

FY2008 Global Citizenship Annual Report

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In Fiscal Year 2008, Seagate continued to make progress in sustaining its Global Citizenship activities and targeting specific areas for improvement and support.

FY2008 represented Seagate's second year to have formal, company-wide energy-use reduction metrics. I am pleased to report that, for the second year, Seagate saw a reduction in energy use (as normalized to production units), lowering overall energy consumption by 7.7% or about 124,000 MWh. The company also began quantifying its carbon footprint and continued its waste minimization program.

Seagate continued its active engagement with industry stakeholders in FY2008. The company continued its engagement with and support of the Electronics Industry Code of Conduct (EICC), including membership in EICC's management board, active participation in EICC workgroups, and addition of EICC conformance evaluation to the company's quarterly reviews of key suppliers. In addition, the company also remained active in its leadership of the United Nations Global Compact (UNGC) United States Network and support of the UNGC's principles.

In our local communities, Seagate partnered with public, educational, and non-profit organizations to help address many challenging issues. Seagate and its employees supported a wide range of worthy efforts, ranging from fundraising for leukemia research to improving and beautifying public spaces, to supporting science and technology education in local schools, and much more.

These are just a few examples of our Global Citizenship program; I invite you to learn more about our FY2008 Global Citizenship in the following pages and thank you for your interest.



Bill Watkins
Chief Executive Officer

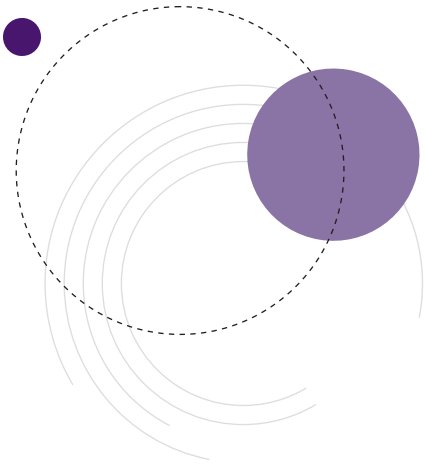


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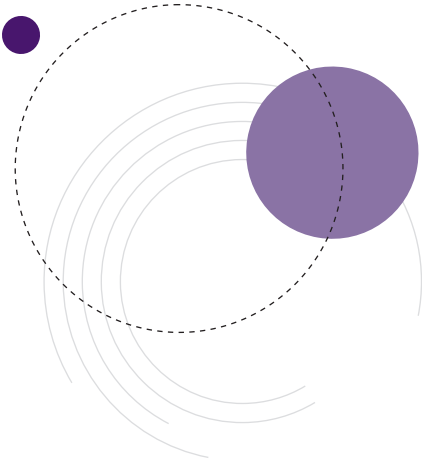
Company Profile and Financial Information

Seagate is the worldwide leader in the design, manufacture and marketing of hard disk drives and storage solutions, providing products for a wide-range of applications, including Enterprise, Desktop, Mobile Computing, Consumer Electronics and Branded Solutions.

Seagate's business model leverages technology leadership and world-class manufacturing to deliver industry-leading innovation and quality to its global customers, with the goal of being the time-to-market leader in all markets in which it participates.

The company is committed to providing award-winning products, customer support and reliability to meet the world's growing demand for information storage. Please refer to the About Seagate Technology web page at www.seagate.com for a wide range of company information, including history, management team, and more.

The company's financial information can be found in our Fiscal Year 2008 (June 30, 2007 – June 27, 2008) Annual Report and Form 10K.



Engaging with Our Stakeholders

Engagement and dialog between Seagate and its stakeholders are key to a productive Global Citizenship effort. Seagate, therefore, strongly emphasizes stakeholder engagement both internally and externally.

Global Citizenship Committee

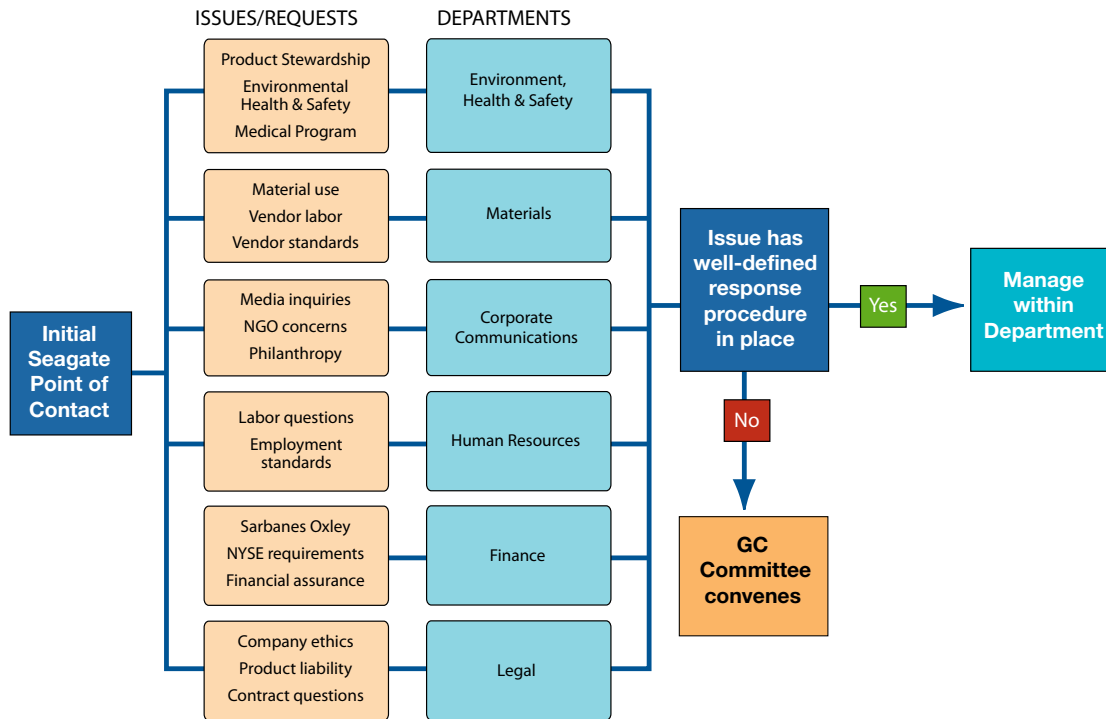
A Seagate cross-functional team management team coordinates the company's Global Citizenship (GC) Program, including a stakeholder inquiry process. The team regularly reviews progress on activities, goals, customer inquiries and the company's overall development in the GC arena. The team is accountable to Seagate's senior management, is sponsored by Seagate's President & Chief Operating Officer, and its functional leadership is provided through Seagate's Environment Health & Safety group. Key functions are represented by individual team members from across Seagate's global business, including:

- Operations
- Sales, Marketing and Customer Service
- Storage Business
- Investor Relations
- Internal Audit
- Legal
- Manufacturing
- Human Resources
- Materials
- Security
- Finance
- Quality
- Corporate Communications
- Environment Health and Safety



Global Citizenship Stakeholder Inquiry

Seagate has a well-defined process to address stakeholder global citizenship matters. Below is the company's stakeholder inquiry process.



Engaging with the Industry

Seagate in FY2008 maintained an ongoing and productive dialog with customers, responding to their requests for social responsibility information and audits, and utilizing the standardized audit and reporting tools/processes of the EICC.

Seagate continued its emphasis on rolling out EICC requirements and processes to its suppliers: the company began including an EICC conformance evaluation in its Quarterly Business Reviews of key suppliers, and also participated in the second round of joint audits with its suppliers, following an initial round in early CY2007. Seagate also in FY2008 included EICC conformance requirements in its standard contract language.

The company continued its close involvement with EICC during the fiscal year: an executive director of the company was voted to the EICC management board as vice chair, another representative from the company co-led a workgroup on working hours and overtime, and Seagate continued to participate in other EICC workgroups as well.

FY2008 marked Seagate's fourth year of membership in the United Nations Global Compact (UNGC), and the company remained actively involved. In FY2008, Seagate was one of two companies taking the lead to manage the UNGC's United States network of participating companies and organizations.

This entailed being the focal point for the network, including organizing two meetings during the year, and working with Case Western University in setting up a network structure and a website. Seagate additionally represented the UNGC U.S. Network at the annual UNGC local networks meeting in Mexico. The company also served as a member of the team that organized two working meetings for the network – one with the Pacific Gas & Electric Company, and one with the Harvard School of Business – that focused on the subjects of responsible procurement and human rights.

During FY2008, Seagate also attended the UNGC leaders' summit in Geneva, Switzerland in July 2007. At this event participants from business, civil society (voluntary civic and social organizations, unions, and institutions including non-governmental organizations or NGOs) and governments were provided with a platform to discuss and work collectively on issues stemming from globalization including climate changes, human rights, anti-corruption, and access to finance and capital.

Seagate also continued to participate in Sustainable Silicon Valley, a collaboration of businesses, governments, and NGOs that are identifying and addressing environmental and resource

pressures in Silicon Valley. The group's activities included an education forum, an annual conference on climate leadership, and monthly working sessions on a range of topics. In addition, Seagate continued in its fourth year of membership in Business for Social Responsibility (BSR), an organization that helps its member companies integrate sustainability into business strategy and operations. Joint activities included working with BSR to facilitate Seagate's internal Global Citizenship annual strategy meeting as well as various EICC and other external organizations' events.

