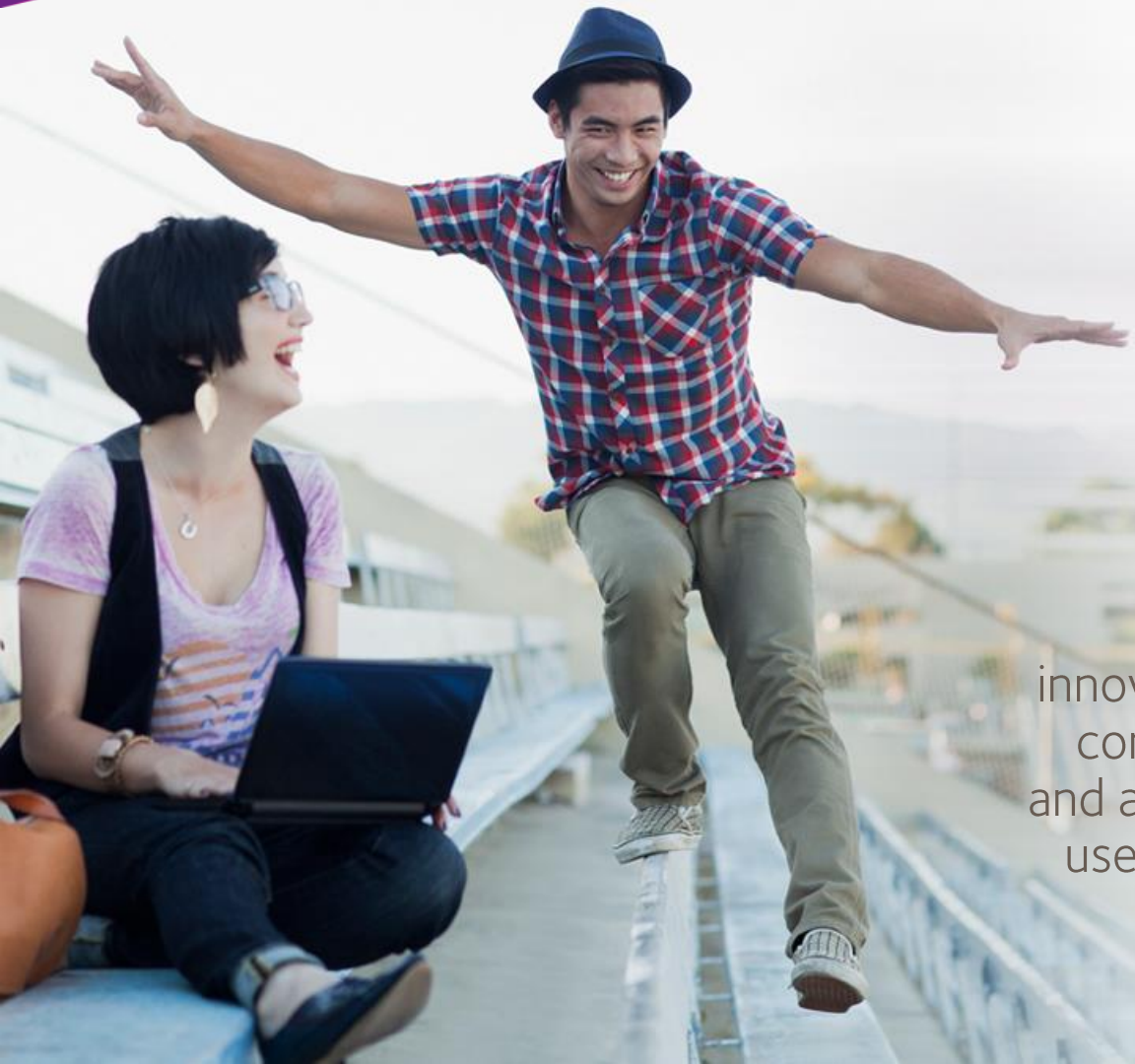# NETGEAR®

2014 NETGEAR Sustainability Report

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About NETGEAR

At NETGEAR, we turn ideas into innovative networking products that connect people, power businesses, and advance the way we live. Easy to use. Powerful. Smart. And designed just for you.

