UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended January 1, 2021

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

For the transition period from:_____ to _____

Commission File Number 001-31560

SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY

(Exact name of registrant as specified in its charter)

Ireland	**98-0648577**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

38/39 Fitzwilliam Square
Dublin 2, Ireland
(Address of principal executive offices)
D02 NX53
(Zip Code)

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary Shares, par value $0.00001 per share	**STX**	**The NASDAQ Global Select Market**

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

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

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

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

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

As of January 25, 2021, 236,682,057 of the registrant's ordinary shares, par value $0.00001 per share, were issued and outstanding.

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PART I
FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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SEAGATE TECHNOLOGY PLC
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)

	January 1, 2021	July 3, 2020
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,799	$ 1,722
Accounts receivable, net	801	1,115
Inventories	1,318	1,142
Other current assets	163	135
Total current assets	4,081	4,114
Property, equipment and leasehold improvements, net	2,218	2,129
Goodwill	1,237	1,237
Other intangible assets, net	40	58
Deferred income taxes	1,120	1,120
Other assets, net	290	272
Total Assets	$ 8,986	$ 8,930
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 1,730	$ 1,808
Accrued employee compensation	206	224
Accrued warranty	61	69
Current portion of long-term debt	25	19
Accrued expenses	599	602
Total current liabilities	2,621	2,722
Long-term accrued warranty	76	82
Other non-current liabilities	179	183
Long-term debt	5,120	4,156
Total Liabilities	7,996	7,143
Commitments and contingencies (See Notes 11 and 13)		
Shareholders' Equity:		
Ordinary shares and additional paid-in capital	6,855	6,757
Accumulated other comprehensive loss	(36)	(66)
Accumulated deficit	(5,829)	(4,904)
Total Equity	990	1,787
Total Liabilities and Equity	$ 8,986	$ 8,930

See Notes to Condensed Consolidated Financial Statements.

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

	For the Three Months Ended		For the Six Months Ended	
	January 1, 2021	January 3, 2020	January 1, 2021	January 3, 2020
Revenue	$ 2,623	$ 2,696	$ 4,937	$ 5,274
Cost of revenue	1,927	1,938	3,645	3,845
Product development	221	250	444	505
Marketing and administrative	122	120	240	242
Amortization of intangibles	3	4	6	8
Restructuring and other, net	2	—	3	17
Total operating expenses	2,275	2,312	4,338	4,617
Income from operations	348	384	599	657
Interest income	—	4	1	15
Interest expense	(52)	(48)	(102)	(103)
Other, net	(5)	(4)	14	(35)
Other expense, net	(57)	(48)	(87)	(123)
Income before income taxes	291	336	512	534
Provision for income taxes	11	18	9	16
Net income	$ 280	$ 318	$ 503	$ 518
Net income per share:				
Basic	$ 1.12	$ 1.21	$ 1.99	$ 1.96
Diluted	1.12	1.20	1.97	1.93
Number of shares used in per share calculations:				
Basic	249	262	253	264
Diluted	251	265	255	268
Cash dividends declared per ordinary share	$ 0.67	$ 0.65	$ 1.32	$ 1.28

See Notes to Condensed Consolidated Financial Statements.

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

	For the Three Months Ended		For the Six Months Ended	
	January 1, 2021	January 3, 2020	January 1, 2021	January 3, 2020
Net income	$ 280	$ 318	$ 503	$ 518
Other comprehensive income (loss), net of tax:				
Change in net unrealized loss on cash flow hedges:				
Net unrealized gains arising during the period	12	3	16	2
(Gains) losses reclassified into earnings	(2)	1	(2)	1
Net change	10	4	14	3
Change in unrealized components of post-retirement plans:				
Net unrealized (losses) gains arising during the period	(1)	—	(1)	—
Losses reclassified into earnings	1	—	2	—
Net change	—	—	1	—
Foreign currency translation adjustments	—	3	15	(2)
Total other comprehensive income, net of tax	10	7	30	1
Comprehensive income	$ 290	$ 325	$ 533	$ 519

See Notes to Condensed Consolidated Financial Statements.

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

	For the Six Months Ended	
	January 1, 2021	January 3, 2020
OPERATING ACTIVITIES		
Net income	$ 503	$ 518
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	195	185
Share-based compensation	58	53
Deferred income taxes	(13)	(4)
Other non-cash operating activities, net	4	47
Changes in operating assets and liabilities:		
Accounts receivable, net	315	(124)
Inventories	(176)	(172)
Accounts payable	(75)	458
Accrued employee compensation	(18)	22
Accrued expenses, income taxes and warranty	(36)	(38)
Other assets and liabilities	13	(9)
Net cash provided by operating activities	770	936
INVESTING ACTIVITIES		
Acquisition of property, equipment and leasehold improvements	(270)	(341)
Proceeds from sale of investments	11	—
Proceeds from the sale of assets	—	1
Purchases of investments	(4)	(45)
Net cash used in investing activities	(263)	(385)
FINANCING ACTIVITIES		
Redemption and repurchase of debt	(21)	(645)
Dividends to shareholders	(334)	(335)
Repurchases of ordinary shares	(1,068)	(600)
Taxes paid related to net share settlement of equity awards	(32)	(39)
Proceeds from issuance of long-term debt	1,000	498
Proceeds from issuance of ordinary shares under employee share plans	40	69
Other financing activities, net	(15)	(2)
Net cash used in financing activities	(430)	(1,054)
Effect of foreign currency exchange rate changes on cash, cash equivalents and restricted cash	—	(2)
Increase (decrease) in cash, cash equivalents and restricted cash	77	(505)
Cash, cash equivalents and restricted cash at the beginning of the period	1,724	2,251
Cash, cash equivalents and restricted cash at the end of the period	$ 1,801	$ 1,746

See Notes to Condensed Consolidated Financial Statements.

SEAGATE TECHNOLOGY PLC
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the Three Months Ended January 1, 2021 and January 3, 2020
(In millions)
(Unaudited)

	Number of Ordinary Shares	Par Value of Shares	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance at October 2, 2020	258	$ —	$ 6,814	$ (46)	$ (4,947)	$ 1,821
Net income					280	280
Other comprehensive income				10		10
Issuance of ordinary shares under employee share plans	—		11			11
Repurchases of ordinary shares	(18)				(1,000)	(1,000)
Tax withholding related to vesting of restricted share units	—				(1)	(1)
Dividends to shareholders					(161)	(161)
Share-based compensation			30			30
Balance at January 1, 2021	240	$ —	$ 6,855	$ (36)	$ (5,829)	$ 990

	Number of Ordinary Shares	Par Value of Shares	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance at October 4, 2019	263	$ —	$ 6,610	$ (40)	$ (4,800)	$ 1,770
Net income					318	318
Other comprehensive income				7		7
Issuance of ordinary shares under employee share plans	1		30			30
Repurchases of ordinary shares	(3)				(150)	(150)
Tax withholding related to vesting of restricted share units	—				(2)	(2)
Dividends to shareholders					(170)	(170)
Share-based compensation			27			27
Balance at January 3, 2020	261	$ —	$ 6,667	$ (33)	$ (4,804)	$ 1,830

See Notes to Condensed Consolidated Financial Statements.

SEAGATE TECHNOLOGY PLC
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the Six Months Ended January 1, 2021 and January 3, 2020
(In millions)
(Unaudited)

	Number of Ordinary Shares	Par Value of Shares	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance at July 3, 2020	257	$ —	$ 6,757	$ (66)	$ (4,904)	$ 1,787
Net income					503	503
Other comprehensive income				30		30
Issuance of ordinary shares under employee share plans	3		40			40
Repurchases of ordinary shares	(19)				(1,068)	(1,068)
Tax withholding related to vesting of restricted share units	(1)				(32)	(32)
Dividends to shareholders					(328)	(328)
Share-based compensation			58			58
Balance at January 1, 2021	240	$ —	$ 6,855	$ (36)	$ (5,829)	$ 990

	Number of Ordinary Shares	Par Value of Shares	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance at June 28, 2019	269	$ —	$ 6,545	$ (34)	$ (4,349)	$ 2,162
Impact of adopting new lease standard					(2)	(2)
Net income					518	518
Other comprehensive income				1		1
Issuance of ordinary shares under employee share plans	5		69			69
Repurchases of ordinary shares	(12)				(597)	(597)
Tax withholding related to vesting of restricted share units	(1)				(39)	(39)
Dividends to shareholders					(335)	(335)
Share-based compensation			53			53
Balance at January 3, 2020	261	$ —	$ 6,667	$ (33)	$ (4,804)	$ 1,830

See Notes to Condensed Consolidated Financial Statements.

SEAGATE TECHNOLOGY PLC
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation and Summary of Significant Accounting Policies

Organization

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

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

The Company's HDD products are designed for mass capacity storage and legacy markets. Mass capacity storage supports high capacity, low-cost per terabyte storage applications, including nearline, video and image applications and network-attached storage. Legacy markets include mission critical, desktop, notebook, consumer, digital video recorders and gaming applications. These markets were previously categorized as enterprise servers and storage systems, edge non-compute applications and edge compute applications. The Company's HDD and SSD product portfolio includes Serial Advanced Technology Attachment, Serial Attached SCSI and Non-Volatile Memory Express based designs to support a wide variety of mass capacity and legacy applications.

The Company's enterprise data solutions portfolio includes storage subsystems and mass capacity optimized private cloud storage solutions for enterprises and cloud and managed service providers. Engineered for modularity, mobility, mass capacity and performance, these solutions include the Company's enterprise HDDs and SSDs, enabling customers to integrate powerful, scalable storage within legacy enterprise IT environments or build new on premises private storage clouds from the ground up in a secure, cost-effective manner.

Basis of Presentation and Consolidation

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

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

The Company's consolidated financial statements for the fiscal year ended July 3, 2020 are included in its Annual Report on Form 10-K, as filed with the U.S. Securities and Exchange Commission ("SEC") on August 7, 2020. The Company believes that the disclosures included in these unaudited condensed consolidated financial statements, when read in conjunction with its consolidated financial statements as of July 3, 2020, and the notes thereto, are adequate to make the information presented not misleading.

Fiscal Year

The Company operates and reports financial results on a fiscal year of 52 or 53 weeks ending on the Friday closest to June 30. In fiscal years with 53 weeks, the first quarter consists of 14 weeks and the remaining quarters consist of 13 weeks each. The three and six months ended January 1, 2021 consisted of 13 and 26 weeks, respectively, and the three and six months ended January 3, 2020 consisted of 13 and 27 weeks, respectively. Fiscal year 2021, which ends on July 2, 2021, is comprised of 52 weeks and fiscal year 2020, which ended on July 3, 2020, was comprised of 53 weeks. The fiscal quarters ended January 1, 2021, October 2, 2020 and January 3, 2020, are also referred to herein as the "December 2020 quarter", the "September 2020 quarter" and the "December 2019 quarter", respectively. The results of operations for the three and six months ended January 1, 2021 are not necessarily indicative of the results of operations to be expected for any subsequent interim period or for the Company's fiscal year ending July 2, 2021.

Summary of Significant Accounting Policies

There have been no material changes to the Company's significant accounting policies disclosed in Note 1. Basis of Presentation and Summary of Significant Accounting Policies of "Financial Statements and Supplementary Data" contained in Part II, Item 8. of the Company's Annual Report on Form 10-K for the fiscal year ended July 3, 2020, as filed with the SEC on August 7, 2020.

Recently Adopted Accounting Pronouncements

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

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

Recently Issued Accounting Pronouncements

In December 2019, the FASB issued ASU 2019-12 (ASC Topic 740), *Simplifying the Accounting for Income Taxes*. This ASU simplifies accounting for income taxes by removing certain exceptions to the general principles and amending existing guidance to improve consistent application. The Company is required to adopt this new accounting pronouncement in the first quarter of fiscal year 2022. Early adoption is permitted. The Company is in the process of assessing the impact of this ASU on its condensed consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04 (ASC Topic 848), *Reference Rate Reform*. This ASU provides optional expedients and exceptions for applying U.S. generally accepted accounting principles to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. Adoption of the expedients and exceptions is permitted upon issuance of this update through December 31, 2022. The Company is in the process of assessing the impact of this ASU on its condensed consolidated financial statements.

2. Balance Sheet Information

Available-for-sale Debt Securities

The following table summarizes, by major type, the fair value and amortized cost of the Company's investments as of January 1, 2021:

(Dollars in millions)	Amortized Cost	Unrealized Gain/(Loss)	Fair Value
Available-for-sale debt securities:			
Money market funds	$ 992	$ —	$ 992
Time deposits and certificates of deposit	56	—	56
Other debt securities	18	—	18
Total	$ 1,066	$ —	$ 1,066
Included in Cash and cash equivalents			$ 1,043
Included in Other current assets			5
Included in Other assets, net			18
Total			$ 1,066

As of January 1, 2021, the Company's Other current assets included $2 million in restricted cash and investments held as collateral at banks for various performance obligations.

As of January 1, 2021, the Company had no material available-for-sale debt securities that had been in a continuous unrealized loss position for a period greater than 12 months. The Company determined no impairment related to credit losses for available-for-sale debt securities as of January 1, 2021.

The fair value and amortized cost of the Company's investments classified as available-for-sale debt securities as of January 1, 2021, by remaining contractual maturity were as follows:

(Dollars in millions)	Amortized Cost	Fair Value
Due in less than 1 year	$ 1,048	$ 1,048
Due in 1 to 5 years	10	10
Due in 6 to 10 years	—	—
Thereafter	8	8
Total	$ 1,066	$ 1,066

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

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

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

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

Cash, Cash Equivalents and Restricted Cash

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

(Dollars in millions)	January 1, 2021	July 3, 2020	January 3, 2020	June 28, 2019
Cash and cash equivalents	$ 1,799	$ 1,722	$ 1,744	$ 2,220
Restricted cash included in Other current assets	2	2	2	31
Total cash, cash equivalents and restricted cash presented in the Statements of Cash Flows	$ 1,801	$ 1,724	$ 1,746	$ 2,251

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

Accounts Receivable, net

In connection with an existing factoring agreement, the Company sells trade receivables to a third party for cash proceeds less a discount. During the six months ended January 1, 2021, the Company sold trade receivables without recourse for cash proceeds of $148 million, of which an immaterial amount remained subject to servicing by the Company as of January 1, 2021. The discounts on receivables sold were not material for the six months ended January 1, 2021.

Inventories

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

(Dollars in millions)	January 1, 2021	July 3, 2020
Raw materials and components	$ 421	$ 451
Work-in-process	427	313
Finished goods	470	378
Total inventories	$ 1,318	$ 1,142

Property, Equipment and Leasehold Improvements, net

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

(Dollars in millions)	January 1, 2021	July 3, 2020
Property, equipment and leasehold improvements	$ 10,345	$ 10,212
Accumulated depreciation and amortization	(8,127)	(8,083)
Property, equipment and leasehold improvements, net	$ 2,218	$ 2,129

Accrued Expenses

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

(Dollars in millions)	January 1, 2021	July 3, 2020
Dividends payable	$ 161	$ 167
Other accrued expenses	438	435
Total accrued expenses	$ 599	$ 602

Accumulated Other Comprehensive Loss ("AOCL")

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

(Dollars in millions)	Unrealized Gains/(Losses) on Cash Flow Hedges	Unrealized Gains/(Losses) on Post-Retirement Plans	Foreign Currency Translation Adjustments	Total
Balance at July 3, 2020	$ (24)	$ (26)	$ (16)	$ (66)
Other comprehensive income (loss) before reclassifications	16	(1)	—	15
Amounts reclassified from AOCL	(2)	2	15	15
Other comprehensive income	14	1	15	30
Balance at January 1, 2021	$ (10)	$ (25)	$ (1)	$ (36)
Balance at June 28, 2019	$ —	$ (20)	$ (14)	$ (34)
Other comprehensive income (loss) before reclassifications	2	—	(2)	—
Amounts reclassified from AOCL	1	—	—	1
Other comprehensive income (loss)	3	—	(2)	1
Balance at January 3, 2020	$ 3	$ (20)	$ (16)	$ (33)

3. Debt

Credit Agreement

The Company's subsidiary, Seagate HDD Cayman, entered into a credit agreement (the "Credit Agreement") on February 20, 2019. As of January 1, 2021, the Credit Agreement provided an up to $1.5 billion senior unsecured revolving credit facility ("Revolving Credit Facility") and a term loan facility in an aggregate principal amount of $500 million ("Term Loan"). The Revolving Credit Facility has a final maturity of February 20, 2024 and the Term Loan has a final maturity date of September 16, 2025. The loans made under the Revolving Credit Facility and the Term Loan will bear interest at a rate of the London Interbank Offered Rate ("LIBOR") plus a variable margin for each facility that will be determined based on the corporate credit rating of the Company. As of January 1, 2021, STX and certain of its material subsidiaries fully and unconditionally guaranteed both the Revolving Credit Facility and the Term Loan. As of January 1, 2021, the Revolving Credit Facility also allowed such facility to increase by an additional $100 million, provided that (i) there has been, and will be after giving effect to such increase, no default, (ii) the increase is at least $25 million, and (iii) the existing commitments under such facility receive 0.50% most favored nation protection. An aggregate amount of up to $75 million of the Revolving Credit Facility is available for the issuance of letters of credit, and an aggregate amount of up to $50 million of such facility is also available for swing line loans. On January 13, 2021, the Company and Seagate HDD Cayman entered into an amendment to the Credit Agreement which increased the size of the Revolving Credit Facility to $1.725 billion and allows such facility to increase by an additional $275 million, subject to the same terms and conditions as stated above. The amendment also reduced the indebtedness guaranteed by certain of Seagate HDD Cayman's material subsidiaries to an amount $100 million less than the amount that would give rise to a guarantee requirement by such subsidiaries in respect of any series of senior notes.

On September 17, 2019, Seagate HDD Cayman borrowed the $500 million principal amount under the Term Loan and the proceeds were used to repurchase a portion of its outstanding senior notes. The Term Loan is repayable in quarterly installments of 1.25% of the original principal amount beginning on December 31, 2020, with the remaining balance payable upon maturity. The Company repaid $6 million principal amount of the Term Loan during the three and six months ended January 1, 2021.

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

As of January 1, 2021, no borrowings were drawn and no letters of credit or swing line loans had been utilized under the Revolving Credit Facility.

Other Long-Term Debt

$750 million Aggregate Principal Amount of 4.25% Senior Notes due March, 2022 (the "2022 Notes"). The interest on the 2022 Notes is payable semi-annually on March 1 and September 1 of each year. The issuer under the 2022 Notes is Seagate HDD Cayman, and the obligations under the 2022 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STX. During the six months ended January 1, 2021, $9 million aggregate principal amount of the 2022 Notes was repurchased for cash at a premium to their principal amount, plus accrued and unpaid interest. During the six months ended January 3, 2020, $250 million aggregate principal amount was repurchased pursuant to cash tender offers for certain senior notes ("the Tender Offers"). The Company recorded an immaterial loss and a loss of $10 million, respectively, on repurchases during the six months ended January 1, 2021 and January 3, 2020, which is included in Other, net in the Company's Condensed Consolidated Statements of Operations.

$1 billion Aggregate Principal Amount of 4.75% Senior Notes due June, 2023 (the "2023 Notes"). The interest on the 2023 Notes is payable semi-annually on June 1 and December 1 of each year. The issuer under the 2023 Notes is Seagate HDD Cayman, and the obligations under the 2023 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STX. During the six months ended January 1, 2021, $5 million aggregate principal amount of the 2023 Notes was repurchased for cash at a premium to their principal amount, plus accrued and unpaid interest. During the six months ended January 3, 2020, $200 million aggregate principal amount was repurchased pursuant to the Tender Offers. The Company recorded a loss of $1 million and $10 million, respectively, on repurchases during the six months ended January 1, 2021 and January 3, 2020, which is included in Other, net in the Company's Condensed Consolidated Statements of Operations.

$500 million Aggregate Principal Amount of 4.875% Senior Notes due March, 2024 (the "2024 Notes"). The interest on the 2024 Notes is payable semi-annually on March 1 and September 1 of each year. The issuer under the 2024 Notes is Seagate HDD Cayman, and the obligations under the 2024 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STX.

$1 billion Aggregate Principal Amount of 4.75% Senior Notes due January, 2025 (the "2025 Notes"). The interest on the 2025 Notes is payable semi-annually on January 1 and July 1 of each year. The issuer under the 2025 Notes is Seagate HDD Cayman, and the obligations under the 2025 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STX. During the six months ended January 3, 2020, $170 million aggregate principal amount was repurchased pursuant to the Tender Offers. The Company recorded a loss of $8 million on repurchases during the six months ended January 3, 2020, which is included in Other, net in the Company's Condensed Consolidated Statements of Operations.

