery Policy) (for awards granted after May 18, 2021)	8-K12B	001-31560	10.14	5/19/2021	
10.31+	Revised Form of Outside Directors Restricted Share Unit Agreement for Seagate Technology Holdings public limited company pursuant to the 2012 Equity Incentive Plan (for awards granted after May 18, 2021)	8-K12B	001-31560	10.15	5/19/2021	
10.32+	Revised Form of Employee Stock Option Agreement for Seagate Technology Holdings public limited company pursuant to the 2012 Equity Incentive Plan (includes Compensation Recovery Policy) (for awards granted after May 18, 2021)	8-K12B	001-31560	10.16	5/19/2021	
10.33+	Revised Form of Executive Performance Share Unit Agreement for Seagate Technology Holdings public limited company pursuant to the 2012 Equity Incentive Plan (includes Compensation Recovery Policy) for awards granted after May 18, 2021)	8-K12B	001-31560	10.17	5/19/2021	
10.34+	Seagate Technology Holdings plc Amended and Restated Employee Stock Purchase Plan as amended and restated on May 18, 2021	8-K12B	001-31560	10.20	5/19/2021	
10.35	Deed Poll of Assumption by Seagate Technology Holdings plc, dated May 18, 2021	8-K12B	001-31560	10.13	5/19/2021	
10.36+	Seagate Technology Holdings plc Amended and Restated Executive Officer Performance Bonus Plan (as amended and restated effective May 18, 2021)	8-K12B	001-31560	10.19	5/19/2021	
10.37+	Seventh Amended and Restated Seagate Technology Executive Severance and Change in Control Plan					X
21.1	List of Subsidiaries					X
23.1	Consent of Independent Registered Public Accounting Firm					X
24.1	Power of Attorney (see signature page to this annual report)					X
31.1	Certification of the Chief Executive Officer pursuant to rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of the Chief Financial Officer pursuant to rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X

Exhibit No.	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
32.1†	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	Inline XBRL Instance Document.					
101.SCH	Inline XBRL Taxonomy Extension Schema Document.					
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.					
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.					
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.					
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.					
104	Inline XBRL Cover Page contained in Exhibit 101					

+ Management contract or compensatory plan or arrangement.

† The certifications attached as Exhibit 32.1 that accompany this Annual Report on Form 10-K, are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Seagate Technology Holdings plc under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Form 10-K, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SEAGATE TECHNOLOGY HOLDINGS PUBLIC LIMITED COMPANY

Date: August 6, 2021	/s/ DR. WILLIAM D. MOSLEY (Dr. William D. Mosley, Chief Executive Officer and Director)
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POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Dr. William D. Mosley, Gianluca Romano, and Katherine E. Schuelke, and each of them, as his/her true and lawful attorneys-in-fact and agents, with power to act with or without the others and with full power of substitution and resubstitution, to do any and all acts and things and to execute any and all instruments which said attorneys and agents and each of them may deem necessary or desirable to enable the registrant to comply with the U.S. Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission thereunder in connection with the registrant's Annual Report on Form 10-K for the fiscal year ended July 2, 2021 (the "Annual Report"), including specifically, but without limiting the generality of the foregoing, power and authority to sign the name of the registrant and the name of the undersigned, individually and in his/her capacity as a director or officer of the registrant, to the Annual Report as filed with the U.S. Securities and Exchange Commission, to any and all amendments thereto, and to any and all instruments or documents filed as part thereof or in connection therewith; and each of the undersigned hereby ratifies and confirms all that said attorneys and agents and each of them shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
/s/ DR. WILLIAM D. MOSLEY (Dr. William D. Mosley)	Chief Executive Officer and Director (Principal Executive Officer)	August 6, 2021
/s/ GIANLUCA ROMANO (Gianluca Romano)	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	August 6, 2021
/s/ MICHAEL R. CANNON (Michael R. Cannon)	Chairperson of the Board	August 6, 2021
/s/ MARK W. ADAMS (Mark W. Adams)	Director	August 6, 2021
/s/ SHANKAR ARUMUGAVELU (Shankar Arumugavelu)	Director	August 6, 2021
/s/ PRAT BHATT (Prat Bhatt)	Director	August 6, 2021
/s/ JUDY BRUNER (Judy Bruner)	Director	August 6, 2021
/s/ JAY L. GELDMACHER (Jay L. Geldmacher)	Director	August 6, 2021
/s/ DYLAN HAGGART (Dylan Haggart)	Director	August 6, 2021
/s/ STEPHEN J. LUCZO (Stephen J. Luczo)	Director	August 6, 2021
/s/ STEPHANIE TILENIUS (Stephanie Tilenius)	Director	August 6, 2021
/s/ EDWARD J. ZANDER (Edward J. Zander)	Director	August 6, 2021

Number: 606203

Certificate of Incorporation

PLC - Public Limited Company

I hereby certify that

SEAGATE TECHNOLOGY HOLDINGS PUBLIC LIMITED COMPANY

formerly registered as LTD - Private Company Limited by Shares has this day been re-registered under the Companies Act 2014 as PLC - Public Limited Company



Given under my hand at Dublin, this Tuesday 16 February 2021

for Registrar of Companies

DESCRIPTION OF SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1943

The following description of the ordinary shares of Seagate Technology Holdings plc (“us”, “our”, “we”, or the “Company”) is a summary. This summary is not complete and is subject to and qualified in its entirety by reference to the complete text of our Constitution previously filed with the Commission and incorporated by reference as an exhibit to this Annual Report on Form 10-K of which this Exhibit 4.1 is a part, as well as to the Companies Act 2014 of Ireland (the “Irish Companies Act”). We encourage you to read our Constitution (which is comprised of our memorandum of association and articles of association) and the applicable provisions of the Irish Companies Act carefully.

Capital Structure

The authorized share capital of the Company is €40,000 and US\$13,500 and consists of (a) 40,000 deferred shares of €1.00 each, (b) 1,250,000,000 ordinary shares of US\$0.00001 each and (c) 100,000,000 undesignated preferred shares of US \$0.00001 each. The authorized share capital includes 40,000 deferred shares with a nominal value of €1 per share in order to satisfy statutory requirements for all Irish public limited companies commencing operations.

The Company may issue shares subject to the maximum prescribed by its authorized share capital contained in its memorandum of association.

As a matter of Irish company law, the directors of a company may issue new ordinary or preferred shares without shareholder approval once authorized to do so by the articles of association of the company or by an ordinary resolution adopted by the shareholders at a general meeting. An ordinary resolution requires over 50% of the votes of a company’s shareholders cast at a general meeting. The authority conferred can be granted for a maximum period of five years, at which point it must be renewed by the shareholders of the company by an ordinary resolution.

Our authorized share capital may be increased or reduced by way of an ordinary resolution of the Company’s shareholders. The shares comprising the authorized share capital of the Company may be divided into shares of such par value as the resolution shall prescribe.

The rights and restrictions to which our ordinary shares are subject are prescribed in the Company’s articles of association. Our articles of association allow the board of directors, without shareholder approval, to determine the terms of any preferred shares issued by the Company. Our board of directors is authorized, without obtaining any vote or consent of the holders of any class or series of shares unless expressly provided by the terms of that class or series or shares, to provide from time to time for the issuance of other classes or series of preferred shares and to establish the characteristics of each class or series of preferred shares, including the number of shares, designations, relative voting rights, dividend rights, liquidation and other rights, redemption, repurchase or exchange rights and any other preferences and relative, participating, optional or other rights and limitations not inconsistent with applicable law.

Irish law does not recognize fractional shares held of record; accordingly, our Constitution does not provide for the issuance of fractional shares of the Company, and our official Irish register does not reflect any fractional shares.

Pre-emption Rights, Share Warrants and Share Options

Generally, under Irish law, certain statutory pre-emption rights apply automatically in favor of the Company's shareholders where shares in the Company are to be issued for cash. However, we opted out of these pre-emption rights in our articles of association for the maximum period of five years as permitted by Irish law. If this opt-out is not renewed, shares issued for cash must be offered to pre-existing shareholders of the Company pro rata to their existing shareholding before the shares can be issued to any new shareholders. The statutory pre-emption rights do not apply where shares are issued for non-cash consideration and do not apply to the issue of non-equity shares (that is, shares that have the right to participate only up to a specified amount in any income or capital distribution).

The articles of association of the Company provide that, subject to any shareholder approval requirement under any laws, regulations or the rules of any stock exchange to which the Company is subject, the board is authorized, from time to time, in its discretion, to grant such persons, for such periods and upon such terms as the board deems advisable, options to purchase such number of shares of any class or classes or of any series of any class as the board may deem advisable, and to cause warrants or other appropriate instruments evidencing such options to be issued. The Irish Companies Act provides that directors may issue share warrants or options without shareholder approval once authorized to do so by the articles of association or an ordinary resolution of shareholders. The articles of association of the Company provide that the board may issue shares upon exercise of warrants or other securities of the Company as it may from time to time determine without shareholder approval or authorization.

The Company is subject to the rules of NASDAQ that require shareholder approval of certain share issuances.

Dividends

Under Irish law, dividends and distributions may only be made from distributable reserves. Distributable reserves, broadly, means the accumulated realized profits of the Company less accumulated realized losses of the Company and includes reserves created by way of capital reduction. In addition, no distribution or dividend may be made unless our net assets are equal to, or in excess of, the aggregate of our called up share capital plus undistributable reserves and the distribution does not reduce our net assets below such aggregate. Undistributable reserves includes undenominated capital and the amount by which the Company's accumulated unrealized profits, so far as not previously utilized by any capitalization, exceed the Company's accumulated unrealized losses, so far as not previously written off in a reduction or reorganization of capital.

The determination as to whether or not the Company has sufficient distributable reserves to fund a dividend must be made by reference to "relevant financial statements" of the Company. The "relevant financial statements" will be either the last set of unconsolidated annual audited financial statements or other qualifying financial statements properly prepared in accordance with the Irish Companies Act, which give a "true and fair view" of the Company's unconsolidated financial position, and accord with accepted accounting practice. The relevant financial statements must be filed in the Irish Companies Registration Office (the official public registry for companies in Ireland).

The mechanism as to who declares a dividend and when a dividend shall become payable is governed by the articles of association of the Company. The Company's articles of association authorize the directors to declare such dividends as appear justified from the profits of the Company without the approval of the shareholders at a general meeting. The board of directors may also recommend a dividend to be approved and declared by the shareholders at a general meeting. Although the shareholders may direct that the payment be made by distribution of assets, shares or cash, no dividend issued may exceed the amount recommended by the directors. The dividends can be declared and paid in the form of cash or non-cash assets.

The directors of the Company may deduct from any dividend payable to any member all sums of money (if any) payable by such member to the Company in relation to the shares of the Company.

The directors of the Company are also entitled to issue shares with preferred rights to participate in dividends declared by the Company. The holders of such preferred shares may, depending on their terms, be entitled to claim arrears of a declared dividend out of subsequently declared dividends in priority to ordinary shareholders.

Share Repurchases, Redemptions and Conversions

Overview

Article 12 of the Company's articles of association provides that, unless the board of directors specifically elects to treat such acquisition as a purchase for the purposes of the Irish Companies Act, any ordinary share which the Company has acquired or agreed to acquire shall be deemed to be a redeemable share on, and from the time of, the existence or creation of an agreement, transaction or trade between the Company and any third party pursuant to which the Company acquires or will acquire ordinary shares, or an interest in ordinary shares, from the relevant third party. Accordingly, for Irish company law purposes, the repurchase of ordinary shares by the Company will technically be effected as a redemption of those shares as described below under "—Repurchases and Redemptions by the Company." If the articles of association of the Company did not contain Article 12, repurchases by the Company would be subject to many of the same rules that apply to purchases of the Company shares by subsidiaries described below under "—Purchases by Subsidiaries of the Company," including the shareholder approval requirements described below and the requirement that any on-market purchases be effected on a "recognized stock exchange." Except where otherwise noted, when we refer elsewhere in this exhibit to repurchasing or buying back ordinary shares of the Company, we are referring to the redemption of ordinary shares by the Company pursuant to Article 12 of our articles of association or the purchase of ordinary shares of the Company by a subsidiary of the Company, in each case in accordance with the Company's articles of association and Irish company law as described below.

Repurchases and Redemptions by the Company

Under Irish law, a company can issue redeemable shares and redeem them out of distributable reserves (which are described above under "—Dividends") or the proceeds of a new issue of shares for that purpose. The Company currently has distributable reserves which are calculated by reference to the relevant financial statements of the Company. The issue of redeemable shares may only be made by the Company where the nominal value of the issued share capital that is not redeemable is not less than 10% of the nominal value of the total issued share capital of the Company. All redeemable shares must also be fully paid and the terms of redemption of the shares must provide for payment on redemption. Redeemable shares may, upon redemption, be cancelled or held in treasury. Based on Article 12 of the Company's articles of association, shareholder approval will not be required to redeem the Company shares.

The board of directors of the Company will also be entitled to issue preferred shares which may be redeemed at the option of either the Company or the shareholder, depending on the terms of such preferred shares. Please see "—Capital Structure—Authorized Share Capital" above for additional information on redeemable shares.

Repurchased and redeemed shares may be cancelled or held as treasury shares. The nominal value of treasury shares held by the Company at any time must not exceed 10% of the nominal value of the issued share capital of the Company. The Company cannot exercise any voting rights in respect of any shares held as treasury shares. Treasury shares may be cancelled by the Company or re-issued subject to certain conditions.