Stakeholder Engagement at Seagate

Audience	Method
Employees	<ul style="list-style-type: none"> • Intranet • Quarterly all hands meetings • Email • Publications (China, Malaysia) • Skip-level meetings • Brown bags • Focus! Employee survey • Eco Seagate • Managers meetings • Visual media (posters, screens, displays, etc.) • Site events • Internal executive blog • iMAP goal and planning system • Development • Ethics Helpline
Communities	<ul style="list-style-type: none"> • Corporate giving and philanthropic programs • Employee volunteerism • Facility tours
Customers	<ul style="list-style-type: none"> • Surveys, audits, quarterly business reviews
Non-Governmental Organizations (NGOs) and Other Organizations	<ul style="list-style-type: none"> • Interaction through organizations such as Business for Social Responsibility, UN Global Compact and EICC Implementation Group
Educational institutions	<ul style="list-style-type: none"> • Matching grants • Executive Partnership Program • Hands-On Science • Scholarships • Research grants
Investors	<ul style="list-style-type: none"> • Annual analyst day (NYC) • Analyst meetings/road shows • Annual shareholder meetings, quarterly financial results concalls • Statutory reporting
News Media	<ul style="list-style-type: none"> • Annual product update (NYC) • Direct engagement • Briefings • News releases
Government/regulators	<ul style="list-style-type: none"> • Reporting • Silicon Valley Leadership Group and related activities • Comment on regulatory development
Suppliers	<ul style="list-style-type: none"> • Forums • Supplier management process

Governance

Seagate's corporate governance standards are set at the highest level in the company, starting with the Board of Directors, and flow down through every level of the company. Corporate governance at Seagate spans many aspects of the company's operations, practices and procedures. It includes accountability of employees, officers and members of the Board of Directors, and guidelines and mechanisms to ensure good, ethical corporate behavior designed to protect shareholders, employees, customers and suppliers, while maximizing investor returns.

Board of Directors

Seagate's Board of Directors has long adhered to sound corporate governance practices designed to assure that it fulfills its responsibilities to stakeholders. The Board has adopted and disclosed Corporate Governance Guidelines to clarify how it exercises its responsibilities. Additionally, these guidelines demonstrate that the Board has the necessary authority and practices in place to review and evaluate the Company's business operations as appropriate and to make decisions that are independent of the Company's management.

The Corporate Governance Guidelines, along with the charters of the committees of the Board, describe the Board's framework for the governance of the Company. The Board reviews its Corporate Governance Guidelines and its committees' charters at least annually, and continues to assess the appropriateness and efficacy of both, which are subject to change as the Board deems appropriate in the best interests of the Company or as required by applicable laws and regulations.

Seagate's Board of Directors believes that as a matter of good corporate governance, and consistent with applicable laws, rules and regulations, the Board should consist of a substantial majority of independent directors. During FY2008, Seagate's Board of Directors consisted of ten members, eight of whom were affirmatively determined by the Board to be "independent" under the listing standards of the NYSE, where Seagate's shares were listed at that time (on September 16, 2008, the company switched its stock exchange listing to the NASDAQ).

Committees of the Board

The Board has four standing committees: The Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, each of which is composed entirely of independent directors, and the Strategic and Financial Transactions Committee. Each committee has a written charter that sets forth that committee's responsibilities, and may be found at www.seagate.com.



Code of Business Conduct and Ethics

To help maintain its high ethical standards, the Company has an established Code of Business Conduct and Ethics (the “Code”) that is applicable to all employees, officers and directors of the Company and its subsidiaries. This Code summarizes the Company’s ethical standards and key policies in such areas as insider trading, conflicts of interest, fair dealing, and more, covering areas in which employees, officers and directors have responsibilities to the Company and providing relevant information about expected behavior and the appropriate courses of action to take in situations they and the company may face.

Conflict of Interest and Ethical Conduct

Seagate expects all employees to represent the Company in a positive and ethical manner and to avoid activities which are in actual or potential conflict, or give the appearance of being in conflict, with legal and ethical principles or which are not in the best interests of the Company, its customers, or its suppliers. Seagate’s Conflict of Interest and Ethical Conduct Policy applies to the Company’s Board of Directors and all employees, including managers, executives and officers of Seagate Technology and its subsidiaries worldwide. New indirect labor employees are required to affirm, during the on-boarding process, that they do not have any conflict of interest, or to disclose any actual or potential conflicts. Seagate annually requires its directors, and indirect labor employees, to read the policy, and provide an affirmation that they did not have conflicts of interest or disclose any actual or potential conflicts.

Ethics Helpline

Seagate believes that upholding the Company’s values and maintaining its integrity are the responsibility of everyone at Seagate, and encourages employees to speak up if they become aware of an illegal or unethical situation in the workplace. Seagate has an open-door policy, and encourages employees to talk with their supervisor or human resources representative. Seagate also provides a toll-free, confidential and secure Ethics Helpline, which is available to employees, and third parties, 24 hours per day and seven days per week, to allow reports of violations of the law, including theft or fraud, falsification of documents, insider trading, conflicts of interest, violations of Seagate’s Code of Business Conduct and Ethics, or other issues. Information about the Helpline is available to employees directly in the main home page of the Seagate intranet, and is also available on the Company’s external website.

Communication and Visibility

Seagate continues to ensure that governance and ethics are visible and understood within the company – in ways that are clear and relevant to employees – by providing employees with information available on the Company’s intranet, to new employees during the onboarding process, and to various functional organizations/audiences throughout the Company. Seagate believes in the overall importance of ethics in the Company’s business and culture, and remains committed to its communication and education efforts about the Company’s corporate governance and ethical environment.

Supplier Engagement

Seagate reaffirmed in FY2008 its strong commitment to Global Citizenship in the company's supply chain by:

- Having a management system that supports conformance to the Electronics Industry Code of Conduct (EICC) and its standards
- Requiring the company's next tier suppliers to acknowledge and implement the EICC
- Through the EICC, engaging with stakeholders to obtain input for further development of the Code
- Participating in EICC and other industry work groups, meetings and audits

FY2008 Highlights

Specific FY2008 actions and accomplishments included:

- Select supplier participation in Joint EICC Audits
- Completed Materials Code of Conduct training/awareness of Commodity Management Teams
- Distribution of EICC training/awareness package to key suppliers
- Established Quarterly Business Review scorecard to track supplier EICC compliance, understanding, and educating of their employees

In addition, for several years the company has had GC language and requirements embedded in its contracts, and requires supplier adherence to those standards.

Seagate also requires its suppliers to meet its Product Stewardship standard: components in Seagate products and packaging are certified to meet stringent materials content requirements.

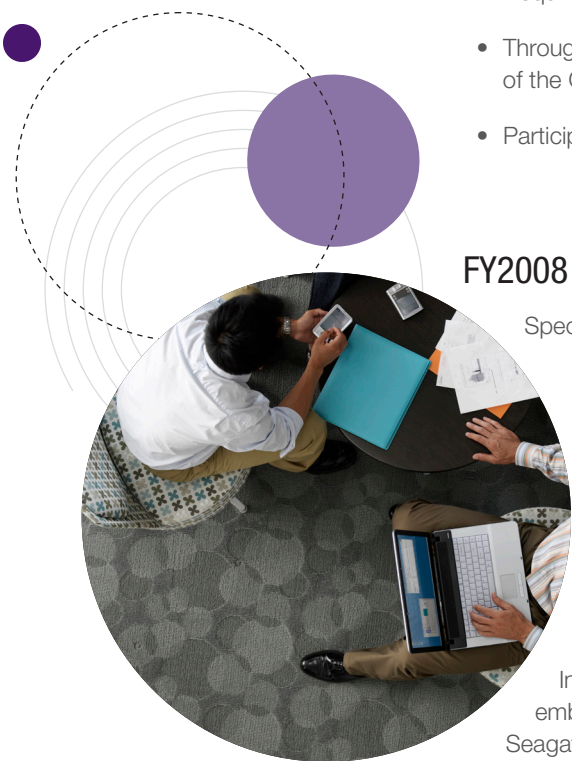
The company requires its suppliers to provide detailed materials content data in support of compliance, and periodically audits these certifications with third-party laboratory tests.

Engaging with the Supplier Base

Seagate continued to use the online supplier collaboration workspace for suppliers and Commodity Management Teams (CMTs) in FY2008. This workspace helps to speedily share information using a secure website. This allowed faster communication on key strategic issues, as well as one common document used as the master.

Seagate's Materials and Supply Chain Mission

To provide Seagate a competitive advantage in Materials by establishing a best-in-class strategic supply base offering access to technology, time to volume, world-class manufacturing capability, component quality, flexibility and lowest overall cost, while maintaining the ultimate goal of customer satisfaction.



Supplier Education and Training

Seagate believes that training is an integral and necessary part of our supply chain. Seagate actively works to educate its supplier base about GC – ensuring that they understand the GC requirements in their contracts before signing, acknowledging that GC is of critical importance to both Seagate and its customers, and realizing that future GC requirements might be forthcoming. To that end, training/awareness packages were sent to key suppliers during FY2008.

In the future, the EICC website will track/document the learning and completion activities of each supplier. To support this effort, Seagate will require that at least one key individual at each supplier be required to complete training, and that person would then be responsible for cascading the training within his or her own company.

Environment

In support of its ongoing goal to reduce the environmental impact of its operations in the communities in which it operates, Seagate in FY2008 embarked on a project to quantify the carbon footprint of its operations worldwide. The company also continued with energy conservation activities as a key area of focus. Seagate focused on these and other areas, including waste minimization, under a coordinated approach to company-wide "Green Initiatives." In this spirit, environmental metrics and targets were set globally and driven throughout the company to continue improvements to our existing programs. Seagate also continued with the phased implementation of its supplier compliance assurance system to manage the control of restricted materials in its products.