$700 million Aggregate Principal Amount of 4.875% Senior Notes due June, 2027 (the "2027 Notes"). The interest on the 2027 Notes is payable semi-annually on June 1 and December 1 of each year. The issuer under the 2027 Notes is Seagate HDD Cayman, and the obligations under the 2027 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STX.

$500 million Aggregate Principal Amount of 4.091% Senior Notes due June, 2029 (the "June 2029 Notes"). The interest on the June 2029 Notes is payable semi-annually on June 1 and December 1 of each year. The issuer under the June 2029 Notes is Seagate HDD Cayman, and the obligations under the June 2029 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STX.

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

$500 million Aggregate Principal Amount of 4.125% Senior Notes due January, 2031 (the "January 2031 Notes"). The interest on the January 2031 Notes is payable semi-annually on January 15 and July 15 of each year. The issuer under the January 2031 Notes is Seagate HDD Cayman, and the obligations under the January 2031 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STX.

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

$500 million Aggregate Principal Amount of 5.75% Senior Notes due December, 2034 (the "2034 Notes"). The interest on the 2034 Notes is payable semi-annually on June 1 and December 1 of each year. The issuer under the 2034 Notes is Seagate HDD Cayman, and the obligations under the 2034 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by STX.

At January 1, 2021, future principal payments on long-term debt were as follows (in millions):

Fiscal Year	Amount
Remainder of 2021	$ 13
2022	245
2023	566
2024	525
2025	504
Thereafter	3,376
Total	$ 5,229

4. Income Taxes

The Company recorded income tax provisions of $11 million and $9 million in the three and six months ended January 1, 2021, respectively. The discrete items in the income tax provision were not material for the three months ended January 1, 2021. The income tax provision for the six months ended January 1, 2021 included approximately $11 million of net discrete tax benefit, primarily associated with net excess tax benefits related to share-based compensation expense and postponement of the previously enacted United Kingdom ("U.K.") tax rate change in the September 2020 quarter.

The Company's income tax provision recorded for the three and six months ended January 1, 2021 differed from the provision for income taxes that would be derived by applying the Irish statutory rate of 25% to income before income taxes, primarily due to the net effect of tax benefits related to (i) non-Irish earnings generated in jurisdictions that are subject to tax incentive programs and are considered indefinitely reinvested outside of Ireland and (ii) current year generation of research credits.

During the six months ended January 1, 2021, the Company's unrecognized tax benefits excluding interest and penalties increased by approximately $1 million to $90 million, substantially all of which would impact the effective tax rate, if recognized, subject to certain future valuation allowance reversals. During the twelve months beginning January 2, 2021, the Company expects that its unrecognized tax benefits could be reduced by an immaterial amount, as a result of the expiration of certain statutes of limitation.

The Company recorded income tax provisions of $18 million and $16 million in the three and six months ended January 3, 2020, respectively. The discrete items in the income tax provision were not material for the three months ended January 3, 2020. The income tax provision for the six months ended January 3, 2020 included approximately $10 million of net discrete tax benefits, primarily associated with net excess tax benefits related to share-based compensation expense.

The Company's income tax provision recorded for the three and six months ended January 3, 2020 differed from the provision for income taxes that would be derived by applying the Irish statutory rate of 25% to income before income taxes, primarily due to the net effect of tax benefits related to (i) non-Irish earnings generated in jurisdictions that are subject to tax incentive programs and are considered indefinitely reinvested outside of Ireland and (ii) current year generation of research credits.

5. Leases

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

The Company's lease arrangements comprise operating leases with various expiration dates through 2082. The lease term includes the non-cancelable period of the lease, adjusted for options to extend or terminate the lease when it is reasonably certain that an option will be exercised.

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

(Dollars in millions)	For the Three Months Ended		For the Six Months Ended	
	January 1, 2021	January 3, 2020	January 1, 2021	January 3, 2020
Operating lease cost	$ 4	$ 5	$ 7	$ 11
Variable lease cost	1	1	2	2
Total lease cost	$ 5	$ 6	$ 9	$ 13
Operating cash outflows from operating leases	$ 5	$ 5	$ 9	$ 9

	January 1, 2021	July 3, 2020
Weighted-average remaining lease term	12.6 years	13.2 years
Weighted-average discount rate	6.21 %	6.53 %

Right-of-use ("ROU") assets and lease liabilities are included on the Company's Condensed Consolidated Balance Sheets as follows:

(Dollars in millions)	Balance Sheet Location	January 1, 2021	July 3, 2020
ROU assets	Other assets, net	$ 105	$ 103
Current lease liabilities	Accrued expenses	$ 17	$ 14
Non-current lease liabilities	Other non-current liabilities	$ 52	$ 49

At January 1, 2021, future lease payments included in the measurement of lease liabilities were as follows (in millions):

Fiscal Year	Amount
Remainder of 2021	$ 9
2022	16
2023	12
2024	8
2025	5
Thereafter	104
Total lease payments	154
Less: imputed interest	(85)
Present value of lease liabilities	$ 69

6. Restructuring and Exit Costs

For the three and six months ended January 1, 2021, the Company recorded restructuring charges of $2 million and $3 million, respectively. The Company's restructuring plans are comprised primarily of charges related to workforce reduction costs and facilities and other exit costs. All restructuring charges are reported in Restructuring and other, net on the Company's Condensed Consolidated Statements of Operations.

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

The following tables summarize the Company's restructuring activities under the Company's restructuring plans:

(Dollars in millions)	June 2020 Plan		Other Plans		
	Workforce Reduction Costs	Facilities and Other Exit Costs	Workforce Reduction Costs	Facilities and Other Exit Costs	Total
Accrual balances at July 3, 2020	$ 38	$ 2	$ 5	$ 3	$ 48
Restructuring charges	—	—	3	—	3
Cash payments	(36)	(1)	(6)	—	(43)
Adjustments	—	—	—	—	—
Accrual balances at January 1, 2021	$ 2	$ 1	$ 2	$ 3	$ 8
Total costs incurred to date as of January 1, 2021	$ 56	$ 2	$ 19	$ 28	$ 105
Total expected charges to be incurred as of January 1, 2021	$ —	$ 6	$ —	$ —	$ 6

(Dollars in millions)	Restructuring Plans		
	Workforce Reduction Costs	Facilities and Other Exit Costs	Total
Accrual balances at June 28, 2019	$ 13	$ 17	$ 30
Lease adoption adjustment	—	(11)	(11)
Restructuring charges	20	1	21
Cash payments	(15)	(3)	(18)
Adjustments	(4)	—	(4)
Accrual balances at January 3, 2020	$ 14	$ 4	$ 18

7. Derivative Financial Instruments

The Company is exposed to foreign currency exchange rate, interest rate, and to a lesser extent, equity market risks relating to its ongoing business operations. From time to time, the Company enters into cash flow hedges in the form of foreign currency forward exchange contracts in order to manage the foreign currency exchange rate risk on forecasted expenses and investments denominated in foreign currencies.

In the quarter ended October 4, 2019, the Company entered into certain interest rate swap agreements with a notional amount of $500 million to convert the variable interest rate on its Term Loan to fixed interest rates. The contracts will mature on September 16, 2025. The notional amount of the interest rate swap agreements was $494 million as of January 1, 2021. The objective of the interest rate swap agreements is to eliminate the variability of interest payment cash flows associated with the variable interest rate under the Term Loan. The Company designated the interest rate swaps as cash flow hedges.

The Company's accounting policies for these instruments are based on whether the instruments are classified as designated or non-designated hedging instruments. The Company records all derivatives on its Condensed Consolidated Balance Sheets at fair value. The changes in the fair value of highly effective designated cash flow hedges are recorded in Accumulated other comprehensive loss until the hedged item is recognized in earnings. Derivatives that are not designated as hedging instruments or are not assessed to be highly effective are adjusted to fair value through earnings. The amount of net unrealized loss on cash flow hedges was $10 million and $24 million as of January 1, 2021 and as of July 3, 2020, respectively. As of January 1, 2021, the amount of existing net losses related to cash flow hedges recorded in Accumulated other comprehensive loss included a net gain of $7 million that is expected to be reclassified to earnings within twelve months.

The Company de-designates its cash flow hedges when the forecasted hedged transactions affect earnings or it is probable the forecasted hedged transactions will not occur in the initially identified time period. At such time, the associated gains and losses deferred in Accumulated other comprehensive loss on the Company's Condensed Consolidated Balance Sheets are reclassified into earnings and any subsequent changes in the fair value of such derivative instruments are immediately reflected in earnings. The Company recognized a net gain of $4 million in Cost of revenue related to the loss of hedge designation on discontinued cash flow hedges during the three and six months ended January 1, 2021. The Company recognized a net loss of $2 million and $4 million in Other, net related to the loss of hedge designation on discontinued cash flow hedges during the three and six months ended January 1, 2021, respectively. The Company recognized a net loss of $1 million in Other, net related to the loss of hedge designation on discontinued cash flow hedges during the three and six months ended January 3, 2020.

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

The following tables show the total notional value of the Company's outstanding foreign currency forward exchange contracts as of January 1, 2021 and July 3, 2020. All foreign currency forward exchange contracts mature within 12 months.

	As of January 1, 2021	
(Dollars in millions)	Contracts Designated as Hedges	Contracts Not Designated as Hedges
Singapore Dollar	$ 118	$ 54
Thai Baht	93	45
Chinese Renminbi	43	19
British Pound Sterling	45	16
	$ 299	$ 134

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

The Company is subject to equity market risks due to changes in the fair value of the notional investments selected by its employees as part of its non-qualified deferred compensation plan: the Seagate Deferred Compensation Plan (the "SDCP"). In fiscal year 2014, the Company entered into a Total Return Swap ("TRS") in order to manage the equity market risks associated with the SDCP's liabilities. The Company pays a floating rate, based on LIBOR plus an interest rate spread, on the notional amount of the TRS. The TRS is designed to substantially offset changes in the SDCP's liabilities due to changes in the value of the investment options made by employees. As of January 1, 2021, the notional investments underlying the TRS amounted to $118 million and the contract term was through January 2021, settled on a monthly basis, limiting counterparty performance risk. As of January 26, 2021, the contract term of the TRS was extended through January 2022. The Company did not designate the TRS as a hedge, rather, the Company records all changes in the fair value of the TRS to earnings to offset the market value changes of the SDCP's liabilities.

The following tables show the Company's derivative instruments measured at gross fair value as reflected in the Condensed Consolidated Balance Sheets as of January 1, 2021 and July 3, 2020:

	As of January 1, 2021			
	Derivative Assets		Derivative Liabilities	
(Dollars in millions)	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives designated as hedging instruments:				
Foreign currency forward exchange contracts	Other current assets	$ 14	Accrued expenses	$ —
Interest rate swap	Other current assets	—	Accrued expenses	(24)
Derivatives not designated as hedging instruments:				
Foreign currency forward exchange contracts	Other current assets	8	Accrued expenses	—
Total return swap	Other current assets	1	Accrued expenses	—
Total derivatives		$ 23		$ (24)

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

The following tables show the effect of the Company's derivative instruments on the Condensed Consolidated Statements of Comprehensive Income and the Condensed Consolidated Statements of Operations for the three and six months ended January 1, 2021:

(Dollars in millions)		Amount of Gain/(Loss) Recognized in Income on Derivatives	
Derivatives Not Designated as Hedging Instruments	Location of Gain/(Loss) Recognized in Income on Derivatives	For the Three Months	For the Six Months
Foreign currency forward exchange contracts	Other, net	$ 6	$ 14
Total return swap	Operating expenses	11	16

(Dollars in millions)	Amount of Gain/(Loss) Recognized in OCI on Derivatives (Effective Portion)		Location of Gain/(Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of Gain/(Loss) Reclassified from Accumulated OCI into Income (Effective Portion)		Location of Gain/(Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Amount of Gain/(Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)	
Derivatives Designated as Hedging Instruments	For the Three Months	For the Six Months		For the Three Months	For the Six Months		For the Three Months	For the Six Months
Foreign currency forward exchange contracts	$ 11	$ 15	Cost of revenue	$ 4	$ 4	Other, net	$ 1	$ 1
Interest rate swap	1	1	Other, net	(2)	(4)	Other, net	—	—

The following tables show the effect of the Company's derivative instruments on the Condensed Consolidated Statements of Comprehensive Income and the Condensed Consolidated Statements of Operations for the three and six months ended January 3, 2020:

(Dollars in millions)		Amount of Gain/(Loss) Recognized in Income on Derivatives	
Derivatives Not Designated as Hedging Instruments	Location of Gain/(Loss) Recognized in Income on Derivatives	For the Three Months	For the Six Months
Foreign currency forward exchange contracts	Other, net	$ 1	$ (2)
Interest rate swap	Operating expenses	$ 7	$ 7

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

8. Fair Value

Measurement of Fair Value

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

Fair Value Hierarchy

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

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

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

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

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

Items Measured at Fair Value on a Recurring Basis

The following tables present the Company's assets and liabilities, by financial instrument type and balance sheet line item, that are measured at fair value on a recurring basis, excluding accrued interest components, as of January 1, 2021:

	Fair Value Measurements at Reporting Date Using			
(Dollars in millions)	**Quoted Prices in Active Markets for Identical Instruments (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total Balance**
Assets:				
Money market funds	$ 992	$ —	$ —	$ 992
Time deposits and certificates of deposit	—	51	—	51
Total cash equivalents	992	51	—	1,043
Restricted cash and investments:				
Money market funds	—	—	—	—
Time deposits and certificates of deposit	—	5	—	5
Other debt securities	—	—	18	18
Derivative assets	—	23	—	23
Total assets	$ 992	$ 79	$ 18	$ 1,089
Liabilities:				
Derivative liabilities	$ —	$ 24	$ —	$ 24
Total liabilities	$ —	$ 24	$ —	$ 24

	Fair Value Measurements at Reporting Date Using			
(Dollars in millions)	**Quoted Prices in Active Markets for Identical Instruments (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total Balance**
Assets:				
Cash and cash equivalents	$ 992	$ 51	$ —	$ 1,043
Other current assets	—	28	—	28
Other assets, net	—	—	18	18
Total assets	$ 992	$ 79	$ 18	$ 1,089
Liabilities:				
Accrued expenses	$ —	$ 24	$ —	$ 24
Total liabilities	$ —	$ 24	$ —	$ 24

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

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

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

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

The Company classifies items in Level 2 if the financial asset or liability is valued using observable inputs. The Company uses observable inputs including quoted prices in active markets for similar assets or liabilities. Level 2 assets include: agency bonds, corporate bonds, commercial paper, municipal bonds, U.S. Treasuries, time deposits and certificates of deposit. These debt investments are priced using observable inputs and valuation models which vary by asset class. The Company uses a pricing service to assist in determining the fair value of all of its cash equivalents. For the cash equivalents in the Company's portfolio, multiple pricing sources are generally available. The pricing service uses inputs from multiple industry-standard data providers or other third-party sources and various methodologies, such as weighting and models, to determine the appropriate price at the measurement date. The Company corroborates the prices obtained from the pricing service against other independent sources and, as of January 1, 2021, has not found it necessary to make any adjustments to the prices obtained. The Company's derivative financial instruments are also classified within Level 2. The Company's derivative financial instruments consist of foreign currency forward exchange contracts, interest rate swaps and the TRS. The Company recognizes derivative financial instruments in its condensed consolidated financial statements at fair value. The Company determines the fair value of these instruments by considering the estimated amount it would pay or receive to terminate these agreements at the reporting date.

Items Measured at Fair Value on a Non-Recurring Basis

From time to time, the Company enters into certain strategic investments for the promotion of business and strategic objectives. These strategic investments primarily include cost basis investments representing those where the Company does not have the ability to exercise significant influence. These investments are included in Other assets, net on the Company's Condensed Consolidated Balance Sheets, and are periodically analyzed to determine whether or not there are indicators of impairment.

As of January 1, 2021 and July 3, 2020, the carrying value of the Company's strategic investments was $150 million and $135 million, respectively. The Company's strategic investments are recorded at fair value only if an impairment or observable price change is recognized in the current period. If an observable price change or impairment is recognized on the Company's strategic investments during the period, the Company classifies these assets as Level 3 within the fair value hierarchy based on the nature of the fair value inputs. For the three and six months ended January 1, 2021, the Company recorded downward adjustments of $7 million to write down the carrying amount of certain investments to their fair value, which are included in Other, net in the Company's Condensed Consolidated Statement of Operations. For the three months ended January 1, 2021, there were no upward adjustments for strategic investments. For the six months ended January 1, 2021, the Company recorded an upward adjustment of $23 million due to an observable price change of a strategic investment, which is included in Other, net in the Company's Condensed Consolidated Statement of Operations. For the three and six months ended January 3, 2020, the Company recorded a downward adjustment of $1 million in order to write down the carrying amount of an investment to its fair value. For the three and six months ended January 3, 2020, there were no upward adjustments for strategic investments.

Other Fair Value Disclosures

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

	January 1, 2021		July 3, 2020	
(Dollars in millions)	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
4.250% Senior Notes due March 2022	$ 220	$ 227	$ 229	$ 237
4.750% Senior Notes due June 2023	540	584	546	576
4.875% Senior Notes due March 2024	499	544	498	541
4.750% Senior Notes due January 2025	479	522	479	517
4.875% Senior Notes due June 2027	504	569	504	549
4.091% Senior Notes due June 2029	459	536	456	523
3.125% Senior Notes due July 2029	500	500	—	—
4.125% Senior Notes due January 2031	499	535	499	524
3.375% Senior Notes due July 2031	500	502	—	—
5.750% Senior Notes due December 2034	489	578	489	543
LIBOR Based Term Loan due September 2025	494	482	500	490
	5,183	5,579	4,200	4,500
Less: debt issuance costs	(38)	—	(25)	—
Debt, net of debt issuance costs	5,145	5,579	4,175	4,500
Less: current portion of debt, net of debt issuance costs	(25)	(24)	(19)	(19)
Long-term debt, less current portion, net of debt issuance costs	$ 5,120	$ 5,555	$ 4,156	$ 4,481

9. Equity

Share Capital

The Company's authorized share capital is $13,500 and consists of 1,250,000,000 ordinary shares, par value $0.00001, of which 239,750,208 shares were outstanding as of January 1, 2021, and 100,000,000 preferred shares, par value $0.00001, of which none were issued or outstanding as of January 1, 2021.

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

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

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

Repurchases of Equity Securities

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

On October 21, 2020, the Company's Board of Directors increased the authorization for the repurchase of its outstanding ordinary shares by $3.0 billion. As of January 1, 2021, $3.2 billion remained available for repurchase under the existing repurchase authorization limit.

The following table sets forth information with respect to repurchases of ordinary shares during the six months ended January 1, 2021:

(In millions)	Number of Shares Repurchased	Dollar Value of Shares Repurchased
Repurchases of ordinary shares	19	$ 1,068
Tax withholding related to vesting of equity awards	1	32
Total	20	$ 1,100

10. Revenue

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

	For the Three Months Ended		For the Six Months Ended	
(Dollars in millions)	January 1, 2021	January 3, 2020	January 1, 2021	January 3, 2020
Revenues by Channel				
Original equipment manufacturers	$ 1,741	$ 1,843	$ 3,349	$ 3,663
Distributors	475	463	842	924
Retailers	407	390	746	687
Total	$ 2,623	$ 2,696	$ 4,937	$ 5,274
Revenues by Geography [1]				
Asia Pacific	$ 1,306	$ 1,377	$ 2,412	$ 2,655
Americas	838	761	1,643	1,596
EMEA	479	558	882	1,023
Total	$ 2,623	$ 2,696	$ 4,937	$ 5,274

[1] Revenue is attributed to countries based on bill from locations.

11. Guarantees

Indemnifications of Officers and Directors

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

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

Indemnification Obligations

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

Product Warranty

The Company estimates probable product warranty costs at the time revenue is recognized. The Company generally warrants its products for a period of 1 to 5 years. The Company uses estimated repair or replacement costs and uses statistical modeling to estimate product warranty return rates in order to determine its warranty obligation. Changes in the Company's product warranty liability during the six months ended January 1, 2021 and January 3, 2020 were as follows:

	For the Six Months Ended	
(Dollars in millions)	January 1, 2021	January 3, 2020
Balance, beginning of period	$ 151	$ 195
Warranties issued	37	46
Repairs and replacements	(42)	(44)
Changes in liability for pre-existing warranties, including expirations	(9)	(28)
Balance, end of period	$ 137	$ 169

12. Earnings Per Share

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

	For the Three Months Ended		For the Six Months Ended	
(In millions, except per share data)	January 1, 2021	January 3, 2020	January 1, 2021	January 3, 2020
Numerator:				
Net income	$ 280	$ 318	$ 503	$ 518
Number of shares used in per share calculations:				
Total shares for purposes of calculating basic net income per share	249	262	253	264
Weighted-average effect of dilutive securities:				
Employee equity award plans	2	3	2	4
Total shares for purpose of calculating diluted net income per share	251	265	255	268
Net income per share:				
Basic	$ 1.12	$ 1.21	$ 1.99	$ 1.96
Diluted	1.12	1.20	1.97	1.93

The anti-dilutive shares related to employee equity award plans that were excluded from the computation of diluted net income per share were not material for the three and six months ended January 1, 2021 and January 3, 2020.

