

W0. Introduction

W0.1

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

Since our inception over 30 years ago, SGH has grown into a diversified group of businesses focused on the design and manufacture of specialty solutions for the computing, memory and LED markets. Our success is based on a customer-focused approach characterized by a commitment to quality, advanced technical expertise, quick time-to-market, build-to-order flexibility and excellence in customer service. At SGH, we strive to achieve long-term growth by investing in our people, innovation, processes and new opportunities. Since the beginning of fiscal 2018, we have accelerated our growth through the completion of five acquisitions. With our most recent acquisition of Cree LED in 2021, we have organized the company into three lines of business: Memory Solutions, Intelligent Platform Solutions (“IPS”) and LED Solutions. In addition to driving growth organically and through acquisitions, we use the SGH operating system to support and drive operational efficiency and performance. This operating system includes: Quality, Supply Chain Excellence, Global Manufacturing Scale/Efficiency, Customer Relationship Management, Capital-Efficient Model, Corporate Culture/Human Capital.

In March 2021, we completed the acquisition of the LED business (“LED Business”) of Cree, Inc., a corporation now known as Wolfspeed, Inc. (“Cree”). The acquisition of the LED Business, a leader in LED lighting technology, further enhances our growth and diversification strategy and fits well with our other specialty businesses in computing and memory.

In connection with our acquisition of the LED Business in 2021, we reorganized SGH into three business units: **Memory Solutions, IPS and LED Solutions.** Our **Memory Solutions group** provides high performance and reliable memory solutions through the design, development and advanced packaging of leading-edge to extended lifecycle products. **Our Intelligent Platform Solutions group (“IPS”)** consists of Penguin Computing and Penguin Edge. Penguin Computing offers specialized platform solutions for high-performance computing (“HPC”), artificial intelligence (“AI”), machine learning (“ML”) and advanced modeling for technology research. **Our LED Solutions group** offers a broad portfolio of application-optimized LEDs focused on improving on lumen density, intensity, efficacy, optical control and reliability. We have manufacturing facilities in Atibaia and Manaus, Brazil; Newark and Fremont, California; and Penang, Malaysia, which are all certified in one or more of the following: ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. We also have a manufacturing facility in Huizhou, China, which is ISO/TS16949 certified and where products for our LED Solutions group are packaged. In addition, in early fiscal 2022, we began manufacturing operations in our Manaus, Brazil facility. Our most significant manufacturing operations are in Atibaia, Brazil and Huizhou, China.

We also have a test and integration facility in Tempe, Arizona for SMART EC and other products. Additionally, we are a member of the Responsible Business Alliance (“RBA”) and our manufacturing facilities are compliant with the RBA Code of Conduct which is increasingly a business requirement of our customers.

We primarily sell our products directly to global OEMs and to enterprise, government and other end customers located across North America, Latin America, Asia and Europe. Our sales and marketing efforts are conducted through an integrated process incorporating our direct sales force, e-commerce, customer service representatives and our on-site field application engineers (“FAE”) with a network of independent sales representatives, distributors, integrators and resellers.

W0.2

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

	Start date	End date
Reporting year	January 1 2021	December 31 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

- Brazil
- China
- India
- Malaysia
- Republic of Korea
- Taiwan, China
- United Kingdom of Great Britain and Northern Ireland
- United States of America

W0.4

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

USD

W0.5

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

Companies, entities or groups over which operational control is exercised

W0.6

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

No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, a Ticker symbol	SGH

W1. Current state

W1.1

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

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Neutral	Water is a critical resource for our assembly operations in our two main manufacturing sites in Brazil and China. Except for those two facilities, our other facilities around the globe use minimal water for office and landscaping needs. Because we track the water stress levels of the regions in which we use most of our water, we are aware of the risks related to water availability. We also continue to improve our water recycling efficiencies, reducing our reliance on fresh water.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Neutral	Our facilities in Brazil and China utilize the majority of the water used by SMART Global Holdings. We are currently recycling approximately 65% of the water needed for our operations. Because we track the water stress levels of the regions in which we use most of our water, we are aware of the risks related to water availability. We also continue to improve our water recycling efficiencies, reducing our reliance on fresh water.

