



NETGEAR

Environmental Social Governance Report

2024

ESG Report Overview



NETGEAR

This report contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. The words "anticipate," "expect," "believe," "will," "may," "should," "estimate," "project," "outlook," "forecast" or other similar words are used to identify such forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking. The forward-looking statements represent NETGEAR, Inc.'s expectations or beliefs concerning future events based on information available at the time such statements were made. Goals and targets described in this report are aspirational and not guarantees or promises that the goals or targets will be met. Historical, current, and forward-looking ESG-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. Numbers and percentages in this report include estimates or approximations and may be based on assumptions or incomplete data. We believe that the estimates employed are appropriate and reasonable; however, due to inherent uncertainties in making estimates and assumptions, actual results could differ from the original estimates.

The inclusion of information contained in this document should not be construed as a characterization regarding the materiality or financial impact of that information.

Website references and hyperlinks throughout this document are provided for convenience only, and the content on the referenced websites is not incorporated into this report. We assume no liability for any third-party content contained on the referenced websites.

Contents

05	Letter from the CEO & Introduction to Material Topics
08	Product Security
14	Data Privacy and Cybersecurity
20	Product Design and Manufacturing
26	Supply Chain Management
31	Employee Engagement, Diversity & Inclusion
36	Professional Integrity
40	GHG Emissions & Energy Management
49	Appendix: SASB Alignment Tables
53	Appendix: TCFD Index



Introduction



ESG Message from the CEO



When I joined NETGEAR in January of 2024, I was excited to be a part of a brand respected and admired by consumers, businesses and global technology industry leaders, as an innovator and pioneer. Having built my career on delivering industry-leading products and services, I found synergies between my skills and values and the mission of NETGEAR to connect the world to the internet with high performance networking products securely and safely.

Since taking the helm, I've also immersed myself in the core values that inspire the work at NETGEAR and drive the company's success. I'm eager to help support the company's commitment to not only exceed technological expectations, but also to solidify our place among the most trusted brands. At the same time, I look forward to exploring new ways to strengthen the business while making a positive impact on the world around us, by standing firm on our ideals as we embrace new technologies and economic realities.

I'm proud to say that this past year we hit some significant milestones towards our stated goals and, going forward, we will leverage our core competency in technological innovation to break new ground. In this report you will find that we have made progress on our Net Zero operational emissions goal by developing and implementing a comprehensive plan designed to drive meaningful progress and are on track to meet our 2025 deadline. We are also integrating AI, where appropriate, into our products and applications to help improve product performance and enhance the customer experience without an incremental increase in cost or human resources. We know the benefits of AI are not without potential issues. As we navigate the advancement of AI technologies, NETGEAR is committed to addressing potential challenges and adopting a responsible approach to AI applications.

Data privacy, product security and cybersecurity continue to be of paramount concern for our business as well as for our customers and partners. This year we signed CISA's Secure by Design Pledge, affirming our commitment to making customer security a core business requirement and we hired our first Chief Privacy Officer. Stepping beyond what's expected or required, we continually work to reinforce the resiliency and defenses of our products, services and processes with new advances developed internally and with partners.

As we all strive for simplification of our businesses and lives, the technology we use becomes more complicated, creating a demand for more powerful and secure connectivity at home, work or anywhere in between. We are meeting this challenge by integrating the latest technology, applications and platforms into leading-edge, yet easy to use products and services and providing a trusted connection to digital life. We will continue to lead the industry with the most advanced solutions while remaining steadfast to our values, which can be seen across all aspects of our operations.

As I look to complete my first year at NETGEAR, I'm more excited and optimistic than I was when I first joined. I'm eager to continue the legacy of innovation that has been part of the NETGEAR brand from the beginning while creating value not just for our shareholders, but also for our employees, partners, customers and community. The creativity and drive that make the company a leader in the industry will also serve to make us an example of success built on integrity and trust.

Powering a future that connects us all,

CJ Prober, NETGEAR CEO

A Legacy of Trust

Over nearly three decades of industry leadership, our customers and partners have proven their loyalty to our brand and appreciation for our commitment to the highest standards of quality and integrity. They don't just trust NETGEAR products with their most valuable assets, they also trust that those products are developed by people and processes that work to promote sustainability and professional integrity. Our reputation for responsible, ethical practices influences the greater tech industry and we don't take this charge lightly. We continually strive to step beyond what is expected or required for ensuring data privacy and security, mitigating environmental impact, and encouraging diversity and inclusion, by prioritizing these goals as part of our core business strategy.

Proactively addressing data privacy and cybersecurity through compliance with local and international mandates and new technology innovation.

Respecting consumers' rights to data privacy.

Making employee engagement and inclusion/diversity initiatives a business priority.

Managing an environmentally and socially responsible supply chain to mitigate associated risks and promote viable positive alternatives.

Holding professional integrity at the core of all business operations.

Assessing our carbon footprint to mitigate our impact on the planet.



NETGEAR's Priority ESG Topics

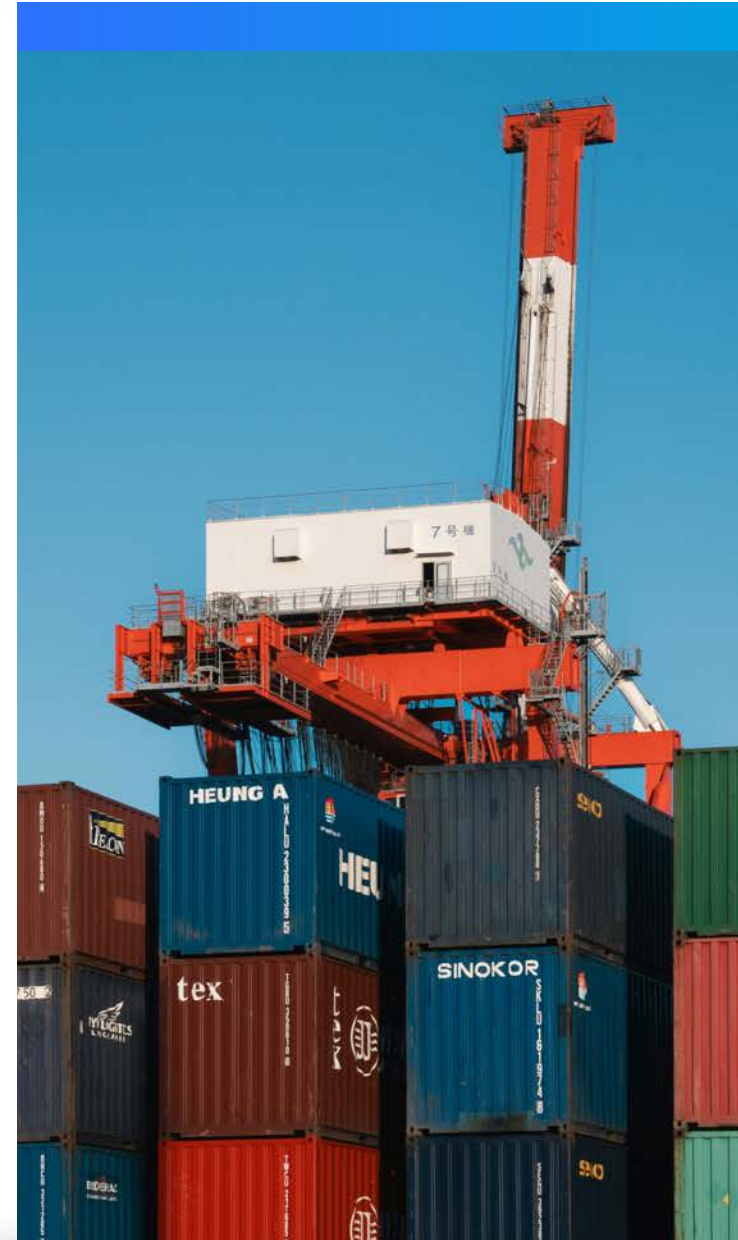
Product Security



Data Privacy & Cybersecurity



Supply Chain Management



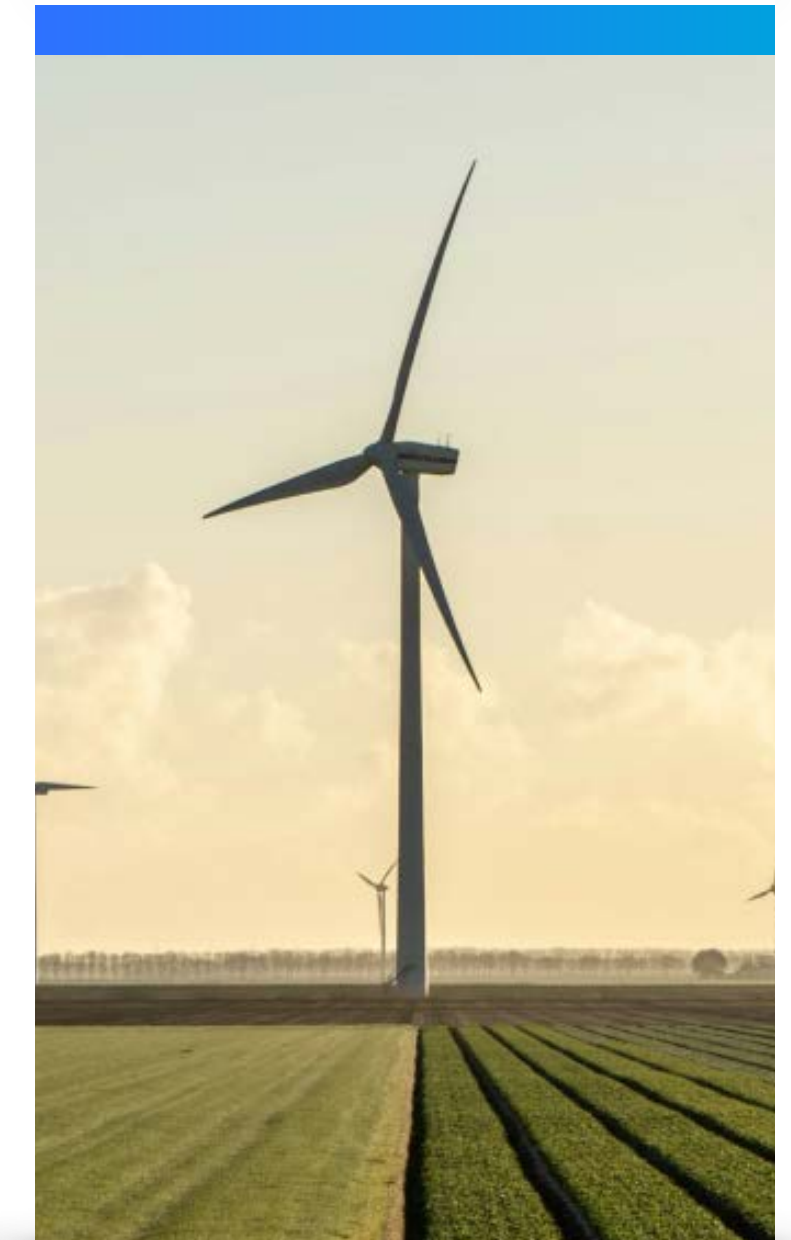
Employee Engagement, Diversity & Inclusion



Professional Integrity



GHG Emissions & Energy Management



Product Security



Product Security

At NETGEAR, we aim to safely connect people to the internet through innovation. Our team prioritizes building and maintaining trust with customers, providing products with enhanced security and privacy protection. Our commitment to securing your privacy includes integrating dependable security principles throughout our operations, complying with regional regulations, and prioritizing the safety of your products and data.



Vulnerability Management

At NETGEAR, we have a steadfast commitment to prioritizing security concerns and proactively monitoring our products. To stay ahead of emerging threats, we take a proactive stance towards security, demonstrated by our active engagement with the security community, including public bug bounty programs and collaborations with security researchers, firms, regulators, and standards bodies. We also collaborate closely with our partners to bolster the security of our supply chain, fortifying our products and services against vulnerabilities originating from third-party libraries and technologies. Our ultimate goal is to protect our customers from malicious attacks that exploit security vulnerabilities in our offerings. To fulfill this commitment, we have established robust vulnerability management processes, which include:

- Centralized company-wide tracking and reporting of product vulnerabilities
- Public bug bounty programs and ongoing engagement with the security community
- Classification, risk assessment, prioritization, and timely resolution of vulnerabilities based on Service Level Agreements (SLAs)
- Well-defined incident response procedures for addressing product security incidents and crises
- Effective management of hotfixes and patches to promptly address security issues.

Furthermore, our diligent Product Security Team triages and investigates reported security vulnerability impacting NETGEAR products and services. We value the collaborative efforts of the security community as we work together towards creating a more secure world.

NETGEAR Product Security

Product Lifecycles

Prior to product launch, testing procedures are carried out, considering the unique data and network access requirements of our products. Product security risks and vulnerabilities are diligently assessed and addressed through a range of appropriate measures. As products evolve, we continuously refine and enhance their security features, incorporating relevant industry insights and advanced safeguards. While the specific security measures may vary based on product characteristics, an example of our approach encompasses the following elements:

- Products are designed and tested to meet rigorous security requirements, including penetration tests and adherence to security exception risk acceptance processes.
- At the time of launch, formalized processes for bug detection, reporting, and triage are implemented, supplemented by NETGEAR's established procedures for publicly disclosing security-related corrections.
- We provide security patches for a period of three years from the last production date of each product, facilitating ongoing protection.

For further details, please visit the NETGEAR product security website at netgear.com/about/security.