Environmental Commitment

NETGEAR is committed to providing customers with high quality products that are environmentally sound, and to conducting our operations in an environmentally responsible manner. We are committed to comply with local laws and regulations in jurisdictions in which we operate, and plan for the recycle, reuse, or reclamation of its products and our packaging. This commitment continues to be a driving force at NETGEAR, and a principle that is deeply ingrained in our values.

As electronic waste continues to grow, NETGEAR is responding by reducing or eliminating hazardous materials in our products, helping to protect the health and safety of our employees, our customers, and the environment.

When buying new networking equipment, look to companies that are trying to reduce your long-term energy costs. Look for the NETGEAR green logo.

The Start of Sustainability at NETGEAR

NETGEAR established a formal sustainably program in 2013 to better manage our green house gas footprint. The initial scope includes our corporate headquarters with plans to expand to all North American offices by the end of 2014. NETGEAR wants to further expand the scope of our sustainability program to include world wide offices and NETGEAR's supply chain in the coming years.

For 2013 NETGEAR completed its headquarters sustainability baseline data collection. We were able to include data as far back in 2011 in most cases.

In addition to NETGEAR's sustainability report, NETGEAR will also be reporting consumption data to CDP (Carbon Disclosure Project). More information about CDP can be found on their website here.

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Environmental Overview 2013

Scope 1 – Natural Gas and Diesel
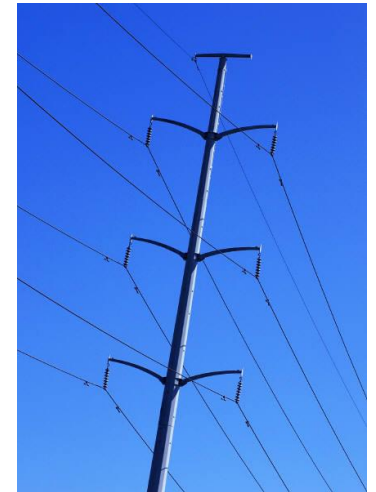
33,132 Therms of Natural Gas

60 Gallons of Diesel

Scope 2 – Electricity

2,837 MWh consumed

Water consumption   **3.7** million gallons*

*Includes irrigation water

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Environmental Overview 2013

Waste for 2013

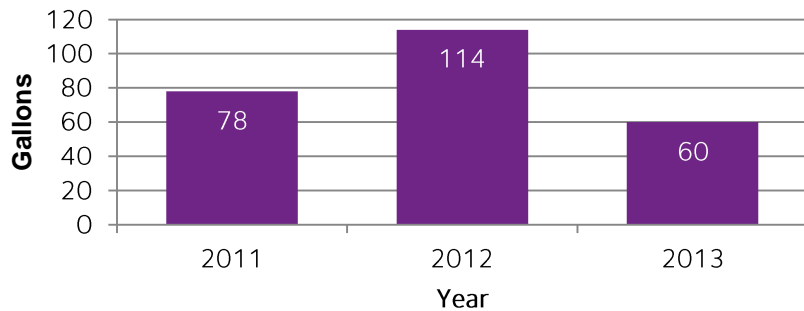| Waste & Recycling Indicators	Unit of Measure	2013 NTGR Headquarters
Landfilled*	Cubic Meters	318
Packaging/Corrugated Cardboard*	Cubic Meters	318
E-Scrap	Kg	408
Paper Products**	Kg	3,674

NOTE:

* Estimated by number of 8 yard dumpsters picked up by the vendor.