W1.2

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

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	We monitor our water withdrawal volumes and sources at all of our sites around the globe.
Water withdrawals – volumes by source	100%	We monitor our water withdrawal volumes and sources at all of our sites around the globe.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	Not monitored	We monitor our water withdrawal volumes and sources at all of our sites around the globe, however the quality of this water is not relevant to our operations.
Water discharges – total volumes	100%	As our operations and production processes consume a negligible amount of water, we discharge nearly all the water that we withdraw. For example, water is used in liquid cooling processes in our manufacturing operations, where none of it is consumed and all of it is discharged.
Water discharges – volumes by destination	100%	As our operations and production processes consume a negligible amount of water, we discharge nearly all the water that we withdraw. For example, water is used in liquid cooling processes in our manufacturing operations, where none of it is consumed and all of it is discharged.
Water discharges – volumes by treatment method	100%	As our operations and production processes consume a negligible amount of water, we discharge nearly all the water that we withdraw. For example, water is used in liquid cooling processes in our manufacturing operations, where none of it is consumed and all of it is discharged.
Water discharge quality – by standard effluent parameters	1-25	Water discharge quality and temperature are monitored in Brazil, where one of our largest manufacturing sites is located.
Water discharge quality – temperature	1-25	Water discharge quality and temperature are monitored in Brazil, where one of our largest manufacturing sites is located.
Water consumption – total volume	100%	As our operations and production processes consume a negligible amount of water, we discharge nearly all the water that we withdraw. For example, water is used in liquid cooling processes in our manufacturing operations, where none of it is consumed and all of it is discharged.
Water recycled/reused	100%	We monitor our water recycling and reuse at all of our global sites. Our facilities in Brazil and China utilize the majority of the water consumed by our company. We are currently recycling approximately 65% of the water needed for our operations. We also continue to improve our water recycling efficiencies, reducing our reliance on fresh water.
The provision of fully-functioning, safely managed WASH services to all workers	100%	We monitor the WASH services available to employees at all of our global sites.

W1.2b

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

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	593	Much higher	We are withdrawing approximately 500% more due to the addition of a facility in China, which we acquired through our Cree Led acquisition in 2021. A small portion of this increase is also due to increased production at our facility in Atibaia, Brazil. We consider 2021 the baseline year for tracking our water withdrawal, consumption, and other water metrics at our new trying to facility.
Total discharges	593	Much higher	At SGH, our water consumption is insignificant. Water is primarily used for cooling, a process which does not consume water. As evaporation is negligible, we are estimating our water discharge volumes as equal to our water withdrawal figures. We do not have meters measuring discharge, so this is an estimation.
Total consumption	0	This is our first year of measurement	At SGH, our water consumption is insignificant. Water is primarily used for cooling, a process which does not consume water. As evaporation is negligible, we are estimating our water discharge volumes as equal to our water withdrawal figures. We do not have meters measuring discharge, so this is an estimation.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	No	<Not Applicable>	<Not Applicable>	WRI Aqueeduct	We have two factories that withdraw significant amounts of water - in Atibaia, State of Sao Paulo, Brazil, and Huizhou, Guangdong Province, China - both of which are located in areas of LOW water risk according to the WRI Aqueeduct tool.

W1.2h

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	We do not withdraw water from this source.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	We do not withdraw water from this source.
Groundwater – renewable	Not relevant	<Not Applicable>	<Not Applicable>	We do not withdraw water from this source.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	We do not withdraw water from this source.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	We do not withdraw water from this source.
Third party sources	Relevant	593	Much higher	In 2021, we withdrew approximately 500% more than the previous year due to the addition of a facility in China, which we acquired through our Cree Led acquisition in 2021. A small portion of this increase is also due to increased production at our facility in Atibaia, Brazil. We consider 2021 the baseline year for tracking our water withdrawal, consumption, and other water metrics at our new trying to facility.

W1.2i

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Not relevant	<Not Applicable>	<Not Applicable>	We do not discharge water to this destination.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	We do not discharge water to this destination.
Groundwater	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	We have two factories that withdraw and discharge significant amounts of water - in Atibaia, State of São Paulo, Brazil, and Huizhou, Guangdong Province, China - both of which are located in areas of LOW water risk according to the WRI Aqueduct tool. Our facility in Atibaia is the only facility that discharges to local groundwater, whereas at all other facilities, water is discharge to third-party destinations.
Third-party destinations	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	We have two factories that withdraw and discharge significant amounts of water - in Atibaia, State of Sao Paulo, Brazil, and Huizhou, Guangdong Province, China - both of which are located in areas of LOW water risk according to the WRI Aqueduct tool. The discharge figure is significantly higher than in past reporting years due to the acquisition of Cree Led in 2021. Our facility in Atibaia is the only facility that discharges to local groundwater, whereas at all other facilities, water is discharge to third-party destinations.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	This type of water treatment is not relevant to SGH
Secondary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	This type of water treatment is not relevant to SGH
Primary treatment only	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	<Not Applicable>	At SGH, our water consumption is insignificant. Water is primarily used for cooling, a process which does not consume water. As evaporation is negligible, we are estimating our water discharge volumes as equal to our water withdrawal figures. We do not have meters measuring discharge, so this is an estimation.
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	This type of water treatment is not relevant to SGH
Discharge to a third party without treatment	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	<Not Applicable>	At SGH, our water consumption is insignificant. Water is primarily used for cooling, a process which does not consume water. As evaporation is negligible, we are estimating our water discharge volumes as equal to our water withdrawal figures. We do not have meters measuring discharge, so this is an estimation.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	No other type of water treatment is relevant to SGH

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	1501142000	593	2531436.76222597	As our business continues to acquire new companies, we anticipate that our water withdrawal trend will increase with each major event.

W1.4

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

Yes, our suppliers

Yes, our customers or other value chain partners

W1.4a

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

Row 1

% of suppliers by number

None currently, but we plan to request this within the next two years

% of total procurement spend

<Not Applicable>

Rationale for this coverage

As we further our progress in our sustainability journey, we plan to engage our suppliers in reporting their environmental impacts.