Incident Response Process

NETGEAR's cybersecurity team dedicates itself to responding promptly to incidents, bolstering our security measures. With a robust incident response process, our team focuses on swiftly addressing and mitigating incidents while implementing preventive measures to thwart future attacks. This proactive approach strengthens the protection of our products and your data against potential threats. In the past year, we expanded our incident response team, strengthening our incident response capabilities and improving our incident response time. Moving forward, we maintain our commitment to continuously enhancing the security of our products and safeguarding your valuable data. Moreover, we actively leverage cloud security services to enhance our security infrastructure.

Regulatory Compliance Policies

NETGEAR stays informed of regulations impacting its global operations.

NETGEAR is compliant with the EU-US and Swiss-US Privacy Shield Frameworks ("Privacy Shield") established by the U.S. Department of Commerce. These frameworks govern the collection, use, and retention of Personal Information acquired from EU member countries, the United Kingdom, and Switzerland. As part of our commitment to these principles, NETGEAR certifies our adherence to the Privacy Shield principles that encompass notice, choice, accountability for onward transfer security, data integrity and purpose limitation, access, and recourse, enforcement, and liability. Our compliance with these principles falls under the jurisdiction of the U.S. Federal Trade Commission, responsible for regulatory enforcement of personal information received or transferred under the Privacy Shield Frameworks. For a more comprehensive understanding of our privacy policy, please refer to our website at netgear.com/about/privacy-policy/.

NETGEAR is compliant with the UK's Product Security and Telecommunications Infrastructure Act and its relevant security requirements, including the banning of default passwords, development of a vulnerability disclosure policy, and transparency around the length of time that product receive security updates. Beginning April 2024, applicable NETGEAR products comply with this new regulation.

Products & Services

At NETGEAR, we embrace a proactive approach to security by continuously monitoring our products to stay ahead of emerging threats. We firmly believe in being proactive rather than reactive when it comes to addressing security issues. As part of our commitment to staying at the forefront of security developments, we actively collaborate with both security researchers and companies. We are proud to be among the early supporters of the Cybersecurity and Infrastructure Security Agency (CISA) Secure by Design Pledge, signifying our dedication to prioritizing the security of our customers as an essential business requirement. By adhering to Secure by Design principles, we prioritize the implementation of robust security measures in our products to create a secure environment for our customers.



NETGEAR Armor® is an optional security add-on that delivers comprehensive internet protection for your entire household. Going beyond the capabilities of traditional anti-virus software, NETGEAR Armor® establishes an advanced defensive shield for your devices. Seamlessly integrated into our Wi-Fi systems, NETGEAR Armor® provides automatic updates to fortify the security of your computers, mobile phones, smart TVs, door locks, security cameras, and other connected devices, guarding them against potential hacking attempts. This powerful security solution also safeguards sensitive information like credit card details and social security numbers, preventing unauthorized access and preserving your privacy during internet activities. Backed by cutting-edge artificial intelligence, Armor stays one step ahead of hackers, viruses, ransomware, and phishing attacks. It provides real-time alerts when threats are detected and blocked and offers customized recommendations to strengthen customers' security and privacy at home and on-the-go. For mobile devices, the Armor App provides unlimited VPN for an extra layer of cybersecurity and antivirus protection for devices outside of the home.



Product Security Governance

At our company, we take product security seriously and have established a robust governance framework to maintain the highest level of security in our products. Our product security governance framework encompasses policies, procedures, and practices that guide our approach to product security. We monitor and evaluate our product security governance framework to stay abreast of evolving security threats and industry best practices.

Supply Chain Security

Increasing reliance on global supply chains requires a focused supply chain security approach. At our company, we actively participate in the manufacturing process of our products, integrating product security into our supply chain whenever possible. To bolster the security of our suppliers, we conduct reviews and employ automated tools, such as static and dynamic scanning, throughout our product development process. We also preform an OWASP self-assessment to rigorously test and validate our protocols while leveraging the security features of our strategic partners maintain a continuous commitment to supply chain security by closely monitoring our partners' security practices and striving to implement processes and systems that enhance security levels.

Furthermore, NETGEAR has been recognized by the U.S. Department of Homeland Security and Customs & Border Protection as a certified partner in the Customs-Trade Partnership Against Terrorism (CTPAT) program for 17 consecutive years. This program, which includes annual cybersecurity reviews, enhances product security across NETGEAR’s supply chain. This achievement stems from our active engagement in an ongoing evaluation of our supply chain, including suppliers, factories, transportation providers, and warehouses. It is important to note that participation in the CTPAT program is voluntary, and companies must successfully undergo stringent security assessments to qualify for certification.



Product Security Trends

NETGEAR continuously monitors the ever-expanding technological landscape to improve the security of our products and services. By staying vigilant, we proactively identify emerging product security trends and implement necessary measures to safeguard your information, reducing the risk of potential security breaches.

In response to the increasing prevalence of artificial intelligence, machine learning, and cloud security in product security, we actively work to mitigate risks and deliver secure experiences.

Our approach involves incorporating access control, encryption, secure coding, and network security considerations into our products and services. We also employ a range of offensive and defensive technologies at various layers to bolster overall security.



Protection that updates automatically

NETGEAR firmware updates automatically to deliver the latest security patches to the router as soon as they’re available.

Advanced encryption, built in

Our routers are engineered with cutting-edge WPA3 security: The toughest encryption technology used to connect all your devices securely to the router.

Going above and beyond for security

Our Product Security team collaborates with developers and security researchers around the world to rigorously test NETGEAR products and identify any potential threat or vulnerability before it impacts our customers.

Threats and attacks stop at the firewall

NETGEAR’s firewall blocks unintended access from the internet and prevents rogue devices from connecting to your network.

Protect and manage your home network

Guest WiFi Network makes it easy to set up separate, secure internet access for guests and the Internet of Things (IoT) WiFi Network can be used to connect all your IoT products like security cameras, speakers and digital assistants, while ensuring that your network is protected.

Secure access to your home network

VPN support lets you securely access your home network from your mobile devices, wherever life and work take you.

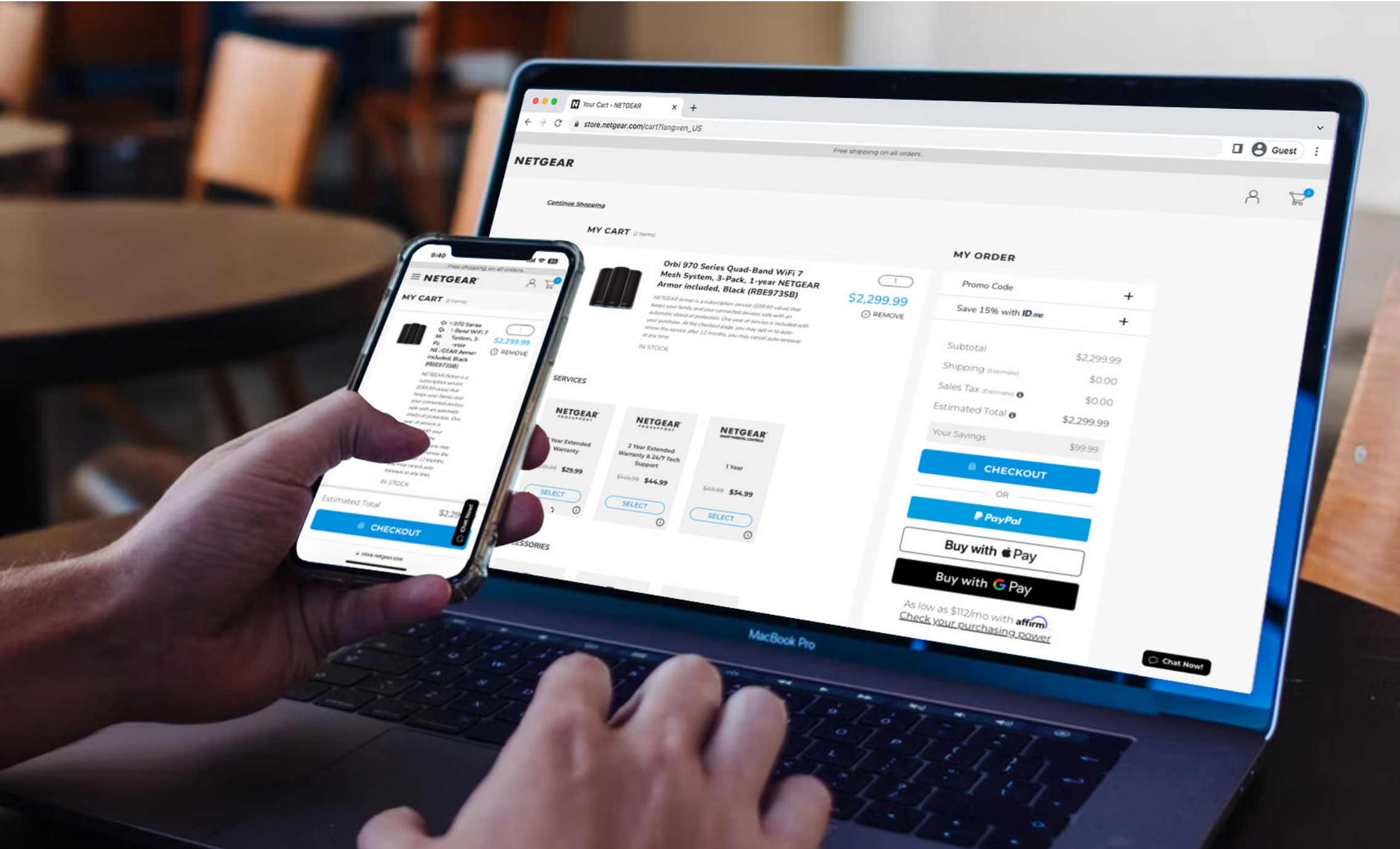
Our exclusive **Advanced Router Protection** automatically helps protect you against most known and emerging threats. It also allows delivery of security patches faster than ever for new threats.

Data Privacy & Cybersecurity



Data Privacy

NETGEAR places an emphasis on the protection and security of sensitive data. We strive to maintain openness and clarity in our practices related to the acquisition, storage, dissemination, and utilization of personal data. Our organization only utilizes personal information for legitimate business objectives, such as optimizing our offerings, interpreting internal statistics, and preventing fraudulent behavior. In addition to compliance with applicable laws, we acknowledge that responsible collection, storage and use of personal information is critical to maintaining the trust of our customers, partners and shareholders and we take that responsibility seriously.



Privacy Policy

At NETGEAR, we prioritize the protection of your privacy and do not share or sell your personal data with independent third parties without your consent. Our user-friendly privacy policy is transparent about the ways in which we collect, utilize, and transfer data, covering several areas of our business, including customer, partner, employee, and website data privacy. Our privacy policy clearly outlines your rights concerning your personal information and offers contact details for any questions or updates relating to our privacy practices. To gain a comprehensive understanding of our complete privacy policy, please visit netgear.com/about/privacy-policy/ on our website.

Privacy Principles

For nearly three decades, NETGEAR has dedicated its efforts to prioritize trust and transparency when it comes to the privacy of our customers, employees, and business partners. We instill trust among our customers and stakeholders by taking action: incorporating privacy and security measures into our products, adhering to global cybersecurity and privacy regulations, and promoting responsible usage of technologies such as artificial intelligence (AI). By adhering to the Secure by Design principles under CISA's guidance, our networking products are built with robust security protocols at the outset of product and service development.

At NETGEAR, the privacy and respect of our customers are paramount. We are committed to minimizing the collection of personal data from our customers, limiting our access to only what is reasonably necessary for our operations and to aid in the seamless functioning of our technologies. The minimal data we do collect is specific to our products, this information is used to enhance the user experience, improve or suggest relevant products and services. Additionally, NETGEAR is committed to maintaining personal data storage and processing, in compliance with applicable laws and regulations.

Data Privacy Governance

NETGEAR's robust framework for data privacy governance is the result of collaboration between our customer care, IT, HR, engineering, and legal teams. This cohesive approach allows for comprehensive coverage and addresses data privacy.

At the helm of our efforts, we have a dedicated Chief Privacy Officer, VP of Product Security, and a Cybersecurity Committee comprised of members from our Board of Directors. Together, they take charge of overseeing and managing data privacy protocols. Continuous monitoring and stringent oversight are integral components of their responsibilities.

Customer Data Protection

At NETGEAR, we prioritize the protection and integrity of our e-commerce platform. We employ extensive measures to help safeguard customer data from unauthorized access and potential corruption. Our data collection practices are strictly focused on gathering essential information for seamless operations, and we do not collect sensitive customer Personal Identifiable Information (PII) such as social security numbers, dates of birth, or health data from our customers.

To strengthen our cybersecurity defenses, we maintain an active program and enforce privacy safeguards throughout the company. This includes implementing access management and controls to limit data access to legitimate business needs, like customer support. Our security measures follow a defense-in-depth approach, further enhancing customer data protection.

We are committed to complying with industry standards and regulations. In addition to compliance with applicable laws such as the General Data Protection Regulation (GDPR) and the California Privacy Rights Act (CPRA), meet the stringent requirements of the Payment Card Industry. (PCI)

For more detailed information about our privacy practices and policies, please refer to our [comprehensive privacy policy](#).





Data Protection Policy

At NETGEAR, instilling the utmost privacy and protection of your data is our highest priority. We recognize the importance of transparency in data collection, usage, and processing, which is why we have implemented a comprehensive Analytics Data Policy. This policy outlines the specific types of data that we collect, the methods and purposes for which we utilize this data, and the various options available to you regarding our data processing practices. We invite you to review our complete [policy](#).