13. Legal, Environmental and Other Contingencies

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

Litigation

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

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

Lambeth Magnetic Structures LLC v. Seagate Technology (US) Holdings, Inc., et al. On April 29, 2016, Lambeth Magnetic Structures LLC filed a complaint against Seagate Technology (US) Holdings, Inc. and Seagate Technology LLC in the U.S. District Court for the Western District of Pennsylvania, alleging infringement of U.S. Patent No. 7,128,988, "Magnetic Material Structures, Devices and Methods." The Company believes the claims asserted in the complaint are without merit and intends to vigorously defend this case. The court issued its claim construction ruling on October 18, 2017. The trial is scheduled to begin on June 21, 2021. While the possible range of loss for this matter remains uncertain, the Company estimates the amount of loss to be immaterial to the financial statements.

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

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

Environmental Matters

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

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

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

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

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

Other Matters

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

14. Subsequent Events

Dividend Declared

On January 21, 2021, the Company's Board of Directors declared a quarterly cash dividend of $0.67 per share, which will be payable on April 7, 2021 to shareholders of record as of the close of business on March 24, 2021.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of the financial condition, changes in financial condition and results of operations for our fiscal quarters ended January 1, 2021, October 2, 2020 and January 3, 2020, referred to herein as the "December 2020 quarter," the "September 2020 quarter," and the "December 2019 quarter," respectively. We operate and report financial results on a fiscal year of 52 or 53 weeks ending on the Friday closest to June 30. The December 2020 quarter, the September 2020 quarter and the December 2019 quarter were each 13 weeks.

You should read this discussion in conjunction with financial information and related notes included elsewhere in this report. Unless the context indicates otherwise, as used herein, the terms "we," "us," "Seagate," the "Company" and "our" refer collectively to Seagate Technology plc, an Irish public limited company, and its subsidiaries. References to "$" or "dollars" are to United States dollars.

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical fact. Forward-looking statements contained in this Quarterly Report on Form 10-Q include, among other things, statements about our plans, strategies and prospects; market demand for our products; shifts in technology; estimates of industry growth; effects of the economic conditions worldwide resulting from the COVID-19 pandemic; our ability to effectively manage our cash liquidity position and debt obligations, and comply with the covenants in our credit facilities; our restructuring efforts; the sufficiency of our sources of cash to meet cash needs for the next 12 months; our expectations regarding capital expenditures; and projected cost savings for the fiscal year ending July 2, 2021. Forward-looking statements generally can be identified by words such as "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "projects," "may," "will," "will continue," "can," "could," or negative of these words, variations of these words and comparable terminology. These forward-looking statements are based on information available to the Company as of the date of this Quarterly Report on Form 10-Q and are based on management's current views and assumptions. These forward-looking statements are conditioned upon and involve a number of known and unknown risks, uncertainties and other factors that could cause actual results, performance or events to differ materially from those anticipated by these forward-looking statements. Such risks, uncertainties and other factors may be beyond our control and may pose a risk to our operating and financial condition. Such risks and uncertainties include, but are not limited to:

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

Information concerning these and other risks, uncertainties and factors, among others, that could cause results to differ materially from our expectations are described in this Quarterly Report on Form 10-Q and in "Item 1A. Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended July 3, 2020, which we encourage you to carefully read. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date on which they were made and we undertake no obligation to update forward-looking statements except as required by law.

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

- *Overview of the December 2020 quarter.* Highlights of events in the December 2020 quarter that impacted our financial position.
- *Results of Operations.* Analysis of our financial results comparing the December 2020 quarter to the September 2020 quarter and the December 2019 quarter.
- *Liquidity and Capital Resources.* An analysis of changes in our balance sheet and cash flows, and discussion of our financial condition including potential sources of liquidity.
- *Critical Accounting Policies.* Accounting policies and estimates that we believe are important to understanding the assumptions and judgments incorporated in our reported financial results.

For an overview of our business, see "Part I, Item 1. Financial Statements—Note 1. Basis of Presentation and Summary of Significant Accounting Policies —*Organization*".

Overview of the December 2020 quarter

During the December 2020 quarter, we shipped 129 exabytes of HDD storage capacity. We generated revenue of approximately $2.6 billion and gross margin of 27% and our operating cash flow was $473 million. We issued $1 billion of new senior notes, repurchased approximately 18 million of our ordinary shares for $1 billion and paid $167 million in dividends.

Impact of COVID-19

The COVID-19 pandemic has resulted in a widespread health crisis and numerous disease control measures are being taken to limit its spread, the effects of which began during our quarter ended April 3, 2020. We continued to incur certain supply chain and demand disruptions during the December 2020 quarter, as well as higher logistics and operational costs, factory under-utilization and softer demand across certain markets due to the COVID-19 pandemic, which we expect to continue during fiscal year 2021. Our customers also continued to experience certain supply chain and demand disruptions during the December 2020 quarter, which we anticipate will continue during fiscal year 2021. We are continuing to actively monitor the effects and potential impacts of the COVID-19 pandemic on all aspects of our business, liquidity and capital resources. We are complying with governmental rules and guidelines across all of our sites and are actively working on opportunities to lower our cost structure and drive further operational efficiencies. Although we are unable to predict the impact of COVID-19 on our business, results of operations, liquidity or capital resources at this time, we expect we will be negatively affected if the pandemic and related public and private health measures result in substantial manufacturing or supply chain problems, substantial reductions in demand due to disruptions in the operations of our customers or partners, disruptions in local and global economies, volatility in the global financial markets, sustained reductions or volatility in overall demand trends, restrictions on the export or shipment of our products, or other ramifications from the COVID-19 pandemic. For a further discussion of the uncertainties and business risks associated with the COVID-19 pandemic, see the section entitled "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended July 3, 2020.

Results of Operations

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

(Dollars in millions)	For the Three Months Ended			For the Six Months Ended	
	January 1, 2021	October 2, 2020	January 3, 2020	January 1, 2021	January 3, 2020
Revenue	$ 2,623	$ 2,314	$ 2,696	$ 4,937	$ 5,274
Cost of revenue	1,927	1,718	1,938	3,645	3,845
Gross profit	696	596	758	1,292	1,429
Product development	221	223	250	444	505
Marketing and administrative	122	118	120	240	242
Amortization of intangibles	3	3	4	6	8
Restructuring and other, net	2	1	—	3	17
Income from operations	348	251	384	599	657
Other expense, net	(57)	(30)	(48)	(87)	(123)
Income before income taxes	291	221	336	512	534
Provision (benefit) for income taxes	11	(2)	18	9	16
Net income	$ 280	$ 223	$ 318	$ 503	$ 518

	For the Three Months Ended			For the Six Months Ended	
	January 1, 2021	October 2, 2020	January 3, 2020	January 1, 2021	January 3, 2020
Revenue	100 %	100 %	100 %	100 %	100 %
Cost of revenue	73	74	72	74	73
Gross profit	27	26	28	26	27
Product development	9	10	9	9	10
Marketing and administrative	5	5	4	5	5
Amortization of intangibles	—	—	—	—	—
Restructuring and other, net	—	—	—	—	—
Income from operations	13	11	15	12	12
Other expense, net	(2)	(1)	(2)	(2)	(2)
Income before income taxes	11	10	13	10	10
Provision (benefit) for income taxes	—	—	1	—	—
Net income	11 %	10 %	12 %	10 %	10 %

Revenue

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

	For the Three Months Ended			For the Six Months Ended	
	January 1, 2021	October 2, 2020	January 3, 2020	January 1, 2021	January 3, 2020
Revenues by Channel (%)					
Original equipment manufacturers	66 %	69 %	68 %	68 %	69 %
Distributors	18 %	16 %	17 %	17 %	18 %
Retailers	16 %	15 %	15 %	15 %	13 %
Revenues by Geography (%)					
Asia Pacific	50 %	48 %	51 %	49 %	50 %
Americas	32 %	35 %	28 %	33 %	30 %
EMEA	18 %	17 %	21 %	18 %	20 %
Revenues by Market (%)					
Mass capacity	58 %	58 %	49 %	58 %	48 %
Legacy	35 %	34 %	43 %	34 %	44 %
Other	7 %	8 %	8 %	8 %	8 %
HDD Exabytes Shipped by Market					
Mass capacity	97	86	71	183	135
Legacy	32	28	36	60	70
Total	129	114	107	243	205
HDD Price per Terabyte	$ 19	$ 19	$ 23	$ 19	$ 24

Revenue in the December 2020 quarter increased by $309 million from the September 2020 quarter primarily due to an increase in exabytes shipped, driven by improved market conditions and seasonality.

Revenue in the December 2020 quarter decreased by $73 million from the December 2019 quarter primarily due to price erosion, a decrease in legacy market exabytes shipped and lower demand as a result of the COVID-19 pandemic, partially offset by an increase in mass capacity storage exabytes shipped.

Revenue for the six months ended January 1, 2021 decreased by $337 million from the six months ended January 3, 2020 primarily as a result of price erosion, a decrease in legacy market exabytes shipped and lower demand as a result of the COVID-19 pandemic, partially offset by an increase in mass capacity storage exabytes shipped.

We maintain various sales incentive programs such as channel and original equipment manufacturers rebates. Sales incentive programs were approximately 15% of gross revenue for the December 2020 quarter, 15% for the September 2020 quarter and 12% for the December 2019 quarter. Adjustments to revenues due to under or over accruals for sales incentive programs related to revenues reported in prior quarterly periods were less than 1% of quarterly gross revenue in all periods presented.

Cost of Revenue and Gross Margin

	For the Three Months Ended			For the Six Months Ended	
(Dollars in millions)	January 1, 2021	October 2, 2020	January 3, 2020	January 1, 2021	January 3, 2020
Cost of revenue	$ 1,927	$ 1,718	$ 1,938	$ 3,645	$ 3,845
Gross profit	696	596	758	1,292	1,429
Gross margin	27 %	26 %	28 %	26 %	27 %

Gross margin for the December 2020 quarter increased compared to the September 2020 quarter primarily due to improved product mix.

Gross margin for the December 2020 quarter decreased compared to the December 2019 quarter primarily driven by price erosion and higher logistics costs as a result of the COVID-19 pandemic, partially offset by improved product mix.

Gross margin for the six months ended January 1, 2021 decreased compared to the six months ended January 3, 2020 primarily driven by price erosion and higher logistics costs as a result of the COVID-19 pandemic, partially offset by improved product mix.

In the December 2020 quarter, total warranty cost was 0.6% of revenue and included a favorable change in estimates of prior warranty accruals of 0.1% of revenue primarily due to lower repair costs and a decrease in the number of drives under warranty. Warranty cost related to new shipments was 0.7%, 0.8% and 0.8% of revenue for the December 2020 quarter, September 2020 quarter and December 2019 quarter, respectively.

Operating Expenses

	For the Three Months Ended			For the Six Months Ended	
(Dollars in millions)	**January 1, 2021**	**October 2, 2020**	**January 3, 2020**	**January 1, 2021**	**January 3, 2020**
Product development	$ 221	$ 223	$ 250	$ 444	$ 505
Marketing and administrative	122	118	120	240	242
Amortization of intangibles	3	3	4	6	8
Restructuring and other, net	2	1	—	3	17
Operating expenses	$ 348	$ 345	$ 374	$ 693	$ 772

Product development expense. Product development expense for the December 2020 quarter decreased by $2 million compared to the September 2020 quarter primarily due to a $5 million decrease in compensation and other employee benefits, partially offset by a $4 million increase in variable compensation expense.

Product development expense decreased by $29 million in the December 2020 quarter compared to the December 2019 quarter primarily due to an $18 million decrease in compensation and other employee benefits from the reduction in headcount as a result of our June 2020 restructuring plan, a $4 million decrease in travel expenses mainly as a result of disruptions related to COVID-19, and a $3 million decrease in materials expense, partially offset by a $4 million increase in variable compensation expense.

Product development expense decreased by $61 million for the six months ended January 1, 2021 compared to the six months ended January 3, 2020 primarily due to a $36 million decrease in compensation and other employee benefits from the reduction in headcount as a result of our June 2020 restructuring plan and the additional fourteenth week in the quarter ended October 4, 2019, a $7 million decrease in travel expenses mainly as a result of the disruptions related to COVID-19, a $6 million decrease in information technology costs, a $3 million decrease in equipment expense, a $3 million decrease in materials expense, and a $2 million decrease in software expense, partially offset by a $6 million increase in variable compensation expense.

Marketing and administrative expense. Marketing and administrative expense increased by $4 million for the December 2020 quarter compared to the September 2020 quarter primarily due to a $3 million increase in outside services expense and a $2 million increase in variable compensation expense.

Marketing and administrative expense increased by $2 million in the December 2020 quarter compared to the December 2019 quarter primarily due to a $13 million increase in information technology costs, partially offset by a $4 million decrease in equipment expense, a $4 million decrease in compensation and other employee benefits and a $3 million decrease in travel expenses mainly as a result of disruptions related to COVID-19.

Marketing and administrative expense decreased by $2 million for the six months ended January 1, 2021 compared to the six months ended January 3, 2020 primarily due to a $9 million decrease in travel expenses mainly as a result of disruptions related to COVID-19, a $7 million decrease in compensation and other employee benefits from the additional fourteenth week in the quarter ended October 4, 2019, a $7 million decrease in equipment expense, and a $6 million decrease in depreciation expense, primarily offset by a $23 million increase in information technology costs and a $4 million increase in variable compensation expense.

Amortization of intangibles. Amortization of intangibles for the December 2020 quarter remained flat compared to the September 2020 quarter.

Amortization of intangibles for the three and six months ended January 1, 2021 decreased by $1 million and $2 million, respectively, compared to the three and six months ended January 3, 2020, due to certain intangible assets that reached the end of their useful lives.

Restructuring and other, net. Restructuring and other, net for the three and six months ended January 1, 2021 was not material.

Restructuring and other, net for the six months ended January 3, 2020 was comprised of charges primarily related to a voluntary early exit program.

Other Expense, Net

	For the Three Months Ended			For the Six Months Ended	
(Dollars in millions)	January 1, 2021	October 2, 2020	January 3, 2020	January 1, 2021	January 3, 2020
Other expense, net	$ (57)	$ (30)	$ (48)	$ (87)	$ (123)

Other expense, net. Other expense, net for the December 2020 quarter increased by $27 million from the September 2020 quarter primarily due to $31 million of strategic investment gains in the September 2020 quarter, of which $23 million is an upward adjustment and $8 million is a gain upon sale of an investment and a $7 million impairment charge in the December 2020 quarter, partially offset by an $11 million decrease in foreign exchange remeasurement expense in the December 2020 quarter.

Other expense, net for the December 2020 quarter increased by $9 million compared to the December 2019 quarter primarily due to a $14 million increase in interest expense from the issuance of long-term debt in the December 2020 quarter and the September 2020 quarter and a $7 million impairment charge in the December 2020 quarter, partially offset by an $11 million decrease in interest expense due to the repurchase of certain long-term debt.

Other expense, net for the six months ended January 1, 2021 decreased by $36 million compared to the six months ended January 3, 2020 primarily due to $31 million of strategic investment gains in the September 2020 quarter, of which $23 million is an upward adjustment and $8 million is a gain upon sale of an investment, a $31 million decrease in interest expense due to the repurchase of certain long-term debt, a $28 million non-recurring loss from the repurchase and exchange of certain long-term debt in the quarter ended October 4, 2019 and a $12 million increase in gains on de-designated cash flow hedges. The decrease was partially offset by a $26 million increase in interest expense from the issuance of long-term debt in the December 2020 quarter and the September 2020 quarter, a $14 million increase in foreign exchange remeasurement expense, a $13 million decrease in interest income primarily due to a decline in interest rates and a $7 million impairment charge in the December 2020 quarter.

Income Taxes

	For the Three Months Ended			For the Six Months Ended	
(Dollars in millions)	January 1, 2021	October 2, 2020	January 3, 2020	January 1, 2021	January 3, 2020
Provision (benefit) for income taxes	$ 11	$ (2)	$ 18	$ 9	$ 16

We recorded income tax provisions of $11 million and $9 million in the three and six months ended January 1, 2021, respectively. The discrete items in the income tax provision were not material for the three months ended January 1, 2021. The income tax provision for the six months ended January 1, 2021 included approximately $11 million of net discrete tax benefits, primarily associated with net excess tax benefits related to share-based compensation expense and postponement of the previously enacted United Kingdom ("U.K.") tax rate change in the September 2020 quarter.

Our income tax provision recorded for the three and six months ended January 1, 2021 differed from the provision for income taxes that would be derived by applying the Irish statutory rate of 25% to income before income taxes, primarily due to the net effect of tax benefits related to (i) non-Irish earnings generated in jurisdictions that are subject to tax incentive programs and are considered indefinitely reinvested outside of Ireland and (ii) current year generation of research credits.

During the six months ended January 1, 2021, our unrecognized tax benefits excluding interest and penalties increased by approximately $1 million to $90 million, substantially all of which would impact the effective tax rate, if recognized, subject to certain future valuation allowance reversals. During the twelve months beginning January 2, 2021, we expect that our unrecognized tax benefits could be reduced by an immaterial amount, as a result of the expiration of certain statutes of limitation.

We recorded income tax provisions of $18 million and $16 million in the three and six months ended January 3, 2020. The discrete items in the income tax provision were not material for the three months ended January 3, 2020. The income tax provision for the six months ended January 3, 2020 included approximately $10 million of net discrete tax benefits, primarily associated with net excess tax benefits related to share-based compensation expense.

Our income tax provision recorded for the three and six months ended January 3, 2020 differed from the provision for income taxes that would be derived by applying the Irish statutory rate of 25% to income before income taxes, primarily due to the net effect of tax benefits related to (i) non-Irish earnings generated in jurisdictions that are subject to tax incentive programs and are considered indefinitely reinvested outside of Ireland and (ii) current year generation of research credits.

Liquidity and Capital Resources

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

We are not aware of any downgrades, losses or other significant deterioration in the fair value of our cash equivalents from the values reported as of January 1, 2021.

Cash and Cash Equivalents

(Dollars in millions)	January 1, 2021	July 3, 2020	Change
Cash and cash equivalents	$ 1,799	$ 1,722	$ 77

Our cash and cash equivalents as of January 1, 2021 increased by $77 million from July 3, 2020 primarily as a result of net proceeds of $986 million from the issuance of long-term debt and net cash of $770 million provided by operating activities, partially offset by the repurchases of our ordinary shares of $1 billion, dividends paid to our shareholders of $334 million, and payments for capital expenditures of $270 million.

Cash Provided by Operating Activities

Cash provided by operating activities for the six months ended January 1, 2021 was $770 million and includes the effects of net income adjusted for non-cash items including depreciation, amortization, share-based compensation and:

- a decrease of $315 million in accounts receivable, primarily due to linearity of sales in the December 2020 quarter and a decrease in revenue;
- partially offset by an increase of $176 million in inventories, primarily due to timing of shipments and an increase in materials purchased, including strategic purchases;
- a decrease of $75 million in accounts payable, primarily due to lower operating expenses and timing of payments; and
- a decrease of $40 million in accrued restructuring, primarily due to severance payments to impacted employees.

Cash Used in Investing Activities

Cash used in investing activities for the six months ended January 1, 2021 was $263 million, primarily attributable to the following activities:

- payments for the purchase of property, equipment and leasehold improvements of $270 million; and
- payments for the purchase of investments of $4 million;
- offset by proceeds from the sale of investments of $11 million.

Cash Used in Financing Activities

Cash used in financing activities of $430 million for the six months ended January 1, 2021 was primarily attributable to the following activities:

- payments for the repurchase of our ordinary shares of $1 billion;
- payments for dividends of $334 million;
- payments for taxes related to net share settlement of equity awards of $32 million; and
- payments for the repurchase of long-term debt of $21 million;
- partially offset by net proceeds from the issuance of long-term debt of $986 million; and
- proceeds from the issuance of ordinary shares under employee share plans of $40 million.

Liquidity Sources, Cash Requirements and Commitments

Our primary sources of liquidity as of January 1, 2021 consisted of: (1) approximately $1.8 billion in cash and cash equivalents, (2) cash we expect to generate from operations, and (3) subject to compliance with certain requirements under our control, up to $1.5 billion available for borrowing under our Revolving Credit Facility. On January 13, 2021, we entered into an amendment to the Revolving Credit Facility which increased the amount available for borrowing to $1.725 billion.