Impact of the engagement and measures of success

<Not Applicable>

Comment

W1.4b

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

Type of engagement

Onboarding & compliance

Details of engagement

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

% of suppliers by number

76-100

% of total procurement spend

76-100

Rationale for the coverage of your engagement

SGH defines strategic suppliers as suppliers that account for 90% of total spend. Given these suppliers have the most influence on our purchasing decisions and our environmental impact, we focus our engagement activities on these suppliers.

Impact of the engagement and measures of success

We engage our suppliers on climate-related topics by requiring them to sign our Supplier Code of Conduct, which is aligned with the Responsible Business Alliance (RBA) Code of Conduct. The RBA Code covers environmental topics including "Water Management", requires that "participants shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Participants shall conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance".

Comment

W1.4c

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

We regularly engage with our strategic customers on climate related topics including disclosures on our climate related performance. For example, 4 of our strategic customers have requested we disclose annually to CDP's water, and 6 for climate disclosures. Additionally, some of our strategic customers have requested our participation in EcoVadis' annual sustainability assessment, which addresses climate and water topics. Given that the strategic customers contribute to a significant portion of our revenue, we consider the market risks and reputational risk of not responding to these requests, and view our responses as opportunity to demonstrate our commitment to ESG, water, and climate change.

W2. Business impacts

W2.1

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

No

W2.2

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

No

W3. Procedures

W3.3

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

Yes, water-related risks are assessed

W3.3a

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

Value chain stage

Direct operations

Coverage

Partial

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Every two years

How far into the future are risks considered?

1 to 3 years

Type of tools and methods used

Enterprise risk management

Tools and methods used

Enterprise Risk Management

Contextual issues considered

Water availability at a basin/catchment level

Implications of water on your key commodities/raw materials

Water regulatory frameworks

Status of ecosystems and habitats

Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Customers

Employees

Investors

Local communities

Regulators

Water utilities at a local level

Comment

Water availability is monitored by our ESG and Global Quality Organization functions for our operations around the world. We monitor water stress and risk levels via the WRI Aqueduct.

W3.3b

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

Our ESG committee meets every 2 weeks to discuss and assess new environmental-related risks and opportunities that arise, including water. We obtain feedback from external ESG scoring, sustainability consultants, and current and emerging regulations, all of which provide opportunities for us to identify risks. For example, reputation- and market-related risks are discussed through our approach to responding to customer requests such as CDP, EcoVadis, and other customer-specific surveys. Within our ESG committee and with support from other colleagues and external experts, we collaborate cross-functionally on actions that are needed to address these identified risks, conduct qualitative evaluations, set a disclosure and response strategy, and execute on that strategy. This committee also evaluates customer requests, surveys, and other expectations related to our water and environmental management strategy. As we define our strategy, initiate activities, develop programs, and set goals, we determine the metrics that we track and use to measure success. We set quantitative goals to respond to identified climate and water related risks and disclose our progress in our annual ESG report and CDP questionnaire responses. As SGH acquires new businesses, our ESG committee works to bring in the new company's operations, strategy, and processes into our corporate ESG strategy, scope, goals, metrics, and disclosure. Our ESG committee also works to educate and build engagement with our employees, to help infuse our corporate culture with our commitment to sustainability. An example of cultural and behavioral change within the company that helps build this culture and engagement is the roll out of our reusable water bottle program. In 2021, we began implementation of this program and in 2022, we provided employees with reusable water bottles that have the ability to be scanned and used to track water, plastic, and CO2 spared with each refill, encouraging a culture of environmental stewardship, climate awareness, and waste reduction. We are currently looking to scale this program to all manufacturing sites globally.

W4. Risks and opportunities

W4.1

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

Yes, only within our direct operations

W4.1a

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

Our business, financial condition, or results of operations could be materially and adversely affected if certain risks occur. When considering impact, we consider the type of risk, the likelihood of that risk, the timeline of that risk, and the potential for financial or strategic impact on our business due to the effects of that risk. We typically consider risks related to our business, related to our operations, related to our industry, and related to general market conditions. Substantive financial or strategic impact would include anything that significantly affects the company's financial position or ability to manufacture or sell its products.

W4.1b

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

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	2	26-50	Our manufacturing facilities in Brazil and China are the largest users of water at the company. According to the World Resources Institute (WRI)'s Aqueeduct Water Risk Atlas, which is the tool that SGH uses to assess its water use, risk, and impact, both sites are in low risk water areas. This figure represents the number of manufacturing facilities exposed to water risk out of all manufacturing facilities.