Purchases by Subsidiaries of the Company

Under Irish law, it may be permissible for an Irish or non-Irish subsidiary to purchase shares of the Company either on-market or off-market. A general authority of the shareholders of the Company is required to allow a subsidiary of the Company to make on-market purchases of the Company shares; however, as long as this general authority has been granted, no specific shareholder authority for a particular on-market purchase by a subsidiary of the Company shares is required. In order for a subsidiary of the Company to make an on-market purchase of the Company's shares, such shares must be purchased on a "recognised stock exchange." NASDAQ, on which the shares of the Company are listed, became a "recognised stock exchange" for this purpose on March 12, 2010, as a result of the coming into effect of the Irish Companies (Recognised Stock Exchanges) Regulations 2010. For an off-market purchase by a subsidiary of the Company, the proposed purchase contract must be authorized by special resolution of the shareholders of the Company before the contract is entered into. The person whose shares are to be bought back cannot vote in favor of the special resolution and, for at least 21 days prior to the special resolution, the purchase contract must be on display or must be available for inspection by shareholders at the registered office of the Company.

The number of shares held by the subsidiaries of the Company at any time will count as treasury shares and will be included in any calculation of the permitted treasury share threshold of 10% of the nominal value of the issued share capital of the Company. While a subsidiary holds shares of the Company, it cannot exercise any voting rights in respect of those shares. The acquisition of the shares of the Company by a subsidiary must be funded out of distributable reserves of the subsidiary.

Existing Share Repurchase Program

As of July 2, 2021, the Company had approximately \$4.2 billion of availability remaining under our share repurchase authorization, which was most recently increased on February 22, 2021 by the board. All other authorized plans have been utilized. Based on market conditions, share repurchases will be made from time to time in the open market and in privately negotiated transactions at the discretion of management. The repurchase programs do not have a prescribed expiration date.

As noted above, because repurchases of the Company shares by the Company will technically be effected as a redemption of those shares pursuant to Article 12 of the articles of association, shareholder approval for such repurchases will not be required.

Bonus Shares

Under the Company's articles of association, the board may resolve to capitalize any amount credited to any reserve or fund available for distribution or the share premium account of the Company for issuance and distribution to shareholders as fully paid up bonus shares on the same basis of entitlement as would apply in respect of a dividend distribution.

Consolidation and Division; Subdivision

Under its articles of association, the Company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger par value than its existing shares or subdivide its shares into smaller amounts than is fixed by its articles of association.

Reduction of Share Capital

The Company may, by ordinary resolution, reduce its authorized share capital in any way. The Company also may, by special resolution and subject to confirmation by the Irish High Court, reduce or cancel its issued share capital in any way.

General Meetings of Shareholders

The Company is required to hold annual general meetings at intervals of no more than fifteen months, provided that an annual general meeting is held in each calendar year, and no more than nine months after our fiscal year-end. Any general meeting may be held outside Ireland if a resolution so authorizing is passed by the board of the Company, provided that technical means are provided to enable shareholders to participate in the meeting without leaving Ireland.

The Company's articles of association include a provision reflecting this requirement of Irish law. At any annual general meeting, only such business shall be conducted as shall have been brought before the meeting (a) by or at the direction of the board or (b) by any member entitled to vote at such meeting who complies with the procedures set forth in the articles of association.

Extraordinary general meetings of the Company may be convened by (i) the board of directors, (ii) on requisition of the shareholders holding not less than 10% of the paid up share capital of the Company carrying voting rights or (iii) on requisition of our auditors. Extraordinary general meetings are generally held for the purposes of approving shareholder resolutions of the Company as may be required from time to time. At any extraordinary general meeting only such business shall be conducted as is set forth in the notice thereof.

Notice of a general meeting must be given to all shareholders of the Company entitled to such notice and to the auditors of the Company. The minimum notice periods are 21 days' notice in writing for an annual general meeting or an extraordinary general meeting to approve a special resolution and 14 days' notice in writing for any other extraordinary general meeting. Because of the 21-day and 14-day requirements described in this paragraph, our articles of association include provisions reflecting these requirements of Irish law.

In the case of an extraordinary general meeting convened by shareholders of the Company, the proposed purpose of the meeting must be set out in the requisition notice. The requisition notice can contain any resolution. Upon receipt of this requisition notice, the board of directors has 21 days to convene a meeting of the Company's shareholders to vote on the matters set out in the requisition notice. This meeting must be held within two months of the receipt of the requisition notice. If the board of directors does not convene the meeting within such 21-day period, the requisitioning shareholders, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, which meeting must be held within three months of the receipt of the requisition notice.

The board of directors may postpone any general meeting of the Company (to the extent permitted by law) after it has been convened where the board in its absolute discretion considers that the reasons for convening the meeting no longer exist or it is, for any reason, not in the Company's interests to hold the meeting. Such postponement may be for a particular period of time or indefinitely.

The only matters which must, as a matter of Irish company law, be transacted at an annual general meeting are the consideration of the Irish statutory financial statements and the report of the directors and the report of the statutory auditors on those statements and that report; the review by the members of the company's affairs; the declaration of a dividend (if any) of an amount not exceeding the amount recommended by the directors (save where the constitution provides otherwise); the authorization of the directors to approve the statutory auditor's remuneration, where the constitution of the company so provides; the election and re-election of directors; the appointment or re-appointment of statutory auditors; and, where the constitution of the company so provides, the remuneration of the directors. If no resolution is made in respect of the reappointment of an existing auditor at an annual general meeting, the existing auditor will be deemed to have continued in office.

Directors are elected by ordinary resolution at general meetings, provided that, if there is a contested election (as provided for in the Company's articles of association), each of the nominees shall be voted upon as a separate resolution and the directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at any such meeting and entitled to vote on the election of directors. "Elected by a plurality" means the election of those director nominees equal in number to the number of positions to be filled at the relevant general meeting that received the highest number of votes in the contested election. Directors serve until the next annual general meeting when they retire and can be re-elected. Because Irish law requires a minimum of two directors at all times, in the event that an election results in no director being elected, each of the two nominees receiving the greatest number of votes in favor of his or her election shall hold office until his or her successor shall be elected. In the event that an election results in only one director being elected, that director shall be elected and shall serve until the next annual general meeting, and the nominee receiving the greatest number of votes in favor of their election shall hold office until his or her successor shall be elected.

If the board of directors become aware that the net assets of the Company are half or less of the amount of the Company's called-up share capital, the board of directors of the Company must convene an extraordinary general meeting of the Company's shareholders not later than 28 days from the date that they learn of this fact. This meeting must be convened for the purposes of considering whether any, and if so what, measures should be taken to address the situation.

Voting

Where a poll is demanded at a general meeting, every shareholder shall have one vote for each ordinary share that he or she holds as of the record date for the meeting. Voting rights on a poll may be exercised by shareholders registered in the Company's share register as of the record date for the meeting or by a duly appointed proxy (or proxies) of such a registered shareholder, which proxy need not be a shareholder. Where interests in shares are held by a nominee trust company, this company may exercise the rights of the beneficial holders on their behalf as their proxy. All proxies must be appointed in the manner prescribed by the Company's articles of association. Our articles of association permit the appointment of proxies by the shareholders to be notified to the Company electronically.

Our articles of association provide that all resolutions shall be decided by a show of hands unless a poll is demanded by the Chair, by at least three shareholders present in person or by proxy, by any shareholder or shareholders holding not less than 10% of the total voting rights of the Company as of the record date for the meeting, or by any shareholder or shareholders holding shares in the Company conferring the right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all shares. Each ordinary shareholder of record as of the record date for the meeting has one vote at a general meeting on a show of hands.

In accordance with our articles of association, our board of directors may from time to time cause the Company to issue preferred shares. These preferred shares may have such voting rights as may be specified in the terms of such preferred shares (e.g., they may carry more votes per share than ordinary shares or may entitle their holders to a class vote on such matters as may be specified in the terms of the preferred shares).

Treasury shares will not be entitled to vote at general meetings of shareholders.

Irish company law requires “special resolutions” of the shareholders at a general meeting to approve certain matters. A special resolution requires not less than 75% of the votes cast of the Company’s shareholders at a general meeting. This may be contrasted with “ordinary resolutions,” which require a simple majority of the votes of the Company’s shareholders cast at a general meeting. Examples of matters requiring special resolutions include:

- Amending the objects or memorandum of association of the Company;
- Amending the articles of association of the Company;
- Approving a change of name of the Company;
- Authorizing the entering into of a guarantee or provision of security in connection with a loan, quasi-loan or credit transaction to a director or connected person;
- Opting out of pre-emption rights on the issuance of new shares;
- Re-registration of the Company from a public limited company to a private company;
- Variation of class rights attaching to classes of shares;
- Purchase of own shares off-market;
- A reduction of issued share capital;
- Sanctioning a compromise/scheme of arrangement;
- Resolving that the Company be wound up by the Irish courts;
- Resolving in favor of a shareholders’ voluntary winding-up;
- Re-designation of shares into different share classes; and
- Setting the re-issue price of treasury shares.

A scheme of arrangement with shareholders requires a court order from the Irish High Court and the approval of: (1) 75% of the voting shareholders by value; and (2) 50% in number of the voting shareholders, at a meeting called to approve the scheme.

Variation of Rights Attaching to a Class or Series of Shares

Variation of all or any special rights attached to any class or series of shares of the Company is addressed in the articles of association of the Company as well as the Irish Companies Act. Any variation of class rights attaching to the issued shares of the Company must be approved by a special resolution of the shareholders of the class or series affected.

Quorum for General Meetings

The presence, in person or by proxy, of the holders of a majority of the Company’s ordinary shares outstanding constitutes a quorum for the conduct of business. No business may take place at a general meeting of the Company if a quorum is not present in person or by proxy. The board of directors has no authority to waive quorum requirements stipulated in the articles of association of the Company. Abstentions and broker non-votes will be counted as present for purposes of determining whether there is a quorum in respect of the proposals.

Inspection of Books and Records

Under Irish law, shareholders have the right to: (i) receive a copy of the memorandum and articles of association of the Company and any act of the Irish government which alters the memorandum of association of the Company; (ii) inspect and obtain copies of the minutes of general meetings and resolutions of the Company; (iii) inspect and receive a copy of the register of shareholders, register of directors and secretaries, register of directors' interests and other statutory registers maintained by the Company; (iv) receive copies of statutory financial statements (or summary financial statements, where applicable) and directors' and auditors' reports which have previously been sent to shareholders prior to an annual general meeting; and (v) receive financial statements of a subsidiary company of the Company which have previously been sent to shareholders prior to an annual general meeting for the preceding ten years. The auditors of the Company will also have the right to inspect all books, records and vouchers of the Company. The auditors' report must be circulated to the shareholders with audited consolidated annual financial statements of the Company prepared in accordance with International Financial Reporting Standards 21 days before the annual general meeting and must be read to the shareholders at the Company's annual general meeting.

Appraisal Rights

Generally, under Irish law, shareholders of an Irish company do not have appraisal rights. Under the EC (Cross-Border Mergers) Regulations 2008 (as amended) governing the merger of an Irish public limited company and a company incorporated in the European Economic Area (the EEA includes all member states of the EU, Norway, Iceland and Liechtenstein), a shareholder (a) who voted against the special resolution approving the merger or (b) of a company in which 90% of the shares is held by the other company the party to the merger of the transferor company has the right to request that the company acquire its shares for cash.

Disclosure of Interests in Shares

Under the Irish Companies Act, there is a notification requirement for shareholders who acquire or cease to be interested in 3% of the shares of an Irish public limited company. A shareholder of the Company must therefore make such a notification to the Company if as a result of a transaction the shareholder will be interested in 3% or more of the shares of the Company; or if as a result of a transaction a shareholder who was interested in more than 3% of the shares of the Company ceases to be so interested. Where a shareholder is interested in more than 3% of the shares of the Company, any alteration of his or her interest that brings his or her total holding through the nearest whole percentage number, whether an increase or a reduction, must be notified to the Company. The relevant percentage figure is calculated by reference to the aggregate par value of the shares in which the shareholder is interested as a proportion of the entire par value of the Company's share capital. Where the percentage level of the shareholder's interest does not amount to a whole percentage this figure may be rounded down to the next whole number. All such disclosures should be notified to the Company within 5 business days of the transaction or alteration of the shareholder's interests that gave rise to the requirement to notify. Where a person fails to comply with the notification requirements described above no right or interest of any kind whatsoever in respect of any shares in the Company held by such person shall be enforceable by such person, whether directly or indirectly, by action or legal proceeding. However, such person may apply to the court to have the rights attaching to the shares concerned reinstated.

In addition to the above disclosure requirement, the Company, under the Irish Companies Act, may by notice in writing require a person whom the Company knows or has reasonable cause to believe to be, or at any time during the three years immediately preceding the date on which such notice is issued, to have been interested in shares comprised in the Company's relevant share capital to: (a) indicate whether or not it is the case, and (b) where such person holds or has during that time held an interest in the shares of the Company, to give such further information as may be required by the Company including particulars of such person's own past or present interests in shares of the Company. Any information given in response to the notice is required to be given in writing within such reasonable time as may be specified in the notice.

Where such a notice is served by the Company on a person who is or was interested in shares of the Company and that person fails to give the Company any information required within the reasonable time specified, the Company may apply to court for an order directing that the affected shares be subject to certain restrictions. Under the Irish Companies Act, the restrictions that may be placed on the shares by the court are as follows:

- (a) any transfer of those shares, or in the case of unissued shares any transfer of the right to be issued with shares and any issue of shares, shall be void;
- (b) no voting rights shall be exercisable in respect of those shares;
- (c) no further shares shall be issued in right of those shares or in pursuance of any offer made to the holder of those shares; and
- (d) no payment shall be made of any sums due from the Company on those shares, whether in respect of capital or otherwise.

