SMART Global Holdings (SGH Corp)

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

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10/10/2024, 09:47 pm

Contents

C1. Introduction

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Since our inception over 30 years ago, SMART Global Holdings (SGH) has grown into a diversified group of businesses focused on the design and manufacture of specialty solutions for the computing, memory and light-emitting diode (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 (Cree) 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 of Cree, Inc., a corporation now known as Wolfspeed, Inc. 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. As part of our transformation from a memory module firm into a diversified technology company, SGH has completed five acquisitions since 2018. Upon acquiring Cree LED in 2021, we restructured the company into three lines of business: IPS, Memory Solutions, and LED Solutions. In August 2022, we acquired Stratus Technologies, a leading provider of high-availability, fault-tolerant computing platforms, software, and services, to expand our IPS portfolio. In June 2023, we announced plans to divest our majority stake in SMART Brazil, which manufactures standards-based memory products for consumer electronics sold in Brazil. On November 30, 2023, we completed the sale of the majority stake of our Brazil business to Lexar Europe B.V., an affiliate of Shenzhen Longsys Electronics Co., Ltd. We have manufacturing facilities in Atibaia, Brazil; Newark and Fremont, California; and Penang, Malaysia, which are all certified in one or more of the following: International Standards Organization (ISO) 9001:2015, ISO 14001:2015 and ISO 45001:2018. We also have a manufacturing facility in Huizhou, China, which is ISO and technical specification (TS) 16949 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 original equipment manufacturers (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. Please note, our financial year is different from our calendar year. This disclosure includes environmental data from our calendar year 2023, and financial data from our fiscal year 2023.

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	12/31/2023	*Select from:* ☑ No	*Select from:* ☑ No

[Fixed row]

(1.5) Provide details on your reporting boundary.

(1.5.1) Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?

Select from:
☑ No

(1.5.2) How does your reporting boundary differ to that used in your financial statement?

Our reporting boundary differs from that used in our financial statements and filings. Our environmental reporting boundary is aligned with the calendar year (ending December 31, 2023), whereas our fiscal boundary ends on the last Friday in August (August 25, 2023). Our environmental reporting in this CDP response aligns with the boundaries of our annual ESG report. We intend to begin the process of aligning our fiscal and environmental reporting boundaries in the near future.
[Fixed row]

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

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

KYG8232Y1017

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

G8232Y101

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

SGH

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:
☑ No
[Add row]

(1.8) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
	Select from: ☑ Yes, for all facilities	*Yes, we are able to provide geolocation data for all of our facilities.*

[Fixed row]

(1.8.1) Please provide all available geolocation data for your facilities.

Row 1

(1.8.1.1) Identifier

SGH - Milpitas

(1.8.1.2) Latitude

37.337828

(1.8.1.3) Longitude

127.1097

(1.8.1.4) Comment

Offices

Row 2

(1.8.1.1) Identifier

SGH Arizona (USA) - 2

(1.8.1.2) Latitude

33.398585

(1.8.1.3) Longitude

-111.97036

(1.8.1.4) Comment

Offices

Row 3

(1.8.1.1) Identifier

Atibaia (Brazil)

(1.8.1.2) Latitude

-23.045413

(1.8.1.3) Longitude

-46.676749

(1.8.1.4) Comment

Manufacturing facility

Row 4

(1.8.1.1) Identifier

Fremont (USA) -2

(1.8.1.2) Latitude

37.491282

(1.8.1.3) Longitude

-121.9995

(1.8.1.4) Comment

Manufacturing facility

Row 5

(1.8.1.1) Identifier

Newark (USA)

(1.8.1.2) Latitude

37.509231

(1.8.1.3) Longitude

-122.000585

(1.8.1.4) Comment

Manufacturing facility

Row 6

(1.8.1.1) Identifier

Huizhou (China)

(1.8.1.2) Latitude

23.013919

(1.8.1.3) Longitude

114.348068

(1.8.1.4) Comment

Manufacturing facility

Row 7

(1.8.1.1) Identifier

Kochi (India)

(1.8.1.2) Latitude

9.966635

(1.8.1.3) Longitude

76.28672

(1.8.1.4) Comment

Offices

Row 8

(1.8.1.1) Identifier

Penang (Malaysia) -3

(1.8.1.2) Latitude

5.400795

(1.8.1.3) Longitude

100.392561

(1.8.1.4) Comment

Manufacturing facility

Row 9

(1.8.1.1) Identifier

Manaus (Brazil)

(1.8.1.2) Latitude

-3.100021

(1.8.1.3) Longitude

-59.940619

(1.8.1.4) Comment

Manufacturing facility

Row 10

(1.8.1.1) Identifier

Bengaluru (India)

(1.8.1.2) Latitude

12.956335

(1.8.1.3) Longitude

77.641106

(1.8.1.4) Comment

Offices

Row 11

(1.8.1.1) Identifier

SMART Taiwan (Taiwan) -2

(1.8.1.2) Latitude

24.997273

(1.8.1.3) Longitude

121.452939

(1.8.1.4) Comment

Offices

Row 12

(1.8.1.1) Identifier

Cree Durham

(1.8.1.2) Latitude

35.889847

(1.8.1.3) Longitude

-78.853081

(1.8.1.4) Comment

Offices / R&D

Row 13

(1.8.1.1) Identifier

SMART UK

(1.8.1.2) Latitude

55.756885

(1.8.1.3) Longitude

-4.167184

(1.8.1.4) Comment

Offices

Row 14

(1.8.1.1) Identifier

SGH Hong Kong

(1.8.1.2) Latitude

22.42528

(1.8.1.3) Longitude

114.212696

(1.8.1.4) Comment

Offices

Row 15

(1.8.1.1) Identifier

Stratus Maynard

(1.8.1.2) Latitude

42.429548

(1.8.1.3) Longitude

-71.455174

(1.8.1.4) Comment

Offices

Row 16

(1.8.1.1) Identifier

Stratus Ireland - 3

(1.8.1.2) Latitude

53.413143

(1.8.1.3) Longitude

-6.360866

(1.8.1.4) Comment

Offices / Integration / Warehouse

Row 17

(1.8.1.1) Identifier

SMART Tewksbury

(1.8.1.2) Latitude

42.645137

(1.8.1.3) Longitude

-71.235645

(1.8.1.4) Comment

Offices

Row 18

(1.8.1.1) Identifier

Stratus Germany

(1.8.1.2) Latitude

50.131253

(1.8.1.3) Longitude

8.572319

(1.8.1.4) Comment

Offices

Row 19

(1.8.1.1) Identifier

Stratus Italy

(1.8.1.2) Latitude

45.600689

(1.8.1.3) Longitude

9.361585

(1.8.1.4) Comment

Offices

Row 20

(1.8.1.1) Identifier

Stratus South Africa

(1.8.1.2) Latitude

-25.764607

(1.8.1.3) Longitude

28.278741

(1.8.1.4) Comment

Offices

Row 21

(1.8.1.1) Identifier

Stratus Spain

(1.8.1.2) Latitude

40.555814

(1.8.1.3) Longitude

-3.618784

(1.8.1.4) Comment

Offices

Row 22

(1.8.1.1) Identifier

Stratus - UK

(1.8.1.2) Latitude

51.43401

(1.8.1.3) Longitude

-0.519978

(1.8.1.4) Comment

Offices

Row 23

(1.8.1.1) Identifier

Stratus Japan

(1.8.1.2) Latitude

35.688511

(1.8.1.3) Longitude

139.733628

(1.8.1.4) Comment

Offices
[Add row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ Tier 2 suppliers

(1.24.7) Description of mapping process and coverage

SGH maps the key business activities of its operations, Tier 1 suppliers, and key customers. We maintain information about our suppliers and customers, including locations and business activities, and use that information to assess risks to our company and inform business decisions.
[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

	Plastics mapping	Value chain stages covered in mapping
	Select from: ☑ Yes, we have mapped or are currently in the process of mapping plastics in our value chain	*Select all that apply* ☑ Upstream value chain ☑ Downstream value chain

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

To achieve our longer-term goals to address greenhouse gas emissions and climate change, we set annual and other short-term goals to help track our progress toward meeting our longer-term objectives. Short-term risks are considered risks that are likely to have a direct impact on the company in the next three years. We define short-term ESG targets as targets that we aim to complete within two years. We consider goals and objectives that we estimate will be achieved within the next two years but up to three years, generally as short-term.

Medium-term

(2.1.1) From (years)

4

(2.1.3) To (years)

7

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Our intent is to base our business strategy and climate strategy on a medium-term time horizon and then establish actionable goals at shorter intervals. Medium-term risks are considered risks that have a high likelihood of having a direct impact on the company within the next four to seven years or risks that currently may have an indirect impact on the company and its value chain but have the potential to materialize into a direct impact within four to seven years. We consider goals and objectives that we estimate will be achieved within the next three to five years, generally as medium-term.

Long-term

(2.1.1) From (years)

8

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

25

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Changing our impact on the climate is not something that happens overnight. Planning and setting targets with long-term time horizons is necessary in order to have a positive impact on the global environment and adequately anticipate the risks that may impact our business, our supply chain, and our stakeholders. Projects such as 'carbon neutral' operations require long-term strategic approaches and technology to be successful. Long-term risks are considered risks that may impact our company within the next eight to 25 years. We consider goals and objectives that we estimate will be achieved within the next five years or more in the future as long-term.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

☑ Water

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ EcoVadis

☑ WRI Aqueduct

☑ Other commercially/publicly available tools, please specify **:**RBA's Self Assessment Questionnaires (SAQs)

Enterprise Risk Management

☑ Internal company methods

International methodologies and standards

☑ ISO 14001 Environmental Management Standard

Other

☑ Desk-based research

☑ External consultants

☑ Internal company methods

☑ Materiality assessment

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

☑ Sea level rise

☑ Water stress

Policy

☑ Changes to national legislation

Market

☑ Changing customer behavior

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

Technology

☑ Transition to lower emissions technology and products

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ Customers
☑ Employees
☑ Investors
☑ Suppliers

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ No

(2.2.2.16) Further details of process

We have a number of processes to assess and manage the risks, opportunities, dependencies, and impacts related to climate change, which are managed by our ESG team and ESG Committee. Our ESG Committee, which includes executive members from our Finance, Marketing, Supply Chain (SC), Human Resources (HR), and Legal teams, governs these processes, which span across our operations and into our upstream and downstream value chains. These processes include (but are not limited to): consulting with customers to and completing customer surveys, such as EcoVadis; using the World Resources Institute (WRI) Aqueduct Water Risk Atlas to assess the water stress of our sites that are dependent on water; ISO 14001 management practices; regulatory compliance; self assessment questionnaires and third -party audits through the RBA; and ESG materiality assessments of our internal and external stakeholders. Using these tools, we identify physical, reputation, market, technological, policy, and liability risks related to climate change, water, and other environmental issues. These risks and opportunities are reviewed in our ESG committee, where their likelihood, potential impact, and other factors are considered. 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, supplier risks, surveys, and other expectations related to our climate change and water 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 related risks and disclose our progress in our annual ESG report and CDP questionnaire responses. We engage with customers downstream to collect feedback, assess expectations and collaborate on the development of energy efficient products. We also collect environmental data disclosed by our Tier 1 suppliers through the RBA's annual SAQs. We collect information on our suppliers' greenhouse gas emissions (GHG) emissions, impacts and management. This data informs our net zero strategy and our approach to calculating and disclosing GHG emissions data. We monitor the water stress levels in the areas where we operate which are dependent on water withdrawal. In 2023, none of our factories withdrew water from high-stress areas, as identified by the WRI Aqueduct Water Risk Atlas tool. In 2023, our manufacturing sites were primarily located in regions categorized as low or low-medium stress by the WRI. We also refer to the WRI to track the short-, medium-, and long-term water stress levels and associated risks at our locations and use this information to inform our water management strategy.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

SGH assesses the interconnections between our climate- and water-related risks, opportunities, dependencies, and impacts through processes defined by our ESG program. Our ESG Committee, which includes executive members from our Finance, Marketing, Supply Chain, HR, and Legal teams, governs these processes, which span across our operations and into our upstream and downstream value chains. For example, our supplier assessment and engagement strategy informs and is informed by our consideration of climate-related risks and opportunities. We collect GHG emissions data from our Tier 1 suppliers through annual self-assessments. These emissions impacts are considered in SGH's net-zero and GHG management strategy, which also informs our approach to mitigating market, technology, and physical risks related to climate change as well as opportunities related to reputation gain for strong ESG performance. Additionally, we assess the interconnections between the dependencies and risks faced in our direct operations. For example, SGH is dependent on the withdrawal of water to use in our manufacturing processes. We operate in locations that may experience water stress and issues with water availability in the future. Our assessment of this dependency on water has also helped inform our process of considering risks related to water availability.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