W4.1c

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

Country/Area & River basin

Brazil	Other, please specify (La Plata Piracicaba Amazon Negro 1)
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

11-20

Comment

Atibaia, State of São Paulo, Brazil - low water risk according to WRI, this site is a significant water user Manaus, State of Amazonas, Brazil- low water risk according to WRI, not a significant water user

Country/Area & River basin

Malaysia	Other, please specify (Peninsula Malaysia Kurau/Beruas)
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Number of facilities exposed to water risk

0

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

11-20

Comment

Penang- low water risk according to WRI, not a significant water user

Country/Area & River basin

United States of America	Other, please specify (Gulf of Mexico, North Atlantic Coast Haw Atlantic Ocean Seaboard Merrimack / Concord California Newport Bay California Coyote North America, Colorado Lower Salt California Coyote)
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Number of facilities exposed to water risk

0

% company-wide facilities this represents

26-50

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

31-40

Comment

North Carolina, USA - High water risk according to WRI, not a significant water user Tewksbury, MA, USA - Medium water risk according to WRI, not a significant water user Irvine, CA, USA - Extremely High water risk according to WRI, not a significant water user Newark, CA 94560, USA - Low water risk according to WRI, not a significant water user Tempe, AZ, USA - Extremely High water risk according to WRI, not a significant water user Fremont, CA, USA - Low water risk according to WRI, not a significant water user

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Scotland Clyde)
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Number of facilities exposed to water risk

0

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

India	Other, please specify (India South Coast South West India Coast India East Coast Ponnaivar)
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Number of facilities exposed to water risk

0

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Kochi, Kerala, India - Low water risk according to WRI, not a significant water user Bengaluru, Karnataka, India - Extremely High water risk according to WRI, not a significant water user

Country/Area & River basin

China	Other, please specify (China Coast Lake Tail Hu China Coast Dong Jiang China Coast China Coast 7 China Coast China Coast 7)
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

21-30

Comment

Shanghai, China - High water risk according to WRI, not a significant water user Huizhou, Guangdong Province, China - Low water risk according to WRI, this site is a significant water user Shenzhen, Guangdong Province, China - Low water risk according to WRI, not a significant water user Hong Kong, China - Low water risk according to WRI, not a significant water user

Country/Area & River basin

Taiwan, China	Other, please specify (Taiwan Tamsui River)
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Number of facilities exposed to water risk

0

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

New Taipei City, Taiwan - Low water risk according to WRI, not a significant water user

Country/Area & River basin

Republic of Korea	Han-Gang (Han River)
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Number of facilities exposed to water risk

0

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Seongnam-si, Gyeonggi-do, South Korea - High water risk according to WRI, not a significant water user

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

Brazil	Other, please specify (Major Basin =La Plata, Minor Basin=Piracicaba)
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Type of risk & Primary risk driver

Regulatory	Increased difficulty in obtaining withdrawals/operations permit
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Primary potential impact

Disruption to sales

Company-specific description

Our Brazil facility relies on a source of clean fresh water to operate. While we are recycling a substantial portion of this water, we are not at 100% recyclability at this time and still rely on fresh water withdrawal. If the local government reduces or restricts our water supply it will have a substantial impact to our operations

Timeframe

4-6 years

Magnitude of potential impact

Medium

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

We do not have a way to quantify the potential impact at this point as regulations are still developing.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

We are working to increase the amount of water we are able to recycle at this facility, lowering our reliance on fresh water withdrawal.

Cost of response

253183000

Explanation of cost of response

The cost of our company's response to this risk is covered within our company's general operations budget, which is \$253,183,000.

Country/Area & River basin

China	Dong Jiang
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Type of risk & Primary risk driver

Regulatory	Increased difficulty in obtaining withdrawals/operations permit
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Primary potential impact

Disruption to sales

Company-specific description

Our Huizhou facility relies on a source of clean fresh water to operate. While we are recycling a substantial portion of this water, we are not at 100% recyclability at this time and still rely on fresh water withdrawal. If the local government reduces or restricts our water supply it will have a substantial impact to our operations

Timeframe

4-6 years

Magnitude of potential impact

Medium

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

We do not have a way to quantify the potential impact at this point as regulations are still developing.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

We are working to increase the amount of water we are able to recycle at this facility, lowering our reliance on fresh water withdrawal.

Cost of response

253183000

Explanation of cost of response

The cost of our company's response to this risk is covered within our company's general operations budget, which is \$253,183,000.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	Outside of our two factory processes in Brazil and China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas.

W4.3

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

No

W4.3b

(W4.3b) Why does your organization not consider itself to have water-related opportunities?

	Primary reason	Please explain
Row 1	Evaluation in progress	In our two major manufacturing sites, most of the water we use in our operations is recycled - In Brazil, our Atibaia site recycled approximately 65% of the water consumed in 2021 and in China, our Huizhou site recycled approximately 65% of the water we consumed in 2021. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

W5. Facility-level water accounting

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

Facility reference number

Facility 2

Facility name (optional)

Penang (Malaysia)

Country/Area & River basin

Malaysia	Other, please specify
----------	-----------------------

Latitude

5.400795

Longitude

100.392561

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

30.89

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

30.89

Total water discharges at this facility (megaliters/year)

30.89

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

30.89

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

About the same

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

Facility reference number

Facility 1

Facility name (optional)

Atibaia (Brazil)