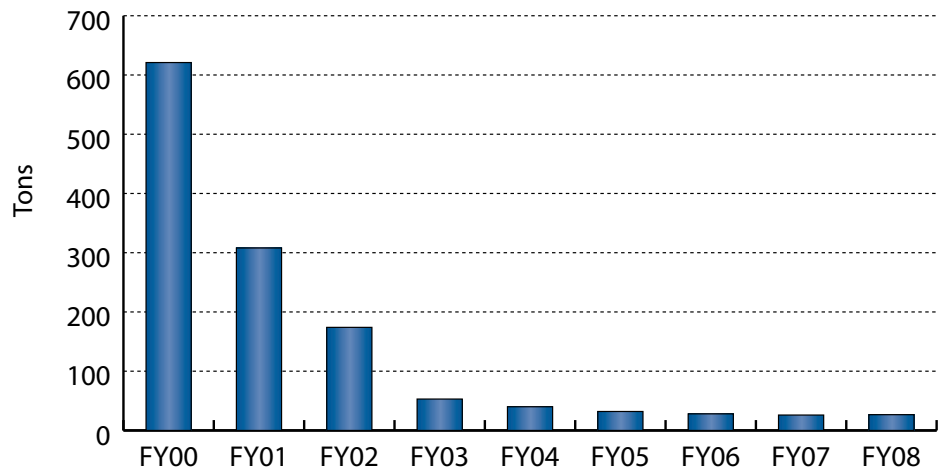
Read Seagate's Environmental Health and Safety Policy included in this report on page 32.

Performance

In FY2008, Seagate continued its ongoing waste minimization and recycling programs. During the year, 56% of the hazardous waste generated was recycled. The remaining waste was incinerated, treated or sent for energy recovery. Due to new manufacturing sites coming on-line in Asia, the generation of hazardous waste normalized to production increased by 2% during the year compared to the previous year.

Seagate also continued with its solid waste recycling programs, with the FY2008 recycling rate at 77%. This rate reflected a reduction of 7% compared to the previous year, due to various factors including recycling programs being initiated at Seagate's new sites, reuse of components internally, etc. Older sites have in place waste minimization teams, which actively identified and implemented recycling programs to reduce the amount of waste sent to landfills. New teams will be organized once the new sites are fully operational.

Hazardous Waste Produced (tons) per Million Drives



Examples of waste minimization activities carried out during the year include:

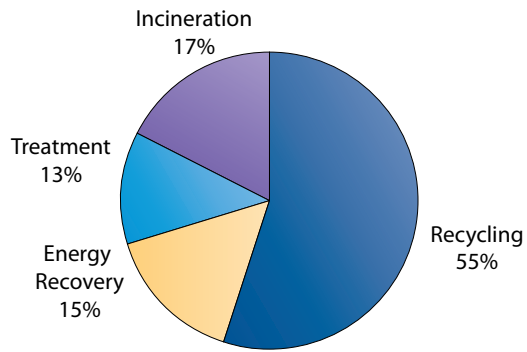
Chemical Waste Reduction – Springtown, N. Ireland

A team of Seagate engineers at the Springtown site worked on reducing the number-one chemical waste stream at the site. The team made process changes, which increased the utilization of a photolithography machine. Due to these changes, the amount of photoresist stripper waste generated was reduced by 17% even though there was an increase of 20% in production volume.

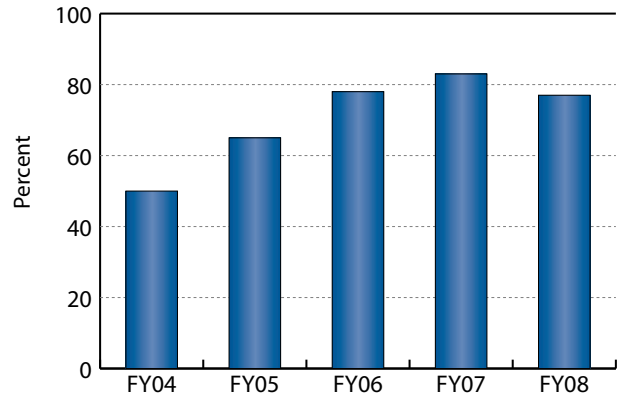
Solvent Reuse – Woodlands, Singapore

The site project team successfully designed a storage cart to collect used solvent from the process tool for future use. The past practice was to dispose of the solvent during machine conversion when different composition of solvent was required to support a new product. With the newly designed cart, the old solvent can be collected and stored for future use. This resulted in a reduction of 2035 gallons of waste for the fiscal year.

Hazardous Waste Disposition FY08



Solid Waste Recycling Rate



Greenhouse Gases

In FY2008, Seagate initiated a project to analyze and establish its first Greenhouse Gas (GHG) inventory baseline. The company utilized the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) GHG Corporate Reporting and Accounting Standard, 2006, methodology to quantify its GHG inventory. This standard is generally referred to as the GHG Protocol. Calendar year 2007 was used as a baseline year. The scope of the baseline included Scope 1 Direct Emission (emission resulting from fuel used at facilities, physical & chemical processing, and fugitive emissions); Scope 2 Indirect Emissions (electricity purchases); and Scope 3 Indirect Emissions (business travel), in line with the WRI/WBCSD Protocol. The organizational boundary of this inventory comprised 24 facilities located in Asia, Europe and North America owned, leased and/or operated by Seagate. A summary of the GHG Inventory is provided below.

In addition, Seagate also participated in the Carbon Disclosure Project (CDP) Corporate Supply Chain Program. The CDP Corporate Supply Chain Program, initiated in 2007, represents an integral aspect of the Carbon Disclosure Project's drive to promote management of greenhouse gases within industry. The program widens CDP's focus to encompass the emissions resulting from a company's supply chain, and the risks and opportunities in relation to climate change. With this disclosure, Seagate helped enable OEM customers who are part of this program to disclose their overall carbon footprint to their stakeholders.

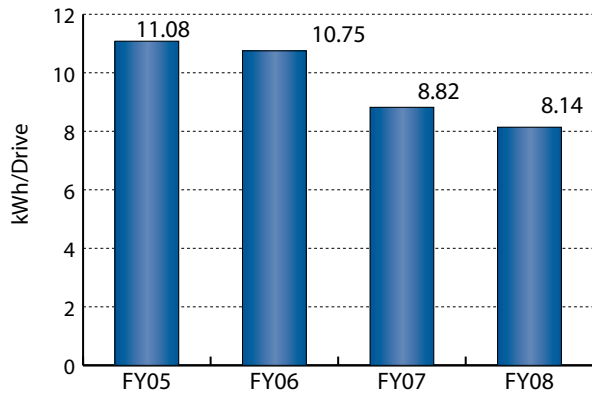
Greenhouse Gas Inventory Summary CY2007

Source Type - Scope 1 - Direct Emissions	CO2 Annual Emissions 2007 (Metric Tons)
Fuel used in facilities	22,490
Refrigerants	1,681
Process Gases & Fugitive Emissions	12,669
Scope 1 Direct Emissions Total	36,840
Source Type - Scope 2 - Indirect Emissions	CO2 Annual Emissions 2007 (Metric Tons)
Purchase of Electricity	907,045
Scope 2 Indirect Emissions Total	907,045
Source Type - Scope 3 - Indirect Emissions	CO2 Annual Emissions 2007 (Metric Tons)
Business Travel	8,478
Scope 3 Indirect Emissions Total	8,478
Total Metric Tons CO2-eq/year	952,363

Energy Conservation

In FY2008, Seagate continued to see a reduction in electricity usage as normalized to production units. A reduction of 7.7 % or about 124000 MWh was recorded compared to the previous year.

Energy Consumption per Production Unit



In FY2008, non-manufacturing sites (research, development and administrative facilities) were included in the company's energy conservation program, which previously focused mainly on Seagate's manufacturing sites. These newly added sites carried out reduction projects and contributed savings in meeting the company's overall energy reduction goal/metric.

Overall, the program's primary focus continued in FY2008 to be on production and infrastructure equipment. Key action areas included equipment efficiencies, process modifications, alternate energy evaluations and building infrastructure improvement. With the rising cost of energy, procurement activities were also stepped up in non-regulated markets to monitor energy cost trends. Metrics have been set and opportunities have been identified to progress the program further in FY2009.

Some highlighted savings from energy conservation over the year include:

Site	Annual Project Savings
Wuxi, China	820,470 kWh
Penang, Malaysia	450,000,000 kWh
Korat, Thailand	292,000 kWh

Water Conservation

Water is an important resource in our operations and in the communities in which we operate. Our facilities around the world are cognizant of this and have been implementing water conservation projects for a number of years. Examples of water conservation projects implemented during FY2008 include:

NEWater Reduction – Woodlands, Singapore

A cross-functional site team set a 20% reduction in the facility's NEWater usage as a goal for their minimization project. (NEWater is reclaimed water that is put through treatment to be turned into pure water used for both potable and non-potable purposes.) The team implemented a number of improvements and the facility beat its reduction targets by more than 100% - reducing use of NEWater by 48% monthly, equating to a saving of 53,000 cubic meters of NEWater monthly.

Wash Tool Optimization – Teparuk, Thailand

A cross-site team was formed to review the de-ionized water usage. A process change was implemented that resulted in water savings of around 1500 cubic meters per month and reduced on-site energy use.

Water-use Reduction – Penang, Malaysia

The site Facilities team focused on the cooling towers to identify water saving opportunities, as they represent one of the largest consumers of water on-site. Modifications to the cooling towers resulted in saving approximately 800 cubic meters per month of water.