(2.3.3) Types of priority locations identified

Sensitive locations

☑ Areas of limited water availability, flooding, and/or poor quality of water

(2.3.4) Description of process to identify priority locations

We have measures in place to identify priority locations in our direct operations. For example, we consult the WRI Aqueduct Water Risk Atlas to identify the water stress levels in the areas where we operate. This data informs our strategy and assists us in identifying and implementing water-efficiency measures in our manufacturing processes, including the adoption of water-conscious appliances at our facilities and the use of water-efficient technologies.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we have a list/geospatial map of priority locations, but we will not be disclosing it

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

☑ Other, please specify **:**Risk type

(2.4.7) Application of definition

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.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

We assess ESG-related opportunities (including those related to climate change and water issues) primarily through our ESG Steering Committee. Composed of executive members from our Finance, Marketing, Supply Chain, HR, and Legal teams, this committee ensures that ESG is supported at the highest levels of the company and that ESG opportunities are assessed through a multidisciplinary process. The ESG Steering Committee meets regularly to address all things ESG, including emerging risks, opportunities, concerns, regulatory compliance, progress on goals, and public disclosures. Opportunities related to climate and water are reviewed through a qualitative process, which considers the time horizon, likelihood, and potential impact on business that the opportunity might present. For example, some members of this committee work directly with customers and business partners and collect feedback from those key stakeholders. That feedback helps SGH qualify opportunities related to our development of energy-efficient products.
[Add row]

(2.5) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

(2.5.1) Identification and classification of potential water pollutants

Select from:

☑ Yes, we identify and classify our potential water pollutants

(2.5.2) How potential water pollutants are identified and classified

We use municipal water at all of our facilities. Silicon is the only physical element that we have identified as a byproduct of our operations and is not classified as a water pollutant. All water that is used within our operations is treated on-site at our manufacturing sites prior to discharge. We have not identified any other potential water pollutants that could have a detrimental impact on water ecosystems or human health.
[Fixed row]

(2.5.1) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Row 1

(2.5.1.1) Water pollutant category

Select from:

☑ Other, please specify **:**Silicon

(2.5.1.2) Description of water pollutant and potential impacts

At our manufacturing sites, we have silicon particles in water as a result of the grinding process. Silicon is not a pollutant, and we have onsite water treatments to filter the silicon before discharge.

(2.5.1.3) Value chain stage

Select all that apply

☑ Direct operations

(2.5.1.4) Actions and procedures to minimize adverse impacts

Select all that apply

☑ Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

(2.5.1.5) Please explain

We use onsite treatment methods to filter the silicon before discharge.
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Water

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Not an immediate strategic priority

(3.1.3) Please explain

Plastics are not currently a material issue to our business, our ESG program, or the sustainability goals of the customers we most often engage with. However, as plastics are becoming a growing concern within our industry, we intend to evaluate the need to integrate issues related to plastics into our ESG strategy and goals. As we map the use of plastics in our operations and value chain, we intend to set reduction targets for relevant areas of business in the near future.
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Market

☑ Changing customer behavior

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Downstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China
☑ India
☑ Japan
☑ Taiwan, China
☑ Republic of Korea
☑ United States of America

☑ Brazil

☑ Malaysia

☑ United Kingdom of Great Britain and Northern Ireland

(3.1.1.9) Organization-specific description of risk

We consider market risks as we develop improvements in energy efficiency for our products. We recognize our customers' need for energy efficiency and lower cost of ownership in the products they source from us. If SGH was not able to continue innovating to improve the energy efficiency of our products, our business could face market risks related to our competitive disadvantage. For example, new manufacturing process technologies using smaller feature sizes and offering better performance characteristics are generally introduced every one to two years. The introduction of new manufacturing process technologies allows us to increase the functionality of our products while at the same time optimizing performance parameters, decreasing power consumption and/or increasing storage capacity. In order to remain competitive, it is essential that we secure the capabilities to develop and qualify new manufacturing process technologies.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

In order to remain competitive, it is essential that we secure the capabilities to develop energy-efficient technologies to meet the changing needs of our customers. If we are delayed in transitioning to new technologies, our business, results of operations, and financial condition could be materially adversely affected. This effect may impact our revenue if customers were to choose not to purchase products from SGH. We anticipate that risks from changing consumer behaviors and preferences would impact us over a medium-term timeline. The risk would impact our global operations.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

476000000

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

476000000

(3.1.1.25) Explanation of financial effect figure

We have estimated the potential financial impact figure as 476,000,000 because this is the estimated annual revenue from the customers that have requested we respond to this CDP questionnaire. We consider these customers to have the most interest in climate-related risks, opportunities, initiatives, and impacts and have therefore used their revenue to estimate The potential risk of losing their business if we are not able to offer low-carbon and energy-efficient products. This figure has an error margin of 25% as we do not disclose exact revenue from customers publicly.

(3.1.1.26) Primary response to risk

Infrastructure, technology and spending

☑ Increase investment in R&D

(3.1.1.27) Cost of response to risk

90565000

(3.1.1.28) Explanation of cost calculation

The estimated cost for the company to respond to this risk is covered within our research and development budget, which was 90,565,000 in fiscal year 2023. Note, we are not able to disclose a more specific figure as a cost of response to this risk.

(3.1.1.29) Description of response

Our company responds to this risk by innovating, researching, and developing new and improved low-carbon and energy-efficient products. In each of our business lines, we use design standards that enhance energy efficiency, lower total cost of ownership, and reduce emissions—all while ensuring best-in-class product performance. We seek out new ways to reduce waste and reuse materials in order to create high-quality products that have less impact on the environment. For example, Penguin Computing's technologies utilize liquid immersion cooling, which requires less energy compared to traditional air-based cooling methods and Cree LED's products contain high-performance LED lighting technology that uses up to 90% less energy and lasts longer than traditional lighting.

Water

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Chronic physical

☑ Water stress

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Japan

☑ Republic of Korea

☑ Taiwan, China

(3.1.1.7) River basin where the risk occurs

Select all that apply

☑ Other, please specify **:**Unknown

(3.1.1.9) Organization-specific description of risk

SGH has multiple business units, some of which rely on sole-sourced components that may have an availability risk due to changing environmental conditions as a result of global warming and climate change. If we are not able to source these critical components, this could cause disruption in our manufacturing, operations, and distribution of our products, which could have material impacts on our business. For example, we source components from regions of Asia, including Japan, Taiwan, and South Korea, that are at significant risk of water stress and water availability, as well as hurricanes, floods, and other water-related natural disasters that are worsened by the impacts of climate change. In 2023, we engaged with a supplier that was experiencing challenges related to water sourcing - while this instance did not have a substantive negative impact on our business, we anticipate an increase in frequency, severity, and likelihood of similar risks.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced production capacity

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ Medium

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Our business is subject to disruptions caused by natural disasters in our upstream supply chain that could adversely affect our overall financial position. Some of our business units rely on sole-sourced components that may have an availability risk due to changing environmental conditions as a result of climate change, including water stress. If a supplier were unable to produce our sole-sourced components due to a lack of available water for production, SGH may experience a disruption in our manufacturing, operations, and distribution of our products, which could have material impacts on our business, including a decrease in revenue due to a loss of sales. If we are not able to source these critical components, this could cause disruption in our manufacturing, operations, and distribution of our products, which could have material impacts on our business. For example, we source components from regions of Asia, including Japan, Taiwan, and South Korea, that are at significant risk of water stress and water availability, as well as hurricanes, floods, and other water-related natural disasters that are worsened by the impacts of climate change. In 2023, we engaged with a supplier that was experiencing challenges related to water sourcing - while this instance did not have a substantive negative impact on our business, we anticipate an increase in frequency, severity, and likelihood of similar risks.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Improve monitoring of upstream and downstream activities

(3.1.1.27) Cost of response to risk

90565000

(3.1.1.28) Explanation of cost calculation

The estimated cost for the company to respond to this risk is covered within our research and development budget, which was 90,565,000 in fiscal year 2023. Note, we are not able to disclose a more specific figure as a cost of response to this risk.

(3.1.1.29) Description of response

We diligently monitor our supply chain to maintain optimal performance and identify potential risks and have assessment processes in place for all of our global suppliers. Each of our suppliers is required to complete an onboarding assessment when they first begin working with SGH. We use this assessment to gather company-level information, including water and energy use, climate change risks, and other areas of concern. These assessments inform our interactions with our suppliers, our approach to mitigating supply chain risk, and our ongoing efforts to strengthen our ESG program. After onboarding, we monitor our suppliers' risk level and performance using a third-party due diligence platform that allows us to screen and monitor our supply chain on a daily basis, informing us of risks related to climate and water impacts. The results of this monitoring further influence our approach to engaging with our suppliers to mitigate risks.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Changes to regulation of existing products and services

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

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

(3.1.1.9) Organization-specific description of risk

Our operations and properties are subject to various federal, state, local, foreign, and international environmental laws and regulations governing, among other things, environmental licensing and registries, protection of flora and fauna, air and noise emissions, use of water resources, wastewater discharges, management and disposal of hazardous and non-hazardous materials and wastes, reverse logistics (take-back policy) and remediation of releases of hazardous materials. Our failure to comply with present and future requirements, or the management of known or identification of new or unknown contamination, could cause us to incur substantial costs, including cleanup costs, indemnification obligations, damages, compensations, fines, suspension of activities and other penalties, investments to upgrade our facilities or change our processes or curtailment of operations. For example, the presence of lead in quantities not believed to be significant has been found in the ground under one of the multi-tenant buildings we lease in Brazil. While we did not cause the contamination, we may be held responsible if remediation is required, although we may be entitled to seek indemnification from responsible parties under Brazilian law and from our lessor under our lease. In addition, as part of the acquisition of Cree's LED business, we acquired facilities in China, which could present similar issues.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ More likely than not

(3.1.1.14) Magnitude

Select from:

☑ Medium-low

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

We have the potential to be impacted by more vigorous enforcement by regulatory agencies, enactment of more stringent laws and regulations that may arise in the future, and give rise to increased costs to manage. The occurrence of any of the foregoing could have a material adverse effect on our business, results of operations, and financial condition. We do not have a financial figure to provide for the estimated impact.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Implementation of environmental best practices in direct operations

(3.1.1.27) Cost of response to risk

13036100

(3.1.1.28) Explanation of cost calculation

The cost of our company's response to this risk is covered within a portion of our company's selling, general, and administrative budget, which was 260,722,000 in FY2023. We estimate this cost is less than 5% of the total cost, or less than 13,036,100.

(3.1.1.29) Description of response

One strategy we implement to reduce the risk of changing legislation is to implement best practices in our global operations. At each of our sites, we uphold our commitment to the safety and well-being of the environment and our people through our Quality, Environment, Health, and Safety (QEHS) program. This program is led by our Senior Director of QEHS, who reports to our Chief Operating Officer (COO) and meets with our Chief Executive Officer (CEO) regularly to provide updates on the program. The CEO reports updates to our Board of Directors as needed. It is guided by our QEHS Policy, which sets out our robust operating standards for optimal workplace health and safety. This policy is anchored by five key imperatives: (1) Prevent conditions that pose a threat to human health, safety, and/or the environment; (2) Facilitate an environment that prioritizes employee health and safety and environmental protection; (3) Identify and eliminate or reduce hazards and risks; (4) Protect the environment; (5) Promote employee and partner involvement in QEHS matters We put these principles into practice through our QEHS management system, which is implemented each at our sites throughout the world. Global adoption of this system within the company has enabled the consistent application of our QEHS standards. The QEHS program aligns with the principles of ISO, ensuring our policies and practices support industry standards of evidence-based quality, health, and safety management. During 2023, each of our manufacturing sites in the U.S., Brazil, and Malaysia maintained their certifications on ISO 9001, ISO 14001, and ISO 45001 standards. Our manufacturing facility in China also holds ISO 9001 and ISO 14001 certifications.
[Add row]

(3.2) Within each river basin, how many facilities are exposed to substantive effects of water-related risks, and what percentage of your total number of facilities does this represent?