Country/Area & River basin

Brazil	Other, please specify
--------	-----------------------

Latitude

-23.045413

Longitude

-46.676749

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

80.68

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

80.68

Total water discharges at this facility (megaliters/year)

80.68

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

80.68

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

Higher

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

Facility reference number

Facility 3

Facility name (optional)

Newark (USA)

Country/Area & River basin

United States of America	Other, please specify (Cayote)
--------------------------	--------------------------------

Latitude

37.509231

Longitude

-122.000585

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

6.1

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

6.1

Total water discharges at this facility (megaliters/year)

6.1

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

6.1

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

Facility reference number

Facility 4

Facility name (optional)

Manaus, State of Amazonas, Brazil

Country/Area & River basin

Brazil	Amazonas
--------	----------

Latitude

-3.100021

Longitude

-59.940619

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0.59

Comparison of total withdrawals with previous reporting year

This is our first year of measurement

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0.59

Total water discharges at this facility (megaliters/year)

0.59

Comparison of total discharges with previous reporting year

This is our first year of measurement

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0.59

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

This is our first year of measurement

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

Facility reference number

Facility 5

Facility name (optional)

Huizhou, Guangdong Province, China

Country/Area & River basin

China	Dong Jiang
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Latitude

23.013287

Longitude

114.348068

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

467.1

Comparison of total withdrawals with previous reporting year

This is our first year of measurement

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

467.1

Total water discharges at this facility (megaliters/year)

467.1

Comparison of total discharges with previous reporting year

This is our first year of measurement

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

467.1

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

This is our first year of measurement

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

Facility reference number

Facility 6

Facility name (optional)

Fremont, CA, USA

Country/Area & River basin

United States of America	Other, please specify (California, Coyote)
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Latitude

37.492169

Longitude

-121.95551

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

6.4

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

6.4

Total water discharges at this facility (megaliters/year)

6.4

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

6.4

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

Facility reference number

Facility 7

Facility name (optional)

New Taipei City, Taiwan

Country/Area & River basin

Taiwan, China	Other, please specify (Tamsui River)
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Latitude

24.997273

Longitude

121.452939

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0.78

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0.78

Total water discharges at this facility (megaliters/year)

0.78

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0.78

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

Facility reference number

Facility 8

Facility name (optional)

Bengaluru, Karnataka, India

Country/Area & River basin

India	Other, please specify (India East Coast Ponnaivar)
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Latitude

12.956335

Longitude

77.641106

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0.44

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0.44

Total water discharges at this facility (megaliters/year)

0.44

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0.44

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

Facility reference number

Facility 9

Facility name (optional)

Kochi, Kerala, India

Country/Area & River basin

India	Other, please specify (India South Coast South West India Coast)
-------	--

Latitude

9.966635

Longitude

76.28672

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0.36

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0.36

Total water discharges at this facility (megaliters/year)

0.36

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0.36

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

Facility reference number

Facility 10

Facility name (optional)

Seongnam-si, Gyeonggi-do, South Korea

Country/Area & River basin

Republic of Korea	Han-Gang (Han River)
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Latitude

37.337828

Longitude

127.1097

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0.06

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0.06

Total water discharges at this facility (megaliters/year)

0.06

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0.06

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

Facility reference number

Facility 11

Facility name (optional)

Tempe, AZ, USA

Country/Area & River basin

United States of America	Other, please specify (North America, Colorado Lower Salt)
--------------------------	--

Latitude

33.398585

Longitude

-111.97036

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0.18

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0.18

Total water discharges at this facility (megaliters/year)

0.18

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0.18

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Outside of our two factory processes in Atibaia, Brazil and Huizhou, China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, but at this time we do not have major water-related opportunities that we are taking advantage of.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
We do not currently externally verify our water use and metrics as it is not a priority for our business and our key stakeholders.

Water withdrawals – volume by source

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
We do not currently externally verify our water use and metrics as it is not a priority for our business and our key stakeholders.

Water withdrawals – quality by standard water quality parameters

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
We do not currently externally verify our water use and metrics as it is not a priority for our business and our key stakeholders.

Water discharges – total volumes

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
We do not currently externally verify our water use and metrics as it is not a priority for our business and our key stakeholders.

Water discharges – volume by destination

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
We do not currently externally verify our water use and metrics as it is not a priority for our business and our key stakeholders.

Water discharges – volume by final treatment level

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
We do not currently externally verify our water use and metrics as it is not a priority for our business and our key stakeholders.

Water discharges – quality by standard water quality parameters

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
We do not currently externally verify our water use and metrics as it is not a priority for our business and our key stakeholders.

Water consumption – total volume

% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
We do not currently externally verify our water use and metrics as it is not a priority for our business and our key stakeholders.