Product Stewardship

Seagate has adopted Product Stewardship principles that mitigate the impact of the company's products on the environment throughout the product's life cycle. These principles minimize the impact to the environment, and guide us in meeting customer expectations and regulatory requirements while adhering to product technical and marketing specifications. Product Stewardship addresses the various facets of the product's life cycle from design, manufacture, use to end-of-life management and disposal.

Seagate's Product Stewardship program objective is to meet or exceed requirements of product-related environmental legislation and customer environmental requirements related to product, packaging, user documentation, or manufacturing processes.

Seagate's Product Stewardship program ensures that Seagate disk drive products comply with key specifications, including:

- European Union Restriction of Hazardous Substances (RoHS) Directive restricting cadmium, lead, mercury, hexavalent chromium, polybrominated biphenyls (PBB), and polybrominated diphenyl ethers (PBDE)
- JIG 101 Annex A and Annex B – the Joint Industry Guide lists many substances of concern for toxicity and environmental impact. Seagate tracks and restricts these substances in our disk drive products.

In total, Seagate restricts over 200 different substances in materials used in our disk drive products, aligning with all major customer materials restrictions.

In FY2008, Seagate continued with its staged implementation of an automated materials content reporting system, or Compliance Assurance System (CAS), to strategically position the company to meet customers' needs in complying with the RoHS Directive. RoHS, which became effective July 2006, impacts manufacturers who place their products in the European market. With CAS system implementation, Seagate is aligning its materials content reporting to the IPC 1752 industry format, allowing our suppliers to streamline certifications and allowing Seagate to collect extensive data from our suppliers on individual materials used in our products. By implementing an automated system, Seagate can quickly respond with detailed materials content data and lab reports to any regulatory inquiries, as well as utilizing this system to check compliance for China RoHS, industry Low Halogen initiatives and other customer requirements.

Seagate provides recycling data necessary for its customers to meet WEEE requirements with Seagate disk drives currently averaging around 75% recyclable content by weight.

Seagate is helping its enterprise customers conserve energy in their data centers (including server power consumption and cooling costs) with products like Cheetah® Barracuda® and Savvio® hard drives. These products use a set of proprietary features that significantly reduce power consumption in the enterprise without any reduction in capacity or performance. The company's desktop products, meanwhile, also address power savings: Barracuda 7200.11 delivers a power savings of up to 45% over the previous product generation without sacrificing drive or system performance.

Environmental Health & Safety Systems

Management Systems and Audits

Seagate has developed and implemented a set of Corporate Standard Operating Procedures (CSOPs) to manage Environmental Health and Safety (EHS) risk within the organization. These CSOPs set minimum expectations and provide guidelines to the organization in managing EHS risk. An integral component of the management system is auditing. Seagate has a Corporate EHS Audit program, which provides 3rd party verification of site compliance to these CSOPs and local requirements. In FY2008, Seagate conducted six Corporate EHS audits, as part of the company's standing audit cycle that covers each site approximately once every three years. Seagate also hosted 3rd party EICC audits at two of our facilities to fulfill customers' requests and requirements. Where appropriate, root cause and corrective action plans were developed to address issues identified during the audit. Results of these audits were presented to senior management and customers to demonstrate the effectiveness of the EHS Management System in managing the organization's EHS risks.

Environmental Health & Safety Management Certification

Seagate believes that a Management Systems approach is the only sustainable way to manage an effective EHS program within an organization.

ISO 14001 and OHSAS 18001

Certified Facilities

Country	Location
China	Suzhou Wuxi
Thailand	Korat Teparuk
Malaysia	Penang Senai
Singapore	AMK Science Park Woodlands
Northern Ireland	Limavady Springtown
U.S.A.	Bloomington, MN Milpitas, CA

Seagate utilizes the Enterprise certification model to certify its manufacturing sites to the ISO14001 and OHSAS18001 standards. Seagate's EHS Management Systems certifications are provided by KEMA-Registered Quality, an internationally recognized third-party certification organization.

Seagate's EHS Management Systems certifications are a component of Seagate's overall Quality Systems Review (QSR) program. In addition to the annual internal management system audits, a total of five ISO "surveillance audits," intended to ensure the sites' EHS management system is functioning for continued ISO14001 and OHSAS18001 certification, were conducted and witnessed by KEMA during the year. There were no significant findings and continued certification was recommended. Seagate's Senai, Malaysia plant was sold in November 2007 and thus ceased to be part of the company's certification program.

The new Johor, Malaysia site, which opened during FY2008, will be incorporated into the certification program once fully operational. During the year, the QSR guidance document was also re-written to include requirements from the revised OHSAS18001: 2007 standard.

Environmental Health & Safety (EHS) Training

In FY2008, Seagate continued with its effort to drive EHS' e-Learning approach throughout the organization. Seagate believes that e-Learning provides multiple benefits to both the employee and the organization. Employees are able to pace their learning on their own schedule while having the reference material available on-line. During FY2008, efforts focused on completing the final phase of the rollout, which included incorporating unique site content into the EHS training modules. A total of 25 new courses were rolled out during the year. During FY2008, there were in excess of 34,000 EHS e-Learning course completions. Future activity will focus on maintaining these courses, which include improving user interfaces, keeping course content current, etc.

Environment Health & Safety Awards

The President's Drive to EHS Excellence Award, now in its seventh year, is an important way that Seagate recognizes how its employees drive outstanding achievements in EHS. The company's focus on preventing workplace accidents and injuries, and minimizing its footprint on the environment, is enabling it to deliver better products to customers and ensuring that Seagate is a good corporate citizen in all its communities.

The President's Award, which recognizes the best EHS projects for the prior fiscal year, is an important milestone in a continuing journey of excellence. Examples of award-winning projects for FY2007 include:

2007: Recycle for Charity – Penang, Malaysia

Employees of Penang Seagate launched a project to establish a culture of preserving the environment while supporting the less fortunate. The recycling project resulted in the collection of more than 28 metric tons of recyclables in three months. The proceeds from the recycling activity were used to purchase two dialysis machines, which were donated to a local organization providing dialysis treatment. Due to the success of the program, the activity was extended to an ongoing program at the site.

2007: Hazardous Waste Reduction – Pittsburgh, USA

The site Facilities Department investigated the potential for and installed a concentrated acid wastewater treatment system, which allowed treatment of plating and etching acid waste rather than disposal as hazardous waste. In the first year of operation, hazardous waste disposal at the site was reduced by 50%.

2007: Chemical Usage Reduction – Wuxi, China

The site team set out with the goal of reducing chemical usage by 25% in FY2007. The target was challenging as production volume was going up, and strict quality control requiring clean-up using solvents was in place. The team developed a set of simple, creative and effective measures, such as standardizing the wipe-down procedure, conducting employee refresh training on the wipe-down technique, and close onsite monitoring to lower the usage of chemicals in wiping. After three months, the team achieved its target while generating substantial savings for the site.

During the year, Seagate facilities worldwide received external recognition awards for their EHS performance.

External Recognition

Recognition Award	Recipient	Description
Minnesota Governor's Award of Honor for Occupational Safety 2007	Seagate Technology, Bloomington, Minnesota, U.S.A.	The Minnesota Safety Council selected Seagate's Bloomington facility for this award to recognize continuous improvement and an outstanding record of injury and illness prevention. Seagate was one of 60 companies that received the award.
WSH Awards 2008 - Workplace Safety & Health Best Practices – Outstanding Achievement and Innovation Award for Ergonomics Solution	Seagate Technology Woodlands, Singapore	This award by the Workplace Safety and Health (WSH) Council in collaboration with the Ministry of Manpower (MOM) is to reward organizations for actively striving to create safer and healthier workplaces to protect the most valuable of assets, the employees. Woodlands took a double award for Outstanding Achievement and Innovation on its Ergonomics Solution.
2008 National Occupational and Safety Award	Seagate Technology, Korat, Thailand	The Department of Safety Inspection, Ministry of Labor selected Seagate, Korat as the recipient of the award in recognition of its excellent Environment Health & Safety Management Systems and sustained outstanding performance in maintaining a safe and healthy work environment.
2008 National Occupational and Safety Award	Seagate Technology, Teparuk, Thailand	The Department of Safety Inspection, Ministry of Labor selected Seagate, Teparuk as the recipient of the award in recognition of its excellent Environment Health & Safety Management Systems and sustained outstanding performance in maintaining a safe and healthy work environment.

Health and Safety

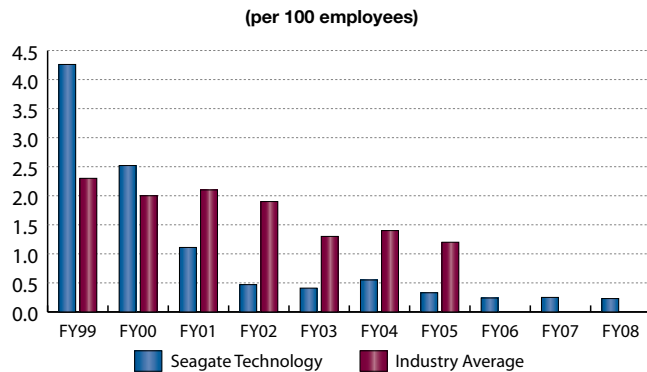
Seagate's approach to health and safety is one of integration and accountability. The company's commitment to the safety and well-being of our employees is evident throughout our operations – from the design of our facilities and workspaces, to the design of our manufacturing equipment and chemical management systems to our leading practice standards and training. It is Seagate's fundamental belief that work-related incidents are preventable. Seagate's robust health and safety management systems provide a framework for continued reduction of risks with potential to cause injury or illness. Additionally, the company establishes annual improvement targets that are cascaded throughout the enterprise, with a focus on making health and safety everyone's responsibility.