Row 1

(3.2.1) Country/Area & River basin

China

☑ Dong Jiang

(3.2.2) Value chain stages where facilities at risk have been identified in this river basin

Select all that apply

☑ Direct operations

(3.2.3) Number of facilities within direct operations exposed to water-related risk in this river basin

1

(3.2.4) % of your organization's total facilities within direct operations exposed to water-related risk in this river basin

Select from:

☑ 1-25%

(3.2.10) % organization's total global revenue that could be affected

Select from:

☑ 21-30%

(3.2.11) Please explain

Our Cree LED facility in Huizhou, Guangdong Province, China is a significant user of water. If this site were to experience risks related to water availability, such as water stress, it would have the potential to impact SGH's business operations. We use the WRI Aqueduct to assess the water stress of our facilities. As of 2024, our facility in Huizhou was located in a region with Low-Medium water stress.

[Add row]

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

	Water-related regulatory violations	Comment
	Select from: ☑ No	*SGH did not receive any water-related fines in 2023.*

[Fixed row]

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.6.1) Environmental opportunities identified

Select from:

☑ Yes, we have identified opportunities, and some/all are being realized

Water

(3.6.1) Environmental opportunities identified

Select from:

☑ No

(3.6.2) Primary reason why your organization does not consider itself to have environmental opportunities

Select from:

☑ Opportunities exist, but none anticipated to have a substantive effect on organization

(3.6.3) Please explain

The majority of our operations do not use water in the manufacturing process. At this time, our site in China is the only significant user of water, which is used but not consumed in its manufacturing process - nearly all water we withdraw is discharged. While we aim to reduce the small amount of water consumed at our offices, we do not foresee water-related opportunities that have the potential to make a significant impact on our business.
[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

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

(3.6.1.8) Organization specific description

We consider the opportunity we have to differentiate our company as we develop improvements in energy efficiency for our products. We recognize our customers' need for energy efficiency and lower cost of ownership in the products they source from us. We invest in research and development to continue innovating to improve the energy efficiency of our products, giving us a competitive advantage. Examples of these improvements are found in each of our business units: Penguin Computing's technologies leverage liquid immersion cooling, which is more efficient and consumes less energy than traditional air-based methods; Cree LED's products provide high-performance, low-energy LED lighting technology; Our SMART memory modules optimize efficiency through low-voltage technology, which minimizes energy consumption.

(3.6.1.9) Primary financial effect of the opportunity

Select from:
☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply
☑ Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:
☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:
☑ Medium-low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

We consider the estimated impact to be the potential of our key customers increasing their spending with our company due to the energy efficiency products we are able to provide. We estimate that the companies that have requested we respond to this CDP questionnaire have the most interest in climate-related risks, opportunities, initiatives, and impacts.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

476000000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

476000000

(3.6.1.23) Explanation of financial effect figures

We have estimated the potential financial impact figure as 476,000,000 because this is the estimated annual revenue from the customers that have requested we respond to this CDP questionnaire. We consider these customers to have the most interest in climate-related risks, opportunities, initiatives, and impacts and have therefore used their revenue to estimate the potential risk of losing their business if we are not able to offer low-carbon and energy-efficient products. This figure has an error margin of 25% as we do not disclose exact revenue from customers publicly.

(3.6.1.24) Cost to realize opportunity

90565000

(3.6.1.25) Explanation of cost calculation

The estimated cost for the company to realize this opportunity is covered within our research and development budget, which was 90,565,000 in fiscal year 2023. Note, we are not able to disclose a more specific figure as a cost of response to this opportunity.

(3.6.1.26) Strategy to realize opportunity

Our company aims to capitalize on this opportunity by innovating, researching, and developing new and improved low-carbon and energy-efficient products. In each of our business lines, we use design standards that enhance energy efficiency, lower total cost of ownership, and reduce emissions—all while ensuring best-in-class product performance. We seek out new ways to reduce waste and reuse materials in order to create high-quality products that have less impact on the environment. For example, SMART's DDR5 memory module enhances efficiency by using low-voltage technology, which means less energy needs to be consumed during use. Additionally, Penguin Computing's technologies utilize liquid immersion cooling, which requires less energy compared to traditional air-based cooling methods.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of renewable energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Malaysia

(3.6.1.8) Organization specific description

SGH explores the opportunity to enter into solar purchase agreements in locations where the option is available. Generating energy onsite may allow SGH to see cost-saving benefits such as decreased operating costs related to energy sourcing. For example, we negotiated a solar power purchase agreement at our Penang,

Malaysia manufacturing site. The combination of installing rooftop photovoltaic solar panels and green electricity tariffs allowed the site to achieve 100% renewable electricity generation.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Reduced indirect (operating) costs

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

☑ Low

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

The cost of this power purchase agreement was 0. As a first time partner in Malaysia, we gained a cost-savings benefit. We cannot provide an exact financial impact figure.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

We cannot provide an exact financial impact figure.

(3.6.1.26) Strategy to realize opportunity

SGH explores opportunities related to renewable energy sourcing in locations where the option is available. In 2022, we negotiated a solar power purchase agreement at our Penang, Malaysia manufacturing site. The combination of installing rooftop photovoltaic solar panels and green electricity tariffs allowed the site to achieve 100% renewable electricity generation. The upfront cost was 0, and the expected annual capacity of the solar panels is 1,496 MWh of electricity, which is analogous to offsetting 5,403 metric tons of carbon dioxide equivalent, and can potentially save SGH costs related to sourcing that energy.
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ Half-yearly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

Our Corporate Governance Guidelines reflect the Board's commitment to monitor the effectiveness of policy and decision-making at the Board and management levels, with a view to enhancing shareholder value over the long term. The Guidelines also ensure that the Board will have the necessary authority and practices in place to review and evaluate the Company's business operations as needed and to make decisions that are independent of the Company's management, including board selection, nomination, and diversity. Per section "1.0 BOARD MEMBERSHIP CRITERIA; DIRECTOR QUALIFICATIONS; SIZE AND COMPOSITION OF THE BOARD", the Board is responsible for nominating director candidates for election to the Board and for filling vacancies on the Board. The Nominating and Corporate Governance Committee of the Board is responsible for identifying, screening, and recommending director candidates to the full Board, taking into consideration the needs of the Board and the qualifications of the candidates. In making its recommendations to the Board, the Nominating and Corporate Governance Committee shall

review candidates' qualifications for membership on the Board, including but not limited to diversity of experience, viewpoints, and backgrounds, such as diversity in gender, race, ethnicity, and age.

(4.1.6) Attach the policy (optional)

sgh-corporate-governance-guidelines-rev-march-2024.pdf
[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ Yes

Water

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ Yes

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:
☑ No, but we plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:

☑ Not an immediate strategic priority

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

At this time, biodiversity is not a strategic priority for SGH. Using an internal process, we review current and emerging ESG issues and the potential risks, opportunities, and relevance of each topic to determine if they should be incorporated into our strategic ESG program. We consider topics that potentially impact our business and our stakeholders as material to our ESG strategy and program. Biodiversity has not been identified as a material topic to SGH's business and its stakeholders. Therefore, we do not currently have board-level oversight of this environmental issue, but we plan to in the next two years due to its growing relevance to our industry, our stakeholders, and our company.
[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ Director on board
☑ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:
☑ No

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:
☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets
☑ Overseeing the setting of corporate targets
☑ Monitoring progress towards corporate targets
☑ Approving corporate policies and/or commitments
☑ Overseeing and guiding major capital expenditures
☑ Monitoring the implementation of the business strategy
☑ Overseeing and guiding the development of a business strategy
☑ Overseeing and guiding acquisitions, mergers, and divestitures
☑ Monitoring compliance with corporate policies and/or commitments
☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

Our CEO, who is also a Board Director, directs the corporation regarding overall ESG expectations, strategy, programs, goals, risks, opportunities, and disclosure, including those related to climate and water. At least twice per year, the full Board of Directors (BoD) receives updates from the CEO on climate-related topics, including greenhouse gas emissions reduction activities, energy management, procurement and reduction activities, risks and opportunities related to climate change, and progress on goals related to our ESG strategy and program, which includes climate change as a material topic. On a monthly basis, our CEO receives updates from the ESG Steering Committee on topics including climate change and water. The ESG Steering Committee meets to review SGH's ESG strategy (which includes climate, water, and other environmental topics), program, initiatives, goals, and progress. The CEO's climate-related responsibilities include, but are not limited to, the following: reviewing and providing input on the company's process for assessing risks and opportunities; overseeing, setting, and monitoring the company's progress on the company's environmental goals and targets; overseeing, guiding, and monitoring the implementation of business strategy related to environmental issues; overseeing and guiding acquisitions, mergers, divestments, and major capital expenditures; reviewing and approving annual budgets related to environmental activities; and guiding, reviewing, approving, and monitoring compliance with corporate sustainability commitments.

Water

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Director on board
☑ Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ No

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of the business strategy

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Monitoring compliance with corporate policies and/or commitments

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

Our CEO, who is also a Board Director, directs the corporation regarding overall ESG expectations, strategy, programs, goals, risks, opportunities, and disclosure, including those related to climate and water. At least twice per year, the board receives updates from the CEO on relevant water-related topics, which may include water reduction activities, risks and opportunities related to water, and progress on goals related to our ESG strategy and program. On a monthly basis, our CEO receives updates from the ESG Steering Committee on topics including climate change and water. The ESG Steering Committee meets to review SGH's ESG strategy (which includes climate, water, and other environmental topics), program, initiatives, goals, and progress. The CEO's climate-related responsibilities include, but are not limited to, the following: reviewing and providing input on the company's process for assessing risks and opportunities; overseeing, setting, and monitoring the company's progress on the company's environmental goals and targets; overseeing, guiding, and monitoring the implementation of business strategy related to environmental issues; overseeing and guiding acquisitions, mergers, divestments, and major capital expenditures; reviewing and approving annual budgets related to environmental activities; and guiding, reviewing, approving, and monitoring compliance with corporate sustainability commitments.
[Fixed row]

(4.2) Does your organization’s board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Other

☑ Other, please specify **:**Regular consultation with internal group of experts at the company.

Water

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Other

☑ Other, please specify **:**Regular consultation with internal group of experts at the company.

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

Climate change

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☑ Yes

Water

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☑ Yes

Biodiversity

(4.3.1) Management-level responsibility for this environmental issue

Select from:

☑ No, but we plan to within the next two years

(4.3.2) Primary reason for no management-level responsibility for environmental issues

Select from:

☑ Not an immediate strategic priority

(4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

At this time, biodiversity is not a strategic priority for SGH. Using an internal process, we review current and emerging ESG issues and the potential risks, opportunities, and relevance of each topic to determine if they should be incorporated into our strategic ESG program. We consider topics that potentially impact our business and our stakeholders as material to our ESG strategy and program. Biodiversity has not been identified as a material topic to SGH's business and its stakeholders. Therefore, we do not currently have management-level oversight of this environmental issue, but we plan to in the next two years due to its growing relevance to our industry, our stakeholders, and our company.
[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments
☑ Measuring progress towards environmental corporate targets
☑ Setting corporate environmental policies and/or commitments
☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues
☑ Implementing the business strategy related to environmental issues
☑ Managing annual budgets related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Half-yearly

(4.3.1.6) Please explain

Our CEO, who is also a Board Director, directs the corporation regarding overall ESG expectations, strategy, programs, goals, risks, opportunities, and disclosure, including those related to climate and water. At least twice per year, the full Board of Directors (BoD) receives updates from the CEO on climate-related topics, including greenhouse gas emissions reduction activities, energy management, procurement and reduction activities, risks and opportunities related to climate change, and progress on goals related to our ESG strategy and program, which includes climate change as a material topic. On a monthly basis, our CEO receives updates from the ESG Steering Committee on topics including climate change and water. The ESG Steering Committee meets to review SGH's ESG strategy (which includes climate, water, and other environmental topics), program, initiatives, goals, and progress. The CEO's climate-related responsibilities include, but are not limited to, the following: reviewing and providing input on the company's process for assessing risks and opportunities; overseeing, setting, and monitoring the company's progress on the company's environmental goals and targets; overseeing, guiding, and monitoring the implementation of business strategy related to environmental issues; overseeing and guiding acquisitions, mergers, divestments, and major capital expenditures; reviewing and approving annual budgets related to environmental activities; and guiding, reviewing, approving, and monitoring compliance with corporate sustainability commitments.