W6. Governance

W6.1

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

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

W6.2

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

Yes

W6.2a

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

Position of individual	Please explain
Chief Executive Officer (CEO)	CEO directs the overall corporation regarding ESG expectations, strategy, programs, goals, risks, opportunities, and disclosure. This includes climate and water related metrics, risks, opportunities, planning, strategy, and disclosure. Every other week, our ESG Steering Committee meets to review SGH's ESG strategy (which includes water and other environmental topics), program, initiatives, goals, and progress. The Committee's mission is "to set clear and achievable goals for a more sustainable future for our employees, customers, suppliers, and the world." The Committee is made up of our CFO who is also the Chairperson, our COO, our VP of General Counsel, our CEO's Chief of Staff, our VP of Investor Relations, our VP of Marketing, our ESG Program Manager and Sr. Director of Global Quality, and experts from our Human Resources, Operations, Supply Chain, and Customer Satisfaction teams. The responsibilities of this Committee are outlined as follows: - Setting initial strategy relating to ESG practices - Developing, implementing, and monitoring initiatives and policies based on that strategy - Overseeing communications with employees, investors and stakeholders with respect to ESG matters - Monitoring and assessing developments relating to, and improving the Company's understanding of ESG. This committee reports approximately monthly to CEO, who also reports on water issues quarterly to the full Board of Directors. Responsibility: Both assessing and managing water-related risks and opportunities Frequency of reporting to board on water-related issues: Quarterly
Chief Financial Officer (CFO)	Our CFO has the highest level of direct responsibility for climate change and environmental topics within our organization. This includes climate and water related metrics, risks, opportunities, planning, strategy, and disclosure. Every other week, our ESG Steering Committee meets to review SGH's ESG strategy (which includes water and other environmental topics), program, initiatives, goals, and progress. The Committee's mission is "to set clear and achievable goals for a more sustainable future for our employees, customers, suppliers, and the world." The Committee is made up of our CFO who is also the Chairperson, our COO, our VP of General Counsel, our CEO's Chief of Staff, our VP of Investor Relations, our VP of Marketing, our ESG Program Manager and Sr. Director of Global Quality, and experts from our Human Resources, Operations, Supply Chain, and Customer Satisfaction teams. The responsibilities of this Committee are outlined as follows: - Setting initial strategy relating to ESG practices - Developing, implementing, and monitoring initiatives and policies based on that strategy - Overseeing communications with employees, investors and stakeholders with respect to ESG matters - Monitoring and assessing developments relating to, and improving the Company's understanding of ESG. This committee reports approximately monthly to CEO, who also reports on water issues quarterly to the full Board of Directors Responsibility: Both assessing and managing water-related risks and opportunities Frequency of reporting to board on water-related issues: Quarterly
Other, please specify (ESG Steering Committee)	Our ESG Steering Committee is made up of our CFO, COO, VP General Counsel, CEO Chief of Staff, VP Investor Relations, and our VP Marketing. Their responsibilities include climate and water related metrics, risks, opportunities, planning, strategy, and disclosure. Every other week, our ESG Steering Committee meets to review SGH's ESG strategy (which includes water and other environmental topics), program, initiatives, goals, and progress. The Committee's mission is "to set clear and achievable goals for a more sustainable future for our employees, customers, suppliers, and the world." The responsibilities of this Committee are outlined as follows: - Setting initial strategy relating to ESG practices - Developing, implementing, and monitoring initiatives and policies based on that strategy - Overseeing communications with employees, investors and stakeholders with respect to ESG matters - Monitoring and assessing developments relating to, and improving the Company's understanding of ESG. This committee reports approximately monthly to CEO, who also reports on water issues quarterly to the full Board of Directors Responsibility: Both assessing and managing water-related risks and opportunities Frequency of reporting to board on water-related issues: Quarterly

W6.2b

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

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Setting performance objectives	The board receives quarterly updates from the CEO on water-related topics, including water risks, opportunities and initiatives within our ESG strategy, and progress on other goals related to our ESG strategy and program, which includes water a material topic. The ESG Committee presents to the Board twice per year on these topics as well.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Not assessed	<Not Applicable>	<Not Applicable>	<Not Applicable>

W6.3

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

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

Chief Executive Officer (CEO)

Responsibility

Assessing water-related risks and opportunities
 Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The board receives quarterly updates from the CEO on water-related topics, including water risks, opportunities and initiatives within our ESG strategy , and progress on other goals related to our ESG strategy and program, which includes water a material topic. The ESG Committee presents directly to the Board twice per year on these topics as well.

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

Chief Financial Officer (CFO)

Responsibility

Assessing water-related risks and opportunities
 Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The ESG Committee (which includes the CFO) presents to the Board twice per year on water-related topics, including water risks, opportunities and initiatives within our ESG strategy , and progress on other goals related to our ESG strategy and program, which includes water a material topic.