Where the shares in the Company are subject to these restrictions, the court may order the shares to be sold and may also direct that the shares shall cease to be subject to these restrictions.

In the event the Company is in an offer period pursuant to the Irish Takeover Rules (as defined below), accelerated disclosure provisions apply for persons holding an interest in the Company's securities of 1% or more.

Individuals who directly or indirectly own or control greater than 25% of the shares in the Company are required to provide information for disclosure in registers to be kept by the Company and the Companies Registration Office in Ireland.

Anti-Takeover Provisions

Irish Takeover Rules and Substantial Acquisition Rules

A transaction by virtue of which a third party is seeking to acquire 30% or more of the voting rights of the Company will be governed by the Irish Takeover Panel Act 1997 and the Irish Takeover Rules made thereunder (collectively, the "Irish Takeover Rules") and will be regulated by the Irish Takeover Panel. The "General Principles" of the Irish Takeover Rules and certain important aspects of the Irish Takeover Rules are described below.

General Principles

The Irish Takeover Rules are built on the following General Principles which will apply to any transaction regulated by the Irish Takeover Panel:

- in the event of an offer, all holders of securities of the target company should be afforded equivalent treatment and, if a person acquires control of a company, the other holders of securities must be protected;
 - the holders of the securities in the target company must have sufficient time and information to enable them to reach a properly informed decision on the offer; where it advises the holders of securities, the board of the target company must give its views on the effects of implementation of the offer on employment, conditions of employment and the locations of the target company's places of business;
 - the board of the target company must act in the interests of the company as a whole and must not deny the holders of securities the opportunity to decide on the merits of the offer;
 - false markets must not be created in the securities of the target company, of the bidder, or of any other company concerned by the offer in such a way that the rise or fall of the prices of the securities becomes artificial and the normal functioning of the markets is distorted;
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- a bidder must announce an offer only after ensuring that it can fulfill in full, any cash consideration, if such is offered, and after taking all reasonable measures to secure the implementation of any other type of consideration;
- a target company must not be hindered in the conduct of its affairs for longer than is reasonable by an offer for its securities; and
- a “substantial acquisition” of securities (whether such acquisition is to be effected by one transaction or a series of transactions) shall take place only at an acceptable speed and shall be subject to adequate and timely disclosure.

Mandatory Bid

If an acquisition of shares were to increase the aggregate holding of an acquirer and its concert parties to shares carrying 30% or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties would be required (except with the consent of the Irish Takeover Panel) to make a cash offer for the outstanding shares at a price not less than the highest price paid for the shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by an acquisition of shares by a person holding (together with its concert parties) shares carrying between 30% and 50% of the voting rights in the Company if the effect of such acquisition were to increase the percentage of the voting rights held by that person (together with its concert parties) by 0.05% within a twelve-month period. A single holder (that is, a holder excluding any parties acting in concert with the holder) holding more than 50% of the voting rights of a company is not subject to this rule.

Voluntary Bid; Requirements to Make a Cash Offer and Minimum Price Requirements

A voluntary offer is an offer that is not a mandatory offer. If a bidder or any of its concert parties acquire ordinary shares of the Company within the period of three months prior to the commencement of the offer period, the offer price must be not less than the highest price paid for the Company ordinary shares by the bidder or its concert parties during that period. The Irish Takeover Panel has the power to extend the “look back” period to 12 months if the Irish Takeover Panel, having regard to the General Principles, believes it is appropriate to do so.

If the bidder or any of its concert parties has acquired ordinary shares of the Company (i) that represent more than 10% of the total ordinary shares of the Company during the period of 12 months prior to the commencement of the offer period or (ii) at any time after the commencement of the offer period, then the offer shall be in cash (or accompanied by a full cash alternative), and the price per ordinary share shall be not less than the highest price paid by the bidder or its concert parties during, in the case of (i), the period of 12 months prior to the commencement of the offer period and, in the case of (ii), the offer period. The Irish Takeover Panel may apply this rule to a bidder who, together with its concert parties, has acquired less than 10% of the total ordinary shares of the Company in the 12 month period prior to the commencement of the offer period if the Panel, having regard to the General Principles, considers it just and proper to do so.

An offer period will generally commence from the date of the first announcement of the offer or proposed offer.

Substantial Acquisition Rules

The Irish Takeover Rules also contain rules governing substantial acquisitions of shares that restrict the speed at which a person may increase his or her holding of shares and rights over shares to an aggregate of between 15% and 30% of the voting rights of the Company. Except in certain circumstances, an acquisition or series of acquisitions of shares or rights over shares representing 10% or more of the voting rights of the Company is prohibited if such acquisition(s), when aggregated with shares or rights already held, would result in the acquirer holding 15% or more but less than 30% of the voting rights of the Company and such acquisitions are made within a period of seven days. These rules also require accelerated disclosure of acquisitions of shares or rights over shares relating to such holdings.

Frustrating Action

Under the Irish Takeover Rules, our board of directors is not permitted to take any action which might frustrate an offer for the shares of the Company once the board of directors has received an approach which may lead to an offer or has reason to believe an offer is imminent, subject to certain exceptions. Potentially frustrating actions such as (i) the issue of shares, options or convertible securities, (ii) material acquisitions or disposals, (iii) entering into contracts other than in the ordinary course of business or (iv) any action, other than seeking alternative offers, which may result in frustration of an offer, are prohibited during the course of an offer or at any time during which the board has reason to believe an offer is imminent. Exceptions to this prohibition are available where:

- (a) the action is approved by the Company's shareholders at a general meeting; or
- (b) with the consent of the Irish Takeover Panel where:
 - (i) the Irish Takeover Panel is satisfied the action would not constitute a frustrating action;
 - (ii) the holders of 50% of the voting rights state in writing that they approve the proposed action and would vote in favor of it at a general meeting;
 - (iii) in accordance with a contract entered into prior to the announcement of the offer; or
 - (iv) the decision to take such action was made before the announcement of the offer and either has been at least partially implemented or is in the ordinary course of business.

For other provisions that could be considered to have an anti-takeover effect, please see above at “—Pre-emption Rights, Share Warrants and Share Options” and “—Disclosure of Interests in Shares,” in addition to “—Corporate Governance” below.

Corporate Governance

The articles of association of the Company allocate authority over the management of the Company to the board of directors. The board of directors may then delegate management of the Company to committees of the board, executives, or to a management team, but regardless, the directors will remain responsible, as a matter of Irish law, for the proper management of the affairs of the Company. The Company currently has an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee. The Company has also adopted Corporate Governance Guidelines and a Code of Ethics that provide the corporate governance framework for the Company.

Duration; Dissolution; Rights upon Liquidation

The Company's duration will be unlimited. The Company may be dissolved at any time by way of either a shareholders' voluntary winding up or a creditors' winding up. In the case of a shareholders' voluntary winding up, the consent of not less than 75% of the shareholders of the Company is required. The Company may also be dissolved by way of court order on the application of a creditor, or by the Companies Registration Office as an enforcement measure where the Company has failed to file certain returns.

The rights of the shareholders to a return of the Company's assets on dissolution or winding up, following the settlement of all claims of creditors, may be prescribed in the Company's articles of association or the terms of any preferred shares issued by the board of directors of the Company from time to time. The holders of preferred shares, if any, in particular may have the right to priority in a dissolution or winding up of the Company. If the articles of association contain no specific provisions in respect of a dissolution or winding up then, subject to the priorities of any creditors, the assets will be distributed to shareholders in proportion to the paid-up par value of the shares held. The Company's articles of association provide that the ordinary shareholders of the Company are entitled to participate pro rata in a winding up, but their right to do so may be subject to the rights of any preferred shareholders to participate under the terms of any series or class of preferred shares.

Uncertificated Shares

Holders of ordinary shares of the Company will not have the right to require us to issue certificates for their shares (unless required by the Irish Companies Act, any stock exchange, depository or any operator of any clearance or settlement system). The Company will only issue uncertificated ordinary shares.

Stock Exchange Listing

The Company's ordinary shares are listed on the NASDAQ Global Select Market under the trading symbol "STX."

No Sinking Fund

The Company's ordinary shares have no sinking fund provisions.

No Liability for Further Calls or Assessments

The Company's ordinary shares are not liable to further calls and assessments beyond any consideration required in connection with their initial issuance or vesting.

Transfer and Registration of Shares

The Company's share register will be maintained by its transfer agent. Registration in this share register will be determinative of membership in the Company. A shareholder of the Company who only holds shares beneficially will not be the holder of record of such shares. Instead, the depository (for example, Cede & Co., as nominee for the Depositary Trust Company) or other nominee will be the holder of record of such shares. Accordingly, a transfer of shares from a person who holds such shares beneficially to a person who also holds such shares beneficially through a depository or other nominee will not be registered in the Company's official share register, as the depository or other nominee will remain the record holder of such shares.

A written instrument of transfer is required under Irish law in order to register on the Company's official share register any transfer of shares (i) from a person who holds such shares directly to any other person, (ii) from a person who holds such shares beneficially to a person who holds such shares directly, or (iii) from a person who holds such shares beneficially to another person who holds such shares beneficially where the transfer involves a change in the depository or other nominee that is the record owner of the transferred shares. An instrument of transfer also is required for a shareholder who directly holds shares to transfer those shares into his or her own broker account (or vice versa). Such instruments of transfer may give rise to Irish stamp duty, which must be paid prior to registration of the transfer on the Company's official Irish share register.

We currently intend to cause one of our affiliates to pay stamp duty in connection with share transfers made in the ordinary course of trading by a seller who holds shares directly to a buyer who holds the acquired shares beneficially. In other cases the Company may, in our absolute discretion, cause one of our affiliates to pay any stamp

duty. The Company's articles of association provide that, in the event of any such payment, the Company (i) may seek reimbursement from the transferor or transferee (at our discretion), (ii) may set-off the amount of the stamp duty against future dividends payable to the transferor or transferee (at our discretion), and (iii) will have a lien against the Company's shares on which we have paid stamp duty. Parties to a share transfer may assume that any stamp duty arising in respect of a transaction in the Company's shares has been paid unless one or both of such parties is otherwise notified by us.

The Company's articles of association delegate to our secretary (or assistant secretary or anyone nominated by either of them) the authority to execute an instrument of transfer on behalf of a transferring party. In order to help ensure that the official share register is regularly updated to reflect trading of our ordinary shares occurring through normal electronic systems, we intend to regularly produce any required instruments of transfer in connection with any transactions for which we pay stamp duty (subject to the reimbursement and set-off rights described above). In the event that we notify one or both of the parties to a share transfer that we believe stamp duty is required to be paid in connection with such transfer and that we will not pay such stamp duty, such parties may either themselves arrange for the execution of the required instrument of transfer (and may request a form of instrument of transfer from the Company for this purpose) or request that the Company execute an instrument of transfer on behalf of the transferring party in a form determined by the Company. In either event, if the parties to the share transfer have the instrument of transfer duly stamped (to the extent required) and then provide it to our transfer agent, the transferee will be registered as the legal owner of the relevant shares on our official Irish share register (subject to the matters described below).

Our board of directors have general discretion to decline to register an instrument of transfer unless:

- the instrument of transfer is duly stamped (if required by law) and lodged with the Company accompanied by the certificate for the shares (if any) to which it relates and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of shares;
- in the case of a transfer to joint holders, the number of joint holders to which the share is to be transferred does not exceed four; and
- it is satisfied that all applicable consents, authorisations, permissions, or approvals required to be obtained pursuant to any applicable law or agreement prior to such transfer have been obtained or that no such consents, authorisations, permissions or approvals are required.

The board may also, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share which is not fully paid.

The registration of transfers may be suspended by the board of directors at such times and for such period, not exceeding in the whole 30 days in each year, as the directors may from time to time determine.

<p>ORDINARY SHARES</p> <p>NOMINAL VALUE \$0.00001</p> <p>Certificate Number</p> <p>ZQ00000000</p>	<p>ORDINARY SHARES</p> <p></p> <p>SEAGATE</p> <p>SEAGATE TECHNOLOGY HOLDINGS PLC</p> <p>INCORPORATED UNDER THE LAWS OF IRELAND</p> <p>THIS CERTIFIES THAT</p> <p>is the owner of</p> <p>ORDINARY SHARES OF US\$0.00001 PAR VALUE PER SHARE OF</p> <p>Seagate Technology Holdings plc (hereinafter called the "Company"), transferable on the books of the Company, subject to the Irish Companies Act 2014 and the Company's constitution, by the holder hereof in person or by a duly authorized attorney upon surrender of this Certificate properly endorsed. This Certificate is not valid unless countersigned and registered by the Transfer Agent and Registrar.</p> <p>Given under the official seal of the Company by its duly authorized officers.</p> <p> Chief Executive Officer and Director</p> <p> Senior Vice President, Chief Legal Officer and Company Secretary</p> <p></p> <p>DATED _____</p> <p>COUNTERSIGNED AND REGISTERED: COMPUTERSHARE TRUST COMPANY, N.A. TRANSFER AGENT AND REGISTRAR</p> <p>By _____ AUTHORIZED SIGNATURE</p>	<p>Shares</p>
<p>SEE REVERSE FOR CERTAIN DEFINITIONS</p> <p>CUSIP G7997R 10 3</p>		
<p>1234567</p>		

Signature(s) Guaranteed: Medallion Guarantee Stamp
THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (Banks, Stockbrokers, Savings and Loan Associations and Credit Unions) WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17A-65.