Health and Safety: Performance

The challenge from our CEO, Bill Watkins is 'zero' incidents. This challenge has been the driving force in our journey from nearly 1900 recordable injuries in 1999 to the 131 cases reported in FY2008 (0.23 per 100 employees). This represents a 10% case reduction from FY2007, despite a 16% increase in hours worked. Seagate has been able to achieve these significant reduction levels through a focus on comprehensive incident investigation and root cause analysis to correctly identify and mitigate risks within our operations.

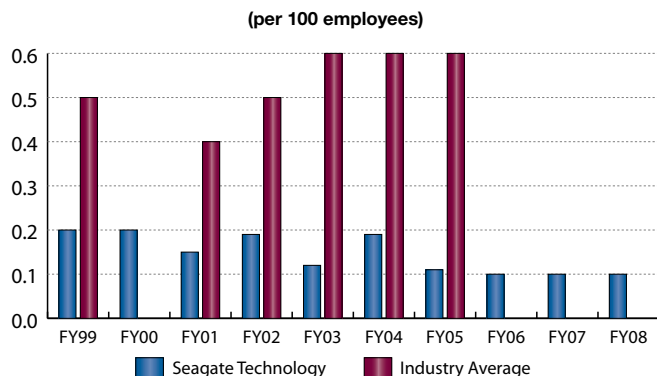


Recordable Case Rate



During FY2008, Seagate continued incorporating the use of Six Sigma methodologies for continuous improvement of its analytical capabilities. Building on the baseline set in FY2007 for all staff in lead EHS positions to become certified in Six Sigma methodologies, Seagate continued to drive utilization of a primary set of tools throughout the organization – 'EHS Top Ten Tools.' We believe that Seagate's recordable case rate is indicative of excellent performance and commitment by all levels of the organization in the identification and control of safety risks and behaviors. Through a focus on early case identification and case management, the company has maintained its "Days Away Case Rate" performance at FY2007 levels – a rate of 0.09 per 100 employees.

Days Away Case Rate



Behavior Based Safety Program

Seagate's Behavioral Based Safety (BBS) program was established in 2003, with the installation of a formal observation process to identify and reduce unsafe behaviors as a means to prevent the occurrence of incidents at manufacturing sites worldwide. Through a program assessment conducted this year, it was determined that selective changes in the process could facilitate greater opportunities for program effectiveness and efficiency through the incorporation of highly focused critical behavior protocols and simplification of the observation process. To support these changes, a web-based information management application was implemented that provides a central location for data collection, along with reporting for program management and to track progress in achieving reduction of unsafe behaviors.

Transportation Safety

Transporting nearly 20,000 employees each workday on more than 300 buses and vans, Seagate's transportation safety program is a critical element of ensuring the safety and well-being of over one-third of our global workforce as they transit to and from work. Program enhancements this year focused on improving driver skills and strengthening our bus leader program to include observation of driver behavior.

A set of six 'Decision Driving' videos, translated into local languages, provide the foundation for training both drivers and bus leaders. Driver safety awareness and safe driving habits are improving as evidenced by data captured and reported through our behavioral safety application.

Emergency Preparedness

Planning for, responding to and recovering from unplanned events and disasters are critical for the protection of our employees, business and local communities. During this year, 'champions' from each Site Emergency Management Team (SEMT) collaborated over an eight-month period to review external 'Best Practice' data, assess current risks, and evaluate capabilities/resources. This effort culminated in the revision of Seagate's standard for emergency response planning, including the development of a standard planning tool to be used across the company.

Pandemic Preparedness

As the 21st century unfolds, serious infectious diseases have been emerging with the potential to spread more quickly than ever, given the global community in which we live. Seagate continued to build on the planning that was initiated in FY2006, recognizing that elements of pandemic planning will not only be critical in the event of a pandemic but useful for other types of serious infectious disease with potential to impact our employees and the business. A comprehensive plan and set of actions are in place, based on the World Health Organization pandemic alert levels and widely known practices regarding risk reduction and control.

Occupational Health and Wellness

Seagate's Occupational Health and wellness programs support the Company's business agenda through targeted strategies directed toward improving employee health and productivity. The company's global Occupational Health resources are focused on maintaining proactive strategies to help ensure safe job placement and the early identification/mitigation of occupational health issues should they occur. Health and wellness priorities are established at the site level to customize programs targeted toward local health issues with sensitivity to cultural differences. In FY2008, Seagate continued its focus on building awareness about disease prevention and healthy lifestyles. Programs delivered across the global company in FY2008 included onsite flu immunization clinics, health screenings, health risk assessments, periodic medical examinations, smoking cessation programs, weight control programs and health seminars/awareness campaigns on a variety of health issues. In addition, the company in FY2008 continued its ongoing sponsorship of on-site fitness centers and recreational facilities at many Seagate locations, to continue offering employees a convenient way to improve and maintain their physical well-being.

Community Involvement

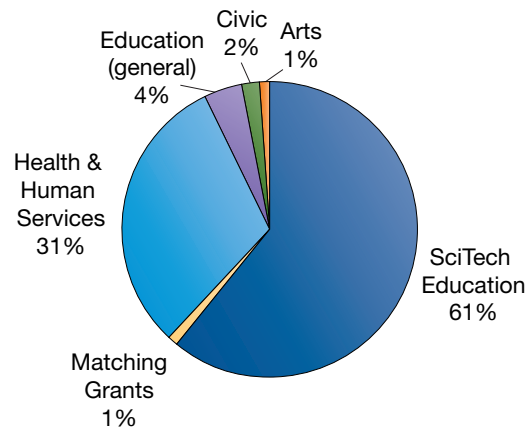
About Seagate's Community Involvement Program

Through volunteerism, financial support and in-kind giving, Seagate's community involvement program supported a range of science, education, environmental, health and human service, arts and other efforts in FY2008. Whether it was helping youngsters learn about renewable energy technologies in Colorado, rebuilding homes for the elderly and disabled in California, providing students in Malaysia with hands-on business experience or planting trees in China, Seagate and its employees engaged in community issues and helped meet community needs.

Through its strategic investments in solution-oriented programs, Seagate partnered with public, educational, and non-profit organizations to help address the many challenging issues affecting the towns, cities, and nations where Seagate employees live and work.



Giving by Category



With approximately two-thirds of Seagate's corporate giving supporting science, technology, engineering and math education, Seagate's FY2008 Community Involvement program focused on providing hands-on learning activities, educational curriculum and technology to young students, including low income and minority communities where fewer opportunities may exist.

Seagate also supported programs that enhance the health, development, enrichment, and diversity of local communities through cash and in-kind product contributions, donations of excess computer, office and lab equipment, and by encouraging employee volunteerism.

Hands On Science!

Seagate's community investments have long included a focus on science, technology, engineering and math (STEM) educational programs. This focus aligns not only with the company's technology-based business, but also with the interests and skill sets of our innovative employee population.

In FY2008, Seagate continued its science focus in an effort to further strengthen its impact within this vast educational arena, reinforce and cultivate national and regional partnerships, and increase the engagement of young students in pursuing educational and career paths in STEM areas. Through science fair projects, robotics competitions, workshops and a variety of other participation-focused educational programs and activities, Seagate helped students engage in the wonders of the scientific process through direct, hands-on involvement. Some examples include:



Expanding Your Horizons - Global

Expanding Your Horizons (EYH) programs provide STEM role models and hands-on activities for middle and high school girls. Its ultimate goal is to motivate girls to become innovative and creative thinkers ready to meet 21st century challenges. In FY08, Seagate funded conferences throughout the U.S. and in Asia, bringing innovative, engaging STEM opportunities to thousands. Additionally, employees engaged by lending their skills to both developing and leading workshops, as well as assisting with the organization's information technology infrastructure.

Science Buddies – Global

Hands-on scientific investigations are acknowledged to be the best way to teach science literacy. Science Buddies, an online science fair resource, supports these activities by providing free science fair project ideas, answers, and tools to teachers, parents, and students from all walks of life. In FY08, Seagate's support of Science Buddies included development of a poster for classrooms worldwide highlighting the scientific method, a universally accepted process for experimentation. More than 10,000 posters were distributed to teachers around the globe.

FIRST LEGO League International Open – Minnesota

More than 450 fourth-through-ninth grade students representing 64 robotics teams from the U.S., Europe and South America took part in this hands-on international robotics competition.

At the Seagate-sponsored International Alliance Competition, students divided into groups of four teams, or "alliances," to compete. Along the way, students learned about important life and career skills, including collaboration across cultures, communication and problem-solving.

Seagate Science Teacher Grants – Colorado

Funding more than 15 hands-on science programs in FY08, Seagate's Colorado-based Science Teacher Grant Program offered needed resources to innovative teachers looking to bring science alive for their students. At Southern Hills Middle School in Longmont, for example, students spent a month studying how various renewable energy technologies work and learning about the tradeoffs in efficiency and environmental impact. Then students chose between solar or hydrogen fuel for model cars that they designed and built. The project culminated in an exciting race and competition.

Seagate Real World Science Conference – Northern Ireland

Funded by Seagate and organized by a team of employee volunteers, the Seagate Real World Science Conference was developed specifically to get students between the ages of 13 and 14 engaged in math and science. The conference format — a stimulating and exciting range of 22 interactive workshops — was chosen as the best way of connecting with this age group. Nearly 300 students attended this conference in its inaugural year.