As of January 1, 2021, no borrowings had been drawn and no borrowings had been utilized for letters of credit or swing line loans issued under the Revolving Credit Facility. The Revolving Credit Facility is available for borrowings, subject to compliance with financial covenants and other customary conditions to borrowing.

The Credit Agreement includes three financial covenants: (1) interest coverage ratio, (2) total leverage ratio, and (3) a minimum liquidity amount. The term of the Revolving Credit Facility is through February 20, 2024, and the maturity date of the Term Loan is September 16, 2025. We were in compliance with the covenants as of January 1, 2021 and expect to be in compliance for the next 12 months.

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

For fiscal year 2021, we expect capital expenditures to be at or below our long-term targeted range of 6% to 8% of revenue. We require substantial amounts of cash to fund any increased working capital requirements, future capital expenditures, scheduled payments of principal and interest on our indebtedness and payments of dividends. We may raise additional capital from time to time and will continue to evaluate and manage the retirement and replacement of existing debt and associated obligations, including evaluating the issuance of new debt securities, exchanging existing debt securities for other debt securities and retiring debt pursuant to privately negotiated transactions, open market purchases, tender offers or other means. In addition, we may selectively pursue strategic alliances, acquisitions, joint ventures and investments, which may require additional capital.

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

During the December 2020 quarter, our Board of Directors declared dividends of $0.67 per share, totaling $161 million, which were paid on January 6, 2021. On January 21, 2021, our Board of Directors declared a quarterly cash dividend of $0.67 per share, payable on April 7, 2021 to shareholders of record at the close of business on March 24, 2021.

From time to time, at the Company's discretion, we may repurchase any of our outstanding ordinary shares through private, open market, or broker assisted purchases, tender offers, or other means, including through the use of derivative transactions. On October 21, 2020, our Board of Directors increased the authorization for the repurchase of our outstanding ordinary shares by $3.0 billion. As of January 1, 2021, $3.2 billion remained available for repurchases under our existing repurchase authorization. We may limit or terminate the repurchase program at any time. All repurchases are effected as redemptions in accordance with our Constitution.

Critical Accounting Policies

Our discussion and analysis of financial condition and results of operations are based upon our condensed consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of such statements requires us to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities as of the date of the financial statements. Our estimates are based on historical experience and other assumptions that we consider to be appropriate in the circumstances. However, actual future results may vary from our estimates.

Other than as described in "Part I, Item 1. Financial Statements—Note 1. Basis of Presentation and Summary of Significant Accounting Policies", there have been no other material changes in our critical accounting policies and estimates. Refer to "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended July 3, 2020, as filed with the SEC on August 7, 2020, for a discussion of our critical accounting policies and estimates.

Recent Accounting Pronouncements

See "Part I, Item 1. Financial Statements—Note 1. Basis of Presentation and Summary of Significant Accounting Policies" for information regarding the effect of new accounting pronouncements on our financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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

Interest Rate Risk. Our exposure to market risk for changes in interest rates relates primarily to our cash investment portfolio. As of January 1, 2021, we had no available-for-sale debt securities that had been in a continuous unrealized loss position for a period greater than 12 months. We determined no impairment related to credit losses for available-for-sale debt securities as of January 1, 2021.

In the quarter ended October 4, 2019, we entered into certain interest rate swap agreements with a notional amount of $500 million to convert the variable interest rate on the Term Loan to fixed interest rates. The contracts were effective as of October 4, 2019 and will mature on September 16, 2025. The notional amount of the interest rate swap agreements was $494 million as of January 1, 2021. The objective of the interest rate swap agreements is to eliminate the variability of interest payment cash flows associated with the variable interest rate on the Term Loan. The Company designated the interest rate swaps as cash flow hedges.

We have fixed rate and variable rate debt obligations. We enter into debt obligations for general corporate purposes including capital expenditures and working capital needs. Our Term Loan bears interest at a variable rate equal to LIBOR plus a variable margin set on December 17, 2020. At this time, we have not identified any material exposure associated with the phase out of LIBOR by the end of 2021.

The table below presents principal amounts and related fixed or weighted-average interest rates by year of maturity for our investment portfolio and debt obligations as of January 1, 2021.

(Dollars in millions, except percentages)	Fiscal Years Ended 2021	2022	2023	2024	2025	Thereafter	Total	Fair Value at January 1, 2021
Assets								
Money market funds, time deposits and certificates of deposit								
Floating rate	$ 1,048	$ —	$ —	$ —	$ —	$ —	$ 1,048	$ 1,048
Average interest rate	0.11 %						0.11 %	
Other debt securities								
Fixed rate	$ 10	$ —	$ —	$ —	$ —	$ 8	$ 18	$ 18
Fixed interest rate	5.00 %						5.00 %	
Debt								
Fixed rate	$ —	$ 220	$ 541	$ 500	$ 479	$ 2,995	$ 4,735	$ 5,097
Average interest rate		4.25 %	4.75 %	4.88 %	4.75 %	4.22 %	4.40 %	
Variable rate	$ 13	$ 25	$ 25	$ 25	$ 25	$ 381	$ 494	$ 482
Average interest rate	3.29 %	3.29 %	3.29 %	3.29 %	3.29 %	3.29 %	3.29 %	

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

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

We recognized a net gain of $4 million in Cost of revenue related to the loss of hedge designation on discontinued cash flow hedges and a net gain of $1 million in Other, net related to derivatives not designated as hedging instruments or amounts excluded from effectiveness testing during the three and six months ended January 1, 2021. We recognized a net loss of $2 million and $4 million in Other, net related to the loss of hedge designation on discontinued cash flow hedges during the three and six months ended January 1, 2021, respectively.

The table below provides information as of January 1, 2021 about our foreign currency forward exchange contracts. The table is provided in dollar equivalent amounts and presents the notional amounts (at the contract exchange rates) and the weighted-average contractual foreign currency exchange rates.

(Dollars in millions, except weighted-average contract rate)	Notional Amount	Weighted-Average Contract Rate	Estimated Fair Value[1]
Foreign currency forward exchange contracts:			
Singapore Dollar	$ 172	$ 1.38	$ 7
Thai Baht	138	$ 31.09	5
Chinese Renminbi	62	$ 7.06	5
British Pound Sterling	61	$ 0.79	5
Total	$ 433		$ 22

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

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

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

We are subject to equity market risks due to changes in the fair value of the notional investments selected by our employees as part of our SDCP. The SDCP is a successor plan to the prior Seagate Deferred Compensation Plans, as amended from time to time, under which no additional deferrals may be made after December 31, 2014. In fiscal year 2014, we entered into a TRS in order to manage the equity market risks associated with the SDCP liabilities. We pay a floating rate, based on LIBOR plus an interest rate spread, on the notional amount of the TRS. The TRS is designed to substantially offset changes in the SDCP liabilities due to changes in the value of the investment options made by employees. See "Part I, Item 1. Financial Statements—Note 7. Derivative Financial Instruments" of this Quarterly Report on Form 10-Q.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by the Exchange Act Rule 13a-15, we carried out an evaluation under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Based on the evaluation, our management, including our chief executive officer and chief financial officer, concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are effective as of January 1, 2021.

Changes in Internal Control over Financial Reporting

During the quarter ended January 1, 2021, there were no changes in our internal control over financial reporting that have materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

PART II
OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a discussion of legal proceedings, see "Part I, Item 1. Financial Statements—Note 13. Legal, Environmental and Other Contingencies" of this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS

There have been no material changes to the description of the risk factors associated with our business previously disclosed in "Risk Factors" in Part I, Item 1A. in our Annual Report on Form 10-K for the fiscal year ended July 3, 2020. In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in our Annual Report on Form 10-K as they could materially affect our business, financial condition and future results.

The Risk Factors are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition or operating results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Repurchase of Equity Securities

All repurchases of our outstanding ordinary shares are effected as redemptions in accordance with our Constitution.

On October 21, 2020, our Board of Directors increased the authorization for the repurchase of our outstanding ordinary shares by $3.0 billion. As of January 1, 2021, $3.2 billion remained available for repurchases under the existing repurchase authorization. There is no expiration date on this authorization. The timing of purchases will depend upon prevailing market conditions, alternative uses of capital, distributable reserves and other factors. We may limit or terminate the repurchase program at any time.

The following table sets forth information with respect to all repurchases of our ordinary shares made during the fiscal quarter ended January 1, 2021, including statutory tax withholdings related to vesting of employee equity awards (in millions, except average price paid per share):

Period	Total Number of Shares Repurchased[1]	Average Price Paid Per Share[1]	Total Number of Shares Repurchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs[1]
October 3, 2020 through October 30, 2020	2	$ 49.44	2	$ 4,074
October 31, 2020 through November 27, 2020	11	53.30	11	3,503
November 28, 2020 through January 1, 2021	5	61.72	5	3,204
Total	18		18	

[1] Repurchase of shares including tax withholdings.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Constitution of Seagate Technology public limited company as amended and restated by Special Resolution dated October 19, 2016.	8-K	001-31560	3.1	10/24/2016	
3.2	Certificate of Incorporation of Seagate Technology plc.	10-K	001-31560	3.2	8/20/2010	
4.1	Indenture for the July 2029 Notes, dated as of December 8, 2020, among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor, and Wells Fargo Bank, National Association, as Trustee.	8-K	001-31560	4.1	12/9/2020	
4.2	Form of 3.125% Senior Note due 2029.	8-K	001-31560	4.1	12/9/2020	
4.3	Registration Rights Agreement for the July 2029 Notes, dated as of December 8, 2020, among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC	8-K	001-31560	4.3	12/9/2020	
4.4	Indenture for the July 2031 Notes, dated as of December 8, 2020, among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor, and Wells Fargo Bank, National Association, as Trustee.	8-K	001-31560	4.4	12/9/2020	
4.5	Form of 3.375% Senior Note due 2031.	8-K	001-31560	4.4	12/9/2020	
4.6	Registration Rights Agreement for the July 2031 Notes, dated as of December 8, 2020, among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. LLC.	8-K	001-31560	4.6	12/9/2020	
10.1+	Seagate Technology plc Amended and Restated Employee Stock Purchase Plan (as of December 2020)					X
10.2+	Fifth Amendment to the 2015 Seagate Deferred Compensation Plan					X
10.3+	Seventh Amendment to the 2009 Seagate Deferred Compensation Plan					X
10.4	Third Amendment, dated as of January 13, 2021 to the Credit Agreement dated as of February 20, 2019					X
10.5	First Amendment, dated as of January 13, 2021 to the U.S. Guarantee Agreement dated as of February 20, 2019					X
31.1	Certification of the Chief Executive Officer pursuant to rules 13a-14(a) and 15d-14 (a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of the Chief Financial Officer pursuant to rules 13a-14(a) and 15d-14 (a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1†	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act.					X
101.INS	Inline XBRL Instance Document.					
101.SCH	Inline XBRL Taxonomy Extension Schema Document.					
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.					
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.					

Exhibit No.	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.					
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase.					
104	Inline XBRL Cover page and contained in Exhibit 101.					

+ Management contract or compensatory plan or arrangement.

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

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY

DATE: January 28, 2021

BY: /s/ Gianluca Romano
Gianluca Romano
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY
AMENDED AND RESTATED EMPLOYEE STOCK PURCHASE PLAN

1. PURPOSE

The purpose of this Plan is to provide an opportunity for Employees of Seagate Technology plc, an Irish company and its Designated Subsidiaries to purchase Ordinary Shares and thereby to have an additional incentive to contribute to the prosperity of the Corporation. It is the intention of the Corporation that the Plan qualify as an "Employee Stock Purchase Plan" under Section 423 of the Code and the Plan shall be administered in accordance with this intent (the "**423 Plan**"). In addition, the Plan authorizes the grant of options pursuant to sub-plans or special rules adopted by the Committee designed to achieve desired tax or other objectives in particular locations outside of the United States (together such sub-plans and special rules are referred to herein as "**Non-423 Sub-Plans**"), which Non-423 Sub-plans shall not be required to comply with the requirements of Section 423 of the Code or all of the specific provisions of the Plan, including but not limited to terms relating to eligibility, Offering Periods, Purchase Periods or Purchase Price.

2. DEFINITIONS

2.1 **"Applicable Law"** shall mean the legal requirements relating to the administration of an employee stock purchase plan under applicable Irish corporate laws, U.S. federal and applicable state laws (including the Code) and any stock exchange rules or regulations and the applicable laws governing the grant of options and the issuance of shares under an employee stock purchase plan in any country or jurisdiction where the Plan will be offered, as such laws, rules, regulations and requirements shall be in place from time to time.

2.2 **"Beneficial Owner**" means the definition given in Rule 13d-3 promulgated under the Exchange Act.

2.3 **"Board"** shall mean the Board of Directors of the Corporation.

2.4 **"Change of Control"** shall mean the consummation or effectiveness of any of the following events:

(i) The sale, exchange, lease or other disposition of all or substantially all of the assets of the Corporation to a person or group of related persons, as such terms are defined or described in Sections 3(a)(9) and 13(d)(3) of the Exchange Act;

(ii) A merger, reorganization, recapitalization, consolidation or other similar transaction involving the Corporation in which the voting securities of the Corporation owned by the shareholders of the Corporation immediately prior to such transaction do not represent more than fifty percent (50%) of the total voting power of the surviving controlling entity outstanding immediately after such transaction;

(iii) Any person or group of related persons, as such terms are defined or described in Sections 3(a)(9) and 13(d)(3) of the Exchange Act, is or becomes the Beneficial Owner, directly or indirectly, of more than 50% of the total voting power of the voting securities of the Corporation (including by way of merger, takeover (including an acquisition by means of a scheme of arrangement), consolidation or otherwise); or

(iv) During any period of two (2) consecutive years, individuals who at the beginning of such period constituted the Board (together with any new directors whose election by such Board or whose nomination for election by the shareholders of the Corporation was approved by a vote of a majority of the directors of the Corporation then still in office, who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board then in office.

Notwithstanding the foregoing, a restructuring of the Corporation for the purpose of changing the domicile of the Corporation (including, but not limited to, any change in the structure of the Corporation resulting from the process of moving its domicile between jurisdictions), reincorporation of the Corporation or other similar transaction involving the Corporation (a "**Restructuring Transaction**") will not constitute a Change of Control if, immediately after the Restructuring Transaction, the shareholders of the Corporation immediately prior to such Restructuring Transaction represent, directly or indirectly, more than fifty percent (50%) of the total voting power of the surviving entity.

2.5 **"Code"** shall mean the U.S. Internal Revenue Code of 1986, as amended. Any reference herein to a section of the Code or United States Treasury Regulation thereunder shall include a reference to any successor or amended section of the Code or Treasury Regulations.

2.6 **"Committee"** shall mean the committee appointed by the Board in accordance with Section 15 of the Plan.

2.7 **"Companies Act"** shall mean the Companies Act 2014 of Ireland.

2.8 **"Compensation"** shall mean an Employee's base cash compensation and commissions, but shall exclude such items as allowances, differentials, bonuses or premiums such as those for working shifts or overtime, payments for incentive compensation, incentive payments, bonuses, income from the exercise, vesting and/or the sale, exchange or other disposition of a compensatory share award granted to the Employee by the Corporation or a Designated Subsidiary, and other forms of extraordinary compensation. The Committee shall have the authority to determine and approve all forms of pay to be included in the definition of Compensation and may change the definition on a prospective basis.

2.9 **"Corporation"** shall mean Seagate Technology plc, a public company incorporated under the laws of the Republic of Ireland with limited liability under registered number 480010, or any successor thereto.

2.10 **"Designated Subsidiary"** shall mean a Subsidiary that has been designated by the Committee in its sole discretion as eligible to participate in the Plan with respect to its Employees.

2.11 **"Effective Date"** shall mean the date on which the registration statement on Form S-1 filed with the U.S. Securities and Exchange Commission pursuant to Rule 424 under the Securities Act for the initial public offering of Seagate Technology common stock (the "**Registration Statement**") became effective.

2.12 **"Employee"** shall mean an individual classified as an employee (within the meaning of Code Section 3401(c) and the regulations thereunder) by the Corporation or a Designated Subsidiary on the Corporation's or such Designated Subsidiary's payroll records. Individuals classified as independent contractors, consultants, advisers, or members of the Board or the board of directors of a Designated Subsidiary are not considered "Employees" by virtue of such station.

2.13 **"Exchange Act"** shall mean the U.S. Securities Exchange Act of 1934, as amended.

2.14 **"Fair Market Value"** shall mean, as of any date of determination (i.e., an Offering Date or Purchase Date, as appropriate), the value of a Share determined as follows: (i) if the Ordinary Shares are listed on any established stock exchange (including the New York Stock Exchange) or traded on the NASDAQ Global Select Market, the Fair Market Value of a Share shall be the closing per-share sales price of such Shares as reported on such date on the Composite Tape of the principal national securities exchange on which such Shares are listed or admitted to trading or, if no Composite Tape exists for such national securities exchange on such date, then on the principal national securities exchange on which such Shares are listed or admitted to trading; or (ii) if the Shares are not listed or admitted to trading on a national securities exchange, then the Fair Market Value of a Share shall be determined in good faith by the Board, and, to the extent appropriate, based on the application of a reasonable valuation method.

2.15 **"Offering Date"** shall mean the first Trading Day of an Offering Period under the Plan.

2.16 **"Offering Period"** shall mean a period during which options to purchase Ordinary Shares may be granted pursuant to the Plan and may be purchased on one or more Purchase Dates. The duration and timing of Offering Periods may be changed or modified by the Committee from time to time in accordance with Section 4.3.

2.17 **"Offering Price"** shall mean the Fair Market Value of a Share on the Offering Date of an Offering Period.

2.18 **"Officer"** shall mean a person who is an officer of the Corporation within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

2.19 **"Ordinary Share"** or **"Share"** means an ordinary share of the Corporation, nominal value US$0.00001.

2.20 **"Participant"** shall mean a participant in the Plan as described in Section 5 of the Plan.

2.21 **"Plan"** shall mean this Employee Stock Purchase Plan, as amended and restated.

2.22 **"Purchase Date"** shall mean the last Trading Day of each Purchase Period.

2.23 **"Purchase Period"** shall mean one or more periods within an Offering Period as may be specified by the Committee in accordance with Section 4.3.

2.24 **"Purchase Price"** shall have the meaning set out in Section 8.2.

2.25 **"Securities Act"** shall mean the U.S. Securities Act of 1933, as amended.

2.26 **"Shareowner"** shall mean a record holder of Ordinary Shares entitled to vote such Shares under the Corporation's by-laws.

2.27 **"Subsidiary"** shall mean any entity treated as a corporation (other than the Corporation) in an unbroken chain of corporations beginning with the Corporation, within the meaning of Code Section 424(f), whether or not such corporation now exists or is hereafter organized or acquired by the Corporation or a Subsidiary, which is also a subsidiary within the meaning of Section 155 of the Companies Act.

2.28 **"Trading Day"** shall mean a day on which U.S. national stock exchanges and the national market system are open for trading and the Ordinary Shares are being publicly traded on one or more of such exchanges or markets.

3. ELIGIBILITY

3.1 Any individual who is an Employee on an Offering Date shall be eligible to participate in the Plan with respect to the Offering Period commencing on such Offering Date. The Committee may establish administrative rules requiring that an individual be an Employee for some minimum period (not to exceed 30 days) prior to an Offering Date to be eligible to participate with respect to the Offering Period beginning on that Offering Date.

3.2 The Committee may determine that a designated group of highly compensated Employees is ineligible to participate in the Plan so long as the excluded category fits within the definition of "highly compensated employee" in Code Section 414(q).

3.3 No Employee may participate in the Plan if immediately after an option is granted the Employee owns or is considered to own (within the meaning of Code Section 424(d))

Ordinary Shares, including Shares which the Employee may purchase by conversion of convertible securities or under outstanding options granted by the Corporation, possessing five percent (5%) or more of the total combined voting power or value of all classes of securities of the Corporation or of any of its Subsidiaries.

3.4 Employees who are citizens or residents of a non-U.S. jurisdiction (without regard to whether they also are citizens or residents of the United States or resident aliens within the meaning of Section 7701(b)(1)(A) of the Code) may be excluded from participation in the Plan if the participation of such Employees is prohibited under the laws of the applicable jurisdiction or if complying with the laws of the applicable jurisdiction would cause the Plan to violate Code Section 423 (or to the extent permitted under Code Section 423). In the case of any Non-423 Sub-Plan adopted pursuant to Section 16, Employees may be excluded from participation in the Plan if the Committee has determined that participation of such Employees is not advisable or practicable.