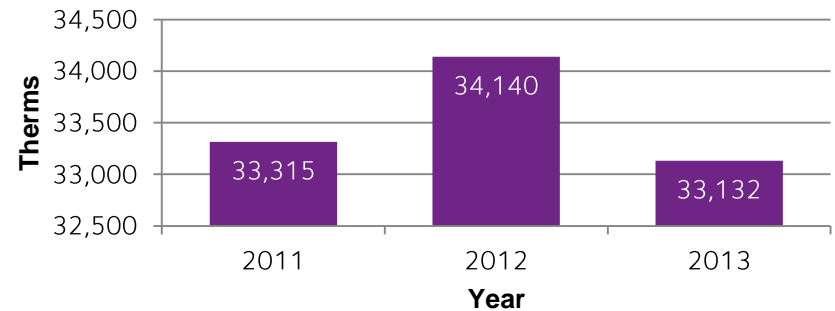** Estimated by number of 65 gallon bins picked up by the vendor.

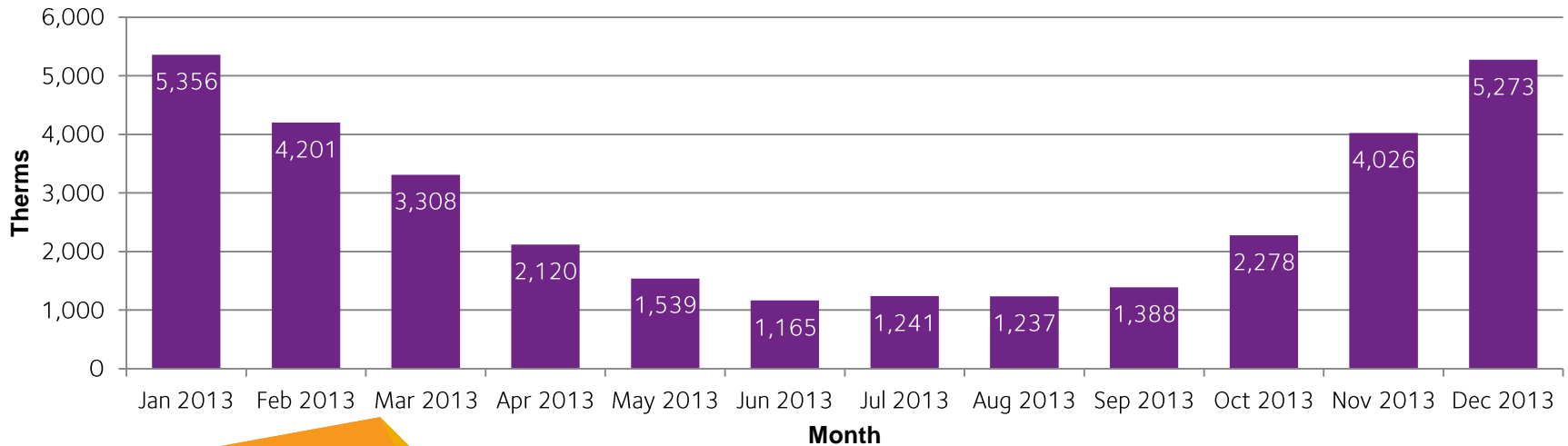**NETGEAR**®

Scope 1 – Natural Gas and Diesel

NETGEAR Headquarter Annual Diesel Consumption
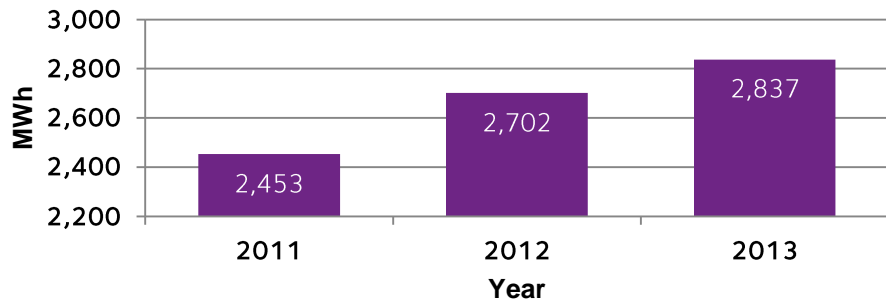