AI Governance

As the hardware industry evolves, using AI is crucial for enhancing NETGEAR’s ability to serve its customers and improve employee experience. By incorporating AI, we not only boost output, but also significantly contribute to our customers' success. As we navigate the advancement of AI technologies, NETGEAR is committed to addressing potential challenges and adopting a responsible approach to AI applications.

We acknowledge the importance of understanding and addressing the ethical implications associated with AI prior to fully utilizing such tools. To properly evaluate these ethical implications, NETGEAR has established an AI Leadership Council to provide oversight and align our AI usage with our commitment to ethical practices. This council regularly evaluates and guides our AI initiatives, allowing us to navigate this field while upholding our responsibility towards data privacy, fairness, transparency, and accountability. We are committed to continuously learning and improving our AI governance to promote the responsible and beneficial use of AI in our products and services.

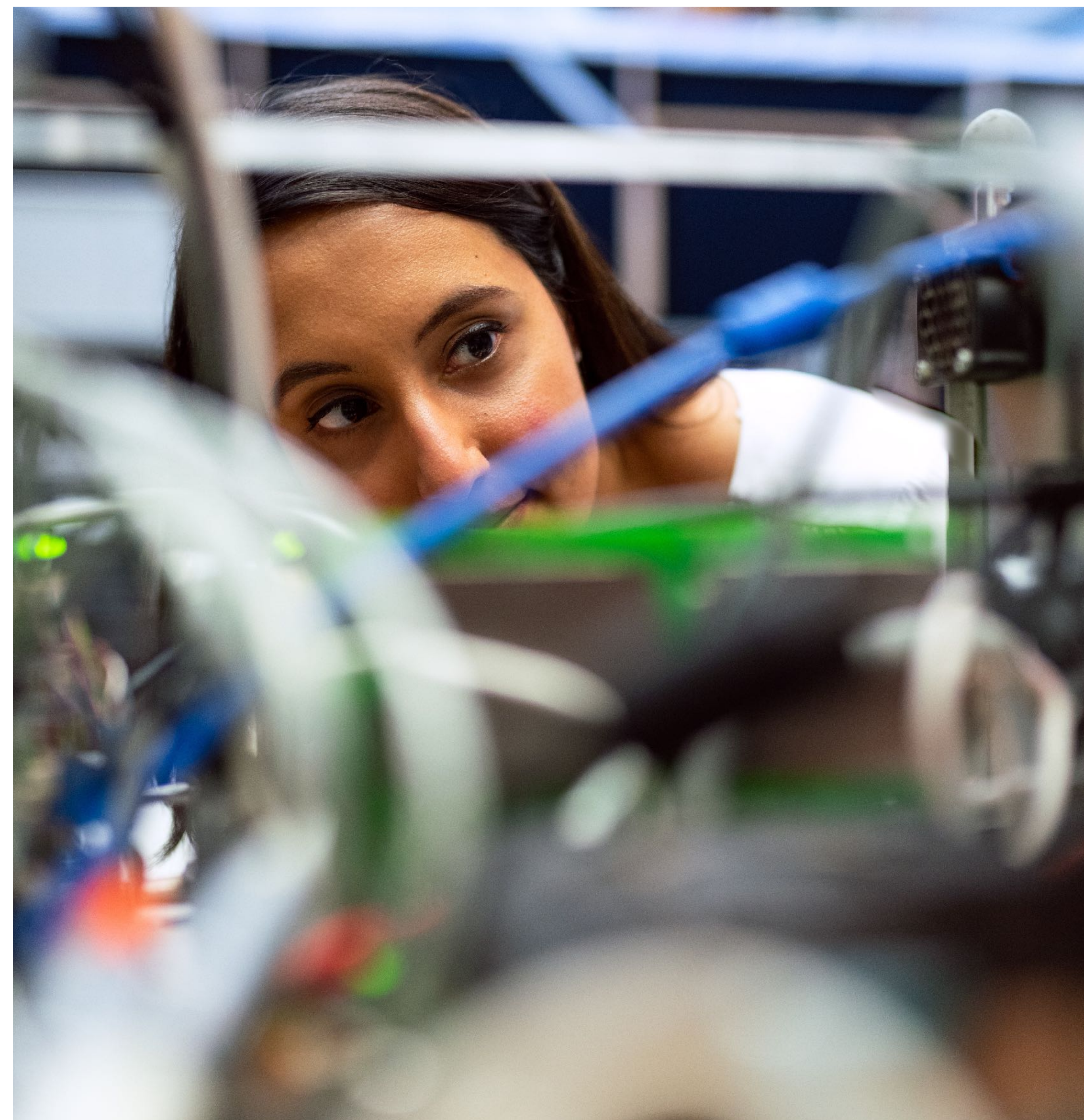
Cybersecurity

At NETGEAR, we optimize our cybersecurity programs to match continuously evolving technological trends. We uphold strong practices through our people and processes, dedicating internal efforts towards our cross-functional cybersecurity team, data protection controls, vulnerability management, and incident response procedures. At NETGEAR, our products are backed by trusted internal operations, reinforcing reliable cybersecurity systems throughout our business. We strive to continuously improve our cybersecurity processes and program effectiveness to align with industry best practices.

Cybersecurity Governance

We have developed a comprehensive approach to cybersecurity, maintaining the protection of our organization's assets and meeting our corporate requirements. This approach leverages the unique skills of our people, processes, and cutting-edge technology. Oversight for our cybersecurity efforts is provided by the Board of Directors' Cybersecurity Committee, while our Cybersecurity Governance Committee, inclusive of Executive staff, IT, Audit, and Cybersecurity professionals, along with various collaborating working groups, regularly convene to discuss and fine-tune our Corporate and Product Security Programs. Regular updates on these programs are provided to the Board on a quarterly basis.

Further, our cybersecurity framework draws upon the well-established National Institute of Standards and Technology Cybersecurity Framework (NIST CSF), aligning our team objectives with each area of the framework. This strategic alignment allows us to continuously evaluate and measure the effectiveness of our program against specified objectives. Supporting NETGEAR's cybersecurity framework is an encompassing governance and continuous improvement model. This continually assesses, measures, and evaluates program effectiveness, allowing us to prioritize objectives and continually enhance our cybersecurity practices. These priorities and performance are regularly reviewed with executive leadership and the esteemed Board of Directors, further demonstrating the alignment of our cybersecurity efforts with organizational goals.



Security Awareness and Training

We have rolled out mandatory security training for 100% of our workforce so employees are equipped with the necessary knowledge and skills to mitigate cyber risks effectively. We have additional security tools training assigned to employees based on their specific job functions. Our comprehensive training program includes specialized modules such as new hire security training, annual security refresher trainings, and role-based security trainings. By catering to the unique needs of different functions within our organization, we empower employees to make informed decisions that prioritize cybersecurity principles.

In addition to foundational training, we have also established ongoing initiatives to reinforce core cybersecurity principles. Regular phishing exercises are conducted throughout the year to assess the organization's susceptibility to social engineering attacks and provide targeted training to those who require further guidance. These exercises serve as invaluable opportunities for employees to recognize and respond appropriately to potential cyber threats. Complementing our internal training efforts, we have implemented a year-long global employee awareness campaign against phishing. This campaign is designed to raise awareness and educate employees about the evolving nature of phishing attacks and the importance of remaining vigilant.

By diligently focusing on security awareness and training, we've found that our efforts lead to a reduction in errors, an increase in awareness, and a strengthened security posture among NETGEAR employees. As we remain committed to a safe and secure digital environment, our continuous investment in cybersecurity training plays a pivotal role in both protecting our organization and fostering a culture of cyber resilience.

Vulnerability Management & System Hygiene

We have established a comprehensive vulnerability management program to proactively identify and address vulnerabilities in our infrastructure. As an integral part of this program, we conduct routine vulnerability assessments to detect and track any vulnerabilities that may arise. This systematic approach allows us to swiftly address potential risks and enhance the overall security of our systems.

To further bolster our cybersecurity efforts, we have implemented a public bug bounty program known as our Security Researcher Recognition program. By encouraging security researchers to provide feedback on our practices, we foster a collaborative environment where vulnerabilities can be identified and addressed promptly. Our dedicated cybersecurity team investigates concerns that are reported to us, promptly resolving any identified issues.

As part of our commitment to enhancing our security posture, we are incorporating attributes of the Zero Trust framework with zero-trust network access. This comprehensive security approach aims to authenticate and authorize users and devices before they access our network, thereby adding an extra layer of protection for our systems and data.



Product Design & Manufacturing



Product Design & Manufacturing

At NETGEAR, our mission extends beyond providing customers with innovative, high-performance products. We are dedicated to minimizing the environmental impact of these products throughout their entire life cycle. From the design and manufacturing phase to usage and disposal, we continually strive to minimize resource consumption, optimize energy efficiency, and prioritize sustainable materials selection, enabling us to create durable products that contribute to a more sustainable future.

Commitment to Responsible Products

At NETGEAR, safeguarding the environment and customer well-being are paramount. We achieve this by meticulously overseeing and minimizing the presence of hazardous substances in our products, thereby adhering to applicable regulations. Additionally, we fulfill our responsibilities under Extended Producers Responsibility (EPR) by actively engaging in various waste schemes such as Waste Electrical and Electronic Equipment (WEEE), Battery (BAT), and Packaging (PACK). Through these initiatives, we diligently monitor and regulate the disposal of our products and packaging to promote responsible waste management practices.





Sustainable Product Design

NETGEAR understands that up to 80% of a product's environmental impact is determined during the design phase.¹ As a result, we are resolutely committed to promoting a sustainable design methodology that significantly reduces the environmental impact of our products. We recognize that the improvement of product energy efficiency is paramount, as around 90% of our carbon footprint comes from product energy use. Through our continuous innovation and improvement, it is worth noting that 90% of our retail products meet or exceed the power efficiency levels set by the Small Network Equipment Voluntary Agreement (SNEVA), which helps reduce greenhouse gas emissions over the lifetime of our installed products.

Starting in 2023, we have included recycled plastics and metals in the design of several product lines. We have already launched a new line of wireless access points that contains approximately 60% recycled material content of the entire product weight. Our target is to incorporate recycled materials in 30% of new product introductions in 2024, and by 2028, we aim to have 60% of our new product introductions contain recycled materials. By adopting a sustainable design approach, we are able to conserve natural resources, reduce energy consumption, and lower GHG emissions. Moreover, this approach promotes waste reduction by diverting materials from landfills and oceans, promoting a more circular economy.

Our latest product, the WBE750 Wi-Fi 7 Access Point, showcases our unwavering commitment to sustainability. We are proud to say that the top case of the device is made from 50% recycled plastic, while the bottom is crafted entirely from 100% recycled aluminum. We have also incorporated a universal mounting system that can be used with future NETGEAR APs, which allows our customers to reuse the mounts when they upgrade their products, minimizing waste and reducing installation time. Furthermore, the device comes equipped with power-saving modes that can decrease power consumption by up to 50% under ideal conditions. This innovative and sustainable design, coupled with cutting-edge wireless technology, has earned us recognition with the iF and Red Dot Design Awards for 2024. We are proud to have created a product that is both eco-friendly and high-performance, and we believe that it will set the standard for sustainable technology in the years to come.

¹ From the European Commission, EU website.



Waste Management

NETGEAR is dedicated to reducing the amount of electronic waste that ends up in landfills because of our product sales. Operating across facilities in North America, EMEA, and APAC regions, we successfully recovered an impressive 390 metric tons of scrap waste. Within this recovered waste, a portion of the components undergo refurbishment for integration into new products, while the remaining materials are sent for further recycling. To achieve optimal environmental outcomes, we have partnered with a leading recycling company known for its sustainable and innovative practices, which meticulously filters out different materials and contaminants.

Anticipating the continued growth of electronic waste, NETGEAR proactively addresses this challenge by actively reducing or eliminating hazardous materials in our products. This includes minimizing the use of plastics and increasing the incorporation of reused materials. Simultaneously, we strive to increase our utilization of renewable energy sources and work diligently towards achieving carbon neutrality across our operations. In doing so, we aim to safeguard the health and safety of our employees, customers, and the environment. We are excited to contribute to a sustainable future through our ongoing initiatives in waste reduction and environmental preservation.

Responsible Packaging

At NETGEAR, we are committed to making a positive impact on the environment through sustainable packaging. As part of our efforts, we have made significant changes to our packaging materials to reduce our use of plastic. We have eliminated foam and poly bags for new products, and we are now using Post-Consumer Waste (PCW) to divert waste from landfills. Our goal is to use 20% PCW for product packaging and 60% PCW for master cartons by 2025, in line with the circular economy principles.