Water

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a business strategy which considers environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Managing annual budgets related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Half-yearly

(4.3.1.6) Please explain

Our CEO, who is also a Board Director, directs the corporation regarding overall ESG expectations, strategy, programs, goals, risks, opportunities, and disclosure, including those related to climate and water. At least twice per year, the board receives updates from the CEO on relevant water-related topics, which may include water reduction activities, risks and opportunities related to water, and progress on goals related to our ESG strategy and program. On a monthly basis, our CEO receives updates from the ESG Steering Committee on topics including climate change and water. The ESG Steering Committee meets to review SGH's ESG strategy (which includes climate, water, and other environmental topics), program, initiatives, goals, and progress. The CEO's water-related responsibilities include, but are not limited to, the following: reviewing and providing input on the company's process for assessing risks and opportunities; overseeing, setting, and monitoring the company's progress on the company's environmental goals and targets; overseeing, guiding, and monitoring the implementation of business strategy related to environmental issues; overseeing and guiding acquisitions, mergers, divestments, and major capital expenditures; reviewing and approving annual budgets related to environmental activities; and guiding, reviewing, approving, and monitoring compliance with corporate sustainability commitments.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

Ten percent of each qualifying executive's target bonus is subject to performance on predetermined, measurable ESG goals related to human capital and environmental stewardship.

Water

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

10

(4.5.3) Please explain

Ten percent of each qualifying executive's target bonus is subject to performance on predetermined, measurable ESG goals related to human capital and environmental stewardship.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Reduction in absolute emissions in line with net-zero target

Resource use and efficiency

☑ Reduction in water consumption volumes – direct operations

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

In fiscal 2023, our Compensation Committee approved measurable ESG goals for assessing executive performance. Ten percent of each named executive officer (NEO)'s target bonus is affected by performance on predetermined ESG goals focused on human capital and environmental stewardship. Performance is weighted 75% based on financial performance (net sales and non-GAAP operating income) and 25% based on individual performance. The Compensation Committee determined each NEO's Individual Performance Factor based on two areas of achievement, executive leadership (weighted 60%) and human capital and environmental stewardship (weighted 40%). The Board and the Compensation Committee assessed the individual performance of the CEO. For the evaluation of human capital and environmental stewardship, the CEO evaluated the NEOs' progress on qualitative and quantitative ESG goals, such as progress toward achieving a total of net zero Scope 1 and Scope 2 carbon emissions across all lines of business by 2030. The Committee also noted the NEOs' participation in the ESG steering committee, the release of our ESG Report, the establishment of company-wide ESG goals, a sustained focus on reduced water consumption, and maintenance of our ISO certifications.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

In 2023, we increased executive accountability to ESG initiatives, including measurable ESG performance goals in our executive bonus program in order to hold our executives accountable for progress on ESG issues, beginning in fiscal 2023. This incentive will help drive our company's success in achieving the milestones of our climate transition strategy and our broader ESG program.

Water

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Chief Executive Officer (CEO)

(4.5.1.2) Incentives

Select all that apply

☑ Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Reduction in absolute emissions in line with net-zero target

Resource use and efficiency

☑ Reduction in water consumption volumes – direct operations

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Short-Term Incentive Plan, or equivalent, only (e.g. contractual annual bonus)

(4.5.1.5) Further details of incentives

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(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

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[Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

☑ Water

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

Our Global Environmental Policy covers our entire operations across the globe. It applies to all employees and contractors of SGH and its subsidiaries.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to comply with regulations and mandatory standards

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

☑ Other environmental commitment, please specify :Commitment to prevent pollution and minimize waste

Climate-specific commitments

☑ Commitment to net-zero emissions

☑ Other climate-related commitment, please specify :Commitment to reduce emissions

Water-specific commitments

☑ Commitment to control/reduce/eliminate water pollution

☑ Commitment to water stewardship and/or collective action

Social commitments

☑ Other social commitment, please specify :Commitment to protect human health and safety

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ No, but we plan to align in the next two years

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

SGH_Global_Environment_Policy_Sept2024.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Other, please specify **:**Responsible Business Alliance; Responsible Minerals Initiative (RMI)

(4.10.3) Describe your organization’s role within each framework or initiative

SGH is an active member of the Responsible Business Alliance, an industry association focused on advancing social and environmental responsibility standards for a number of industries, including technology and communications. As a member, our company code of conduct is updated regularly to align with the RBA Code, covering our operations and our value chain. Additionally, SGH completes annual self-assessment questionnaires covering a range of environmental topics, including climate, energy, water, waste, and environmental management systems. We also complete third-party audits of our performance on those environmental issues at the request of our customers that are RBA members. The RBA's position on climate change is to further progress on reducing greenhouse gas emissions and build capacity throughout the value chain with shared best practices, resources, and education. For example, the RBA has created an Environmental Survey targeted to develop suppliers’ capacity to measure and report on simple environmental metrics. The survey collects basic data on greenhouse gas emissions, energy use, water withdrawal, and waste generation, as well as qualitative data on their respective reduction targets and efforts. The survey questions are designed to align with major environmental reporting schemas, like the CDP and GHG Protocol, to build supplier familiarity and capacity. The RBA's position is consistent with SGH's, and we regularly update our code of conduct to align with the progression of the RBA and our industry on climate-related topics. SGH is a proponent of collaboration and progress across our industry for global change. We participate in open collaboration forums hosted by the RBA. SGH is also a member of the RBA's Responsible Minerals Initiative, which promotes supply chain transparency and responsible sourcing and extraction of minerals in conflict-affected or high risk areas, including tin, tantalum, tungsten, gold, mica, copper, and more. We engage with this organization by participating in regular calls and aligning our conflict minerals program to the RMI standards.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ No, but we plan to have one in the next two years

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ No

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

All political engagement activities follow the guidelines set forth in our Code of Business Conduct and Ethics. We do not engage in any lobbying activities or make any political contributions. We believe that effective public policy grows out of ongoing collaboration and open dialogue, and we regularly engage with local governments, regulatory bodies, industry associations, and non-governmental organizations on key issues affecting our industry and business. When joining trade associations that engage with policymakers on environmental issues, we evaluate the benefits of membership to those organizations, including their positions on environmental issues. Once members, we actively participate in these organizations to ensure continued alignment of our positions and strategies.
[Fixed row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

Global

☑ Other global trade association, please specify **:**Responsible Business Alliance

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

☑ Water

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

The RBA's position on climate change is to further progress on reducing greenhouse gas emissions and build capacity throughout the value chain with shared best practices, resources, and education. Additionally, the RBA advocates for responsible water stewardship, covering topics such as water stress and scarcity, treatment

and wastewater, and reduction. For example, the RBA has created an Environmental Survey targeted to develop suppliers' capacity to measure and report on simple environmental metrics. The Survey collects basic data on greenhouse gas emissions, energy use, water withdrawal, and waste generation, as well as qualitative data on their respective reduction targets and efforts. The survey questions are designed to align with major environmental reporting schemas, like the CDP and GHG Protocol, to build supplier familiarity and capacity. The RBA's position is consistent with SGH's, and we regularly update our code of conduct to align with the progression of the RBA and our industry on climate-related topics. SGH is a proponent of collaboration and progress across our industry for global change. We participate in open collaboration forums hosted by the RBA. Additionally, we vote on changes to the RBA's Code of Conduct whenever revisions are considered. For example, we voted on changes to the RBA Code of Conduct (now version 8.0) to include tracking and reporting requirements for scope 3 GHG emissions. We believe that our membership with RBA encourages our company and our business partners to continue pushing for progress in environmental issue areas.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

35000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

The funding provided supports SGH's membership fees and supports the RBA's vision and mission. Vision: A coalition of companies driving sustainable value for workers, the environment and business throughout the global supply chain. Mission: Members, suppliers and stakeholders collaborate to improve working and environmental conditions and business performance through leading standards and practices. It also grants members access to the following benefits: (1) Participation in a vibrant community of practice of leading companies from throughout the supply chain for learning and collaboration opportunities with your customers and suppliers. Members can also take advantage of in-person and online training and learning opportunities covering dozens of key topics in supply chain sustainability. (2) Joining the RBA ensures alignment with the industry-wide code of conduct and allows you access to tools and resources that put your company on a path toward top supply chain sustainability performance. Key tools you have access to as a member company include our industry-leading e-learning academy with over 60 training modules, our online sustainability data management and sharing system RBA-Online, our Validated Assessment Program, our annual Responsible Business conference and global outreach events. (3) Access shared social compliance assessments from companies and their suppliers throughout the supply chain and ensure your company has the information it needs for continuous improvement in supply chain sustainability, while also lowering costs and increasing efficiency in sustainability programs. (4) Ensure your company is out in front on emerging issues and risks in supply chain sustainability. With the resources and tools of the RBA, your company can stay up to date on key developments from the industry and beyond, including in the news media and with key stakeholders. SGH takes advantage of these benefits to enhance our sustainability strategy, goals, and programs.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

☑ Sustainable Development Goal 6 on Clean Water and Sanitation

[Add row]

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

☑ In voluntary sustainability reports

(4.12.1.3) Environmental issues covered in publication

Select all that apply

☑ Climate change

☑ Water

(4.12.1.4) Status of the publication

Select from:

☑ Underway - previous year attached

(4.12.1.5) Content elements

Select all that apply

☑ Strategy

☑ Value chain engagement

☑ Governance
☑ Emission targets
☑ Emissions figures
☑ Risks & Opportunities
☑ Public policy engagement
☑ Water accounting figures

(4.12.1.6) Page/section reference

2022 ESG Report: Our Focus on Corporate Responsibility - Pg. 14 Our ESG Goals - Pg. 18 Environmental Stewardship - Pg. 21 Climate Action - Pg. 22 Energy Management - Pg. 24 Water Management - Pg. 25 Waste and Recycling - Pg. 26 ESG Management and Oversight - Pg. 29 TCFD - Pg. 56 SASB - Pg. 58

(4.12.1.7) Attach the relevant publication

2022 ESG Report.pdf

(4.12.1.8) Comment

Our 2023 ESG Report is in progress.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ No, but we plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ Not an immediate strategic priority

(5.1.4) Explain why your organization has not used scenario analysis

We do not currently use scenario analysis for climate or water scenarios as our organization has determined more immediate priorities that will help us build and execute our net zero commitment and climate transition plan, such as integrating Scope 3 emissions into our environmental management program and conducting a materiality assessment, which covers climate- and water-related issues. The results of these two example activities will inform our approach to mitigating emissions- and water-related impacts, collaborating with stakeholders, climate transition, and using the most effective scenario analysis tools for our program and goals.

Water

(5.1.1) Use of scenario analysis

Select from:

☑ No, but we plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ Not an immediate strategic priority

(5.1.4) Explain why your organization has not used scenario analysis

We do not currently use scenario analysis for climate or water scenarios as our organization has determined more immediate priorities that will help us build and execute our net zero commitment and climate transition plan, such as integrating Scope 3 emissions into our environmental management program and conducting a materiality assessment, which covers climate- and water-related issues. The results of these two example activities will inform our approach to mitigating emissions- and water-related impacts, collaborating with stakeholders, climate transition, and using the most effective scenario analysis tools for our program and goals.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:
☑ No, but we are developing a climate transition plan within the next two years

(5.2.15) Primary reason for not having a climate transition plan that aligns with a 1.5°C world

Select from:
☑ Not an immediate strategic priority

(5.2.16) Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world

We are currently developing our climate transition plan that aligns with a 1.5C world to achieve our target to have net zero Scope 1 and Scope 2 emissions by 2030. Part of this plan will include using climate-related scenario analysis and science-based target-setting tools to achieve this target. SGH is also integrating Scope 3 emissions into our emissions management program, which informs our approach to mitigating emissions, collaborating with stakeholders, and using the most effective scenario analysis tools for our program and goals.
[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

We have processes in place to consider environmental factors in the design and production phases of our products and services. We consider environmental criteria during these phases in order to reduce technology-related climate risks and capitalize on market-related climate opportunities. As SGH's customers demand

increasingly efficient products that reduce their energy use and support their sustainability goals, SGH works to ensure each generation of products and new product line includes optimized energy efficiency. This helps our product lines stay competitive and supports our customers' transition to a low-carbon economy. It is our strategy to develop products and services that will meet and/or exceed the expectations of our customers.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

We currently evaluate our upstream supply chain for risks and physical disruptions related to climate change by monitoring where our partners are located as well as their unique exposure to risk due to climate-related natural disasters. We monitor our suppliers' performance on environmental issues and require them to comply with policies related to environmental stewardship. We also engage our customers and downstream supply chain on issues related to climate change through the completion of surveys and assessment mechanisms. For example, as a member of the RBA, SGH completes annual self-assessment questionnaires covering a range of environmental topics, including climate, energy, water, waste, and environmental management systems. We also complete third-party audits of our performance on those environmental issues at the request of our customers who are RBA members.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

We invest in research and development (R&D) to ensure our company innovates with a low-carbon future in mind, reducing risks and realizing opportunities related to shifting customer demands. At the company level, we evaluate our R&D process for net-zero alignment, and at the business unit level, we evaluate the need for additional investment to optimize the energy efficiency of our products. At the product level, we consider environmental criteria during the design and production phases in order to reduce risks related to technology-related climate risks and market-related climate opportunities. As SGH's customers demand increasingly energy-efficient products that reduce their energy use and support their sustainability goals, SGH works to ensure each generation of products and new product line includes optimized energy efficiency. This helps our product lines stay competitive and supports our customers' transition to a low-carbon economy.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

☑ Water

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Climate-relate risks and opportunities have influenced our operations strategy as we seek energy-efficiency activities to reduce our consumption and increase our sourcing of renewables and low-carbon energy. For example, to reduce our Scope 1 emissions, we conduct evaluations of each site to determine the feasibility of reducing direct emissions. When reduction or mitigation is not feasible, we plan to offset our Scope 1 emissions by purchasing certified offset credits. Additionally, to manage our Scope 2 emissions, we are currently buying renewable energy credits and negotiating power purchase agreements. For example, at our site in Penang, Malaysia, we evaluated a new power purchase agreement for renewable energy that went into effect in 2022. We also conduct evaluations of future factory locations, and we are developing contingency plans for climate impacts.