3.5 All Employees who participate in the Plan or in any separate offering thereunder shall have the same rights and privileges under the Plan or offering, except for differences that may be mandated by Applicable Law and that are consistent with Code Section 423(b)(5); provided that individuals participating in a Non-423 Sub-Plan adopted pursuant to Section 16 need not have the same rights and privileges as Employees participating in the 423 Plan.

3.6 Employees may not participate in more than one Offering Period at a time.

4. OFFERING PERIODS AND PURCHASE PERIODS

4.1 Offering Periods. With respect to Offering Periods commencing on or after February 1, 2006, the Plan shall generally be implemented by a series of six (6) month Offering Periods with new Offering Periods commencing on the first Trading Day on or after February 1 and August 1 and ending on the last Trading Day in the six-month periods ending on the next July 31 and January 31, respectively, or on such other date as the Committee shall determine, and continuing thereafter until the Plan is terminated pursuant to Section 14 hereof. The Committee shall have the authority to change the frequency and/or duration of Offering Periods (including the commencement dates thereof) in accordance with Section 4.3.

4.2 Purchase Periods. With respect to Offering Periods commencing on or after February 1, 2006, each Offering Period shall generally consist of one Purchase Period that runs concurrently with the Offering Period. The last Trading Day of each Purchase Period shall be the "Purchase Date" for such Purchase Period. Subsequent Purchase Periods, if any, shall run consecutively after the termination of the preceding Purchase Period. The Committee shall have the power to change the duration and/or frequency of Purchase Periods with respect to future purchases in accordance with Section 4.3.

4.3 Changes to Offering Periods and Purchase Periods. The Committee will have the authority to establish additional or alternative sequential or overlapping Offering Periods than specified under Section 4.1, a different number of Purchase Periods within an Offering Period than specified under Section 4.2, a different duration for one or more Offering Periods or Purchase Periods or different commencement or ending dates for such

Offering Periods with respect to future offerings without shareholder approval if such change is announced at least five (5) days prior to the scheduled beginning of the first Offering Period to be affected thereafter, provided, however, that no Offering Period may have a duration exceeding twenty-seven (27) months. In addition, to the extent that the Committee establishes overlapping Offering Periods with more than one Purchase Period in each Offering Period, the Committee will have discretion to structure an Offering Period so that if the Fair Market Value of the Ordinary Shares on any Purchase Date within an Offering Period is less than or equal to the Fair Market Value of the Ordinary Shares on the first Trading Day of that Offering Period, then (i) that Offering Period will terminate immediately as of that first Trading Day, and (ii) the Participants in such terminated Offering Period will be automatically enrolled in a new Offering Period beginning on the first Trading Day of such new Purchase Period.

4.4 Separate Offerings. Unless otherwise specified by the Committee, each offering of the Plan to Employees of the Corporation or a Designated Subsidiary shall be deemed a separate offering for purposes of Section 423 of the Code, even if the dates and other terms of the applicable Offering Periods of each such offering are identical, and the provisions of the Plan will separately apply to each such separate offering. With respect to the 423 Plan, the terms of separate offerings need not be identical provided that the terms of the Plan and each separate offering together satisfy Section 423 of the Code.

5. PARTICIPATION

5.1 An eligible Employee may authorize payroll deductions at the rate of any whole percentage of the Employee's Compensation, not to exceed ten percent (10%) (or such other percentage as the Committee may establish from time to time before an Offering Date) of such Employee's Compensation on each payday during the Offering Period. All payroll deductions will be held in a general corporate account or a trust account, unless otherwise required by Applicable Law. No interest shall be paid or credited to the Participant with respect to such payroll deductions, unless otherwise required by Applicable Law. The Corporation shall maintain a separate bookkeeping account for each Participant under the Plan and the amount of each Participant's payroll deductions shall be credited to such account. A Participant may not make any additional payments into such account, unless payroll deductions are prohibited under Applicable Law, in which case the provisions of Section 5.3 of the Plan shall apply.

5.2 Once an Employee becomes a Participant in an Offering Period, then such Participant will automatically participate in each subsequent Offering Period commencing immediately following the last day of such prior Offering Period at the same contribution level unless the Participant withdraws from the Offering Period as set forth in Section 5.4 below or otherwise changes his or her rate of contribution as set forth in Section 5.5 below. A Participant that is automatically enrolled in a subsequent Offering Period pursuant to this Section 5.2 is (i) not required to file any additional enrollment form in order to continue participation in the Plan and (ii) will be deemed to have accepted the terms and conditions of the Plan, any Non-423 Sub-Plan and enrollment form in effect at the time each subsequent Offering Period begins, subject to Participant's right to withdraw from the Plan in accordance with the withdrawal procedures in effect at the time.

5.3 Notwithstanding any other provisions of the Plan to the contrary, in locations where Applicable Law prohibits payroll deductions, an eligible Employee may elect to participate through contributions to his or her account under the Plan in a form acceptable to the Committee. In such event, any such Employees shall be deemed to be participating in a Non-423 Sub-Plan, unless the Committee otherwise expressly provides that such Employees shall be treated as participating in the Plan or a separate offering thereunder.

5.4 Under procedures and at times established by the Committee, a Participant may withdraw from the Plan during a Purchase Period, by completing and filing a new payroll deduction authorization and Plan enrollment form with the Corporation or by following electronic or other procedures prescribed by the Committee. If a Participant withdraws from the Plan during a Purchase Period, his or her accumulated payroll deductions will be refunded to the Participant without interest (unless payment of interest is required by Applicable Law), his or her right to participate in the current Offering Period will be automatically terminated and no further payroll deductions for the purchase of Ordinary Shares will be made during the Offering Period. The Committee may establish rules pertaining to the timing of withdrawals, limiting the frequency with which Participants may withdraw and re-enroll in the Plan and may impose a waiting period on Participants wishing to re-enroll following withdrawal.

5.5 A Participant may change his or her rate of contribution through payroll deductions only during an open enrollment period or such other times specified by the Committee by filing a new payroll deduction authorization and Plan enrollment form or by following electronic or other procedures prescribed by the Committee. If a Participant has not followed such procedures to change the rate of contribution, the rate of contribution shall continue at the originally elected rate throughout the Purchase Period and future Purchase Periods (including Purchase Periods of subsequent Offering Periods). Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code, the Committee may reduce a Participant’s payroll deductions to zero percent (0%) at any time during a Purchase Period scheduled to end during the current calendar year. Payroll deductions shall re-commence at the rate provided in such Participant’s enrollment form at the beginning of the first Purchase Period which is scheduled to end in the following calendar year, unless terminated by the Participant as provided in Section 5.4.

6. TERMINATION OF EMPLOYMENT; CHANGES IN EMPLOYMENT

6.1 Termination. In the event any Participant terminates employment with the Corporation and its Designated Subsidiaries for any reason (including death) prior to the expiration of a Purchase Period, the Participant's participation in the Plan shall terminate and all amounts credited to the Participant's account shall be paid to the Participant or, in the case of death, to the Participant's heirs or estate, without interest. Whether a termination of employment has occurred shall be determined by the Committee. Notwithstanding the foregoing, if a Participant's termination of employment occurs within a certain period of time as specified by the Committee (not to exceed 30 days) prior to the Purchase Date of the Purchase Period then in progress, his or her option for the purchase of Ordinary Shares will be exercised on such Purchase Date in accordance with Section 9 as if such Participant were still employed by the Corporation or a Designated Subsidiary. Following the purchase of Shares on such Purchase Date, the Participant's participation in the Plan shall terminate and all remaining amounts credited to the Participant's account shall be paid to the Participant or, in the case of death, to the Participant's heirs or estate, without interest (unless payment of interest is required by Applicable Law).

6.2 Leaves of Absence. The Committee may also establish rules regarding when leaves of absence or changes of employment status will be considered to be a termination of employment, and the Committee may establish termination of employment procedures for this Plan that are independent of similar rules established under other benefit plans of the Corporation and its Subsidiaries, provided, however, that such procedures are not in conflict with the requirements of Section 423 of the Code.

6.3 Transfers. If a Participant transfers employment between the Corporation and a Designated Subsidiary participating in the 423 Plan (as set forth in Appendix A to the Plan) or between Designated Subsidiaries participating in the 423 Plan, his or her participation in the Plan shall continue unless and until otherwise terminated in accordance with the Plan. Similarly, if a Participant transfers employment between Designated Subsidiaries participating in a Non-423 Sub-Plan (as set forth in Appendix A to the Plan), his or her participation in the Plan shall continue unless and until otherwise terminated in accordance with the Plan.

If a Participant transfers employment from the Corporation or a Designated Subsidiary participating in the 423 Plan to a Designated Subsidiary participating in a Non-423 Sub-Plan, his or her participation in the Plan shall continue, provided, however, that such participation will be under the applicable Non-423 Sub-Plan as of the date of such transfer and all of the Participant's accumulated payroll deductions (whether taken while the Participant was employed by the Corporation or a Designated Subsidiary participating in the 423 Plan or while the Participant is employed by a Designated Subsidiary participating in a Non-423 Sub-Plan) shall be used to purchase Shares under the applicable Non-423 Sub-Plan, subject to the Participant's right to withdraw from the Plan in accordance with the withdrawal procedures in effect at such time.

If a Participant transfers employment from a Designated Subsidiary participating in a Non-423 Sub-Plan to the Corporation or a Designated Subsidiary participating in the 423

Plan, any accumulated payroll deductions taken while the Participant was employed by a Designated Subsidiary participating in a Non-423 Sub-Plan shall be used to purchase Shares under the applicable Non-423 Sub-Plan on the next Purchase Date following such transfer; however, no new payroll deductions shall be taken for the remainder of the Purchase Period in which the transfer occurs, and as of the next Offering Date following such transfer, the Participant shall participate in the 423 Plan and payroll deductions shall automatically resume and be used to purchase Shares under the 423 Plan, subject to the Participant's right to withdraw from the Plan in accordance with the withdrawal procedures in effect at such time.

Notwithstanding the foregoing provisions of this Section 6.3, the Committee may establish additional and/or different rules to govern transfers of employment among the Corporation and any Designated Subsidiary, consistent with any applicable requirements of Code Section 423 and the terms of the Plan.

7. SHARES

Subject to adjustment as set forth in Section 11, the maximum number of Ordinary Shares, which may be issued pursuant to the Plan shall be sixty million (60,000,000) Shares. Subject to adjustment as set forth in Section 11, the maximum number of Shares that may be granted collectively to all Participants within any given Purchase Period is one and one-half million (1,500,000) Shares, unless and until the Board determines otherwise with respect to a Purchase Period. If, on a given Purchase Date, the number of Shares with respect to which options are to be exercised exceeds either maximum, the Corporation shall make pro rata allocation of the Shares remaining available for purchase in as uniform a manner as shall be practicable and as it shall determine to be equitable. The Shares subject to the Plan may be unissued Shares or reacquired Shares, bought on the market or otherwise. For avoidance of doubt, up to the maximum number of Ordinary Shares reserved under this Section 7 may be used to satisfy purchases of Ordinary Shares under the 423 Plan and any remaining portion of such maximum number of Ordinary Shares may be used to satisfy purchases of Ordinary Shares under any Non-423 Sub-Plans.

8. OFFERING

8.1 On the Offering Date of each Offering Period, each eligible Employee participating in the Plan shall be granted an option to purchase that number of whole Shares, not to exceed one thousand (1,000) Shares (or such other number of Shares as determined by the Committee and subject to adjustment as set forth in Section 11), which may be purchased with the payroll deductions accumulated on behalf of such Employee during each Purchase Period at the purchase price specified in Section 8.2 below, subject to the additional limitation that no Employee participating in the Section 423 Plan shall be granted an option to purchase Shares under the Plan if such option would permit his or her rights to purchase Shares under all employee stock purchase plans (described in Section 423 of the Code) of the Corporation and its Subsidiaries to accrue at a rate which exceeds U.S. twenty-five thousand dollars (U.S. $25,000) of the Fair Market Value of such Shares (determined at the time such option is granted) for each calendar year in which such option is outstanding at any time. For purposes of the Plan, an option is "granted" on a Participant's Offering Date. An option will expire upon the earlier to occur of (i) the termination of a Participant's participation in the Plan or such Offering Period, (ii) the

grant of an option to such Participant on a subsequent Offering Date, or (iii) the termination of the Offering Period. This Section 8.1 shall be interpreted so as to comply with Code Section 423(b)(8).

8.2 The Purchase Price under each option shall be with respect to a Purchase Period the lower of (i) a percentage (not less than eighty-five percent (85%)) established by the Committee ("Designated Percentage") of the Offering Price, or (ii) the Designated Percentage of the Fair Market Value of a Share on the Purchase Date on which the Shares are purchased; provided that the Purchase Price may be adjusted by the Committee pursuant to Sections 11 or 12 in accordance with Section 424(a) of the Code. The Committee may change the Designated Percentage with respect to any future Offering Period, but not to below eighty-five percent (85%), and the Committee may determine with respect to any prospective Offering Period that the purchase price shall be the Designated Percentage of the Fair Market Value of a Share on the Purchase Date.

9. PURCHASE OF SHARES

Unless a Participant withdraws from the Plan as provided in Section 5.4 or except as provided in Sections 12 or 14 hereof, on the last Trading Day of each Purchase Period, a Participant's option shall be exercised automatically for the purchase of that number of whole Shares which the accumulated payroll deductions credited to the Participant's account at that time shall purchase at the applicable price specified in Section 8.2.

At the time the Shares are purchased or at the time some or all of the Shares issued under the Plan are disposed of (or at any other time that a taxable event related to the Plan occurs), the Participant must make adequate provision for any withholding obligation of the Corporation or a Designated Subsidiary with respect to federal, state, local and foreign income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to participation in the Plan and legally applicable to the Participant (including any amount deemed by the Committee, in its sole discretion, to be an appropriate charge to Participant even if legally applicable to the Corporation or the Participant's employer). At any time, the Corporation or the Participant's employer may withhold from the Participant's wages or other cash compensation the amount necessary for the Corporation or the Participant's employer to meet applicable withholding obligations, including any withholding required to make available to the Corporation or the Participant's employer any tax deductions or benefits attributable to the sale or early disposition of the Shares by the Participant. In addition or in the alternative, the Corporation or the Participant's employer may withhold from the proceeds of the sale of Shares or by any other method of withholding the Corporation or the Participant's employer deems appropriate.

10. PAYMENT AND DELIVERY

As soon as practicable after the exercise of an option, the Corporation shall deliver to the Participant a record of the Ordinary Shares purchased and the balance of any amount of payroll deductions credited to the Participant's account not used for the purchase, except as specified below. The Committee may permit or require that Shares be deposited directly with a broker designated by the Committee or to a designated agent of the Corporation, and the Committee may utilize electronic or automated methods of share transfer. The

Committee may require that Shares be retained with such broker or agent for a designated period of time and/or may establish other procedures to permit tracking of the disposition of such Shares. The Corporation shall retain the amount of payroll deductions used to purchase Shares as full payment for the Shares and the Shares shall then be fully paid and non-assessable. No Participant shall have any voting, dividend or other Shareowner rights with respect to Shares subject to any option granted under the Plan until the Shares subject to the option have been purchased and delivered to the Participant as provided in this Section 10. The Committee may in its discretion direct the Corporation to retain in a Participant's account for the subsequent Purchase Period or Offering Period any payroll deductions which are not sufficient to purchase a whole Share or return such amount to the Participant. Any other amounts that may be left over in a Participant's account after a Purchase Date shall be returned to the Participant.

11. RECAPITALIZATION

Subject to any required action by the Shareowners of the Corporation, if there is any change in the outstanding Ordinary Shares because of a merger, consolidation, spin-off, reincorporation, reorganization, recapitalization, dividend in property other than cash, share split, reverse share split, share dividend, liquidating dividend, extraordinary dividend or distribution, combination, exchange or reclassification of the Ordinary Shares (including any such change in the number of Shares effected in connection with a change in domicile of the Corporation), change in corporate structure or any other increase or decrease in the number of Ordinary Shares, or other transaction effected without receipt of consideration by the Corporation, provided that conversion of any convertible securities of the Corporation shall not be deemed to have been "effected without consideration," the number of securities covered by each option under the Plan which has not yet been exercised and the number of securities which have been authorized and remain available for issuance under the Plan, as well as the maximum number of securities which may be purchased by a single Participant and by all Participants in the aggregate in a given Purchase Period, and the price per share covered by each option under the Plan which has not yet been exercised, may be appropriately adjusted by the Board, and the Board shall take any further actions which, in the exercise of its discretion, may be necessary or appropriate under the circumstances. The Board's determinations under this Section 11 shall be conclusive and binding on all parties.

12. LIQUIDATION AND CHANGE OF CONTROL

12.1 In the event of the proposed liquidation or dissolution of the Corporation, the Offering Period will terminate immediately prior to the consummation of such proposed transaction, unless otherwise provided by the Board in its sole discretion, and all outstanding options shall automatically terminate and the amounts of all payroll deductions will be refunded without interest (unless payment of interest is required by Applicable Law) to the Participants.

12.2 In the event of a Change of Control, then in the sole discretion of the Board, (1) each option shall be assumed or an equivalent option shall be substituted by the successor corporation or parent or subsidiary of such successor entity, (2) a date established by the Board on or before the date of consummation of such Change of Control shall be treated as a Purchase Date, and all outstanding options shall be exercised on such date, (3) all

outstanding options shall terminate and the accumulated payroll deductions will be refunded without interest (unless payment of interest is required by Applicable Law) to the Participants, or (4) outstanding options shall continue unchanged.

13. TRANSFERABILITY

Neither payroll deductions credited to a Participant's bookkeeping account nor any rights to exercise an option or to receive Shares under the Plan may be voluntarily or involuntarily assigned, transferred, pledged, or otherwise disposed of in any way, and any attempted assignment, transfer, pledge, or other disposition shall be null and void and without effect. If a Participant in any manner attempts to transfer, assign or otherwise encumber his or her rights or interests under the Plan, other than as permitted by the Code, such act shall be treated as an election by the Participant to discontinue participation in the Plan pursuant to Section 5.4.

14. AMENDMENT OR TERMINATION OF THE PLAN

14.1 The Plan shall continue until terminated in accordance with Section 14.2.

14.2 The Board may, in its sole discretion, insofar as permitted by Applicable Law, terminate or suspend the Plan, or revise or amend it in any respect whatsoever, except that, without approval of the Shareowners, no such revision or amendment shall increase the number of Shares subject to the Plan, other than an adjustment under Section 11 of the Plan, or make other changes for which Shareowner approval is required under Applicable Law. Upon a termination or suspension of the Plan, the Board may in its discretion (i) return, without interest (unless payment of interest is required by Applicable Law), the payroll deductions credited to Participants' accounts to such Participants, or (ii) set an earlier Purchase Date with respect to an Offering Period and Purchase Period then in progress.

15. ADMINISTRATION

15.1 The Board or the Compensation Committee shall appoint a committee of one or more individuals to administer the Plan (the "**Committee**"), which, unless otherwise specified by the Board, shall consist of the members of the Corporation's Benefits Administrative Committee, as constituted from time to time in accordance with its charter, and generally made up of senior members of management from the Corporation's Finance and Human Resources functions. The Committee will serve for such period of time as the Board or the Compensation Committee of the Board may specify and whom the Board or the Compensation Committee of the Board may remove at any time. The Committee will have the authority and responsibility for the day-to-day administration of the Plan, the authority and responsibility specifically provided in this Plan and any additional duty, responsibility and authority delegated to the Committee by the Board or the Compensation Committee of the Board. The Committee shall have full power and authority to adopt, amend and rescind any rules and regulations which it deems desirable and appropriate for the proper administration of the Plan, to construe and interpret the provisions and supervise the administration of the Plan, to designate separate offerings under the Plan, to make factual determinations relevant to Plan entitlements and to take all action in connection with administration of the Plan as it deems necessary or advisable, consistent

with the delegation from the Board or the Compensation Committee of the Board. The Committee may delegate to one or more individuals the day-to-day administration of the Plan, to the extent permitted by Applicable Law. The Board, the Compensation Committee of the Board and the Committee reserve the right to administer the Plan, to the extent such right otherwise exists, regardless of any delegation of authority such body may have previously made. Decisions of the Board, the Compensation Committee of the Board and the Committee, as applicable, shall be final and binding upon all participants. The Corporation shall pay all expenses incurred in the administration of the Plan.

15.2 In addition to such other rights of indemnification as they may have as members of the Board or officers or employees of the Corporation and subject to section 200 of the Companies Act, members of the Board and of the Committee shall be indemnified by the Corporation against all reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any right granted under the Plan, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Corporation) or paid by them in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such person is liable for gross negligence, bad faith or intentional misconduct in duties; provided, however, that within sixty (60) days after the institution of such action, suit or proceeding, such person shall offer to the Corporation, in writing, the opportunity at its own expense to handle and defend the same.