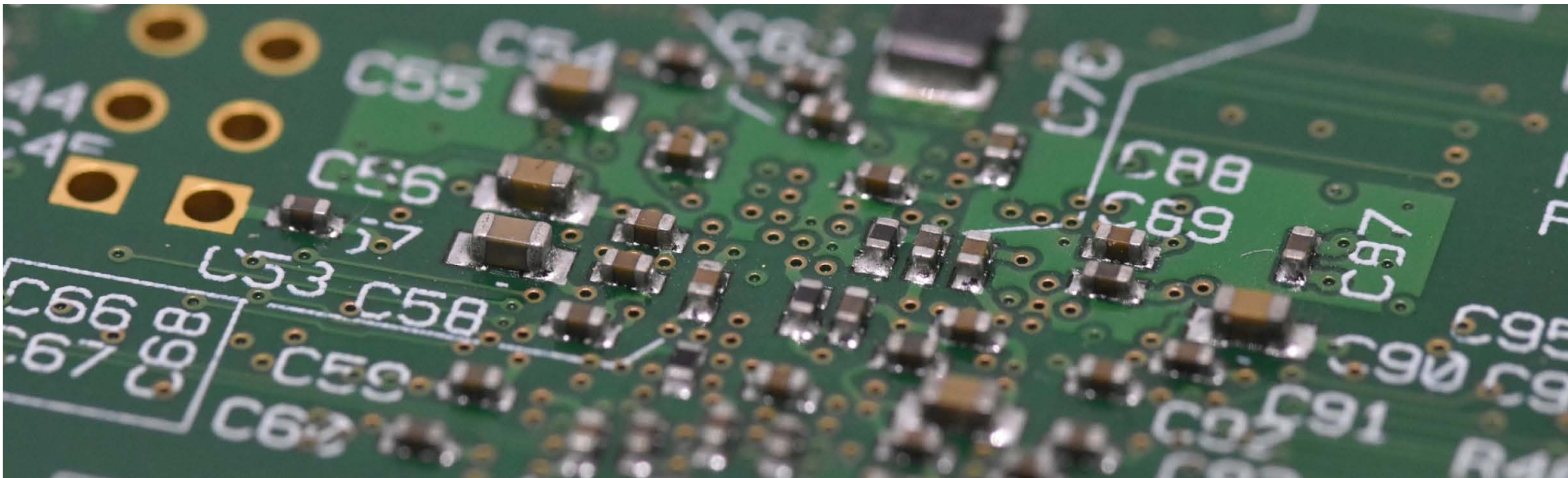
We are dedicated to taking a holistic approach to sustainability, and our sustainable packaging initiatives are just one aspect of our broader environmental strategy. Moving forward, we will continue to make changes to our packaging design to reduce single-use plastics by up to 25%. By doing this, we can help minimize our impact on the planet while still delivering high-quality products to our valued customers.

Materials Sourcing

Conflict Minerals Policy

Conflict minerals, including tin, tungsten, tantalum, and gold (3TG), often originate from conflict-affected regions like the Democratic Republic of Congo (DRC) and neighboring countries, where armed groups employ forced labor and violate human rights. As a provider of network products containing 3TG, we recognize the significance of avoiding conflict minerals and assume responsibility for responsible sourcing practices throughout our supply chain. Complying with legal requirements concerning conflict minerals, we uphold a commitment to human rights and corporate responsibility. Our aim is to promote responsible mineral sourcing in the area, while making sure that the 3TG used in our products does not finance or benefit armed groups in the DRC or surrounding regions.

To accomplish this, we actively collaborate with the Responsible Business Alliance (RBA), Responsible Minerals Initiative (RMI), Smelter Engagement Team (SET), and our direct suppliers to trace the origin of 3TG and promote responsible sourcing. Consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, we continuously monitor our supply chain operations and undertake appropriate measures to engage our suppliers in measurable risk mitigation efforts. For a comprehensive understanding of our commitment, please refer to our complete [Conflict Minerals Sourcing Policy](#). By implementing these practices, we aim to contribute to the eradication of conflict minerals and foster sustainable sourcing practices within our industry.



Critical Materials Risk Analysis

NETGEAR's approach to managing conflict minerals in our supply chain involves collaboration with our direct suppliers and adherence to industry best practices. While we do not have direct contractual relationships with smelters and refiners, we rely on our suppliers to gather and provide specific information on the 3TGs used in our products. Annually, we conduct a Conflict Mineral analysis to determine the origin of the necessary minerals within covered countries.

We actively engage with our Tier 1 suppliers, instructing them to complete the RMI Conflict Minerals Report Template (CMRT) to provide information on 3TG smelters or refiners (SOR). To promote transparency and compliance, we provide training and education to suppliers on best practices and the utilization of this reporting template. We validate and assess each relevant response from our suppliers, confirming alignment with the expectations outlined in the OECD Guidance.

Upon receiving information from our Tier 1 suppliers, we screen 3TG SORs within our supply chain using the RMI's Responsible Minerals Assurance Process (RMAP) and Reasonable Country of Origin (RCOI) data. We identify and manage conflict mineral risks based on supplier declarations. To mitigate relevant risks, we actively encourage non-RMAP facilities in our supply chain to participate in the program and undergo an audit. We also request that certain suppliers remove specific smelters or refiners that we deem high-risk or invalid from their supply chain.

In 2023, we achieved a 100% response rate from our Tier 1 suppliers. Additional information on our practices can be found in [our SEC filings](#), which are publicly available on our website.

Materials Sourcing

Hazardous Substances Commitment

At NETGEAR, we place utmost importance on product safety and environmental protection. We adhere to comprehensive hazardous substances regulations such as RoHS, REACH, Prop 65, TSCA, and POPs, to manage chemicals used in our manufacturing and finished products. Per- and poly-fluoroalkyl substances (PFAs), commonly found in electronics for functions like soldering agent, flame retardants, and preventing electrical arcing, have raised increasing concerns due to their persistence in the environment and potential bioaccumulation in the human body.

Recognizing these concerns, many countries have introduced regulations regarding PFAs, including reporting and/or restrictions on their use in products. In response, we are collaborating with our manufacturing partners to conduct an investigation into the presence and usage of PFAs in our products. Following the investigation, we will work closely with experts to assess their safety implications and identify alternative solutions that pose minimal risks if necessary. Our goal is to continuously evaluate and improve our product composition to prioritize the safety of our customers and the environment.



Supply Chain Management



Supply Chain Management

At NETGEAR, trust is woven throughout the entirety of our product lifecycle, beginning with our value chain. We understand that our supply chain is largely influenced by emerging global, social, and environmental factors. We prioritize the equitable treatment of workers and demand that our suppliers strictly adhere to the elevated ethical standards outlined in our [Supplier Code of Conduct](#). To effectively mitigate potential risks, we conduct regular audits of our suppliers. Furthermore, our commitment to transparency is upheld by disclosing audit information, thereby promoting greater visibility across our entire supply chain.

RBA Compliance

NETGEAR has been a long-standing member of the Responsible Business Alliance (RBA), a global industry coalition that works to promote responsible practices in the electronics and other industries. Complying with these standards helps us to demonstrate our commitment to responsible and sustainable business practices, including a more resilient supply chain. Our compliance also increases supply chain transparency, allowing us to identify and address potential risks such as forced labor or environmental violations.

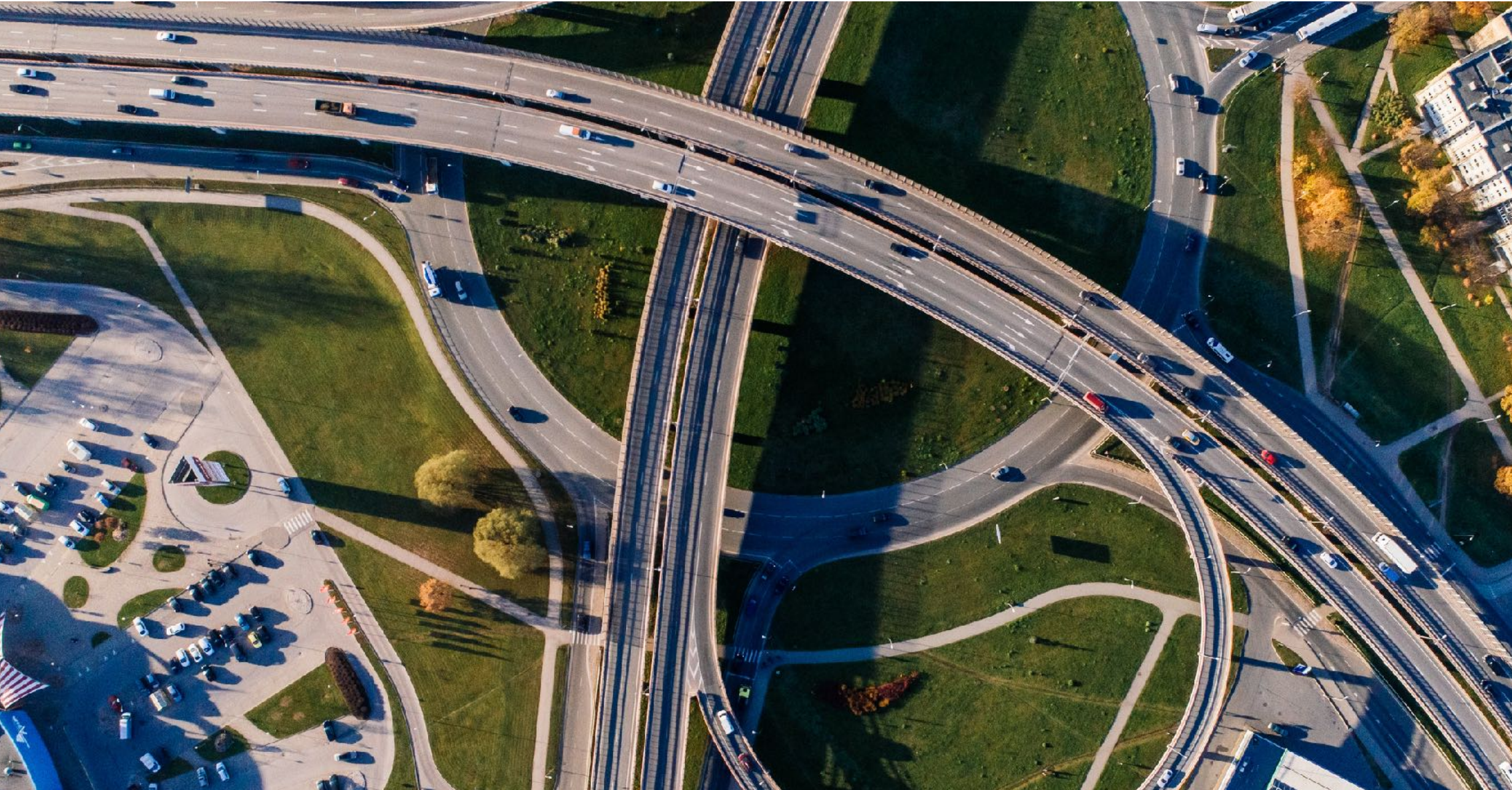
NETGEAR completed the Responsible Business Alliance (RBA) member compliance reporting throughout the year, covering results of the 2023 audits. We noted no critical violations of policies and standards which require immediate escalation in the audits completed. The planned audits in 2023 covered over 80% of production volume, complying with our annual CSR commitment and RBA membership requirement.



Supply Chain Audits

We actively manage the impacts of our supply chain and execute comprehensive RBA Validated Assessment Program audits of our suppliers. NETGEAR is committed to identifying and mitigating high risk activities in our supply chain through these audits. In FY '23, our audits covered over 94% of the production volume, complying with our annual CSR commitment and RBA membership requirement. Our FY '23 audits identified a total of 104 issues of which 64 were major non-conformances and 40 were minor non-conformances. No high risk facilities were identified.

We believe in open communication and collaboration with our suppliers by establishing regular follow ups and reviews. NETGEAR holds quarterly business review meetings to help foster stronger relationships between the company and its suppliers, improve communication and collaboration, and drive continuous improvement and optimization of supply chain operations.



Climate Risk in our Supply Chain

Through our climate risk assessment, we recognized that extreme weather such as tropical cyclones and cold waves may cause significant disruption in product manufacturing and the supply chain. Tropical cyclones can cause damage to the facilities of our manufacturing partners, leading to delays in production. Both physical risks can disrupt transportation networks as well as increase the difficulty of transporting raw materials to manufacturing facilities and finished goods to customers. To mitigate the risks, our manufacturing partners in highly vulnerable areas have implemented their Business Continuity Plan or action plan to address potential disruptions. We will continuously monitor and refine our supply chain risk management practices based on evolving scientific knowledge, stakeholder expectations, and regulatory requirements.

Supplier Code of Conduct

At NETGEAR, we are deeply committed to upholding the highest standards of social responsibility in the locations where our products are manufactured. We maintain a stringent zero-tolerance policy towards forced labor and human trafficking.

To maintain compliance with these principles, we have implemented a comprehensive Supplier Code of Conduct that aligns with the Responsible Business Alliance (RBA) code. This code encompasses guidelines related to labor and human rights, health and safety, environmental sustainability, ethical business practices, and management systems to effectively monitor and enforce adherence to these requirements.

In our ongoing efforts to combat slavery and human trafficking, we assess supply chain risk and conduct social compliance audits of our suppliers, while emphasizing strict compliance with our Supplier Code of Conduct. The results of these assessments guide the implementation of appropriate audit procedures. Through our auditing program, we not only evaluate compliance but also actively collaborate with our suppliers to instigate positive change as needed. Moreover, we engage third-party on-site supplier audits and provide internal training on the Supplier Code of Conduct to further enhance accountability.

For more detailed information on this topic, we invite you to review our Statement Regarding the California Transparency in Supply Chains Act of 2010, the UK Modern Slavery Act of 2015, and our Supplier Code of Conduct. For comprehensive transparency, please refer to our full transparency [statement](#).