Seagate Technology plc**FY2021 Non-Management Board Member Compensation**

As approved by the Board of Directors on August 6, 2020, with an effective date of October 22, 2020

Director Share Grants

- Unless otherwise determined by the Board, each newly appointed or elected non-management director will receive an initial restricted share unit grant equal in number to \$275,000 divided by the average closing share price for the quarter prior to the grant and rounded to the nearest whole share. If the appointment occurs other than in connection with the election of directors, this dollar amount shall be prorated. In addition, if the new director was, prior to commencement of Board service, an officer or member of the board of directors of an entity acquired by Seagate, the Board may decide to award a lesser number of shares. The grant date for these awards shall be the date of the director's election or appointment. Each restricted share unit grant will vest on the earlier of the one-year anniversary of the grant date and the day prior to the next election of directors at an Annual General Meeting (AGM). All restricted share unit grants become fully vested in the event of a "Change in Control" of Seagate.
- Unless otherwise determined by the Board, each year at the AGM, each non-management director who is elected to the Board shall automatically receive a grant of restricted share units equal in number to \$275,000 divided by the average closing share price for the quarter prior to the grant and rounded to the nearest share. The grant date for these awards shall be the date of the AGM. Each restricted share unit grant will vest on the earlier of the one-year anniversary of the grant date and the day prior to the next election of directors at an AGM. All restricted share unit grants become fully vested in the event of a "Change in Control" of Seagate.

Cash Compensation

- Directors in good standing are paid their annual cash retainers in four equal installments at each regularly scheduled quarterly board meeting. Newly appointed Directors are paid beginning with the first fiscal quarter of the first Board meeting they attend.
- Directors serving on Committees (as chairperson or member) and the director serving as the Lead Independent Director are paid annual retainers in addition to the annual cash compensation for service as a member of the Board, as set forth below.

Annual cash compensation for service as non-executive Chairperson: \$75,000 (\$18,750.00 per quarter)

Annual cash compensation for service as Lead Independent Director: \$40,000 (\$10,000.00 per quarter)

Annual cash compensation for service as a member of the Board: \$100,000 (\$25,000.00 per quarter)

Annual cash compensation for committee service:

Audit Committee

Chairperson: \$35,000 (\$8,750.00 per quarter)

Member: \$15,000 (\$3,750.00 per quarter)

Compensation Committee

Chairperson: \$30,000 (\$7,500.00 per quarter)

Member: \$10,000 (\$2,500.00 per quarter)

Nominating and Corporate Governance Committee

Chairperson: \$20,000 (\$5,000.00 per quarter)

Member: \$10,000 (\$2,500.00 per quarter)

Travel expense reimbursements:

Directors are reimbursed for all reasonable expenses related to traveling to Board meetings.

**SEVENTH AMENDED AND RESTATED
SEAGATE TECHNOLOGY EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

SECTION 1. INTRODUCTION.

THE SEVENTH AMENDED AND RESTATED SEAGATE TECHNOLOGY EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN (the “**Plan**” or “**Severance and CIC Plan**”) was originally approved by the Board of Directors of **SEAGATE TECHNOLOGY, a Cayman Islands company** (the “**Company**”) on August 21, 2008 as the Seagate Technology Executive Officer Severance and Change in Control (CIC) Plan, and became effective on September 1, 2008. The Plan was previously amended and restated on each of April 29, 2009, July 29, 2009, January 15, 2010, October 25, 2011 and May 18, 2021 and is now further amended and restated in the form set forth herein on June 29, 2021. The purpose of the Plan is to provide for the payment of severance benefits to Potential Eligible Executives in the event their employment with the Parent or any Applicable Subsidiary is terminated involuntarily, as provided herein, and to encourage such executives to continue as employees in the event of a Change in Control. Except as otherwise stated herein, this Plan shall supersede any severance benefit plan, policy or practice previously maintained by the Company or any Applicable Subsidiary (including, without limitation, the provisions of any employment agreement between any Eligible Executive and the Company or any Applicable Subsidiary). This Plan document also serves as the Summary Plan Description for the Plan. All capitalized terms shall have the meanings ascribed to them in the Plan.

SECTION 2. ELIGIBILITY FOR BENEFITS.

(a) **General Rules.** Subject to the requirements set forth in this Section 2(a), the Company will grant severance benefits under the Plan to each Eligible Executive.

(i) “**Potential Eligible Executive**” refers to all executives employed by the Parent or any Applicable Subsidiary with the Level of vice president or above selected to participate in this Plan as indicated in the Benefits Schedules attached hereto. An “**Eligible Executive**” is any Potential Eligible Executive, other than those excluded under this Section 2, whose employment with the Parent or any Applicable Subsidiary is either (A) terminated by such executive for Good Reason or (B) terminated by the Parent or an Applicable Subsidiary without Cause (either of (A) or (B), hereafter a “**Termination Event**”). An Eligible Executive shall be eligible for additional benefits under this Plan if the Termination Event occurs during a Change in Control Period provided that the additional requirements in the Plan are satisfied. The Plan shall have no applicability whatsoever for executives employed by neither the Parent nor an Applicable Subsidiary, and severance benefits available to such executives, if any, shall not be determined by reference to the Plan, but, rather, solely in accordance with applicable law or such other contractual rights as may apply. In addition, no individual shall be eligible to participate in the Plan if such individual is classified by the Parent or Applicable Subsidiary in any of the following categories at the time of termination of services by the Parent or an Applicable Subsidiary, even if a court or agency determines that such individual

should have been classified as a common law employee: (i) an independent contractor or consultant; (ii) an individual paid through an agency, vendor or other third party; or (iii) a freelance worker not treated as an employee. For the avoidance of doubt, if the business of the Applicable Subsidiary as to which the Potential Eligible Executive's employment then relates is sold or spun off, and the Potential Eligible Executive continues employment with the successor entity or one of its affiliates, the Potential Eligible Executive shall not be deemed an Eligible Executive solely as a result of such sale or spin-off. Similarly, if the Potential Eligible Executive's employment is transferred to another entity in the Group without an interruption in service, the Potential Eligible Executive shall not be deemed an Eligible Executive unless such transfer otherwise constitutes a Termination Event.

(ii) In order to be eligible to receive benefits under the Plan, in addition to meeting the requirements of an "Eligible Executive" set forth in Section 2(a)(i) above, an Eligible Executive must execute within 60 days of the Eligible Executive's receipt thereof (such 60-day period, the "**Release Period**") (A) a general waiver and release or settlement agreement on the form provided by the Company without revoking the same and (B) an agreement containing certain covenants on the form provided by the Company and covering the matters set forth in Section 6 of this Plan, the scope and applicability of which covenants shall be determined by the Plan Administrator in its sole discretion (collectively, the "**Release and Covenant Documents**"), which Release and Covenant Documents shall be provided by the Company to the Participant within five (5) business days of the Termination Date.

(iii) Any Termination Event that triggers the payment of benefits under this Plan must occur during the term of this Plan as specified in Section 9(b).

(b) Exceptions. A Potential Eligible Executive who otherwise is an Eligible Executive will not receive benefits under the Plan in any of the following circumstances:

(i) The Potential Eligible Executive is terminated for Cause.

(ii) The Potential Eligible Executive voluntarily terminates employment with the Parent or an Applicable Subsidiary without Good Reason. Voluntary terminations include, but are not limited to, resignation or failure to return from a leave of absence on the scheduled date.

(iii) The Potential Eligible Executive's employment terminates by reason of death, Disability, or retirement.

SECTION 3. DEFINITIONS.

Capitalized terms used in this Plan, unless defined elsewhere in this Plan, shall have the following meanings:

(a) Accrued Bonus Funding means the funding of the Bonus Plan as a percent of target funding as accrued and approved by the Plan Administrator quarterly based on actual financial performance of the Parent for the most recently completed fiscal quarter preceding the Eligible Executive's Termination Date; provided, further, for the purposes of this Plan, the Accrued Bonus

Funding for a given fiscal year or any portion thereof may not exceed 100% of target funding, even if the Plan Administrator has determined that the funding of the Bonus Plan shall accrue at a higher percentage.

(b) **Applicable Subsidiary** means any subsidiary of the Parent included on Schedule A attached hereto.

(c) **Beneficial Owner** means the definition given in Rule 13d-3 promulgated under the Exchange Act.

(d) **Board** means the Board of Directors of the Parent.

(e) **Bonus Plan** means the Parent's Executive Officer Performance Bonus Plan, the Executive Performance Bonus Plan or similar cash incentive bonus plan in which an Eligible Executive participates adopted by the Parent as a successor to one or more of the previously listed bonus plans from time to time. For the avoidance of doubt, one-time bonuses paid by the Parent or an Applicable Subsidiary to a Potential Eligible Executive that are not paid under one of the bonus plans described in the preceding sentence shall not be treated as cash incentive bonuses and therefore shall be excluded from the definition of "Accrued Bonus Funding," "Pro Rata Bonus" and "Target Bonus" for purposes of this Plan. Examples of such one-time bonuses are sign-on bonuses, special recognition bonuses and guaranteed bonuses. For purposes of this Plan, no Eligible Executive shall be treated as participating in more than one Bonus Plan on the date of a Termination Event. In the event that an Eligible Executive is participating in more than one cash incentive bonus plan that would otherwise qualify as a Bonus Plan but for the preceding sentence, the cash incentive bonus plan that would produce the largest payment under the terms of this Plan shall be treated as the Bonus Plan for such Eligible Executive.

(f) **Cause** means (i) a Potential Eligible Executive's continued failure to substantially perform the material duties of his or her office (other than as a result of total or partial incapacity due to physical or mental illness), (ii) fraud, embezzlement or theft by a Potential Eligible Executive of the property of the Parent or any of its subsidiaries, (iii) the conviction of such Potential Eligible Executive of, or plea of nolo contendere by the Potential Eligible Executive to, a felony under the laws of the United States or any state or comparable crime under the laws of a foreign jurisdiction, (iv) a Potential Eligible Executive's malfeasance or misconduct in connection with such Potential Eligible Executive's duties to the Parent or any of its subsidiaries or any other act or omission which is materially injurious to the financial condition or business reputation of the Parent or any of its subsidiaries, or (v) a breach by a Potential Eligible Executive of any of the provisions of (A) this Plan, (B) any non-compete, non-solicitation or confidentiality provisions to which such Potential Eligible Executive is subject or (C) any policy of the Parent or any of its subsidiaries or other agreement to which such Potential Eligible Executive is subject.

(g) **Change in Control** means the consummation or effectiveness of any of the following events:

(i) The sale, exchange, lease or other disposition of all or substantially all of the assets of the Parent to a person or group of related persons, as such terms are defined or described in Sections 3(a)(9) and 13(d)(3) of the Exchange Act;

(ii) A merger, reorganization, recapitalization, consolidation or other similar transaction involving the Parent in which the voting securities of the Parent owned by the shareholders of the Parent immediately prior to such transaction do not represent more than fifty percent (50%) of the total voting power of the surviving controlling entity outstanding, immediately after such transaction;

(iii) Any person or group of related persons, as such terms are defined or described in Sections 3(a)(9) and 13(d)(3) of the Exchange Act, is or becomes the Beneficial Owner, directly or indirectly, of more than 50% of the total voting power of the voting securities of the Parent (including by way of merger, takeover (including an acquisition by means of a scheme of arrangement), consolidation or otherwise);

(iv) During any period of two (2) consecutive years, individuals who at the beginning of such period constituted the Board (together with any new directors whose election by such Board or whose nomination for election by the shareholders of the Parent was approved by a vote of a majority of the directors of the Parent then still in office, who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board then in office; or

(v) A dissolution or liquidation of the Parent other than in connection with a Restructuring Transaction or similar transaction.

Notwithstanding the foregoing, a restructuring for the purpose of changing the domicile of the Parent (including, but not limited to, any change in the structure of the Parent resulting from the process of moving its domicile between jurisdictions), reincorporation of the Parent or other restructuring transaction involving the Parent (a “**Restructuring Transaction**”) will not constitute a Change in Control if, immediately after the Restructuring Transaction, the shareholders of the Parent immediately prior to such Restructuring Transaction represent, directly or indirectly, more than fifty percent (50%) of the total voting power of the surviving entity.

(h) **Change in Control Period** means the period beginning on the date that is six (6) months preceding the effective date of a Change in Control and ending on the date that is twenty-four (24) months following the effective date of the Change in Control.

For the avoidance of doubt, no enhanced benefits payable to an Eligible Executive due to a Termination Event occurring within a Change in Control Period (that is, benefits in excess of the benefits due upon a Termination Event outside a Change in Control Period) shall be paid prior to the effective date of a Change in Control.

(i) **Code** means the U.S. Internal Revenue Code of 1986, as amended. Any specific reference to a section of the Code shall be deemed to include any regulations and other Treasury Department guidance promulgated thereunder.

(j) **Company** means Seagate Technology, an exempted limited liability company incorporated under the laws of the Cayman Islands, and any successor as provided in Section 9(c) hereof.

(k) **Disability** means the physical or mental incapacitation such that for a period of six consecutive months or for an aggregate of nine months in any 24-month consecutive period, a Potential Eligible Executive is unable to substantially perform his or her duties. Any question as to the existence of that Potential Eligible Executive's physical or mental incapacitation as to which the Potential Eligible Executive or the Potential Eligible Executive's representative and the Company or Plan Administrator cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to the Potential Eligible Executive and the Company or Plan Administrator. If the Potential Eligible Executive and the Company or Plan Administrator cannot agree as to a qualified independent physician, each shall appoint such a physician and those two physicians shall select a third who shall make such determination in writing. The determination of "Disability" made in writing to the Company or Plan Administrator and the Potential Eligible Executive shall be final and conclusive for all purposes of the benefits under this Plan.