16. COMMITTEE RULES FOR FOREIGN JURISDICTIONS

The Committee may adopt rules or procedures relating to the operation and administration of the Plan to accommodate the specific requirements of Applicable Laws and procedures. Without limiting the generality of the foregoing, the Committee is specifically authorized to adopt rules and procedures regarding handling of payroll deductions or other contributions by Participants, establishment of bank or trust accounts to hold payroll deductions or other contributions, payment of interest, conversion of local currency, payroll tax, withholding procedures and handling of share certificates which vary with local requirements; however, if such varying provisions are not in accordance with the provisions of Section 423(b) of the Code, including but not limited to the requirement of Section 423(b)(5) of the Code that all options granted under the Plan shall have the same rights and privileges unless otherwise provided under the Code, then the individuals affected by such varying provisions shall be deemed to be participating under a Non-423 Sub-Plan and not the 423 Plan. The Committee may adopt Non-423 Sub-Plans applicable to particular Subsidiaries or locations, the rules of which may take precedence over other provisions of this Plan, with the exception of Section 7, but unless otherwise superseded by the terms of such sub-plan, the provisions of this Plan shall govern the operation of such Non-423 Sub-Plan.

17. SECURITIES LAWS REQUIREMENTS

17.1 No option granted under the Plan may be exercised to any extent unless the Shares to be issued upon such exercise under the Plan are covered by an effective registration

statement pursuant to the Securities Act and the Plan is in material compliance with all applicable provisions of law, domestic or foreign, including, without limitation, the Securities Act, the Exchange Act, the rules and regulations promulgated thereunder, applicable state and foreign securities laws and the requirements of any stock exchange upon which the Shares may then be listed, subject to the approval of counsel for the Corporation with respect to such compliance. If on a Purchase Date in any Offering Period hereunder, the Plan is not so registered or in such compliance, options granted under the Plan which are not in compliance shall not be exercised on such Purchase Date, and the Purchase Date shall be delayed until the Plan is subject to such an effective registration statement and such compliance, except that the Purchase Date shall not be delayed more than twelve (12) months and the Purchase Date shall in no event be more than twenty-seven (27) months from the Offering Date. If, on the Purchase Date of any offering hereunder, as delayed to the maximum extent permissible, the Plan is not registered and in such compliance, options granted under the Plan which are not in compliance shall not be exercised and all payroll deductions accumulated during the Offering Period (reduced to the extent, if any, that such deductions have been used to acquire Shares) shall be returned to the Participants, without interest (unless payment of interest is required by Applicable Law). The provisions of this Section 17 shall comply with the requirements of Section 423(b)(5) of the Code to the extent applicable.

17.2 As a condition to the exercise of an option, the Corporation may require the person exercising such option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Corporation, such a representation is required by any of the aforementioned provisions of Applicable Law.

18. GOVERNMENTAL REGULATIONS

This Plan and the Corporation's obligation to sell and deliver Ordinary Shares under the Plan shall be subject to the approval of any governmental authority required in connection with the Plan or the authorization, issuance, sale, or delivery of Shares hereunder.

19. NO ENLARGEMENT OF EMPLOYEE RIGHTS

Nothing contained in this Plan shall be deemed to give any Employee or other individual the right to be retained in the employ or service of the Corporation or any Designated Subsidiary or to interfere with the right of the Corporation or Designated Subsidiary to discharge any Employee or other individual at any time, for any reason or no reason, with or without notice.

20. GOVERNING LAW

This Plan shall be governed by applicable laws of the State of California, without regard to such state's conflict of laws rules.

21. EFFECTIVE DATE

This Plan became effective on the Effective Date, subject to approval of the Shareowners of the Corporation within twelve (12) months before or after its date of adoption by the

Board, which approval was obtained on December 3, 2002. The Plan, as most recently amended and restated, was adopted by the Board on July 25, 2017, subject to approval of the Shareowners of the Corporation within twelve (12) months after such date.

22. REPORTS

Individual accounts shall be maintained for each Participant in the Plan. Statements of account shall be given or made available to Participants at least annually.

23. DESIGNATION OF BENEFICIARY FOR OWNED SHARES

With respect to Ordinary Shares purchased by the Participant pursuant to the Plan and held in an account maintained by the Corporation or its assignee on the Participant's behalf, the Participant may be permitted to file a written designation of beneficiary, who is to receive any Shares and cash, if any, from the Participant's account under the Plan in the event of such Participant's death subsequent to the end of a Purchase Period but prior to delivery to him or her of such Shares and cash. In addition, a Participant may be permitted to file a written designation of a beneficiary who is to receive any cash from the Participant's account under the Plan in the event of such Participant's death prior to the Purchase Date of an Offering Period. If a Participant is married and the designated beneficiary is not the spouse, spousal consent shall be required for such designation to be effective, to the extent required by Applicable Law. The Participant (and if required under the preceding sentence, his or her spouse) may change such designation of beneficiary at any time by written notice. Subject to Applicable Law (as determined by the Committee in its sole discretion), in the event of a Participant's death, the Corporation or its assignee shall deliver any Shares and/or cash to the designated beneficiary. Subject to Applicable Law (as determined by the Committee in its sole discretion), in the event of the death of a Participant and in the absence of a beneficiary validly designated who is living at the time of such Participant's death, the Corporation shall deliver such Shares and/or cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Corporation), the Corporation in its sole discretion, may deliver (or cause its assignee to deliver) such Shares and/or cash to the spouse, or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Corporation, then to such other person as the Corporation may determine. The provisions of this Section 23 shall in no event require the Corporation to violate Applicable Law, and the Corporation shall be entitled to take whatever action it reasonably concludes is desirable or appropriate in order to transfer the assets allocated to a deceased Participant's account in compliance with Applicable Law.

24. ADDITIONAL RESTRICTIONS OF RULE 16b-3

The terms and conditions of options granted hereunder to, and the purchase of Ordinary Shares by, persons subject to Section 16 of the Exchange Act shall comply with the applicable provisions of Rule 16b-3. This Plan shall be deemed to contain, and such options shall contain, and the Shares issued upon exercise thereof shall be subject to, such additional conditions and restrictions, if any, as may be required by Rule 16b-3 to qualify for the maximum exemption from Section 16 of the Exchange Act with respect to Plan transactions.

25. NOTICES

All notices or other communications by a Participant to the Corporation under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Corporation at the location, or by the person, designated by the Corporation for the receipt thereof.

26. Code Section 409A and 457A; Tax Qualification

26.1 Code Sections 409A and 457A. Options granted under the 423 Plan are exempt from the application of Section 409A and Section 457A of the Code. In furtherance of the foregoing and notwithstanding any provision in the Plan to the contrary, if the Committee determines that an option granted under the Plan may be subject to Section 409A or Section 457A of the Code or that any provision in the Plan would cause an option under the Plan to be subject to Section 409A or Section 457A of the Code, the Committee may amend the terms of the Plan and/or of an outstanding option granted under the Plan, or take such other action the Committee determines is necessary or appropriate, in each case, without the Participant's consent, to exempt any outstanding option or future option that may be granted under the Plan from or to allow any such options to comply with Section 409A or Section 457A of the Code, but only to the extent any such amendments or action by the Committee would not violate Section 409A or Section 457A of the Code. Notwithstanding the foregoing, the Corporation shall not have any obligation to indemnify or otherwise protect the Participant from any obligation to pay any taxes, interest or penalties pursuant to Section 409A or 457A of the Code. The Corporation makes no representation that any option to purchase Ordinary Shares under the Plan is compliant with Section 409A or Section 457A of the Code.

26.2 Tax Qualification. Although the Corporation may endeavor to (i) qualify an option for favorable tax treatment under the laws of the United States or jurisdictions outside of the United States or (ii) avoid adverse tax treatment (e.g., under Section 409A of the Code), the Corporation makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment, notwithstanding anything to the contrary in this Plan, including Section 27.1 hereof. The Corporation shall be unconstrained in its corporate activities without regard to the potential negative tax impact on Participants under the Plan.

Exhibit 10.1

APPENDIX A

SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY
EMPLOYEE STOCK PURCHASE PLAN
PARTICIPATING EMPLOYERS

423 Plan

Seagate Technology (US) Holdings, Inc.
Seagate US LLC
Seagate Cloud Systems, Inc.
Seagate Federal, Inc.
Seagate Systems (US) Inc. (US employees)

Countries Covered by Non-423 Sub-Plan for Contractors (See Appendix B)

None

Non-423 Sub-Plan (See Appendix C)

Seagate Technology Australia Pty. Limited
Seagate Technology Canada Inc.
Seagate Technology HDD (India) Private Limited
Seagate Technology Manufacturing (Hong Kong) Limited
Seagate Technology (Ireland)
Nippon Seagate Inc.
Seagate Technology (Netherlands) B.V.
Seagate Technology (Netherlands) B.V. – Belgium Branch
Seagate Technology (Netherlands) B.V. – French Branch
Seagate Technology (Netherlands) B.V. – Sweden Branch
Seagate Technology (Netherlands) B.V. – Germany Branch
Seagate Technology (Netherlands) B.V. – Switzerland PE
Seagate Technology (Netherlands) B.V. – UK Branch
Seagate Technology Taiwan Ltd.
Seagate Technology (Suzhou) Co., Ltd.
Seagate Technology International (Wuxi) Co., Ltd.
Seagate Technology Israel Ltd.
Seagate Technology MEA DMCC (Dubai)
Penang Seagate Industries (M) Sdn. Bhd.
Seagate International (Johor) Sdn. Bhd.
Seagate Singapore International Headquarters Pte. Ltd.
Seagate Technology International, Singapore Branch
Seagate Technology (Thailand) Limited
Seagate Technology Services (Shanghai) Co., Ltd.
Seagate Global Business Services (Malaysia) Sdn. Bhd.
Dot Hill Singapore Pte. Ltd.
Seagate Cloud Systems Japan Ltd.
Dot Hill Systems Deutschland GmbH
Seagate Systems (Mexico) S.A. de C.V.

Exhibit 10.1

Seagate Systems (UK) Limited
Seagate Systems Ireland Limited
Seagate Systems (Malaysia) Sdn Bhd.
Seagate (Hangzhou) Data Recovery Services Co., Ltd.

APPENDIX B

SUBPLAN UNDER THE SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY EMPLOYEE STOCK PURCHASE PLAN

1. Purpose. The purpose of this subplan under the Seagate Technology Public Limited Company Employee Stock Purchase Plan (the "Subplan") is to permit eligible contract workers who perform work for the Corporation (any one such individual a "Contractor," and collectively, "Contractors") in the countries designated from time to time by the Committee in its sole discretion and listed on Appendix A to the Seagate Technology Public Limited Company Employee Stock Purchase Plan (the "Plan") to participate in the Plan.

2. Terms of the Subplan. The terms and conditions of the Subplan shall in all respects be identical to those set forth in the Plan except as set forth in this Subplan; provided, however, that the Subplan shall not be subject to the requirements of Section 423(b)(5) of the Code. Capitalized terms not otherwise defined in this Subplan shall have the same meaning as set forth in the Plan.

3. Definition of Employee. For purposes of the Subplan, references to Employees in the Plan shall include Contractors.

4. Subplan Countries. The Committee shall have the authority in its sole discretion to amend the list of countries designated by the Committee and listed on Appendix A to the Plan as necessary and desirable and for such amendments to take effect as shall be determined by the Committee in its sole and absolute discretion.

5. Terms of the Plan. Except as set forth above, Contractors who participate under the Plan shall be subject to the terms and conditions set forth in the Plan.

APPENDIX C

SUBPLAN UNDER THE SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY EMPLOYEE STOCK PURCHASE PLAN FOR CERTAIN EMPLOYEES OUTSIDE OF THE UNITED STATES

1. Purpose. The purpose of this subplan under the Seagate Technology Public Limited Company Employee Stock Purchase Plan (the "Subplan") is to set forth requirements with respect to the participation by eligible Employees employed outside of the United States at Seagate Technology Australia Pty. Limited, Seagate Technology Canada Inc., Seagate Technology HDD (India) Private Limited, Seagate Technology Manufacturing (Hong Kong) Limited, Seagate Technology (Ireland), Nippon Seagate Inc., Seagate Technology (Netherlands) B.V. (including its branches: Belgium, French, Sweden, German and UK Branches, and Switzerland PE), Seagate Technology Taiwan Ltd., Seagate Technology (Suzhou) Co. Ltd., Seagate Technology International (Wuxi) Co., Ltd., Seagate Technology Israel Ltd., Seagate Technology MEA DMCC (Dubai), Penang Seagate Industries (M) Sdn. Bhd., Seagate International (Johor) Sdn. Bhd., Seagate Singapore International Headquarters Pte. Ltd., Seagate Technology International, Singapore Branch, Seagate Technology (Thailand) Limited, Seagate Technology Services (Shanghai) Co. Ltd., Seagate Global Business Services (Malaysia) Sdn. Bhd., Dot Hill Singapore Pte. Ltd., Seagate Cloud Systems Japan Ltd., Dot Hill Systems Deutschland GmbH, Seagate Systems (Mexico) S.A. de C.V., Seagate Systems (UK) Limited, Seagate Systems Ireland Limited, Seagate Systems (Malaysia) Sdn Bhd. and Seagate (Hangzhou) Data Recovery Services Co., Ltd. in the Seagate Technology Public Limited Company Employee Stock Purchase Plan (the "Plan").

2. Terms of the Subplan. Except as set forth in this Subplan, the terms and conditions of the Subplan shall in all respects be identical to those set forth in the Plan; provided, however, that the Subplan shall not be subject to the requirements of Section 423(b)(5) of the Code. Capitalized terms not otherwise defined in this Subplan shall have the same meaning as set forth in the Plan.

3. Eligibility. Employees of Seagate Technology UK Ltd. ("Seagate UK") or any branch office of Seagate UK who are located in Russia shall not be eligible to participate in the Plan.

Exhibit 10.2

FIFTH AMENDMENT
2015 SEAGATE DEFERRED COMPENSATION PLAN

The 2015 Seagate Deferred Compensation Plan, effective as of January 1, 2015 (the "Plan"), is hereby amended by this Fifth Amendment (the "Amendment").

WHEREAS, for purposes of this Amendment, capitalized terms used herein that are not defined shall have the meanings given to them in the Plan;

WHEREAS, Seagate US LLC (the "Company") maintains the Plan, which is a nonqualified deferred compensation plan, for the benefit of eligible employees of the Company and Participating Companies;

WHEREAS, Section 8.5 of the Plan provides that the Seagate Benefits Administrative Committee (the "Committee") has the authority to adopt and execute any amendments to the Plan, and the Committee has delegated that authority to the Senior Director, Global Benefits and the Senior Manager, Americas Benefits of the Seagate Benefits Department;

WHEREAS, Section 162(m) of the Code ("Old 162(m)") was amended by the Tax Cuts and Jobs Act of 2017 ("New 162(m)") and Proposed Treasury Regulations were published December 20, 2019, reflecting the changes to Old 162(m) and providing certain transition relief; and

WHEREAS, pursuant to authority granted to the Committee under Section 8.5 of the Plan, and the Committee's delegation, the Senior Director, Global Benefits has determined that it is appropriate to amend the Plan, in accordance with the transition relief contained in the Proposed Treasury Regulations, to provide that Section 6.6, providing for automatic deferral of distributions that would not be tax-deductible by the Company or a Participating Company due to the limitations imposed by Old 162(m), will not apply to distributions that would not be tax-deductible due to New 162(m).

NOW, THEREFORE, BE IT RESOLVED, that the Amendment, as set forth in the attached Exhibit, is hereby approved and adopted effective substantially in the form attached.

Exhibit 10.2

FIFTH AMENDMENT
2015 SEAGATE DEFERRED COMPENSATION PLAN

The 2015 Seagate Deferred Compensation Plan, effective as of January 1, 2015 (the "Plan"), is hereby amended as follows:

1. Effective January 1, 2018, Section 6.6 is amended to change the word "earning" in the last sentence to "earnings," and to add the following new sentence at the end:

> "In accordance with Proposed Treasury Regulations published December 20, 2019, to reflect the changes to Code Section 162(m) implemented by the Tax Cuts and Jobs Act of 2017 ("New 162(m)"), this section will not apply to: (i) distributions of any deferrals relating to compensation for services provided after December 31, 2017 that would not be deductible by the Company or a Participating Company due to New 162(m), and (ii) any distributions of deferrals relating to compensation for services provided prior to January 1, 2018 that have become subject to New 162(m).

2. Except as specifically amended hereby, the Plan shall remain in full force and effect as prior to this Fifth Amendment.

In WITNESS WHEREOF, the Seagate Benefits Administrative Committee, by its duly authorized delegate, has executed this Amendment to the Plan on December 18, 2020.

By: /s/ Janet Farabaugh

Janet Farabaugh

Senior Director, Global Benefits

Exhibit 10.3

SEVENTH AMENDMENT

SEAGATE DEFERRED COMPENSATION PLAN

The Seagate Deferred Compensation Plan, as amended and restated as of January 1, 2009 (the "Plan"), is hereby amended by this Seventh Amendment (the "Amendment").

WHEREAS, for purposes of this Amendment, capitalized terms used herein that are not defined shall have the meanings given to them in the Plan;

WHEREAS, Seagate US LLC (the "Company") maintains the Plan, which is a nonqualified deferred compensation plan, for the benefit of eligible employees of the Company and Participating Companies;

WHEREAS, Section 9.4 of the Plan document provides that the Seagate Benefits Administrative Committee (the "Committee") has the authority to adopt and execute any amendments to the Plan, and the Committee has delegated that authority to the Senior Director, Global Benefits and the Senior Manager, Americas Benefits of the Seagate Benefits Department;

WHEREAS, Section 162(m) of the Code ("Old 162(m)") was amended by the Tax Cuts and Jobs Act of 2017 ("New 162(m)")and Proposed Treasury Regulations were published December 20, 2019, reflecting the changes to Old 162(m) and providing certain transition relief; and

WHEREAS, pursuant to authority granted to the Committee under Section 9.4, and the Committee's delegation, the Senior Director, Global Benefits has determined that it is appropriate to amend the Plan, in accordance with the transition relief contained in the Proposed Treasury Regulations, to provide that Section 7.5, providing for automatic deferral of distributions that would not be tax-deductible by the Company or a Participating Company due to the limitations imposed by Old 162(m), will not apply to distributions that would not be tax-deductible due to New 162(m).

NOW, THEREFORE, BE IT RESOLVED, that the Amendment, as set forth in the attached Exhibit A, is hereby approved and adopted effective as specified in Exhibit A.

Exhibit 10.3

SEVENTH AMENDMENT

SEAGATE DEFERRED COMPENSATION PLAN

The Seagate Deferred Compensation Plan, as amended and restated as of January 1, 2009 (the "Plan"), is hereby amended as follows:

1. Effective January 1, 2018, Section 7.5 is amended to change the word "earning" in the last sentence to "earnings," and to add the following new sentence at the end:

"In accordance with Proposed Treasury Regulations published December 20, 2019, to reflect the changes to Code Section 162(m) implemented by the Tax Cuts and Jobs Act of 2017 ("New 162(m)"), this section will not apply to: (i) distributions of any deferrals relating to compensation for services provided after December 31, 2017 that would not be deductible by the Company or a Participating Company due to New 162(m), and (ii) any distributions of deferrals relating to compensation for services provided prior to January 1, 2018 that have become subject to New 162(m).

2. Except as specifically amended hereby, the Plan shall remain in full force and effect as prior to this Seventh Amendment.

In WITNESS WHEREOF, the Seagate Benefits Administrative Committee, by its duly authorized delegate, has executed this Amendment to the Plan on December 18, 2020.

By: /s/ Janet Farabaugh

Janet Farabaugh

Senior Director, Global Benefits

Exhibit 10.4

THIRD AMENDMENT

THIS THIRD AMENDMENT, dated as of January 13, 2021 (this "Amendment"), to the Existing Credit Agreement referred to below, is among SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY, a public limited company incorporated under the laws of Ireland ("STX"), SEAGATE HDD CAYMAN, an exempted company incorporated with limited liability under the laws of the Cayman Islands (the "Borrower"), THE BANK OF NOVA SCOTIA, as administrative agent (in such capacity, the "Administrative Agent") and the Lenders (such capitalized terms, and other terms used in this preamble or the recitals, to have the meaning provided in Article I).