Potential Labor and Environmental Risks

NETGEAR places a strong emphasis on fostering fairness and humane treatment across our own operations and those of our partners. Through close collaboration with our employees and suppliers, we address concerns related to recruitment, working hours, compensation, discrimination, and freedom of association. This approach creates a respectful working environment both internally and externally. Continuously evaluating risk within our supply chain and engaging with our commercial suppliers allows us to identify and take corrective actions when policies are violated. In 2022, we proactively identified labor violations and responded by shifting our operations to suppliers with lower risk profiles. We remain committed to monitoring similar risks among our global partners to promote dignified labor practices.

Furthermore, we recognize potential environmental risks, such as floods, tornadoes, typhoons, droughts, and snowstorms, which have the capacity to disrupt our operations, delay product and service delivery to customers, and potentially impact our revenue. This year, we conducted a climate and transition risk analysis in alignment with the Task Force on Climate-related Financial Disclosures (TCFD). More information can be found in our TCFD index.

Our compliance efforts and diligent risk identification efforts underscore our unwavering commitment to sustainability and our core values. We remain vigilant in monitoring and adhering to existing regulations to mitigate any potential financial implications, while proactively minimizing the impact of new regulations on our business. By prioritizing sustainability and adopting a proactive risk management approach, we are confident that we can better serve our customers and access crucial markets.



Supplier Engagement

At NETGEAR, we prioritize supplier engagement as an integral part of our commitment to ethical behavior, respect for human rights, environmental sustainability, and compliance with applicable laws and regulations. This commitment is reflected in our Supplier Code of Conduct, which sets clear expectations for our suppliers and forms the foundation of our engagement efforts.

To effectively assess supplier performance and maintain compliance, we conduct quarterly business reviews with our suppliers. These reviews provide us with valuable insights into their operations and allow us to evaluate their adherence to our standards. Based on these assessments, we determine the appropriate audit procedures, utilizing reputable third-party organizations to conduct on-site audits. This allows for a rigorous and independent evaluation of our suppliers' practices. Collaboration and coaching are key elements of our supplier engagement approach. We have dedicated on-site teams that work closely with our suppliers in real-time. Through this close partnership, we provide guidance, coaching, training, and support, enabling them to improve their ESG performance and meet our high standards.

Driving continuous improvement and promoting innovation is at the heart of our engagement efforts. We set clear targets and strive to share best practices across our diverse supplier base. By encouraging the adoption of sustainable practices, we aim to benefit both the environment and society. Recognizing and rewarding our suppliers' efforts is an essential part of our engagement strategy. To incentivize continuous improvement, we have implemented incentive programs that motivate suppliers to enhance their performance. Our assessments consider ESG factors, and we adjust business ratios and provide New Product Introduction (NPI) awards based on the overall performance of the suppliers.

Maintaining transparency and open communication is critical to our supplier engagement approach. We keep detailed records of our engagement efforts, generating complete transparency in our communication. Regular reporting to stakeholders and top management keeps them informed about our progress and achievements, reinforcing our commitment to transparency and accountability. At NETGEAR, our comprehensive supplier engagement approach forms the backbone of our sustainable supply chain. By working closely with our suppliers, we drive continuous improvement, foster innovation, and promote transparency, ultimately creating a more ethical and resilient value chain.

Employee Engagement, Diversity & Inclusion



Employee Engagement, Diversity & Inclusion

At NETGEAR, we prioritize fostering a diverse working environment that promotes innovative ideas and products. We believe in the power of true diversity and inclusion, unlocking the fullest potential of each employee. Our commitment to promoting a culture that values and celebrates individuals without bias is reflective of the significance we place on diversity in our communities. To strengthen transparency, we annually file the Employment Information Report (EEO-1) to provide a demographic breakdown of our workforce by race and gender. For access to our EEO-1 report, please visit the [NETGEAR ESG Environmental, Social, and Governance page](#).



SASB Diversity Metrics

Global Employees	Female	Male
Management	38%	63%
Technical Staff	21%	79%
All Other Employees	55.5%	44.5%

U.S. Employees Only	Asian	Black or African American	Hispanic or Latino	White	Other
Management	59%	5%	0%	33%	3%
Technical Staff	68%	4%	3%	24%	1%
All Other Employees	43%	5%	9.5%	36.5%	6%

Leadership Diversity

NETGEAR is committed to upholding diversity, equity, and inclusion within our organization, and we are proud to demonstrate this commitment at the highest levels of our company. As of December 31, 2023, approximately 60% of our executive management team self-identified as an underrepresented minority, in terms of race, ethnicity, or gender. Additionally, 57% of our independent directors identified as female. Both of these metrics have shown notable progress and improvement compared to last year's report. Further, women represented approximately 21% of technical positions worldwide and approximately 37.7% of leadership roles worldwide. We remain steadfast in our efforts to create an environment where every individual can thrive and contribute their unique perspectives and talents.

Employee Resource Groups

At NETGEAR, our commitment to diversity is ingrained in our daily operations. We actively support and foster diversity through ongoing development programs, such as our Employee Resource Groups (ERGs) that include the Black Employee Resource Group and the Women in the Workplace Resource Group. Through these initiatives, we provide a platform for employees from diverse backgrounds to connect, share experiences, and drive positive change within our organization. Furthermore, we are proud to be a member of CEO Action for Diversity and Inclusion, a coalition of leaders focused on advancing diversity and inclusion in the workplace.

Employee Health & Safety

At NETGEAR, prioritizing health and safety is of utmost importance. We recognize that a safe and clean workplace environment is crucial for the well-being of our employees and the overall success of our business. With a strong focus on health and safety, we continually monitor and assess our workplace practices to promote a clean environment, emergency preparedness, and minimize the risk of injury and illness. This includes promoting industrial hygiene, providing ergonomic training and equipment, implementing machine safeguarding measures, and more.

To enhance our preparedness, we have a Corporate Emergency Response Team, supplemented by our robust Business Continuity Program. These initiatives equip our employees and visitors with essential knowledge and supplies to effectively respond to emergencies. Additionally, we are committed to consistently updating safety guidelines for our products to prioritize the well-being of our customers. In line with our commitment to health and safety, we incorporate Health and Safety considerations into our Responsible Business Alliance (RBA) guided audit program and corporate workplace operations. This comprehensive approach prioritizes that health and safety remain integral components of our business practices, safeguarding the well-being of our workforce and stakeholders.





Employee Experience Surveys

NETGEAR values the input and feedback of our employees, which is why we regularly conduct employee engagement surveys to identify opportunities for enhancing our policies and optimizing the experience and performance of our workforce. These surveys are conducted every two years, allowing us to gauge the level of engagement within our organization. Since implementing the survey in 2014, we take pride in consistently achieving participation rates of no less than 95%. In our most recent experience survey conducted in 2023, we achieved an impressive participation rate of 97%. This high level of employee engagement enables us to make informed decisions and cultivate a workplace culture that is responsive to the needs and aspirations of our valued team members.

Diversity & Inclusion Training

At NETGEAR, we prioritize the development of a diverse and inclusive workplace culture, and one of the key ways we achieve this is through comprehensive training on Diversity, Equity, and Inclusion (DEI). Our DEI training program focuses on fostering a sense of belongingness and empathy while highlighting our internal efforts to cultivate a workforce that embraces diversity. For instance, our mandatory Diversity and Inclusion course helps employees understand NETGEAR's goals in promoting diversity throughout the employee lifecycle, from recruitment to team development. Additionally, our Reflection on Bias course equips employees with the knowledge and skills to recognize, address, and prevent bias by understanding the specific needs of diverse groups within our organization. By empowering our employees, we are making significant strides toward achieving a more inclusive operation.

In our commitment to continuous learning and development, we have recently launched Udemy for Business as our global training content provider. Through this platform, our employees now have unlimited access to an extensive library of over 25,000 courses spanning various topics such as technology, business, leadership, and wellness. This comprehensive collection not only facilitates skill-building across our business functions but also allows our global workforce to learn from industry experts in their native language. This initiative further underscores our dedication to providing our employees with the necessary tools and resources to thrive both personally and professionally.

Pay Equity and Promotion Percentage Analysis

The average annual salary for females and males is 99.44% and 100.33%, respectively, of the total company average annual salary. Our analysis noted that female directors are paid 102%, female VPs are paid 99%, and female managers are paid 116% of the level average. Management monitors and addresses statistical outliers on a periodic basis.



Community Engagement

At NETGEAR, we are dedicated to fostering inclusivity and actively engage in community outreach and charitable initiatives across our offices worldwide. In San Jose, our employees showed their generosity and commitment to the local community by organizing successful food and holiday toy drives through Sacred Heart. Similarly, in Richmond, our team volunteered at the Richmond Food Bank Society warehouse, organized a food bank drive, and collected essential items for at-risk youth at Covenant House Vancouver. In India, our employees formed the "WE CARE" group, contributing a portion of their salaries to support various charitable events. Their contributions have made a significant impact, from providing regular support to the Alverna Bhavan retirement home, to distributing essential items to homeless mothers during Diwali, and distributing educational materials to underprivileged children during Christmas. Our Ireland office participated in the "Giving Tree", donating gifts and food to families in need at Christmas. NETGEAR also matched employee donations raised for local charities in Ireland - Penny Dinners, Pieta House and St. Vincent De Paul as well as ALK+ International in the UK. In addition to the employee matching, NETGEAR also made a separate generous donation. These collective efforts exemplify our unwavering commitment to creating positive change in the communities in which we serve.

Employee Benefits

NETGEAR is committed to providing a robust and competitive benefits package to support the well-being and satisfaction of our employees. While specific offerings may vary across regions, we strive to provide a comprehensive range of benefits worldwide. In the United States, we're proud to include a range of benefits in our employee package, including health services (medical, dental, vision), flexible time away, paid parental leave, tuition reimbursement, fertility assistance, and many more. Employees across our offices have access to health insurance, bonus plans, an Employee Stock Purchase Plan (ESPP), an equity program, holidays, time off programs, and a hybrid working model. We continuously review and enhance our offerings to promote alignment with the diverse needs of our workforce.

Professional Integrity



Professional Integrity

NETGEAR's Environmental, Social, and Governance (ESG) practices are founded upon our unwavering commitment to professional integrity. We firmly believe that acting ethically and doing what is right guides our past accomplishments and future aspirations alike. To uphold this core value, we have established a robust governance structure, implemented regulatory compliance policies, and adopted ethical codes of conduct to foster a transparent and honest working environment. While policies serve as a foundation, we recognize that transformative actions reflect our true dedication to professional integrity. Thus, we prioritize equipping our employees with an understanding of applicable legal, regulatory, and ethical standards, emphasizing adherence to these principles in their duties. Our aim is to cultivate a culture steeped in professional integrity, seamlessly integrating these principles into our core operations to continually enhance our overall ESG performance.

For NETGEAR, professional integrity and ethical considerations permeate every facet of our business, from strategic planning and decision-making processes to product development and supply chain management. We integrate ethical principles into our company culture and practices, going beyond treating them as separate policies. By doing this, we maintain the highest standards of professional integrity and consistently enhance our dedication to ethical conduct in every aspect of our business.



Ethical Codes of Conduct

At NETGEAR, we are committed to conducting business with the highest standards of integrity and ethical conduct. Our ethical codes of conduct serve as guiding principles for aligning our actions with our core values. Our Code of Ethics and Conflict of Interest Policy, applicable to internal employees and external partners, outlines our commitment to honesty, transparency, and fair practices. In 2023, we achieved a significant milestone with 100% of NETGEAR employees and Board members, and over 96% of key suppliers signing our Code of Ethics certification. This highlights our collective dedication to upholding ethical standards throughout our operations.

To extend our commitment to ethical conduct beyond our direct operations, we have established a Supplier Code of Conduct. This code sets out clear expectations for our suppliers regarding safe working conditions, fair treatment of workers, and environmentally and socially responsible manufacturing processes. Upholding these standards within our global supply chain allows our products to be produced in a responsible and sustainable manner.

Led by our Governance Risk and Audit and Legal teams, our Anti-Corruption Compliance Program conducts regular risk assessments across both internal operations and the supply chain. It facilitates compliance research, raises company-wide awareness of key regulatory matters, and fosters communication of regulatory information to our external stakeholders. This proactive approach enables us to mitigate corruption risks and maintain a transparent and accountable business environment.

Additionally, we actively engage with our stakeholders, including investors, employees, customers, suppliers, communities, and regulatory bodies. We seek to understand their ESG priorities, concerns, and expectations, and strive to integrate their perspectives into our strategies and decision-making processes. This ongoing dialogue enables us to continuously improve our ESG performance and make positive contributions to society.

Ethics Training

NETGEAR places great emphasis on ethics education for our employees, offering a range of relevant courses. These include Workplace Harassment Prevention, Security Awareness Essentials, Data Privacy, and Global Anti-Bribery & Corruption trainings. In 2023, 100% of our Board members and employees successfully completed the anti-corruption training. Our suppliers are required to undergo the anti-corruption training on a biennial basis. Additionally, employees based in EMEA, Australia, and India also receive specialized training in Cartels and Dealing with Competitors, enabling them to navigate these areas effectively.

To promote ongoing awareness and reinforce our commitment to ethical conduct, we conduct routine site visits to various international locations. These visits include Ethics Trainings Refreshers and confirmation that employees have acknowledged and are familiar with the NETGEAR Code of Conduct and Ethics policy.

Regulatory Compliance Policies

NETGEAR is dedicated to upholding compliance with regulatory laws, standards, and industry requirements. Our Legal team diligently monitors the impact of new regulations to establish and maintain appropriate consent and disclosure measures. Prior to market release, NETGEAR products undergo rigorous testing and certification processes to meet regulatory compliance requirements encompassing electromagnetic compatibility (EMC), safety, wireless, and telecom standards.