(l) **Exchange Act** means the U.S. Securities Exchange Act of 1934, as amended.

(m) **Good Reason** means a Potential Eligible Executive's resignation of his or her employment with the Parent or an Applicable Subsidiary as a result of the occurrence of one or more of the following actions without such Potential Eligible Executive's express written consent, which action or actions remain uncured for at least 30 days following written notice from such Potential Eligible Executive to the Parent describing the occurrence of such action or actions and asserting that such action or actions constitute grounds for a Good Reason resignation, which notice must be provided by the Potential Eligible Executive no later than 90 days after the initial existence of such condition, provided that such resignation occurs no later than 60 days after the expiration of the cure period: (i) any material diminution in the level of such Potential Eligible Executive's Level, authority or duties; (ii) a reduction of 10% or more in the level of the base salary or target bonus opportunity to be provided to such Potential Eligible Executive, other than a reduction that is equivalent to the reduction in base salaries and/or target bonus opportunities, as applicable, imposed on all other executives of the Group at a similar level within the Group; (iii) the relocation of such Potential Eligible Executive to a principal place of employment that increases such Potential Eligible Executive's one-way commute by more than 50 miles; or (iv) the failure of any successor to the business of the Parent or to substantially all of the assets and/or business of the Parent to assume the Company's obligations under this Plan as required by Section 9(c).

(n) **Group** means the Parent together with all of its subsidiaries.

(o) **IRS** means the U.S. Internal Revenue Service.

(p) **Level** means a Potential Eligible Executive's level or title as in effect on the Termination Date (or if greater, immediately prior to the date on which an event constituting Good Reason arose).

(q) **Non-U.S. Eligible Executive** means any Eligible Executive, other than a U.S. Executive on assignment or secondment to a non-U.S. jurisdiction, not employed in the United States of America, including its territories and possessions, on the date of a Termination Event.

(r) **Non-U.S. Benefit** means, in the case of a Termination Event occurring outside of a Change in Control Period, an amount equal to the China Severance Pay Amount, the Thailand Severance Pay Amount, the Malaysia Severance Pay Amount, the Singapore Severance Pay Amount, the France Severance Pay Amount, the U.K. Severance Pay Amount or the Canada Severance Pay Amount, as applicable based on the law governing Eligible Executive's employment, in each case as specified in the applicable Benefits Schedule for a Non-U.S. Eligible Executive, plus, if applicable, the Prior Year Bonus, or in the case of a Termination Event occurring during a Change in Control Period, an amount equal to the China Severance Pay Amount, the Thailand Severance Pay Amount, the Malaysia Severance Pay Amount, the Singapore Severance Pay Amount, the France Severance Pay Amount, the U.K. Severance Pay Amount or the Canada Severance Pay Amount, as applicable based on the law governing Eligible Executive's employment, in each case as specified in the applicable Benefits Schedule for a Non-U.S. Eligible Executive, plus the number of months of Target Bonus specified in such applicable Benefits Schedule. Under no circumstances will the Eligible Executive be eligible to receive both the U.S. Benefits and the Non-U.S. Benefits. Also, under no circumstances will the Eligible Executive be eligible to receive both the benefits in case of a Termination Event occurring outside of a Change in Control Period and the benefits in case of a Termination Event occurring during a Change in Control Period.

(s) **Parent** means Seagate Technology Holdings plc, an Irish public limited company or any successor as provided in Section 9(c).

(t) **Pay** means a Potential Eligible Executive's monthly base salary at the rate in effect on the Termination Date (or if greater, immediately prior to the date on which an event constituting Good Reason arose).

(u) **Payment Confirmation Date** means the date on which the Release and Covenants Documents required by Section 2(a)(ii) of this Plan become irrevocable; provided, however, to the extent necessary to comply with Section 409A of the Code, if the Release Period spans two calendar years, then the Payment Confirmation Date will be the later of (i) the date on which the Release and Covenants Documents become irrevocable or (ii) the first regularly scheduled payroll date that occurs in the second of such two calendar years.

(v) **Plan** means this Seventh Amended and Restated Seagate Technology Executive Severance and Change in Control Plan.

(w) **Prior Year Bonus** means, in the event an Eligible Executive is terminated following the start of a fiscal year but prior to the payment date of the annual incentive bonus for the prior

fiscal year, the annual incentive bonus for the prior fiscal year that would have been paid had the Eligible Executive been actively employed with the Parent or any Applicable Subsidiary on the annual incentive bonus payment date. If payable, the Prior Year Bonus shall be paid to the Eligible Executive no earlier than the same time that annual incentive bonuses are otherwise paid to the Group's executives and otherwise in accordance with the payout schedule set forth in the applicable Benefits Schedule.

(x) **Pro Rata Bonus** for an Eligible Executive who is a U.S. Executive and whose Termination Event occurs outside of a Change in Control Period shall be calculated in relation to the fiscal year during which termination takes place, as set forth in this Section 3(x):

(i) The amount of the Pro Rata Bonus shall be determined based on the Accrued Bonus Funding through the last completed fiscal quarter preceding the Termination Date, multiplied by the Eligible Executive's then current Target Bonus, prorated for the number of days employed during the fiscal year of the Termination Event, divided by 365. If payable in connection with a Termination Event, the Pro Rata Bonus calculated in accordance with this Section 3(x)(i) shall be paid to the Eligible Executive within 20 business days following the Payment Confirmation Date.

(ii) Other than as described in Section 3(x)(i) above, no Pro Rata Bonus shall be payable to any U.S. Executive.

(y) **Restrictive Covenant Period** means the longest period of months specified in the Eligible Executive's Release and Covenant Documents during which the Eligible Executive shall be required to abide by one or more of the Covenants set forth in Section 6.

(z) **Target Bonus** means the Eligible Executive's most recently approved target bonus level (expressed as a percentage of base salary) with respect to the Bonus Plan, multiplied by the Eligible Executive's Pay.

(aa) **Termination Date** means the last date on which the Eligible Executive is in employment status with the Parent or any Applicable Subsidiary (as reflected by the Parent's or Applicable Subsidiary's payroll records and determined by the Plan Administrator in its sole and reasonable discretion regardless of whether the termination is later found to be invalid or in breach of employment laws in the jurisdiction where the Eligible Executive is providing services) or, solely to the extent necessary to comply with Section 409A of the Code, such other date that constitutes a "separation from service" within the meaning of Section 409A of the Code. Unless explicitly required by applicable law, the Termination Date will exclude and will not be extended by any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under statute, contract, common/civil law or otherwise.

(ab) **U.S. Benefit** means, in the case of a Termination Event occurring outside of a Change in Control Period, an amount equal to the aggregate number of months of Pay specified in the Benefits Schedule applicable to an Eligible Executive plus, in each case if applicable, the Prior Year Bonus and/or Pro Rata Bonus, and, in the case of a Termination Event occurring during a Change in

Control Period, an amount equal to the aggregate number of months of Pay and Target Bonus specified in the Benefits Schedule applicable to an Eligible Executive.

(ac) U.S. Executive means an Eligible Executive who is employed to provide services in the United States of America (excluding individuals who are in the U.S. on temporary assignment or secondment from another jurisdiction). Eligible Executives who are working in the U.S. temporarily either on assignment, secondment or for personal reasons shall be eligible only for the benefits set forth in the Benefits Schedule for the country where they were originally employed per their employment documentation.

(ad) WARN Act means the U.S. Worker Adjustment and Retraining Notification Act and any other comparable law applicable under the laws of any country or U.S. state.

SECTION 4. AMOUNT OF BENEFIT.

Severance benefits payable under the Plan are as follows:

(a) Subject to Sections 2(a), 6(f) and 8, Eligible Executives will receive the benefits described in Section 7 of the Plan and in the applicable Benefits Schedule attached hereto. The level of benefits applicable to an Eligible Executive shall be based in part upon his or her Level.

(b) Notwithstanding any other provision of the Plan to the contrary, any benefits payable to an Eligible Executive under this Plan shall be reduced by any severance or termination benefits or indemnities payable by the Parent or any Applicable Subsidiary to such individual under any other arrangement covering the individual (including but not limited to payments pursuant to any policy, contract, statute, collective bargaining agreement, federal, state or local law or otherwise), unless expressly otherwise agreed to by the Parent or the Applicable Subsidiary in writing. Further, in the event that the Eligible Executive is entitled to receive notice, severance or termination benefits or indemnities under (i) any agreement or contract with the Parent or any Applicable Subsidiary, (ii) any plan, policy, program, collective bargaining agreement, or other arrangement adopted or established by the Parent or any Applicable Subsidiary under the WARN Act or other applicable law providing for payments from the Parent or an Applicable Subsidiary on account of termination of employment, including pay in lieu of advance notice of termination, and/or, (iii) in the case of Non-U.S. Eligible Executives as otherwise legally required to be paid to any such Non-U.S. Eligible Executive ((i)-(iii) collectively, “**Other Benefits**”), any severance benefits payable hereunder shall be reduced by the Other Benefits.

SECTION 5. TIME OF PAYMENT AND FORM OF BENEFIT; INDEBTEDNESS.

(a) Benefits under this Plan shall be paid according to the payment schedule specified in the applicable Benefits Schedule attached hereto, subject to Section 6(f) and the following provisions:

(i) Any increase to the cash severance benefits payable on account of the occurrence of a Termination Event during a Change in Control Period but preceding the effective date of the Change in Control shall be paid on the later of (A) five (5) business days following the

effective date of the Change in Control or (B) the first regularly scheduled payroll date that occurs on or after the Payment Confirmation Date, and otherwise in accordance with the payout schedule set forth in the applicable Benefits Schedule.

(ii) In the event that an Eligible Executive would be entitled to an extension of the period to exercise outstanding options following termination of employment without Cause under the terms of the applicable option award agreement(s), then such extension shall also be applicable in the event that the Eligible Executive terminates employment for Good Reason, subject, however, to the same terms and limitations as set forth in the option award agreement applicable to a termination without Cause.

(iii) Unless otherwise required by applicable law, in no event shall payment of any Plan benefit be due prior to the Eligible Executive's Payment Confirmation Date, and any payment shall be deemed to be timely made if paid within twenty (20) business days of such date or at such later date as specified in the applicable Benefits Schedule attached hereto.

(iv) Notwithstanding anything to the contrary in this Section 5(a), except for a Termination Event occurring during a Change in Control Period, the Plan Administrator may, in its sole discretion, determine an alternate payment schedule for any reason, provided that any such amendment does not give rise to additional taxation under Section 409A of the Code.

(b) Subject to compliance with Section 409A of the Code and other applicable law, if an Eligible Executive is indebted to the Parent or any subsidiary at his or her Termination Date, the Parent and its subsidiaries reserve the right to offset any severance payments under the Plan by the amount of such indebtedness.

SECTION 6. ELIGIBLE EXECUTIVE COVENANTS

Severance benefits payable under the Plan are subject to the following covenants made by each Eligible Executive (the "**Covenants**"), the scope and applicability of which covenants shall be as set forth in the Release and Covenant Documents, but in any event shall not be substantially greater than as set forth in this Section 6:

(a) **Non-Competition.** During the Restrictive Covenant Period, an Eligible Executive will not directly or indirectly:

(i) engage in any business that competes with the business of the Group (including, without limitation, any businesses which the Group has specific plans to conduct in the future and as to which such Eligible Executive is aware of such planning) in any geographical area in which the Group conducts such business (a "**Competitive Business**");

(ii) enter the employ of, or render any services to, any person or entity (or any division of any person or entity) who or which engages in a Competitive Business;

- (iii) acquire a financial interest in, or otherwise become actively involved with, any Competitive Business, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or
- (iv) interfere with, or attempt to interfere with, business relationships (whether formed before, on or after the date of this Plan) between the any Group company and its customers, clients, suppliers, partners, members or investors.

Notwithstanding anything to the contrary in this Plan, an Eligible Executive may, directly or indirectly own, solely as a passive investment, securities of any person engaged in the business of the Group which are actively traded on a public securities market (including the OTCBB and similar over-the-counter market) if such Eligible Executive (i) is not a controlling person of, or a member of a group which controls, such person and (ii) does not, directly or indirectly, own 5% or more of any class of such actively traded securities of such person.

(b) Non-Solicitation of Clients. During the Restrictive Covenant Period, an Eligible Executive will not, whether on such Eligible Executive's own behalf or on behalf of or in conjunction with any person, company, business entity or other organization whatsoever, directly or indirectly solicit or assist in soliciting in competition with the Group, the business of any client or prospective client:

- (i) with whom such Eligible Executive had personal contact or dealings on behalf of the Group during the one year period preceding such Eligible Executive's Termination Date;
- (ii) with whom employees reporting to such Eligible Executive have had personal contact or dealings on behalf of the Group during the one year immediately preceding such Eligible Executive's Termination Date; or
- (iii) for whom such Eligible Executive had direct or indirect responsibility during the one year immediately preceding such Eligible Executive's Termination Date.

(c) Non-Solicitation of Employees and Consultants. During the Restrictive Covenant Period, an Eligible Executive will not, whether on such Eligible Executive's own behalf or on behalf of or in conjunction with any person, company, business entity or other organization whatsoever, directly or indirectly:

- (i) solicit or encourage any employee of the Group to leave the employment of the Group; or
- (ii) encourage to cease to work with the Group any consultant then under contract with the Group.