Crystal Brain Camp Kasetsart - Seagate – Thailand

Providing more than 200 children between the ages of 10 and 13 with fun, practical educational experiences in science, technology and robotics development, the Crystal Brain Camp Kasetsart-Seagate worked to engage and develop Thailand's next generation of scientists and engineers. Through interactive games such as Crystal Brain Little Turtle (a turtle-like robot controlled by a microcontroller), camp attendees combined fun and learning, ultimately inspiring an increased interest and enjoyment in STEM education. This was Seagate's tenth year supporting this educational camp.

Executive Partnership Program

Bill Watkins, Seagate's CEO, continued in FY2008 to challenge his senior management team to cultivate their leadership and vision by building a meaningful, ongoing partnership with a non-profit organization addressing an important community issue. Further supporting the commitment made by each executive to each organization, Seagate made a financial contribution ranging from \$25,000 - \$300,000 to each organization.

"We can support worthy causes through relationship building and networking, and at the same time continue to build our leaders and company culture. And Seagate's executive leadership, with their vast knowledge and expertise in their respective fields, can lend non-profits strategic guidance, planning tools and advice, as well as assist with increasing awareness about a cause within the company and within the community. When business partners with the community, everybody wins."

– Bill Watkins, chief executive officer

In FY2008, the Executive Partnership grew to include seven organizations, engaging a total of 8 executive vice presidents and hundreds of employees. More than \$1 million was invested in this program in FY2008.

Expanding Your Horizons

The Expanding Your Horizons Network's primary goal is to increase the participation, retention, and advancement of girls and women in mathematics, science, technology and engineering through Expanding Your Horizons (EYH) conferences.

"Women continue to be underrepresented in the areas of science, technology, engineering and math, and getting young girls involved in the sciences earlier enables them to gain the confidence and enthusiasm to explore future career opportunities. Expanding Your Horizons conferences provide an excellent entry into the world of science and allow young women the opportunity to engage in these fascinating fields."

– Dave Wickersham, president & chief operating officer

Seagate 2008 Partnership Highlights

- Contributing both financial and human resources, Seagate supported conferences in California, Colorado, Pennsylvania and Massachusetts in the U.S.

- In Thailand, Singapore, Malaysia and China, Seagate initiated, organized and led EYH conferences that delivered hands-on science opportunities to hundreds of young girls
- Continued support of an EYH extension program in California – an Ambassador Program which places female mentors in the classroom
- Employee volunteers continued to assist with EYH technology infrastructure and conference registration database, helping the organization better capture key data about EYH participants

Teach for America (TFA)

Teach for America is a national corps of recent college graduates in a wide range of academic majors who commit two years to teach in urban and rural public schools — and become champions in ensuring educational equity and excellence for children. The organization's mission is to build the movement to eliminate educational inequity by enlisting our nation's most promising future leaders in the effort.

"Education is the cornerstone of our community. If we do not address the educational inequities in our communities and our schools, we are not being responsible leaders and, in fact, are consciously ignoring one of the most important factors that will determine the direction of our future."

– Brian Dexheimer, president, Consumer Solutions Division

Seagate 2008 Partnership Highlights

- As a regional corporate partner, Seagate support helped TFA increase its Bay Area corps by 34% year over year, placing 200 teachers in low-performing school districts
- Seagate hosted an evening gathering for San Jose Mayor Chuck Reed and Teach for America alumni to encourage more involvement in educational policy reform
- Brian Dexheimer continued to support local teachers and increase awareness among local business leaders about TFA through his position on the Bay Area advisory board

Science Buddies

Science Buddies is a non-profit organization empowering students from all walks of life to help themselves and each other develop a love of science and an understanding of the scientific method. With the help of mentors and advisors, Science Buddies helps students improve their science skills and literacy, and inspires them to consider additional study or careers in science.

"Our future relies on the bright, inquisitive young minds that appreciate the challenges a science fair project offers, and I look forward each year to hearing about the intelligent questions and current issues explored by the students that participate in our sponsored fairs and competitions. Science Buddies offers students anywhere in the world a reliable and valuable resource in seeking assistance and direction when pursuing a science fair project."

– Bob Whitmore, chief technical officer

Seagate 2008 Partnership Highlights

- Continued advocacy and adoption of Science Buddies as a key educational resource throughout Seagate communities
- CTO Bob Whitmore continued in his role as advisory board member
- Five site champions were recruited to develop potential science fair ideas for students
- Nine employees engaged in the Ask An Expert online mentoring tool
- Distributed more than 10,000 Scientific Method posters to classrooms worldwide

Leukemia & Lymphoma Society

The Leukemia & Lymphoma Society (LLS) is the world's largest voluntary health organization dedicated to funding blood cancer research, education, and patient services. The Society's mission: Cure leukemia, lymphoma, Hodgkin's disease and myeloma, and improve the quality of life of patients and their families.

Seagate 2008 Partnership Highlights

- Seagate CEO Bill Watkins has been an active board member since 2004 and hosted several executive luncheons, as well as a private dinner at his home, to engage local business leaders to support LLS

- More than 35 Seagate employees from Seagate sites nationwide joined the Team In Training program, raising more than \$140,000 for the fight against blood-related cancers
- More than 600 employees, friends and family members participated in the 2007 Light The Night walks in their regions - raising more than \$405,000 for the cause

Housing Trust of Santa Clara County

The Housing Trust of Santa Clara County serves as a catalyst to develop desperately-needed housing in Santa Clara County through a mix of corporate and community investors. The Housing Trust is dedicated to building and sustaining a revolving loan fund and grant-making program that will leverage other housing resources throughout Silicon Valley.

Seagate 2008 Partnership Highlights

- Hosted a fundraiser in partnership with Silicon Valley Leadership Group to commemorate the success of the Housing Trust's Home Stretch Campaign, raising more than \$2 million to alleviate housing pressure plaguing the region.

Rebuilding Together

Rebuilding Together is the nation's leading organization bringing volunteers and communities together to improve the homes and lives of low-income homeowners by providing free repair services for those with the greatest need.

"Through programs such as Rebuilding Together, we are helping those in need in our communities by improving their quality of life. Additionally, our employees get the opportunity to work together outside the workplace. When you trust someone to hold a ladder for you while you paint the trim of a house 10 feet above the ground, you develop a mutual respect that you bring back to the office."

– Charles Pope, executive vice president, Strategic Planning and Corporate Development

Seagate 2008 Partnership Highlights

- More than 50 employees and their family members, led by executive Charles Pope, volunteered a weekend hammering, digging, scraping, cleaning, painting and rebuilding the home of an elderly single woman in San Jose, California.

Second Harvest Food Bank of Santa Clara and San Mateo Counties

Second Harvest Food Bank of Santa Clara and San Mateo Counties has been providing services to the community for 35 years. It is the single largest non-profit provider of food to low-income households in Santa Clara and San Mateo Counties and the seventh largest food bank in the country. It provides food to an average of 176,000 individuals each month of which 67% are families with children and 12% are senior citizens.

"The fact that people are going to bed hungry at night in the Bay Area is unacceptable, Second Harvest does an incredible job at helping to alleviate this suffering in our community and Seagate is proud to help with this critical cause."

- Bill Watkins, CEO and Chair Holiday Food and Fund Drive 2007 & 2008



Seagate 2008 Partnership Highlights

- Bill Watkins chaired the 2007 Holiday Food and Fund Drive, helping the organization achieve its goal of raising \$6.5 million and 1.6 million pounds of food.
- Kurt Richarz, executive vice president, chose to engage with Second Harvest Food Bank's Children's Backpack Program and planning efforts began for increased participation and support in FY2009.

Global Snapshots – Seagate Community Involvement Around the World

Modern Values Meet Ancient Tradition: Seagate Donation Honors Chinese Elderly – China

Seagate's corporate values aligned with the ancient Chinese calendar with the company observing "the day of honoring the elderly" through a donation of more than \$20,000 worth of furniture and appliances to a daycare center for seniors in Wuxi, China.

This donation provided Wuxi seniors with access to a wide range of facilities for healthy recreation activities, meals and more.

Seagate Helps Paint Bright Future for Young Artists – Singapore

Encouraging young children around the world to pursue their artistic ambition and learn to express their creativity, Seagate sponsored 38 children from the Business Times Budding Artists Fund (BTBAF) for a full-day arts workshop in which several employee volunteers helped create a positive and enriching experience. The BTBAF provides low-income children with the means to develop their artistic talents through formal training and also presents opportunities for showcasing their work.

Additionally, Seagate contributed U.S. \$20,000 to BTBAF to continue its support for Singapore's pool of budding young artists.

Brooms, Shovels and Hard Work: Employees Get Engaged on World Environmental Day – Thailand

Employees at Seagate's Teparuk and Korat sites in Thailand celebrated World Environmental Day – a global event aimed at increasing environmental awareness and action – by planting more than 300 trees and cleaning up their city's sidewalks. Armed with brooms, dustpans and garbage bags, more than 100 Teparuk employees cleaned a kilometer-long stretch of sidewalk outside the Seagate facility.

And in Korat, Seagate employees helped plant more than 300 mahogany, teak, fruit and other trees as part of a 57-acre reforestation effort with the Sungnoen Cultural and Environmental Conservation Club. Seagate also contributed funds for the construction of six water tanks to keep the young trees healthy and thriving. This land will be used as a community recreation center and a lab for protecting and studying the surrounding ecosystem, including birds and insects.

Penang Teens Learn "The Values" of Running a Business – Malaysia

Encouraging collaboration, strategic thinking, conflict resolution and teamwork, Seagate sponsored a nine-month Young Enterprise (YE) program for thirty 16-year old students at Union High School in Penang, Malaysia. YE is a non-profit organization that works to bring students hands-on business experience.

As part of this ongoing collaboration, employees mentored students on business skills such as raising capital, and manufacturing and selling products. Through teambuilding events and in-class lessons, students learned the importance of values, such as teamwork, openness, excellence and innovation in business.