We are committed to adhering to applicable laws, directives, standards, and industry regulations. To meet country-specific marking requirements, our products are appropriately labeled to comply with various standards, including Federal Communication Commission (FCC) standards, European Union Directives (CE Mark), Japan's VCCI, Australia's RCM, and others.

Our comprehensive record of Declarations of Conformity and additional regulatory compliance insights can be accessed at: www.netgear.com/about/regulatory.



Board of Directors

The Board’s primary responsibility is to monitor and assist management in creating long-term value for NETGEAR’s stockholders in an ethical and socially responsible manner. The committees of [our Board](#), specifically the Audit Committee, Compensation and Talent Committee, Cybersecurity Committee, and the Nominating, and Corporate Governance Committee, provide governance over these endeavors.

Whistleblower Protection

NETGEAR prioritizes the privacy and protection of whistleblower complaints. Our reporting hotline allows employees and suppliers to report incidents anonymously. Access the hotline at [Whistleblower Protection | NETGEAR](#).



Further, our Legal team conducts region-specific ethics presentations during new hire onboarding and All Hands Meetings. These presentations serve as a reminder of the Whistleblower hotline and reinforce the importance of ethical conduct in each global region. Employees, suppliers, and other stakeholders are encouraged to report any ethical concerns or violations. Our whistleblower policy protects confidentiality and retaliation for individuals who speak up about misconduct.

ESG Charter

Governance plays a crucial role in driving the success of our ESG program at NETGEAR, and we understand its distinctive importance. Our Nominating and Corporate Governance Committee takes responsibility for overseeing our ESG program. As part of our commitment to sustainability and corporate responsibility, this committee consistently reviews and reports to the Board on our ESG performance. The Committee actively supports NETGEAR in maintaining and upholding high standards of ESG governance. The oversight facilitates the integration of ESG principles throughout all levels of our operations, fostering sustainability, environmental stewardship, social responsibility, and good governance practices.

Specifically, the Nominating and Corporate Governance Committee plays a pivotal role in fulfilling crucial tasks related to our ESG program at NETGEAR. One of its key responsibilities is setting ESG goals, working closely with management to establish ambitious targets aligned with our commitment to sustainability, environmental stewardship, social responsibility, and good governance practices. The committee diligently monitors the performance of our ESG initiatives, regularly assessing our progress towards the established goals and objectives. Further, the Committee monitors compliance with relevant regulations and standards, evaluating the evolving ESG landscape, staying up to date with emerging regulations and industry best practices, and guiding the organization in adhering to these requirements.

For more detailed insights into the Committee's role in ESG governance, please consult our [Nominating and Corporate Governance Committee Charter](#) where you can find valuable information about goal-setting, performance monitoring, compliance with regulations and standards, and reporting to the Board.

GHG Emissions & Energy Management



GHG Emissions & Energy Management

As a provider of computer networking products, NETGEAR recognizes the impact of the complete life cycle of our products and packaging. We are dedicated to delivering products that not only excel in quality but also prioritize environmental responsibility. As such, we are working to address a range of environmental considerations from responsible material extraction to appropriate end-of-life disposal through recycling and reuse. Our unwavering commitment to sustainability extends beyond mere obligation – it is rooted in our core values and acts as a guiding force behind our decisions. With a focus on benefiting our employees, customers, manufacturing partners, communities, and the environment, we continually strive to enhance our sustainability practices, driving positive change and making a lasting impact.

Net Zero Target

NETGEAR's commitment to a sustainable future is upheld by our decarbonization goal. We set our sights on decarbonizing greenhouse gas emissions from Scope 1 and Scope 2, aiming to reach net zero across our direct operations and electricity consumption by 2025. We developed and implemented a comprehensive plan designed to drive meaningful progress. Our strategy focuses on minimizing energy consumption, facilitating the transition to renewable energy sources, and proactively offsetting any residual emissions. Through strategic investments in projects that effectively reduce or avoid greenhouse gas emissions, we are actively working to neutralize our environmental impact and contribute to a more sustainable future.

GHG Inventory

During the fiscal year 2023, our total carbon footprint amounted to 781,819 metric tons of CO₂e. Roughly 99.92% of our total carbon footprint is attributed to Scope 3, with particular emphasis on the use phase of our products. As part of our ongoing commitment, we continuously refine the precision of our greenhouse gas inventory and remain resolute in our dedication to decarbonize our carbon footprint.



Operational Emissions

NETGEAR's operational emissions are categorized into Scope 1 (direct operations) and Scope 2 (purchased energy consumption) emissions. In the fiscal year 2023, our Scope 1 emissions resulting from stationary and mobile combustion amounted to an estimated 404 metric tons of CO2e, constituting a mere 0.05% of our total carbon footprint. Similarly, our Scope 2 emissions stemming from purchased energy measured approximately 519 metric tons of CO2e, accounting for 0.07% of our overall carbon footprint.

Although these operational emissions represent a relatively small portion of our total carbon footprint, we remain steadfast in our commitment to their reduction. Additionally, our dedication to decarbonization is reflected in our investments in carbon projects, enabling us to neutralize 70% of our direct emissions.



Value Chain Emissions

NETGEAR calculated the Scope 3 emissions of our supply chain in accordance with the GHG Protocol. Our inventory encompasses material categories to our business, including Purchased Goods & Services, Upstream Transportation & Logistics, Operational Waste Generation, Business Travel, Employee Commuting, Downstream Transportation & Logistics, Use of Sold Products, and Final Disposal of Sold Products.

In FY '23, our estimated Scope 3 emissions totaled 780,896 metric tons of CO2e, constituting a significant 99.88% of our total carbon footprint. Among the Scope 3 categories, the Use of Sold Products emerges as the most prominent contributor, accounting for 90.3% of our overall GHG emissions. We extend our commitment to transparency by providing a comprehensive GHG emissions breakdown in the Appendix.

Accurately and comprehensively estimating Scope 3 emissions is of utmost importance due to their substantial contribution to our carbon footprint. We are dedicated to gathering precise data, employing customer feedback and developer experiences, and applying region-specific emission factors that reflect power usage emissions. In FY '23, we also conducted a Supplier Sustainability Assessment, revealing that 77.8% of our suppliers have calculated their carbon footprint, with 86% of them setting targets for reducing their company's emissions. We will continue to collaborate with our suppliers to support their environmental sustainability journey.

Renewable Energy Usage

As part of our net zero commitment, NETGEAR is reducing our environmental footprint by increasing the use of renewable energy in our global facilities. In FY '23, we achieved advancements in effectively harnessing renewable energy sources. Through the adoption of renewable energy solutions and the procurement of Energy Attribute Certificates, we have successfully transitioned over 90% of our global facilities to 100% renewable electricity. This accomplishment underscores our dedication to prioritizing renewable energy use across our global facilities.

Water Usage

NETGEAR’s facilities’ water consumption amounted to 3,529,155 gallons in FY '23. We’ve recognized the growing challenges of water scarcity. Through continuous monitoring and managing our water usage, we are working to facilitate access to secure and reliable water sources for our facilities.

Global Environmental Programs in Action

NETGEAR commits to environmental sustainability throughout our facilities and the products we manufacture. We have implemented several initiatives, such as transitioning our facilities to sustainable practices, switching to renewable energy, and integrating sustainable design into our products. These initiatives demonstrate our dedication to environmental stewardship and sustainability. We will continue to explore new ways to reduce our environmental impact and promote a greener future.



Headquarters in San Jose, USA

We implemented several initiatives in our San Jose headquarters to reduce our carbon footprint and promote a green workplace. One of our key accomplishments last year was the transition to LED light bulbs throughout our headquarters. This change not only reduces our energy consumption but also lowers the amount of bulb waste generated due to the longer lifespan of LED bulbs, contributing to a more sustainable waste management strategy. In addition, we upgraded our HVAC control system to improve energy efficiency. This upgrade creates a more comfortable working environment for our employees while preventing unnecessary high-energy consumption. We are also proud to announce that we switched from 60% to 100% renewable electricity in our headquarters as of August 2022. This significant milestone aligns with our commitment to sustainability and reducing 701 Mt CO2e of our Scope 2 emissions in 2023.

International Headquarters in Cork, Ireland

In late 2022, we made the decision to relocate our Ireland office to a LEED-certified building as part of our ongoing commitment to sustainability. The new Cork office showcases several sustainable facilities, such as a rainwater harvesting system and water-efficient landscaping, which help to significantly reduce water usage. Furthermore, we equipped the building with intelligent building management system controls, highly efficient renewable heat pump technology, solar reflective energy efficient glazing, and intelligent lighting systems with PIR and lux level sensors. These features enable us to use energy efficiently and exemplify our dedication to creating a more sustainable workplace for our employees.

Environmental Policy and Initiatives

This year, we created an overarching [environmental policy](#) to guide NETGEAR’s sustainability efforts and drive emissions reductions. Our environmental policy outlines our dedication to integrating environmental considerations into various aspects of our business, from product development to supply chain management. Through continuous improvement and innovation, we seek to inspire positive change in the realm of environmental stewardship. The 8 pillars of NETGEAR’s environmental policy are outlined below.

Recognizing the fundamental importance of transparency in environmental reporting, we’ve actively participated in the Carbon Disclosure Project (CDP) since 2014. Building on this commitment, we further strengthened our transparency efforts by aligning with the Taskforce on Climate-Related Financial Disclosures (TCFD) this year. This alignment not only enhances our transparency practices but also reinforces our commitment to responsible action towards a low-carbon future. For more comprehensive information, please refer to the our dedicated TCFD index.

NETGEAR Environmental Policy Pillars



Carbon Offset Usage

In addition to sourcing renewable energy for our facilities to reduce our operational carbon footprint, NETGEAR is investing in high-quality projects that restore grasslands and preserve the forestlands. The projects also support the local economy, facilitate sustainable management of the forests, and preserve life on the lands. Through these actions, we have decarbonized 70% of our direct carbon for 2023.

Aligned with our environmental strategy, our investment in these projects contributes to the following UN Sustainable Development Goals:



Investing in Carbon Offsets to Preserve Forest Loss and Conserve Biodiversity

Forests are fundamental to businesses and influence various aspects of biodiversity, climate and nature-related risks and goals². They are essential in addressing climate change and biodiversity loss and moving towards sustainable economies³. Our involvement in the Doe Mountain Forestry Project in the United States demonstrates our ongoing commitment to environmental protection and nature conservation. Covering over 85,000 acres of mixed-hardwood and conifer forest, this project is vital for preserving wildlife habitats and facilitating long-term sustainable forest management. Our support for this project not only helps prevent the forest from being developed or logged, but also benefits water quality and local wildlife, such as black bear, deer, and many bird species. This project provides significant climate benefits by maintaining CO2 stocks above the regional average, reducing CO2 emissions by an estimated 38,000 metric tons per year.

Climate Strategy

NETGEAR acknowledges the potential risks posed by climate change to our operations and value chain. To responsibly protect our environment, we are committed to implementing measures that mitigate our environmental impact. Our climate-related strategies align with this commitment, enabling us to make a positive impact on the environment while mitigating climate change. More information can be found in our TCFD Index.

Climate Risk Assessment

In 2023, we conducted a comprehensive assessment, in alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, to evaluate our climate risks and opportunities. The completed analysis identified extreme weather and water stress as potential risk exposures for some of NETGEAR’s properties and supply chain. Please see Table A and Table B for a summary of identified climate risks and opportunities. For a more in-depth overview of our climate risk assessment, please refer to our TCFD index.