(d) During the term of an Eligible Executive's employment with the Group, such Eligible Executive will have access to and become acquainted with the Group's confidential and proprietary information, including but not limited to, information or plans regarding the Group's customer relationships, personnel or sales, marketing and financial operations and methods, trade secrets,

formulas, devices, secret inventions, processes and other compilations of information, records and specifications (collectively, “**Proprietary Information**”). An Eligible Executive shall not at any time disclose any of the Group’s Proprietary Information, directly or indirectly, or use it in any way except in the course of performing services for the Group, as authorized in writing by the Parent, the relevant Group company or as required to be disclosed by applicable law. All files, records, documents, computer-recorded information, drawings, specifications, equipment and similar items relating to the business of the Group, whether prepared by an Eligible Executive or otherwise coming into such Eligible Executive’s possession, shall remain the exclusive property of the relevant Group company, as the case may be. Notwithstanding the foregoing, Proprietary Information shall not include information that is or becomes generally public knowledge other than as a result of a breach of this Section 6(d) or any obligation that the Eligible Executive has to protect the confidentiality of the Proprietary Information of the Group. Nothing herein is intended to or shall limit, prevent, impede or interfere with the Eligible Executive’s non-waivable right, without prior notice to the Group, to provide information to the government, participate in investigations, testify in proceedings regarding the Group’s past or future conduct, or engage in any activities protected under whistleblower statutes. Pursuant to the Defend Trade Secrets Act of 2016 (18 U.S.C. 1833(b)), a U.S. Executive shall not be held criminally or civilly liable under any United States federal or state trade secret law for the disclosure of a trade secret that is made in confidence either directly or indirectly to a United States federal, state, or local government official, or to an attorney, solely for the purpose of reporting or investigating, a violation of law. A U.S. Executive shall not be held criminally or civilly liable under any United States federal or state trade secret law for the disclosure of a trade secret made in a complaint, or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If a U.S. Executive files a lawsuit alleging retaliation by a Group company for reporting a suspected violation of the law, the U.S. Executive may disclose the trade secret to his or her attorney and use the trade secret in the court proceeding, so long as any document containing the trade secret is filed under seal and does not disclose the trade secret, except pursuant to court order.

(e) It is expressly understood and agreed that although each Eligible Executive, the Parent and its subsidiaries consider the restrictions contained in the Covenants to be reasonable, if a final judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in the Covenants is an unenforceable restriction against an Eligible Executive, for which injunctive relief is unavailable, the provisions of the Covenants shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Furthermore, such a determination shall not limit the Parent’s or an Applicable Subsidiary’s ability to cease providing payments or benefits due during the remainder of any Restrictive Covenant Period or to seek recovery of any prior payments or benefits made hereunder, if applicable, unless a court of competent jurisdiction has expressly declared that action to be unlawful. Alternatively, if any court of competent jurisdiction finds that any restriction contained in the Covenants is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained in the Covenants or other provisions of this Plan.

(f) All benefits payable to an Eligible Executive are contingent upon his or her full compliance with the foregoing obligations during the Restrictive Covenant Period. Accordingly, if the Eligible Executive, at any time, violates any Covenants, any proprietary information or confidentiality obligation to the Group (including Section 6(d) above), including his or her obligations under the applicable At-Will Employment, Confidential Information and Invention Assignment Agreement (or any such similar agreement), or any other obligations under this Plan, (i) any remaining payments or benefits due under this Plan will terminate immediately following written notice from the Plan Administrator of such violation and (ii) to the maximum extent permitted by applicable law, if the Eligible Executive has received any benefits under the Plan prior to the date of such written notice, the Eligible Executive shall deliver to the Parent or the Applicable Subsidiary, within 30 days, an amount equal to the aggregate of all such benefits.

SECTION 7. CONTINUATION OF EMPLOYMENT BENEFITS.

(a) Health Plan Benefits Continuation.

(i) Each U.S. Executive who is enrolled in a health, vision or dental plan sponsored by the Parent or a subsidiary may be eligible to continue coverage (the “**Continued Coverage**”) under such health, vision or dental plan (or to convert to an individual policy) under the U.S. Consolidated Omnibus Budget Reconciliation Act of 1985 (“**COBRA**”). The Group will notify the individual of any such right to continue health coverage at the time of termination. In the event that a U.S. Executive is not eligible to receive Continued Coverage (either because such U.S. Executive is not enrolled in any plan sponsored by the Group or because such U.S. Executive will be covered by a statutory scheme for continued health, vision or dental coverage that will not be an obligation of the Group), it is understood and agreed that this Section 7(a) shall not be applicable to such U.S. Executive and, with respect to a Termination Event occurring during a Change in Control Period, he or she shall not be eligible to receive the COBRA Premiums. For the avoidance of doubt, no benefits shall be payable under this Section 7 to any Non-U.S. Eligible Executive.

(ii) Subject to Sections 2(a), 6(f) and 8 hereof, solely in connection with the Continued Coverage triggered by a Termination Event during a Change in Control Period, the Parent or the Applicable Subsidiary will pay to the U.S. Executive a lump sum cash payment in an amount equal to 2.0 times the before-tax annual cost of such U.S. Executive’s premiums to cover the U.S. Executive and his or her eligible dependents, if any, in effect as of the Termination Event (the “**Continued Coverage Payment**”). The Continued Coverage Payment will include the coverage premium cost of a U.S. Executive’s dependents if, and only to the extent that, such dependents were enrolled in a health, vision or dental plan sponsored by the Group prior to the U.S. Executive’s Termination Date. No provision of this Plan will affect the continuation coverage rules under COBRA or any other applicable law. Therefore, the period during which a U.S. Executive must elect to continue the Parent’s or a subsidiary’s group medical, vision or dental coverage at his or her own expense under COBRA or other applicable law, the length of time during which Continued Coverage will be made available to the U.S. Executive, and all other rights and obligations of the U.S. Executive under COBRA or any other applicable law (except the obligation to pay the Continued Coverage Payment) will be applied in the same manner that such rules would apply in the absence of

this Plan. It is expressly understood and agreed that the U.S. Executive will be solely responsible for the entire payment of premiums required under COBRA or other applicable law.

(b) Other Employee Benefits. All non-health benefits (such as life insurance and disability coverage) terminate as of the U.S. Executive's Termination Date (except to the extent that any conversion privilege is available thereunder).

SECTION 8. EXCISE TAXES

(a) In the event that any benefits payable to an Eligible Executive pursuant to this Plan or pursuant to any other plan, agreement or arrangement ("**Payments**") (i) constitute "parachute payments" within the meaning of Section 280G of the Code, and (ii) but for this Section 8 would be subject to the excise tax imposed by Section 4999 of the Code, or any comparable successor provisions (the "**Excise Tax**"), then the Eligible Executive's payments hereunder shall be either (a) provided to the Eligible Executive in full, or (b) provided to the Eligible Executive as to such lesser extent which would result in no portion of such benefits being subject to the Excise Tax, whichever of the foregoing amounts, when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by the Eligible Executive, on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under the Excise Tax. Unless the Company and the Eligible Executive otherwise agree in writing, any determination required under this Section 8 shall be made in writing in good faith by a recognized accounting firm selected by the Company or the Plan Administrator (the "**Accountants**"). Any reduction in payments or benefits hereunder shall occur in the following order: (i) any cash severance, (ii) any other cash amount payable to the Eligible Executive, (iii) any benefit valued as a "parachute payment," and (iv) the acceleration of vesting of any equity-based awards. For purposes of making the calculations required by this Section 8, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code and other applicable legal authority. The Company and the applicable Eligible Executive shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 8. The Company (or the Applicable Subsidiary) shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 8.

(b) If, notwithstanding any reduction described in Section 8(a), the IRS determines that an Eligible Executive is liable for the Excise Tax as a result of the receipt of any Payments pursuant to this Plan, then the Eligible Executive shall be obligated to pay back to the Parent or the Applicable Subsidiary, within thirty (30) days after a final IRS determination or in the event that the Eligible Executive challenges the final IRS determination, a final judicial determination, a portion of the Payments equal to the "**Repayment Amount**." The Repayment Amount shall be the smallest such amount, if any, as shall be required to be paid to the Parent or the Applicable Subsidiary so that the Eligible Executive's net after-tax proceeds with respect to the Payments (after taking into account the payment of the Excise Tax and all other applicable taxes imposed on such benefits) shall be maximized. The Repayment Amount shall be zero if a Repayment Amount of more than zero would not result in the Eligible Executive's net after-tax proceeds with respect to the Payments being

maximized. If the Excise Tax is not eliminated pursuant to this Section 8(b), the Eligible Executive shall pay the Excise Tax.

(c) Notwithstanding any other provision of this Section 8, if (i) there is a reduction in the Payments to an Eligible Executive as described in this Section 8, (ii) the IRS later determines that the Eligible Executive is liable for the Excise Tax, the payment of which would result in the maximization of the Eligible Executive's net after-tax proceeds (calculated as if the Eligible Executive's benefits had not previously been reduced), and (iii) the Eligible Executive pays the Excise Tax, then the Parent or the Applicable Subsidiary shall pay to the Eligible Executive those Payments which were reduced pursuant to this Section 8 as soon as administratively possible after the Eligible Executive pays the Excise Tax (but in any event within 30 days thereafter) so that the Eligible Executive's net after-tax proceeds with respect to the payment of the Payments are maximized.

SECTION 9. RIGHT TO INTERPRET PLAN; AMEND AND TERMINATE; OTHER ARRANGEMENTS; BINDING NATURE OF PLAN.

(a) **Exclusive Discretion.** The "Plan Administrator" shall be the Compensation Committee of the Board. The Plan Administrator shall have the exclusive discretion and authority to establish rules, forms, and procedures for the administration of the Plan, and to construe and interpret the Plan and to decide any and all questions of fact, interpretation, definition, computation or administration arising in connection with the operation of the Plan, including, but not limited to, the eligibility to participate in the Plan, the designation of the Level relating to each applicable tier of benefits under the Plan as set forth in the Benefits Schedules, the amount of benefits paid under the Plan, the timing of payments under the Plan and the scope and applicability of the Covenants contained in the Release and Covenant Documents. Benefits under this Plan will be paid only if the Plan Administrator decides in its sole discretion that the Eligible Executive is entitled to receive them. The rules, interpretations, computations and other actions of the Plan Administrator shall be binding and conclusive on all persons. The Plan Administrator's decisions shall not be subject to review unless they are found to be unreasonable or not to have been made in good faith. The Plan Administrator may appoint one or more individuals and delegate such of its powers and duties as it deems desirable to any such individual(s), in which case every reference herein made to the Plan Administrator shall be deemed to mean or include the appointed individual(s) as to matters within their jurisdiction. All reasonable expenses incurred by the Plan Administrator in connection with the administration of the Plan shall be paid by the Group.

(b) Term Of Plan; Termination or Suspension; Amendment; Binding Nature Of Plan.

(i) This Plan shall be effective until July 31, 2022 and shall be automatically extended thereafter for successive one-year periods unless the Board or the Plan Administrator, in its sole discretion, elects not to renew the Plan prior to the date that the Plan is then scheduled to expire. The Board or the Plan Administrator may also terminate or suspend the Plan at any time and for any reason or no reason, which termination or suspension, as applicable, shall become effective at the end of the term described in this Section 9(b)(i), *provided, however*, that no such termination or

suspension shall affect the Parent's or any Applicable Subsidiary's obligation to complete the delivery of benefits hereunder to any Potential Eligible Executive who becomes an Eligible Executive prior to the effective time of such termination or suspension; and *further provided*, that during a Change in Control Period, the Plan shall not be terminated or suspended.

(ii) The Board and the Plan Administrator reserve the right to amend this Plan or the benefits provided hereunder at any time and in any manner; *provided, however*, that no such amendment shall materially adversely affect the interests or rights of any Eligible Executive whose Termination Date has occurred prior to amendment of the Plan; and *further provided*, that during a Change in Control Period, the Plan shall not be amended in a manner adverse to a Potential Eligible Executive without his or her written consent.

(iii) Any action amending, suspending or terminating the Plan shall be in writing and approved by the Board or the Plan Administrator.

(c) **Binding Effect On Successor.** This Plan shall be binding upon any successor or assignee, whether direct or indirect, by purchase, merger, consolidation or otherwise, to all or substantially all the business or assets of the Company or Parent (as applicable), or upon any successor to the Company or Parent (as applicable) as the result of a Change in Control, and any such successor or assignee shall be required to perform the Company's or Parent's obligations (as applicable) under the Plan, in the same manner and to the same extent that the Company or Parent (as applicable) would be required to perform if no such succession or assignment or Change in Control had taken place. In such event, the term "Company" or "Parent" (as applicable), as used in the Plan, shall mean the Company or Parent (as applicable) as herein defined and any successor or assignee as described above which by reason hereof becomes bound by the terms and provisions of this Plan.

SECTION 10.NO IMPLIED EMPLOYMENT CONTRACT.

The Plan shall not be deemed (i) to give any employee or other person any right to be retained in the employ of any Group company or (ii) to interfere with the right of any such Group company to discharge any employee or other person at any time in accordance with applicable law, which right is hereby reserved.

SECTION 11.LEGAL CONSTRUCTION.

This Plan is intended to be governed by and shall be construed in accordance with the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and, to the extent not preempted by ERISA, the laws of the State of California, except that the Covenants, if any, as set forth in the Release and Covenant Documents shall in all cases be governed by the laws of the country, U.S. state or other jurisdiction specified therein. This Plan is intended to be (a) an employee welfare plan as defined in Section 3(1) of ERISA and (b) a "top-hat" plan maintained for the benefit of a select group of management or highly compensated employees of the Parent or its subsidiaries.