Seagate Engineers Build Bikes for Kids – California

Trading computer screens for bicycle tools, more than 20 engineers from Seagate's Northern California sites came together with other Silicon Valley companies and organizations to build hundreds of bikes for children from low-income families. Volunteers lined up "bucket-brigade" style at the San Jose Convention Center to unload boxes containing unassembled bikes and began the process of building and quality testing the bikes. Organized by Turning Wheels for Kids, a non-profit that purchases and provides new bikes for underprivileged children, this four-hour event, held each holiday season, culminated in the assembly of 1,800 bicycles.

Night Shift: Employees Help the Homeless Cope with a Harsh Winter - Colorado

Winters in Colorado can be cold and harsh – and for those without homes, it can even be deadly. Working with the Boulder County Cares organization (BCC), a non-profit dedicated to providing assistance to homeless individuals and families, Seagate's Longmont employees banded together last winter and collected more than three truckloads of sleeping bags, blankets and warm clothing for the homeless. But giving items was not enough for some employees – they wanted to give their time, too. So, a team of nine employees contributed two-to-three nights per month driving the streets, looking for those in need, and proactively giving people needed items to get through the night.

Work Environment

Employee Demographics

Seagate has a diverse workforce with a major presence in six countries, including China, Malaysia, Singapore, Thailand, the U.K. and the U.S. The company also has a presence in numerous other geographies in the form of sales offices.

As a multi-national company that is vertically integrated – that is, we own our own component and product design and manufacturing operations – Seagate employs a wide range of people in a vast number of job functions, ranging from production operators to engineers to scientists and other professional employees.

Seagate in FY2008 employed approximately 53,000 employees, temporary employees and contractors worldwide, of which approximately 42,000 were located in the company's Asian operations.

Ensuring Human Resource's Compliance with Global, National and Local Legislation and Regulations

In FY2008, Seagate continued to ensure that the company's Human Resources (HR) policies were in compliance with global, national and local regulations through ad hoc review and changes as well as an annual policy review process for all policies and processes globally. The requirements of the Electronic Industry Citizenship Coalition (EICC) Code of Conduct, of which Seagate is a member, continued to be embedded into our HR policies. In addition to policies' review, the HR organization conducted cross-site audits of HR practices against established HR policies and processes in FY2008.

Alignment of Seagate's HR Practices with the UN Global Compact Principles

Seagate's human rights policy (read Seagate's Human Rights Policy included in this report on page 33) specifically reinforces the company's commitment to the UN Global Compact Principle 1, "support and respect of human rights"; Principle 2, "no complicity in human rights abuses"; Principle 3, "freedom of association"; Principle 4, "elimination of forced/compulsory labor,;" Principle 5, "abolition of child labor"; and Principle 6, "elimination of discrimination." Seagate's policy articulates global standards covering respectful treatment, due process, freedom of association, reasonable limitation of working hours, fair compensation, freedom to express opinions, and more.

Enhancing Hiring Practices at Seagate

Seagate is committed to identifying, engaging and retaining top talent globally. In line with our HR strategy of ensuring that Seagate attracts, retains, develops and leads a diverse workforce, Seagate HR continued in FY2008 to evaluate leading staffing practices and analyze employment trends to help the company meet its hiring and retention objectives.



In FY2008, Seagate introduced a global employment brand, increasing the company's emphasis on equal employment opportunity and diversity. The brand reflects that many thousands of our employees around the world have opportunities to join colleagues from different countries and cultures on global projects while pursuing innovation and focusing on results. Through images and/or language, applied as appropriate to the specific use and materials, the brand embodies the five Seagate Employment Brand Values: Global, Diverse, Innovative, Team-based and Results-Oriented. In FY2008, images reflecting the employment brand were applied to a global employee HR portal, and images and language were used to enhance recruiting materials for job fairs and employment advertising/outreach and new-hire materials. Statements highlighting Seagate as an Equal Opportunity Employer were expressly incorporated on most of Seagate's external job postings.

Further enhancing hiring practices, Seagate in FY2008 formalized its Asia hiring practices in support of greater social responsibility. Seagate developed an improved process to ensure new hires are at least 18 years of age. Extra steps were taken to ensure that potentially discriminating words and questions (e.g., regarding gender or age) are not used in postings or forms. Pre-employment medical screening practices were reviewed to ensure they are job related, protect candidate and employee welfare, and ensure a safe workplace. The company also audited its contract labor vendors to ensure their processes and practices support our global citizenship requirements.

Gathering Employees' Feedback and Keeping Them Engaged

In FY2008, employees continued to have access to and utilize the company's Open Door Policy and its globally available Ethics Helpline to provide feedback to management or to raise issues to management. Additionally, managers were encouraged to conduct skip-level, roundtable and one-on-one discussions with employees regularly. At manufacturing locations, management also used employees' Suggestions Scheme or Voice-Out programs to gather feedback or suggestions from employees.

In FY2008, Seagate conducted its periodic Focus! Employee Survey. The Focus! Employee Survey is intended to promote increased employee engagement and manager effectiveness at Seagate. Seagate received a top 25% benchmark score on the question, "Overall, I'm satisfied working at Seagate." All survey items with external benchmarks scored above the benchmark, and the Employee Engagement Index scores were meaningfully above the benchmark.

All of the survey items were framed within the Seagate and Leadership Competencies, to ensure that what is learned from the survey results and incorporated into action plans is pertinent to Seagate. In FY2008, 95% of eligible employees participated in the survey. Seagate used the feedback gathered from the survey to determine which areas affect employees' motivation and performance, comprehension of their role in Seagate's success, and the relationships they experience with their managers, peers, and direct reports. Follow-up on these items was documented through the action planning process. Each manager worked with their team to create their own action plans, addressing the key drivers that were most important to their team in order to positively impact employee performance and retention at Seagate.

Keeping Employees Performing and Learning

Seagate embraces the concept of talent management and has leveraged its iMAP (integrated Maximizing Alignment and Performance) system to integrate three key people management processes – performance management, learning management, and succession management.

At Seagate, succession management is an ongoing activity within each organization and for the company as a whole. It provides the process to develop, retain, and deploy talent to preserve the continuity of leadership in key positions and ensure talent is available to support the current and future business strategy. This process allows managers to assess the readiness and create a talent pool of the most qualified people with the skills that are best suited for the organization's strategic needs. In FY2008, Seagate cascaded the succession management process and incorporated the director level into these activities. As a result, Directors are now engaging in succession planning and identifying potential successors for their roles.

In addition, Seagate employees and leaders are committed to effective performance management processes that support the achievement of individual, departmental and corporate objectives. This means setting and aligning goals at the start of each year, as well as creating individual development plans designed to build and sharpen the skills that support the successful execution of these goals. During the course of the fiscal year, managers and direct reports are encouraged to participate in ongoing feedback conversations designed to ensure that goals and development plans are updated regularly. At the end of each fiscal year, employees and managers complete the annual performance evaluation cycle that includes an assessment of performance against goals and competencies. In FY2008, 99% of employees created their goals in the iMAP application at the start of the year, and nearly 95% of employees created their development plans in iMAP as well.

The iMAP system also contains the Learning Management System, thus allowing managers and employees to obtain their learning resources and information from a single online application. In FY2008, iMAP provided 970 online course offerings covering leadership development, professional development, computer/IT development, and functional competencies from highly recognized learning experts. In addition, Seagate also created and offered its own custom online learning courses and facilitated blended learning programs – especially in the area of leadership and management development – at major sites worldwide.

The Seagate Leadership Development Programs, a blended learning solution co-developed with the thought leadership of Harvard Business School Publishing and the business expertise of Seagate, provide a common standard of leadership excellence that is sustainable, relevant and targeted to fit our business objectives. During FY2008, 944 Seagate people managers participated in one of these leadership development programs. In addition, Seagate completed the second Harvard Strategic Leadership Development Program in collaboration with Harvard Business School and 64 of the company's senior leaders participated in FY2008.

Seagate also offered traditional support for employees' efforts to acquire job-related skills through its global tuition assistance policy. This policy allows reimbursement of tuition expenses or other fees for approved university-level and other educational courses.

In FY2008, Seagate was selected as the Third Place Winner for the Overall Performance Management Leadership Award from Ventana Research. This award recognizes organizations that have demonstrated leadership in orchestrating people, process, information and technology – the cornerstones of performance management – for optimal business impact. In FY2008, Seagate was also featured in several publications. These included the UK-based Financial Times "Case study: Seagate", which reviewed how iMAP supports the principles of human capital management; Workforce magazine, which published the article "Talent Management Meets Learning" which discussed how Seagate uses iMAP to support talent management initiatives that encourage employees to grow and develop; and, Talent Management magazine featured Seagate in the article "Seagate Uses Yearlong Evaluations to Help Integrate Talent Efforts." This article reviewed how Seagate's talent management framework breaks down into the four inter-related areas of plan, align, develop, and evaluate.

Combined, these four areas offer stability and consistency to help managers fulfill the needs of a diverse, global employee base.

Ensuring Employees' Well-being

Seagate invests in a wide range of benefit programs around the world to help support the health, well-being, security, and productivity of its employees. Seagate's benefits are benchmarked to local market practice, industry norms, and cultural requirements, while reflecting the global standards of a leading, multinational organization. Although these programs take different forms depending on geography, the Seagate plans offer value and flexibility overall, in support of our employees and in some cases their dependents.

Some examples of these Seagate programs that reflect our commitment to our people include: health care plans, wellness initiatives including fitness programs, fitness centers, and preventive health screenings; vacation, leave, and paid time-off programs; retirement savings opportunities; counseling and related support services; discounted retail products; adoption support; and equity ownership opportunities.