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Indirect costs

☑ Capital expenditures

☑ Capital allocation

☑ Acquisitions and divestments

(5.3.2.2) Effect type

Select all that apply

☑ Risks

☑ Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

SGH includes climate-related risks and opportunities in its financial planning for indirect costs, capital expenditures, and acquisitions and divestments. With our commitment to have net zero Scope 1 and Scope 2 emissions by 2030, we are planning for our indirect costs to include energy efficiency projects and low-carbon energy sourcing. For example, we plan for energy-efficiency upgrades such as lighting and heating, ventilation, and air conditioning (HVAC) efficiencies at our sites globally. We consider climate risks and opportunities in the planning of capital allocation at SGH. For example, we budget for the purchase of renewable energy credits to offset our Scope 1 GHG emissions. These planning elements allow us to reduce the risk of not meeting our climate goals and realize opportunities related to low-carbon operations. We also plan for our capital expenditures to support our climate commitments by investing in power purchase agreements and the installation of onsite solar. We evaluate our sites for the feasibility of sourcing renewable energy – for example, we negotiated a solar power purchase agreement (PPA) at our site in Penang, Malaysia. This enables us to realize opportunities related to energy cost savings and reduces our reliance on non-renewable, outside

energy sources. When we acquire a new company, we ensure that its operations and financial plans are incorporated into our net zero strategy and their data into our absolute targets. SGH also aims to integrate our Scope 3 emissions into our climate management program, which informs our approach to mitigating emissions, collaborating with stakeholders, and planning for the capital allocation and personnel resources to do so effectively. These activities help reduce the risk of not meeting our climate goals and realize opportunities related to low-carbon operations.

Row 2

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Indirect costs

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Water

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

We consider water-related risks in our financial planning for indirect costs. We aim to reduce our water consumption where feasible at our production facilities. For example, we have implemented water-efficiency measures and technologies, such as incorporating water-conscious appliances at our facilities and water-efficient technologies in our manufacturing processes. We have also reduced our water usage by installing low-flow, water-saving bathroom fixtures in our offices, which use significantly less water than traditional systems. Additionally, we have adopted more sustainable landscaping designs and practices at some of our sites. This allows us to reduce risks related to water scarcity and increased water sourcing costs.
[Add row]

(5.4) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
	Select from: ☑ No, but we plan to in the next two years

[Fixed row]

(5.9) 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?

(5.9.1) Water-related CAPEX (+/- % change)

10

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

2

(5.9.3) Water-related OPEX (+/- % change)

10

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

2

(5.9.5) Please explain

We continue to invest in activities to drive reductions in water usage and increase recycling in our Cree LED - Huizhou facility, which is our largest user of water. We also invest in water savings processes in our office environments, such as water-efficient toilets, strategic landscaping etc. We completed our divestment from SMART Brazil in 2023, which had two of our most water-intensive manufacturing facilities.
[Fixed row]

(5.10) Does your organization use an internal price on environmental externalities?

(5.10.1) Use of internal pricing of environmental externalities

Select from:
☑ No, but we plan to in the next two years

(5.10.3) Primary reason for not pricing environmental externalities

Select from:
☑ Not an immediate strategic priority

(5.10.4) Explain why your organization does not price environmental externalities

We do not use an internal price on environmental externalities. In the next two years, we anticipate using an internal price for carbon but not for water. Though water is a critical resource for our operations, the sites in our operations that use a significant amount of water withdraw that water from locations with low water risk according to the WRI 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 water scarcity issues, we currently do not set an internal price on water. We anticipate using carbon pricing mechanisms in the development of our climate transition plan.
[Fixed row]

(5.11) Do you engage with your value chain on environmental issues?

Suppliers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:
☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Customers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ Yes

(5.11.2) Environmental issues covered

Select all that apply

☑ Climate change

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

☑ No, and we do not plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

☑ Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

We regularly engage with our suppliers, customers, investors, and shareholders on environmental issues. Engaging with other value chain stakeholders on this topic has not been deemed an immediate strategic priority at this time.
[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

	Assessment of supplier dependencies and/or impacts on the environment
Climate change	*Select from:* ☑ No, we do not currently assess the dependencies and/or impacts of our suppliers, but we plan to do so within the next two years

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Procurement spend

(5.11.2.4) Please explain

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

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

	Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process	Policy in place for addressing supplier non-compliance	Comment
Climate change	*Select from:* ☑ Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts	*Select from:* ☑ Yes, we have a policy in place for addressing non-compliance	*We have a requirement that all suppliers sign and adhere to our supplier code of conduct.*

[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Environmental disclosure through a public platform

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Other, please specify **:**This requirement is outlined in our supplier code of conduct, which suppliers are required to sign and comply with. We have an internal process to monitor compliance with this requirement.

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 100%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ None

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ None

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

We engage our Tier 1 suppliers on climate-related topics by requiring them to sign our Supplier Code of Conduct, which is aligned with the RBA Code of Conduct. The RBA Code covers environmental topics, including: "Energy Consumption and Greenhouse Gas Emissions": this mandates that participants establish a corporate-wide greenhouse gas reduction goal, track, document, and publicly report energy consumption and all relevant Scopes 1 and 2 greenhouse gas emissions against that goal, and look for methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions. "Air Emissions": this mandates that "Ozone-depleting substances are to be effectively managed in accordance with the Montreal Protocol and applicable regulations" and that "Participants shall conduct routine monitoring of the performance of its air emission control systems".
[Add row]

(5.11.7) Provide further details of your organization’s supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ Emissions reduction

(5.11.7.3) Type and details of engagement

Information collection

☑ Collect GHG emissions data at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

☑ Unknown

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

We require all Tier 1 suppliers to comply with our supplier code of conduct, which includes a requirement to report their Scope 1 and 2 GHG emissions data publicly. We collect GHG emissions data that is publicly available from our strategic suppliers (that account for 90% of total spend). As these suppliers have the most influence on our purchasing decisions and our environmental impact, we focus and prioritize our engagement activities on these suppliers.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**Environmental disclosure through a public platform

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Unknown

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information about your products and relevant certification schemes

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 1-25%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Unknown

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

We engage with approximately 100 key customers at global level about our products, ESG goals, and metrics. We prioritize our largest and most strategic customers as they have the most influence to shape the direction of our climate program.

(5.11.9.6) Effect of engagement and measures of success

We regularly engage with our strategic customers on climate-related topics, including disclosures on our climate-related performance. For example, some of our strategic customers have requested we disclose annually to CDP's water and climate disclosures. Additionally, a number 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 risks of not responding to these requests and view our responses as an opportunity to demonstrate our commitment to ESG and climate change. We also include our customers and our materiality assessments.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ Unknown

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ Unknown

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

We engage regularly with our key investors to share updates and progress on our ESG performance, which includes climate-related metrics. We meet with interested investors specifically to share updates on our performance and gain feedback. In 2024, we conducted a materiality assessment that included interviews with some of our key investors. During those interviews, we also captured feedback from investors on their environmental priorities.

(5.11.9.6) Effect of engagement and measures of success

This shareholder engagement gives SGH an opportunity to develop our environmental program with feedback from our investors. During our engagements, we share updates on our progress and also collect feedback on areas of improvement for SGH. Tracking this feedback allows us to measure the success of our program against criteria that are given to us by investors.
[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

	Consolidation approach used	Provide the rationale for the choice of consolidation approach
Climate change	*Select from:* ☑ Operational control	*Our response includes data covered by our direct operations globally. It covers SGH and its subsidiaries.*
Water	*Select from:* ☑ Operational control	*Our response includes data covered by our direct operations globally. It covers SGH and its subsidiaries.*
Plastics	*Select from:* ☑ Operational control	*Our response includes data covered by our direct operations globally. It covers SGH and its subsidiaries.*
Biodiversity	*Select from:* ☑ Operational control	*Our response includes data covered by our direct operations globally. It covers SGH and its subsidiaries.*

[Fixed row]

C7. Environmental performance - Climate Change

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply

☑ Yes, a divestment

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

SMART Modular Brazil entities

(7.1.1.3) Details of structural change(s), including completion dates

We sold our SMART Brazil operations at the end of November 2023. We have included all emissions data through November 2023 in our disclosures, including our annual ESG report and this response to CDP.
[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply

	Change(s) in methodology, boundary, and/or reporting year definition?
	☑ No

[Fixed row]

(7.1.3) Have your organization’s base year emissions and past years’ emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ No, because the impact does not meet our significance threshold

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

We have not recalculated our base year emissions as our divestment was completed at the end of November 2023. Our 2023 data includes the divested facility for most of the year. Therefore, the change is not significant enough to recalculate the base year at this time. Additionally, we are pursuing a net zero goal to reach zero Scope 1 and Scope 2 emissions by 2030. As our business model includes completing acquisitions as a key strategy, we expect to continue acquiring companies and incorporating those companies' Scope 1 and Scope 2 emissions footprint into our goal. Due to this strategy, we do not intend to reset our baseline year with each acquisition, as the change in emissions to mitigate will be insignificant as we approach zero emissions by 2030.

(7.1.3.4) Past years’ recalculation

Select from:

☑ No

[Fixed row]

(7.3) Describe your organization’s approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We are reporting a Scope 2, market-based figure	*Our location-based figure uses total electric usage regardless of our solar PPA; Our market-based figures are reduced due to our solar PPA.*

[Fixed row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

2395

(7.5.3) Methodological details

We calculate our emissions based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and ISO 14064 standard

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

58937

(7.5.3) Methodological details

We calculate our emissions based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and ISO 14064 standard

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

55589

(7.5.3) Methodological details

We calculate our emissions based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and ISO 14064 standard

Scope 3 category 1: Purchased goods and services

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 2: Capital goods

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 4: Upstream transportation and distribution

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 5: Waste generated in operations

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 6: Business travel

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 7: Employee commuting

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 8: Upstream leased assets

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 9: Downstream transportation and distribution

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 10: Processing of sold products

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 11: Use of sold products

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 12: End of life treatment of sold products

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 13: Downstream leased assets

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 14: Franchises

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3 category 15: Investments

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3: Other (upstream)

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.

Scope 3: Other (downstream)

(7.5.3) Methodological details

We do not yet report our Scope 3 emissions.
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

Reporting year

(7.6.1) Gross global Scope 1 emissions (metric tons CO2e)

315.85

(7.6.3) Methodological details

We calculate our emissions based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and ISO 14064 standard
[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

43243.06

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

9974.19

(7.7.4) Methodological details

We calculate our emissions based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and ISO 14064 standard [Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Processing of sold products

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Use of sold products

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Downstream leased assets

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Franchises

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Investments

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Other (upstream)

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.

Other (downstream)

(7.8.1) Evaluation status

Select from:
☑ Not evaluated

(7.8.5) Please explain

We do not yet report our Scope 3 emissions.
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:*

	Verification/assurance status
	☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ No emissions data provided

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Reasonable assurance

(7.9.1.4) Attach the statement

DNV Verification Statement_SMART Global Holdings 2023 GHG Inventory_Rev0.pdf

(7.9.1.5) Page/section reference

All

(7.9.1.6) Relevant standard

Select from:
☑ ISO14064-3

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Reasonable assurance

(7.9.2.5) Attach the statement

DNV Verification Statement_SMART Global Holdings 2023 GHG Inventory_Rev0.pdf

(7.9.2.6) Page/ section reference

All

(7.9.2.7) Relevant standard

Select from:
☑ ISO14064-3

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

21120.4

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

32.65

(7.10.1.4) Please explain calculation

In 2022, we had purchased an iREC to offset 50% of our emissions related to electricity usage at our China factory. In 2023 we purchased an iREC for 100% of the emissions related to our electricity usage.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

SGH completed minor emissions reductions activities throughout CY2023, however these do not account for a significant change in our emissions from CY2022.