SECTION 12. CLAIMS, INQUIRIES AND APPEALS.

(a) Applications For Benefits And Inquiries. Any application for benefits, inquiries about the Plan or inquiries about present or future rights under the Plan must be submitted to the Plan Administrator in writing. The Plan Administrator is:

The Compensation Committee
of the Board of Directors of
Seagate Technology Holdings plc
C/O: Office of the Chief Human Resources Officer
47488 Kato Road
Fremont, CA 94538

(b) Denial Of Claims. In the event that any application for benefits is denied in whole or in part, the Plan Administrator must notify the applicant, in writing, of the denial of the application, and of the applicant's right to review the denial. The written notice of denial will be set forth in a manner designed to be understood by the employee, and will include specific reasons for the denial, specific references to the Plan provision upon which the denial is based, a description of any information or material that the Plan Administrator needs to complete the review and an explanation of the Plan's review procedure.

This written notice will be given to the employee within 90 days after the Plan Administrator receives the application, unless special circumstances require an extension of time, in which case, the Plan Administrator has up to an additional 90 days for processing the application. If an extension of time for processing is required, written notice of the extension will be furnished to the applicant before the end of the initial 90-day period.

This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Plan Administrator is to render its decision on the application. The applicant will then be permitted to appeal the denial in accordance with the Review Procedure described below.

(c) Request For A Review. Any person (or that person's authorized representative) for whom an application for benefits is denied, in whole or in part, may appeal the denial by submitting a request for a review to the Plan Administrator within 60 days after the application is denied. The Plan Administrator will give the applicant (or his or her representative) an opportunity to review pertinent documents in preparing a request for a review and to submit written comments, documents, records and other information relating to the claim. A request for a review shall be in writing and shall be addressed to:

Compensation Committee of the Board of Directors of Seagate Technology Holdings plc
Plan Administrator for the Executive Severance and CIC Plan
C/O: Office of the Chief Human Resources Officer
47488 Kato Road
Fremont, CA 94538

A request for review must set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the applicant feels are pertinent. The Plan Administrator may require the applicant to submit additional facts, documents or other material as it may find necessary or appropriate in making its review.

(d) Decision On Review. The Plan Administrator will act on each request for review within 60 days after receipt of the request, unless special circumstances require an extension of time (not to exceed an additional 60 days) for processing the request for a review. If an extension for review is required, written notice of the extension will be furnished to the applicant within the initial 60-day period. The Plan Administrator will give prompt, written notice of its decision to the applicant. In the event that the Plan Administrator confirms the denial of the application for benefits in whole or in part, the notice will outline, in a manner calculated to be understood by the applicant, the specific Plan provisions upon which the decision is based.

(e) Rules And Procedures. The Plan Administrator will establish rules and procedures, consistent with the Plan and with ERISA, as necessary and appropriate in carrying out its responsibilities in reviewing benefit claims. The Plan Administrator may require an applicant who wishes to submit additional information in connection with an appeal from the denial (or deemed denial) of benefits to do so at the applicant's own expense.

(f) Exhaustion Of Remedies. No legal action for benefits under the Plan may be brought until the claimant (i) has submitted a written application for benefits in accordance with the procedures described by Section 12(a) above, (ii) has been notified by the Plan Administrator that the application is denied, (iii) has filed a written request for a review of the application in accordance with the appeal procedure described in Section 12(c) above and (iv) has been notified in writing that the Plan Administrator has denied the appeal (or the appeal is deemed to be denied due to the Plan Administrator's failure to take any action on the claim within the time prescribed by Section 12(d) above).

SECTION 13.BASIS OF PAYMENTS TO AND FROM PLAN.

All benefits under the Plan shall be paid by the Parent or the Applicable Subsidiary. The Plan shall be unfunded, and benefits hereunder shall be paid only from the general assets of the Parent or the Applicable Subsidiary.

SECTION 14.OTHER PLAN INFORMATION.

(a) Employer And Plan Identification Numbers. The Employer Identification Number assigned to the Company (which is the "Plan Sponsor" as that term is used in ERISA) by the Internal Revenue Service is 77-0545987. The Plan Number assigned to the Plan by the Plan Sponsor pursuant to the instructions of the Internal Revenue Service is 003.

(b) Ending Date For Plan's Fiscal Year. The date of the end of the fiscal year for the purpose of maintaining the Plan's records is the Friday which falls closest to, and including, June 30.

(c) Agent For The Service Of Legal Process. The agent for the service of legal process with respect to the Plan is the Chief Legal Officer/General Counsel, c/o Seagate Technology (US) Holdings, Inc., 47488 Kato Road, Fremont, California 94538. The service of legal process may also be made on the Plan by serving the Plan Administrator.

(d) Plan Sponsor And Administrator. The “Plan Sponsor” of the Plan is Seagate Technology, and the “Plan Administrator” of the Plan is the Compensation Committee of the Board. Each of the Plan Sponsor and the Plan Administrator can be reached by contacting the Office of the Chief Human Resources Officer in writing c/o 47488 Kato Road, Fremont, California 94538, and by telephone at (510) 661-1000. The Plan Administrator is the named fiduciary charged with the responsibility for administering the Plan.

SECTION 15.STATEMENT OF ERISA RIGHTS.

Participants in this Plan (which is a welfare benefit plan sponsored by Seagate Technology) are entitled to certain rights and protections under ERISA if the participant is employed in the United States. If you are an Eligible Executive employed in the United States, you are considered a participant in the Plan and, under ERISA, you are entitled to:

(a) Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as work sites, all Plan documents and copies of all documents filed by the Plan with the U.S. Department of Labor;

(b) Obtain copies of all Plan documents and Plan information upon written request to the Plan Administrator. The Administrator may make a reasonable charge for the copies; and

(c) Receive a summary of the Plan’s annual financial report, in the case of a plan which is required to file an annual financial report with the Department of Labor. (Generally, all pension plans and welfare plans with 100 or more participants must file these annual reports.)

In addition to creating rights for Plan participants, ERISA imposes duties upon the people responsible for the operation of the employee benefit plan. The people who operate the Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA. If your claim for a Plan benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the Plan Administrator review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within 30 days, you may file suit in a U.S. federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits

that is denied or ignored, in whole or in part, you may file suit in a U.S. state or U.S. federal court. If it should happen that the Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a U.S. federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions, about your rights under ERISA, you should contact the nearest area office of the U.S. Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquires, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the U.S. Employee Benefits Security Administration.

SECTION 16.EFFECT OF SECTION 409A OF THE CODE

This Plan is intended to comply with all applicable law, including Section 409A of the Code (to the extent applicable to U.S. taxpayers). If the Eligible Executive is a U.S. Executive or is otherwise subject to U.S. federal taxation, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Plan providing for the payment of any amount or benefit that is considered deferred compensation under Section 409A of the Code upon or following a termination of employment unless such termination of employment is also a "separation from service" within the meaning of Section 409A of the Code. If an Eligible Executive is deemed on the Termination Date to be a "specified employee" (as such term is defined under Section 409A of the Code), then with regard to any payment or the provision of any benefit that is considered deferred compensation under Section 409A of the Code payable on account of a "separation from service," to the extent required to avoid any taxes imposed under Section 409A(a)(1) of the Code, such payment or benefit shall be made or provided, without interest, at the date which is no more than 15 days following the expiration of the six month period measured from the Termination Date.

Further, if the Eligible Executive is a U.S. Executive or is otherwise subject to U.S. federal taxation, a Change in Control shall not be deemed to have occurred for purposes of any provision of this Plan providing for the payment of any amount or benefit that is considered deferred compensation under Section 409A of the Code upon or following a Change in Control unless the applicable transaction or event constitutes a "change in the ownership or effective control of the Company or a "change in the ownership of a substantial portion of the assets" of the Company," as defined in Treasury Regulation §1.409A-3(i)(5).

No payment shall be made, no benefit shall be provided and no acceleration or modification may be made under this Plan that would result in the imposition of an additional tax under Section 409A of the Code upon a U.S. Executive. In the event that it is reasonably determined by the Plan Administrator that, as a result of Section 409A of the Code, payments under the Plan may not be made or benefits provided at the time or in the manner contemplated by the terms of the Plan without

causing the U.S. Executive to be subject to taxation under Section 409A of the Code, the Parent or the Applicable Subsidiary will make such payment or provide such benefit on the first day that would not result in the U.S. Executive incurring any tax liability under Section 409A of the Code and/or shall modify such payment or benefit to avoid incurring such tax liability. Notwithstanding the foregoing, neither the Parent nor any subsidiary, nor any of their employees or representatives, shall have any liability to the U.S. Executive with respect to the imposition of any early or additional tax under Section 409A of the Code.

For purposes of Section 409A of the Code, each payment made under this Plan shall be designated as a “separate payment” within the meaning of Section 409A of the Code. In addition, all benefits provided under this Plan to U.S. Executives shall be made or provided in accordance with the requirements of Section 409A of the Code including, where applicable, the requirement that (i) the amount of benefits provided during a calendar year may not affect the benefits to be provided in any other calendar year and (ii) the right to benefits may not be subject to liquidation or exchange for another benefit.

SCHEDULE A

Potential Eligible Executives employed in the United States

Seagate Technology (US) Holdings, Inc.
Seagate US LLC
Seagate Technology LLC
Seagate Systems (US) Inc.
Seagate Cloud Systems, Inc.
Seagate Federal, Inc.

Potential Eligible Executives employed in Malaysia

Seagate International (Johor) Sdn. Bhd.
Penang Seagate Industries (M) Sdn. Bhd.
Seagate Systems (Malaysia) Sdn. Bhd.
Seagate Global Business Services (Malaysia) Sdn. Bhd.

Potential Eligible Executives employed in Thailand

Seagate Technology (Thailand) Limited
Seagate Systems (UK) Limited (Thailand employees)

Potential Eligible Executives employed in United Kingdom

Seagate Technology UK Ltd.
Seagate Technology (Ireland)
La Cie Ltd
Seagate Systems (UK) Limited
Dot Hill Systems Europe Ltd.
Seagate Systems (Havant) Limited

Potential Eligible Executives employed in Singapore

Seagate Singapore International Headquarters Pte. Ltd.
Seagate Technology International (Singapore branch)
Seagate Systems (UK) Limited (Singapore employees)
Dot Hill Singapore Pte. Ltd.
Lyve (SG) Pte. Ltd.

Potential Eligible Executives employed in Canada

Seagate Technology Canada Inc.

Potential Eligible Executives employed in China

Seagate Technology Services (Shanghai) Co., Ltd.
Seagate (Hangzhou) Data Recovery Services Co. Ltd.
Seagate Technology International (Wuxi) Parent Limited
Dot Hill Systems Tianjin Ltd.
Seagate Technology Manufacturing (Hong Kong) Limited

Potential Eligible Executives employed in France

Seagate Technology (Netherlands) B.V.

Potential Eligible Executives employed in Ireland
Seagate Technology plc

**BENEFIT SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

The following benefits schedules set forth the benefits payable to Eligible Executives. The benefits schedules disclosed in public filings are for those for Eligible Executives who currently are, or are foreseeable to become, “named executive officers,” as defined in Item 402 of Regulation S-K and the other applicable rules and regulations promulgated by the U.S. Securities and Exchange Commission. The amount of benefits payable is dependent upon the Level in which the Eligible Executive falls and whether the Termination Event occurs during a Change in Control period, as more particularly described in the Plan.

The Plan Administrator shall determine in which Level an Eligible Executive shall be placed for purposes of receiving severance benefits under this Plan. The Plan Administrator’s determination shall be final and shall be binding and conclusive on all persons. The Plan Administrator retains the right to reclassify a Potential Eligible Executive prior to the date of the Termination Event and/or the occurrence of a Change in Control, except as expressly restricted by this Plan in connection with the occurrence of a Change in Control.

All payout schedules set forth in the Benefits Schedules shall be subject to the provisions of this Plan, including, without limitation, Sections 5 and 16.

**BENEFITS SCHEDULES FOR THE
SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: 1 Pay Level: E5 (CEO)

Location: U.S.

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	24 months of Pay
Bonus	Prior Year Bonus, if applicable, and Pro Rata Bonus, if applicable
Other	Outplacement services for two years following Termination Date
Payout Schedule	The lesser of (i) 50% of the U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder payable 12 months following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	36 months of Pay
Bonus	36 months of Target Bonus (less any Pro Rata Bonus already paid, if applicable)
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Continued Coverage Payment, if applicable, and Outplacement services for two years following the Termination Date
Payout Schedule	The lesser of (i) 100% of the U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: 2 Pay Level: E3-E4 (EVP-President)

Location: U.S.

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	20 months of Pay
Bonus	Prior Year Bonus, if applicable, and Pro Rata Bonus, if applicable
Other	Outplacement services for two years following the Termination Date
Payout Schedule	The lesser of (i) 50% of the U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder payable 12 months following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	24 months of Pay
Bonus	24 months of Target Bonus (less any Pro Rata Bonus already paid, if applicable)
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Continued Coverage Payment, if applicable, and Outplacement services for two years following the Termination Date
Payout Schedule	The lesser of (i) 100% of the U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: 3 Pay Level: E2 (SVP)

Location: U.S.

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	16 months of Pay
Bonus	Prior Year Bonus, if applicable, and Pro Rata Bonus, if applicable
Other	Outplacement services for 18 months following Termination Date
Payout Schedule	The lesser of (i) 50% of the U.S Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	18 months of Pay
Bonus	18 months of Target Bonus (less any Pro Rata Bonus already paid, if applicable)
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Continued Coverage Payment, if applicable, and Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: 4 Pay Level: E1 (VP)

Location: U.S.