In FY2008, some healthcare benefits programs were enhanced for the company's Asia employees. In Thailand, Seagate increased coverage in its healthcare programs for employees and dependents, and improved its claims process through a third party arrangement; in China, a supplementary hospitalization and surgical scheme was introduced for employees' dependents at preferential rates.

Rewarding & Recognizing Employees

Employee compensation at Seagate in FY2008 continued in its philosophy and design to sustain a diverse, high-performing team environment. The company's compensation strategy focused on providing base pay that is competitive to local market conditions, supplemented by incentive pay opportunities that reward performance.

Employees who displayed extraordinary performance in helping Seagate achieve its business objectives were rewarded and recognized in a number of ways, ranging from monetary bonuses to letters of commendation.



The company's compensation philosophy also provided for variable rewards based on individual and company performance in addition to base pay, thus providing a tangible incentive for employees to excel in FY2008.

Seagate Equity Ownership

Dedicated, focused employees who contribute their expertise in the workplace each day are the fundamental "engine" driving the ongoing success of the company. Seagate believes such contributions should be rewarded. The company's variable pay and benefit programs in FY2008 included two vehicles by which employees participated in company success through equity ownership: employee Seagate stock awards and the Employee Stock Purchase Plan. Though each program is distinct in terms of its provisions, they share a common objective of offering employees the opportunity to build a long-term ownership stake in the company.

Executive Compensation at Seagate

Seagate owes its success to the technology leadership and innovation of its people. Our executive compensation program is designed to reward high performance, strengthen our market position, and increase shareholder value. Acting on behalf of the Board, our Compensation Committee, composed of three independent directors, reviews and approves our compensation programs and practices for our senior executives and for members of the Board.

Seagate's executive compensation program objectives are to:

1. Attract and retain talented leaders with competitive pay programs
2. Motivate executives to achieve and exceed business objectives as approved by the Board
3. Align the interests of executives and shareholders to optimize shareholder return
4. Manage the cost of total compensation in support of our financial performance

The Company's publicly disclosed Compensation Discussion and Analysis (CD&A) details the executive compensation strategy and practices for compensating our Named Executive Officers. The CD&A is updated each year as part of the annual Proxy Statement published in late September for the Annual General Meeting of Shareholders in October.

Ensuring Diversity in our U.S. Workforce and Work Practices

Seagate sees "diversity" as all of the ways in which people are different and alike, such as: experience, perspective, ethnicity, gender, gender identity, age, culture, sexual orientation and disability. We commit to having a diverse workforce and to providing an inclusive and supportive environment where all employees are valued and participate fully in the Seagate employment experience. We believe employee's talents will be utilized to the fullest and organizational performance will be strengthened in a diverse and supportive environment. In FY2008, diversity efforts focused on the following areas:

Increasing Executive Involvement in Seagate Diversity

In FY2008, Seagate took a strategic approach to getting executives involved in our internal and external diversity efforts. Doing so increased executive visibility and engagement in our diversity strategy as well as demonstrated to our employee base the commitment Seagate has made regarding having an engaged, diverse workforce.

The three key areas of executive involvement include:

- Bill Watkins, CEO, served on the UNCF (United Negro College Fund) Board of Directors
- Barb Vann, VP IT, served as Executive Sponsor on Catalyst Women of Color research study
- Tom Hall, VP Global Staffing, served on the Pacific Northwest Board of Directors of INROADS, a national organization focused on developing and placing talented minority students in business and preparing them for corporate opportunities.

Embedding Diversity into Seagate's Employee Brand

Seagate introduced its Employee Brand in FY2008 to identify five key values: Global, Diverse, Innovative, Team-Oriented and Results-Based. As a result, a stronger emphasis on diversity, including diverse images and messaging, was incorporated into Seagate's internal and external employment-related materials.

Strengthening Seagate's Diversity Data Reporting Capabilities and Metrics

Seagate established in FY2008 a Diversity Dashboard with the capabilities to report to each executive how they are performing towards Seagate's diversity metrics. Each leader has access to, and receives feedback on, their Diversity Dashboard that reports on hires, promotions, voluntary terminations and overall workforce representation.

Increasing Diverse Talent Feeder Pool

In FY2008, Seagate established a relationship with INROADS, a national organization focused on developing and placing talented minority students in business and preparing them for corporate opportunities. Seagate sponsored five INROADS interns in FY2008.

Seagate also built on its relationships with local chapters of Diversity Pipeline Networks such as National Society of Black Engineers (NSBE), Society for Hispanic Professional Engineers (SHPE), Society of Women Engineers (SWE), American Indian Science and Engineering Society (AISES), and Mathematics, Engineering, Science Achievement (MESA). Diversity Managers and site employees established a connection with these local chapters to further build a pipeline of future hires for Seagate. The company also sponsored high-performing diversity university students at a nationwide event aimed at career pathing, networking and recruitment.

Also in FY2008, U.S. sites worked with the local community to find opportunities to support diversity activities that foster and promote Seagate's values around diversity, such as hosting Native American Leadership Conference for local Native American high school students, and sponsoring Expanding Your Horizons, a program to support young girls' participation in science and math. Additionally, U.S. sites supported the corporate diversity strategy by hosting quarterly diversity events open to all Seagate employees. These events each support a common theme and provide an educational opportunity to increase the awareness of matters related to diversity.

Recognition for Seagate's Diversity Initiatives

Seagate has been recognized by various well-known organizations and publications for its diversity efforts over the years. In 2008, Wanda Pearson, Sr. Engineering Director, received the Betsy Bernard Emerging Leader Award sponsored by the Women's Vision Foundations.

Environmental Health and Safety Policy

Seagate is the world's leading provider of storage technology for Internet, business and consumer applications. As a global industry leader, and in accordance with our Company's values, we are committed to promoting the well-being of our employees, protecting the environment, and contributing to the economic vitality of the communities in which we operate.

All Seagate employees and contractors are required to work safely and ensure that EHS requirements are integrated into their daily work activities, projects and programs. As a company, Seagate will:

- Provide employees and contractors with a safe workplace by identifying and eliminating the causes of occupational injuries and illnesses
- Support sustainable economic growth and minimize impact to the environment by reducing emissions to the air, land, and water through process improvements and responsible operating practices
- Develop safe and eco-efficient products and manufacturing processes by integrating EHS considerations into all aspects of research, design, and development
- Implement comprehensive management systems that ensure compliance with local laws, regulations and internal standards and deliver measurable EHS performance improvements
- Support the global communities in which we operate through sponsorship of environmental, educational, social, health-related, and other worthy causes
- Partner with suppliers, customers and stakeholders to publicly share best management practices and EHS performance criteria



Bill Watkins
Chief Executive Officer

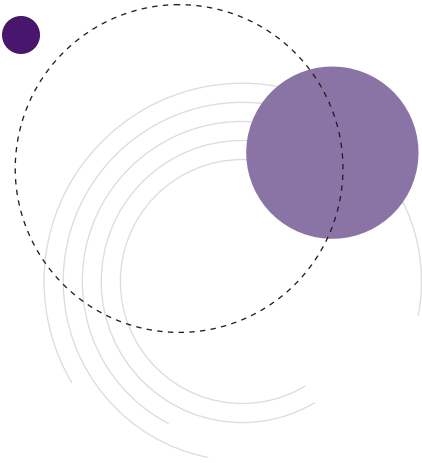
Human Rights Policy

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

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

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

- Respectful treatment. Employees must respect and value each other and we hold everyone accountable for this. Violations, such as physical abuse and/or harassment or the threat of either, are not tolerated. All employees will be allowed access to basic liberties while on Company premises.
- Employment based on achievements. Decisions about employees are based on achievements against job goals and/or standards and required competencies; decisions about applicants are made on qualifications against job requirements. In all employment actions, we prohibit discrimination based on age, race, color, ancestry, ethnic or national origin, disability, medical status, pregnancy, marital status, veteran standing, gender or gender identity, sexual orientation, perceived or actual religious beliefs or political opinion, or other characteristics protected by applicable law.
- Free to express opinions. Every employee has a right to openly express his or her opinion. In fact, we welcome and encourage ideas and input, including notification of issues and concerns.
- Fair compensation. We assess performance against job requirements and consider business conditions and appropriate market comparisons to deliver compensation. We will compensate employees with wages and benefits that meet or exceed the legally required minimum without delay, and will clearly communicate to all employees their compensation earned.
- Due process. We understand that an employee may not meet performance or conduct expectations. In such circumstances, the employee has a right to a fair process of review. Any resulting disciplinary actions will be humane.



- Reasonable limitation of working hours. We will not require employees to work more than 60 hours per average work week, or in excess of the maximum hours of daily labor set by local laws in the countries in which we operate. We will also provide employees with at least one day off per every seven days, on average, and comply with all applicable overtime pay requirements. No unreasonable restrictions of movement will be placed upon employees during non-work hours.
- Free to associate. We respect and adhere to all applicable laws concerning the right of workers to organize in labor unions and engage in collective bargaining. However, we believe maintaining an open, unencumbered relationship between Seagate employees and their managers is the most effective means of addressing work environment questions and concerns.
- Free to choose employment. We will ensure that the overall terms of employment are voluntary. We will not require employees to pay the Company any remuneration or withhold an employee's government-issued identification upon hire. We will ensure no forced, bonded or involuntary prison labor is used in the production of Seagate products.
- Employment at age 18 or higher. We strictly prohibit child labor and will comply with all local minimum age laws and requirements and/or set a minimum employment age of 18, whichever sets the higher standard.

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

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