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

We divested our Brazil operations in Nov 2023, so our 2023 data includes Brazil's data for 11 out of 12 months. After this divestment, there was no material change in emissions as the site was run on 100% renewable.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

Not applicable
[Fixed row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

Brazil

(7.16.1) Scope 1 emissions (metric tons CO2e)

159.02

(7.16.2) Scope 2, location-based (metric tons CO2e)

2341.74

(7.16.3) Scope 2, market-based (metric tons CO2e)

274.97

China

(7.16.1) Scope 1 emissions (metric tons CO2e)

11.98

(7.16.2) Scope 2, location-based (metric tons CO2e)

28373.95

(7.16.3) Scope 2, market-based (metric tons CO2e)

2055.2

Germany

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

26.45

(7.16.3) Scope 2, market-based (metric tons CO2e)

26.45

Hong Kong SAR, China

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

31.3

(7.16.3) Scope 2, market-based (metric tons CO2e)

31.3

India

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

16.42

(7.16.3) Scope 2, market-based (metric tons CO2e)

16.42

Ireland

(7.16.1) Scope 1 emissions (metric tons CO2e)

0.01

(7.16.2) Scope 2, location-based (metric tons CO2e)

121.56

(7.16.3) Scope 2, market-based (metric tons CO2e)

121.56

Italy

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

3.64

(7.16.3) Scope 2, market-based (metric tons CO2e)

3.64

Japan

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

188.18

(7.16.3) Scope 2, market-based (metric tons CO2e)

188.18

Malaysia

(7.16.1) Scope 1 emissions (metric tons CO2e)

116.55

(7.16.2) Scope 2, location-based (metric tons CO2e)

6073.39

(7.16.3) Scope 2, market-based (metric tons CO2e)

1190.03

Republic of Korea

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

0

(7.16.3) Scope 2, market-based (metric tons CO2e)

0

South Africa

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

46.72

(7.16.3) Scope 2, market-based (metric tons CO2e)

46.72

Spain

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

10.14

(7.16.3) Scope 2, market-based (metric tons CO2e)

10.14

Taiwan, China

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

100.63

(7.16.3) Scope 2, market-based (metric tons CO2e)

100.63

United Kingdom of Great Britain and Northern Ireland

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

19.83

(7.16.3) Scope 2, market-based (metric tons CO2e)

19.83

United States of America

(7.16.1) Scope 1 emissions (metric tons CO2e)

28.35

(7.16.2) Scope 2, location-based (metric tons CO2e)

5889.12

(7.16.3) Scope 2, market-based (metric tons CO2e)

5889.12
[Fixed row]

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

	Business division
Row 2	*Memory*
Row 3	*Stratus*
Row 4	*IPS*
Row 5	*Corporate*
Row 6	*CreeLED*

[Add row]

(7.17.2) Break down your total gross global Scope 1 emissions by business facility.

Row 1

(7.17.2.1) Facility

SGH Corporate HQ - California, USA

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

0.05

(7.17.2.3) Latitude

37.410861

(7.17.2.4) Longitude

-121.920443

Row 9

(7.17.2.1) Facility

SGH Memory - Newark, California, USA

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

4.12

(7.17.2.3) Latitude

37.509231

(7.17.2.4) Longitude

-122.000585

Row 10

(7.17.2.1) Facility

Memory - Penang, Malaysia

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

116.55

(7.17.2.3) Latitude

5.400795

(7.17.2.4) Longitude

100.392561

Row 11

(7.17.2.1) Facility

Penguin Compute (USA)

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

0.03

(7.17.2.3) Latitude

37.491282

(7.17.2.4) Longitude

-121.9995

Row 13

(7.17.2.1) Facility

CreeLED - China - Huizhou

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

11.98

(7.17.2.3) Latitude

23.013919

(7.17.2.4) Longitude

114.348068

Row 16

(7.17.2.1) Facility

Stratus - Ireland

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

0

(7.17.2.3) Latitude

53.413119

(7.17.2.4) Longitude

6.360871

Row 17

(7.17.2.1) Facility

CreeLED - North Carolina, USA

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

0.28

(7.17.2.3) Latitude

35.888972

(7.17.2.4) Longitude

-78.853395

Row 19

(7.17.2.1) Facility

Memory - Brazil - Atibaia

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

132.17

(7.17.2.3) Latitude

-23.045413

(7.17.2.4) Longitude

-46.676749

Row 22

(7.17.2.1) Facility

Memory - Brazil - Manaus

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

26.86

(7.17.2.3) Latitude

-3.100021

(7.17.2.4) Longitude

-59.940619

Row 24

(7.17.2.1) Facility

Stratus - Maynard, USA

(7.17.2.2) Scope 1 emissions (metric tons CO2e)

23.81

(7.17.2.3) Latitude

42.429525

(7.17.2.4) Longitude

-71.455134
[Add row]

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

	Business division
Row 2	*IPS*
Row 3	*CreeLED*
Row 4	*Corporate*
Row 5	*Memory*
Row 6	*Stratus*

[Add row]

(7.20.2) Break down your total gross global Scope 2 emissions by business facility.

Row 1

(7.20.2.1) Facility

SMART Brazil Manaus

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

461.43

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

274.97

Row 2

(7.20.2.1) Facility

SMART Brazil Atibaia

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

1880.31

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

0

Row 3

(7.20.2.1) Facility

SMART Newark

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

880.99

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

880.99

Row 4

(7.20.2.1) Facility

SMART Kochi (Korea)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

3.85

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

3.85

Row 5

(7.20.2.1) Facility

SMART - EKB (UK)

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

11.05

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

11.05

Row 6

(7.20.2.1) Facility

SMART Hsinchu

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

3.56

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

3.56

Row 7

(7.20.2.1) Facility

SMART Penang

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

6073.39

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

1190.03

Row 8

(7.20.2.1) Facility

SGH HQ - USA

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

94.52

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

94.52

Row 9

(7.20.2.1) Facility

SMART Fremont Penguin

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

1132.3

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

1132.3

Row 10

(7.20.2.1) Facility

SMART Taipei

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

97.07

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

97.07

Row 11

(7.20.2.1) Facility

SMART Tempe

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

158.87

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

158.87

Row 12

(7.20.2.1) Facility

SMART Bangalore

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

12.57

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

12.57

Row 13

(7.20.2.1) Facility

CreeLED Durham

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

1271.02

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

1271.02

Row 14

(7.20.2.1) Facility

CreeLED Huizhou

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

28373.95

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

2055.2

Row 15

(7.20.2.1) Facility

CreeLED Hong Kong

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

31.3

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

31.3

Row 16

(7.20.2.1) Facility

Stratus Maynard

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

2163.64

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

2163.64

Row 17

(7.20.2.1) Facility

Stratus Phoenix

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

161.83

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

161.83

Row 18

(7.20.2.1) Facility

Stratus Ireland

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

121.56

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

121.56

Row 19

(7.20.2.1) Facility

SMART Tewksbury

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

25.94

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

25.94

Row 20

(7.20.2.1) Facility

Stratus Germany

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

26.45

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

26.45

Row 21

(7.20.2.1) Facility

Stratus Italy

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

3.64

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

3.64

Row 22

(7.20.2.1) Facility

Stratus South Africa

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

46.72

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

46.72

Row 23

(7.20.2.1) Facility

Stratus Spain

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

10.14

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

10.14

Row 24

(7.20.2.1) Facility

Stratus UK

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

8.78

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

8.78

Row 25

(7.20.2.1) Facility

Stratus Japan

(7.20.2.2) Scope 2, location-based (metric tons CO2e)

188.18

(7.20.2.3) Scope 2, market-based (metric tons CO2e)

188.18
[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

315.85

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

43243.06

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

9974.19

(7.22.4) Please explain

Total emissions from SGH's operations.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

Our consolidated accounting group includes all of SGH's entities.
[Fixed row]

(7.26) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Row 1

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 1

(7.26.4) Allocation level

Select from:
☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

8800000

(7.26.9) Emissions in metric tonnes of CO2e

1

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 2

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

8800000

(7.26.9) Emissions in metric tonnes of CO2e

49.87

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:
☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 3

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

0

(7.26.9) Emissions in metric tonnes of CO2e

0

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 4

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:
☑ Company wide

(7.26.6) Allocation method

Select from:
☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:
☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

0

(7.26.9) Emissions in metric tonnes of CO2e

0

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:
☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 5

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

7500000

(7.26.9) Emissions in metric tonnes of CO2e

6.32

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 6

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

7500000

(7.26.9) Emissions in metric tonnes of CO2e

199.48

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 7

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

7500000

(7.26.9) Emissions in metric tonnes of CO2e

6.32

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 8

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

7500000

(7.26.9) Emissions in metric tonnes of CO2e

199.48

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 9

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

215000000

(7.26.9) Emissions in metric tonnes of CO2e

56.85

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 10

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

215000000

(7.26.9) Emissions in metric tonnes of CO2e

1795.35

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 11

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 1

(7.26.4) Allocation level

Select from:
☑ Company wide

(7.26.6) Allocation method

Select from:
☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:
☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

5000000

(7.26.9) Emissions in metric tonnes of CO2e

2.53

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:
☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 12

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

5000000

(7.26.9) Emissions in metric tonnes of CO2e

79.79

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 13

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

40700000

(7.26.9) Emissions in metric tonnes of CO2e

9.48

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 14

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

40700000

(7.26.9) Emissions in metric tonnes of CO2e

299.23

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 15

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

8000000

(7.26.9) Emissions in metric tonnes of CO2e

6.35

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 16

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

8000000

(7.26.9) Emissions in metric tonnes of CO2e

203.25

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:
☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 17

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

500000

(7.26.9) Emissions in metric tonnes of CO2e

0.32

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 18

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

500000

(7.26.9) Emissions in metric tonnes of CO2e

9.97

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:
☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 19

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

3000000

(7.26.9) Emissions in metric tonnes of CO2e

1.26

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 20

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

3000000

(7.26.9) Emissions in metric tonnes of CO2e

172.97

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 21

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 1

(7.26.4) Allocation level

Select from:
☑ Company wide

(7.26.6) Allocation method

Select from:
☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:
☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

350000

(7.26.9) Emissions in metric tonnes of CO2e

0.316

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 22

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

350000

(7.26.9) Emissions in metric tonnes of CO2e

0.9974

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 23

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:

☑ Scope 1

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

108000000

(7.26.9) Emissions in metric tonnes of CO2e

28.43

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Refrigerant use

(7.26.12) Allocation verified by a third party?

Select from:
☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 1 emissions are from refrigerants.

(7.26.14) Where published information has been used, please provide a reference

N/A

Row 24

(7.26.1) Requesting member

Select from:

(7.26.2) Scope of emissions

Select from:
☑ Scope 2: market-based

(7.26.4) Allocation level

Select from:

☑ Company wide

(7.26.6) Allocation method

Select from:

☑ Allocation based on the market value of products purchased

(7.26.7) Unit for market value or quantity of goods/services supplied

Select from:

☑ Currency

(7.26.8) Market value or quantity of goods/services supplied to the requesting member

108000000

(7.26.9) Emissions in metric tonnes of CO2e

897.68

(7.26.10) Uncertainty (±%)

25

(7.26.11) Major sources of emissions

Purchased electricity

(7.26.12) Allocation verified by a third party?

Select from:

☑ No

(7.26.13) Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

The majority of our scope 2 emissions are from purchased electricity.