W I T N E S S E T H:

WHEREAS, pursuant to the Credit Agreement, dated as of February 20, 2019 (as amended, supplemented, amended and restated or otherwise modified prior to the date hereof, the "Existing Credit Agreement" and as further amended, supplemented, amended and restated or otherwise modified, the "Credit Agreement"), among STX, the Borrower, the lenders from time to time party thereto (the "Lenders") and the Administrative Agent, the Lenders have extended and have agreed to continue to make Loans to the Borrower, the Issuing Banks have agreed to issue Letters of Credit for the account of the Borrower and the other Finance Parties that are counterparties to the Platinum Leases have agreed to continue to provide Platinum Leases to STX, the Borrower or the Subsidiaries;

WHEREAS, the Borrower has requested, subject to the terms and conditions hereinafter set forth, that the Existing Credit Agreement be amended in certain respects as set forth below; and

WHEREAS, the Administrative Agent and the Lenders have agreed to such amendments on the terms and conditions contained in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1 Certain Definitions. The following terms (whether or not underscored) when used in this Amendment shall have the following meanings:

"Amendment" is defined in the preamble.

"Credit Agreement" is defined in the first recital.

"Existing Credit Agreement" is defined in the first recital.

"Guarantee Amendment" is defined in Section 2.5.

"Third Amendment Effective Date" is defined in Section 3.1.

SECTION 1.2 Credit Agreement Defined Terms. Unless otherwise defined herein or the context otherwise requires, terms defined in the Credit Agreement and used in this Amendment shall have the meanings given to them in the Credit Agreement.

ARTICLE II
AMENDMENTS OF THE EXISTING CREDIT AGREEMENT, ETC.

Effective on the Third Amendment Effective Date the Existing Credit Agreement is hereby amended in accordance with the terms of this Article.

SECTION 2.1 Amendments to Article I. Article I of the Existing Credit Agreement is amended in accordance with Sections 2.1.1 through 2.1.2.

SECTION 2.1.1 Section 1.01 is amended by inserting the following definitions in the appropriate alphabetical order:

"Affected Financial Institution" means (i) any EEA Financial Institution or (ii) any UK Financial Institution.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to clause (d) of Section 2.24.

"Benchmark" means, initially, the LIBO Rate; provided that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to the LIBO Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (a) of Section 2.24.

"Benchmark Replacement" means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;

(2) the sum of (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;

(3) the sum of (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion. If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (1) and (2) of the definition of "Benchmark Replacement," the first alternative set forth in the order below that can be determined by the Administrative Agent:

(a) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero), as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;

(b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of "Benchmark Replacement," the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero), that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any

selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar- denominated syndicated credit facilities;

provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent following consultation with the Borrower decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein; or

(3) in the case of an Early Opt-in Election, the sixth (6^{th}) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period" means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.24 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.24.

"Corresponding Tenor" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"Daily Simple SOFR" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for "syndicated" business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"Early Opt-in Election" means, if the then-current Benchmark is the LIBO Rate, the occurrence of (i) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and (ii) the joint election by the Administrative Agent and the Borrower to trigger a fallback from the LIBO Rate and the provision by the Administrative Agent of written notice of such election to the Lenders.

"Floor" means 0.00%.

"ISDA Definitions" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

"New Obligor" is defined in Section 6.15.

"Reference Time" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the LIBO Rate, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not the LIBO Rate, the time determined by the Administrative Agent in its reasonable discretion.

"Relevant Governmental Body" means the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto.

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"SOFR" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website at approximately 8:00 a.m. (New York City time) on the immediately succeeding Business Day.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"Successor Transaction" is defined in clause (b) of the definition of "Change in Control."

"Term SOFR" means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"Third Amendment" means the Third Amendment, dated as of January __, 2021, to this Agreement, among the Borrower, STX, the Lenders party thereto, and the Administrative Agent.

"Third Amendment Effective Date" is defined in the Third Amendment.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Voting Stock" of a Person means all classes of Equity Interests of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

SECTION 2.1.2 Section 1.01 is further amended as follows:

(a) The definition of "Applicable Margin" is amended by (i) inserting the following text after the word "means" in the first line: "prior to the Third Amendment Effective Date, the rate set forth in this Agreement prior to the Third Amendment, and thereafter as follows," and (ii) amending the chart set forth in such definition and the two sentences immediately following such chart in their entirety to read as follows:

Issuer Rating	Revolving Loan Eurodollar Spread	Revolving Loan ABR Spread	Term Loan Eurodollar Spread	Term Loan ABR Spread	Commitment Fee Rate
Category 1 Equal to or higher than: BBB by S&P Baa2 by Moody's	1.250%	0.250%	1.375%	0.375%	0.150%
Category 2 BBB- by S&P Baa3 by Moody's	1.500%	0.500%	1.625%	0.625%	0.250%
Category 3 BB+ by S&P Ba1 by Moody's	1.750%	0.750%	1.875%	0.875%	0.300%
Category 4 BB by S&P Ba2 by Moody's	2.000%	1.000%	2.125%	1.125%	0.375%
Category 5 Equal to or lower than: BB- by S&P Ba3 by Moody's	2.500%	1.500%	2.625%	1.625%	0.450%

Subject to the next sentence, on and following the Third Amendment Effective Date (a) the Applicable Margin for Revolving Loans maintained as (i) ABR Loans will be no less than 0.75% per annum, and (ii) Eurodollar Loans will be no less than 1.75% per annum; (b) the Applicable Margin for Term Loans maintained as (i) ABR Loans will be no less than 0.875% per annum, and (ii) Eurodollar Loans will be no less than 1.875% per annum; and (c) the initial Commitment Fee Rate payable on the unused Commitment amounts will be no less than 0.30% per annum.

Upon delivery of the compliance certificate pursuant to clause (c) of Section 5.01 for the first full fiscal quarter occurring after the Third Amendment Effective Date the Applicable Margin and Commitment Fee Rate will be as specified in accordance with the grid above.

(b) The definition of "Availability Period" is amended in its entirety to read as follows:

"Availability Period" means (a) in the case of the Revolving Loans existing or committed to on the Second Amendment Effective Date, the period from and including February 20, 2019 to but excluding the earlier of the Maturity Date and the date of termination or expiration of the corresponding Revolving Commitments for such existing Revolving Loans; (b) in the case of the Term Loans existing or committed to on the Second Amendment Effective Date, the period from and including the Second Amendment Effective Date to but excluding December 15, 2019; and (c) in the case of any Loans made or committed to be made pursuant to Section 2.20, the relevant periods set forth in the applicable Revolving Increase Amendment.

(c) The definition of "Bail-In Action" is amended in its entirety to read as follows:

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

(d) The definition of "Bail-In Legislation" is amended in its entirety to read as follows:

"Bail-In Legislation" means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, rule, regulation or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

(e) Clause (b) of the definition of "Change in Control" is amended in its entirety to read as follows:

> (b) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof), of Equity Interests in STX representing greater than 35% of the aggregate ordinary voting power and aggregate equity value represented by the issued and outstanding Equity Interests in STX; provided, however that subject to compliance with Section 6.15 a transaction (referred to as a "Successor Transaction") will not be deemed to involve a Change in Control under this clause if (i) STX becomes a direct or indirect wholly owned subsidiary of a holding company, and (ii)(x) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of STX's Voting Stock immediately prior to that transaction or (y) immediately following that transaction no "person" or "group" (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 35% of the Voting Stock of such holding company;

(f) The definition of "Investment Grade Ratings" is amended by deleting the proviso at the end of such definition.

(g) Clauses (a) and (b) of the definition of "Liquidity Amount" are amended by deleting "(other than the SPE Subsidiaries)" each time it appears therein.

(h) The definition of "Loan Documents" is amended in its entirety to read as follows:

> "Loan Documents" means this Agreement, the Guarantee Agreements, any Revolving Increase Amendment and any Promissory Notes, and in each case any amendments, restatements, supplements or modifications to any of the foregoing.

(i) Clause (b) of the definition of "Maturity Date" is amended in its entirety to read as follows:

> (b) Revolving Loans and Swingline Loans made or committed to be made on the Second Amendment Effective Date, February 20, 2024; and

(j) The definition of "Permitted Priority Debt Amount" is amended in its entirety to read as follows:

> "Permitted Priority Debt Amount" means an amount not to exceed $50,000,000 at any time outstanding.

(k) The definition of "Permitted Receivables Financing" is deleted, and amended and replaced in its entirety to read as follows:

"Permitted Receivables Factoring" means any transaction or series of transactions that may be entered into by the Borrower or any Subsidiary in the nature of a non-recourse, "true sale" factoring arrangement and not a securitization of assets or involving the incurrence of indebtedness for borrowed money, pursuant to which it may sell, convey, or otherwise transfer (which sale, conveyance, or transfer may include or be supported by the grant of a security interest in) Receivables or interests therein and all collateral securing such Receivables, all contracts and contract rights, purchase orders, security interests, financing statements or other documentation in respect of such Receivables, any guarantees, indemnities, warranties or other obligations in respect of such Receivables, and any collections or proceeds of any of the foregoing (collectively, the "Related Assets"), directly to one or more purchasers (other than the Borrower or any Subsidiary); it being understood that a Permitted Receivables Factoring may involve periodic sales, conveyances, and transfers of Receivables and Related Assets and/or transactions in which new Receivables and Related Assets, or interests therein, are sold, conveyed, or transferred, provided that any such transactions shall provide for recourse to such Subsidiary or the Borrower (as applicable) only in respect of the cash flows in respect of such Receivables and Related Assets and to the extent of breaches of representations and warranties or covenants relating to the Receivables, dilution of the Receivables, customary disputes and deductions, and customary indemnities and other customary undertakings in the jurisdiction relevant to such factoring transactions; and provided further that the aggregate principal amount of Permitted Receivables Factorings shall not exceed $750,000,000 at any time outstanding.

The "amount" or "principal amount" of any Permitted Receivables Factoring shall be deemed at any time to be the cash purchase price paid by the buyer in connection with its purchase of Receivables less the amount of collections received by the Borrower or any Subsidiary in respect of such Receivables and paid to such buyer, excluding any amounts applied to purchase fees or discount.

(l) The last sentence of the definition of "Revolving Commitment" is amended to read in its entirety as follows:

The aggregate amount of the Lenders' Revolving Commitments (i) prior to the Third Amendment Effective Date was $1,500,000,000, and (ii) on and subsequent to the Third Amendment Effective Date is $1,725,000,000, and the amount of each Lender's Revolving Commitment and Revolving Loan Percentage as of the Third Amendment Effective Date is set forth on Schedule 2.01.

(m) The definition of "Senior Notes" is amended in its entirety to read as follows:

"Senior Notes" means, collectively, (i) the 4.25% Senior Notes due 2022, (ii) the 4.75% Senior Notes due 2023, (iii) the 4.875% Senior Notes due 2024, (iv) the 4.75% Senior Notes due 2025, (v) the 4.875% Senior Notes due 2027, (vi) the 5.75% Senior Notes due 2034, (vii) 3.125% Senior Notes due 2029, (viii) 4.091% Senior Notes due 2029, (ix) 3.375% Senior Notes due 2031, (x) 4.125% Senior

Notes due 2031 and (xi) unsecured notes issued by the Borrower or STX following the Effective Date, and in the case of clauses (i) through (xi), the Indebtedness represented thereby (including any respective Parent Guarantees and the Exchange Notes (each as defined in the Senior Note Documents), the respective guarantees of the Exchange Notes, and any replacement notes, or other similar or replacement guarantees), provided, that in the case of clause (xi), both before and after giving effect to the incurrence of Indebtedness thereunder, no Default or Event of Default shall have occurred and be continuing or would result therefrom (including under Sections 6.11, 6.12, or 6.13, on a pro forma basis).

(n) The definition of "SPE Subsidiary" is deleted in its entirety.

(o) Clause (b) of the definition of "Subsidiary Loan Party" is amended in its entirety to read as follows:

(b) [RESERVED],

(p) The definition of "Write-Down and Conversion Powers" is amended in its entirety to read as follows:

"Write-Down and Conversion Powers" means, (i) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (ii) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 2.2 Amendments to Article II. Article II of the Existing Credit Agreement is amended in accordance with Sections 2.2.1 through 2.2.3:

SECTION 2.2.1 The lead in sentence to Section 2.13 is amended by adding "Subject to the terms of Section 2.24," at the beginning of such sentence, and clause (c) of such Section and the paragraph beginning "Notwithstanding anything to the contrary" at the end of such Section are each deleted in its entirety.

SECTION 2.2.2 Clause (a) of Section 2.20 is amended in its entirety to read as follows:

(a) At any time and from time to time during the applicable Availability Period, subject to the terms and conditions set forth herein, the Borrower may, by notice to the Administrative Agent (whereupon the Administrative Agent shall promptly

deliver a copy to each of the Lenders), request to increase the aggregate amount of the Revolving Commitments (each such increase, a "Revolving Commitment Increase"), provided that at the time of each such request and upon the effectiveness of each Revolving Increase Amendment, (A) no Default has occurred and is continuing or shall result therefrom and (B) the Borrower shall have delivered a certificate of a Financial Officer to the effect set forth in clause (A) above. Notwithstanding anything to the contrary herein, the aggregate principal amount of all Revolving Commitment Increases following or effective upon the Third Amendment Effective Date shall not exceed $275,000,000. Each Revolving Commitment Increase shall be in an integral multiple of $1,000,000 and be in an aggregate principal amount that is not less than $25,000,000, provided that such amount may be less than $25,000,000 if such amount represents all the remaining availability under the maximum aggregate principal amount of Revolving Commitment Increases set forth above.

SECTION 2.2.3 A new Section 2.24 is hereby added to the Existing Credit Agreement to read in its entirety as follows:

SECTION 2.24 Eurodollar Replacement.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document (provided, that any Swap Agreement shall be deemed not to be a "Loan Document" for purposes of this Section), if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(b) Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan

Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or the LIBO Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Eurodollar Borrowing of, conversion to or continuation of Eurodollar Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to

ABR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

SECTION 2.3 Amendments to Article VI. Article VI of the Existing Credit Agreement is hereby amended in accordance with Sections 2.3.1 through 2.3.17.

SECTION 2.3.1 Clause (a)(iv)(z) of Section 6.01 is amended by deleting the words "(other than any SPE Subsidiary)".

SECTION 2.3.2 Clause (a)(ix) of Section 6.01 is amended (i) by amending clause (a)(ix)(A) in its entirety to read as follows:

(A) at the time of any incurrence of Indebtedness pursuant to this clause (ix), after giving effect to such incurrence, the aggregate principal amount of all Indebtedness outstanding pursuant to this clause (ix) shall not exceed $150,000,000 and

and (ii) deleting the proviso at the end of such clause.

SECTION 2.3.3 Clause (f) of Section 6.02 is amended in its entirety to read as follows:

(f) Uniform Commercial Code financing statements filed in respect of Permitted Receivables Factoring;

SECTION 2.3.4 Clause (g) of Section 6.02 is amended by deleting the proviso at the end of such clause.

SECTION 2.3.5 Section 6.03 is amended by adding the following sentence at the end of clause (a) thereof:

Notwithstanding anything to the contrary herein, this clause (a) shall not prohibit a Successor Transaction in compliance with Section 6.15.

SECTION 2.3.6 Clause (b) of Section 6.03 is amended in its entirety to read as follows:

Each of STX and the Borrower will not, and will not permit any of its subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by STX, the Borrower and the Subsidiaries on the date of execution of this Agreement and businesses reasonably related, ancillary or complementary thereto, including Permitted Receivables Factoring.

SECTION 2.3.7 Clauses (c), (d)(x), (d)(y) and (d)(z) of Section 6.04 are each amended by deleting the words "(other than in any SPE Subsidiary)".

SECTION 2.3.8 Clause (b) of Section 6.05 is amended by deleting the words "(other than in any SPE Subsidiary)".

SECTION 2.3.9 Clause (e) of Section 6.07 is hereby deleted, and clauses (c) and (d) of Section 6.07 of the Existing Credit Agreement are amended in their entirety to read as follows:

> (c) Restricted Payments consisting of cash dividends paid quarterly in respect of STX's Equity Interests, provided that (i) no such Restricted Payments pursuant to this clause (c) shall be declared, permitted or made in an aggregate amount that is greater than $700,000,000 in any four consecutive fiscal quarter period, and (ii) after giving effect to each such Restricted Payment referred to in this clause (c) and any related Borrowing, the Liquidity Amount shall not be less than $800,000,000; and
>
> (d) other Restricted Payments, provided that (i) no such Restricted Payments shall be declared, permitted or made if before or after giving effect thereto, the Total Leverage Ratio is, or on a pro forma basis would be, greater than 3.75:1.00, calculated based upon the financial information most recently delivered to the Administrative Agent pursuant to clause (c) of Section 5.01, and (ii) after giving effect to each such Restricted Payment referred to in this clause (d) and any related Borrowing, the Liquidity Amount shall not be less than $800,000,000.
>
> If any Restricted Payment described in any clause of this Section 6.07 made at the time an Investment Grade Period ends exceeds the amount of Restricted Payments that would be permitted at the time the succeeding Non-Investment Grade Period commences, then the amount of such excess shall be deemed to have been permitted under this Section.

SECTION 2.3.10 Clause (b) of Section 6.08 is amended by deleting the words "(other than a SPE Subsidiary)".

SECTION 2.3.11 Clause (b)(v) of Section 6.09 is amended by deleting the words "(which for this purpose shall not include the amount set forth in clause (b) of the definition of "Permitted Priority Debt Amount")" in such clause.

SECTION 2.3.12 Clause (b)(viii) of Section 6.09 is amended in its entirety to read as follows:

> (viii) [RESERVED].

SECTION 2.3.13 Section 6.12 of the Existing Credit Agreement is amended in its entirety to read as follows:

> SECTION 6.12 Total Leverage Ratio. STX will not permit the Total Leverage Ratio as of the end of any fiscal quarter to exceed 4.00 to 1.00.

SECTION 2.3.14 A new Section 6.15 is added to the Existing Credit Agreement to read in its entirety as follows:

> SECTION 6.15. Successor Transaction. STX will not consummate a Successor Transaction unless prior to or contemporaneous with the consummation thereof (i) unless otherwise agreed to by the Required Lenders, the Administrative Agent shall have received a guarantee of all Obligations in form and substance satisfactory to it or a joinder to the U.S. Guarantee Agreement, from any Persons (including any holding companies) created or otherwise involved (referred to as a "New Obligor") in the Successor Transaction, (ii) if STX is no longer the ultimate parent owner of the Borrower, unless otherwise agreed to by the Required Lenders, then each New Obligor shall have executed and delivered a joinder to this Agreement satisfactory to the Administrative Agent pursuant to which it becomes obligated for the same obligations binding on STX prior to the Successor Transaction, and (iii) the Administrative Agent (on behalf of the Lenders and itself), STX, the Borrower and, if applicable in the reasonable determination of the Administrative Agent, the New Obligor shall have executed and delivered an amendment to this Agreement and any other Loan Documents as specified by, and in form and substance reasonably satisfactory to, the Administrative Agent to reflect the New Obligor as the ultimate parent of STX and to preserve the rights and remedies of the Finance Parties and to ensure that such right and remedies are not adversely affected by the Successor Transaction. Notwithstanding the terms of Section 9.02(b), the Lenders hereby consent to, and authorize and direct the Administrative Agent to execute and deliver, (i) such amendments described in the preceding sentence on their behalf without any further consent of the Lenders (provided that, except as described in clause (ii) of this sentence, any such amendments shall not involve any modifications of the type set forth in Section 9.02 (b)(i) through (b)(vii)) and (ii) releases of STX as an obligor under the Loan Documents and as a Guarantor upon the approval of the Required Lenders. In connection with the foregoing, the Lenders and Administrative Agent agree that if approved by the Required Lenders, the removal of STX as a Guarantor in the event of a Successor Transaction does not adversely affect their rights and remedies.

SECTION 2.3.15 A new Section 6.16 is added to the Existing Credit Agreement to read in its entirety as follows:

> SECTION 6.16. Maximum Aggregate Debt. Notwithstanding any of the terms of this Agreement to the contrary, other than in connection with the Loan Documents, the Borrower will not, and will not permit any of its subsidiaries to, create, assume, incur, Guarantee (as defined in any Senior Note Document) or otherwise become liable for or suffer to exist Aggregate Debt (as defined in any Senior Note Document) in excess of $150,000,000 in the aggregate at any time outstanding during the Cap Period (as defined in the U.S. Guarantee Agreement).

SECTION 2.3.16 Section 9.02(c)(y) is amended by deleting the words "all the Commitments and Revolving Exposure of such Non-Consenting Lender for an amount equal to

the principal balance of all Revolving Loans (and funded participations in Swingline Loans and unreimbursed LC Disbursements) held by such Non-Consenting Lender", and inserting the following words in place thereof:

> all the Revolving Commitments and Revolving Loans (in the case of a Revolving Loan Lender) and the Term Loan Commitments and Term Loans (in the case of a Term Loan Lender) of such Non-Consenting Lender for an amount equal to the principal balance of all applicable Loans (and in the case of a Revolving Loan Lender, funded participations in Swingline Loans and unreimbursed LC Disbursements) held by such Non-Consenting Lender

SECTION 2.3.17 Section 9.16 of the Existing Credit Agreement is amended in its entirety to read as follows:

> SECTION 9.16. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in this Agreement or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising hereunder, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:
>
> (a) the application of any Write-Down and Conversion Powers by an applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and
>
> (b) the effects of any Bail-In Action on any such liability, including, if applicable (i) a reduction in full or in part or cancellation of any such liability; (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement; or (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any Resolution Authority.