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

Sustainability committee

Responsibility

Assessing water-related risks and opportunities
 Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Half-yearly

Please explain

Every other week, our ESG Steering Committee meets to review SGH's ESG strategy, program, initiatives, goals, and progress. The Committee's mission is "to set clear and achievable goals for a more sustainable future for our employees, customers, suppliers, and the world." The Committee is made up of our CFO who is also the Chairperson, our COO, our VP of General Counsel, our CEO's Chief of Staff, our VP of Investor Relations, our VP of Marketing, our ESG Program Manager and Sr. Director of Global Quality, and experts from our Human Resources, Operations, Supply Chain, and Customer Satisfaction teams. This committee reports approximately monthly to CEO, who also reports on climate issues quarterly to the full Board of Directors.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, not currently but we plan to introduce them in the next two years	

W6.5

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

No

W6.6

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

No, and we have no plans to do so

W7. Business strategy

W7.1

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

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	No, water-related issues were reviewed but not considered as strategically relevant/significant	16-20	Our manufacturing facilities in Brazil and China are the largest users of water at the company. According to the World Resources Institute (WRI)'s Aqueduct Water Risk Atlas, which is the tool that SGH uses to assess its water use, risk, and impact, both sites are in low risk water areas.
Strategy for achieving long-term objectives	No, water-related issues were reviewed but not considered as strategically relevant/significant	16-20	Our manufacturing facilities in Brazil and China are the largest users of water at the company. According to the World Resources Institute (WRI)'s Aqueduct Water Risk Atlas, which is the tool that SGH uses to assess its water use, risk, and impact, both sites are in low risk water areas.
Financial planning	No, water-related issues were reviewed but not considered as strategically relevant/significant	16-20	Our manufacturing facilities in Brazil and China are the largest users of water at the company. According to the World Resources Institute (WRI)'s Aqueduct Water Risk Atlas, which is the tool that SGH uses to assess its water use, risk, and impact, both sites are in low risk water areas.

W7.2

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

Row 1

Water-related CAPEX (+/- % change)

1

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

1

Water-related OPEX (+/- % change)

0

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

0

Please explain

In our two major manufacturing sites, most of the water we use in our operations is recycled - In Brazil, our Atibaia site recycled approximately 65% of the water withdrawn in 2021 and in China, our Huizhou site recycled approximately 65% of the water we withdrew in 2021. Outside of these two facilities, water is mostly used in office type environments, cafeterias, and landscaping. At our manufacturing sites in Brazil and China, we continue to look into water-efficient processes and opportunities to recycle and reuse water, so we anticipate a small increase in CAPEX to continue capitalizing on these efficiencies.

W7.3

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

	Use of scenario analysis	Comment
Row 1	No, but we anticipate doing so within the next two years	We are in the midst of transitioning to a net zero plan and will use transition scenario analysis as we develop this plan.

W7.4

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

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

At this time, though water is a critical resource for our operations, the two sites that use a significant amount of water withdraw from locations with low water risk according to the World Resources Institute (WRI)'s Aqueduct Water Risk Atlas, which is the tool that SGH uses to assess its water use, risk, and impact. Due to the low materiality of the topic and the low risk of resource availability issues, we currently do not set an internal price on water.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, and we do not plan to address this within the next two years	<Not Applicable >	Judged to be unimportant, explanation provided	At this time, though water is a critical resource for our operations, the two sites that use a significant amount of water withdraw from locations with low water risk according to the World Resources Institute (WRI)'s Aqueduct Water Risk Atlas, which is the tool that SGH uses to assess its water use, risk, and impact. These sites consume minimal water as the manufacturing processes do not require water consumption. Due to water availability and low water stress at these locations, we do not currently need a designation of water impact for products.

W8. Targets

W8.1

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

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Site/facility specific targets and/or goals Country level targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Our ESG committee meets every 2 weeks to discuss and assess new environmental-related risks and opportunities that arise, including water topics and targets. Within our ESG committee and with support from other colleagues and external experts, we collaborate cross-functionally on actions that are needed to address these identified risks, conduct qualitative evaluations, set a disclosure and response strategy, and execute on that strategy. This committee also evaluates customer requests, surveys, and other expectations related to our water and environmental management strategy. As we define our strategy, initiate activities, develop programs, and set goals, we determine the metrics that we track and use to measure success. We set quantitative goals to respond to identified climate and water related risks and disclose our progress in our annual ESG report and CDP questionnaire responses. As SGH acquires new businesses, our ESG committee works to bring in the new company's operations, strategy, and processes into our corporate ESG strategy, scope, goals, metrics, and disclosure. Our ESG committee also works to educate and build engagement with our employees, to help infuse our corporate culture with our commitment to sustainability. An example of cultural and behavioral change within the company that helps build this culture and engagement is the roll out of our reusable water bottle program. In 2021, we began implementation of this program and in 2022, we provided employees with reusable water bottles that have the ability to be scanned and used to track water, plastic, and CO2 spared with each refill, encouraging a culture of environmental stewardship, climate awareness, and waste reduction. We are currently looking to scale this program to all manufacturing sites globally.

W8.1a

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

Target reference number

Target 1

Category of target

Monitoring of water use

Level

Site/facility

Primary motivation

Corporate social responsibility

Description of target

We set a target to monitor our water consumption on a monthly basis at all of our sites globally.

Quantitative metric

% sites monitoring water withdrawals total volumes

Baseline year

2017

Start year

2018

Target year

2022

% of target achieved

100

Please explain

We are now monitoring monthly water withdrawals at all of our global sites, including those that we have acquired since we set the target.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Providing access to safely managed Water, Sanitation and Hygiene (WASH) in workplace

Level

Company-wide

Motivation

Recommended sector best practice

Description of goal

The goal was to implement Water, Sanitation, and Hygiene (WASH) management at all of our facilities.