(7.26.14) Where published information has been used, please provide a reference

N/A
[Add row]

(7.27) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Row 1

(7.27.1) Allocation challenges

Select from:
☑ Doing so would require we disclose business sensitive/proprietary information

(7.27.2) Please explain what would help you overcome these challenges

SGH does not disclose revenue allocated per customer, which is the methodology used to determine emissions allocations; therefore we estimate the emissions with up to 25% margin of error. Please note, our fiscal year (FY) is different from our calendar year (CY) reporting year.
[Add row]

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ No
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ No
Consumption of purchased or acquired steam	*Select from:* ☑ No
Consumption of purchased or acquired cooling	*Select from:* ☑ No
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ No

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

77261.65

(7.30.1.3) MWh from non-renewable sources

21575.74

(7.30.1.4) Total (renewable and non-renewable) MWh

98837.39

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

77261.65

(7.30.1.3) MWh from non-renewable sources

21575.74

(7.30.1.4) Total (renewable and non-renewable) MWh

98837.39
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ No
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.2) Total fuel MWh consumed by the organization

0

Other biomass

(7.30.7.2) Total fuel MWh consumed by the organization

0

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.2) Total fuel MWh consumed by the organization

0

Coal

(7.30.7.2) Total fuel MWh consumed by the organization

0

Oil

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

37.45

Gas

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

1

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.2) Total fuel MWh consumed by the organization

1.81

Total fuel

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

39.25
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:
☑ Brazil

(7.30.14.2) Sourcing method

Select from:
☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Hydropower (capacity unknown)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

20918.74

(7.30.14.6) Tracking instrument used

Select from:
☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:
☑ Brazil

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:
☑ No

(7.30.14.10) Comment

Contract with power provider for green energy

Row 2

(7.30.14.1) Country/area

Select from:

☑ Malaysia

(7.30.14.2) Sourcing method

Select from:

☑ Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

6590.23

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Malaysia

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

PPA with Malaysia government electric provider

Row 3

(7.30.14.1) Country/area

Select from:

☑ China

(7.30.14.2) Sourcing method

Select from:

☑ Unbundled procurement of energy attribute certificates (EACs)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify :renewable energy credit purchase

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

49752.67

(7.30.14.6) Tracking instrument used

Select from:

☑ I-REC

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ China

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

Purchased international renewable energy credits (iRECs) via a third party, 3Degrees, to offset 100% of our Huizhou facility's electricity.
[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Brazil

(7.30.16.1) Consumption of purchased electricity (MWh)

23701.85

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

23701.85

China

(7.30.16.1) Consumption of purchased electricity (MWh)

49752.67

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

49752.67

Germany

(7.30.16.1) Consumption of purchased electricity (MWh)

78.1

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

78.10

Hong Kong SAR, China

(7.30.16.1) Consumption of purchased electricity (MWh)

54.89

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

54.89

India

(7.30.16.1) Consumption of purchased electricity (MWh)

23.2

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

23.20

Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

361.78

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

361.78

Italy

(7.30.16.1) Consumption of purchased electricity (MWh)

10.77

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

10.77

Japan

(7.30.16.1) Consumption of purchased electricity (MWh)

383.48

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

383.48

Malaysia

(7.30.16.1) Consumption of purchased electricity (MWh)

8196.21

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

8196.21

Republic of Korea

(7.30.16.1) Consumption of purchased electricity (MWh)

0.1

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

0.10

South Africa

(7.30.16.1) Consumption of purchased electricity (MWh)

58.02

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

58.02

Spain

(7.30.16.1) Consumption of purchased electricity (MWh)

59.3

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

59.30

Taiwan, China

(7.30.16.1) Consumption of purchased electricity (MWh)

187.07

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

187.07

United Kingdom of Great Britain and Northern Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

103.68

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

103.68

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

15866.37

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

15866.37
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.000030223

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

43558.91

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

1441250000

(7.45.5) Scope 2 figure used

Select from:

☑ Location-based

(7.45.6) % change from previous year

17.63

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

(7.45.9) Please explain

We generated renewable energy from the solar PPA at our Malaysia factory and purchased more iRECs to offset our energy use in China in 2023.
[Add row]

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, but we anticipate setting one in the next two years

(7.53.1.5) Date target was set

06/01/2022

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

12/31/2021

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

2394.85

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

55589.28

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

57984.130

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/31/2030

(7.53.1.55) Targeted reduction from base year (%)

100

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

0.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

315.85

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

9974.19

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

10290.040

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

82.25

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

This target covers our global operations and there are no exclusions. As SGH continues to acquire new companies, those companies' emissions will be integrated into our goal.

(7.53.1.83) Target objective

Our objective is to reach net zero Scope 1 and Scope 2 emissions across all our operations by 2030. This target keeps us accountable to reach the net zero target it supports.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Effective emissions management sits at the heart of our climate strategy. Our drive to net-zero emissions focuses on improving energy efficiency, reducing energy consumption, shifting to renewable sources of energy, and investing in carbon offsets for emissions that we are unable to eliminate from our operations. Our scope 2 emissions contribute to a large portion of our emissions profile. By shifting to energy from renewable sources, we have achieved sizable reductions in our Scope 2 emissions footprint. For Scope 1 emissions that cannot eliminated, we purchase accredited third-party international renewable energy credits (I-RECs). In 2023, we invested 50,000 in I-RECs to offset the Scope 1 & 2 emissions generated by our industrial manufacturing facility in Huizhou, China. Throughout 2023, we received emissions reduction benefits from our solar power purchase agreement with GSPARX Sdn. Bhd. for our Penang, Malaysia manufacturing site.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 2

(7.54.1.1) Target reference number

Select from:

☑ Low 1

(7.54.1.3) Target coverage

Select from:
☑ Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:
☑ Electricity

(7.54.1.5) Target type: activity

Select from:
☑ Consumption

(7.54.1.6) Target type: energy source

Select from:
☑ Renewable energy source(s) only

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

27844.0

(7.54.1.9) % share of low-carbon or renewable energy in base year

64.0

(7.54.1.16) Is this target part of an emissions target?

This target is not directly part of an of our emissions targets, however it aligns with our net-zero strategy and supports our emissions reductions targets.

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

☑ No, it's not part of an overarching initiative

(7.54.1.19) Explain target coverage and identify any exclusions

The target is company-wide, and the energy consumption figures of our future acquisitions will be integrated into this target.
[Add row]

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:

☑ Oth 1

(7.54.2.3) Target coverage

Select from:

☑ Organization-wide

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Energy productivity

☑ units of revenue

[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

☑ NZ1

(7.54.3.2) Date target was set

06/01/2022

(7.54.3.3) Target Coverage

Select from:

☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

☑ Abs1

(7.54.3.5) End date of target for achieving net zero

12/31/2022

(7.54.3.6) Is this a science-based target?

Select from:

☑ Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.54.3.10) Explain target coverage and identify any exclusions

This target covers our global operations and there are no exclusions. As SGH continues to acquire new companies, those companies' emissions will be integrated into our goal.

(7.54.3.11) Target objective

Our objective is to reach net zero Scope 1 and Scope 2 emissions across all our operations by 2030.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Unsure

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, and we do not plan to within the next two years

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

Our ESG Steering Committee tracks ESG performance, champions our ESG initiatives, and manages related concerns. The ESG Steering Committee meets regularly to address all things ESG, including emerging concerns, regulatory compliance, progress on goals, and public disclosures, and reviews our strategy, activities, and progress toward our net zero goal. We are on track to meet our goal of achieving net zero scope 1 and 2 emissions by 2030 and worked to reduce our water and energy consumption over the course of 2023.
[Add row]

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*3*	*`Numeric input*
To be implemented	*1*	*150*
Implementation commenced	*1*	*50*
Implemented	*2*	*5453*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in buildings
☑ Heating, Ventilation and Air Conditioning (HVAC)

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

50

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

10000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

50000

(7.55.2.7) Payback period

Select from:

☑ 1-3 years

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 6-10 years

(7.55.2.9) Comment

We implemented upgrades to our HVAC systems to improve heat extraction, reducing the amount of cooling required at our facility.

Row 2

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

5403

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (location-based)

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

0

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:

☑ <1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

☑ 11-15 years

(7.55.2.9) Comment

In 2022, we negotiated a solar power purchase agreement at our Penang, Malaysia manufacturing site. The combination of installing rooftop photovoltaic solar panels and green electricity tariffs allowed the site to achieve 100% renewable electricity generation. The newly positioned solar panels have the capacity to deliver 1,496 MWh of electricity per year, which is analogous to offsetting 5,403 metric tons of carbon dioxide equivalent or growing 99,128 tree seedlings for 10 years. We cannot provide an exact financial impact figure. The cost of this power purchase agreement was 0. As a first time partner in Malaysia, we gained a cost-savings benefit.
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

☑ Dedicated budget for energy efficiency

(7.55.3.2) Comment

We dedicate a portion of our operating budget to seeking energy efficiency solutions, including building efficiency initiatives and renewable and low carbon energy sourcing projects. We are continuously working to increase our renewable energy sourcing by engaging in power purchase agreements and other carbon free initiatives, which are managed within our operating budget.

Row 2

(7.55.3.1) Method

Select from:

☑ Compliance with regulatory requirements/standards

(7.55.3.2) Comment

Compliance with current and emerging regulatory standards drive our continued investment in emissions reduction. Our operations are subject to and affected by a variety of federal, state, local and foreign environmental laws and regulations, including how those regulations change over time. As an example of current regulation, our sites in California are required to comply with air emissions laws set by the Bay Area Air Quality Management District and the California Air Resources Board. As an example of emerging regulation, the U.S. Securities and Exchange commission released a proposed rulemaking on climate-related disclosure, which if passed, would apply to SGH.

Row 3

(7.55.3.1) Method

Select from:

☑ Employee engagement

(7.55.3.2) Comment

We engage our employees in our sustainability initiatives to improve their climate awareness, provide education on climate-related topics, and promote activities, engagement, and company initiatives. In 2021, for example, we rolled out a Smart water bottle that tracks refills, water saved, plastic saved, and greenhouse gas emissions spared through the reuse of the bottle as compared to using single-use water bottles. These bottles were given to every employee at SGH to encourage good environmental stewardship. At the time of this submission, this program has: saved 8,932.20 kwH of power; diverted 472.80 lbs of waste- Saved 15287.2 lbs of emissions; and prevented 94.56 lbs of ocean pollution. We are exploring other opportunities for similar engagements and the possibility of tying those engagements to incentives that will positively influence behavior.

Row 4

(7.55.3.1) Method

Select from:

☑ Other **:**Voluntary certification

(7.55.3.2) Comment

Our goals for ISO 14001 drive us to achieve high standards of energy efficiency in our operations. We publicly disclose our goals for ISO 14001 compliance, as well as our progress against those goals. Our annual reporting in our ESG report helps keep us accountable.

Row 5

(7.55.3.1) Method

Select from:

☑ Dedicated budget for low-carbon product R&D

(7.55.3.2) Comment

The demand for low-carbon, energy efficient products drives our continued investment in R&D. SGH products and services consider environmental criteria during the design and production phase, in order to reduce risks related to technology-related climate risks and market-related climate opportunities. SGH works to ensure each generation of product and new product line includes optimized energy efficiency. This helps our product lines stay competitive and supports our customers' transition to a low-carbon economy.
[Add row]

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

☑ Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

☑ No taxonomy used to classify product(s) or service(s) as low carbon

(7.74.1.3) Type of product(s) or service(s)

Lighting

☑ Conventional LED

(7.74.1.4) Description of product(s) or service(s)

Our LED Solutions group offers a broad portfolio of application-optimized LEDs focused on improving on lumen density, intensity, efficacy, optical control and reliability. Backed by expert design assistance and superior sales support, our LED products enable our customers to develop and market LED-based products for lighting, video screens and specialty lighting applications. Our CreeLED chip products include blue and green LED chips based on gallium nitride (GaN) and related materials. LED chips or die are used in a number of applications and are currently available in a variety of brightness levels, wavelengths, colors, and sizes. Products using our blue and green LED chips are featured in a variety of applications, including video screens, gaming displays, and function indicator lights. Our CreeLED components include packaged LED products, from our XLamp and J Series LED components and LED modules for lighting applications to our high-brightness LED components. Our XLamp LED components and LED modules are designed to meet a broad range of market needs for lighting applications, including general illumination (both indoor and outdoor applications), portable, architectural, signal, and transportation lighting.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ No

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

17

[Add row]

C9. Environmental performance - Water security

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

Water withdrawals – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Quarterly

(9.2.3) Method of measurement

All our water comes from a metered municipal water supply.

(9.2.4) Please explain

All our water comes from metered municipal water supply. While we have no significant exclusions to our water data, the data provided does not cover 100% of our water withdrawal as some of our smaller offices are spaces shared with other companies, where we are not able to collect water data.

Water withdrawals – volumes by source

(9.2.1) % of sites/facilities/operations

Select from:

☑ 76-99

(9.2.2) Frequency of measurement

Select from:

☑ Quarterly

(9.2.3) Method of measurement

All our water comes from a metered municipal water supply.

(9.2.4) Please explain

All our water comes from metered municipal water supply. While we have no significant exclusions to our water data, the data provided does not cover 100% of our water withdrawal as some of our smaller offices are spaces shared with other companies, where we are not able to collect water data.

Water withdrawals quality

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

We do not yet have the processes in place to monitor this.

Water discharges – total volumes

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

We do not yet have the processes in place to monitor this.