SECTION 2.4 Global Amendments. Each reference in each Loan Document to "Permitted Receivables Financing" is amended to read "Permitted Receivables Factoring".

SECTION 2.5 Amendment to Schedule 2.01; Incremental Revolving Commitments. Schedule 2.01 of the Existing Credit Agreement as it relates to Revolving Loan Lenders is hereby amended in its entirety to read as Annex I hereto in order to evidence the new and incremental Revolving Commitments and corresponding Revolving Loan Percentages that will become effective as of the Third Amendment Effective Date. From and after the Third Amendment Effective Date each Lender that (i) has an increase in its aggregate Revolving Commitment from that in effect immediately prior to the Third Amendment Effective Date or (ii) is making a new Revolving Commitment as of the Third Amendment Effective Date commits to

provide its respective Revolving Commitment as set forth on such amended Schedule 2.01 in accordance with the terms of the Credit Agreement.

SECTION 2.6 Consent to the Guarantee Amendment. As of the Third Amendment Effective Date, each Lender party to the Credit Agreement (a) consents to an amendment to the U.S. Guarantee Agreement in substantially the form of Exhibit A hereto (the "Guarantee Amendment"); and (b) authorizes and directs the Administrative Agent to execute and deliver the Guarantee Amendment on its behalf.

ARTICLE III
CONDITIONS TO EFFECTIVENESS

SECTION 3.1 This Amendment shall become effective upon the date (the "Third Amendment Effective Date") when each of the conditions set forth in this Article shall have been satisfied.

SECTION 3.1.1 Execution of Counterparts. The Administrative Agent shall have received copies of this Amendment, duly executed and delivered by an authorized officer or representative of STX and of the Borrower, and on behalf of all Lenders and the Administrative Agent.

SECTION 3.1.2 Guarantee Amendment. The Administrative Agent shall have received counterparts of the Guarantee Amendment, duly executed and delivered by the Administrative Agent and an authorized officer of each Guarantor.

SECTION 3.1.3 Affirmation. The Administrative Agent shall have received counterparts of an affirmation, dated as of the Third Amendment Effective Date, in form and substance reasonably satisfactory to the Administrative Agent, duly executed and delivered by an authorized officer of each Guarantor.

SECTION 3.1.4 Opinions. The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Third Amendment Effective Date) of (i) Wilson Sonsini Goodrich & Rosati, P.C., New York counsel for STX and certain other Loan Parties, (ii) Arthur Cox, Irish counsel to STX, (iii) the Chief Legal Officer of STX and (iv) Maples and Calder, Cayman Islands counsel for the Borrower and certain other Loan Parties, in each case in form and substance reasonably satisfactory to the Administrative Agent.

SECTION 3.1.5 Amendment Fee. The Borrower shall have paid the Administrative Agent for the account of each Lender (including Scotiabank in its capacity as a Lender) an amendment fee in an amount as agreed between the parties.

SECTION 3.1.6 Fees and Expenses. The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Third Amendment Effective Date, including in each case, to the extent invoiced, reimbursement or payment of all reasonable out-of-pocket expenses (including reasonable fees, charges and disbursements of counsel) required to be reimbursed or paid by the Borrower under any Loan Document.

SECTION 3.1.7 Upfront Fee. The Borrower shall have paid the Administrative Agent for the account of each Lender (including Scotiabank in its capacity as a Lender) an upfront fee (the "Upfront Fee") payable to each Lender (including Scotiabank in its capacity as a Lender) in an amount as agreed between the parties for any new or incremental Revolving Commitments provided, in each case payable in full on the Third Amendment Effective Date for the account of the Lender providing such new or incremental Revolving Commitments.

ARTICLE IV
MISCELLANEOUS PROVISIONS

SECTION 4.1 Representations and Warranties. To induce the Lenders and the Administrative Agent to enter into this Amendment, STX and the Borrower represent and warrant to the Lenders and the Administrative Agent that as of the Third Amendment Effective Date:

(a) both before and after giving effect to this Amendment, all of the statements set forth in clause (a) of Section 4.02 of the Existing Credit Agreement are true and correct;

(b) both before and after giving effect to this Amendment, no Default has occurred and is continuing, or will result therefrom;

(c) this Amendment constitutes the legal, valid and binding obligation of STX and the Borrower, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other laws affecting creditors' rights generally and to general principles of equity and an implied covenant of good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law in accordance with its terms; and

(d) no authorizations, consents, or approvals by any Person are required for the execution and delivery by, or for the effectiveness or enforceability against, any Loan Party of this Amendment except such as have been made or obtained and are in full force and effect.

SECTION 4.2 Effect of Amendment. The parties hereto agree as follows:

(a) This Amendment shall not constitute an amendment or waiver of or consent to any provision of the Existing Credit Agreement or any other Loan Document not expressly referred to herein and shall not be construed as an amendment, waiver or consent to any action on the part of the Borrower that would require an amendment, waiver or consent of the Administrative Agent or any Lender under any of the Loan Documents except as expressly stated herein. Except as expressly amended hereby or by the Guarantee Amendment, the provisions of the Existing Credit Agreement and the Loan Documents shall remain unchanged and shall continue to be, and shall remain, in full force and effect in accordance with their respective terms. It is the intent of the parties hereto, and the parties hereto agree, that this Amendment shall not constitute a novation

of the Existing Credit Agreement, any other Loan Document or any of the rights, obligations or liabilities thereunder.

(b) On and after the Third Amendment Effective Date, each reference in the Existing Credit Agreement to "this Agreement," "hereunder," "hereof," "herein," or words of like import, and each reference to the Existing Credit Agreement in any other Loan Document shall be deemed a reference to the Existing Credit Agreement as amended hereby. This Amendment, executed pursuant to the Existing Credit Agreement, shall constitute a "Loan Document" for all purposes of the Existing Credit Agreement and the other Loan Documents and shall be construed, administered and applied in accordance with all of the terms and provisions of the Credit Agreement.

SECTION 4.3 Fees and Expenses. The Borrower agrees to reimburse the Administrative Agent for its reasonable and documented out-of-pocket expenses arising in connection with this Amendment, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent.

SECTION 4.4 Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 4.5 Headings. The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

SECTION 4.6 Counterparts. This Amendment may be executed by one or more of the parties to this Amendment on any number of separate counterparts, each of which when executed and delivered shall be deemed an original, and all such counterparts taken together shall be deemed to constitute one and the same document. Delivery of an executed counterpart of a signature page to this Amendment by electronic signature, facsimile or other electronic transmission shall be effective as delivery of an original executed counterpart of this Amendment.

SECTION 4.7 GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. STX AND THE BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE SUPREME COURT OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, TO THE SAME EXTENT SET FORTH IN SECTION 9.09(b) OF THE CREDIT AGREEMENT.

SECTION 4.8 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AMENDMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY

HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AMENDMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Existing Credit Agreement to be duly executed and delivered as of the day and year first above written.

SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY

/s/ Walter Chang

By: Walter Chan

Name: Treasurer and Authorized Signatory

Title:

SEAGATE HDD CAYMAN

/s/ Walter Chang

By: Walter Chan

Name: Treasurer

Title:

THE BANK OF NOVA SCOTIA, in its capacity as the Administrative Agent and a Lender

/s/ Khrystyna Manko

By: Khrystyna Manko

Name:

Title: Director

BANK OF AMERICA, N.A., as Lender

/s/ Jason Auguste

By: Jason Auguste

Name: Vice President

Title:

BNP PARIBAS, as a Lender

/s/ George Ko
By: George Ko
Name: George Ko
Title: Director

/s/ Chief Marbumrung
By: Chief Marbumrung
Name: Chief Marbumrung
Title: Vice President

MORGAN STANLEY
BANK, N.A., as a Lender

/s/
By: Michael King
Michael
Name: King
Vice
Title: President

MUFG BANK, LTD.,
as a Lender

/s/ Matthew Antioco

By: Matthew Antioco
Name:
Title: Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Lacy Houstoun Lacy

Name: Houstoun

Title: Managing Director

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

/s/ Susan M. Bowes
By: _____

Name: Susan M. Bowes

Title: Senior Vice President

DBS BANK LTD., as a Lender

/s/
By: Josephine Lim

Name: Josephine Lim

Title: Senior Vice President

UNITED OVERSEAS BANK LIMITED, LOS AGENCY, as a Lender

/s/ Eriberto de Guzman

By: Eriberto de Guzman

Name: Managing Director

Title:

/s/ Brian Ike

By: Brian Ike

Name: First Vice President

Title:

INDUSTRIAL AND COMMERCIAL BANK OF CHINA, NEW YORK BRANCH, as a Lender

/s/ ZHENYUAN XIE
By: ZHENYUAN XIE
Name: XIE
Title: AVP

/s/ YUANYUAN PENG
By: YUANYUAN PENG
Name: PENG
Title: DIRECTOR

SUMITOMO MITSUI BANKING
CORPORATION, as a Lender

/s/
By: Michael Maguire
Name: Michael Maguire
Title: Managing Director

BANK OF TAIWAN, ACTING THROUGH ITS LOS ANGELES BRANCH, as a Lender

By: /s/ Dixon Ti-Kang Wang

Name: Dixon Ti-Kang Wang

Title: VP & General Manager

MEGA INTERNATIONAL COMMERCIAL BANK CO., LTD., NEW YORK BRANCH, as a Lender

/s/ Pi-Kai Liu

By: Pi-Kai Liu

Name: Pi-Kai Liu

Title: AVP

OVERSEA-CHINESE BANKING CORPORATION LIMITED, as a Lender

/s/ Charles Ong

By: Charles Ong

Name: Charles Ong

Title: Managing Director

CITIBANK, N.A., as
a Lender

/s/
By: Robert Shaw
Robert
Name: Shaw
Vice
Title: President

HUA NAN COMMERCIAL BANK, LOS ANGELES BRANCH, as a Lender

/s/

By: Gary Hsu

Name: Gary Hsu

Title: VP & General Manager

Exhibit 10.4

ANNEX I
(to Third Amendment)

Schedule 2.01
Lenders and Commitments

REVOLVING LENDERS
(as of the Third Amendment Effective Date)

NAME OF REVOLVING LOAN LENDER	REVOLVING COMMITMENT	REVOLVING LOAN PERCENTAGE
The Bank of Nova Scotia	$173,400,000	10.1%
Bank of America, N.A.	173,400,000	10.1%
Morgan Stanley Bank, N.A.	173,400,000	10.1%
MUFG Bank, Ltd.	173,400,000	10.1%
Wells Fargo Bank, N.A.	173,400,000	10.1%
BNP Paribas	135,000,000	7.8%
Citibank N.A.	125,000,000	7.2%
DBS Bank Ltd.	125,000,000	7.2%
U.S. Bank National Association	125,000,000	7.2%
Industrial and Commercial Bank of China Limited, New York Branch	125,000,000	7.2%
United Overseas Bank Limited, Los Angeles Agency	125,000,000	7.2%
Sumitomo Mitsui Banking Corporation	98,000,000	5.7%
TOTAL	**$1,725,000,000**	**100%**

EXHIBIT A

(see attached.)

Exhibit 10.5

FIRST AMENDMENT TO
U.S. GUARANTEE AGREEMENT

THIS FIRST AMENDMENT TO U.S. GUARANTEE AGREEMENT (this "Amendment") is made as of January 13, 2021, among SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY, a public limited company incorporated under the laws of Ireland ("STX"), each of the Subsidiaries of STX listed on the signature pages hereto (each such Subsidiary individually referred to as a "Subsidiary," and collectively referred to as the "Subsidiaries," and each such Subsidiary and STX collectively referred to as the "Guarantors"), and THE BANK OF NOVA SCOTIA, as administrative agent (in such capacity, the "Administrative Agent") for the Finance Parties (as defined in the Credit Agreement referred to below).

WHEREAS, pursuant to the Credit Agreement, dated as of February 20, 2019 (as amended, supplemented, amended and restated or otherwise modified prior to the date hereof, the "Existing Credit Agreement"), among STX, SEAGATE HDD CAYMAN, an exempted company incorporated with limited liability under the laws of the Cayman Islands (the "Borrower"), the lenders from time to time party thereto (the "Lenders") and the Administrative Agent, (i) the Lenders have extended and have agreed to continue to extend Loans to the Borrower, (ii) the Issuing Banks have agreed to issue Letters of Credit for the account of the Borrower and (iii) the other Finance Parties counterparties to the Platinum Leases have agreed to continue to provide Platinum Leases to STX, the Borrower or the Subsidiaries;

WHEREAS, the Guarantors and the Administrative Agent have entered into the U.S. Guarantee Agreement, dated as of February 20, 2019 (as amended, supplemented, amended and restated or otherwise modified prior to the date hereof, the "Existing U.S. Guarantee Agreement");

WHEREAS, the Borrower and the Guarantors have requested that the Existing U.S. Guarantee Agreement be amended in certain respects as set forth below; and

WHEREAS, STX, the Borrower, the Lenders and the Administrative Agent have agreed to amend the Existing Credit Agreement in certain respects as further set forth in an amendment, dated as of the date hereof (the "Third Amendment," with the Existing Credit Agreement, as amended by the Third Amendment, referred to as the "Credit Agreement").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1 Credit Agreement Defined Terms. Unless otherwise defined herein or the context otherwise requires, terms defined in the Credit Agreement and used in this Amendment shall have the meanings given to them in the Credit Agreement.

ARTICLE II
AMENDMENT

SECTION 2.1 Section 1 of the Existing U.S. Guarantee Agreement is amended by (i) designating the existing Section as clause (a) and replacing the period at the end of such clause with "; and"; and (ii) adding a new clause (b) to such Section, to read in its entirety as follows:

> (b) Notwithstanding anything to the contrary in clause (a) (other than the limitation set forth in clause (a) as to fraudulent conveyance), during the Cap Period the maximum amount of Indebtedness (as defined in any Senior Note Document) Guaranteed (as defined in any Senior Note Document) by any subsidiary of the Borrower under this Agreement (referred to as the "Cap-Period Guaranteed Amount") shall equal the greater of (i) $1,430,000,000 or (ii) $100,000,000 less than the lowest Guarantee Requirement Amount under any Senior Note Document prior to which the Senior Notes Guarantee Requirement would become effective under any Senior Note Document; provided, that the Cap-Period Guaranteed Amount shall not be reduced as a result of the creation, assumption, incurrence or Guarantee of any Indebtedness by the Borrower or a subsidiary of the Borrower. The "Cap Period" means the period from the Third Amendment Effective Date to the date on which any subsidiary of the Borrower delivers a Guarantee of the payment of the principal of, premium, if any, or interest on any of the Senior Notes, unless otherwise agreed to by the parties hereto. "Senior Notes Guarantee Requirement" means the requirement under any Senior Note Document for any subsidiary of the Borrower to provide a Guarantee of the payment of the principal of, premium, if any, or interest on such Senior Notes in accordance with any term of such Senior Note Document. "Guarantee Requirement Amount" means, in respect of the Senior Note Documents for any series of Senior Notes, the sum of (i) Permitted Bank Indebtedness (as defined under such Senior Note Documents) plus (ii) the amount of Aggregate Debt (as defined in such Senior Note Documents) permitted to be incurred under such Senior Note Documents prior to which any subsidiary of the Borrower would be required to satisfy the Senior Notes Guarantee Requirement. The amount of the Obligations Guaranteed hereunder (i) by STX and its Subsidiaries (other than subsidiaries of the Borrower) shall at all times, and (ii) by subsidiaries of the Borrower shall at all times other than during the Cap Period (subject to the limitation set forth in clause (a) as to fraudulent conveyance), equal (but shall not exceed) the amount of all Obligations from time to time owing.

ARTICLE III
CONDITIONS TO EFFECTIVENESS

SECTION 3.1 Effectiveness. This Amendment shall become effective when (i) the Administrative Agent shall have received copies of this Amendment, duly executed and delivered by an authorized officer or representative of each Guarantor, and on behalf of the Administrative Agent, and (ii) the Third Amendment to the Credit Agreement shall have become, or contemporaneous with the effectiveness of this Amendment shall become, effective in accordance with its terms.

ARTICLE IV
MISCELLANEOUS PROVISIONS

SECTION 4.1 Effect of Amendment. The parties hereto agree as follows:

(A) This Amendment shall not constitute an amendment or waiver of or consent to any provision of any Loan Document not expressly referred to herein, and shall not be construed as an amendment, waiver, or consent to any action on the part of a Guarantor that would require an amendment, waiver, or consent of the Administrative Agent or the Lenders under any of the Loan Documents except as expressly stated herein. Except as expressly amended hereby, the provisions of the Existing U.S. Guarantee Agreement shall remain unchanged and shall continue to be, and shall remain, in full force and effect in accordance with their respective terms.

(B) On and after the Third Amendment Effective Date, each reference in the Existing U.S. Guarantee Agreement to "this Agreement," "hereunder," "hereof," "herein," or words of like import, and each reference to the Existing U.S. Guarantee Agreement in any other Loan Document, shall be deemed a reference to the Existing U.S. Guarantee Agreement as amended hereby.

SECTION 4.2 Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 4.3 Headings. The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

SECTION 4.4 Counterparts. This Amendment may be executed by one or more of the parties to this Amendment on any number of separate counterparts, each of which when executed and delivered shall be deemed an original, and all such counterparts taken together shall be deemed to constitute one and the same document. Delivery of an executed counterpart of a signature page to this Amendment by electronic signature, facsimile or other electronic transmission shall be effective as delivery of an original executed counterpart of this Amendment.

SECTION 4.5 Loan Document. This Amendment, executed pursuant to the Existing Credit Agreement, shall constitute a "Loan Document" for all purposes of the Existing Credit Agreement, the Credit Agreement and the other Loan Documents and shall be construed, administered and applied in accordance with all of the terms and provisions of the Credit Agreement.

SECTION 4.6 GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY

By: /s/ Walter Chang
Name: Walter Chang
Title: Treasurer and Authorized Signatory

Seagate DATA STORAGE Technology

By: /s/ Walter Chang
Name: Walter Chang
Title: Authorized Signatory

SEAGATE TECHNOLOGY

By: /s/ Walter Chang
Name: Walter Chang
Title: Treasurer

Seagate Technology (US) HOLDINGS, INC.

By: /s/ Walter Chang
Name: Walter Chang
Title: Treasurer

SEAGATE TECHNOLOGY INTERNATIONAL

By: /s/ Walter Chang
Name: Walter Chang
Title: Treasurer

SEAGATE TECHNOLOGY (IRELAND)

By: /s/ Walter Chang
Name: Walter Chang
Title: Treasurer

SEAGATE TECHNOLOGY LLC

By: /s/ Walter Chang
Name: Walter Chang
Title: Treasurer

SEAGATE INTERNATIONAL (JOHOR) SDN. BHD.

By: /s/ Walter Chang
Name: Walter Chang
Title: Assistant Secretary

Seagate Technology (Thailand) Limited

By: /s/ Walter Chang
Name: Walter Chang
Title: Authorized Signatory

Seagate Singapore International Headquarters Pte. Ltd.

By: /s/ Walter Chang
Name: Walter Chang
Title: Authorized Signatory

THE BANK OF NOVA SCOTIA, as
Administrative Agent

By: /s/ Khrystyna Manko
Name: Khrystyna Manko
Title: Director

EXHIBIT 31.1

CERTIFICATION

I, Dr. William D. Mosley, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Seagate Technology plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 28, 2021

/s/ Dr. William D. Mosley

Name: Dr. William D. Mosley

Title: Chief Executive Officer and Director
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Gianluca Romano, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Seagate Technology plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 28, 2021

/s/ Gianluca Romano

Name: Gianluca Romano

Title: Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

This certification is not to be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and does not constitute a part of the Quarterly Report of Seagate Technology plc (the "Company") on Form 10-Q for the fiscal quarter ended January 1, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report").

In connection with the Report, we, Dr. William D. Mosley, Chief Executive Officer of the Company, and Gianluca Romano, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 28, 2021		/s/ Dr. William D. Mosley
	Name:	Dr. William D. Mosley
	Title:	Chief Executive Officer and Director (Principal Executive Officer)
Date: January 28, 2021		/s/ Gianluca Romano
	Name:	Gianluca Romano
	Title:	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)