1 Global Forests Report 2023 - CDP
2 In Brief to The State of the World's Forests 2022 (fao.org)

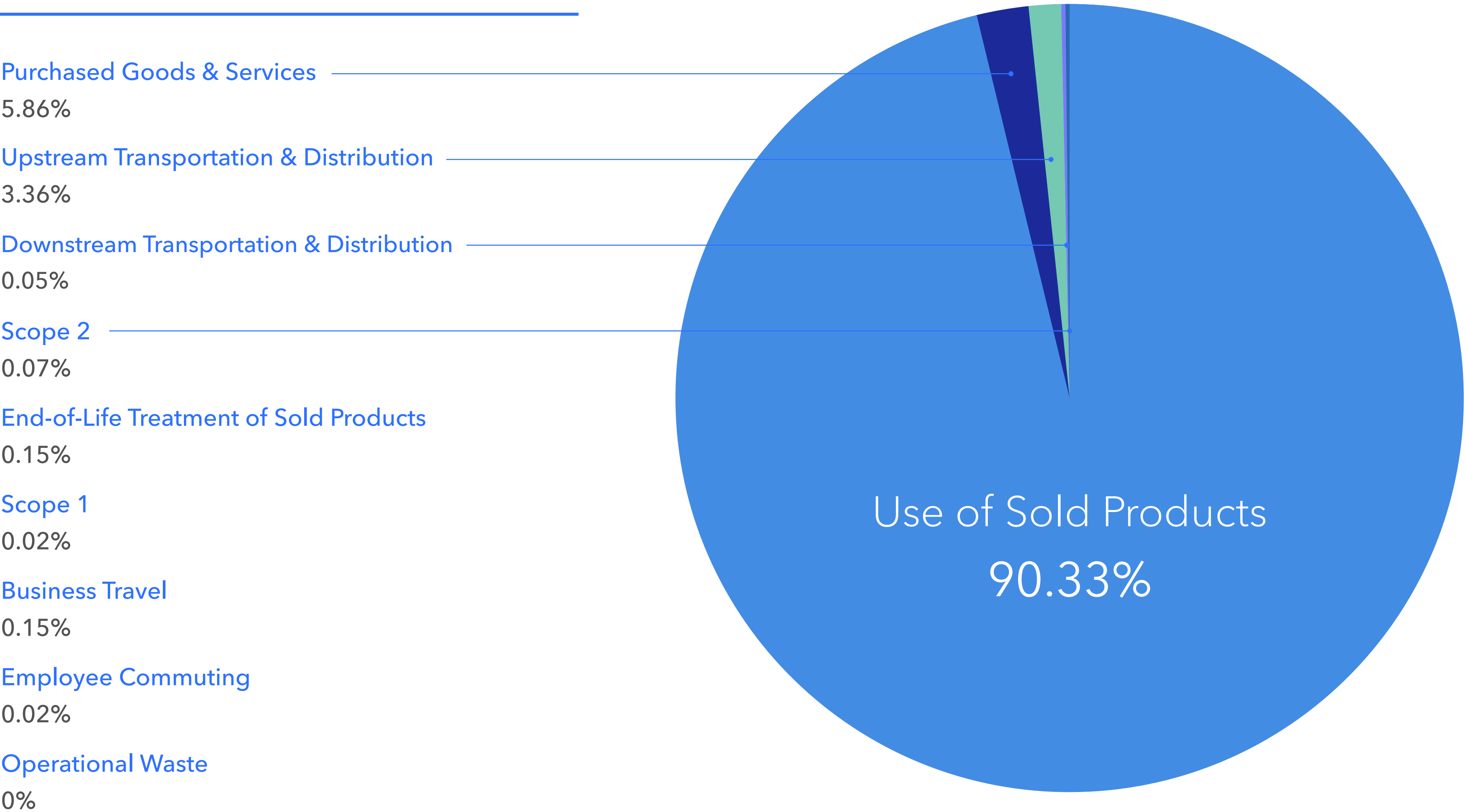
Identified Climate-related Risks

Physical	
Acute: Severe Weather	More frequent severe weather can cause disruptions to NETGEAR’s operations and both its upstream supply chain and downstream distribution and logistics network. Short-term events such as extreme weather (including heatwaves, tropical cyclones, and cold waves), and rain and river flooding are identified as potentially high-risk exposure for some of NETGEAR’s properties. For example, most of our manufacturing partners are in Southeast Asia, and extreme weather such as during cold wave events in this region may cause difficulties in product transport, interrupt our manufacturing supply chain, and reduce our revenue from decreased production capacity.
Chronic: Water Scarcity	Although NETGEAR’s physical operations do not use particularly large amounts of water compared to other industries, a number of our facilities are in areas of projected water stress which could result in difficulty in obtaining the water they do use.
Transition	
Current Regulation: Environmental Regulations	Environmental regulations around water and waste may present risks to NETGEAR’s operations.
Current Regulation: Efficiency Regulations	Regulations around equipment efficiency could present risks to NETGEAR if their products don't meet these standards.
Emerging Regulation: Reporting Regulations	Regulations around equipment efficiency could present risks to NETGEAR if their products don't meet these standards.
Market: Fuel Price Fluctuations	Fluctuations in fuel prices present risks to the distribution of NETGEAR's products and supply chain.
Market: Component Shortages	Events like COVID-19 have demonstrated the challenges associated with maintaining a global supply chain and the difficulty in sourcing the components necessary for NETGEAR to manufacture their products.

Identified Climate-related Opportunities

Energy Source	
Opportunity: Solar Panel Installations	The large roofs on NETGEAR's manufacturing facilities present an opportunity for solar installations that could reduce emissions.
Markets	
Opportunity: Energy-Efficient Equipment	Improving the energy-efficiency of NETGEAR's products could help customers save money from reduced operating costs, while also reducing their emissions.
Resource Efficiency	
Opportunity: Energy Use	Efforts to reduce energy use and utilize renewables present opportunities for NETGEAR's operations.
Opportunity: Water Use	Any reductions in water use can help reduce NETGEAR's environmental impact and recognize opportunities to reduce costs and mitigate future risks.
Opportunity: Waste	Opportunities exist to more fully consider and enhance the end-of-life disposal/ recyclability of NETGEAR’s products.
Opportunity: Recycled Materials	Increase the use of recycled plastic and similar materials during the manufacture of NETGEAR products.

NETGEAR FY23 Greenhouse Gas Emissions



1 Refer to appendix for all categories of Scope 3

ESG Report Appendix

NETGEAR

350 E. Plumeria Drive

SASB Disclosures

Hardware Industry Alignment

Topic	SASB Code	Metric	NETGEAR FY23 Disclosure
Product Security	TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	See the Product Security section of our ESG Report for information on our identification and management of security risks in our products.
Employee Diversity & Inclusion	TC-HW-330a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	See the Employee Engagement, Diversity & Inclusion section of our ESG Report for information on our diversity metrics.
Product Lifecycle Management	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	100% of NETGEAR's products may contain a small amount of some of IEC 62474 declarable substances. Our products are designed and manufactured with a commitment to comply with the regulations listed in IEC 62474, including RoHS, REACH, Prop 65, TSCA, POPs, etc., and we are constantly working to improve our compliance efforts.
	TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	Our products are not eligible for EPEAT registration. However, in 2022 we joined the Small Network Equipment Voluntary Agreement (SNE VA) to improve the energy efficiency of our consumer products sold in the US, and we have met the energy efficiency targets set by the agreement.
	TC-HW-410a.3	Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria	We do not pursue ENERGY STAR certification for our products.
	TC-HW-410a.4	Weight of end-of-life products and e-waste recovered, percentage recycled	We are dedicated to minimizing e-waste generated from our products and strive to implement sustainable practices throughout our operations. Please refer to the Waste Management and Responsible Packaging sections in our ESG Report for further details.

Hardware Industry Alignment

Topic	SASB Code	Metric	NETGEAR FY23 Disclosure
Supply Chain Management	TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	FY '23 audits covered over 94% of NETGEAR's production volume, complying with our annual CSR commitment and RBA membership requirement. No high risk facilities were identified.
	TC-HW-430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	FY '23 audits identified a total of 104 issues, including 64 major non-conformances and 40 minor non-conformances. For priority non-conformances identified, NETGEAR re-audits the facilities within six months.
Material Sourcing	TC-HW-330a.1	Description of the management of risks associated with the use of critical materials	See the Materials Sourcing section, under the Product Design and Manufacturing portion, of our ESG Report or our Conflict Minerals Sourcing Policy for a description on our management of critical materials, such as tantalum, tin, tungsten, and gold, in our supply chain and operations.

Activity Metrics

Topic	SASB Code	Metric	NETGEAR FY23 Disclosure
Number of units produced by product category	TC-HW-000.A	Number	9,981,933 products across SMB and CHP product categories

Additional SASB Disclosures: Business Ethics

Topic	SASB Code	Metric	NETGEAR FY23 Disclosure
Business Ethics / Professional Integrity	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity.	Total amount of monetary losses as a result of legal proceedings associated with professional integrity: \$0.
	RT-EE-520a.3	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Amount of fines and settlements incurred related to anti-trust/ anti-competitive practices: \$0.
	RT-EE-520a.1	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	NETGEAR's goal is to adhere to all regulatory laws, standards, and industry requirements, and our Legal team remains vigilant in assessing the impact of any new regulations. NETGEAR maintains an Anti-Corruption Compliance Program that conducts regular risk assessments across both internal operations and the supply chain. In addition, we have established a Supplier Code of Conduct, which includes expectations around Fair Business Competition. See Professional Integrity Section (linked back) for more information.
	FN-AC-510a.2	Description of whistleblower policies and procedures	Our Legal team conducts region-specific ethics presentations during new hire onboarding and All Hands Meetings. These presentations serve as a reminder of the Whistleblower hotline and reinforce the importance of ethical conduct in each global region. Employees, suppliers, and other stakeholders are encouraged to report any ethical concerns or violations. See Professional Integrity Section (linked back) for more information.

GHG Inventory Data

Scope	Category	FY22 (mt CO2e)	FY23 (mt CO2e)	Carbon Credits	Net Emissions	% of Total GHG
Scope 1	Stationary Emissions	332	346	242	104	0.01%
	Mobile Emissions	55	58	41	17	0.00%
	Total Scope 1	387	404	283	121	0.02%
Scope 2	Purchased Electricity	1,217	517	-	517	0.07%
	Purchased Heat	3	2	2	0	0.00%
	Total Scope 2	1,220	519	2	517	0.07%
Scope 3	Purchased Goods & Services	111,115	45,797	-	45,797	5.86%
	Upstream Transportation & Distribution	70,809	26,269	-	26,269	3.36%
	Operational Waste	11	15	-	15	0.00%
	Business Travel	828	1,160	-	1,160	0.15%
	Employee Commuting	194	126	-	126	0.02%
	Downstream Transportation & Distribution	851	377	-	377	0.05%
	Use of Sold Products	1,565,425	705,990	-	705,990	90.33%
	End of Life	851	1,162	-	1,162	0.15%
	Total Scope 3	1,750,084	780,896	-	780,896	99.92%
Total Emissions		1,751,691	781,819	285	781,534	100.00%

NETGEAR Task Force on Climate-related Financial Disclosures (TCFD) Index



TCFD Index

Introduction to TCFD

As a leading technology company, NETGEAR recognizes the critical importance of addressing climate-related risks and opportunities in our business operations. To show our dedication to sustainability, we've chosen to follow the guidance of the Task Force on Climate-related Financial Disclosures (TCFD). This decision aims to enhance transparency and encourage actions that support a transition to a low-carbon future.

We understand that climate-related risks and opportunities are relevant to the industry we operate in and the long-term success of our business. Our intention with this TCFD report is to present reliable and relevant information about how we address risks and opportunities in relation to our current performance and future plans.

Our commitment to the TCFD recommendations underscores our strategic priority to reduce our environmental impact and support the transition to a low-carbon economy. We intend to follow the guidance of the TCFD standards by providing relevant metrics and targets that can be easily understood and used by both internal and external stakeholders. Moreover, we aim to be transparent in our disclosure to enable informed decision-making, promote stakeholder trust, and advance our sustainability goals.

Report Section	Sub-section
TCFD Report	Intro to TCFD
Governance	Governance Overview Transition Plan Management Table
Strategy	Strategy Overview Time Horizons Climate Strategy Scenario Analysis
Risk Management	Risk Management Overview Climate-related Risk Management Climate Risk Tables
Metrics and Targets	Metrics and Targets Overview Decarbonization Activities

Governance

Overview

The governance of climate-related risks and opportunities is an integral component of NETGEAR's corporate strategy. This section provides an overview of the governance framework, the roles and responsibilities of our Board of Directors, our senior management, and our ESG team. It also outlines the measures we have implemented to integrate climate-related risks and opportunities into our decision-making processes and our corporate reporting. By adopting a proactive and collaborative approach to climate governance, we aim to enhance our resilience to future climate scenarios, mitigate risks, and capture opportunities that generate value for our stakeholders.

Transition Plan

NETGEAR's climate transition planning process is strategically designed to facilitate transparency and effective decision-making. The ESG team is primarily responsible for overseeing the development and regular updates of the climate transition plan.

The ESG team will initiate the comprehensive process of formulating or revising the transition plan. During this process, the team will inform the Board of Directors, Nominating and Corporate Governance Committee, and Risk Management Team about critical climate-related issues. The proposals for targets and initiatives to address these issues will be presented, aligning with our commitment to proactive climate mitigation. The assessment includes evaluating the relevance of climate-related issues to the company's business plans, capital expenditures, and annual budget as company-wide risks. If deemed highly relevant, these climate issues will be integrated into financial planning, and the transition plan will undergo review and subsequent approval.

Climate-related goals, targets, and risks will also be assessed regularly. Progress on relevant climate initiatives are presented to the Board of Directors on a regular cadence to provide regular communication and transparency to our sustainable climate-related objectives. Through this established process, we aim to enhance our resilience to future climate scenarios, mitigate risks, and seize opportunities that will generate value for our company and our stakeholders.

Team	Responsibility
Board of Directors	• Informed of climate-related initiatives on a quarterly basis • Review of ESG report and related activities on a yearly basis
Nominating and Corporate Governance Committee	• Informed of climate-related initiatives on a quarterly basis • Review of ESG report and related activities on a yearly basis
ESG Team	• Consistent management of NETGEAR’s sustainability activities • Initiation of climate risk assessment
Risk Management Team	• Integration of climate-related risks into ERM during yearly process • Continuous monitoring of risk landscape

Strategy

Overview

NETGEAR acknowledges the significance of incorporating climate-related risks and opportunities into our businesses, strategy, and financial planning. Accordingly, we have included core climate considerations in our sustainability strategy to bolster our operational resilience, mitigate risks, and capitalize on opportunities to create long-term value and build stakeholder trust. Additionally, our sustainability strategy is underpinned by defined short-term, medium-term, and long-term time horizons, which accounts for diverse climate-related scenarios. Looking ahead, we will continue to monitor and evaluate the effectiveness of our strategies to address climate-related risks and opportunities, refining our approach and responding, as necessary.

Time Horizons

NETGEAR has implemented a comprehensive approach to manage climate-related risks and opportunities, which encompasses operational planning, financial planning, and sustainability strategy. This approach consists of short-term, mid-term, and long-term horizons.