Water discharges – volumes by destination

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

We do not yet have the processes in place to monitor this.

Water discharges – volumes by treatment method

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

We do not yet have the processes in place to monitor this.

Water discharge quality – by standard effluent parameters

(9.2.1) % of sites/facilities/operations

Select from:

☑ Not monitored

(9.2.4) Please explain

We do not yet have the processes in place to monitor this.

Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)

(9.2.1) % of sites/facilities/operations

Select from:
☑ Not monitored

(9.2.4) Please explain

We do not yet have the processes in place to monitor this.

Water discharge quality – temperature

(9.2.1) % of sites/facilities/operations

Select from:
☑ Not monitored

(9.2.4) Please explain

We do not yet have the processes in place to monitor this.

Water consumption – total volume

(9.2.1) % of sites/facilities/operations

Select from:
☑ Not monitored

(9.2.4) Please explain

We do not yet have the processes in place to monitor this.
[Fixed row]

(9.2.2) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Total withdrawals

(9.2.2.1) Volume (megaliters/year)

381.26

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

We invest in more recycling in our China facility plant, which is our largest consumer of water.

Total discharges

(9.2.2.1) Volume (megaliters/year)

0

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ About the same

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in business activity

(9.2.2.6) Please explain

We are not yet able to measure our discharge totals, as there are no meters available. Therefore, we assume 100% of our withdrawal is consumed.

Total consumption

(9.2.2.1) Volume (megaliters/year)

381.26

(9.2.2.2) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.2.3) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.2.4) Five-year forecast

Select from:

☑ About the same

(9.2.2.5) Primary reason for forecast

Select from:

☑ Increase/decrease in efficiency

(9.2.2.6) Please explain

We are not yet able to measure our discharge totals, as there are no meters available. Therefore, we assume 100% of our withdrawal is consumed.
[Fixed row]

(9.2.4) Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

(9.2.4.1) Withdrawals are from areas with water stress

Select from:

☑ No

(9.2.4.8) Identification tool

Select all that apply

☑ WRI Aqueduct

(9.2.4.9) Please explain

Using the WRI Aqueduct Water Risk Atlas, we monitor the water stress levels in the areas where we operate that are dependent on water withdrawal. In 2023, none of our factories withdrew water from high-stress areas, as identified by the WRI. In 2023, our manufacturing sites were primarily located in regions categorized as low or low-medium stress by the WRI. We also refer to the WRI to track the short-, medium-, and long-term water stress levels and associated risks at our locations and use this information to inform our water management strategy.
[Fixed row]

(9.2.7) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

This is not relevant to SGH.

Brackish surface water/Seawater

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

This is not relevant to SGH.

Groundwater – renewable

(9.2.7.1) Relevance

Select from:

☑ Not relevant

(9.2.7.5) Please explain

This is not relevant to SGH.

Groundwater – non-renewable

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

This is not relevant to SGH.

Produced/Entrained water

(9.2.7.1) Relevance

Select from:
☑ Not relevant

(9.2.7.5) Please explain

This is not relevant to SGH.

Third party sources

(9.2.7.1) Relevance

Select from:
☑ Relevant

(9.2.7.2) Volume (megaliters/year)

381.26

(9.2.7.3) Comparison with previous reporting year

Select from:

☑ Lower

(9.2.7.4) Primary reason for comparison with previous reporting year

Select from:

☑ Increase/decrease in business activity

(9.2.7.5) Please explain

All our water comes from a third party, metered municipal water supply. We aim to reduce our water consumption by investing in recycling processes in our China plant, which is our largest consumer of water.
[Fixed row]

(9.3) In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Direct operations

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities

(9.3.2) Total number of facilities identified

1

(9.3.3) % of facilities in direct operations that this represents

Select from:

☑ 51-75

(9.3.4) Please explain

After our divestment of Brazil in November 2023 our Huizhou, China facility will use greater than 85% of the water within our organization. Our site in Huizhou, China has a "Low - Medium" water stress level according to the WRI Aqueduct.

Upstream value chain

(9.3.1) Identification of facilities in the value chain stage

Select from:

☑ No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, but we are planning to do so in the next 2 years

(9.3.4) Please explain

We do not currently assess the water stress levels of facilities in our upstream value chain.
[Fixed row]

(9.3.1) For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Row 1

(9.3.1.1) Facility reference number

Select from:

☑ Facility 1

(9.3.1.2) Facility name (optional)

Cree LED - Huizhou, China

(9.3.1.3) Value chain stage

Select from:

☑ Direct operations

(9.3.1.4) Dependencies, impacts, risks, and/or opportunities identified at this facility

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(9.3.1.5) Withdrawals or discharges in the reporting year

Select from:

☑ Yes, withdrawals only

(9.3.1.6) Reason for no withdrawals and/or discharges

There is no meter on the discharge channel, so we cannot track this figure.

(9.3.1.7) Country/Area & River basin

China

☑ Dong Jiang

(9.3.1.8) Latitude

23.025589

(9.3.1.9) Longitude

114.341208

(9.3.1.10) Located in area with water stress

Select from:

☑ No

(9.3.1.13) Total water withdrawals at this facility (megaliters)

296

(9.3.1.14) Comparison of total withdrawals with previous reporting year

Select from:

☑ Lower

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

0

(9.3.1.16) Withdrawals from brackish surface water/seawater

0

(9.3.1.17) Withdrawals from groundwater - renewable

0

(9.3.1.18) Withdrawals from groundwater - non-renewable

0

(9.3.1.19) Withdrawals from produced/entrained water

0

(9.3.1.20) Withdrawals from third party sources

296

(9.3.1.27) Total water consumption at this facility (megaliters)

296

(9.3.1.28) Comparison of total consumption with previous reporting year

Select from:
☑ Lower

(9.3.1.29) Please explain

Lower due to reduction in production volume and increased efficiency
[Add row]

(9.3.2) For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

We do not collect or provide third party verification for water accounting data at our facilities at this time.

Water withdrawals – volume by source

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

We do not collect or provide third party verification for water accounting data at our facilities at this time.

Water withdrawals – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

We do not collect or provide third party verification for water accounting data at our facilities at this time.

Water discharges – total volumes

(9.3.2.1) % verified

Select from:

☑ Not verified

(9.3.2.3) Please explain

We do not collect or provide third party verification for water accounting data at our facilities at this time.

Water discharges – volume by destination

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

We do not collect or provide third party verification for water accounting data at our facilities at this time.

Water discharges – volume by final treatment level

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

We do not collect or provide third party verification for water accounting data at our facilities at this time.

Water discharges – quality by standard water quality parameters

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

We do not collect or provide third party verification for water accounting data at our facilities at this time.

Water consumption – total volume

(9.3.2.1) % verified

Select from:
☑ Not verified

(9.3.2.3) Please explain

We do not collect or provide third party verification for water accounting data at our facilities at this time.
[Fixed row]

(9.4.1) Indicate which of the facilities referenced in 9.3.1 could impact a requesting CDP supply chain member.

Row 1

(9.4.1.1) Facility reference number

Select from:
☑ Facility 1

(9.4.1.2) Facility name

Cree LED - Huizhou, China

(9.4.1.3) Requesting member

Select from:

(9.4.1.4) Description of potential impact on member

In 2023, we assessed the water stress level of our facility in Huizhou, China. The water stress level of this facility increased since our original assessment from "Low" to "Low-Medium". We recognize the risks that water stress might pose to our industry and our global supply chain, as without consistent and reliable access to water, impacts to our production volume may occur.

(9.4.1.5) Comment

Since our divestment from SMART Brazil, this facility accounts for approximately 85% of our total water withdrawal and use.
[Add row]

(9.5) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue (currency)	Total water withdrawal efficiency	Anticipated forward trend
	1441250000	*3780228.72*	*We expect our efficiency will improve in 2024 and beyond due to the divestment of our facilities in Brazil.*

[Fixed row]

(9.13) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances
	Select from: ☑ Yes

[Fixed row]

(9.13.1) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

Row 1

(9.13.1.1) Regulatory classification of hazardous substances

Select from:

☑ Annex XVII of EU REACH Regulation

(9.13.1.2) % of revenue associated with products containing substances in this list

Select from:

☑ Less than 10%

(9.13.1.3) Please explain

SGH legacy products still contain some REACH substances in older components. We estimate that less than 10% of our revenue is from the sale of products with these components.
[Add row]

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

(9.14.1) Products and/or services classified as low water impact

Select from:

☑ No, and we do not plan to address this within the next two years

(9.14.3) Primary reason for not classifying any of your current products and/or services as low water impact

Select from:

☑ Judged to be unimportant, explanation provided

(9.14.4) Please explain

At this time, though water is a critical resource for our operations, we have one facility that accounts for approximately 85% of the water withdrawn or our company. This site is located in an area that is classified as having a "Low-Medium" water risk according to the WRI Aqueduct Water Risk Atlas, which is the tool that SGH uses to assess its water use, risk, and impact. This site consumes minimal water as the manufacturing processes do not require water consumption. Due to current water availability and relatively low water stress at this location, we do not currently need a designation of water impact for products.
[Fixed row]

(9.15.3) Why do you not have water-related target(s) and what are your plans to develop these in the future?

(9.15.3.1) Primary reason

Select from:

☑ We are planning to introduce a target within the next two years

(9.15.3.2) Please explain

We are currently evaluating the water-related targets that enable SGH to make the most impact. We look forward to sharing our progress in our next disclosure. As of 2024, SGH conducted its first stakeholder-focused ESG materiality assessment to identify and prioritize issues related to ESG. We plan to use the results of this assessment to inform our future goals, including those related to climate change and water.
[Fixed row]

C10. Environmental performance - Plastics

(10.1) Do you have plastics-related targets, and if so what type?

(10.1.1) Targets in place

Select from:

☑ No, but we plan to within the next two years

(10.1.3) Please explain

Plastics are not currently a material issue to our business, our ESG program, or the sustainability goals of the customers we most often engage with. As plastics are becoming a growing concern within our industry, we intend to evaluate the need to integrate issues related to plastics into our ESG strategy and goals. As we map the use of plastics in our operations and value chain, we intend to set reduction targets for relevant areas of business in the near future.
[Fixed row]

(10.2) Indicate whether your organization engages in the following activities.

Production/commercialization of plastic polymers (including plastic converters)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This is not relevant to our business.

Production/commercialization of durable plastic goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This is not relevant to our business.

Usage of durable plastics goods and/or components (including mixed materials)

(10.2.1) Activity applies

Select from:

☑ Yes

(10.2.2) Comment

There are limited durable plastics used in the components of our products. However, we do not manufacture plastic goods. We also use some plastic in our packaging, which we aim to reduce.

Production/commercialization of plastic packaging

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This is not relevant to our business.

Production/commercialization of goods/products packaged in plastics

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This is not relevant to our business.

Provision/commercialization of services that use plastic packaging (e.g., food services)

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This is not relevant to our business.

Provision of waste management and/or water management services

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This is not relevant to our business.

Provision of financial products and/or services for plastics-related activities

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This is not relevant to our business.

Other activities not specified

(10.2.1) Activity applies

Select from:

☑ No

(10.2.2) Comment

This is not relevant to our business.
[Fixed row]

C11. Environmental performance - Biodiversity

(11.2) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Actions taken in the reporting period to progress your biodiversity-related commitments
	Select from: ☑ No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years

[Fixed row]

(11.3) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?
	Select from: ☑ No

[Fixed row]

(11.4) Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	*Select from:* ☑ Not assessed	*We have not yet assessed this.*
UNESCO World Heritage sites	*Select from:* ☑ No	*None of our sites are located near a UNESCO World Heritage site.*
UNESCO Man and the Biosphere Reserves	*Select from:* ☑ Not assessed	*We have not yet assessed this.*
Ramsar sites	*Select from:* ☑ Not assessed	*We have not yet assessed this.*
Key Biodiversity Areas	*Select from:* ☑ Not assessed	*We have not yet assessed this.*
Other areas important for biodiversity	*Select from:* ☑ Not assessed	*We have not yet assessed this.*

[Fixed row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party	Primary reason why other environmental information included in your CDP response is not verified and/or assured by a third party	Explain why other environmental information included in your CDP response is not verified and/or assured by a third party
	Select from: ☑ No, but we plan to obtain third-party verification/assurance of other environmental information in our CDP response within the next two years	*Select from:* ☑ Not an immediate strategic priority	*We continue to improve our overall ESG program and plan to add additional verification as resources become available.*

[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Vice President, Global Quality & Sustainability

(13.3.2) Corresponding job category

Select from:

☑ Business unit manager

[Fixed row]