NETGEAR Headquarter Natural Gas Usage 2011 – 2013
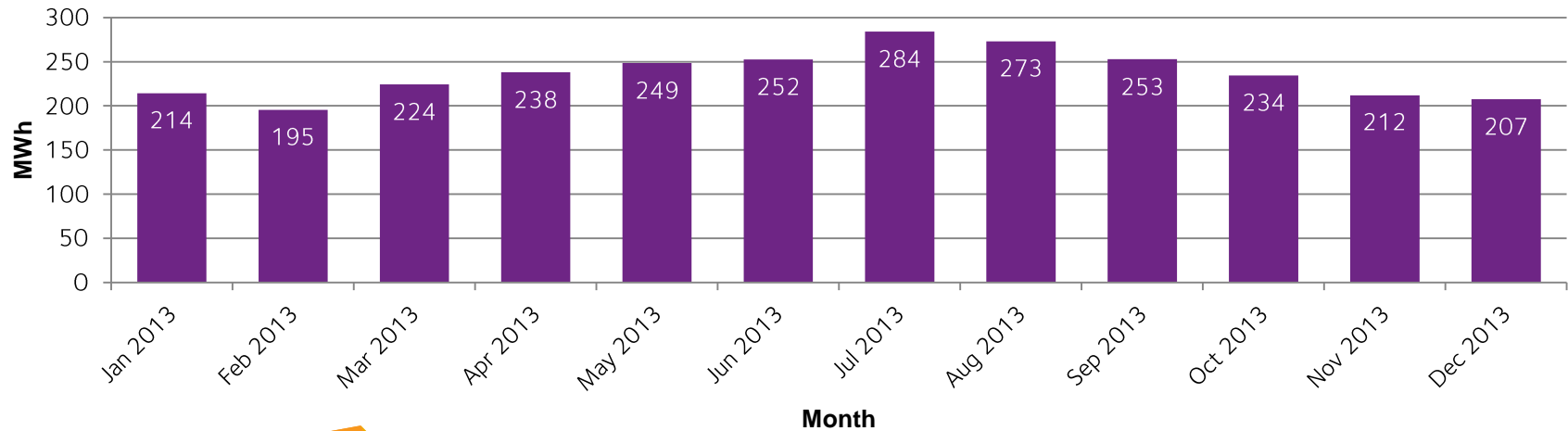

NETGEAR Headquarters Natural Gas Usage for 2013

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Scope 2 – Electricity Usage

NETGEAR Headquarters Electricity Usage 2011 – 2013

Bar chart — MWh vs Year:
- 2011: 2,453
- 2012: 2,702
- 2013: 2,837

NETGEAR Headquarters Electricity Usage for 2013

Bar chart — MWh vs Month:
- Jan 2013: 214
- Feb 2013: 195
- Mar 2013: 224
- Apr 2013: 238
- May 2013: 249
- Jun 2013: 252
- Jul 2013: 284
- Aug 2013: 273
- Sep 2013: 253
- Oct 2013: 234
- Nov 2013: 212
- Dec 2013: 207