NETGEAR's time horizon approach demonstrates our commitment to managing climate-related risks and leveraging opportunities to create long-term value for our stakeholders. We regularly assess and refine our approach, remaining diligent in our efforts and continuously making meaningful progress towards our goals. For more information on the specific climate-related risks we have identified within each time horizon, please refer to the Risk Management section of this report.

Short-term

0-3 years

The **short-term horizon** is closely aligned with our product development cycle, operational planning, and financial planning, and is geared towards achieving our net zero operational emissions target by 2025. We recognize that taking short-term actions is critical to reducing our emissions and building the foundation for long-term success.

Medium-term

3-5 years

The **mid-term horizon** is determined through regular climate risk assessments and the development of our mid-term environmental and sustainability strategies. By analyzing climate risks and opportunities and creating action plans to address them, we aim to enhance our resilience and create long-term value for our stakeholders.

Long-term

5+ years

The **long-term horizon** accounts for both long-term risks and opportunities related to climate change. This horizon seeks to explore new business opportunities, innovate and develop new technologies, and mitigate the potential impacts of climate change. By integrating climate risks and opportunities into our long-term strategy, we aim to maintain operational resilience, create value for our stakeholders, and support the transition to a low-carbon economy.

Climate Strategy

NETGEAR acknowledges the potential risks posed by climate change to our operations and value chain. To responsibly protect our environment, we are committed to implementing measures that mitigate our environmental impact. Our climate-related strategies are aligned with this commitment, facilitating our efforts to make a positive impact on the environment while mitigating climate change. Listed below are some notable initiatives that we are proud to integrate within operations.

Achieving Net Zero

NETGEAR is committed to achieving net-zero emissions across our scope 1 and 2 emissions sources by 2025, exemplifying our deep dedication to a carbon-neutral future. Our decarbonization strategy involves prioritizing energy reduction, increasing the adoption of renewable energy solutions, and offsetting residual emissions by investing in projects that help prevent or reduce greenhouse gas emissions.

Sustainable Packaging

NETGEAR considers responsible packaging as a vital element of our product design strategy. We have prioritized reducing our use of plastic packaging by phasing out foam for new products. Additionally, we have also discontinued the use of poly bags containing documents and accessories for new products. Recognizing our role in minimizing waste from landfills, we have established optimistic Post-Consumer Waste (PCW) targets to meet our waste reduction objectives.

Transitioning to Renewable Energy

NETGEAR is dedicated to minimizing our environmental impact by expanding our use of renewable energy sources. In 2023, our Ireland office was relocated to a facility that relies entirely on renewable energy, while our San Jose headquarters and Australian facilities have also transitioned to use 100% renewable energy for operations.

Supply Chain Sustainability

NETGEAR recognizes the importance of managing and reducing our carbon footprint across our supply chain. We work closely with our manufacturing partners to actively track and manage our supply chain's carbon footprint, identifying and implementing sustainable operational improvements. This collaborative effort enables us to achieve carbon reduction, address climate-related risks and opportunities, and demonstrate commitment towards a low-carbon economy.

Fleet Reduction

NETGEAR has been successful in reducing our Scope 1 emissions through the gradual reduction/elimination of company vehicles. We have eliminated the car lease program in several European countries, leading to a 50% reduction in the quantity of company vehicles compared to 2018. By adopting a more sustainable approach to our operations, we aim to minimize our carbon footprint and contribute towards the global transition to a low-carbon economy.

Climate-related Risk Management

We are proactive in managing climate-related risks. In 2023 we conducted our first climate risk analysis and stakeholder interviews, in alignment with TCFD recommendations. We plan to monitor, evaluate, and mitigate identified risks and reconduct climate risk assessments to keep them up to date.

Scenario Analysis

NETGEAR has conducted a comprehensive assessment to evaluate the company's resilience to future climate scenarios. The assessment included the evaluation of climate-related risks and opportunities that could impact the company's operations and overall strategy.

This assessment involved an analysis of three climate scenarios, which were qualitative and incorporated data from several sources, including S&P Global's Trucost Climate Change Physical Risk Data, WRI Aqueduct data, and World Climate Research Programme-CMIP5.

To conduct the scenario analysis, we utilized a proprietary climate risk assessment tool that evaluated climate risk scores based on IPCC's Representative Concentration Pathways (RCP) low (2.6), moderate (4.5), and high (8.5) scenarios for 2020, 2030, and 2050. As a result of the analysis, our company's exposure to eight physical risks was identified, which includes sea level rise, heat wave, cold wave, water stress, riverine flooding, wildfire, drought, and tropical cyclone.

Based on the materiality of each identified risk factor, we have outlined risk mitigation measures that are included in the “Risk Management” section of this report. Our management team will consider each risk's effect on business, strategic, and financial planning, and continue to monitor risks to proactively take necessary measures as needed.

Through the assessment and management of climate-related risks and opportunities, NETGEAR aims to develop dynamic strategies that are well-integrated with the broader goals of our company. We recognize the importance of adapting to the changing climate landscape while continuing to drive growth, and we are committed to conducting regular assessments to evaluate the effectiveness of our strategies.

Collaborating with Our Suppliers to Decarbonize

Proactive supplier engagement remains crucial for achieving our operational and sustainability goals. Since 2018, we have been working closely with our partnerships to gather this data and identify critical emission sources.

In late 2023, we conducted a Supplier Sustainability Assessment for our Tier 1 manufacturing suppliers to evaluate their sustainability status and explore potential strategies for improvement. This assessment spans critical areas such as environmental management, greenhouse gas emissions, energy, water, biodiversity, and deforestation. Through this assessment, we recognized commendable progress made by our major manufacturing partners in environmental management, greenhouse gas inventory, and energy efficiency improvements.

At NETGEAR, we remain committed to fostering a collaborative relationship with our supply chain stakeholders and jointly addressing sustainability challenges. We believe in facilitating positive change by prioritizing sustainability and innovation across our supply chain. Integrated sustainability management is a journey, and we look forward to working with our stakeholders to achieve mutually beneficial outcomes and progress towards our sustainability goals.

Risk Management

Overview

Climate change is a risk and has the potential to impact NETGEAR’s finances, operations, supply chain, and overall business performance. As a responsible corporate citizen, we are committed to managing this risk effectively and proactively. This section provides an overview of our approach to identifying and assessing climate-related risks and opportunities, our risk management framework, and the measures we plan to implement to mitigate and manage these risks. It also highlights specific risks we’ve observed through our climate risk assessment and associated mitigation efforts. Our continuous efforts to monitor and refine our risk management strategies are based on evolving scientific knowledge, stakeholder expectations, and regulatory requirements.



Climate-Related Risk Management

NETGEAR is committed to effectively managing climate risks and integrating climate considerations into our risk assessment and decision-making processes. We have a defined process for managing climate risks, including identifying individuals responsible and outlining the decision-making process. As a part of our enterprise risk management process (ERM) our executive team, board members, and management are interviewed annually and specific questions pertaining to climate risks and impact on business are recorded for particular teams and individuals.

We have established reporting mechanisms to address environmental, social, and governance (ESG) matters within our governance committee. The climate and environmental updates resulting from meetings between our enterprise risk management team lead and leadership are shared with our risk committee, as well as with our full board and the Nominating and Corporate Governance committee, both of which also convene quarterly. These regular updates contribute to effectively addressing climate and environmental topics with materiality to NETGEAR. They enable tracking to facilitate comparisons of our material climate-risk exposure, considering different time scales, and provide the transparency necessary to make informed management decisions

We actively engage with our Original Design Manufacturers (ODMs) who have strong sustainability programs and climate risk responses. Our quarterly business reviews with ODMs include discussions on their climate acumen and concerns. We believe that collaborating with our ODMs is crucial to collectively address climate risks.

We have protocols in place to promptly address and manage evolving climate risks. We understand the importance of proactive risk management and are dedicated to protecting our business and stakeholders from the potential impacts of climate change. Overall, NETGEAR recognizes the importance of efficiently managing climate risks and incorporating climate considerations into our risk assessment and decision-making processes. We acknowledge the evolving nature of climate risks and the need to stay vigilant in our risk management efforts and we remain committed to continually assessing and addressing climate risks.

Physical Climate Risks

Scope Physical risk evaluation covered 35 of NETGEAR's global properties, including essential and non-essential locations for operations, as well as manufacturing partner and distribution center facilities.¹

Methodology NETGEAR's climate-related risks were assessed using a proprietary climate risk assessment tool, which incorporates data from S&P Global's Trucost Climate Change Physical Risk Data, WRI Aqueduct data, and World Climate Research Programme-CMIP5. To conduct scenario analysis, the tool evaluated climate risk scores under IPCC's Representative Concentration Pathways (RCP) low (2.6), moderate (4.5), and high (8.5) scenarios for 2020, 2030, and 2050. Based on the assessment, NETGEAR is exposed to eight physical risks, including sea level rise, heat wave, cold wave, water stress, riverine flooding, wildfire, drought, and tropical cyclone.

Top Risks*	Heat Wave	Tropical Cyclones	Cold Wave	Water Stress
Definition	Occurrence of periods of extreme heat relative to local climatic conditions	Occurrence of category 3 and higher tropical cyclones	Occurrence of extreme cold relative to local climatic conditions	Projected future ratio of water withdrawals to total renewable water supply in a given area
Time Period	L	S M L	S	S M L
Risk Level	Medium	Medium	Low	Medium
Properties Impacted	Three properties, two of which are supply chain partners	Six properties, four of which are research facilities and two of which are supply chain partners	Seventeen properties across the globe, including numerous facility types and supply chain partners	Three properties, two of which are sales facilities and one of which is a supply chain partner
Financial Implications	Not quantified	Not quantified	Not quantified	Not quantified
Management Response	Based on our climate and enterprise risk assessments, we have determined that climate-related risks do not pose a significant threat to NETGEAR's operations. However, we remain committed to vigilant monitoring of risks across our operational and value chains to foster proactive identification and timely mitigation of any potential challenges that may arise. As part of our ongoing effort to maintain a robust risk management framework, we will continue to assess the evolving landscape of climate-related risks and engage in regular monitoring and evaluation. This approach helps us remain prepared to take decisive corrective actions whenever necessary, thus safeguarding our operations, stakeholders, and long-term sustainability.			

¹ Properties assessed as of September 2023
*Note: all properties at low risk for wildfires, sea level rise, and drought. Riverine flooding deemed low risk for one non-essential facility.

Transition Climate Risks

Scope	The assessment examined the company's exposure to four categories of transition risks, including policy and legal, technology, market, and reputation.
Methodology	To identify the transition risks that NETGEAR may face, the assessment team interviewed a range of stakeholders. Through this engagement, NETGEAR sought to obtain valuable insights and a broad range of perspectives regarding the potential risks associated with transitioning to a more sustainable business model.

Top Risks	Environmental Regulation	Technology Regulation	Reporting Regulation	Fuel Price Fluctuations	Component Shortages
Definition	Environmental regulations, specifically around water and waste, may present risks to operations.	Regulations around technology and equipment efficiency could present risks if products don't meet these standards.	Regulations requiring disclosure of emissions and other metrics in a specified manner present compliance risks.	Fluctuations in fuel prices present risks to the distribution of NETGEAR's products and supply chain.	Challenges associated with maintaining a global supply chain and the difficulty in sourcing necessary components.
Time Period	S M L	S M L	S M L	S M L	S M L
Risk Level	Low	Medium	Medium	Medium	Medium
Financial Implications	Not quantified	Not quantified	Not quantified	Not quantified	Not quantified
Management Response	Based on our climate and enterprise risk assessments, we have determined that climate-related risks do not pose a significant threat to NETGEAR's operations. However, we remain committed to vigilant monitoring of risks across our operational and value chains to foster proactive identification and timely mitigation of any potential challenges that may arise. As part of our ongoing effort to maintain a robust risk management framework, we will continue to assess the evolving landscape of climate-related risks and engage in regular monitoring and evaluation. This approach helps us remain prepared to take decisive corrective actions whenever necessary, thus safeguarding our operations, stakeholders, and long-term sustainability.				

Metrics and Targets

Overview

In line with our commitment to sustainability and the TCFD recommendations, NETGEAR has set climate-related metrics and targets to achieve a low-carbon transition and promote responsible product design. The following section outlines our performance and progress towards these targets. Through active monitoring and evaluation of our metrics and targets, we strive to support sustainable business practices and contribute towards a low-carbon future.

Meeting Our Carbon Goals

In 2023, we set our first carbon target to achieve net-zero across operational emissions by 2025. This requires a comprehensive decarbonization plan that prioritizes energy reduction, a transition to renewable energy, and neutralizing remaining emissions through investments in projects that reduce or avoid greenhouse gas emissions.

We have outlined our key environmental targets, activities to achieve them, and our progress to the right. We are continuously evaluating our progress towards these targets and are committed to implementing innovative initiatives that leverage technology and drive progress towards a more sustainable future.

Target	Scope	Activity	Progress
Net zero across operational emissions by 2025	Scopes 1 & 2	100% renewable electricity use for NETGEAR facilities by 2025	Renewable energy transition and REC purchases underway across offices
		Neutralization of remaining emissions through investment in projects that reduce or avoid greenhouse gas emissions	Carbon credit purchasing commencing in 2024 for 2023 emissions
Sustainable products targets	Scope 3	Cardboard: 20% PCW for primary packaging and 60% PCW for secondary packaging by 2025	Achieved target
		Plastic: 30% PCW for primary packaging in the UK and EU regions	Implementing in regions
		Using recycled materials in 60% of new product introductions by 2028	Implementing in progress