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	12 months of Pay
Bonus	Prior Year Bonus, if applicable, and Pro Rata Bonus, if applicable
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	12 months of Pay
Bonus	12 months of Target Bonus (less any Pro Rata Bonus already paid, if applicable)
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Continued Coverage Payment, if applicable, and Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E2 (SVP)

Location: Canada

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service over six years, with the total of (i) and (ii) subject to an aggregate maximum of 12 months ("Canada Severance Pay Amount").
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for 18 months following Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	Canada Severance Pay Amount (as defined above)
Bonus	18 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E1 (VP)

Location: Canada

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service over six years, with the total of (i) and (ii) subject to an aggregate maximum of 12 months ("Canada Severance Pay Amount").
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	Canada Severance Pay Amount (as defined above)
Bonus	12 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E2 (SVP)

Location: Thailand

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) either (A) six months, for those Non-U.S. Eligible Executives with less than six years of service with the Group prior to the Termination Event or (B) eight months for those Non-U.S. Eligible Executives with six or more years of service with the Group prior to the Termination Event, <u>plus</u> , (ii) one additional month for each year of service over eight years, with the total of (i) and (ii) subject to an aggregate maximum of 24 months ("Thailand Severance Pay Amount").
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	Thailand Severance Pay Amount (as defined above)
Bonus	18 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

BENEFITS SCHEDULES FOR THE SEAGATE TECHNOLOGY EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN

Tier: Non-US **Pay Level:** E1 (VP)

Location: Thailand

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) either (A) six months, for those Non-U.S. Eligible Executives with less than six years of service with the Group prior to the Termination Event or (B) eight months for those Non-U.S. Eligible Executives with six or more years of service with the Group prior to the Termination Event, <u>plus</u> , (ii) one additional month for each year of service over eight years, with the total of (i) and (ii) subject to an aggregate maximum of 24 months ("Thailand Severance Pay Amount").
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	Thailand Severance Pay Amount (as defined above)
Bonus	12 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

BENEFITS SCHEDULES FOR THE SEAGATE TECHNOLOGY EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN

Tier: Non-US **Pay Level:** E2 (SVP)

Location: Malaysia

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service with the Group over six years, with the total of (i) and (ii) subject to an aggregate maximum of 24 months ("Malaysia Severance Pay Amount").
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	Malaysia Severance Pay Amount (as defined above)
Bonus	18 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

BENEFITS SCHEDULES FOR THE SEAGATE TECHNOLOGY EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN

Tier: Non-US **Pay Level:** E1 (VP)

Location: Malaysia

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service over six years, with the total of (i) and (ii) subject to an aggregate maximum of 24 months ("Malaysia Severance Pay Amount").
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	Malaysia Severance Pay Amount (as defined above)
Bonus	12 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E3 (EVP)

Location: Singapore

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service over six years, with the total of (i) and (ii) subject to an aggregate maximum of 24 months ("Singapore Severance Pay Amount").
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for 24 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	Singapore Severance Pay Amount (as defined above)
Bonus	24 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for 24 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E2 (SVP)

Location: Singapore

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service over six years, with the total of (i) and (ii) subject to an aggregate maximum of 24 months ("Singapore Severance Pay Amount").
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	Singapore Severance Pay Amount (as defined above)
Bonus	18 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E1 (VP)

Location: Singapore

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service over six years, with the total of (i) and (ii) subject to an aggregate maximum of 24 months ("Singapore Severance Pay Amount").
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	Singapore Severance Pay Amount (as defined above)
Bonus	12 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E2 (SVP)

Location: China

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay (“China Severance Pay Amount”) equal to the sum of: (i) for service periods prior to January 1, 2008: one month for each year of service, plus (ii) for service periods on or after January 1, 2008: one month for each year of service, provided the monthly salary is equal to or less than three times the local average salary, up to a maximum of 12 months. If the service period is from six months to one year, the employee shall be entitled to Pay which will be equal to one month’s salary. If the service period is less than six months, Pay will be equal to half month’s salary
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder of the China Severance Pay Amount, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	China Severance Pay Amount (as defined above)
Bonus	18 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E1 (VP)

Location: China

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay (“China Severance Pay Amount”) equal to the sum of: (i) for service periods prior to January 1, 2008: one month for each year of service, plus (ii) for service periods on or after January 1, 2008: one month for each year of service, provided the monthly salary is equal to or less than three times the local average salary, up to a maximum of 12 months. If the service period is from six months to one year, the employee shall be entitled to Pay which will be equal to one month’s salary. If the service period is less than six months, Pay will be equal to half month’s salary.
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder of the China Severance Pay Amount, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	China Severance Pay Amount (as defined above)
Bonus	12 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E2 (SVP)

Location: United Kingdom

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service over six years, with the total of (i) and (ii) subject to an aggregate maximum of 18 months (“U.K. Severance Pay Amount”).
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	U.K. Severance Pay Amount (as defined above)
Bonus	18 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E1 (VP)

Location: United Kingdom

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service over six years, with the total of (i) and (ii) subject to an aggregate maximum of 18 months (“U.K. Severance Pay Amount”)
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	U.K. Severance Pay Amount (as defined above)
Bonus	12 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive’s award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E2 (SVP)

Location: France

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service over six years, with the total of (i) and (ii) subject to an aggregate maximum of 18 months ("France Severance Pay Amount").
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	France Severance Pay Amount (as defined above)
Bonus	18 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for 18 months following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

**BENEFITS SCHEDULES
FOR THE SEAGATE TECHNOLOGY
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL (CIC) PLAN**

Tier: Non-US **Pay Level:** E1 (VP)

Location: France

Benefits Payable in the Event of a Termination Event:

WITHOUT A CHANGE IN CONTROL

Base	The number of months of Pay equal to the sum of (i) six months <u>plus</u> , (ii) one additional month for each year of service over six years, with the total of (i) and (ii) subject to an aggregate maximum of 18 months ("France Severance Pay Amount")
Bonus	Prior Year Bonus, if applicable
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

DURING A CHANGE IN CONTROL PERIOD

Note: No enhanced benefits due to a Termination Event occurring within a Change in Control Period shall be paid prior to the effective date of a Change in Control.

Base	France Severance Pay Amount (as defined above)
Bonus	12 months of Target Bonus
Equity	Upon the later of (i) a Termination Event occurring during a Change in Control Period or (ii) immediately prior to the effective date of a Change in Control, other than as provided herein, there shall be full vesting of all unvested equity-based awards (whether or not granted prior to or following the adoption of this Plan). Notwithstanding the applicable provisions of the Eligible Executive's award agreements or the relevant share compensation plan governing such equity-based awards, if a Termination Event occurs during a Change in Control Period but prior to the effective date of the Change in Control, no unvested awards shall lapse or be forfeited solely on account of such Termination Event; provided, however, if the Change in Control has not occurred within the 6-month period following the Termination Event, all such unvested awards shall automatically lapse at the end of such 6-month period. In addition, if an award agreement specifies the manner and extent to which such award shall become accelerated in connection with a Change in Control, the terms of such award agreement will govern for purposes of determining the number of shares that will become vested in connection with a Termination Event during a Change in Control Period.
Other	Outplacement services for one year following the Termination Date
Payout Schedule	The lesser of (i) 100% of the Non-U.S. Benefit or (ii) twice the compensation limit then in effect under Section 401(a)(17) of the Code, payable within 20 business days following the Payment Confirmation Date, with the remainder, if any, payable 6 months and 1 day following the Termination Date.

SEAGATE TECHNOLOGY HOLDINGS PUBLIC LIMITED COMPANY SUBSIDIARIES AS OF JULY 2, 2021

Seagate Technology Holdings Public Limited Company	Ireland
Seagate Technology plc	Ireland
- re-registered as Seagate Technology Unlimited Company on July 5, 2021	
Seagate Technology	Cayman
Seagate Technology (Dublin Branch)	Ireland
Seagate Systems Ireland Limited	Ireland
Seagate Data Storage Technology	Cayman
Seagate HDD Cayman	Cayman
Seagate Technology (US) Holdings, Inc.	Delaware
EVault, Inc.	Delaware
Seagate Cloud Systems, Inc.	Delaware
Seagate Cloud Systems Japan Ltd.	Japan
Dot Hill Singapore Pte. Ltd.	Singapore
Dot Hill Germany GmbH	Germany
Dot Hill Systems Europe Ltd.	United Kingdom
Dot Hill Systems Tianjin Ltd.	China
Dot Hill Systems Israel Ltd.	Israel
Cloverleaf Communications, Inc.	Delaware
Dot Hill Israel Ltd.	Israel
Seagate Technology Australia Pty. Limited	Australia
Seagate Technology Taiwan Ltd.	Taiwan
Seagate US LLC	Delaware
Quinta Corporation	California
Seagate Technology LLC	Delaware
Seagate Technology Canada Inc.	Canada
Seagate Federal, Inc.	Delaware
Seagate Systems (US) Holdings Inc.	Delaware
Seagate Systems (US) Inc.	California
Seagate Technology International	Cayman
Seagate Technology International (Singapore Branch)	Singapore
Lyve (SG) Pte. Ltd.	Singapore
Seagate International (Johor) Sdn. Bhd.	Malaysia
Seagate Technology China Holding Company	Cayman
Seagate Technology Manufacturing (Hong Kong) Limited	Hong Kong
Penang Seagate Industries (M) Sdn. Bhd.	Malaysia
Seagate Global Business Services (Malaysia) Sdn. Bhd.	Malaysia
Seagate Technology (Thailand) Limited	Thailand
Seagate Technology HDD (India) Private Limited	India

Seagate Technology (Ireland)	Cayman
Seagate Technology (Ireland) (Springtown Branch)	United Kingdom
Seagate Brasil Comércio e Representação de Produtos de Informática Ltda.	Brazil
Seagate Brasil Comércio e Representação de Produtos de Informática Ltda. (Sao Paulo Branch)	Brazil
Seagate Technology UK Ltd.	United Kingdom
Seagate Technology UK Ltd. (Moscow Branch)	Russia
Seagate Systems (Bermuda) Limited	Bermuda
Seagate Systems (Malaysia) Sdn. Bhd.	Malaysia
Seagate Systems (UK) Limited	United Kingdom
Seagate Systems (Havant) Limited	United Kingdom
Seagate Systems (Philippines), Inc.	Philippines
Seagate Systems (México) S.A. de C.V.	Mexico
Seagate Business Centre (UK) Ltd.	United Kingdom
Seagate Business Centre GmbH	Germany
Seagate Singapore International Headquarters Pte. Ltd.	Singapore
Seagate Technology Israel Ltd.	Israel
Seagate (Hangzhou) Data Recovery Services Co. Ltd.	China
Seagate Technology International (Wuxi) Company Limited	China
Seagate Technology (Netherlands) B.V.	Netherlands
Nippon Seagate Inc.	Japan
Seagate Technology MEA DMCC	Dubai
Seagate Technology EMEA B.V.	Netherlands
Seagate Technology EMEA B.V. (Russia Branch)	Russian Federation
Seagate Technology (Netherlands) B.V. (UK Branch)	United Kingdom
Seagate Technology (Netherlands B.V., Filial Sverige Branch)	Sweden
Seagate Technology (Netherlands) B.V. (Germany Branch)	Germany
Seagate Technology (Netherlands) B.V. (French Branch)	France
Seagate Technology Services (Shanghai) Co., Ltd.	China
Seagate Technology Services (Shanghai) Co., Ltd. (Beijing Branch)	China
Seagate Technology Services (Shanghai) Co., Ltd. (Shenzhen Branch)	China
Seagate Technology Services (Shanghai) Co., Ltd. (Chengdu Branch)	China
Seagate Technology Services (Shanghai) Co., Ltd. (Hangzhou Branch)	China

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-8 Nos. 333-237939, 333-221831, 333-216350, 333-207313, 333-199781, 333-184704, 333-177609) pertaining to the Equity Incentive Plan of Seagate Technology Holdings public limited company;

of our reports dated August 6, 2021, with respect to the consolidated financial statements of Seagate Technology Holdings public limited company, and the effectiveness of internal control over financial reporting of Seagate Technology Holdings public limited company, included in this Annual Report (Form 10-K) for the year ended July 2, 2021.

/s/ Ernst & Young LLP

San Jose, California

August 6, 2021

CERTIFICATION

I, Dr. William D. Mosley, certify that:

1. I have reviewed this annual report on Form 10-K of Seagate Technology Holdings plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 6, 2021

	/s/ Dr. William D. Mosley
Name:	Dr. William D. Mosley
Title:	Chief Executive Officer and Director (Principal Executive Officer)

CERTIFICATION

I, Gianluca Romano, certify that:

1. I have reviewed this annual report on Form 10-K of Seagate Technology Holdings plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 6, 2021

	/s/ Gianluca Romano
Name:	Gianluca Romano
Title:	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

This certification is not to be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and does not constitute a part of the Annual Report of Seagate Technology Holdings plc (the "Company") on Form 10-K for the fiscal year ended July 2, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report").

In connection with the Report we, Dr. William D. Mosley, Chief Executive Officer of the Company, and Gianluca Romano, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 6, 2021

	<u>/s/ Dr. William D. Mosley</u>
Name:	Dr. William D. Mosley
Title:	Chief Executive Officer and Director (Principal Executive Officer)

Date: August 6, 2021

	<u>/s/ Gianluca Romano</u>
Name:	Gianluca Romano
Title:	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)