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Water Consumption

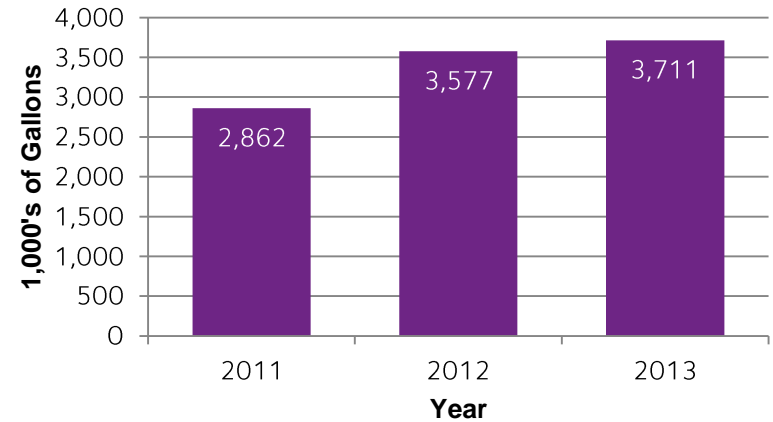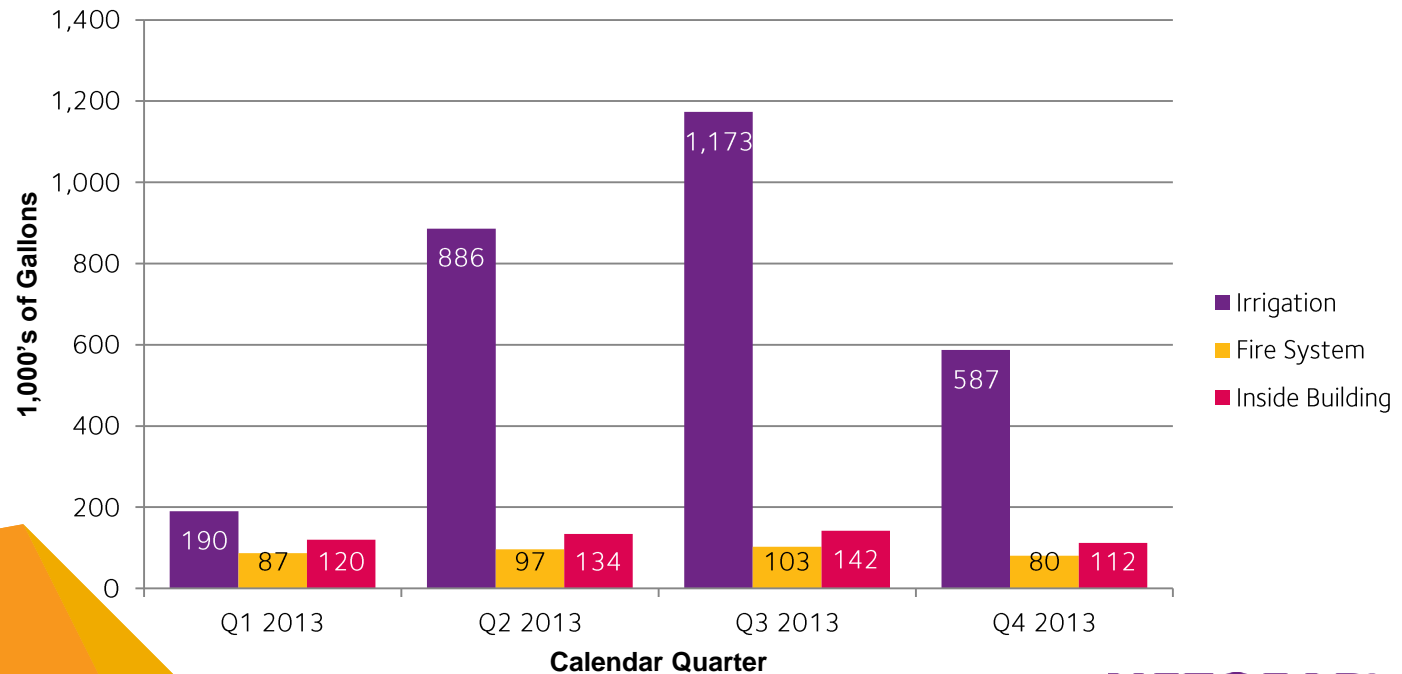## NETGEAR Headquarters Annual Water Consumption

One major focus for NETGEAR in 2014 is the reduction of water use at our corporate office in San Jose California. See page 13 for more details about our 2014 water reduction goal.

Chart — 1,000's of Gallons by Year:
- 2011: 2,862
- 2012: 3,577
- 2013: 3,711

NETGEAR Headquarters Water Usage for 2013

Chart — 1,000's of Gallons by Calendar Quarter:

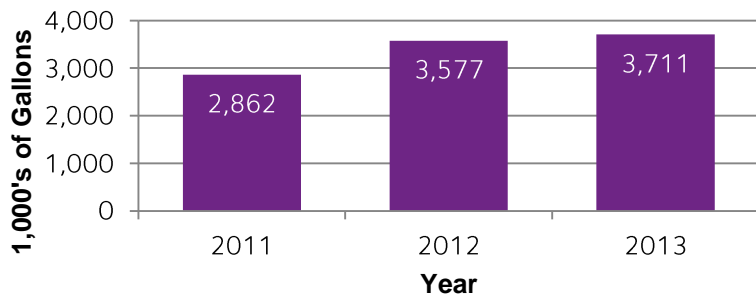| Calendar Quarter	Irrigation	Fire System	Inside Building
Q1 2013	190	87	120
Q2 2013	886	97	134
Q3 2013	1,173	103	142
Q4 2013	587	80	112

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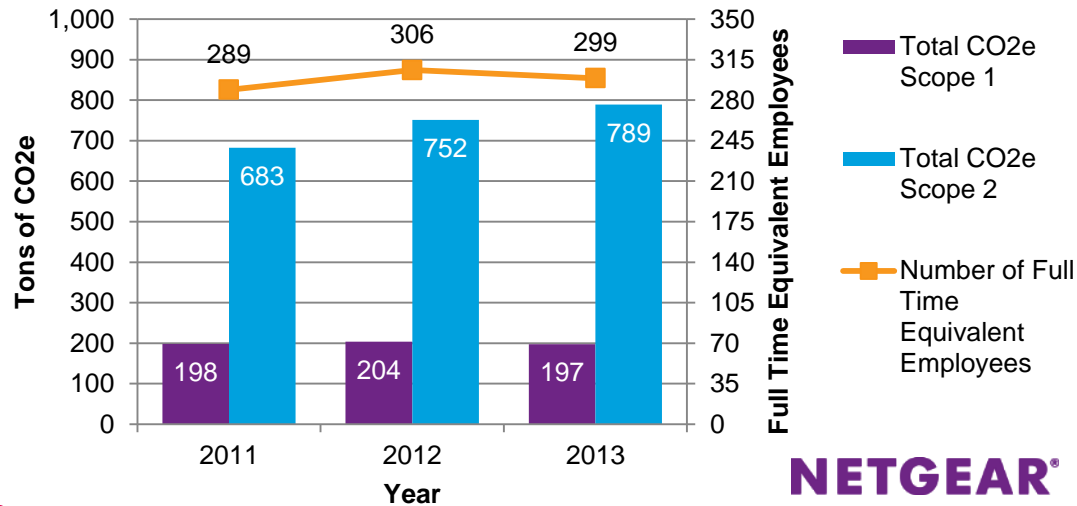# NETGEAR Headquarters Sustainability Performance

NETGEAR has taken all consumption data and converted these values to CO2e (Carbon dioxide equivalent) for the purpose of quantifying our green house gas emissions for a year over year comparison.

- Scope 1 emissions stayed at roughly the same level.

- Scope 2 emissions increased by 10% in 2012 and by 5% in 2013.

- Water consumption increased by 25% in 2012 and by 4% in 2013.

NETGEAR Headquarters Annual Water Consumption

1,000's of Gallons by Year:
- 2011: 2,862
- 2012: 3,577
- 2013: 3,711

NETGEAR Headquarters Scope 1 & 2 Emissions Per Employee

Tons of CO_2e:

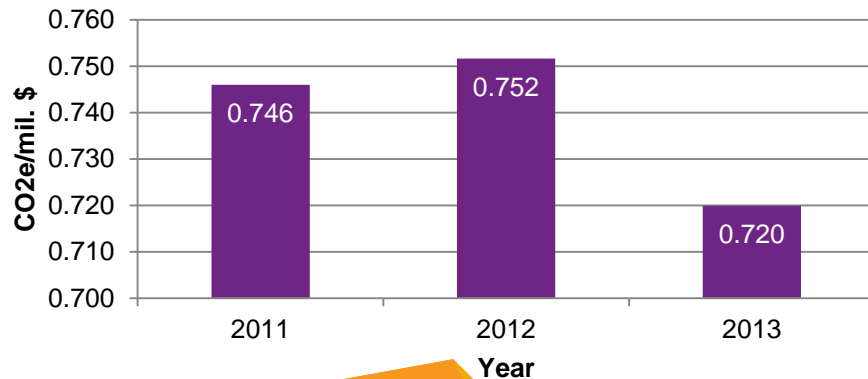| Year	Total CO2e Scope 1	Total CO2e Scope 2	Number of Full Time Equivalent Employees
2011	198	683	289
2012	204	752	306
2013	197	789	299

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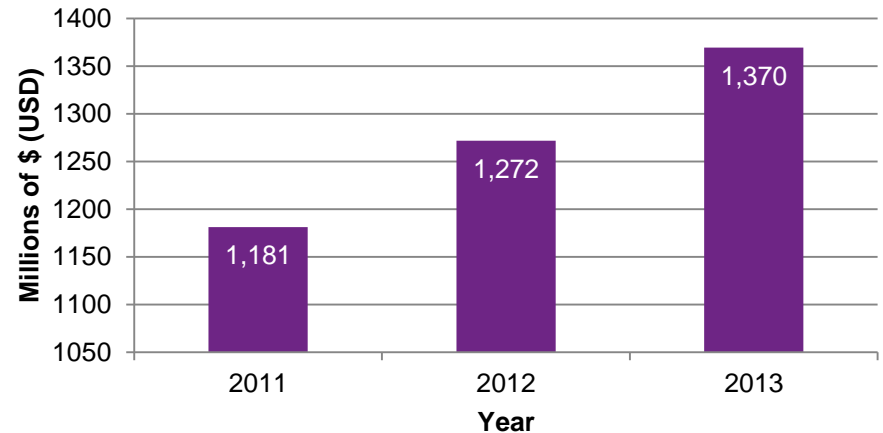# NETGEAR Headquarters Sustainability Performance

With our consumption data now converted to CO_2e we correlate CO_2e with dollars of revenue. This helps NETGEAR reduce our emissions while we continue to grow.

NETGEAR has made big strides to reduce CO_2e emissions during a time of growth as you can see in the chart below and we will continue to strive for reduction in the coming years.

NETGEAR Headquarter CO2e / Million USD$ Revenue

Year	CO2e/mil. $
2011	0.746
2012	0.752
2013	0.720

NETGEAR Revenue 2011-2013

Year	Millions of $ (USD)
2011	1,181
2012	1,272
2013	1,370

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NETGEAR Completed Reduction Projects

The following are projects NETGEAR has taken at our corporate office to realize the reduction of CO2e/mil$

➢ Lighting

> Low power lighting, ballast retrofits, occupancy sensors and lighting management system.

➢ Heating and Cooling System

> VFD (Variable-Frequency Drive) installed on HVAC, EMS (Energy Management System) programmed to optimize energy use and Window film installed on windows.

➢ Additional Energy Saving Projects

> Virtualized servers to reduce idle servers and optimize server utilization.

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NETGEAR 2014 Reduction Projects

The following are projects are targeted for completion in 2014

➢ Water use – Target 20%–25% reduction over 2013 annual total by end of 2014

    Reduce watering frequency and time for lawns, replace lawn with native drought resistant plants and install water–efficient toilets

➢ Recycling – Target to complete by end of 2014

    Revamp bins with visual stimuli to promote increased employee awareness and recycling rate.

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