Baseline year

2018

Start year

2018

End year

2020

Progress

All our facilities have WASH in the workplace, including those that we have acquired since we set the target.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we are waiting for more mature verification standards and/or processes

W10. Sign off

W-FI

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

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Sr. Director, Quality and Sustainability	Environment/Sustainability manager

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

SW. Supply chain module

SW0.1

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

	Annual revenue
Row 1	1501142000

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

Yes, CDP supply chain members buy goods or services from facilities listed in W5.1

SW1.1a

(SW1.1a) Indicate which of the facilities referenced in W5.1 could impact a requesting CDP supply chain member.

Facility reference number

Facility 1

Facility name

SMART Atibaia

Requesting member

Dell Technologies

Description of potential impact on member

Outside of our two factories in Brazil and China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. As water availability in these locations is not a significant risk to our company, we do not anticipate water-related risks - such as disruption to manufacturing due to water shortage - as significant potential impacts to our customers. Additionally, we continue to develop processes to improve our water recycling rates, reducing our reliance on freshwater.

Comment

Facility reference number

Facility 2

Facility name

SMART Penang

Requesting member

Cisco Systems, Inc.

Description of potential impact on member

Outside of our two factories in Brazil and China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. As water availability in these locations is not a significant risk to our company, we do not anticipate water-related risks - such as disruption to manufacturing due to water shortage - as significant potential impacts to our customers. Additionally, we continue to develop processes to improve our water recycling rates, reducing our reliance on freshwater.

Comment

Facility reference number

Facility 3

Facility name

SMART Newark

Requesting member

Cisco Systems, Inc.

Description of potential impact on member

Outside of our two factories in Brazil and China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. As water availability in these locations is not a significant risk to our company, we do not anticipate water-related risks - such as disruption to manufacturing due to water shortage - as significant potential impacts to our customers. Additionally, we continue to develop processes to improve our water recycling rates, reducing our reliance on freshwater.

Comment

Facility reference number

Facility 2

Facility name

SMART Penang

Requesting member

Nokia Group

Description of potential impact on member

Outside of our two factories in Brazil and China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. As water availability in these locations is not a significant risk to our company, we do not anticipate water-related risks - such as disruption to manufacturing due to water shortage - as significant potential impacts to our customers. Additionally, we continue to develop processes to improve our water recycling rates, reducing our reliance on freshwater.

Comment

Facility reference number

Facility 4

Facility name

SMART Manaus

Requesting member

Dell Technologies

Description of potential impact on member

Outside of our two factories in Brazil and China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. As water availability in these locations is not a significant risk to our company, we do not anticipate water-related risks - such as disruption to manufacturing due to water shortage - as significant potential impacts to our customers. Additionally, we continue to develop processes to improve our water recycling rates, reducing our reliance on freshwater.

Comment**Facility reference number**

Facility 3

Facility name

SMART Newark

Requesting member

Juniper Networks, Inc.

Description of potential impact on member

Outside of our two factories in Brazil and China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. As water availability in these locations is not a significant risk to our company, we do not anticipate water-related risks - such as disruption to manufacturing due to water shortage - as significant potential impacts to our customers. Additionally, we continue to develop processes to improve our water recycling rates, reducing our reliance on freshwater.

Comment**Facility reference number**

Facility 2

Facility name

SMART Penang

Requesting member

Juniper Networks, Inc.

Description of potential impact on member

Outside of our two factories in Brazil and China, we do not use water in our manufacturing process. Both of those water-intensive locations are located in low water risk locations as determined by the World Resource Institute's Aqueduct Water Risk Atlas. As water availability in these locations is not a significant risk to our company, we do not anticipate water-related risks - such as disruption to manufacturing due to water shortage - as significant potential impacts to our customers. Additionally, we continue to develop processes to improve our water recycling rates, reducing our reliance on freshwater.

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

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	Yes, for all facilities	

SW1.2a**(SW1.2a) Please provide all available geolocation data for your facilities.**

Identifier	Latitude	Longitude	Comment
Penang (Malaysia)	5.400795	100.392561	Manufacturing Facility
Newark (USA)	37.509231	-122.000585	Manufacturing Facility
Atibaia (Brazil)	-23.045413	-46.676749	Manufacturing Facility
Fremont (USA)	37.491282	-121.9995	Manufacturing Facility
Huizhou (China)	23.013919	114.348068	Manufacturing Facility,
Manaus (Brazil)	-3.100021	-59.940619	Manufacturing Facility
Kochi (India)	9.966635	76.28672	
Bengaluru (India)	12.956335	77.641106	
Seongnam-si (South Korea)	37.337828	127.1097	
New Taipei City (Taiwan)	24.997273	121.452939	
Tempe, AZ (USA)	33.398585	-111.97036	

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

SW2.2

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

No

SW3.1

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

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms